Staff paper

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IASB® meeting

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Project	**Goodwill and Impairment**
Topic	**Amending the IASB's preliminary views**
Contacts	**Dehao Fang** (fdehao@ifrs.org)

Purpose and structure

1. This paper analyses and includes our recommendations on whether and how the International Accounting Standards Board (IASB) could amend its preliminary views about disclosures in the Discussion Paper *Business Combinations—Disclosures, Goodwill and Impairment*.

2. This paper includes:

   (a) our approach to the analysis in this paper (paragraphs 3–4);

   (b) summary of staff recommendations (paragraphs 5–8);

   (c) analysis on whether the IASB should exempt an entity from disclosing information that would be required by the preliminary views (paragraphs 9–32);

   (d) analysis on whether the IASB should require entities to disclose the information required by its preliminary views for only a subset of 'material' business combinations (paragraphs 33–49); and

   (e) analysis on whether the IASB should propose amended preliminary views and additional disclosure objectives (paragraphs 50–58).

Our approach to the analysis in this paper

3. As set out in Agenda Paper 18A, the IASB's preliminary views were to:

   (a) add disclosure objectives to IFRS 3 *Business Combinations* that would require an entity disclose information to help users of financial statements (users) understand:

      (i) the benefits that an entity's management expected from a business combination when agreeing the price to acquire a business; and

      (ii) the extent to which a business combination is meeting management's objectives.

   (b) require an entity to disclose information about:

      (i) the subsequent performance of business combinations—including requirements to disclose in the year of acquisition the strategic rationale, objectives, metrics and targets for a business combination and in periods after the acquisition (subsequent periods) actual performance; and

      (ii) information about synergies expected from a business combination.

4. In developing our recommendation on whether and how the IASB could (a) exempt entities from disclosing some of the information that would be required applying the preliminary views in paragraph 3(b) in specific circumstances; and (b) require that information for only a subset of 'material' business combinations, we:

   (a) first assessed whether, and if so, how, the IASB could amend its preliminary views in paragraph 3(b) using either or both of these alternatives to address practical concerns raised while retaining the usefulness of information.

   (b) having concluded this aspect of our analysis, we then assessed whether the IASB should proceed with this amended package and whether it should propose adding disclosure objectives to IFRS 3.

Summary of staff recommendations

5. We recommend the IASB propose to:

   (a) add to IFRS 3 additional disclosure objectives that would require an entity to disclose information to allow users to understand:

      (i) the benefits that an entity expected from a business combination when agreeing the price to acquire a business; and

      (ii) the extent to which an entity's objectives for a business combination are being met.

   (b) replace the requirement to disclose the 'primary reasons for the business combination' for all 'material' business combinations in paragraph B64(d) of IFRS 3 with a requirement to disclose the 'strategic rationale for undertaking the business combination';

   (c) add to IFRS 3 a requirement to disclose, for 'strategically important' business combinations, information about:

      (i) management's objectives for the business combination;

      (ii) the metrics and targets management will use to monitor whether the objectives for the business combination are being met; and

      (iii) in subsequent periods, the extent to which management's objectives are being met, using those metrics, for as long as management monitors the business combination against its objectives.

   (d) add to IFRS 3 a requirement to disclose in the year of acquisition, for all 'material' business combinations quantitative information about expected synergies.

6. 'Strategically important' business combinations would be identified using a closed list of mandatory thresholds (see paragraph 49(b)).

7. We also recommend the IASB propose to:

   (a) exempt an entity from disclosing information about the objectives, metrics and targets for a business combination and quantitative information about expected synergies if disclosing that information can be expected to prejudice seriously any of the entity's objectives for the business combination; and

   (b) supplement the exemption with application guidance (see paragraph 32(b)).

8. The following table provides an overview of our recommendations:

Information	**Continue with this preliminary view?**	**Apply to only a subset?**	**Include an exemption?**
Additional disclosure objectives	Yes	N/A	N/A
Subsequent performance information:			
• Strategic rationale	Yes	No	No
• Objective	Yes	Yes	Yes
• Metric	Yes	Yes	Yes
• Target	Yes	Yes	Yes
• Actual performance in subsequent years	Yes	Yes	No
Quantitative information about expected synergies in year of acquisition	Yes	No	Yes

Exempting entities from disclosing some information in specific circumstances

Should the IASB include an exemption?

9. Applying this alternative, an entity would disclose information based on the preliminary views, but in specific situations the entity would be permitted to not disclose some or all of that information. Instead, the entity would explain the reason for not doing so.

