

STAFF PAPER

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IASB® Meeting

Project	Definition of a business		
Paper topic	Summary of the comments received		
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Purpose of the paper

1. This paper summarises the feedback received on the proposed amendments to the definition of a business included in the Exposure Draft *Definition of a Business and Accounting for Previously Held Interests* ('the ED').
2. The Board has received 80 comment letters. Appendix A provides a summary of the letters received by type of respondent and geographical region.
3. We discussed the proposed amendments to the definition of a business with Accounting Standards Advisory Forum (ASAF) members in September 2016 and with Global Preparers Forum (GPF) members in November 2016. This paper also includes a summary of the comments received from ASAF members and GPF members.
4. We will provide an analysis of the comments received and our recommendations on how to proceed with this project at a future meeting.

Structure of the paper

5. This paper summarises the feedback on the following topics:
 - (a) Minimum requirements to be a business
 - (b) Market participant capable of replacing missing elements
 - (c) Revised definition of output

- (d) Assessment of concentration of fair value
- (e) Evaluating whether an acquired process is substantive
- (f) Illustrative examples
- (g) Goodwill
- (h) Transition
- (i) Other issues
- (j) Convergence with the US Financial Accounting Standards Board (FASB) proposals.

Minimum requirements to be a business

6. Most respondents agreed with the Board’s proposal to clarify that to be a business a set of assets and activities must include, at a minimum, an input and a substantive process that together contribute to the ability to create outputs.
7. A few respondents commented on this topic. One respondent observed that it is not clear which inputs and processes should be acquired in order to constitute a business. Another one suggested expanding the minimum elements of a business to include inputs that are required to contribute to the creation of outputs, but are not readily available. Comments received include the following:
 - (a) It is not clear to us which inputs and processes exactly would have to be acquired in order to constitute a business. In particular, the interaction of the statement that there is no longer a need for market participants to replace missing elements and the last sentence in B8, which states that “a business need not include all of the inputs or processes that the seller used in operating that business”, is confusing, especially with regard to illustrative example D. It is not fully clear to us how many inputs and/or processes would have to be included in the acquisition to constitute a business since the replacement of missing elements is no longer needed. It remains unclear whether the acquisition of parts of a business are to be considered a business acquisition or an

asset acquisition, since some inputs or processes can be missing and do not have to be replaced¹.

- (b) It is doubtful whether the acquired set has the ability to contribute to the creation of outputs, if the missing elements include inputs that are required to contribute to the creation of outputs, but are not readily available. Conversely, if all of the inputs needed to create outputs are readily available, it is less important whether or not the entity acquires at least one of those inputs from the seller. Therefore, the IASB should consider expanding the minimum elements of a business to include inputs that are required to contribute to the creation of outputs, but are not readily available².

Market participant capable of replacing missing elements

8. Most respondents agreed with the Board's proposal to remove from paragraph B8 of IFRS 3 the statement that a set of activities and assets is a business if market participants can replace the missing elements and continue to produce outputs. The Board also decided that the evaluation of an acquired set should continue to be performed from a market participant's perspective as stated in paragraph B11.
9. A few respondents commented on this proposal. They observed that the wording of paragraph B8 might be considered inconsistent with the wording of paragraph B11. Comments received include the following:

- (a) We note that the ED retains the reference to 'market participant' in paragraph B11 of IFRS 3. We understand this reference is to market participants in general. This is because it is used in the context of clarifying that, when assessing whether an acquired set of activities and assets is a business, it is not relevant whether the specific seller operated the set as a business or whether the specific acquirer intends to do so. However, we understand that some may interpret the wording 'by a market participant' in paragraph B11 to be inconsistent with a definition of a

¹ See CL9 Accounting Standards Committee of Germany.

² See CL29 Singapore Accounting Standards Council.

business that focuses on the 'ability to contribute to the creation of outputs', irrespective of whether it is conducted or managed as a business by a particular market participant. We therefore suggest deleting the words 'by a market participant' in the first sentence of paragraph B11. This change would also highlight the importance of the fact-driven nature of this assessment, irrespective of the assessor's own circumstances (including those of a specific market participant)³.

