

STAFF PAPER

March 2021

IASB® meeting

Project	Goodwill and Impairment		
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*.

Introduction and purpose of this meeting

1. The International Accounting Standards Board (Board) published its Discussion Paper *Business Combinations—Disclosures, Goodwill and Impairment* in March 2020, with a comment letter deadline of 31 December 2020.
2. The Discussion Paper includes the Board’s preliminary views to address feedback the Board heard during the Post-implementation Review of IFRS 3 *Business Combinations*, including feedback about:
 - (a) disclosing information about business combinations;
 - (b) testing goodwill for impairment—effectiveness and cost;
 - (c) whether to reintroduce amortisation of goodwill; and
 - (d) recognising intangible assets separately from goodwill.
3. The purpose of this meeting is to provide the Board with a high-level summary of the feedback on the Discussion Paper.

Discussion Plan

4. At this meeting the staff provide the Board with a high-level summary of the feedback on the Discussion Paper.
5. In April 2021 the staff will provide the Board with detailed feedback summaries on the Board’s preliminary views on:

- (a) improving disclosures about business combinations;
 - (b) improving the effectiveness of the impairment test of cash-generating units containing goodwill; and
 - (c) whether to reintroduce amortisation of goodwill.
6. In addition, the staff will provide the Board with a summary of feedback from users of financial statements in April 2021.
7. In May 2021, the staff will provide the Board with a summary of feedback on:
- (a) simplifying the impairment test;
 - (b) other areas of the Discussion Paper; and
 - (c) academic research.
8. The purpose of the Board's meetings in March, April and May 2021 is to ask Board members to comment on any feedback that was unclear, that provides new information, or that needs further research. The staff are not asking the Board to make any decisions in these meetings. The staff plan to begin the redeliberation on the Board's preliminary views at the Board's meeting in June 2021.