10. For reasons discussed in this section, we think an exemption would best address concerns about the costs of disclosing proprietary information (proprietary costs) in particular concerns about commercial sensitivity. As noted in paragraphs 16–23 of Agenda Paper 18C an exemption addressing proprietary costs would also address some concerns about litigation arising from disclosing information some consider to be forward-looking. We think the IASB should propose such an exemption.

11. We think an exemption is not needed to address the monetary cost of disclosing information, for example costs that could arise because of concerns about:

    (a) integration—as explained in paragraph 49 of Agenda Paper 18A to the IASB's July 2022 meeting we think it is unnecessary for an exemption to address concerns about integration because:

(i) the preliminary views to require disclosure of subsequent performance information follow a management approach. This would require entities to disclose information used internally to monitor the performance of a business combination. An entity would not be required to produce information solely for purposes of financial reporting if such information is not already available internally. If an entity's management is not reviewing the performance of a business combination it would be required only to disclose that fact.

(ii) the preliminary view to require an entity to disclose in the year of acquisition quantitative information about expected synergies estimated as at the time of the acquisition—the acquired business would not have been integrated at that point in time and therefore integration concerns are irrelevant to that preliminary view.

(b) auditability—as explained in paragraphs 68–70 of Agenda Paper 18A to the IASB's April 2022 meeting, most auditors we spoke to said the information that would be required applying the preliminary views would be difficult to audit but would be manageable. However, concerns exist about the cost of auditing the information. We think concerns about the cost of auditing the information are better addressed by requiring information for only a subset of material business combinations rather than by an exemption (paragraph 43).

12. In reaching our conclusion that the IASB should propose an exemption to address proprietary costs, we considered each item of information that would be required by the preliminary views separately. In doing so we identified:

(a) information for which such an exemption should be available (paragraphs 13–20); and

(b) information for which such an exemption should not be available (paragraphs 21–30).

Items of information for which an exemption should be available

13. As reported in previous meetings, feedback suggested that the preliminary views could contain proprietary information that some consider to be commercially sensitive—disclosing such information could potentially restrict an entity's ability to meet its objectives for a business combination and thereby be detrimental to users. This indicates that some of the information that would be required applying the preliminary views results in costs that would outweigh the benefits in some circumstances.

14. Items of information most commonly highlighted by preparers as being costly include information about:

(a) the objectives of a business combination;

(b) the metrics and targets management will use to monitor whether the objectives for the business combination are being met; and

(c) quantitative information about expected synergies.

15. Therefore, in our view, the IASB should consider whether an exemption is needed for those items of information.

16. As noted in paragraph 37 of Agenda Paper 18C to the IASB's April 2021 meeting, many users said they are not asking for entities to provide information that is so detailed that it would be commercially sensitive. Agreeing with the IASB's views in the Discussion Paper, some respondents (including most users, some accounting firms, accounting bodies, regulators, and a few preparers) said that they expect preparers would be able to provide the information described in the Discussion Paper in a way that is not commercially sensitive. To test whether the concerns raised by preparers could be the result of a misunderstanding about the level of detail that would be required, we tested staff examples illustrating the application of the preliminary views.

17. Most preparers that participated in our subsequent research expressed at least some level of concern about the commercially sensitive nature of information illustrated in the staff examples (see paragraph 42 of Agenda Paper 18B to the IASB's April 2022 meeting). This indicates there are some situations for which these concerns remain.

18. In addition, we received feedback from:

    (a) the joint meeting between the Capital Markets Advisory Committee (CMAC) and the Global Preparers Forum (GPF) in June 2022. At that meeting most CMAC and GPF members agreed there could be circumstances in which an entity should be exempt from disclosing the information that would be required by applying the preliminary views.

    (b) the Accounting Standards Advisory Forum (ASAF) meeting in July 2022. ASAF members generally agreed that an exemption would help to address circumstances in which the required information would be commercially sensitive.

19. Reflecting on this feedback, we accept there might be some circumstances in which the cost of disclosing the items of information in paragraph 14 would outweigh the benefits. Therefore, we think the IASB should propose relief from disclosing this information. We think an exemption would be a targeted and effective way to address concerns about proprietary costs arising from disclosing this information.