- (b) In paragraph B8, it is suggested that term “in the opinion of a market participant” may be included in following manner to make it consistent with para B11:

“... To constitute a business, an integrated set of activities and assets must include, in the opinion of a market participant, at a minimum, an input and a substantive process that together have the ability to contribute to the creation of outputs.”⁴

Revised definition of output

10. Most respondents agreed with the Board’s proposal to narrow the definition of output to focus on goods and services provided to customers, investment income or other revenues. The proposed definition of output excludes returns in the form of lower costs and other economic benefits provided to investors, other owners, members or participants.
11. A few respondents asked the Board to clarify the term “other revenues” as part of the definition of outputs. They noted that the term “other revenues” may create diversity in practice, because the term can be broadly applied and interpreted⁵.
12. Other comments received on this topic include the following:

³ See CL76 European Financial Reporting Advisory Group (EFRAG).

⁴ See CL27 Securities and Exchange Board of India (SEBI).

⁵ See CL66 Accounting Standards Board (AcSB).

- (a) The definition of outputs should also include cost reductions and other efficiencies that may arise as a result of a business acquisition⁶.
- (b) The IASB should clarify what types of other economic benefits could be considered 'other revenues' and why would such 'other revenue' meet the definition of output⁷.
- (c) the term "to customers" should be removed to permit accounting of businesses acquired for the purpose of captive consumption⁸.

Assessment of concentration of fair value

13. Most respondents overall agreed with the Board's proposal to consider a set of activities and assets not to be a business if, at the transaction date, substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The Board proposed that further assessment of whether a set of activities and assets is a business would not be appropriate if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.
14. Some GPF members observed that the proposed screening test is practical, helpful and would reduce complexity in making the assessment. However, many respondents expressed concerns or requested further clarifications on the proposed screening test.

The screening test may result in inappropriate conclusions

15. Some respondents, some ASAF members and some GPF members commented that the proposed screening test tends to be rule-based, does not allow the exercise of judgement and may sometimes result in inappropriate conclusions (ie the screening test might lead to a conclusion that is inconsistent with what would be concluded through the assessment of whether an acquired process is substantive). Consequently,

⁶ See CL8 CPA Australia.

⁷ See CL79 Hong Kong Institute of Certified Public Accountants (HKICPA)

⁸ See CL27 SEBI.

they suggested different solutions, for example by changing it into an indicator, or a rebuttable presumption, or an optional test. Comments received on this topic include the following:

- (a) the IASB should consider changing the screening test from a quantitative preliminary pass / fail test to one of the following:
 - i) an optional test, or ii) a test that considers both qualitative and quantitative factors. The use of a screening test, as it is currently contemplated, may not be appropriate in all circumstances⁹.
- (b) A determinative screening test should be retained if its relative simplicity can be maintained while avoiding inappropriate outcomes... The fair value of the acquired assets could be concentrated in a single asset (or group of similar assets) in some situations when the acquired set is nonetheless a business... We recommend that the IASB consider ways to take pressure off the test - for example by changing it into either an indicator or a rebuttable presumption... The screening test should not be required in cases where it is clearly evident that the acquired set meets the general definition of a business¹⁰.
- (c) We are of the opinion that if substantially all the fair value of the gross assets is concentrated in a single asset or group of similar assets is an indicator that the acquired set is not a business, but is not determinative on its own. In practice, this might not give the right result in all circumstances. For example, acquisitions of a shopping mall, or a fund are most likely to include one significant asset (the property for the mall) or a group of similar assets (the financial assets for the fund) and processes that are outsourced (property management, asset management, etc.) which might be considered substantive, and the acquired set in each case is capable of producing outputs. However, both cases are likely

⁹ See CL52 Canadian Bankers Association (CBA).

¹⁰ See CL76 EFRAG.

to fail the first step analysis of the proposed assessment as the outsourcing contracts are expected to be at market conditions and rates and thus have nil value¹¹.

Additional guidance on the screening test

16. The Board proposed to clarify that:

- (a) the fair value of the gross assets acquired includes the fair value of any acquired input, contract, process, workforce and any other intangible asset that is not identifiable; and
- (b) the fair value of the gross assets acquired may be determined by adding the fair value of the liabilities assumed to the fair value of the consideration paid (plus the fair value of any non-controlling interest and previously held interest, if any).

