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Our ref DJL/CWA/SAH

By email to:
UKEndorsementBoard@endorsement-board.uk

2 July 2024

Dear Ms Wallace

Response to Invitation to Comment on the UKEB Draft Comment Letter on IASB's Exposure Draft Business Combinations–Disclosures, Goodwill and Impairment: Proposed amendments to IFRS 3 and IAS 36

We welcome the opportunity to respond to the UK Endorsement Board's (UKEB) invitation to comment on the UKEB Draft Comment Letter on the above mentioned IASB's Exposure Draft.

We appreciate the IASB's efforts, in response to stakeholders' concerns, to improve the information provided about acquisitions and their subsequent performance, including the recognition of impairments on a timely basis.

KPMG LLP is part of a global network of firms. Views on IFRSs are developed globally by KPMG International Standards Group. The KPMG network of firms' response to this Request for Information has not yet been finalised and will be provided publicly to the IASB in due course. In advance of the finalisation of global network views, the comments in this letter are the preliminary views of KPMG LLP in the UK only.

KPMG in the UK broadly agree with the proposals in relation to IAS 36.

Regarding the proposals in relation to IFRS 3, we believe further consideration should be given to some aspects of the proposals. With reference to the UKEB's draft comment letter, this includes:

- The threshold for disclosing strategic business combinations.
- The application of the disclosure exemption.
- Transition relief for first time adopters.
- The practicalities of preparing and auditing certain of the additional disclosures, including in relation to expected synergies.



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Yours sincerely

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