



# KPMG Alumni News APRIL

## Welcome to the April edition of Alumni News for 2021.

Here we have our latest news, publications and events, which we hope will be of interest to you.

### Introducing our new 2021 partners

KPMG New Zealand is pleased to announce five new partner promotions within the firm.



#### **Mike Lowe** – Advisory Partner

Mike's experience includes undertaking valuations of businesses, shares and intellectual property, and quantifying financial losses, particularly in matters subject to dispute. He also undertakes forensic investigations, fraud and anti-money laundering engagements. As well as being a Chartered Accountant, Mike is also a contributing member of the Auckland District Law Society and a member of the Auckland branch of the Association of Certified Fraud Examiners.

#### **Jodi Newth** – Audit Partner

Jodi has over 15 years' experience in providing audit and assurance services to a broad range of industries and sectors. Her more recent experience includes specialising in construction, energy, education and not-for-profit organisations. She is highly skilled and adaptable and has a proven track record of getting to the heart of clients' issues quickly. Jodi's pragmatic approach and clear communication style are highly sought after and have been pivotal to achieving quality results for her clients.

#### **Leon Bowker** – Advisory Partner

Leon's experience covers restructuring, insolvency, transaction services, and dispute resolution. His work involves helping businesses by providing independent reviews on performance, recovery options and value enhancement strategies. Leon also supports clients undertaking transactions with due diligence and other financial advisory services. He is focussed on continuing to grow the restructuring and insolvency practice and supporting clients facing financial stress.

#### **Sarah McGrath** – Chief Operating Officer

Sarah is a qualified Chartered Accountant. Since joining the firm as a graduate, her 30 plus years' experience has seen her in positions in our Private Enterprise, Audit and Deal Advisory teams. She has advised on transactions across various sectors including FMCG, healthcare, energy, professional services and transport. In 2011, Sarah was appointed as a member of the Panel of the Ministerial Inquiry into the operations of fishing vessels, including foreign charter vessels, in New Zealand's Exclusive Economic Zone.

#### **Nick Moss** – Audit Partner

Nick works in our financial services team, heading up KPMG's insurance practice. He brings substantial general and life insurance experience from his involvement at a senior level in large insurance audits, industry presentations and thought leadership. Nick has extensive experience working with large financial institutions and is an established thought leader in the insurance sector. Nick's specialist areas cover audit, regulatory, and other assurance services.

Read the official announcement by KPMG New Zealand Chief Executive, Godfrey Boyce [here](#).

## Future of Retail: Transitioning from 'retail' to 'consumer commerce'



Retailers want to turn the page on the disruption of 2020. Yet they are unsure exactly what the future will bring.

Although much has changed over the past year, the reality is that many of the changes wrought by the COVID-19 pandemic were underway long before the pandemic. COVID-19 only accelerated these trends, driving an unprecedented level of urgency to retailers' actions.

As trends evolve, the links between physical locations and the ability to sell products and services are fraying quickly, driving the shift from 'retail' to 'consumer commerce'.

In this point of view, we explore *why* the market is changing, *what* the winning business models of the future will look like and *how* you can achieve this transformation. Read our latest publication [here](#).

### Get in touch

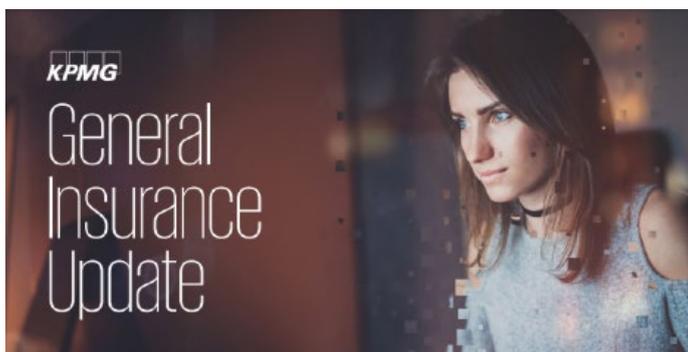
#### [Dinesh Naik](#)

Partner, Head of Retail

#### [Leon Bowker](#)

Partner, Deal Advisory

## 2020 New Zealand General Insurance Insights Dashboard



Our latest General Insurance Update highlights the scale of accounting and regulatory change on the horizon.

