Staff paper

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Accounting Standards Advisory Forum meeting

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Project **ASAF**
Topic **ASAF planning and feedback from previous meetings**

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This paper has been prepared for discussion at a public meeting of the Accounting Standards Advisory Forum (ASAF). This paper does not represent the views of the International Accounting Standards Board (IASB) or any individual IASB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS® Accounting Standards. The IASB's technical decisions are made in public and are reported in the IASB® *Update*.

Introduction

1. The aim of this paper is to:
   (a) discuss the agenda topics for the March 2027 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 2026 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 2027 ASAF meeting; and
   (b) Appendix B sets out a table summarising the feedback from the July and October 2026 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 2027 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 2026 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 2026 ASAF meeting	
Financial Instruments with Characteristics of Equity (FICE)	Provide a project update and recap the proposals in the FICE Exposure Draft and stakeholder feedback related to obligations to purchase own equity instruments. Seek ASAF members' views on alternative presentation approaches in the consolidated financial statements and potential refinements to the proposed measurement requirements for obligations to purchase own equity instruments.
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.
UKEB presentation on cash flow statement in financial institutions	UKEB presented their research work on cash flow statement for financial institutions.
Statement of Cash Flows and Related Matters	Provide an update on discussions with the IASB's Financial Instruments Working Group and seek views from ASAF members on progressing the project approach to financial institutions.
Rate-regulated Activities	Provide an update on the status of the project and on planned implementation activities.
Risk Mitigation Accounting	Provide an update on IASB outreach and common feedback themes. Seek input from ASAF members on engagement levels and fieldwork plans in their jurisdictions and regions, priority areas for further outreach, and how to raise awareness of the proposed withdrawal of IAS 39 *Financial Instruments: Recognition and Measurement*.
Business Combinations—Disclosures, Goodwill and Impairment	Update ASAF members on the latest progress on the project.
October 2026 ASAF meeting	
Amortised Cost Measurement	Provide an overview of the IASB's tentative decisions to date for improvements to amortised cost measurement requirements in IFRS 9 *Financial Instruments*. Ask ASAF members' views on how best to address stakeholders' concerns relating to measuring the financial liabilities that arise from contingent settlement provisions.
Provisions—Targeted Improvements	Report stakeholder feedback on draft application requirements for levies and seek ASAF members' views on the requirements, as updated in response to the stakeholder feedback.
Intangible Assets	Provide an update on the work stream exploring potential changes to some aspects of the definition of an intangible asset and recognition requirements based on test cases.

Agenda topic	Purpose of the discussion
Statement of Cash Flows and Related Matters	Seek ASAF members' views on project developments for scoping any possible changes for financial institutions.
AcSB's project on business combinations	AcSB present research on whether fair value accounting at the acquisition date provides decision useful information.
Risk Mitigation Accounting	Seek ASAF members' feedback on the Exposure Draft *Risk Mitigation Accounting*.
Accounting for cryptocurrencies	Experience-sharing session: - Mexican Financial Reporting Standards Board (CINIF) present their experience with the Mexican standard on accounting for cryptocurrencies; - FASB share an update on the work they have done in this area; and - ASBJ introduce their local respective standard-setting summary.
IASB Technical Update	Provide an update on the IASB's discussions and recent decisions on projects nearing a milestone that are not specified on the agenda.
November 2026 ASAF meeting (Actual)	
Post-implementation Review of IFRS 9—Hedge Accounting	Provide an update on the publication of the Request for Information (RFI) for the Post-implementation Review (PIR) of IFRS 9—Hedge Accounting project. The purpose of this session is to seek initial feedback from ASAF members on the questions raised in the RFI.
Financial Instruments with Characteristics of Equity	Update ASAF members on how their feedback was considered in reaching the IASB's tentative decisions on the classification topics in the Exposure Draft *Financial Instruments with Characteristics of Equity*. Seek ASAF members' views on whether there are any additional considerations or unintended consequences the IASB should be aware of when drafting the final amendments.
Intangible Assets	Discuss further the work stream exploring potential changes to some aspects of the definition of an intangible asset and recognition requirements based on test cases. Seek ASAF members' views on any unintended consequences of these ideas, particularly on a broader set of intangible assets.
Statement of Cash Flows and Related Matters	Seek ASAF members views on project developments for: - improving consistent application of requirements to classify cash flows as operating, investing and financing - particularly, whether the IASB's proposed disclosures for non-cash transactions would provide investors with sufficient transparency about specific transactions, without the need for additional requirements addressing classification; and - possible approaches to structuring the proposals in the exposure draft.

