
Accounting Standards Advisory Forum meeting

Date **March 2026**
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 July 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 October and December 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 July 2026 ASAF meeting; and
 - (b) Appendix B sets out a table summarising the feedback from the October and December 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 July 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 October and December 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 |
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| 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. |
| Equity Method | Seek ASAF members' views on specific proposals in the Exposure Draft: <ul style="list-style-type: none"> - 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 | |
| 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 presented 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. |

| Agenda topic | Purpose of the discussion |
|---|--|
| 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 presented their work on business combinations under common control. |
| March 2026 ASAF meeting (Actual) | |
| Risk Mitigation Accounting | Provide an overview of the Exposure Draft <i>Risk Mitigation Accounting</i> and offer ASAF members an opportunity to ask questions and share views about the proposed amendments. |
| Equity Method | Present the additional information collected on the proposal to recognise in full gains or losses from transactions between an investor and its associates and joint ventures and invite ASAF members' input regarding whether stakeholders in their jurisdictions or regions have same views or challenges. |
| Statement of cash flows—SAICA's presentation | South African Institute of Chartered Accountants (SAICA) will present their work on statement of cash flows. |
| Statement of Cash Flows and Related Matters | Seek ASAF members' views on alternative approaches to improving information about non-cash transactions, other non-cash changes in specified assets and liabilities and changes in liabilities from financing activities. |
| Connections between financial statements and sustainability disclosures | The session will address how financial statements and sustainability disclosures complement each other to support decision-useful information for the primary users. As part of the session the IASB and ISSB staff will jointly present information from our educational materials on connected information and EFRAG will introduce its Discussion Paper published in December 2025. |
| Amendments to the Fair Value Option (IAS 28) | Seek ASAF members' views on the proposals in the Exposure Draft <i>Amendments to the Fair Value Option for Investments in Associates and Joint Ventures</i> (Proposed amendments to IAS 28). |
| Provisions—Targeted Improvements | Seek ASAF members' views on new ideas for application requirements for levies. |
| Post-implementation Review of IFRS 9—Hedge Accounting | Seek ASAF members' views on the application of the hedge accounting requirements in IFRS 9 in their jurisdiction and which entities apply them, as well as on matters that members think the IASB should consider for the <i>Post-implementation Review of IFRS 9—Hedge Accounting</i> . This discussion is part of the outreach the |

| Agenda topic | Purpose of the discussion |
|---|---|
| | IASB is performing to assist in identifying matters on which it will consult publicly in the forthcoming request for information. |
| Post-implementation Review of IFRS 16 Leases | 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. |
| Presentation of taxes and related amounts in Income statement in accordance with IFRS 18 <i>Presentation and Disclosure in Financial Statements</i> | Saudi Organization for Chartered and Professional Accountants (SOCPA) will present their views on the presentation of Zakat expenses under IFRS 18. The session will invite ASAF members to share their views and practices in light of the March discussion of the IFRS Interpretations Committee. |
| IFRS Foundation Due Process Handbook | Provide an update on the DPOC's project to update the IFRS Foundation <i>Due Process Handbook</i> following the March DPOC meeting. The session will provide an opportunity for ASAF members to ask questions. |
| July 2026 ASAF meeting (Proposed topics) | |
| Financial Instruments with Characteristics of Equity | Provide a project update and seek ASAF members' views on alternative approaches and potential refinements to the proposed requirements in the FICE Exposure Draft on obligations to purchase own equity instruments (including written NCI put options). |
| Statement of Cash Flows and Related Matters | Provide a project update and seek ASAF members' views on project developments for improving consistent application of requirements to classify cash flows as operating, investing and financing and cash flow requirements for financial institutions. |
| Business Combinations—Disclosures, Goodwill and Impairment | Seek ASAF members' views on aspects of the proposals from the Exposure Draft <i>Business Combinations—Disclosures, Goodwill and Impairment</i> . |
| Intangible Assets | Seek ASAF members' views on possible implications of the IASB's findings related to user information needs on the direction of the project. |
| Risk Mitigation Accounting | Seek ASAF members' views on the proposals in the Exposure Draft on <i>Risk Mitigation Accounting</i> , and to better understand the common topics of interest across different jurisdictions. The session will also aim to gather early feedback from any fieldwork conducted. |
| Rate-regulated Activities | Provide an update on the status of the project and on planned implementation activities. |
| Provisions—Targeted Improvements [tentative] | [Dependent on ASAF feedback in March and subsequent IASB decisions] |

