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## Accounting Standards Advisory Forum meeting

Date	July 2026
Project	Business Combinations—Disclosures, Goodwill and Impairment
Topic	Project update
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# Business Combinations—Disclosures, Goodwill and Impairment

## Objective

Improve information entities provide about their acquisitions at a reasonable cost

## Proposals

### Proposed changes to IFRS 3:

- Disclose information reviewed by key management personnel about the performance of a strategic business combination
- Disclose quantitative information, in the year of acquisition, about expected synergies
- Exempt an entity from disclosing some information in specific circumstances
- Other improvements to IFRS 3 disclosure requirements

### Proposed changes to IAS 36:

- Clarify how an entity allocates goodwill to cash-generating units
- Require an entity to disclose in which reportable segment a cash-generating unit containing goodwill is included
- Simplify and improve calculation of value in use



## Next milestone

Redeliberate proposals in the [Exposure Draft](#) and decide project direction in H2 2026

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## BCDGI—Status update

- The IASB discussed a suggested package of performance and expected synergy disclosures at its May meeting. This package—summarised in slide 4—included suggested changes to the package proposed in the Exposure Draft in response to feedback.
- The IASB tentatively decided that the benefits of that package would justify the costs. Seven of 13 IASB members agreed with this decision.
- The IASB will continue redeliberating the proposals in the Exposure Draft including the package of performance and expected synergy disclosures. The IASB expects to make a decision on project direction in H2 2026.

\*Papers for the IASB’s May 2026 meeting and a recording of the meeting are available on [the meeting page](#).

# BCDGI—Suggested IFRS 3 package

## At acquisition

- ✓ Key objectives for a subset S E
- ✓ Targets for a subset S E
  - + Only currency unit targets
  - + How performance information is measured
- ✓ Expected synergies for all material BCs E
- ~~X Aggregated expected synergies for individually immaterial BCs~~ E
- + Statements that targets / expected synergies are management's expectation

### Subset for performance information:

- ✓ 10% of revenue
- ~~X 10% of operating profit~~
- ✓ 10% of total assets
- ~~x Qualitative thresholds~~

## Subsequently

- ✓ Actual performance S
  - + Only performance against currency unit targets
  - + How performance information is measured
- ~~X Qualitative statement~~ E

### Exemption

- ✓ If disclosure seriously prejudices any of the acquisition's KOTs; or
- + If disclosure breaches legal / regulatory requirements.

### Key

- ✓ Retain from Exposure Draft S Only required for a Subset
- ~~X Remove from Exposure Draft~~ E Exemption can be applied
- + Add since Exposure Draft

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## Get involved

### Learn more

- Access [IFRS Accounting Standards](#)
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### Track progress

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