Agenda topic	Purpose of the discussion
Business Combinations—Disclosures, Goodwill and Impairment	Seek ASAF members views on aspects of the disclosure of subsequent performance information about business combinations.
Equity Method	Provide an overview of the forthcoming revised IAS 28 *Investments in Associates and Joint Ventures*.
March 2027 ASAF meeting (Proposed topics)	
Presentation of Tax Charges that are not Income Taxes	Seek ASAF members' preliminary views on the forthcoming Exposure Draft *Presentation of Tax Charges that are not Income Taxes*, which will propose amendments to IFRS 18 *Presentation and Disclosure in Financial Statements*.
Financial Instruments with Characteristics of Equity	Recap the proposals in the Exposure Draft *Financial Instruments with Characteristics of Equity*, feedback and tentative decisions on: - the disclosure sections related to classification topics; and - the transition requirements. Seek ASAF members' final thoughts on whether there are any additional considerations or unintended consequences the IASB should be aware of when drafting the final amendments.
PIR of IFRS 9—Hedge Accounting and Risk Mitigation Accounting	Based on ASAF members' experience with responding to the Exposure Draft *Risk Mitigation Accounting* and RFI *Post-implementation Review of IFRS 9 and IFRS 7—Hedge Accounting Requirements*, seek ASAF members' views on how the IASB could consider the interactions between Risk Mitigation Accounting and the hedge accounting requirements in IFRS 9 when analysing feedback on both consultations.
PIR of IFRS 17 *Insurance Contracts* [Tentative]	Subject to the IASB approving the addition of the project to its work plan before the March 2027 ASAF meeting. The session would form part of the IASB's outreach to help identify matters for public consultation in the forthcoming RFI.

Appendix B—Feedback from the July and October 2026 meetings

Topic	Summary of ASAF advice	How the advice has been/will be applied
Financial Instruments with Characteristics of Equity (July 2026) **The purpose of the session was:** **(a) to provide an update on the project on Financial Instruments with Characteristics of Equity;** **(b) to recap the proposals in the Exposure Draft *Financial Instruments with Characteristics of Equity* and stakeholder feedback related to obligations to purchase own equity instruments; and** **(c) to seek ASAF members' views on alternative presentation approaches in the consolidated financial statements and potential refinements to the proposed measurement requirements for obligations to purchase own equity instruments.**		
	Most ASAF members generally supported the alternative presentation approach in the statement of financial position saying that it would improve transparency and address stakeholder concerns about perceived double counting. Many ASAF members generally supported the proposed presentation in the attribution section of the statement of profit or loss as a way of providing additional information to users of financial statements about the remeasurement of the financial liability and the allocation of subsidiary profit to the parent. In contrast, some ASAF members highlighted concerns that the proposed presentation might result in information that is difficult for users to understand. Some ASAF members expressed concerns about recognising changes in the financial liability in profit or loss. In contrast, some other ASAF	At its September 2026 meeting, the IASB considered ASAF members' views together with other feedback on the proposals in the ED related to obligations to purchase own equity instruments. The IASB made tentative decisions related to the accounting for obligations to purchase own equity instruments as detailed in IFRS - IASB Update September 2026. The staff considered ASAF members' comments, on how the IASB could respond to the challenges identified in applying the measurement approach in the ED, in developing potential refinements and clarifications to the measurement approach. The IASB will continue its re-deliberations on the measurement of the financial liability arising from obligations to purchase own equity instruments.

Topic	Summary of ASAF advice	How the advice has been/will be applied
	members acknowledged that recognising these changes outside of profit or loss would go beyond the scope of this project. Members shared views on how the IASB could respond to the challenges identified in applying the measurement approach in the ED. Some ASAF members generally supported the potential simplification of requiring measurement at 'not less than the amount payable on demand'. Some other ASAF members said the potential clarifications were not helpful enough because they did not resolve some of the challenges related to variable redemption amounts. Some ASAF members expressed concerns that the proposals might be perceived as introducing a new measurement basis into IAS 32.	
Intangible Assets (July 2026) **The purpose of the session was to seek ASAF members' views on possible implications of the findings on the information needs of users of financial statements for the project's direction before the IASB decides whether to make any changes to the project plan.**		
	ASAF members expressed mixed views on sequencing the work on disclosure requirements or a broader review of recognition requirements—whether the IASB's next work stream should be improving disclosure requirements, a broader review of recognition requirements or progressing aspects of both with overlap.	In October 2026, the IASB discussed feedback from ASAF members, together with feedback from other consultative groups, on how the IASB's findings in the user information needs work stream might affect the project's direction. The IASB will make a decision on the project direction in November 2026.