17. Some respondents asked the Board to provide additional guidance on whether and how some assets (eg goodwill and deferred tax assets) and liabilities (eg deferred tax liabilities) should be considered in performing the proposed screening test. An ASAF member and a GPF member observed that the fair value of the gross assets acquired may differ from the fair value of the consideration paid plus the fair value of the liabilities assumed, for example in case of negative goodwill. Comments received on this topic include the following:

The IASB should consider excluding the effects of deferred tax from the screening test, on the basis that the tax attributes of the acquired assets and liabilities should not influence the outcome of the test. Accordingly, in our view the gross assets acquired should exclude deferred tax asset for the purpose of the screening test. Also, when calculating fair value of the acquired assets as the sum of the fair values of the consideration and the liabilities assumed, deferred tax liabilities should be excluded from the latter¹².

¹¹ See CL30 RSM International.

¹² See CL76 EFRAG.

18. A few respondents asked the Board to clarify whether a leasehold land and a building attached to the land should be considered a single identifiable asset for the purpose of the screening test. Comments received on this topic include the following:

- (a) It is unclear whether this guidance would apply, when one of the acquired assets is a right-of-use asset under IFRS 16 *Leases*, such as leasehold land and the building thereon, which are common in acquisitions involving real estate in certain parts of the world. Right-of-use assets are neither intangible assets nor an item of property, plant and equipment. While IFRS 16 specifies that right-of-use assets are generally accounted for applying the depreciation requirements in IAS 16 *Property, Plant and Equipment*, it has also deleted the existing guidance on leased assets in IAS 16¹³.

19. Some respondents and some GPF members observed that additional guidance would be needed to determine when it is appropriate to combine assets into a single identifiable asset and what would be considered “similar”. Comments received on this topic include the following:

- (a) The ED does not define the term 'similar', and only indicates in paragraph B11C assets that shall not be combined into a single identifiable asset or considered a group of similar identifiable assets. In order to ensure that the screening test is applied consistently, we recommend that the IASB articulate in a more principle-based manner when assets can be deemed similar for this purpose. This should clarify which factors play a role in the assessment (for example, that the nature, risks and characteristics of the assets should be similar) without broadening the scope of the proposed screening test¹⁴.
- (b) We propose that the final standard includes a principle which specifies when a group of similar assets is sufficiently

¹³ See CL29 Singapore Accounting Standards Council.

¹⁴ See CL76 EFRAG.

homogeneous to constitute a group of similar identifiable assets. Such principle could help to understand whether the list of items in paragraph B11C of the ED represents an exhaustive list or rather an indicative list of examples. ... We urge the IASB to further explain the interaction with the guidance on similar assets in paragraph 36 of IAS 38 *Intangible Assets* (e.g. guidance on recognition of an intangible asset acquired in a business combination together with the related item). Furthermore, ESMA notes that the term 'class' is already defined for measurement purposes in paragraph 37 of IAS 16 *Property, Plant and Equipment* and paragraph 73 of IAS 38, as well as for disclosure purposes in paragraph 6 of IFRS 7 *Financial Instruments: Disclosures*, paragraph 73 of IAS 16 and paragraph 119 of IAS 38. Therefore, the final standard should clarify whether these definitions of classes apply also in the context of assessment of concentration of fair value¹⁵.

Evaluating whether an acquired process is substantive

20. Most respondents supported the guidance on identifying a substantive process proposed by the Board. The Board proposed that:

- (a) when the acquired set of activities and assets does not have outputs, the definition of a business is met only if the inputs acquired include both an organised workforce that performs a process that is critical to the creation of output and another input (or inputs) that is intended to be developed into outputs;
- (b) when the acquired set of activities and assets has outputs, the set is a business if either:
 - (i) it includes a process that is considered unique or scarce, or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs; or

¹⁵ See CL13 ESMA.

- (ii) it includes an organised workforce that performs an acquired process that is critical to the ability to continue producing outputs.

However, many respondents expressed concerns or requested further clarifications on this proposed guidance.

The proposed guidance on substantive process is complex

21. Some respondents observed that the assessment of whether a substantive process exists may be complex to apply and highly judgemental. They recommended that the Board should simplify the guidance on identifying a substantive process or provide additional examples on how to apply this new guidance. Comments received on this topic include the following:

- (a) The acquisition of an organized workforce performing a critical process is a key factor in determining if an acquired set constitutes a business. However, we believe the assessment should consider not just the organized workforce but the functions performed by the organized workforce. This is an area where the principle and the examples as proposed seem inconsistent¹⁶.
- (b) We believe that the proposed guidance on determining whether an acquired process is substantive lacks sufficient clarity. While we agree that defining a substantive process across all entities may be difficult (BC22), we think that further guidance around what are typical characteristics of a substantive process would be useful¹⁷.
- (c) The terms process, substantive process, critical and unique or scarce are used at various points when describing the components necessary for a business, for example: B12A (no outputs) refers to a substantive process that is critical ; whereas B12B (outputs) refers to a process (...) that is either unique or scarce (regardless of the presence of a workforce)

¹⁶ See CL26 PWC.

