Staff paper

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IASB® Meeting

Date	**November 2026**
Project	**Intangible Assets**
Topic	**Revised project direction—Implications of findings on user information needs and other evidence**
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Background and purpose of the paper

1. At its May 2025 meeting, the International Accounting Standards Board (IASB) decided on the topics it would explore in the Intangible Assets project and the order in which it would consider them. The IASB decided to start its comprehensive review with two initial work streams:

   (a) assessing user needs for information about recognised and unrecognised intangible assets and expenditure associated with them; and

   (b) exploring whether to update some aspects of the definition of an intangible asset, associated guidance and recognition requirements, initially using application issues related to newer types of intangible assets and new ways of using them as test cases.

2. At the same meeting, the IASB also noted that, at regular reflection points, it would consider whether new evidence indicates a need to change the project's direction. Appendix A of this paper provides a visual overview of the project direction decided in May 2025.

3. At its May 2026 meeting, the IASB discussed:

   (a) the findings from the user information needs work stream (see May 2026 IASB Agenda Papers 17A, 17B and 17C); and

   (b) initial staff thoughts on how those findings could affect the project's direction (see May 2026 IASB Agenda Paper 17D).

4. At its October 2026 meeting, the IASB discussed:

   (a) feedback from the Capital Markets Advisory Committee (CMAC), Global Preparers Forum (GPF) and Accounting Standards Advisory Forum (ASAF) on the potential implications of the findings from the user information needs work stream for the project's direction, together with our staff reflections on key themes arising from the consultative group feedback (see October 2026 IASB Agenda Paper 17B); and

   (b) an updated review of academic literature, together with the recent research by national standard-setters and other evidence (see October 2026 IASB Agenda Paper 17C).

5. The work on identifying user information needs is now complete. The purpose of this paper is:

   (a) to analyse what the combined evidence described in paragraphs 3–4 of this paper means for the project's direction decided by the IASB in May 2025; and

   (b) to ask the IASB to reflect on the evidence and decide on the next work streams in the project.

Summary of staff recommendations

6. Based on the analysis in this paper, we recommend that, as the next step in the project, the IASB begin work on:

   (a) a targeted review of the recognition requirements in IAS 38 *Intangible Assets,* starting with a scoping exercise to assess whether stakeholder-identified challenges indicate that some aspects of the recognition requirements may not be operating as intended and warrant further consideration; and

   (b) improvements to the disclosure requirements to address user information needs, focusing on the four main areas for improvement identified in the user information needs work stream, with the work operating largely in parallel with the work in (a).

Structure of the paper

7. This paper is structured as follows:

   (a) staff analysis, including:

      (i) overall implications of the combined evidence for the project direction;

      (ii) current and next work streams;

      (iii) later work streams; and

      (iv) topics not recommended as separate work streams or for further consideration;

   (b) staff recommendations and question for the IASB; and

   (c) next steps.

8. Appendix A—IASB May 2025 decisions: provides a visual overview of the project direction decided by the IASB in May 2025.

9. Appendix B—Revised project direction: provides a visual overview of the project direction as discussed in this paper.

Staff analysis

Overall implications of the combined evidence for the project direction

10. Overall, we think that the combined evidence—comprising the findings from the user information needs work stream and other evidence presented to the IASB in May 2026, together with the subsequent IASB consultative group feedback and other evidence presented to the IASB in October 2026—does not indicate a need to change the IASB's broad categorisation of the work streams decided in May 2025. That subsequent evidence also does not indicate a need for a fundamental change to the May 2026 staff leanings. The principal implications of the combined evidence instead relate to:

    (a) the relative priority, scope, sequencing and interaction of the recognition and disclosure work streams, including the extent to which they could overlap; and

    (b) the priority and future role, scope and direction of the held-for-investment work stream, including whether a principle-based approach remains relevant in light of potential separate projects on cryptoassets or pollutant pricing mechanisms.

11. The detailed analysis in this section considers:

    (a) current and next work streams (paragraphs 12–39 of this paper);

    (b) later work streams (paragraphs 40–50 of this paper); and

    (c) topics not recommended as separate work streams or for further consideration (paragraphs 51–53 of this paper).

Current and next work streams

12. Reflecting on the user information needs findings, our May 2026 staff leaning was to continue the current definition and recognition test-case-based work, follow that work with a targeted review of the recognition requirements focused on identifying any fatal flaws, and then explore improvements to the disclosure requirements.

