
Accounting Standards Advisory Forum meeting

Date **December 2025**
Project **ASAF**
Topic **ASAF planning and feedback from previous meetings**

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Introduction

1. The aim of this paper is to:
 - (a) discuss the agenda topics for the March 2026 meeting of the Accounting Standards Advisory Forum (ASAF); and
 - (b) provide ASAF members with feedback on how the staff or the International Accounting Standards Board (IASB) have considered (or will consider) the advice given at the July and October 2025 ASAF meetings.
2. Information about the IASB's work plan and the status of projects is available on the IFRS Foundation website.

Structure of the paper and questions for ASAF members

3. There are two appendices to this paper:
 - (a) Appendix A sets out the suggested agenda topics for the March 2026 ASAF meeting; and
 - (b) Appendix B sets out a table summarising the feedback from the July and October 2025 ASAF meetings and how the staff or the IASB have considered (or will consider) this feedback.

Questions for ASAF members

1. Do ASAF members have any comments on the proposed agenda topics for the March 2026 ASAF meeting or wish to add items arising from their jurisdiction to the proposed agenda topics (Appendix A)?
2. Do ASAF members have any comments on how the feedback from the July and October 2025 ASAF meetings has been (or will be) used by the staff or the IASB (Appendix B)?

Appendix A—ASAF agenda topics

Agenda topic	Purpose of the discussion
July 2025 ASAF meeting	
Provisions—Targeted Improvements	Discuss feedback on the Exposure Draft <i>Provisions—Targeted Improvements</i> and seek ASAF members’ views on how the IASB should move forward with its <i>Provisions—Targeted Improvements</i> project in the light of that feedback.
Rate-regulated Activities	Share with ASAF members the IASB’s tentative decisions in May 2025 relating to a sweep issue identified during the drafting of the prospective IFRS <i>Accounting Standard Regulatory Assets and Regulatory Liabilities</i> . Share an assessment of the likely effects (benefits and costs) of the prospective Standard.
AcSB’s research project on Segments	AcSB present the results of their research project on Segments.
Hyperinflation	Guest speakers from Africa and Latin America will share experiences and challenges in applying IAS 29 <i>Financial Reporting in Hyperinflationary Economies</i> . The session will help inform the IASB’s next agenda consultation and raise awareness with ASAF members about the challenges in applying IAS 29.
Business Combinations—Disclosures, Goodwill and Impairment	Seek ASAF members’ views on a possible rebuttable presumption approach to identify business combinations and the operating profit threshold.
October 2025 ASAF meeting	
Business Combinations—Disclosures, Goodwill and Impairment	Seek ASAF members’ views on aspects of the proposals such as the exemption from some disclosure requirements and restructuring and asset enhancement cash flows.
Intangible Assets	Seek ASAF members’ views on application issues selected as test cases and related to newer types of intangible assets and new ways of using them in exploring whether to update the definition of an intangible asset, associated guidance and some aspects of the recognition criteria.
Statement of Cash Flows and Related Matters	Seek ASAF members’ views on the possible underlying factors contributing to inconsistent application of classification requirements in IAS 7. Transactions previously identified by ASAF members as being inconsistently classified will be used as examples to demonstrate underlying factors identified by staff and how IAS 7 might be applied.

Agenda topic	Purpose of the discussion
Equity Method	Seek ASAF members' views on specific proposals in the Exposure Draft: - measurement of the 'cost of the associate'—acquisition-related costs; and - other changes in an investor's ownership interest—dilution gains or losses.
December 2025 ASAF meeting (Actual)	
Provisions—Targeted Improvements	Invite comments and questions from ASAF members on the IASB's tentative decisions at its September 2025 meeting and seek ASAF members' views on ideas for possible application requirements for levies.
Amortised Cost Measurement	Seek input from ASAF members on the potential improvements to IFRS 9 requirements for changes in EIR and modification of financial instruments, to be discussed by the IASB from September 2025.
Intangible Assets	Seek ASAF members' views on the user information needs in their jurisdictions in relation to recognised and unrecognised intangible assets and expenditure associated with them.
UKEB's project on statement of cash flows	UKEB will present their work on statement of cash flows.
Statement of Cash Flows and Related Matters	provide a project update and seek ASAF members' views on some potential solutions to improve the effectiveness of how information about non-cash transactions is disclosed in the financial statements.
Business Combinations—Disclosures, Goodwill and Impairment	Seek ASAF members' views to explore alternative approaches on various topics which might include performance information and expected synergy information.
IASB's Prioritisation Framework	Give an overview of the IASB's Prioritisation Framework.
OIC's project on business combinations under common control	OIC will present their work on business combinations under common control.
March 2026 ASAF meeting (Proposed topics)	
Provisions—Targeted Improvements	Invite comments and questions from ASAF members on tentative decisions reached by the IASB by February 2026. Topics are likely to encompass the present obligation recognition criterion and costs to include in measuring a provision.
Statement of Cash Flows and Related Matters	Seek ASAF members' views on alternative approaches to various topics which might include improving information about non-cash transactions and improving consistent application of requirements to classify cash flows as operating, investing and financing.

