
Buenos Aires, Argentina, September 7, 2026

IFRS Foundation
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REF: IFRIC Tentative Agenda Decisions reached in the June 16 and 17, 2026 meetings

Dear Committee Members,

The “Group of Latin American Accounting Standard Setters”¹ (GLASS) appreciates the opportunity to comment on the following Tentative Agenda Decision (TAD) reached by the International Financial Reporting Standards Interpretations Committee (IFRIC) during its meeting on June 16 and 17, 2026, which included the following topic:

- **Control Assessment for a Single-investor Fund (IFRS 10)**

This response summarizes the points of view of the members of the different countries that comprise GLASS, pursuant to the following due process.

Due process

The discussions regarding the TAD of IFRIC were held within a specified Permanent Technical Commission (PTC) created in December 2020. All GLASS country-members had the opportunity to appoint at least one member to participate in this PTC. Each standard setter represented in GLASS has undertaken different tasks in their respective countries (e.g., surveys, internal working groups). All results were summarized, and this summary was the platform for GLASS discussion process.

GLASS discussed the different points of view included in the summary through emails exchanged among its members. In those emails GLASS developed a final document on the basis of the consensual responses and the technical points of view of its members. Finally, the GLASS document was submitted to and approved by the GLASS Board.

Fact pattern:

The request received by IFRIC is about how an entity - the only investor in a fund, apart from the fund manager - should evaluate whether it has delegated decision-making authority to the manager, if the latter is an agent and does not control the fund. The application asks whether, in accordance with IFRS 10, the investor described in the application is automatically considered to have delegated decision-making power to the fund manager.

The fund manager determined the purpose and design of the fund; has broad unilateral decision-making authority and the ability to direct all relevant activities of the fund; receives a market-based fee for its services and has a 0.01% investment in the fund; is an agent, as described in IFRS 10.

The investor has a 99.99% stake in the fund. Although the fund is open to other investing institutions, the investor is the only investor who subscribed to the fund and did not participate in determining the purpose and design of the fund; It only has protection rights, as described in IFRS 10. The fund has a contractually fixed duration, during which the investor cannot withdraw his investment from the fund.

¹ The overall objective of the Group of Latin American Accounting Standard Setters (GLASS) is to present technical contributions with respect to all Exposure Drafts, Requests for Information and Discussion Papers issued by the IASB and Tentative Agenda Decisions issued by IFRIC. Therefore, GLASS aims to have a single regional voice before the IASB. GLASS is constituted by: Argentina (Chairman), Bolivia, Brazil (Board), Chile, Colombia (Board), Costa Rica (Board), Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico (Board), Panama, Paraguay, Peru (Board), Uruguay (Board) and Venezuela (Vice Chairman).

IFRIC Analysis and Conclusions

IFRIC stated in its analysis mainly that:

In considering the requirements of paragraphs 2 to 18 of IFRS 10, as well as the related application guidance in Appendix B of IFRS 10, the IFRIC noted that, except as specified in paragraphs 4 to 4B of IFRS 10, an entity that controls other entities prepares consolidated statements and that control is the sole basis for consolidation.

To control an investee, an investor must have the three elements of control in paragraph 7 of IFRS 10: (i) power over the investee, (ii) exposure (or rights) to variable returns from its participation in the investee, and (iii) the ability to use its power over the investee to influence the amount of its returns.

When assessing control in situations where an entity has decision rights, paragraphs B58 through B59 require the decision maker to determine whether it is acting as a principal or as an agent. If you act as an agent, you do not control the investee entity.

Concluding that an investor has all the decision rights of a fund manager solely because the fund manager acts as an agent could lead to results that are inconsistent with the IFRS 10 control model.

Accordingly, IFRIC concluded that being the only investor in the fund other than the fund manager does not mean, in isolation, that the investor described in the fact pattern is automatically considered to have delegated decision-making power to the fund manager. The investor described in the fact pattern must consider all the requirements of paragraphs 5 to 18 of IFRS 10, as well as the related application guidance in Appendix B of IFRS 10 to evaluate whether it controls the fund. Also, the principles and requirements of IFRS 10 provide an adequate basis for the investor described in the specific case to evaluate whether he is automatically considered to have delegated his decision-making authority to the fund manager. Consequently, IFRIC decided that a rulemaking project is not necessary to address the request.

GLASS Opinion

Regarding what is stated in the TAD, GLASS shares the vision of IFRIC that it cannot be automatically concluded that the investor described in the application has delegated its decision-making power to the fund manager but, on the contrary, satisfaction with the requirements of IFRS 10 must be evaluated, the text of which is appropriate to resolve the consultation. Therefore, GLASS agrees that a revision of IFRS 10 is not necessary and that the Agenda Decision is the appropriate way to respond to the consultation.

Contact

If you have any questions about our comments, please contact glenif@glenif.org

Sincerely yours,



Hernán Pablo Casinelli

Chairman

Group of Latin American Accounting Standard Setters (GLASS)