13. The subsequent consultative group feedback broadly supports retaining both the recognition and disclosure work streams, but provides mixed views on their sequencing (see paragraph 26 of October 2026 IASB Agenda Paper 17B). The feedback therefore supports the broad direction of our May 2026 staff leaning, while suggesting some need to clarify the scope, sequencing and interaction of those work streams. In particular, we have considered whether work on disclosure can be performed at the same time as the targeted review of recognition requirements. The analysis below explains:

    (a) why the current definition and recognition test-case-based work should continue and how it provides a foundation for the next stage of recognition work (paragraphs 14–17 of this paper);

    (b) why it would be useful to have a targeted review of the recognition requirements as an immediate follow-on from that work, including a discussion of the review's purpose, scope, process, decision points and limitations (paragraphs 18–29 of this paper); and

    (c) why improving disclosure requirements remains a clear priority, how the disclosure work builds on the user information needs work stream, and how this work could be performed largely in parallel with the targeted recognition review (paragraphs 30–39 of this paper).

14. We continue to think that the current definition and recognition test-case-based work should progress as planned. That work is exploring potential improvements to some aspects of the definition of an intangible asset, associated guidance and the recognition requirements in IAS 38, through the initial use of test cases. Although the user-needs work did not provide substantial additional feedback on those test cases, some user feedback supported continuing this work (see paragraph 52 of May 2026 IASB Agenda Paper 17D). More broadly, the evidence collected throughout the project indicates that stakeholders had identified application challenges relating to newer types of intangible assets and new ways of using them. Some ASAF members also highlighted the importance of improving the accounting for newer types of intangible assets in our recent consultation (see paragraph 32(b) of October 2026

IASB Agenda Paper 17B). Recent national standard-setter evidence identifies recurring questions, similar to those explored in the test-case-based work, about identifying the underlying item, control and the unit of account across different intangible-related fact patterns (see paragraphs 107(a) and 117 of October 2026 IASB Agenda Paper 17C).

15. The test-case-based work aims to identify application issues using the selected fact patterns and develop principles not only to help IAS 38 cope better with these newer types of intangible assets but that also are applicable to a broader set of intangible assets. The work focuses on some of the core principles in IAS 38, such as definition and some aspects of the recognition of an intangible asset, and the IASB considered this to be a good way to start the project.

16. The test-case-based work may identify some challenges that are neither unique to the selected test cases nor related specifically to the nature or characteristics of newer types of intangible assets or new ways of using them. In such cases, understanding the underlying causes of those challenges and developing potential solutions may fit better within the broader recognition review.

17. For example, the agile software development test-case paper (see paragraphs 60–66 of October 2026 IASB Agenda Paper 17A) explains that some challenges related to applying the technical feasibility recognition criterion may not be unique to agile software development, so potential improvements could be better considered as part of a broader review of the recognition requirements. Challenges applying the recognition criteria in paragraph 57 of IAS 38 are likely to contribute to the lack of consistency in entities' capitalisation judgements which users identified as hindering their ability to compare entities (see paragraph 85(a) of May 2026 IASB Agenda Paper 17B). We think the subsequent recognition work stream should explore those challenges further (see paragraphs 20–21 of this paper). The test-case-based work provides a natural foundation for the next stage of recognition work—we think that the decisions the IASB make in the test-case-based work stream can affect the broader

consideration of the recognition criteria and therefore performing this broader consideration following those decisions is a logical next step.

18. Regarding the scope of the broader recognition work stream, the consultative group feedback broadly supports our May 2026 staff leaning for a targeted review of the recognition requirements in IAS 38, although some members sought more extensive work while others questioned whether any broader review was needed if the existing requirements were applied consistently (see paragraph 27 of October 2026 IASB Agenda Paper 17B).

19. Recent academic evidence on whether recognising more internally generated intangible assets would provide useful information is mixed. Some studies identify circumstances in which capitalisation can provide useful information, while others question broader recognition because of uncertainty, judgement, auditability and comparability concerns. Studies also highlight the challenges of determining appropriate amortisation and impairment patterns which can affect the usefulness of information from recognising intangible assets (see paragraphs 55–64 of October 2026 IASB Agenda Paper 17C). Whether capitalisation is a useful signal appears to depend on the predictability of those benefits and the credibility of recognition decisions. This finding supports the May 2026 staff leaning for a targeted review of the recognition requirements to help improve the consistency of entities' capitalisation judgements (see paragraphs 21–22 of May 2026 IASB Agenda Paper 17D).

