



SAS Quadra 05. Bloco J. CFC
Brasília, Distrito Federal – Brazil
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September 29, 2014

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International Accounting Standards Board
IFRS Interpretations Committee
30 Cannon Street
London EC4M 6XH
United Kingdom

RE: IFRS Interpretations Committee: Comments to tentative agenda decisions about IFRS 12 - Disclosure of Interests in Other Entities

Dear Board Members,

The Comitê de Pronunciamentos Contábeis - CPC (Brazilian Accounting Pronouncements Committee)¹ welcomes the opportunity to respond to the Outreach Request – IFRS 12 - Disclosure of Interests in Other Entities.

We are a standard-setting body engaged in the study, development and issuance of accounting standards, interpretations and guidance for Brazilian companies.

Background of the issue

The Interpretations Committee received a request to clarify the requirement to disclose summary financial information on material joint ventures and associates in paragraph 21(b)(ii) of IFRS 12 and its interaction with the aggregation principle in paragraphs 4 and B2-B6 of IFRS 12

The submitter asserts that there are two ways to interpret the application of those paragraphs. Either the information required in paragraph 21(b)(ii) of IFRS 12 can be disclosed in aggregate for all material joint ventures or such information should be disclosed individually for each material joint venture or associate.

The submitter also asked the Interpretations Committee to clarify the requirements in paragraph 21(b)(ii) of IFRS 12 when the information relates to a listed joint venture or associate and local regulatory requirements would prevent the investor from disclosing such information until the joint venture or associate has released its own financial statements. Would the investor be excused from disclosing the information?

The Interpretations Committee noted that it expected the requirement in paragraph 21(b)(ii) of IFRS 12 to lead to the disclosure of summarised information for each

¹ The Brazilian Accounting Pronouncements Committee (CPC) is a standard-setting body engaged in the study, development and issuance of accounting standards, interpretations and guidances for Brazilian companies. Our members are nominated by the following entities: ABRASCA (Brazilian Listed Companies Association), APIMEC (National Association of Capital Market Investment Professionals and Analysts), BMFBOVESPA (Brazilian Stock Exchange and Mercantile & Future Exchange), CFC (Federal Accounting Council), FIPECAFI (Financial and Accounting Research Institute Foundation) and IBRACON (Brazilian Institute of Independent Auditors).



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material joint venture on an individual basis. The Committee observed that this reflects Board's intentions as described in paragraph BC50 of IFRS 12's Basis for Conclusions.

On the basis of the outreach results received, the Interpretations Committee tentatively [decided] not to add this issue to its agenda.

Our comments:

We believe that the response to this question is clear into the current IFRS 12 text, and, therefore, we support the IFRIC decision to not include this topic into its agenda. Thus, we suggest that the Committee revise its due process and does not include topics with a clear response in the literature itself in public hearing nor in the Committee agenda in order to prioritize the most relevant issues.

If you have any questions about our comments, please contact us at operacoes@cpc.org.br.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Idésio da Silva Coelho Júnior'.

Idésio da Silva Coelho Júnior
Chair of International Affairs
Comitê de Pronunciamentos Contábeis (CPC)