¹⁷ See CL54 EY.

or critical (if there is a workforce). We find this rules-based guidance complicated and confusing. We strongly recommend the IASB simplifies the definition of a substantive process and suggest that it is defined in paragraph B8 as critical to the ability to develop or convert inputs into outputs or one that is unique or scarce, or cannot be replaced without significant costs, effort or delay in the ability to continue producing outputs¹⁸

- (d) ... we believe that replacing a process will in many cases involve significant cost, effort, or delay. Therefore, in many cases it will not be necessary to have a unique or scarce process as the delay criterion will be fulfilled no matter whether a process is unique/scarce or not. We encourage the IASB to amend the tests:
- (i) to turn the critical test into a simpler, more direct one of whether replacing the acquired workforce would cause significant cost, effort and delay in the production of output or the development of outputs. This would replace the current two stage test (testing the nature of the process and then testing the necessity of the workforce to that process) with a one-stage test (inferring the importance of the process from the difficulty in replacing the workforce). There would need to be an exception for difficulty etc. in replacing a workforce due to employment law, which has no connection to the concept of a business;
 - (ii) to require that a process cannot be replaced without significant cost, effort, and delay. If the “or” is replaced by an “and”, then scarce and unique can and should be removed as separate criteria for two reasons. First, scarce and unique would be addressed by the amended wording, which introduces a higher hurdle.

¹⁸ See CL65 The 100 Group.

Second, scarce and unique are not defined and, therefore, could leave room for future debate.

This approach would also involve the simplification of a single formula – “cannot be replaced without significant cost, effort, and delay” – for both tests – workforce (that performs a process) and a process not involving a workforce¹⁹.

Additional guidance on acquired outsourcing agreements

22. Some respondents and some GPF members asked the Board to clarify the guidance provided in paragraph B12C on acquired outsourcing agreements. The Board proposed to clarify that an acquired outsourcing agreement may be considered to provide access to an organised workforce that performs a substantive process. Comments received on this topic include the following:

- (a) The role of acquired contracts in the various parts of the assessment process warrants further clarification. Paragraph B12C states that an acquired contract is not a substantive process in itself but may provide access to an organised workforce and thus control over a substantive process. Some interpret this to mean that only an acquired contract giving access to an organised workforce can be taken into account in the assessment of the process. This conclusion is supported by the arguments in paragraph IE91 of Example F. However, this would mean that, for example, an acquired contract which gives unopposable access to an automated critical process would be ignored in the business assessment, even if that process is one which would satisfy the criteria of B12B(a). This would not always be the correct conclusion, in our view²⁰.
- (b) We welcome the guidance provided in B12C on how to determine, in the case that an acquired contract gives access to an organised workforce, whether the acquirer has

¹⁹ See CL49 KPMG.

²⁰ See CL32 BusinessEurope.

control over the organised workforce. However, it is a difficult area of judgement, where diversity in practice is observed and we are concerned that the guidance might not be sufficient to allow stakeholders to exercise their judgement. We recommend the IASB to provide an example to illustrate how this guidance can be applied²¹.

- (c) We support the IASB's proposal to include guidance on outsourced workforce and to treat it similarly to any other workforce acquired. As such we recommend stating in paragraph B12C that an outsourced workforce is a workforce and so the workforce test applies in the normal way²².

Illustrative examples

23. Most respondents overall supported the examples that illustrate the application of the proposed amendments. However, some respondents and some ASAF members observed that the examples should be improved. Some respondents suggested the Board to further align the wording of the examples with the wording of FASB's examples. Others asked the IASB to provide additional examples. Some respondents provided specific drafting comments in order to help in clarifying the understandability and consistency of the examples. Comments received include the following:

- (a) We note that the understanding of 'input', 'process' and 'output' either do not seem to be clear, or the terms are apparently not understood in the same way. This again becomes particularly evident when applying the amendments to the examples included in the ED. For instance, we do not understand why the IASB feels that illustrative example C did not contain an output or why there was no input in illustrative example D. ... We believe that it would be helpful if, in each of the examples, the IASB

²¹ See CL17 FEE.

