
IASB® meeting

Date	April 2026
Project	Business Combinations—Disclosures, Goodwill and Impairment
Topic	Cover Paper
Contacts	Dehao Fang (fdehao@ifrs.org)

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Introduction and purpose

1. During 2025 the International Accounting Standards Board (IASB) discussed our initial analysis of feedback on all of the proposals in the Exposure Draft *Business Combinations—Disclosures, Goodwill and Impairment* (Exposure Draft), except for feedback on the proposals for subsidiaries without public accountability and transition.
2. In this meeting:
 - (a) Agenda Paper 18A provides a project update, including our plan for upcoming IASB meetings;
 - (b) Agenda Papers 18B–18D updates our analysis for the subset of business combinations for which an entity would be required to disclose performance information and Agenda Paper 18B asks the IASB if it agrees with our recommendations;
 - (c) Agenda Paper 18E updates our analysis for the proposed exemption and asks the IASB if it agrees with our recommendations; and
 - (d) Agenda Paper 18F updates our analysis for the proposal to remove from IAS 36 *Impairment of Assets* the requirement to exclude restructuring and

enhancement cash flows when calculating value in use and asks the IASB if it agrees with our recommendations.

3. Whilst the agenda papers for this meeting ask for tentative decisions, we will revisit the package of amendments at a future IASB meeting to assess whether the expected benefits of that package outweigh their costs. We will consider, at that time, if any adjustments are needed to any of the tentative decisions made at this stage.
4. Agenda Paper 18A sets out our planned next steps.
5. Appendix A to this paper summarises the Exposure Draft proposals, respondents' feedback and the IASB's discussions and tentative decisions to date.

Appendix A—Summary of discussions and tentative decisions

A1. This table summarises the Exposure Draft proposals, respondents’ feedback and the IASB’s discussions and tentative decisions to date.

Topic	Exposure Draft proposals	Feedback	Discussions and tentative decisions
(a) Objective	The project’s objective is to explore whether an entity can, at a reasonable cost, provide users with more useful information about business combinations.	Although not specifically asked, some respondents provided feedback on the objective, of which most agreed, and some expressed concerns about whether the proposals go far enough.	February 2025 : the IASB tentatively decided to retain the project objective but to adjust its wording to reflect the stage of the project.
(b) Whether to require performance and expected synergies information	Disclose performance and expected synergies information in financial statements. The specific information proposed is shown in rows below.	There were divergent views. In particular, almost all users confirmed the need for the information and most preparers continued to disagree with requiring the information in financial statements. Respondents who disagreed	September 2025 : the IASB discussed usefulness of performance and expected synergy information. The IASB also discussed: (a) conceptual reasons—the IASB discussed conceptual reasons in March 2025 . The IASB tentatively decided to continue to redeliberate the proposed requirements for an entity to disclose

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		<p>generally gave the following common reasons:</p> <ul style="list-style-type: none"> (a) conceptual reasons; (b) auditability and expectations gap; (c) commercial sensitivity and litigation risks arising from disclosure of forward-looking information; and (d) monetary costs and other concerns. 	<p>performance and expected synergy information.</p> <ul style="list-style-type: none"> (b) commercial sensitivity and litigation risks—the IASB had an initial discussion in June 2025 but did not make any tentative decisions. The staff will consult on specific aspects before asking the IASB for tentative decisions. (c) auditability and expectations gap— the IASB had an initial discussion in July 2025. The staff will consult on specific aspects before asking the IASB for tentative decisions. (d) monetary costs and other concerns—the IASB had an initial discussion in September 2025 but did not make any tentative decisions. The staff will consider costs as part of the cost-benefit trade-off.

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(c) Performance information—subset	Disclose performance information for only a subset of material business combinations—referred to as strategic business combinations—identified by quantitative and qualitative thresholds.	<p>Respondents generally supported a subset approach. However:</p> <ul style="list-style-type: none"> (a) many agreed with a threshold approach but many others suggested a principles-based approach; (b) most disagreed with at least one of the proposed thresholds; and (c) some expressed concerns about the term ‘strategic’. 	<p>April 2025: the IASB had an initial discussion but did not make any tentative decisions. The staff will consult on specific aspects before asking the IASB for tentative decisions.</p> <p>April 2026: to be discussed at this meeting.</p>
(d) Performance information—management approach and other feedback	<p>Disclose performance information based on the information reviewed by the entity’s key management personnel (KMP), including:</p> <ul style="list-style-type: none"> (a) acquisition-date key objectives and related targets (KOTs); and (b) the extent to which those KOTs are being met in subsequent 	<ul style="list-style-type: none"> (a) Most respondents agreed with disclosing KOTs based on the information reviewed by KMP and some respondents disagreed; and (b) many respondents agreed with disclosing information for as long as KMP review, some 	<p>October 2025: the IASB had an initial discussion but did not make any tentative decisions. The staff will consult on specific aspects before asking the IASB for tentative decisions.</p>

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	periods, for as long as KMP review that information.	respondents disagreed and some did not comment.	
(e) Expected synergy information	Information about expected synergies for each business combination including: <ul style="list-style-type: none"> (a) a description of expected synergies by category; and (b) for each category: <ul style="list-style-type: none"> (i) the estimated amounts; (ii) the estimated costs; and (iii) the expected timing. 	Some respondents (including most users and user groups) agreed but most respondents (including almost all preparers and preparer groups and accounting firms) disagreed.	October 2025 : the IASB had an initial discussion but did not make any tentative decisions. The staff will consult on specific aspects before asking the IASB for tentative decisions.
(f) Exemption from some disclosure requirements	An entity would be exempt from disclosing expected synergy information and some aspects of performance information if doing so can be expected to prejudice seriously the achievement of any of the entity's acquisition-date key objectives for the	Almost all respondents agreed with having an exemption but many said the exemption should be expanded to cover other situations in which information would be so commercially	June 2025 : the IASB had an initial discussion but did not make any tentative decisions. The staff will consult on specific aspects before asking the IASB for tentative decisions.

