With the recent changes in financial reporting requirements, the Brazilian capital market is following the international movement for the unification of accounting standards.

The principal advantages of reporting under IFRS are enhanced transparency of accounting and fuller, better-quality financial information for shareholders and supervisory authorities. KPMG’s extensive experience with conversion projects highlights that implementing IFRS also has decisive advantages for businesses:

- Conversion of external and internal reporting to IFRS makes an active contribution to efficient business management
- The reporting system is standardised, resulting in uniform financial communication throughout the business
- IFRS figures provide better decision-making aids to group management, because they are more oriented to a realistic reflection of economic efficiency

However, implementing IFRS involves much more than conforming with new accounting standards. It will have a significant impact on the entire business organisation.

**KPMG’s Global Conversion Services - The approach**

KPMG have wide-ranging experience in advising enterprises on the challenges facing them in implementing international accounting standards. We use an approach and tools that have been practice tested in diverse conversion projects all over the globe.

**Experience**. Conversion can be costly and time consuming. Many of our KPMG’s clients have benefited from adopting our tried and tested approach.

**Expertise**. A thorough grasp of IFRS is a basic requirement for a successful conversion.
We can offer you the unique combination of:
- IFRS and conversion project practitioners
- IT professionals with an auditing background
- Outstanding SAP and other ERP know-how
- Wide experience with the implementation of IFRS in the SAP and other ERP environment
- Effective exploitation of your organisation’s existing know-how in key subject areas
- Encouraging transfer of know-how from the outset
- Developing a solid reporting process, so that “business as usual” continues

Global Delivery
The accounting system is converted in all locations, especially those crucial to the global accounts. The Global Conversion Services approach is applied uniformly in all KPMG locations, helping to ensure a consistently high-quality standard data for the consolidated financial statements.

KPMG’s Global Conversion Services
- Our approach
We have developed our better practice methodology from a large number of successful conversions

Our approach is scalable, which means it can be tailored to individual client requirements. It is based on methods and procedures that have been tested and re-tested. This means quicker and better results that can facilitate management decisions during the conversion phase. The advantages for you are:
- An internationally developed, practice-tested method
- A wealth of tools tailored for the implementation of IFRS
- A standardised, cost-efficient approach that is also flexible and adaptable—because no two conversion projects are identical

Our approach is based on four key components that focus on the main challenges and impacts areas of IFRS implementation, as well as providing us with structured approach to help ensure a successful conversion, such as:

Accounting and Reporting
- Identify changes in the accounting policies, options and quantification
- Gap analysis between the information required by IFRS and that currently available.

Systems and processes
- Evaluate the impact to systems and processes related to the financial close and consolidation.
- Determine which changes are required to processes and systems in order to generate the additional information required.
- Understand the potential impact on other strategic projects (e.g.: implementation of ERP).

The business
- Understand the impacts of conversion on performance measurement.
- Establish possible actions to reduce the volatility of the results generated under IFRS.
- Communicate potential impacts to investors and the capital market.

People
- Ensure top management buy-in and the support of the operational areas.
- Develop an internal communications plan.
- Plan appropriately the administration of change, training and knowledge transfer.

Our approach ensures that the company is adequately involved and in charge of the conversion process and that it has the required information for effective decision making. KPMG operates as an IFRS conversion process facilitator by providing advice, technical training and support in managing the project as well as identifying and assisting with the implementation of changes in systems and processes.

Contact us

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