The focus in this edition is on insurers readiness for IFRS 17 *Insurance Contracts* through a survey of 18 insurers across 12 countries, which have had IFRS 17 implementation programs running for several years; and a snapshot of the upcoming regulatory change, noting the need to be on the front foot and planning for material change to your business. Read our General Insurance Update [here](#).

We've also refreshed our [KPMG General Insurance Insights Dashboard](#) which brings to life key financial information from general insurers' filed financial statements through a range of interactive charts and graphs presenting key industry metrics, financial position and results up to 30 June 2020.

### Get in touch

#### [Jamie Munro](#)

Partner, Head of Financial Services

#### [Nick Moss](#)

Partner, Head of Insurance

#### [Kay Baldock](#)

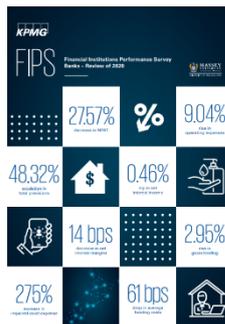
Partner, Head of Brand & Growth

#### [Steve Hastings](#)

Partner, KPMG Lighthouse

## FIPS Banks: Review of 2020

Profit growth down but banking sector remains resilient



KPMG's latest Financial Institution Performance Survey (FIPS) – Banks is now available for 2020.

COVID-19 has had a significant effect on the results of the banking sector, with the largest net profit after tax decrease captured by the survey in the past 10 years.

We have also seen a number of non-financial impacts on the banking sector including an increased focus on looking after people – both staff and customers, the implementation and adoption of a large amount of technology and a greater focus on wider reporting.

Read more in our latest insights and commentary on [Results for the year](#), [Non-financial impacts of COVID-19](#) and [Remaining Resilient](#).

Read the full FIPS publication [here](#).

### Get in touch

#### [John Kensington](#)

Partner, Head of Banking & Finance

## KPMG named 2021 Client Choice Awards finalist



KPMG New Zealand was named as a 2021 [Client Choice Awards](#) finalist in the Best Accounting & Consulting Services Firm Category.

The awards are in association with the [Chartered Accountants of Australia & New Zealand](#) (CAANZ), and [beaton Research & Consulting](#) who manages the independent

research behind the Awards. Beaton analyses the voice of our clients where they rate and comment on firms' brands and performance in delivering services on a range of criteria including quality, value for money, price and innovation.

Although, we didn't win the award this year, we are thrilled for the recognition, from our clients, to have been named a finalist.

Find out more about the Client Choice Awards and the 2021 winners & finalists [here](#).

# Community @ KPMG

## #ChooseToChallenge – Celebrating International Women’s Day 2021



[International Women’s Day](#) is a global day celebrating the social, economic, cultural and political achievement of women. The day also marks a call-to-action for accelerating gender parity.

In a year that’s changed the world, we’ve all been challenged to make changes to the way we live, work, commute, and to the way we communicate. For this year’s International Women’s Day on 8 March, we were called to [#ChooseToChallenge](#) and accelerate that wave of change we have started.

From challenge comes change, and collectively we have the power to drive change and create a positive impact through our individual actions, conversations, behaviours and mindsets. Equality is not a women’s issue, it’s everyone’s responsibility and gender equality is essential for communities and businesses to thrive.

KPMG New Zealand’s Chair Matt Prichard pledged to actively challenge stereotypes, fighting bias, broadening perceptions, improving situations and celebrating our achievements – and also challenged staff to share a pledge of their own. Watch Matt’s pledge [here](#), along with leaders from KPMG member firms around the world reflecting on the theme – and what they will do about it.