20. We recognise that there could be concerns about how difficult it might be to design an exemption in a way that ensures the exemption is used only in appropriate circumstances. Based on our analysis of how the IASB could design such an exemption (including what application guidance the IASB might be able to develop) we think these concerns can be addressed. Paragraph 32 summarises our recommendations on how the IASB can design such an exemption and Agenda Paper 18C includes our detailed analysis on this matter.

Items of information for which an exemption should not be available

21. In our view, an entity should not be exempt from disclosing:

    (a) the strategic rationale for the business combination (paragraphs 22–25); and

    (b) actual performance in subsequent periods (paragraphs 26–30).

Strategic rationale

22. The Discussion Paper noted the preliminary view to require an entity to disclose the strategic rationale for a business combination. As paragraph 2.10 of the Discussion Paper explains, this preliminary view (together with the preliminary view to require an entity to disclose the objectives for a business combination) would replace the requirement in paragraph B64(d) of IFRS 3 for an entity to disclose the primary reasons for a business combination.

23. As noted in paragraphs 31–33 of the Agenda Paper 18C for the IASB's April 2021 meeting, while some respondents said information about strategic rationale of a business combination may contain commercially sensitive information, most preparers said they are willing to provide such information in their financial statements. Most said that they often already provide this information in other published materials, for example, press releases at the time of the business combination. Our research on what entities disclose about business combinations (paragraphs 30–31 of Agenda Paper 18A to the IASB's April 2022 meeting) confirmed this feedback.

24. In addition:

    (a) IFRS 3 does not exempt an entity from disclosing the primary reason for a business combination and we have not heard feedback suggesting this information is so commercially sensitive that an exemption from disclosing this information is needed. The requirement to disclose the strategic rationale for a business combination would replace, in part, the existing requirement to disclose the primary reasons for a business combination. We expect an entity's primary reason for a business combination to be similar to its strategic rationale for undertaking the business combination, with the latter simply providing a closer link to the entity's overall business strategy and management's objectives for the business combination.

(b) at the meeting with CMAC and GPF in June 2022 some members agreed that an entity should disclose some level of qualitative information for all business combinations and that an entity should disclose the strategic rationale for all business combinations.

25. Consequently, we think an exemption is not needed for information about the strategic rationale of the business combination.

Actual performance

26. Many users said in the [Post-Implementation Review of IFRS 3] that better information is needed to help them understand the performance of business combinations in subsequent periods. In response, the IASB's preliminary view was to require an entity to disclose information about actual performance of a business combination in subsequent periods.

27. That feedback, which was confirmed in feedback to the Discussion Paper and in subsequent outreach activities, indicates that information about the actual performance of a business combination in subsequent periods highly benefits users.

28. In addition, as noted in paragraph 14, much of the concern from preparers was about information that would be required in the year of acquisition—for example the metrics and targets for a business combination and quantitative information about expected synergies, rather than from disclosure of actual performance of a business combination in subsequent financial periods.

29. In our view, the benefits of requiring an entity to disclose actual performance of a business combination in subsequent periods outweighs the cost of disclosing the information. Therefore, we think an exemption is not needed for that information.

30. We accept that information about actual performance of a business combination in subsequent periods might not be meaningful if an entity applies an exemption and does not disclose information about its objective, metric or target for the business combination. Accordingly, we think in addition to information about actual performance, an entity should be required to disclose a statement as to whether the actual performance met the entity's target. For example, if an entity's key objective for a business combination is to increase revenue by CU100 million each reporting period and the entity applies the exemption not to disclose that objective. In subsequent periods, the entity will disclose the actual increase in revenue achieved for that period (say CU98 million) and whether that increase of CU98 million met the entity's objective.

Staff recommendation

31. For reasons described in paragraphs 9–30, we recommend the IASB:

(a) propose an exemption from disclosing information about:

(i) management's objectives for a business combination;

(ii) the metrics and targets management will use to monitor whether the objectives for the business combination are being met; and

(iii) quantitative information about synergies expected to arise from the business combination.

(b) not propose an exemption from disclosing information about:

(i) the strategic rationale for the business combination; and

(ii) actual performance in subsequent periods.

How to design an exemption

32. Agenda Paper 18C contains our analysis of how the IASB should design an exemption. We recommend the IASB:

(a) allow entities to not disclose a particular item of information in situations in which disclosing that item of information can be expected to prejudice seriously any of the entity's objectives for the business combination;

(b) supplement the exemption with application guidance, including:

(i) requiring an entity to:

(1) consider whether it is possible to disclose information at a sufficiently aggregated level that would resolve concerns while still meeting the objectives of the disclosure requirements;

(2) disclose the reason for applying the exemption separately for each item of information; and

(3) assess in future periods whether the circumstances leading to the application of the exemption still exist.