Topic	Summary of ASAF advice	How the advice has been/will be applied
	Some ASAF members also highlighted challenges in improving disclosure requirements, for example commercial sensitivity. Many ASAF members asked the IASB to consider whether requested disclosures belong in financial statements. Most ASAF members suggested exploring improvements to accounting for intangible assets held for investment, including cryptocurrencies and pollutant pricing mechanisms, but views differed on timing. Some ASAF members supported a principles-based approach to exploring the topic focusing on the purpose of holding an intangible asset or an entity's business model. Some ASAF members suggested separate projects for cryptocurrencies and pollutant pricing mechanisms.	
UKEB presentation on cash flow statement in financial institutions (July 2026) **The UKEB representatives presented the results of their research on cash flow statements for financial institutions.**		
	UKEB representatives summarised stakeholder recommendations for the IASB to explore as part of its project on the Statement of Cash Flows and Related Matters. ASAF members asked clarifying questions and shared their perspectives.	Specific advice was not sought at this session.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Statement of Cash Flows and Related Matters (July 2026) **The purpose of the session was:** **(a) to provide ASAF members with an overview of the IASB's initial research and activities on the statement of cash flows for financial institutions; and** **(b) to seek ASAF members' views regarding:** **i) the effect that the potential changes that the IASB is exploring for entities that are not financial institutions (non-financial entities) would have on financial institutions;** **ii) the possible exemptions, presentation and supplementary disclosure requirements for financial institutions identified in the IASB's initial research; and** **iii) the stakeholders to involve in future outreach on the topic.**		
	Many ASAF members did not think the potential changes that the IASB is exploring for non-financial entities would significantly improve the cash flow information provided by financial institutions. ASAF members had mixed views on possible exemptions for financial institutions from some of all of the requirements for presenting a statement of cash flows. Some members supported exempting financial institutions from preparing a statement of cash flows because of users' limited interest in the statement. Other members did not support exemptions because of the risk of removing information that is useful to users. Some ASAF members suggested the IASB consider simplified presentation requirements for financial institutions.	The staff used the feedback from ASAF members to further consider possible changes to the requirements for financial institutions to present or disclose cash flow information. The staff plan to discuss developments with ASAF members at future meetings. Feedback will be considered by the IASB in deciding on proposals specific to financial institutions.