At KPMG New Zealand, Inclusion and Diversity (I&D) underpins our values and is vital in the pursuit of our purpose – fuelling the prosperity of New Zealand, by inspiring confidence and empowering change. Here are of the ways we [#ChooseToChallenge](#) – by setting I&D commitments as part of the [KPMG: Our Impact Plan](#) where we take accountability for driving progress on having an inclusive culture, eliminating discrimination and empowering women; by celebrating the achievement and contribution of women across Aotearoa and the rest of the world through organisations like Women in Business & WEPS NZ; by driving awareness of gender bias and inequality through education, events and training; by driving allyship and mentoring programs; by supporting community programs; and as a signatory to [Champions for Change](#), the [UN Global Compact Principles](#) and [UN Women’s Empowerment Principles](#).

KPMG also held a number of events kicking-off with an ASPAC regional virtual event featuring several inspiring international speakers who have chosen to challenge the norm.

Our Wellington office held a virtual breakfast, originally to be held at Parliament House but rescheduled due to COVID alert levels, with Governor General Dame Patsy Reddy, Minister for Women Jan Tinetti and Hon Manaia Mahuta.

In Auckland, KPMG Partner and Gender Diversity Leader – Mair Brooks led a panel discussion on challenging the status quo while juggling a successful career.

## International Day for the Elimination of Racial Discrimination Summit



Over 6000 KPMG’ers from around the world attended our first ever International Day for the Elimination of Racial Discrimination Summit, where leaders from around the world spoke about KPMG’s ongoing commitment to addressing all forms of racism and discrimination.

[International Day for the Elimination of Racial Discrimination](#) is a global day of solidarity with all people facing discrimination.

Inclusion and diversity are core values at KPMG—helping us build great teams with diverse views that represent the world we live in. We recognise that we can always do more to build a better organization and support our communities in need.

KPMG was excited to continue our journey by hosting colleagues for a two-hour virtual gathering which included insights from [Emmanuel Acho](#), the New York Times Bestselling Author and the Host of "Uncomfortable Conversations with a Black Man". In attendance were KPMG leaders, including Global Chairman and CEO Bill Thomas, US Chair and CEP Paul Knopp, all of whom shared their own perspectives and experiences.

## Dress for Success at Government House



Earlier this year, the RT Hon Dame Patsy Reddy, the Governor-General, hosted a [Reception](#) at Government House in Wellington to celebrate the achievements of the women that Dress for Success has supported, as well as to acknowledge the work of the many passionate and dedicated volunteers who support Dress for Success.

A number of KPMG staff have supported the work of [Dress for Success in Wellington](#) over a number of years. We are immensely proud of the achievements of the women that Dress for Success has supported, as well as the time, energy and commitment of the KPMG volunteers who provide much-valued behind-the-scene support.

Dress for Success is a global network which seeks to empower women to achieve economic independence by providing support, professional attire and the development tools to help women thrive in work and in life. The organisation helps women to pursue their aspirations by providing appropriate clothing for events such as interviews, Court appearances, house viewings, community re-integration, graduation and official event outfits. Their spans about 70,000 women worldwide each year and has supported over 750,000 women globally since its commencement.

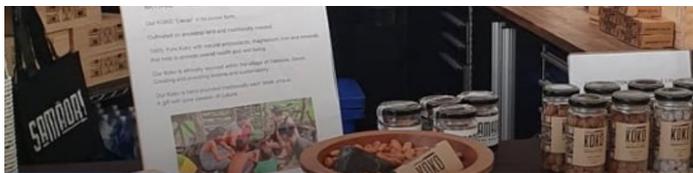
## Easter giving at Edmund Hillary School

Each year, KPMG volunteers don bunny ears to deliver treats to the kids at our Auckland partner school [Edmund Hillary](#) in Papakura. Our volunteers visited each classroom and gave out packets of chocolate eggs for the kids to enjoy on 1 April – just in time for Easter! The



KPMG 'Easter Bunnies' were greeted with hugs, cards and songs from the kids.