20. We continue to think further recognition work is warranted and should be targeted on those requirements that may be producing unintended outcomes. Despite the lack of appetite for more recognition of internally generated intangible assets, the user-needs feedback provides evidence of stakeholder-identified challenges in applying the existing IAS 38 recognition requirements and inconsistent capitalisation judgements that hinder users' ability to compare entities (see paragraphs 67–71 and 84–86 of May 2026 IASB Agenda Paper 17B). Accordingly, the targeted review would not presume that the recognition requirements are deficient, seek to develop a new recognition model or reconsider recognition from first principles. Instead, the question for the

IASB is whether the evidence collected to date, including any broader questions identified through the test cases, identifies matters that warrant further consideration of some aspects of the recognition requirements.

21. Although consultative group members expressed mixed views on whether broader recognition or disclosure should be the next topic the IASB works on (see paragraph 26 of October 2026 IASB Agenda Paper 17B), we continue to think the next step in the project should include a targeted review of the recognition requirements. This sequencing does not imply that recognition is more important than disclosure. Rather, it reflects both the connection with the current test-case-based work described in paragraphs 15–17 of this paper, including the need to consider broader recognition questions identified through that work, and the different stages of preparedness for exploring improvements in the recognition and disclosure work streams. The stages of preparedness differ because:

    (a) through the user information needs work stream, the project has already substantially completed the first stage of the work necessary to explore what improvements to make to the disclosure requirements by identifying and assessing challenges to users' analysis and their information needs. As a result, the IASB has already established a substantial evidence base for developing possible improvements to the disclosure requirements in IAS 38 (see paragraphs 13–16 of May 2026 IASB Agenda Paper 17B).

    (b) 'recognition' has not yet undergone a corresponding scoping exercise to identify recognition challenges across the IAS 38 recognition requirements.

22. Performing a time-bounded scoping exercise for recognition would place both work streams on a more comparable footing and help the IASB assess whether some concerns should be addressed through recognition rather than disclosure and, as discussed in the May 2026 staff leaning, ensure that the IASB is not missing any fatal flaws in recognition (see paragraph 25 of May 2026 IASB Agenda Paper 17D).

23. The aim of the scoping exercise would be to assess the evidence gathered throughout the project to date to help the IASB determine which recognition matters, if any, should be pursued further as part of the targeted review of the recognition requirements.

24. To do this, we would review earlier outreach and survey evidence, consultative group feedback, relevant external research (for example, work performed by national standard-setters) and evidence emerging from the current test cases, including broader recognition questions identified through agile software development work. As part of the scoping exercise, we would:

    (a) distinguish concerns suggesting that the requirements may not be operating as intended from broader calls for increased recognition or general criticism that IAS 38 is outdated;

    (b) consider the underlying matters and possible root causes, including whether identified difficulties arise from the recognition requirements themselves (for example, deficiencies in the requirements), their interaction with other requirements or concepts, or legitimate differences in judgement arising from specific facts and circumstances; and

    (c) evaluate whether feasible targeted solutions appear available, including whether the likely benefits of further work would be proportionate to its costs and complexity.

25. To identify examples of matters that could be relevant to the scoping exercise, we performed a high-level review of the evidence collected throughout the project. We used that review to identify and group recurring concerns about the application or outcomes of the recognition requirements. Table 1 summarises four concerns identified through that work.

Table 1—Stakeholder concerns that could inform a targeted review of the recognition requirements

Stakeholder concern	What the evidence suggests	Potential IAS 38 area affected
Outcome diversity	Observed diversity in capitalisation-versus-expensing decisions, including the timing and extent of capitalisation of development expenditure, creating comparability challenges for users when analysing entities (see also the next row).	Consistency of outcomes from applying the development recognition requirements in similar circumstances—paragraphs 57–67 of IAS 38, particularly the development recognition criteria in paragraph 57.
Criteria operability	Uncertainty in applying aspects of the development recognition requirements, including demonstrating technical feasibility and probable future economic benefits.	Operability of the development recognition requirements—paragraphs 57–67 of IAS 38, particularly the development recognition criteria in paragraph 57.
Prohibited expenditure	Concerns about whether categorical recognition prohibitions may produce unintended outcomes in particular fact patterns, illustrated by expenditure on training activities. (In the October 2026 IASB discussion, a few IASB members made similar comments relating to advertising and promotional expenditure.)	Recognition prohibitions for specified expenditure—paragraphs 63–64 and 69 of IAS 38, including the prohibition on recognising expenditure on training activities as part of the cost of an intangible asset.
Permanent expensing consequences	Concern that expenditure incurred before the recognition date cannot subsequently be reinstated as part of the cost of an intangible asset, even if the project subsequently succeeds.	Timing of recognition and treatment of expenditure incurred before the recognition criteria are met—paragraphs 54–57 and 71 of IAS 38, including the requirement that expenditure previously recognised as an expense cannot subsequently be reinstated as part of the cost of an intangible asset.