(ii) specify situations in which the exemption would not be permitted, including:

(1) a general risk of a potential weakening of competitiveness due to disclosure is not, on its own, sufficient reason to apply the exemption;

(2) the exemption should not be applied to avoid disclosing information only because that information may not be considered favourably by the market;

(3) the information is disclosed in other publicly available material; and

(4) if competitors are already likely to have access to the information from public or non-public documents or other sources, or would be unable to act on the information in a manner that can be expected to prejudice seriously any of the entity's objectives for the business combination.

Question One—Whether to include an exemption
Do you agree with our recommendation that the IASB should propose an exemption from disclosing: (a) management's objectives for a business combination; (b) the metrics and targets management will use to monitor whether the objectives for the business combination are being met; and (c) quantitative information about synergies expected to arise from the business combination.

Question Two—Whether to include an exemption
Do you agree with our recommendation that the IASB should not propose an exemption from disclosing: (a) the strategic rationale for the business combination; and (b) actual performance in subsequent periods.

Question Three—Designing an exemption
Do you agree with our recommendation in paragraph 32 on how to design the exemption?

Applying preliminary views to a subset of business combinations

Should the IASB require information for only a subset of business combinations?

33. Applying this alternative, an entity would be required to disclose some or all of the information that would be required by the IASB's preliminary views for only a subset of 'material' business combinations, rather than all 'material' business combinations.

34. The preliminary views would require an entity to disclose information about the subsequent performance of a business combination for only those business combinations monitored by an entity's Chief Operating Decision Maker (CODM). As noted in the Discussion Paper, this would (a) respond to stakeholder concerns about providing information for all 'material' combinations (paragraph 2.33 of the Discussion Paper)—in particular a concern that the volume of disclosures being onerous; and (b) result in an entity disclosing the most important information for the most important business combinations.

35. We continue to think that requiring some or all of the information for only a subset of business combinations would best address concerns about the monetary costs of complying with new requirements.

36. We considered whether information should be required for only a subset of business combinations separately for the preliminary views to require:

    (a) information about the subsequent performance of a business combination:

        (i) strategic rationale of a business combination (paragraphs 37–38);

        (ii) management's objectives for a business combination, the metrics management will use to monitor whether the business combination's objectives are being met, the targets associated with those metrics and actual performance (paragraphs 39–44); and

    (b) quantitative information about expected synergies (paragraphs 45–47).

Subsequent performance of a business combination

Strategic rationale of a business combination

37. The preliminary view to require entities to disclose information about the strategic rationale of a business combination replaces, in part, the requirement in IFRS 3 to disclose information about the primary reasons for a business combination which applies to all 'material' business combinations.

38. We think the IASB should require information about the strategic rationale for a business combination for all 'material' business combinations because:

    (a) the IASB received no feedback on the Discussion Paper suggesting that disclosing the strategic rationale of the business combination would be more costly than disclosing the primary reasons for the business combination; and.

    (b) as noted in paragraph 24(b), at the meeting with CMAC and GPF in June 2022 some members agreed that some level of qualitative information needs to be disclosed about all business combinations and that an entity should be required to disclose the strategic rationale for all business combinations.

Objectives, metrics, targets and actual performance

39. As explained in paragraph 34 above, the IASB considered the monetary costs of providing information about the subsequent performance of business combinations when it developed the preliminary views. As noted in paragraph 2.38 of the Discussion Paper, the preliminary views focused on providing the 'most important information about the most important business combinations'. The preliminary views used an entity's CODM to achieve that goal. The CODM was used in the preliminary views to identify both: (a) the business combinations for which disclosure of information would be required; and (b) the information that would be disclosed about those business combinations. Limiting the number of business combinations for which information would be required to be disclosed would help address concerns about the costs of preparing the information.

