

PRESS RELEASE

25 July 2013

IASB begins the Post-implementation Review of Business Combinations Standard

The International Accounting Standards Board (IASB) has begun its Post-implementation Review of IFRS 3 *Business Combinations*. The Business Combinations Standard sets out how an entity should account for the acquisition of another entity. It was developed in two stages: the first in 2004 and the second in 2008. The IASB has confirmed that this Post-implementation Review will look at the changes introduced in both stages, including changes to the presentation of consolidated financial statements that were made at the same time.

The review will consist of two phases. During Phase I the IASB will undertake targeted outreach to identify areas in which implementation problems or unexpected costs with IFRS 3 were encountered. It will also review academic and other studies about the application of the Standard. The areas identified during this phase will be included in a Request for Information (RFI), which will be published for public comment and which will lead to Phase II of the review. During the second phase of the review, the IASB will undertake extensive outreach and analyse the public comments received in response to the RFI to learn about experience in applying the Standard and the experience of investors and others in using the results it produces. At the end of the Post-implementation Review, the IASB will publish a Feedback Statement with the main findings and the steps it plans to take, if any, as a result of the review.

Commenting on the review, Hans Hoogervorst, Chairman of the IASB said:

“We remain committed to undertaking Post-implementation Reviews of new Standards and major amendments to ensure they are working as intended. We want to make sure that IFRS 3 is being implemented on a consistent basis and to understand any unintended consequences arising from its introduction.”

Further information, including the expected timing of the main activities, is available on the project page <http://go.ifrs.org/PIR-of-IFRS-3>.

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Notes to editors:

About the IFRS Foundation

The IFRS Foundation is the oversight body of the International Accounting Standards Board (IASB). The Foundation, through the IASB, is committed to developing, in the public interest, a single set of high quality, global accounting standards that require transparent and comparable information in general purpose financial statements.

The Trustees of the IFRS Foundation promote the work of the [International Accounting Standards Board \(IASB\)](#) and the rigorous application of IFRSs but are not involved in any technical matters relating to the standards. This responsibility rests solely with the IASB.