Topic	Summary of ASAF advice	How the advice has been/will be applied
	ASAF members shared views on the potential challenges of scoping any exemptions particularly for consolidated entities with mixed business models. ASAF members also provided suggestions for developing a scope for exemptions including business activities, links to regulation, and characteristics unique to relevant entities.	
Rate-regulated Activities (July 2026) **The purpose of the session was:** **(a) to update ASAF members on the publication of IFRS 20 *Regulatory Assets and Regulatory Liabilities*;** **(b) to outline the IASB's planned activities to support implementation; and** **(c) to ask ASAF members about their implementation plans and how the IASB could support those plans.**		
	The ASAF members received an update on the IASB's planned activities to support the implementation of IFRS 20 *Regulatory Assets and Regulatory Liabilities*. ASAF members also shared their implementation plans and how the IASB could support these plans. Some ASAF members suggested setting up a multi-jurisdictional working group, under the IASB's supervision, to support consistent application of IFRS 20.	The IASB will continue its planned implementation support activities for IFRS 20 and will monitor implementation to address any issues on a timely manner.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Risk Mitigation Accounting (July 2026) **The purpose of the session was to provide ASAF members with an update on the stakeholder-engagement activities undertaken in relation to the project on Risk Mitigation Accounting and the common themes in feedback the IASB has heard to date.**		
Project update	The ASAF members received an update on the IASB's stakeholder engagement activities and the common themes emerging from the feedback received to date. Many members provided further details on the level of stakeholder engagement and the key areas of focus in their jurisdictions.	The IASB will continue engaging with stakeholders during the remaining comment period to better understand stakeholders' areas of particular concern and to answer questions on the proposed requirements.
Withdrawal of IAS 39	Most ASAF members commented that use of the IAS 39 hedge accounting requirements is relatively limited, particularly outside large banks and insurers. However, they also reported that a few sectors still appear to rely on IAS 39, including some energy companies, non-financial listed entities, building societies and other smaller financial institutions.	The IASB will continue its stakeholder engagement activities to raise awareness of the proposed withdrawal of IAS 39 and to encourage stakeholders to evaluate its potential effects.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Business Combinations—Disclosures, Goodwill and Impairment (July 2026) **The purpose of the session was to update ASAF members on the current stage of the project on Business Combinations—Disclosures Goodwill and Impairment and answer ASAF members' questions. ASAF members were asked no questions.**		
	The ASAF members were updated the current stage of the project and on the IASB's tentative decision from its May 2026 meeting on a suggested package of performance and expected synergy disclosures. ASAF members asked clarifying questions and provided their observations on the update.	The IASB will consider ASAF members' comments at its future meetings.
Amortised Cost Measurement (October 2026) **The purpose of the session was to provide ASAF members with an overview of the IASB's tentative decisions and to obtain ASAF members' input on potential solutions for measuring financial liabilities that arise from contingent settlement provisions. The discussion focused on:** **(a) re-estimation of contractual cash flows;** **(b) modification of financial instruments; and** **(c) measurement of financial liabilities arising from contingent settlement provisions.**		
Re-estimation of contractual cash flows	ASAF members supported the IASB's tentative decision to replace the assessment of whether a change in expected contractual cash flows reflects movements in market rates of interest with an assessment of whether such a change represents consideration for the time value of money or credit risk.	The IASB will consider ASAF members' comments when developing its proposals in the future exposure draft on Amortised Cost Measurement.
Modification of financial instruments	ASAF members broadly supported the IASB's tentative decisions to clarify what constitutes a modification of a financial instrument and to introduce a multi-factor approach for assessing whether a modification of a financial assets or a financial liability is	The IASB will consider ASAF members' comments when developing its proposals in the future exposure draft on Amortised Cost Measurement.

Topic	Summary of ASAF advice	How the advice has been/will be applied
	substantial and results in derecognition. ASAF members expressed mixed views on the role of the 10% test within the multi-factor approach. Many members supported the IASB's tentative decision that the test could supplement the qualitative analysis but could not be decisive in isolation. However, a few members favoured retaining a more decisive role for the test because it provides quantitative evidence that a modification is substantial. Some ASAF members suggested refining specific qualitative factors in drafting.	
Contingent settlement provisions	Most ASAF members supported measuring financial liabilities arising from contingent settlement provisions at an amount that is not less than the transaction price of the financial instrument. Many ASAF members suggested the IASB consider the need for enhanced disclosures about the nature, timing and potential settlement amount of the financial liability. Some ASAF members asked the IASB to consider how the transition requirements for this project might interact with those related to the Financial Instruments with Characteristics of Equity project.	The IASB discussed feedback from ASAF members, together with feedback from other consultative groups at its October 2026 meeting. The IASB tentatively decided to propose measuring financial liabilities arising from contingent settlement provisions at an amount that is not less than the transaction price. The IASB will consider the need for enhanced disclosures at a future meeting. The IASB will consider how the transition requirements for this project might interact with those related to other projects when developing its proposals thereon.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Provisions—Targeted Improvements (October 2026) **The purpose of the session was to obtain ASAF members' input on possible application requirements for levies that the IASB had previously tentatively decided to add to IAS 37 Provisions, Contingent Liabilities and Contingent Assets.** **The questions for the ASAF focused on whether the requirements would have any major unintended consequences.**		
	Some ASAF members said the possible application requirements would improve the proposals in the exposure draft and lead to better outcomes than IFRIC 21 *Levies* for some levies. Some ASAF members expressed concern about the judgements required in applying the possible application requirements, one questioning whether the costs would exceed the benefits, and others giving examples of specific levies for which they thought the requirements could result in diversity in practice. One ASAF member expressed an expectation that entities subject to the same levy would eventually agree on an accounting treatment. Another emphasised the role of jurisdictional and regional standard-setters and securities regulators in achieving consistent practices. A few ASAF members expressed concerns about possible unintended consequences for other types of provisions.	The IASB will consider the ASAF members' feedback at its meeting in November 2026.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Intangible Assets (October 2026) **The purpose of the session was to introduce ASAF members to the model the IASB is developing for customer accounting for intellectual property (IP) licensing contracts based on the cloud computing test case, including contracts commonly known as software as a service (SaaS) contracts.**		
	Some ASAF members supported the IASB exploring customer accounting for IP licensing contracts and basing the model on analysing the rights and obligations in a contract. However, almost all ASAF members expressed some degree of concern about the IASB's approach to the work and various aspects of the suggested model, including some areas for which further clarification was needed. ASAF members provided their views on the scope and timing of the IASB's work, the suggested model and how the suggested model could be included in IAS 38 *Intangible Assets*.	So far, the IASB has sought views from ASAF members on the cloud computing test case. In November 2026, ASAF members will discuss the agile software development test case. ASAF members will also be asked for their views on potential changes arising from both test cases and their implications for a broader range of intangible assets. In early 2027, the IASB expects to consider feedback from ASAF members, as well as feedback from other consultative groups, on potential changes and their implications for a broader range of intangible assets as well as whether and how to integrate suggested improvements into IAS 38.
Statement of Cash Flows and Related Matters (October 2026) **The purpose of the session was:** **(a) to provide ASAF members with an overview of ideas about how to scope an exemption for financial institutions from some or all of the requirements for presenting a statement of cash flows; and** **(b) to seek ASAF members' views regarding:** **i. the approach for determining the financial institutions that should qualify for an exemption;** **ii. the mechanisms for defining the scope of an exemption; and** **iii. the potential unintended consequences for users and preparers of financial statements of conglomerates applying an exemption, and how those consequences should be addressed.**		