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	<p>business combination. The Exposure Draft also proposed application guidance to accompany the exemption.</p>	<p>sensitive that it should not be disclosed in financial statements.</p>	<p>December 2025: Which items of information the exemption applies to and some related clarification requests to be discussed at this meeting.</p> <p>April 2026: whether and how to refine the scope of the exemption to be discussed at this meeting.</p>
<p>(g) Other IFRS 3 disclosures</p>	<p>Amendments including:</p> <ul style="list-style-type: none"> (a) to add two new disclosure objectives; (b) to require disclosure of the 'strategic rationale' instead of 'primary reasons' for a business combination; and (c) to specify that for the information about the contribution of an acquired business: 	<ul style="list-style-type: none"> (a) Almost all respondents agreed; (b) almost all respondents agreed; and (c) for the contribution of an acquired business: <ul style="list-style-type: none"> (i) most respondents agreed; (ii) most respondents agreed; and (iii) many agreed but many disagreed. 	<p>May 2025: the IASB tentatively decided:</p> <ul style="list-style-type: none"> (a) to retain the proposed disclosure objectives to guide its redeliberations; (b) to retain the proposal; and (c) for the contribution of an acquired business: <ul style="list-style-type: none"> (i)–(ii) to retain the proposals; and (iii) to instead require an entity to disclose the basis on which it prepared combined entity information.

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	<ul style="list-style-type: none"> (i) the amount of profit or loss is the amount of 'operating' profit or loss; (ii) application guidance would not be provided; and (iii) the basis for preparing the information is an accounting policy. 		
(h) Restructuring and asset enhancement cash flows	Remove the requirement to exclude restructuring and asset enhancement cash flows when calculating value in use (VIU) of an asset or a cash-generating unit (CGU).	Many respondents agreed but many others disagreed.	<p>July 2025: the IASB had an initial discussion but did not make any tentative decisions. The staff will consult on specific aspects before asking the IASB for tentative decisions.</p> <p>April 2026: to be discussed at this meeting.</p>
(i) Allocating goodwill to CGUs	Targeted changes to IAS 36 to improve how entities allocate goodwill to CGUs and therefore reduce shielding.	Many respondents agreed but many others disagreed (including almost all respondents who	<p>December 2025: the IASB tentatively decided:</p> <p>(a) to retain the proposal to replace the phrase 'goodwill is monitored' in</p>

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		<p>suggest reintroducing amortisation of goodwill).</p>	<p>paragraph 80(a) with ‘business associated with the goodwill is monitored’;</p> <p>(b) to retain the proposal to clarify that paragraph 80(b) acts as a ceiling to the level an entity determines by applying paragraph 80(a);</p> <p>(c) to retain proposed paragraph 80A(b) with some wording changes; and</p> <p>(d) to make no other changes to the proposed amendments.</p>
(j) Segment disclosure	<p>Disclose in which reportable segment a CGU (or group of CGUs) containing goodwill is included.</p>	<p>Most respondents agreed and some disagreed.</p>	<p>July 2025: the IASB tentatively decided to require an entity to disclose the reportable segment in which a cash-generating unit or group of cash-generating units containing goodwill is included.</p>

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(k) Post-tax cash flows and discount rates	Remove the requirement to use pre-tax cash flows and discount rate when calculating VIU.	Almost all respondents agreed and a few disagreed.	<p>July 2025: The IASB tentatively decided:</p> <ul style="list-style-type: none"> (a) to remove the requirement for an entity to use pre-tax cash flows and a pre-tax discount rate for calculating value in use; and (b) to require an entity to disclose whether the discount rate used in calculating value in use is pre-tax or post-tax.
(l) Subsidiaries without public accountability	<p>To require an eligible subsidiary to disclose:</p> <ul style="list-style-type: none"> (a) expected synergy information; (b) the strategic rationale for a business combination; (c) information about the contribution of the acquired business; and (d) whether the discount rate used in an impairment test is pre-tax or post-tax. 	<ul style="list-style-type: none"> (a) Many respondents agreed but many others disagreed. Most of the respondents who disagreed also disagreed with disclosing expected synergy information more generally for all entities. (b–d) most respondents agreed. 	To be discussed at a future meeting.

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(m) Transition	(a) To require entities already applying IFRS Accounting Standards to apply the amendments prospectively with earlier application permitted; and (b) no transition relief for first-time adopters.	(a) Most respondents agreed and some disagreed, particularly with the proposed transition requirements for IAS 36; and (b) most respondents agreed and some disagreed.	To be discussed at a future meeting.