26. The examples in Table 1 are intended only to illustrate the types of matters that could inform the scoping exercise and do not constitute an exhaustive list or determine the outcome of that exercise. The scoping exercise would involve a broader assessment of the evidence, possible root causes and the feasibility of potential solutions, applying the considerations in paragraph 24 of this paper.

27. We think it is possible to complete that assessment relatively quickly. Following the scoping exercise, we would bring a paper back to the IASB setting out our analysis of the identified matters, including their prevalence where relevant, possible root causes, feasibility of potential solutions and recommendations on which matters, if any, warrant further work. If needed, we might also obtain external input from the IASB's consultative groups.

28. The IASB would then decide which matters, if any, should be investigated further. We think that paper could also include our assessment of whether potential improvements arising from the test-case-based work and any broader recognition matters should ultimately be developed and consulted on together or separately. We envisage bringing that paper to the IASB in the first half of 2027, potentially early in Q2 2027, depending on whether external input from IASB consultative groups is undertaken.

29. This approach is intended to provide a disciplined and proportionate way of assessing recognition concerns while preserving an early opportunity for the IASB to narrow, redirect or stop the work.

30. Our conclusion that further targeted recognition work is warranted does not alter the clear priority users attached to improving disclosures established through the user information needs work stream. As noted in paragraph 21(a) of this paper, through the user information needs work stream, the IASB has already identified the main improvements users are seeking from the disclosure work stream. Those requests relate to information that helps users:

    (a) link spending on intangible activities to outcomes;

    (b) connect information about intangible activities in narrative reports with amounts in the financial statements;

    (c) compare entities; and

    (d) understand recognised intangible assets, including those acquired in a business combination.

31. Recent academic evidence and research by national standard-setters broadly corroborate those requests. In particular, this evidence identifies continuing gaps in quantitative information, a lack of expenditure disaggregation and insufficient links between narrative reporting and the financial statements. It also supports improving information about intangible-related activities, expenditure and outcomes. However, the new evidence also reinforces concerns about commercial sensitivity and the difficulty of developing standardised disclosures for different activities, entities and industries. Views also remain mixed on whether enhanced disclosure alone can address the information needs arising from non-recognition (see paragraphs 68–71, 73–74, 77–79 and 107–114 of October 2026 IASB Agenda Paper 17C).

32. Consultative-group feedback includes support both for prioritising disclosure improvements, primarily because of concerns that recognition work could take significant time, and for progressing the recognition and disclosure work streams in parallel. The October 2026 IASB discussion similarly reflected different views on sequencing but indicated broad support for progressing both work streams largely in parallel, provided progress in one does not unnecessarily impede the other. This approach is also consistent with recent academic evidence and research by national standard-setters, indicating that recognition and disclosure can be complementary, including when disclosure helps users interpret recognised development expenditure (see paragraphs 71 and 108–109 of October 2026 IASB Agenda Paper 17C).

33. Building on users' requests in paragraph 30 of this paper and reflecting the consultative group feedback and October 2026 IASB discussion summarised in paragraph 32 of this paper, we think the next step in the project should also include the disclosure work stream. The recognition and disclosure work streams are therefore expected to operate largely in parallel, rather than sequentially as envisaged in the May 2026 staff leaning, allowing disclosure work to progress without awaiting completion of the targeted recognition review.

34. Working on the work streams largely in parallel would help ensure, particularly in the early stages of these work streams, that progress and decisions in one work stream

inform the other. For example, the recognition work could help identify whether particular concerns are better addressed through recognition requirements rather than through disclosure, thereby providing a more stable basis for developing disclosure proposals.

35. Some stakeholders suggested prioritising discrete disclosure improvements before undertaking a comprehensive disclosure work stream (see paragraphs 26(a) and 26(c) of October 2026 IASB Agenda Paper 17B). Such an approach could:

    (a) respond earlier to some user information needs; and

    (b) maintain momentum while the current test-case-based work and recognition scoping exercise progress.