Agenda topic	Purpose of the discussion
Equity Method	Seek ASAF members' views on specific proposals in the Exposure Draft.
Post-implementation Review of IFRS 16 <i>Leases</i>	Invite comments and questions from ASAF members on the summary of feedback on the Request for Information <i>Post-implementation Review of IFRS 16 Leases</i> and the IASB's tentative decisions reached by March 2026.

Appendix B—Feedback from the July and October 2025 meetings

Topic	Summary of ASAF advice	How the advice has been/will be applied
Provisions—Targeted Improvements (July 2025) The purpose of this session was to discuss feedback on the Exposure Draft <i>Provisions—Targeted Improvements</i> and seek ASAF members’ views on how the IASB should move forward with the project.		
	The discussion focused on concerns respondents expressed about the proposed requirements for levies. ASAF members expressed mixed views on whether the IASB should develop a solution within the scope of the Provisions project or as a separate project. Members also discussed possible changes to the ‘virtually certain to be enacted’ threshold for proposed new laws. Some members suggested aligning the threshold with the ‘substantively enacted’ threshold in IAS 12 <i>Income Taxes</i>. Others suggested making no changes. On the proposal to specify the costs to include in the measure of a provision, members asked for clarification of the requirements’ scope and of the treatment of ancillary costs. On discount rates, ASAF members expressed support for adding an exception to the initial measurement requirements in IFRS 3 <i>Business Combinations</i> to avoid ‘day 2’ adjustments for provisions assumed in a business combination.	The IASB will consider ASAF members’ views as it redeliberates the Exposure Draft proposals.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Rate-regulated Activities (July 2025) The purpose of this session was to share with ASAF members: (a) the IASB's tentative decisions in May 2025 relating to a sweep issue identified during the drafting of the prospective IFRS Accounting Standard <i>Regulatory Assets and Regulatory Liabilities</i> (prospective Standard); and (b) an assessment of the likely effects (costs and benefits) of the prospective Standard.		
Minimum interest rate requirements	ASAF members generally supported the IASB's tentative decisions to remove the minimum interest rate requirements and to include additional disclosure requirements.	The IASB will consider the feedback from ASAF members in drafting the prospective Standard.
Assessment of likely effects of the prospective Standard	ASAF members shared these views: (a) UKEB representative expressed significant concerns about the effects analysis. (b) some ASAF members made comments about the understandability of the requirements of the prospective Standard by stakeholders in their jurisdictions. A few ASAF members made other comments regarding the issuance of the prospective Standard.	The IASB will consider the feedback from ASAF members in drafting the effects analysis of the prospective Standard.
AcSB's research project on Segments (July 2025)		
	The AcSB representative presented the results of the AcSB's staff research on the application of IFRS 8 <i>Operating Segments</i> in Canada, including a summary of feedback from Canadian users, preparers and auditors of financial statements.	Specific advice was not sought at this session.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Hyperinflation (July 2025)		
	PAFA and GLASS representatives presented challenges and concerns about the application of IAS 29 <i>Financial Reporting in Hyperinflationary Economies</i> .	Specific advice was not sought at this session.
Business Combinations—Disclosures, Goodwill and Impairment (July 2025) The purpose of the session was to seek ASAF members' views on potential alternative approaches for identifying the subset of business combinations for which performance information would be required. ASAF members were asked for their views on: (a) a rebuttable-presumption approach for identifying this subset; and (b) the necessity of the proposed operating profit threshold as part of identifying the subset.		
	Most ASAF members supported a rebuttable-presumption approach. They said it would help to address issues with the threshold approach inappropriately capturing business combinations. However, ASAF members have mixed views on: (a) whether to use one of the suggested principles and if so, which one; (b) whether entities should also be required to consider whether to rebut the presumption that performance information is not required for business combinations that do not meet the thresholds; and (c) whether to require an entity disclose the fact of, and reason for, any rebuttal. Most ASAF members supported removing the operating profit threshold.	The IASB will consider ASAF members' views as it redeliberates the Exposure Draft proposals.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Business Combinations—Disclosures, Goodwill and Impairment (October 2025) The purpose of the session was to seek ASAF members' views on aspects of the Exposure Draft Business Combinations—Disclosures Goodwill and Impairment. ASAF members were asked for their views on: (a) possibly refining the proposed exemption and developing examples of situations in which an entity can apply the exemption; and (b) developing an example to illustrate the current potential of an asset to be restructured, improved or enhanced.		