²² See CL49 KPMG.

explained what the Board believes the inputs, processes and outputs to be in order to facilitate a uniform understanding of these terms²³.

- (b) Example A, H and I: All these examples appear to analyse acquisitions of groups of real estate assets. It is difficult to understand the differentiating factors between these examples and to pin point the primary reason for different conclusions being reached²⁴.
- (c) It is not clear from Example C whether the set of activities and assets acquired generated revenue before the acquisition. Members believe it should be clarified whether the assertion that the set of activities and assets does not have outputs is an assumption in the set-up of this example, and be stated as such, or instead is the application of the entity's judgement, which should be stated and addressed in the analysis of this example. If it is the application of judgement, then members suggest the IASB add language to explain the basis for this judgement²⁵.
- (d) We are particularly concerned with Example D (acquisition of a manufacturing facility). It is difficult to support the conclusion that the set of activities and assets purchased is not a business just because the facility is temporarily closed down. Although the facility is 'not currently producing outputs' it nonetheless presumably retains the 'the ability to contribute to the creation of outputs' as it seems that it could be reopened at any time. Moreover, we are concerned that the conclusion reached in this example could encourage entities to arrange for a temporary shutdown of soon to be acquired facilities immediately before concluding the acquisition in order to ensure that the transaction is

²³ See CL9 ASCG.

²⁴ See CL50 The South African Institute of Chartered Accountants (SAICA).

²⁵ See CL61 IOSCO.

accounted for as an asset purchase rather than a business combination²⁶.

- (e) Example E (Acquisition of a biotech entity): We understand that in the pharmaceutical industry, biotech acquisitions can be performed with no significant tangible fixed assets being transferred. Therefore, the acquisition of a set of activities and assets can encompass the transfer of a R&D team and a single asset (or combination of similar assets: drug candidates). We question whether applying the screening test to this type of transaction would permit accounting for the acquisition as a business combination, even though the transfer of the R&D team is key to complete successfully the development, and therefore would be considered as an acquired substantive process²⁷.

Goodwill

24. Most respondents agreed with the Board's proposal to specify that presence of an insignificant amount of goodwill does not mean that the acquired assets should automatically be considered a business. A few respondents commented on this topic. They observed that the presence of goodwill as a separate indicator may not be consistent with the new guidance on substantive process. They suggested different solutions, for example: clarify this potential inconsistency, delete the presence of goodwill as a separate indicator. Comments received include the following:

- (a) The IASB should clarify how the assessment of this indicator interacts with the rest of the guidance, both when the set of activities have outputs or do not have outputs. For example, it is not clear what the conclusion would be if there is a goodwill but no output. The IASB should also clarify how the goodwill is determined for purposes of assessing this indicator. For example, goodwill could arise primarily from deferred tax liabilities that would be recognised in a business combination. But those deferred tax liabilities, even if

²⁶ See CL24 ICAEW.

²⁷ See CL76 EFRAG.

significant, would not reflect the value of substantive processes. Another example would be a bargain purchase giving rise to negative goodwill; we wonder how the goodwill indicator would be assessed in this situation²⁸.

- (b) We recommend that the reference to the presence of goodwill as an indicator that an acquiree constitutes a business be deleted as we do not believe it is consistent with the more detailed discussion of substantive processes in proposed paragraphs B12A-C. This test has limited conceptual merit. The determination of whether goodwill is present is, from a practical point of view, performed after the determination of whether a transaction is a business combination and its use as an indicator that an acquiree is a business is therefore circular. This is particularly evident in the acquisition of single-asset entities (for example, a wrapper company holding a single property) as the decision on whether a transaction is a business combination will then determine whether a deferred tax asset or liability is recognised. This distinction between accounting for a business combination compared to an asset acquisition is, for such transactions, often the primary factor which determines whether an excess of consideration over net assets acquired (i.e. calculated 'goodwill') exists. In addition, factors other than the presence of 'goodwill' can affect this calculation – for example, the value of equity instruments delivered as consideration can be affected by a variety of factors unrelated to the transaction itself (for example, the share price of entities in the extractives industry is significantly affected by daily movements in commodity prices), meaning that 'goodwill' could be calculated due to a change in value between agreeing the number of equity

²⁸ See CL17 FEE.

instruments and the date of acquisition when there is, conceptually, no goodwill in the acquiree²⁹.