Appendix B—Feedback from the October and December 2025 meetings

| Topic | Summary of ASAF advice | How the advice has been/will be applied |
|---|---|---|
| <p>Business Combinations—Disclosures, Goodwill and Impairment (October 2025)</p> <p>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:</p> <ul style="list-style-type: none"> (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. | | |
| | <p>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.</p> <p>ASAF members had mixed views on whether to provide illustrative examples of situations in which an entity can apply the exemption.</p> <p>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.</p> | <p>The IASB will consider ASAF members’ views as it redeliberates the Exposure Draft proposals.</p> |

| Topic | Summary of ASAF advice | How the advice has been/will be applied |
|--|---|---|
| <p>Intangible Assets (October 2025)</p> <p>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:</p> <p>(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</p> <p>(b) whether the IASB should select artificial intelligence-related data and solutions (AI) and data resources as test cases, and if so, why.</p> | | |
| | <p>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.</p> <p>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.</p> <p>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.</p> | <p>The IASB considered ASAF members’ views at its January 2026 meeting, when discussing 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.</p> |

| Topic | Summary of ASAF advice | How the advice has been/will be applied |
|---|---|--|
| <p>Statement of Cash Flows and Related Matters (October 2025)</p> <p>The purpose of the session was:</p> <p>(a) to give ASAF members a project update; and</p> <p>(b) to ask ASAF members for feedback on the staff’s initial analysis on classification issues identified during outreach.</p> | | |
| | <p>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.</p> <p>ASAF members were also asked to provide more detailed information in written form in early November.</p> | <p>At its December 2025 meeting the IASB tentatively decided to explore developing requirements for the classification of acquisition related payments in a business combination, presentation and classification requirements for cash flows from dividends and government grants and to explore amending the principle for classifying cash flows in paragraph 11 of IAS 7. The IASB also decided at that meeting to revisit the issues of classification of deferred payments and cash flows involving third-party finance providers after concluding discussions on strengthening disclosure requirements on non-cash transactions and other non-cash changes. The IASB considered the views provided by ASAF members at the meeting and in the written responses in making these decisions.</p> |

| Topic | Summary of ASAF advice | How the advice has been/will be applied |
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| <p>Equity Method (October 2025)</p> <p>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:</p> <p>(a) two alternative answers to the application question ‘How does an investor recognise acquisition-related costs when applying the equity method?’:</p> <p>(i) Alternative 1—Recognising acquisition-related costs in profit and loss as incurred.</p> <p>(ii) Alternative 2—Recognising acquisition-related costs as part of the cost of the associate.</p> <p>(b) the presentation of dilution gains or losses and on how the proposals in the Exposure Draft apply to indirect dilutions.</p> | | |
| <p>Recognition of acquisition-related costs</p> | <p>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.</p> | <p>At its October 2025 meeting, the IASB decided to require an investor to expense acquisition-related cost in the period they are incurred. The IASB acknowledged that this is a change to practice but concluded that this provides relevant information because it brings the carrying amount closer to the share of the investee’s net assets and ensures that these costs flow through the investor’s profit or loss. This decision is consistent with the requirements in IFRS 3 and for the purchase of financial instruments carried at fair value in IFRS 9.</p> |
| <p>Presentation of dilution gains or losses</p> | <p>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.</p> | <p>The IASB will consider ASAF members’ views as it redeliberates the Exposure Draft proposals.</p> |

