6 July 2020

To: Preparers, investors, practitioners and other interested parties

Roundtable discussion: 6 October 2020
IASB DISCUSSION PAPER DP/2020/1
Business Combinations–Disclosures, Goodwill and Impairment

Does your company or clientele engage in business combinations frequently, or otherwise recognise a significant amount of goodwill? Have you noted any challenges in performing the impairment test for goodwill or analyzing the resulting information? Do financial statements provide sufficient information to assess the post-acquisition performance of business combinations?

The Hong Kong Institute of Certified Public Accountants invites you to a roundtable to share your views on the accounting for goodwill and disclosures for business combinations.

Business combinations are often material and important transactions for the companies involved. IFRS 3/HKFRS 3 Business Combinations specifies how companies must account for these transactions. To respond to concerns raised by stakeholders on its Post-Implementation Review of IFRS 3, the International Accounting Standards Board (IASB) has published a Discussion Paper with their preliminary views on possible improvements to the information companies report about acquisitions and the accounting for goodwill. In particular, the IASB is seeking comments on whether:

- proposed new disclosure requirements for acquisitions would provide useful information at a reasonable cost;
- stakeholders have new evidence or new arguments on how companies should account for goodwill; and
- other related topics, for example simplifications to the impairment test.

Your views are important to us in providing feedback to the IASB. If you would like to express your views on these topics and future accounting changes, please join our roundtable discussion. Representatives from the IASB will be joining the roundtable, and hence this is an excellent opportunity to communicate directly with local and international standard setters.

Details of the roundtable
Date: 6 October 2020, Tuesday
Time: 4:00 pm – 6:00 pm
Venue*: HKICPA Boardroom, 37/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong

*In view of the uncertainty of the COVID-19 pandemic, we may provide the option to join via online tools if necessary.

To register, please click the following link and reserve by 25 September:

If you cannot attend the roundtable but would like to provide your comments on the IASB’s Discussion Paper, please email us at commentletters@hkicpa.org.hk.