Topic	Summary of ASAF advice	How the advice has been/will be applied
	Most members agreed the IASB should determine the entities that qualify for any exemption based on business activities rather than whether they are regulated. However, some said regulation should play a role and raised concerns about an overly broad exemption. Many members supported using existing IFRS requirements and terminology to define the scope. However, some members raised concerns about the suitability of some specific examples. Many members raised concerns about externally developed frameworks due to jurisdictional differences in application and changes over time independent of the IASB's due process. Some members supported a high eligibility threshold for conglomerates to preserve useful cash flow information. Views varied on the use segmental cash flow disclosures to preserve useful information, given potential costs and complexity.	The staff will use the feedback from ASAF members to further consider possible changes to the requirements for financial institutions to present or disclose cash flow information. Feedback will be considered by the IASB in deciding on proposals specific to financial institutions.
AcSB's project on business combinations (October 2026)		
	The AcSB provided ASAF members with a summary of their research on exploring the effectiveness and usefulness of IFRS 3 *Business Combinations*. ASAF members asked clarifying questions and shared some initial views on the research.	Specific advice was not sought at this session.

Topic	Summary of ASAF advice	How the advice has been/will be applied
Risk Mitigation Accounting (October 2026) **The purpose of the session was to confirm to ASAF members that common feedback themes gathered through stakeholder-engagement activities to date had not changed compared to those presented in July 2026.** **In addition, the staff sought input from ASAF members on several matters, including:** **(a) the level of engagement by entities in their jurisdictions or regions that still apply IAS 39 Financial Instruments: Recognition and Measurement hedge accounting requirements;** **(b) the progress of comment letters preparation and the results of fieldwork in their jurisdictions or regions; and** **(c) any new insights emerging from the latest fieldwork.**		
	The ASAF members received an update on the IASB's stakeholder engagement activities and confirmation that the common feedback themes have remained the same from July 2026. ASAF members discussed on the key areas of focus in their jurisdictions.	The IASB will continue engaging with stakeholders as the deadline for the comment letters approaches and it develops its redeliberation plan.
Accounting for cryptocurrencies (October 2026)		
	The ASBJ and FASB representatives and a representative from the Mexican national standard-setter, Consejo Mexicano de Normas de Información Financiera y de Sostenibilidad, presented requirements on the accounting for cryptocurrencies in their respective jurisdictional accounting frameworks. IASB members and technical staff and ASAF members asked clarifying questions and shared their perspectives.	Specific advice was not sought at this session.

Topic	Summary of ASAF advice	How the advice has been/will be applied
IASB Technical Update (October 2026)		
	ASAF members received a brief update on the IASB's workplan, including the projects on: (a) Business Combinations—Disclosures, Goodwill and Impairment; and (b) Presentation of Taxes or Other Charges that Are Not Tax Expense or Tax Income Applying IAS 12 *Income Taxes*.	Specific advice was not sought at this session.