| Topic | Summary of ASAF advice | How the advice has been/will be applied |
|---|---|--|
| <p>Provisions—Targeted Improvements (December 2025)</p> <p>The purpose of the session was to discuss aspects of IASB’s proposals to amend IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>. These proposals are set out in the Exposure Draft <i>Provisions—Targeted Improvements</i>. ASAF members provided their views on:</p> <p>(a) ideas for possible application requirements for levies; and</p> <p>(b) the IASB’s recent tentative decisions—reached at its September 2025 meeting—on the rate an entity uses to discount future expenditure to its present value.</p> | | |
| <p>Levies</p> | <p>ASAF members expressed mixed views on adding application requirements for levies to IAS 37—some members suggested instead developing a separate standard for levies and other non-reciprocal transactions.</p> <p>Several ASAF members said they thought the ideas for possible application requirements presented at the meeting would be too complex to apply.</p> <p>An ASAF members suggested the requirements should focus on the objectives of the legislation (the activity the legislation is seeking to tax).</p> | <p>The staff have used the ASAF advice in developing new ideas for application requirements for levies—as detailed further in IASB February 2026 meeting Agenda papers:</p> <ul style="list-style-type: none"> • AP22A Levies—Application Requirements; and • AP22B Levies—Rebuttable or non-rebuttable presumption. <p>The staff will seek ASAF members’ views on these new ideas at the March 2026 ASAF meeting.</p> |
| <p>Discount rates</p> | <p>ASAF members broadly agreed with the IASB’s tentative decisions on discount rates.</p> | <p>The staff have noted ASAF members’ comments.</p> |

| Topic | Summary of ASAF advice | How the advice has been/will be applied |
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| <p>Amortised Cost Measurement (December 2025)</p> <p>The purpose of the session was to obtain ASAF members' input on potential solutions to application issues within the scope of the <i>Amortised Cost Measurement</i> project. The discussion focused on:</p> <p>(a) subsequent changes in the Effective Interest Rate (EIR); and</p> <p>(b) the modification of financial instruments.</p> | | |
| <p>Changes in EIR</p> | <p>ASAF members generally agreed with the IASB's conclusions in its September 2025 meeting. In particular, many ASAF members suggested the IASB explore an approach that combines elements of alternatives A and C to balance conceptual merits with practicality.</p> <p>Most ASAF members viewed Alternative A, as discussed by the IASB, as conceptually appropriate but operationally complex, and potentially leading to frequent catch-up adjustments, which some said would reduce the usefulness of information to investors.</p> <p>In contrast, Alternative C, as discussed by the IASB, was considered easier to apply but less conceptually robust.</p> <p>Alternative B received less support due to its fair-value-like approach, which was deemed inconsistent with the principles of amortised cost.</p> | <p>The staff have noted ASAF members' comments and it will use ASAF advice in developing potential improvements to the requirements in paragraphs B5.4.5–B5.4.6 of IFRS 9.</p> |

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| Modification of financial instruments | <p>Most ASAF members said that a principles-based approach, combining qualitative and quantitative indicators, would be an optimal solution.</p> <p>Some said that the IASB should require an entity to assess a modification against qualitative indicators first before any quantitative analysis, to avoid a mechanical application of requirements. Others suggested the IASB include the quantitative threshold of 10 per cent in the form of a rebuttable presumption for both financial assets and liabilities.</p> | <p>The staff have used the ASAF advice in developing a principles-based approach for assessing modifications—as detailed further in AP11B: Determining whether modification results in derecognition</p> |
| <p>Intangible Assets (December 2025)</p> <p>The purpose of the session was to find out what ASAF members have heard from users of financial statements in their jurisdictions about:</p> <p>(a) their information needs in relation to information about recognised and unrecognised intangible assets and the expenditure associated with them, in particular, whether and how those needs differ by sector or type of intangible asset; and</p> <p>(b) any specific information needs related to newer types of intangible assets and new ways of using them.</p> | | |
| | <p>Many ASAF members observed variation in the level of information about intangible assets in annual reports across sectors or asset types, although others said the variation may be driven more by an entity’s business model.</p> <p>Generally, ASAF members agreed that</p> | <p>The IASB will consider ASAF members’ views when discussing its findings in the work stream exploring user information needs.</p> |