	Most ASAF members said the exemption should cover breach of statutory legal or regulatory requirements. Members provided their views on how the wording of the exemption could be refined. ASAF members had mixed views on whether to provide illustrative examples of situations in which an entity can apply the exemption. Most ASAF members supported developing an example to illustrate the current potential of an asset to be restructured, improved or enhanced and provided specific feedback about the example suggested in the agenda paper.	The IASB will consider ASAF members' views as it redeliberates the Exposure Draft proposals.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Intangible Assets (October 2025) The purpose of the session was to provide a project update since March 2025, focusing on the IASB's test cases for the stream exploring potential changes to the definition and some aspects of recognition requirements, and to obtain ASAF members' advice on: (a) whether the staff has accurately identified and described the principles and topics to explore further for the selected test cases—cloud computing and agile software development; and (b) whether the IASB should select artificial intelligence-related data and solutions (AI) and data resources as test cases, and if so, why.		
	Generally, ASAF members agreed with the staff's suggested principles and topics for the IASB to explore further for the selected test cases—cloud computing and agile software development. Some ASAF members provided additional suggestions for the IASB to consider. Many ASAF members agreed with the staff's initial view not to select AI or data resources as separate test cases. However, some ASAF members suggested using either one or both of them as test cases or said it would be important to monitor developments and consider AI and data resources when working on the selected test cases to ensure that future guidance remains up to date. A few ASAF members expressed a concern that the IASB was focusing on too few test cases. They suggested broadening the scope of research to make it more comprehensive and to develop future-proof principles, including by considering known issues related to traditional intangible assets.	The IASB will consider ASAF members' views when selecting the test cases for the potential changes to some aspects of the definition and recognition requirements work stream and determining the principles and topics to explore for each of the selected test cases.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Statement of Cash Flows and Related Matters (October 2025) The purpose of the session was: (a) to give ASAF members a project update; and (b) to ask ASAF members for feedback on the staff's initial analysis on classification issues identified during outreach.		
	ASAF members provided further information and views on various challenges stakeholders have identified in classifying cash flows as operating, investing and financing. The main groups of transactions discussed included: payments related to business combinations, payments related to government grants or specific derivatives, payments related to the purchase of assets on deferred payment terms, and payments for which the classification depends on principle revenue producing activities. Specific comments were also raised about payments related to supplier finance and factoring arrangements. ASAF members were also asked to provide more detailed information in written form in early November.	The IASB will consider the information and views provided by ASAF members in deciding the project approach to improving consistent application of the requirements to classify cash flows as operating, investing and financing.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Equity Method (October 2025) The purpose of the session was to ask ASAF members for their views on specific proposals in the Exposure Draft <i>Equity Method of Accounting—IAS 28 Investments in Associates and Joint Ventures (revised 202x)</i> (Exposure Draft) on: (a) two alternative answers to the application question ‘How does an investor recognise acquisition-related costs when applying the equity method?’: (i) Alternative 1—Recognising acquisition-related costs in profit and loss as incurred. (ii) Alternative 2—Recognising acquisition-related costs as part of the cost of the associate. (b) the presentation of dilution gains or losses and on how the proposals in the Exposure Draft apply to indirect dilutions.		
Recognition of acquisition-related costs	ASAF members had mixed views on whether acquisition-related costs should be included in the cost of the associate or expensed as incurred. Overall, ASAF members supported Alternative 2 for various reasons, including that it would result in the least change to practice.	The IASB will consider ASAF members’ views as it redeliberates the Exposure Draft proposals.
Presentation of dilution gains or losses	All ASAF members except one agreed with the proposal to present dilution gains or losses in profit or loss. Some ASAF members recommended the IASB to provide requirements for indirect dilutions.	