## Māori/Pasifika Pop-Up Market

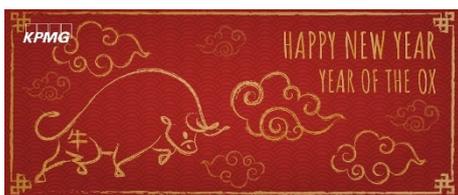


KPMG and VXV hosted a market on 7 April in celebration of Māori and Pasifika culture outside our Viaduct offices in Auckland.

The Māori/Pasifika Pop-Up market featured stallholders showcasing a selection of our very best local Māori and Pasifika art, craft, jewellery and food. This provided an opportunity for staff and the community to uplift and support our Māori/Pasifika businesses while also sharing in the rich culture and arts of the Pacific Islands.

In addition, the market was aligned to promote the recent Pasifika festival and the upcoming Polyfest festival in Auckland. These festivals celebrate the Pacific region's diverse culture through performances, live acts, arts, crafts, food and much more. If you missed the [Pasifika Festival](#) last weekend, you can still attend the [ASB Polyfest](#) which is on until **Saturday 17 April**.

## Lunar New Year



On Friday 12 February, more than one fifth of the world's population celebrated the start of the Lunar New Year.

2021 is the **Year of the Ox** – the second of all Chinese zodiac animals. The Ox is also associated with the Earthly Brand and in the terms of yin and yang, the Ox is yang and represents the beginning of a new day.

KPMG celebrated the Lunar New Year with morning tea across our offices on the eve of the New Year featuring Chinese food.

## Walk2Work Day



KPMG staff got their sneakers ready to take part in the Aotearoa [Walk2Work](#) initiative in March this year.

Staff were encouraged to try walk-to-work, or make use of public transport and get off a stop earlier, take the stairs or a walk before work. Instead of a post-walk breakfast, this year we held a photo competition with prizes up for grabs.

There are loads of health benefits by walking and can also help reduce disease risk and improve heart health.

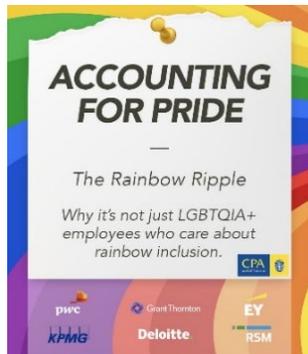
## Earth Hour – March 2021



KPMG took part in Earth Hour on Saturday 27 March 2021 by raising awareness and encouraging staff to switch off all non-essential lights for one hour at 8:30pm.

[Earth Hour](#) started as a symbolic lights-out event in Sydney in 2007 and is now one of the world's largest grassroots movements for the environment. Held every year on the last Saturday of March, Earth Hour engages millions of people in more than 180 countries and territories, switching off their lights to show support for our planet.

## Accounting for Pride: The Rainbow Ripple



CPA Australia hosted an event as part of Pride Month with KPMG and other top accounting firms sharing collective experiences and insights into fostering work communities that care about and understand the importance of rainbow inclusion.

The event was held in-person in Auckland and also open to anyone virtually with KPMG's Kate Waltman as one of the panellists, along with leaders from PwC, RSM and EY.



The panel focused on the ripple effect: why it's not just: LGBTQIA+ employees who care about rainbow inclusion, looking at the impact on all stakeholders involved in the 'PRIDE' discussion, their views, influence and contribution.

## KPMG Wellington Chilli Competition

KPMG Wellington held a Chilli growing competition this year – to encourage people to have a go at growing their own food. There was a lot of involvement in the competition, and in the end, we had three winners – Sanjay Lukka with the Biggest Harvest, Sam Ratten with the Biggest Chilli and Alex King for the Best Condiment.



Sanjay and Alex with their chilli plants – these were grown from tiny seeds.



Sam's chilli growing at home.

## Two New Zealand Great Walks – 100KM Barefoot



KPMG's Jack Keeys is embarking on a 'Great' charity challenge this April. Along with his friend – Vini Williams, Jack will be attempting to complete both the Abel Tasman and Lake Waikaremoana Great Walks – a combined total of over 100KM, all in the space of five days, and all in bare feet.