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| | <p>users want better information about how an entity’s intangible assets contribute to value creation rather than seek more recognition of intangible assets on the balance sheet.</p> <p>There was broad support for more disaggregated information about intangible assets and associated expenses, especially about research and development expenditure—for example, disaggregation by product or project or between maintenance- and growth-related expenses. Some members suggested other areas for improvement.</p> <p>ASAF members said that for newer types of intangible assets users want:</p> <ul style="list-style-type: none"> • information about how entities use those assets to produce benefits; • more transparency on judgements made in capitalisation decisions; and • more information on the level of control over assets, especially data. | |
| UKEB’s project on statement of cash flows (December 2025) | | |
| | <p>The UKEB representative presented the results of their research project on the IASB’s project <i>Statement of Cash Flows and Related Matters</i> and presented potential solutions the IASB could explore.</p> <p>ASAF members asked clarifying questions and shared their perspectives.</p> | <p>Specific advice was not sought at this session.</p> |

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|---|---|--|
| <p>Statement of Cash Flows and Related Matters (December 2025)</p> <p>The purpose of the session was:</p> <p>(a) to provide ASAF members with an update on:</p> <p>(i) inconsistent application of classification requirements; and</p> <p>(ii) improving the transparency of information about cash flow measures; and</p> <p>(b) to ask ASAF members for feedback about the approach to developing possible requirements for improving the reporting of information about non-cash transactions and some other non-cash changes in balances.</p> | | |
| | <p>ASAF members generally supported improving how information about non-cash transactions and other non-cash changes is provided. Some members supported a centralised note disclosure and others preferred incorporating the information into reconciliations already required by other IFRS Accounting Standards.</p> <p>Some members supported developing disclosure requirements rather than presenting imputed “notional” cash flows in the statement of cash flows. Several members said a key challenge would be requiring disclosures about changes in working capital components.</p> <p>A few ASAF members said it was unnecessary to link non-cash disclosures with information about liabilities from financing activities, considering the information is only partially linked and the information about such liabilities is already available.</p> | <p>The IASB technical staff considered ASAF members’ comments in developing alternative approaches to improving information about non-cash transactions and non-cash changes. ASAF members’ views on the alternative approaches will be sought at the March 2026 ASAF meeting.</p> |

| Topic | Summary of ASAF advice | How the advice has been/will be applied |
|--|---|---|
| <p>Business Combinations—Disclosures, Goodwill and Impairment (December 2025)</p> | | |
| <p>The purpose of the session was to seek ASAF members' views on aspects of the Exposure Draft <i>Business Combinations—Disclosures Goodwill and Impairment</i>. ASAF members were asked for their views on:</p> | | |
| <p>(a) the qualitative statement of whether performance of business combination is meeting targets;</p> <p>(b) the population of business combinations for which expected synergy information would be required; and</p> <p>(c) the basis of preparation for performance and expected synergy information.</p> | | |
| | <p>A few ASAF members said the benefits of the qualitative statement are unlikely to outweigh its cost. A few others had not reached a view or reported mixed views.</p> <p>ASAF members had split views on disclosing expected synergy only for business combinations with recognised goodwill / only for strategic business combinations. Almost all members said entities should not be required to disclose aggregated expected synergy information for individually immaterial business combinations.</p> <p>All commenting ASAF members agreed that entities should be required to disclose how they prepared targets and expected synergy information.</p> | <p>The IASB will consider ASAF members' views as it redeliberates the Exposure Draft proposals.</p> |
| <p>IASB's Prioritisation Framework (December 2025)</p> | | |
| | <p>ASAF members were provided with an overview of the IASB's Prioritisation Framework.</p> | <p>Specific advice was not sought at this session.</p> |

| Topic | Summary of ASAF advice | How the advice has been/will be applied |
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| OIC's project on business combinations under common control (December 2025) | | |
| | <p>The OIC representative presented their work on business combinations under common control.</p> <p>ASAF members shared current practice for reporting business combinations under common control in their jurisdictions.</p> | <p>Specific advice was not sought at this session.</p> |