36. However, we think that:

    (a) the user-needs evidence does not identify a clear hierarchy among the main information challenges;

    (b) many of those challenges are interrelated; and

    (c) identifying improvements that are sufficiently self-contained and unlikely to be affected by recognition or other project work may be difficult.

37. We therefore think that a comprehensive disclosure work stream would provide a better basis for addressing users' interrelated information needs. However, as that work progresses, the IASB could consider whether particular disclosure improvements are sufficiently self-contained to be developed earlier, including whether they could be consulted on separately from other project proposals. For example, in making that assessment, the IASB could separate improvements that are not closely related to recognition issues identified in the project and could therefore progress without awaiting further recognition decisions.

38. Any disclosure work will also need to recognise practical and conceptual limitations (see paragraphs 72–78 of May 2026 IASB Agenda Paper 17B and paragraph 28(a) of October 2026 IASB Agenda Paper 17B), including:

(a) commercial sensitivity, cost and proportionality;

(b) availability of systems and processes needed to provide the information;

(c) auditability of the information; and

(d) the boundary between information provided in financial statements and information provided in other reports.

39. The disclosure work could also benefit from emerging evidence from entities' implementation of new reporting requirements and related developments, including IFRS 18 *Presentation and Disclosure in Financial Statements*, ISSB Sustainability Disclosure Standards (for example, IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*) and IFRS Practice Statement 1 *Management Commentary*. In particular, experience of applying those requirements may provide further evidence about disaggregation, connections between information reported in different parts of an entity's reporting package and the practical challenges of providing additional information.

Later work streams

Accounting for intangible assets held for investment

40. The user-needs work provided limited direct evidence on accounting for intangible assets held for investment. Nevertheless, reflecting the strong support the topic had received during the initial phase of the project and the wider project feedback available at that time, our May 2026 staff leaning was to retain the topic for later consideration, after the recognition and disclosure work streams had progressed sufficiently. Subsequent consultative group feedback broadly confirms continued interest in addressing the topic but provides mixed views on its timing and how it should be addressed (see paragraph 41 of this paper). Recent academic evidence identifies comparability concerns arising from varied accounting for cryptocurrencies and carbon credits, and identifies incentives for entities to trade excess carbon allowances because of the accounting treatment. However, that evidence remains

limited to those specific assets and does not provide a basis for determining the scope or direction of a broader held-for-investment work stream (see paragraphs 81–82 and 90 of October 2026 IASB Agenda Paper 17C).

41. Most CMAC and GPF members did not want the topic to delay higher-priority recognition or disclosure work, whereas some ASAF members supported progressing it without undue delay. Calls for earlier work often included suggestions to address cryptoassets and pollutant-pricing mechanisms through separate projects, rather than accelerating the broader held-for-investment work stream within the Intangible Assets project. Some ASAF members, however, supported a principle-based approach focused on the purpose of holding an asset or an entity's business model, consistent with CMAC–GPF comments about distinguishing assets based on their operational or investment use (see paragraphs 29–30 of October 2026 IASB Agenda Paper 17B).

42. Improving disclosure requirements remains a clear priority identified by stakeholders, particularly through the user information needs work stream, for the Intangible Assets project. As explained in paragraphs 20–21 of this paper, we also think targeted recognition work is needed to provide a suitable foundation for that disclosure work. The feedback discussed in paragraph 29 of October 2026 IASB Agenda Paper 17B suggests that stakeholders would not want work on intangible assets held for investment to slow progress on this recognition and disclosure work. Accordingly, recognition and disclosure work streams should remain the immediate priority for the Intangible Assets project.

43. We continue to think that a principle-based approach reflecting the use or purpose of holding an asset remains a potentially useful way of exploring the topic within the Intangible Assets project. Such an approach could help future-proof IAS 38. However, one carbon-credit academic study highlights that intention-based accounting can reduce comparability when economically similar allowances are accounted for differently (see paragraph 93(c) of October 2026 IASB Agenda Paper 17C) and this would need to be considered if such an approach were explored further.

44. At the same meeting as this agenda paper is being discussed, the IASB is also considering, in a separate work-plan agenda paper, potential future projects relating to cryptoassets and pollutant pricing mechanisms.[1] That work-plan paper recommends adding a narrow-scope project on accounting for holdings of specific types of cryptoassets—cryptocurrencies and stablecoins—to the IASB's work plan. Any decisions the IASB makes on that agenda item and future decisions the IASB may make on the scope of such a project(s) could have implications for the future scope and direction of the held-for-investment work stream in the Intangible Assets project.

