



Buenos Aires, Argentina, September 9, 2026

International Accounting Standards Board
Columbus Building
7 Westferry Circus
Canary Wharf
London E14 4HD, UK

REF: Exposure Draft: *Consolidation Exception – Proposed Amendments to the IFRS for SMEs Accounting Standard*

Dear Members of the International Accounting Standards Board (IASB):

The “Group of Latin American Accounting Standard Setters”¹ – GLASS welcomes the opportunity to respond to the Exposure Draft: *Consolidation Exception – Proposed Amendments to the IFRS for SMEs Accounting Standard* (the “Project”).

This response summarizes the views of the members from the countries that make up GLASS, in accordance with the following due process.

Due Process

Discussions on the Project were held within a specific Technical Working Group (“TWG”) established in May 2026. All member countries had the opportunity to appoint at least one representative to this TWG. Each standard setter represented in the TWG carried out various activities in its respective country (for example, surveys, internal working groups). All of the results were consolidated, and this summary served as the basis for the TWG's discussion process.

The TWG discussed the different points of view in its virtual meetings and compiled a summary through emails exchanged among its members. The TWG prepared a final document based on the members' consensus responses and technical views. Finally, the TWG's document was submitted to and approved by the GLASS Board of Directors.

General Comments

GLASS agrees with the exception set out in the Project, as well as with its effective date; in addition, GLASS proposes that mandatory disclosures be incorporated for SMEs electing this exception, which together represent a solution that avoids excessive cost, addressing the loss of information raised in the dissenting opinion.

Specific Comments

Please find attached our responses to the specific questions included in the Project.

Contact

Should you have any questions regarding our comments, please contact glenif@glenif.org.

Yours sincerely,

Hernán P. Casinelli

Chair, Group of Latin American Accounting Standard Setters (GLASS)

¹The overall objective of the Group of Latin American Accounting Standard Setters (GLASS) is to provide technical contributions on all documents published by the IASB and the ISSB. Accordingly, GLENIF intends to present a regional opinion to the IASB and the ISSB. GLASS is composed of the standard-setting bodies of: Argentina (Chair), Bolivia, Brazil (Board), Chile, Colombia (Board), Costa Rica (Board), Dominican Republic, Ecuador, Guatemala, Honduras, Mexico (Board), Panama, Paraguay, Peru (Board), Uruguay (Board) and Venezuela (Vice-Chair).



GLENIF Response Letter on the Exposure Draft:

Consolidation Exception – Proposed Amendments to the IFRS for SMEs Accounting Standard

Question 1—Proposed Amendments to Paragraph 9.3 of the *IFRS for SMEs Accounting Standard*

Paragraph 9.3 of the *IFRS for SMEs Accounting Standard* (Standard) permits a parent not to present consolidated financial statements if its ultimate parent (or any intermediate parent) produces consolidated general purpose financial statements that comply with full IFRS Accounting Standards or the Standard.

The IASB is proposing to extend the exemption from presenting consolidated financial statements. Under the proposed extension, a parent would not need to present consolidated financial statements if its ultimate parent (or any intermediate parent) produces financial statements that comply with full IFRS Accounting Standards, in which investments in subsidiaries are measured at fair value through profit or loss in accordance with IFRS 10 *Consolidated Financial Statements*.

Paragraphs BC6–BC16 explain the IASB's rationale for this proposal.

Do you agree with this proposal? Why or why not? If you disagree, please indicate whether you suggest that the IASB consider this amendment in the next periodic review of the Standard, or not at all.

GLASS's Response

GLENIF agrees with the amendment to paragraph 9.3 of the 2025 edition of the *IFRS for SMEs Accounting Standard*, exempting an intermediate SME from the requirement to present consolidated financial statements if its parent is an investment entity that measures its subsidiaries at fair value through profit or loss in accordance with IFRS 10 *Consolidated Financial Statements*.

To mitigate the risk of loss of information that may be faced by users of the financial statements of SMEs electing this exception, we suggest that the following mandatory disclosures be incorporated:

- Name, registered address, and means of access to the consolidated financial statements of its parent;
- Identification of the operating subsidiaries that make up the consolidated group; and
- The nature and extent of any significant restriction on the subsidiary's ability to transfer funds to the parent in the form of cash dividends or to repay loans.

Question 2—Effective date and transition

The IASB is proposing that an entity apply the amendments introduced in paragraph 9.3 of the Standard at the same time and on the same basis as it applies the third edition of the Standard.

Paragraph BC17 explains the IASB's rationale for this proposal.

Do you agree with this proposal? Why or why not? If you disagree, please explain what you would suggest instead and why.

GLASS's Response

GLASS agrees with the proposal to set the effective date as 1 January 2027, which ensures consistency and simplicity with the rest of the updates incorporated in the 2025 edition of the *IFRS for SMEs Accounting Standard*.

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