- (c) We agree that the presence of more than an insignificant amount of goodwill may indicate that an acquired process is substantive. However, we consider that the discussion of the presence of goodwill may cause confusion if considered as a separate indicator in addition to the two sets of indicators. It could also lead to a counterintuitive outcome, for example when the presence of goodwill arises primarily from deferred tax liabilities. We therefore recommend that the first two sentences of paragraph B12 are moved to the Basis for Conclusions³⁰.

Transition

25. Almost all the respondents agreed with the Board's proposal that an entity would not be required to apply the proposed amendments to transactions that occur before the effective date of the amendments.

Other issues

26. Comments received on other issues include the following:

- (a) We suggest that the Board amends the definition of a business in Appendix A to IFRS 3 in line with the proposed amendments to paragraph B7 of the ED³¹.
- (b) It is recommended that following important terms should also be defined and explained in the application guidance:
- (a) Substantially all
 - (b) Organised Workforce

²⁹ See CL58 DTTL.

³⁰ See CL76 EFRAG.

³¹ See CL13 ESMA.

- (c) Intellectual capacity of organised workforce
 - (d) Unique and scarce³².
- (c) We note that the tension arising from the distinction between business combinations and asset acquisitions originates to a significant degree from differences in the accounting for business combinations and asset acquisitions. Some of the more important areas of difference include acquisition expenses, contingent consideration and deferred taxes. Further consideration should be given in due course to whether these accounting differences are appropriate (i.e. whether or not these accounting differences are justified by differences in the economic substance of the two classes of transaction)³³.

Convergence with FASB proposals

27. The Board and the FASB reached substantially converged tentative conclusions on how to clarify and amend the definition of a business. However, the wording of the Board's proposals is not fully aligned with the FASB's proposals.
28. Most respondents and ASAF members encouraged the IASB and the FASB to reach converged solutions on their respective proposed amendments and use similar (or the same) wording wherever possible (including having the same examples) in order to avoid divergence in practice. A few respondents observed that GAAP differences may be justified, if the IASB's amendments result in a more robust model for IASB's constituents. Comments received on this issue include the following:
- (a) Overall, we think that financial statement users around the world are seeking a common language when reading financial statements. We think that common financial reporting will help to facilitate efficient capital markets, increase investor confidence and potentially reduce the cost of capital. From that perspective, we encourage the IASB and the FASB to, whenever possible, seek high-quality solutions that will result in more comparable financial reporting outcomes in the U.S. and globally... Accordingly, we recommend that both Boards:

³² See CL48 The Institute of Chartered Accountants of India (ICAI)

³³ See CL76 EFRAG.

- (a) use the same wording when they both make amendments to achieve the same objective; and
- (b) explain in their respective Basis for Conclusions documents their intentions as to whether or not a difference in application is expected when requirements differ in their respective standards³⁴.
- (b) Members recommend the wording of the IASB's proposals be aligned with the FASB's proposals to the extent that the IASB and the FASB reached converged conclusions³⁵.
- (c) We note that the FASB's amendments to US GAAP are in the context of how the definition of a business has been interpreted for US reporting purposes. Consequently, because the application of the definition of a business under IFRS has typically been different, it is possible that the amendments to US GAAP will not be entirely appropriate from an IFRS perspective. ... GAAP differences may be fully justified, if the result is that the IASB's amendments result in a more robust model from the perspective of its global constituents³⁶.
- (d) We believe that the differences in wording between the proposals of the IASB and FASB are not significant and will not create divergence in practice and inconsistent financial information³⁷.

Questions for the Board members

Do Board Members have any questions or comments about the feedback summarised in this paper?

³⁴ See CL66 AcSB.

³⁵ See CL43 AOSSG.

³⁶ See CL73 BDO.

³⁷ See CL56 CINIF.

Appendix A—Comment letter demographic information

Region	N. of Respondents	%
Africa	3	4%
Asia	18	22%
Europe	28	35%
International	11	14%
Latin America	5	6%
North America	6	7%
Oceania	2	3%
Not specified	7	9%
Total	80	100%

Entity type	N. of Respondents	%
Accountancy body	13	16%
Accounting firm	11	14%
Consulting	1	1%
Individual	7	9%
Preparer	12	15%
Preparer / Representative body	10	12%
Regulator	3	4%
Standard-setting body	23	29%
Total	80	100%