45. The consultative group feedback includes support for such separate projects, although views differ on the approach those projects should take. Separate projects could allow the IASB to address specific issues relating to cryptoassets or pollutant pricing mechanisms, including relevant measurement matters, more comprehensively. Depending on their scope, such projects could either develop broader principles for those assets or draw on existing solutions, including relevant US GAAP requirements.

46. At this stage, there is insufficient certainty about the scope of any such projects and how they might interact with the Intangible Assets project. Accordingly, we think that any implications for the future role, scope and direction of the held-for-investment work stream should be considered once the IASB's decisions and the scope of any such projects become clearer. At that future reflection point, the IASB could consider whether sufficient other examples or issues remain to justify retaining the work stream within the Intangible Assets project or whether a broader principle-based exploration of the topic would continue to be useful in future-proofing IAS 38. If neither applies, the work stream could be removed from the project.

Improving the comparability of information

47. In May 2025, the IASB decided that the comparability topic should be considered later in the project because progress on other work streams, particularly recognition

[1] See November 2026 IASB Agenda Paper AP8B *Work plan | Adding projects to the work plan*.

and disclosure, could help inform whether additional work to improve comparability would be needed and, if so, what form that work should take. The findings from the user information needs work stream reinforce that direction. Although many users raised comparability concerns, their requests generally focused on improved presentation and disclosure rather than changes to the accounting model for acquired intangible assets (see paragraphs 84–91 of May 2026 IASB Agenda Paper 17B).

48. Consistent with those findings, our May 2026 staff leaning was to retain the comparability topic as later-stage work. The consultative group feedback broadly supports that sequencing. Most CMAC and GPF members agreed that progress on disclosure requirements and other work streams would provide a better foundation for considering the topic, and a few ASAF members also supported waiting until recognition and disclosure work had progressed (see paragraph 31 of October 2026 IASB Agenda Paper 17B). Recent academic evidence confirms the existence of differences between acquisitive and organically growing entities but views remain mixed on whether those differences should be addressed and on whether separately recognising identifiable intangible assets acquired in a business combination provides useful information (see paragraphs 95–100 of October 2026 IASB Agenda Paper 17C).

49. During the October 2026 IASB discussion, one IASB member asked whether the evidence gathered to date might be sufficient to focus the comparability topic on disclosure rather than recognition. We think in order to dismiss a recognition solution for these comparability concerns, the IASB would still need to consider whether acquiring an intangible asset and developing an intangible asset internally are economically different transactions to warrant different recognition treatments and whether the extent of intangible assets recognised in a business combination provides useful information. We think further work would be required on these matters.

50. Recognition and disclosure improvements may address a significant part of users' concerns or provide better information to help users make their own adjustments. The IASB would then be able to assess the effects of that work before deciding whether

additional work to improve comparability is needed. Accordingly, we continue to think the comparability topic would be best considered later in the project.

Topics not recommended as separate work streams or for further consideration

51. The findings from the user information needs work stream continue to suggest that there is no need for a separate measurement work stream (see paragraphs 97–98 of May 2026 IASB Agenda Paper 17B). The subsequent consultative group feedback does not indicate a need to reconsider that conclusion (see paragraph 22(b) of October 2026 IASB Agenda Paper 17B). Recent academic evidence indicates that measurement questions are closely connected with recognition and estimates of internally generated intangible assets can depend significantly on the characteristics of the intangible asset and the assumptions and approaches used (see paragraphs 103 and 105–106 of October 2026 IASB Agenda Paper 17C). We therefore continue to think measurement matters are best addressed when they arise in other work streams, for example, when considering recognition requirements or accounting for intangible assets held for investment.

52. We also continue to think a separate work stream on reporting a broader range of intangible items is not needed at this stage. Although users consider some broader intangible factors, such as management reputation and employees' expertise, the evidence does not indicate significant demand to report those items in the financial statements. Monitoring related IFRS Foundation activities and reporting practice would allow the IASB to revisit this conclusion if future developments indicate a greater need for information about broader intangible factors to be communicated through financial statements (see paragraphs 46–48 of May 2026 IASB Agenda Paper 17D).

53. We also think the evidence supports retaining the IASB's previous decisions not to explore accounting for intangible assets covered by other IFRS Accounting Standards and not to explore, as a separate work stream, consistency of labels for different intangible items in the project, but to consider specific terminology matters where

relevant in other work streams. The evidence considered in this paper does not indicate a need to revisit either decision (see paragraphs 56–59 of May 2026 IASB Agenda Paper 17D).

