
IASB® meeting

Date **January 2025**
Project **Business Combinations—Disclosures, Goodwill and Impairment**
Topic **Plan for redeliberations**
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (IASB). This paper does not represent the views of the 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. As Agenda Paper 18 explains, this paper discusses the plan for redeliberating the proposals in the [Exposure Draft *Business Combinations—Disclosure, Goodwill and Impairment*](#) (Exposure Draft).

Structure of this paper

2. This paper includes:
 - (a) plan for redeliberation;
 - (b) question for the International Accounting Standards Board (IASB); and
 - (c) Appendix A—Timeline diagram.

Plan for redeliberation

3. The objective of the IASB's project [Business Combinations—Disclosure, Goodwill and Impairment](#) is to explore whether entities can, at a reasonable cost, provide users with more useful information about business combinations. The Exposure Draft proposed a package of information designed to meet the project objective. The proposed amendments mainly relate to:

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- (a) the disclosure requirements in IFRS 3 *Business Combinations*. In particular, the IASB proposed:
 - (i) introducing new requirements to disclose information about the performance of a business combination for some business combinations (performance information) and quantitative information about synergies expected from a business combination (expected synergy information). An entity would be exempted from disclosing some of this information in some situations.
 - (ii) some other amendments to the disclosure requirements in IFRS 3.
 - (b) the impairment test of cash generating units containing goodwill in IAS 36 *Impairment of Assets*. In particular, the IASB proposed some targeted improvements to the requirements relating to the calculation of value-in-use, the allocation of goodwill to cash-generating units and the disclosure requirements.
4. We plan to first ask the IASB to redeliberate and decide whether to retain the project's current objective and scope.¹ We expect to do so at the IASB's February 2025 meeting. The remainder of the paper assumes no significant change to the current project objective and scope.
 5. We discuss below our plan to redeliberate:
 - (a) proposed amendments to require performance and expected synergy information (paragraphs 7–14);
 - (b) other proposed amendments (paragraphs 15–18); and
 - (c) the overall package (paragraph 19).
 6. While the sections below include some tentative information on planned timelines, the timeline will depend on various factors including the IASB's tentative decisions and

¹ [Agenda Paper 18A](#) of the IASB's December 2024 meeting summarises feedback on project objective and scope.

the outcome of our analysis (for example, if our analysis indicates that further research is necessary) and could be subject to change.

Performance and expected synergy information

Plan for redeliberation

7. As [Agenda Paper 18B](#) of the IASB's December 2024 meeting explains, there were divergent views, particularly between users and preparers, on whether to require disclosure of performance and expected synergy information. Respondents who disagree with requiring the proposed information in financial statements generally gave the following common reasons:
 - (a) conceptual reasons;
 - (b) auditability and expectations gap;
 - (c) commercial sensitivity and litigation risks arising from disclosure of forward-looking information; and
 - (d) monetary costs and other concerns.
8. Making decisions on disclosure of performance and expected synergy information will, in our view, require consideration of how the concerns raised apply to each item of information and the circumstances in which the information would be disclosed. There is also significant interaction between various aspects of the proposals so, for example, it may be difficult to decide on whether to require an entity to disclose a particular item of performance or expected synergy information without knowing the situations in which an entity would be exempted from disclosing that item of information.
9. To enable the IASB to make decisions on requiring entities to disclose performance and expected synergy information, we plan to:
 - (a) at the start of redeliberations, analyse overarching reasons for disagreeing with the Exposure Draft's proposals, such as concerns of whether the *Conceptual*

Framework for Financial Reporting allows such information to be required in financial statements;² and

- (b) throughout redeliberations:
 - (i) analyse the other reasons for disagreeing with the Exposure Draft’s proposals as we address each specific proposal—for example, analyse the auditability of a specific proposal when considering the specific proposal; and
 - (ii) consult (see paragraph 10) to get more information as needed about each specific proposal and related concerns—for example, discussing auditability concerns with auditors.
- 10. We plan to consult the IASB’s consultative groups (such as the Accounting Standards Advisory Forum, the Capital Markets Advisory Committee and the Global Preparers Forum), for example, to explore alternative approaches. We will also discuss with other stakeholders as necessary—for example, to obtain additional information about points raised in comment letters. We will assess which topics to consult on and which consultative groups to consult as we progress our analysis.
- 11. Recognising the strong interdependencies between various aspects of the proposed amendments (see paragraph 8), during the course of redeliberations, we plan to ask for tentative decisions only on some aspects of the proposed requirements—in particular, on aspects we think do not have strong dependencies on other matters yet to be redeliberated. As a result, we expect to ask the IASB to make most decisions on requiring entities to disclose performance and expected synergy information towards the end of the redeliberations—that is, after completing our analysis and consultation on these topics. The IASB will also be able to confirm (or change) earlier tentative decisions on specific aspects of these proposals.

² As paragraph 11 explains, we plan to ask for tentative decisions only on some aspects of the proposed amendments during the course of redeliberations. We do not plan to ask for a tentative decision on these overarching reasons because of the interdependency with the specific proposed amendments. Instead, we plan to ask for decisions on the overall package of performance and expected synergy information towards the end of the redeliberations.

Timing

12. We expect to commence discussions on requiring entities to disclose performance and expected synergy information after the IASB has confirmed the project objective and scope (that is, from March 2025 onwards).
13. During the course of redeliberations, we will consult as necessary, likely at the IASB's consultative group meetings in summer and the fourth quarter of 2025.
14. We plan to ask the IASB for some tentative decisions as we discuss this matter (see paragraph 11). We expect to complete all discussions on this matter and ask the IASB to make decisions on requiring disclosure of performance and expected synergy information in 2026.

Other proposed amendments*Plan for redeliberation*

15. For other proposed amendments (including proposed amendments to IFRS 3 other than performance and expected synergy information, proposed amendments to IAS 36, proposed amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures* and proposed transition requirements), we expect to deliberate and ask the IASB to tentatively decide on each topic individually. This is because, in our view, there is less interaction between these topics. We acknowledge there may still be some interaction between topics (for example, the overall cost-benefit trade-off) so after the IASB has finished making tentative decisions on all topics, we will ask the IASB to confirm the overall package of amendments (see paragraph 19).
16. Similar to what paragraph 10 discusses, we plan to consult with the IASB's consultative groups and individual stakeholders as and when required, for example, to explore alternative approaches.

Timing

17. We intend to prioritise deliberations on the proposals to disclose performance and expected synergy information. However, we plan to provide the IASB with our analysis of the other proposed amendments as and when time permits. For example, we might present the IASB with our analysis of a proposed amendment to IAS 36 while we are consulting on some matters related to the proposals to disclose performance and expected synergy information.
18. We intend to complete redeliberating these other proposed amendments in 2026.

Overall package

19. After completing redeliberations on performance and expected synergy information and the other proposed amendments, we will consider the package of amendments overall—for example, the overall cost-benefit trade-off. We expect to ask the IASB to decide on the overall package of amendments in 2026.

Question for the IASB

Do IASB members have any questions or comments on our plan for redeliberations?

Appendix A—Timeline diagram

A1. This diagram illustrates the timeline for our project plan:

Figure 1—Timeline

