

STAFF PAPER

April 2021

IASB® meeting

Project	Goodwill and Impairment		
Paper topic	Cover paper		
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (Board) and does not represent the views of the Board or any individual member of the Board. Comments on the application of IFRS® Standards do not purport to set out acceptable or unacceptable application of IFRS Standards. Technical decisions are made in public and reported in IASB® *Update*.

Introduction and purpose of this meeting

1. The International Accounting Standards Board (Board) published Discussion Paper *Business Combinations—Disclosures, Goodwill and Impairment* in March 2020, with a comment letter deadline of 31 December 2020.
2. The purpose of this meeting is to provide the Board with a summary of the feedback received on particular aspects of the Discussion Paper—feedback from users of financial statements and feedback on disclosing information about business combinations, the effectiveness of the impairment test and whether to reintroduce amortisation of goodwill.
3. The staff present the following papers:
 - (a) Agenda Paper 18A—Feedback overview¹
 - (b) Agenda Paper 18B—Feedback from users of financial statements
 - (c) Agenda Paper 18C—Disclosure on the subsequent performance of business combinations
 - (d) Agenda Paper 18D—Improvements to existing IFRS 3 disclosure requirements

¹ This paper is unchanged from Agenda Paper 18A to the Board’s March 2021 meeting except for the removal of the question for the Board.

- (e) Agenda Paper 18E— Effectiveness of the impairment test
- (f) Agenda Paper 18F—Subsequent accounting for goodwill

Quantifying feedback received

4. In Agenda Papers 18A–18F to this meeting the staff will use the following terms to quantify the feedback of respondents:

Term	Description
Almost all	All except a very small minority
Most	A large majority, with more than a few exceptions
Many	A small majority or large minority
Some	A small minority, but more than a few
A few	A very small minority

Discussion Plan

- 5. At this meeting the staff provide the Board with detailed feedback on the Board’s preliminary views on improving disclosures about business combinations, improving the effectiveness of the impairment test of cash-generating units containing goodwill and whether to reintroduce amortisation of goodwill. The staff also provide a summary of feedback on the Discussion Paper from users of financial statements. The staff are not asking the Board to make any decisions in this meeting.
- 6. At the Board’s May 2021 the staff will provide the Board with a summary of academic evidence related to the Discussion Paper and feedback on other areas of the Discussion Paper.

Questions for the Board

- 7. Agenda Papers 18B–18F to this meeting contain questions for the Board on the contents of each of those respective agenda papers. The staff plans to ask Board members those questions in turn.

8. After discussing each of Agenda Papers 18B–18F, the staff will ask the Board the following additional question.

Question for the Board

Does the Board have any comments or questions on the feedback as a whole? For example, do any Board members have comments on the interaction of feedback on different areas of the project?