
IASB[®] Meeting

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Project **Intangible Assets**
Topic **Cover paper**
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Purpose of the paper

1. This paper:
 - (a) provides background for the meeting;
 - (b) introduces papers for the meeting; and
 - (c) sets out the next step for the project.

Background for the meeting

1. In [May 2025](#), the International Accounting Standards Board (IASB) confirmed the topics it intends to explore in its comprehensive review of IAS 38 *Intangible Assets*. The IASB decided to begin its work on the Intangible Assets project by exploring two initial work streams in parallel:
 - (a) assessing needs of users of financial statements (users) for information about recognised and unrecognised intangible assets and expenditure associated with them.
 - (b) exploring whether to update aspects of the definition of an intangible asset, associated guidance and recognition requirements, using application issues

related to newer types of intangible assets and new ways of using them as test cases.

2. The user information needs work stream aims to inform the IASB's work on all other topics. The work stream is now nearing completion. At its [May 2026 meeting](#), the IASB discussed the findings of its research and outreach with users and the staff's initial thoughts on how those findings could affect the direction of the project, including the prioritisation of topics and their potential scope. Since then, the staff sought advice from the IASB's consultative groups on whether (and how) the findings from the user information needs work stream should affect the direction of the project and did some other research to help the IASB decide whether it needs to reconsider the project direction (see paragraph 5(b)).
3. The work stream exploring potential updates to aspects of the definition of an intangible asset and recognition requirements aims to improve the applicability of IAS 38 to newer types of intangible assets and new ways of using them. The IASB decided to use specific test cases to identify principles in IAS 38 that may need improvement and to develop potential principle-based improvements that would be applicable to a broader range of intangible assets. The work stream is not intended to solve specific application issues related to selected test cases.
4. In [January 2026](#), cloud computing arrangements and agile software development were selected as test cases, and the IASB discussed principles and topics that could be explored in relation to each of the test cases. In [July 2026](#) and [September 2026](#), the IASB discussed the suggested model for customer accounting for IP licensing contracts based on the cloud computing arrangements test case. The IASB will now discuss potential options for improving the recognition requirements based on the agile software development test case (see paragraph 5(a)) before seeking consultative groups' views on its suggestions coming out of both test cases and their implications for a broader range of intangible assets. The IASB will then consider how to integrate suggested principle-based improvements into IAS 38.

Papers for this meeting

5. At this meeting the IASB will discuss papers related to both initial work streams, namely:
- (a) Agenda Paper 17A *Recognition of an intangible asset and supporting requirements (agile software development case)* that introduces the staff's work on the agile software development test case in the test-case-based definition and recognition work stream. The paper explores potential approaches to addressing some recognition issues identified by stakeholders when applying IAS 38 in accounting for software developed using agile methodology. Specifically, the paper explores challenges relating to the unit of account, the distinction between the research and development phases and the application of the recognition criteria for internally generated intangible assets.
 - (b) Agenda Paper 17B *User information needs—Consultative group feedback and staff reflections on key themes* and Agenda Paper 17C *Academic and other evidence review—update* that continue the IASB's discussion in the work stream exploring user information needs. Both papers are intended to feed into the IASB's future decision on the project direction alongside the IASB's findings on user information needs. In particular:
 - (i) Agenda Paper 17B summarises the feedback received from the Capital Markets Advisory Committee, Global Preparers Forum and Accounting Standards Advisory Forum on potential implications of the IASB's user information needs findings on the project direction. The paper also sets out staff reflections on key themes arising from that feedback.
 - (ii) Agenda Paper 17C provides a summary of academic literature identified since the initial academic literature review in April 2024 as well as recent research from national standard-setters and other evidence of which we are aware that is relevant to the topics the IASB is exploring in the project.
6. The papers for the meeting are not asking the IASB to make any decisions.

Next step

7. At a future meeting, the IASB will decide whether any changes to the project direction are needed based on its findings on user information needs, related feedback from consultative groups, updated academic literature review and other evidence.