Staff recommendations and question for the IASB

54. Based on the analysis in this paper, we recommend that, as the next step in the project, the IASB begin work on:

    (a) a targeted review of the recognition requirements in IAS 38, starting with a scoping exercise to assess whether stakeholder-identified challenges indicate that some aspects of the recognition requirements may not be operating as intended and warrant further consideration; and

    (b) improvements to the disclosure requirements to address user information needs, focusing on the four main areas for improvement identified in the user information needs work stream, with the work operating largely in parallel with the work in (a).

Question for IASB members

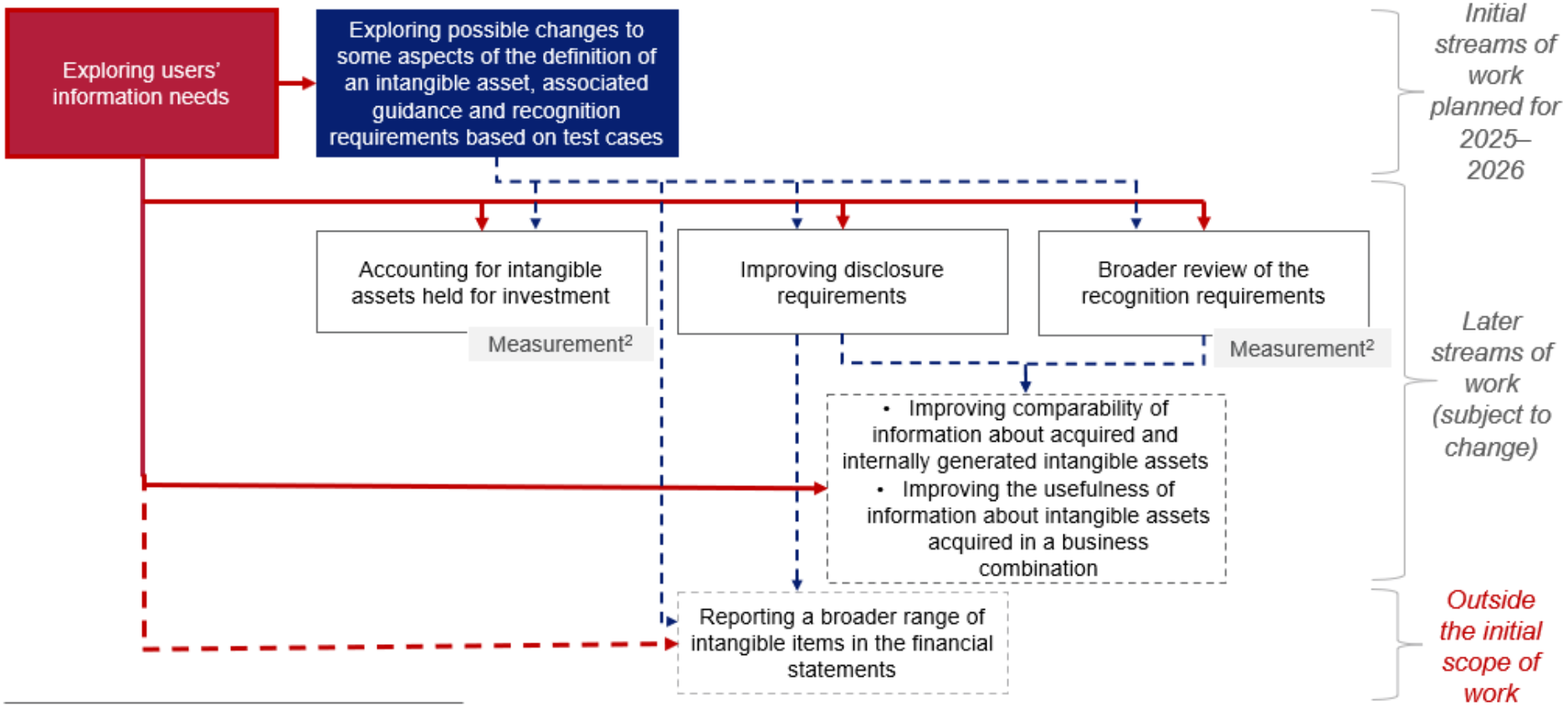
Question for IASB members
Do you agree with the staff recommendations on the next work streams in the Intangible Assets project set out in paragraph 54 of this paper?