40. While respondents to the Discussion Paper generally agreed with the management approach proposed in the Discussion Paper, there were mixed views as to whether the CODM is the right level of management (paragraph 23 of Agenda Paper 18C to the IASB's April 2021 meeting). Those respondents who disagreed with a CODM approach (paragraphs 87–93 of Agenda Paper 18C to the IASB's April 2021 meeting) did so because in their view:

    (a) the CODM of an entity may review either too few or too many business combinations and the preliminary views would not achieve an appropriate balance between users' needs and concerns about the cost;

    (b) their experience of segment disclosures has been disappointing and therefore those respondents are concerned that using the CODM to identify information may not provide them with useful information; and

    (c) using the CODM as the threshold for filtering business combinations would introduce an additional threshold in IFRS 3 for assessing whether and what information entities are required to disclose for a business combination.[1]

41. We accept some stakeholders are concerned about introducing another threshold in the application of IFRS 3. However, feedback to the Discussion Paper does not indicate the IASB was incorrect to try and

[1] IFRS 3 requires an entity to disclose particular information for 'material' business combinations and to disclose particular information in aggregate for 'immaterial' business combinations.

address concerns about the cost of applying the new requirements. We think generally the concerns were about the use of the CODM to achieve that cost reduction.

42. Based on feedback to the Discussion Paper, we think the IASB should require an entity to disclose information about the metrics, targets, objectives and actual performance for only a subset of ‘material’ business combinations. We think this approach appropriately balances users need for information about the subsequent performance of business combinations with concerns about the monetary costs of preparing that information.

43. In our view, requiring information about a subset of business combinations would also help address practical concerns about:

    (a) integration—we think the effect of the business combination on the combined business’ performance is likely to be more obvious if the IASB focuses on a subset of ‘material’ business combinations rather than all ‘material’ business combinations. We think information about the financial performance of such a business combination is also more likely to be reviewed by management, and therefore be more readily available.

    (b) auditability—we think concerns about auditability are primarily driven by the cost of having the information audited. If the IASB requires information to be disclosed for a subset of ‘material’ business combinations rather than all ‘material’ business combinations there will be fewer business combinations for which this information would be required and therefore lower audit costs.

44. However, we agree with concerns about the use of CODM to identify the subset of business combinations. We think the IASB should use a different threshold than CODM to achieve that balance between cost and benefit identified as being needed in the Discussion Paper and feedback to the Discussion Paper. Paragraph 49 contains our recommendation on how to identify that subset.

Quantitative information about expected synergies

45. The preliminary view to require an entity disclose quantitative information about synergies expected from a business combination would improve the requirement in paragraph B64(e) of IFRS 3 for an entity to provide a qualitative description of the factors that make up the goodwill recognised in a business combination. The Discussion Paper considered requiring entities to disclose quantitative information about expected synergies for all ‘material’ business combinations.

46. The IASB heard concerns about the cost of disclosing quantitative information about expected synergies. Much of that concern was about proprietary costs. We think this is best addressed by exempting entities from disclosing that information in some circumstances (see paragraphs 13–20).

47. Feedback on the preliminary view also identified concerns about the cost of complying with a new requirement to disclose quantitative information about expected synergies, particularly on integration and auditability. Requiring information for only a subset of ‘material’ business combinations could help to address those concerns. However, we think this is unnecessary because:

    (a) quantitative information about expected synergies would be required only in the year of acquisition. An entity would not be required to disclose an update on the achievement of those synergies. This information would reflect synergies expected at the time of a business combination—that is, before the business combination has been integrated and therefore no integrated information would be required.

    (b) we expect in situations in which material synergies are expected from a business combination, management will have an estimate of the expected synergies. Discussion with preparers as part of our fieldwork and discussions on staff examples indicates that entities typically work out this information when deciding whether to acquire a business. We expect it would be possible to audit this information by comparing the disclosure to the estimate of expected synergies to documents prepared at the time of the acquisition.

Staff recommendation

48. For reasons described in paragraphs 33–47, we recommend the IASB propose to:

    (a) require an entity to disclose for all 'material' business combinations:

        (i) the strategic rationale for the business combination; and

        (ii) quantitative information about synergies expected from the business combination.

    (b) require an entity to disclose for a subset of 'material' business combinations information about:

        (i) objectives for the business combination;

        (ii) metrics and targets for the business combination; and

        (iii) actual performance of the business combination.

How to describe and identify a subset of 'material' business combinations

49. Agenda Paper 18D contains our analysis of how the IASB should describe and identify a subset of 'material' business combinations. We recommend the IASB:

    (a) require information to be disclose about 'strategically important' business combinations, that is a business combination, for which not meeting the objectives would seriously put at risk the entity achieving its overall business strategy.