Jack has linked up with the Salvation Army as an official Charity Partner and is raising money to buy school shoes and sports shoes youth from low socio-economic communities in New Zealand and parts of Africa in a 50/50 split.

All fundraising will go towards the purchase of shoes, to be distributed by the Salvation Army. You can find out more and follow Jack and Vini's Great Walk from 16 April on [Facebook](#) and [Instagram](#). If you would like to support the cause, you can do so on [givealittle](#) [here](#).

## Tax

### Housing Tax Changes announced

The Government's recent housing policy announcements include some significant [tax changes](#) for residential investment properties and residential rental properties acquired on or after 27 March 2021 as well as changes for rental properties acquired prior to 27 March. In addition, a Supplementary Order Paper to the Taxation Bill contains the new Business Continuity Test for carrying forward tax losses, and allows a deduction for the cost of donated trading stock. Find out how these tax changes might affect you in our Taxmail update [here](#).

### 2020 Omnibus Tax Bill reported back

The Finance and Expenditure Committee ("FEC") has recommended a number of changes to the Taxation (Annual Rates for 2020-21, Feasibility Expenditure, and Remedial Matters) Bill introduced last year. The Bill contains rules for deducting feasibility expenditure, purchase price allocations and to align the tax treatment of leases with the new NZ IFRS 16 accounting treatment, as well as a range of other policy and remedial items. The Bill now awaits its remaining Parliamentary stages, which are expected to be completed before the end of March. For further information on the FEC's recommendations, please read our Taxmail article [here](#).

### KPMG Tax Governance Institute Webcast - The intersection of ESG and Tax

Globally, with particular visibility in Europe, taxation is increasingly becoming one of the Environmental, Social and Governance (ESG) considerations that investors undergo when assessing whether to invest, hold or divest their holdings in corporations. While New Zealand is behind Europe, Australia and other parts of the world in this regard, the tide is turning rapidly and Tax Governance is becoming increasingly important for any organisation wishing to have a sustainable business in New Zealand where a social licence to operate is a pre-requisite. Watch our latest [KPMG Tax Governance Institute webcast](#) where a panel – comprised of the Global Head to Tax at Uber as well as senior KPMG Tax leaders from the United States and Europe – engage in a discussion on how tax is a key component of a company's ESG programme.

## Research & Development

### Moving in a positive direction

The deadline for the first year R&D claims is fast approaching, being 30 April 2021. Claims have been rolling in and the experience so far has highlighted some teething issues in the administration of the scheme. As part of KPMG's ongoing work with government to ensure a successful regime, KPMG Partner [Gwen Riley](#) has been appointed as an independent external advisory to Inland Revenue. Read more in our latest R&D update on claims and KPMG Partner Gwen Riley's role with the Inland Revenue [here](#). For assistance on the R&D tax incentive, please get in touch with [John van Bohemen](#).

### Upcoming R&D tax incentive webinar

We will be hosting a webinar on the R&D tax incentive, which will also cover the new guidelines due to be released soon. Keep an eye out for details of the webinar!

## Reporting News

Amongst the topics covered in this issue, we share KPMG's Illustrative Financial Statements for Public Benefit Entities (PBE), as well as IFRS updates from the International Accounting Standards Board (IASB) and the latest agenda decision released by the IFRS Interpretations Committee (IFRIC). We also look at IFRS 16 – Rent Concessions and share our IFRS today podcast on *Mergers and Acquisitions – Buying a Business*, in our Financial Reporting Update. In our Business Reporting updates, you can read about *Unifying Sustainability Reporting* and the recent feedback received by sustainability reporting consultation. Read our latest reporting updates [here](#).

We value your connection with us and invite you to visit our Alumni website periodically to stay abreast of all the latest news and happenings at KPMG New Zealand. Please reach out to us if you would like additional information regarding any of the above topics.



### Aaron Woolsey

KPMG NZ Alumni Partner

[kpmg.com/nz/en/home/alumni.html](https://kpmg.com/nz/en/home/alumni.html)



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