

STAFF PAPER

April 2018

IASB[®] Meeting

Project	Goodwill and Impairment research project		
Paper topic	Cover paper		
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (Board) and does not represent the views of the Board or any individual member of the Board. Comments on the application of IFRS[®] Standards do not purport to set out acceptable or unacceptable application of IFRS Standards. Technical decisions are made in public and reported in IASB[®] *Update*.

Purpose of this meeting

1. The purpose of this meeting is for the Board to decide:
 - (a) the approach that it wishes to pursue to respond to stakeholders' feedback from the Post-implementation Review (PIR) of IFRS 3 *Business Combinations* about the requirement in IFRS 3 to recognise all identifiable intangible assets acquired in a business combination separately from goodwill; and
 - (b) whether the next stage in the Goodwill and Impairment research project (the research project) is to issue a Discussion Paper or an Exposure Draft.

Agenda Papers for this meeting

2. This cover paper accompanies the following agenda papers:
 - (a) *Agenda Paper 18A—Recognising identifiable intangible assets acquired in a business combination*: This paper sets out (i) feedback received from stakeholders during and after the PIR; (ii) possible approaches that the Board could consider in response to the feedback, especially whether to allow some identifiable intangible assets to be included within goodwill without taking relevant information away

from users of financial statements; and (iii) ask the Board to decide the approach that it wishes to pursue.

- (b) *Agenda Paper 18B—Next stage in the research project*: This paper asks the Board to decide whether the next stage in the research project is to issue a Discussion Paper or an Exposure Draft.
- (c) *Agenda Paper 18C—Recent feedback from the CMAC and GPF*: This paper sets out the recent feedback from the Capital Markets Advisory Committee (CMAC) and the Global Preparers Forum (GPF) about (i) the approach to the impairment testing of goodwill that considers movements in headroom (the headroom approach); and (ii) the requirement in IFRS 3 to recognise all identifiable intangible assets acquired in a business combination separately from goodwill.

3. The Board is being asked to make decisions on Agenda Papers 18A and 18B. Agenda Paper 18C is only for the information of Board members.