    (b) identify 'strategically important' business combinations using a closed list of thresholds meeting any one of those thresholds would require an entity to disclose information for that business combination. We think the thresholds should be both:

        (i) Quantitative: that is, business combinations in which:

            (1) the acquiree's operating profit (as defined by the Primary Financial Statements project) exceeds 10% of the acquirer's operating profit, for the most recent annual reporting period of the acquirer ending before the business combination; or

            (2) the amounts recognised as of the acquisition date for all assets acquired (including goodwill) exceeds 10% of the carrying value of the assets recognised on the acquirer's balance sheet as at the most recent reporting period date of the acquirer before the business combination.

        (ii) Qualitative—that is business combinations that result in the entity entering a new geographical area of operations or a new major line of business.

Question Four—Whether to require information for a subset of business combinations
Do you agree with our recommendation that the IASB propose to: (a) require an entity to disclose information about the strategic rationale and quantitative information about expected synergies for all 'material' business combinations?

(b) require an entity to disclose information about the objectives for a business combination, the metrics and targets the entity will use to measure achievement of those objectives and the subsequent achievement of the objectives for a subset of 'material' business combinations?

Question Five—Describing and identifying a subset of 'material' business combinations
Do you agree with our recommendation in paragraph 49 for how to describe and identify a subset of 'material' business combinations?

Whether the IASB should proceed with requiring additional disclosures about business combinations

50. Having considered whether and how the IASB could amend its preliminary views to require entities to disclose information about business combinations, we analysed whether the IASB should proceed with the preliminary views as amended based on our analysis in this paper (amended preliminary views), including whether it should propose to add disclosure objectives to IFRS 3.

Detailed requirements

51. Paragraphs 7–14 of Agenda Paper 18A describe the IASB's preliminary views for disclosure of information about the subsequent performance of business combinations and quantitative information about synergies expected from business combinations.

52. As noted in paragraph 14 of Agenda Paper 18A to the IASB's July 2021 meeting, there was strong overall support for the objective of providing users with better information about business combinations. However, some respondents said the costs of the preliminary views on improving the disclosures about business combinations could outweigh the benefits.

53. We think the amendments to the preliminary views outlined in this paper (and summarised in paragraph 8) help address concerns about the cost of disclosing the information that would be required applying the preliminary views. In particular:

    (a) an exemption such as that described in paragraph 32 addresses concerns about the proprietary cost of disclosing information; and

    (b) requiring information for the subset of 'material' business combinations described in paragraph 49 addresses concerns about the monetary cost of preparing the information.

54. We acknowledge that the IASB has not yet completed its redeliberation on the preliminary views. For example, the IASB will still discuss:

    (a) how to define 'management' in the management approach to disclosing information about the subsequent performance of business combinations; and

    (b) other aspects of the preliminary views related to expected synergies—such as the level of aggregation that information should be disclosed about.

55. However, based on our analysis, we think the benefits of the amended preliminary views outweigh the cost of disclosing that information. We recommend the IASB propose adding these amended preliminary views to IFRS 3.

Question Six—Proceeding with requiring additional disclosures
Subject to your responses to Questions 1–4 in this paper, do you agree with our recommendation to propose to require entities to disclose information about: (a) the subsequent performance of business combination; and (b) expected synergies.

Disclosure objectives

56. In addition to the detailed requirements discussed in this paper, the preliminary views would add two new disclosure objectives to IFRS 3. Those disclosure objectives would require an entity to disclose information to allow a user to understand:

    (a) the benefits that an entity's management expected from a business combination when agreeing the price to acquire a business; and

    (b) the extent to which a business combination is meeting management's objectives.

57. Feedback on the disclosure objectives was similar to the feedback on information about the subsequent performance of business combinations and expected synergies. As noted in paragraph 15 of Agenda Paper 18D to the IASB's April 2021 meeting, many users agreed that the objectives set out by the IASB accurately describe user needs in this area. However, paragraph 16 of that paper notes that other respondents had concerns about the information needed to meet the objectives potentially being commercially sensitive and difficult to audit.

58. We think the additional disclosure objectives in paragraph 56 continue to be appropriate and recommend the IASB propose adding those two objectives to IFRS 3. We think the amended preliminary views described in this paper demonstrate an entity could disclose this information at a reasonable cost.

Question Seven—Disclosure objectives
Do you agree with our recommendation to propose additional disclosure objectives in IFRS 3 that would require an entity to disclose information to help a user understand: (a) the benefits that an entity's management expected from a business combination when agreeing the price to acquire a business; and (b) the extent to which a business combination is meeting management's objectives.