Next steps

55. As discussed in October 2026 Agenda Paper 17A and in this paper, staff plan to continue the definition and recognition test-case-based work by discussing potential changes with the IASB's consultative groups and other stakeholders. In early 2027, staff plan to report to the IASB feedback from the consultative groups and other stakeholders on the suggested improvements and their potential applicability to a broader range of intangible assets.

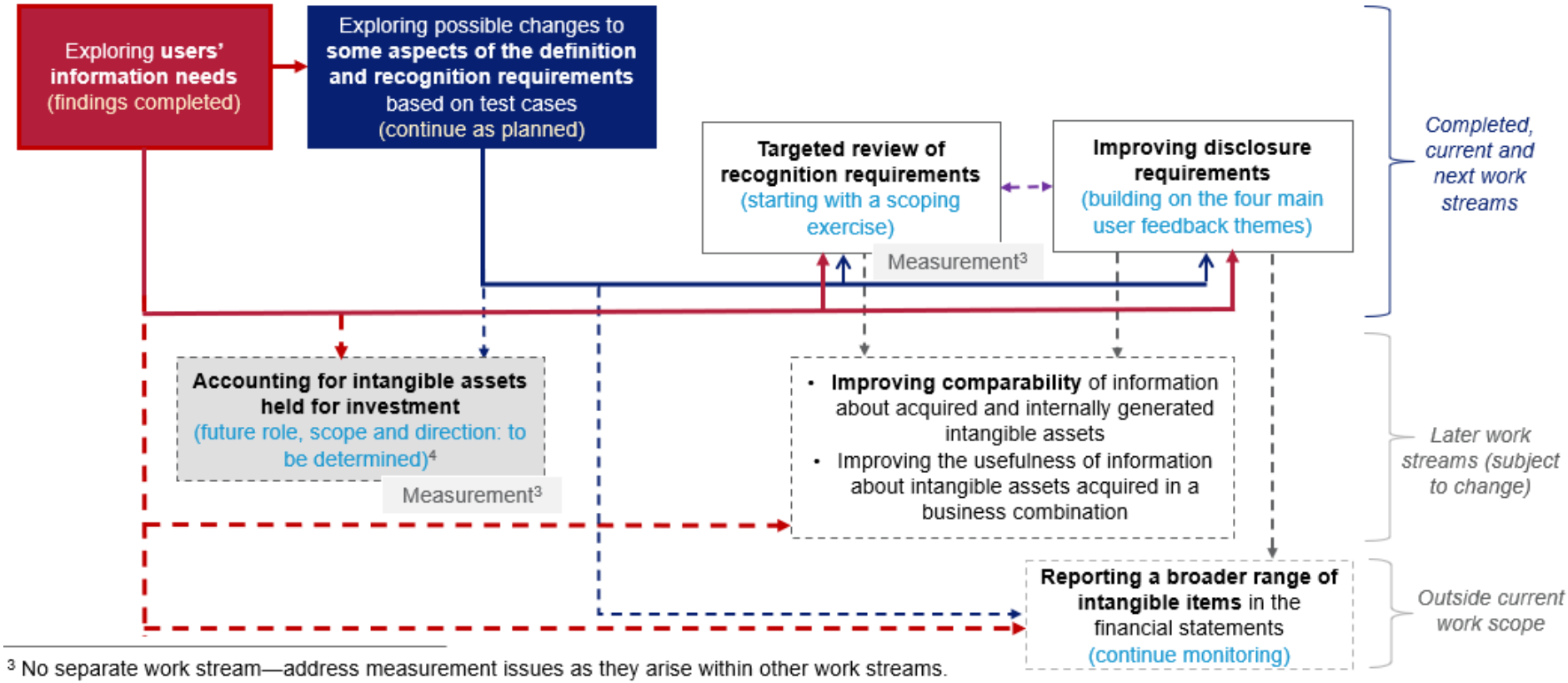
56. Alongside that work, subject to the IASB's decisions at this meeting, staff plan to begin the scoping exercise for the targeted review of the recognition requirements and work on improving the disclosure requirements. Staff plan to bring the outcome of the recognition scoping exercise, including recommendations on which recognition matters, if any, warrant further work, to the IASB in the first half of 2027.

Appendix A—IASB May 2025 decisions on project direction



[2] No separate work stream—address measurement issues as they arise within other work streams.

Appendix B—Revised project direction as discussed in this paper



[3] No separate work stream—address measurement issues as they arise within other work streams.
[4] Revisit at a future reflection point once the IASB's decisions and the scope of any potential cryptoasset or pollutant-pricing-mechanism projects become clearer.