

Feedback Statement

**Draft Comment Letter: Exposure Draft
Equity Method of Accounting—IAS 28
Investments in Associates and Joint Ventures
(revised 202x)**

Final Comment Letter (FCL)

December 2024

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Purpose of this Feedback Statement

This Feedback Statement has been produced to set out the UK Endorsement Board's response to stakeholder comments received on the [UKEB's Draft Comment Letter](#) on the IASB's Exposure Draft [ED/2024/7 Equity Method of Accounting—IAS 28 Investments in Associates and Joint Ventures \(revised 202x\)](#), and explains how the UKEB's Final Comment Letter addressed those views.

The UK Endorsement Board (UKEB) is responsible for endorsement and adoption of IFRS for use in the UK and therefore is the UK's National Standard Setter for IFRS. The UKEB also leads the UK's engagement with the IFRS Foundation on the development of new standards, amendments and interpretations.

The comment letter to which this feedback statement relates forms part of those influencing activities and is intended to contribute to the IFRS Foundation's due process.

Disclaimer

The views expressed by the UKEB in its comment letter are those of the UK Endorsement Board at the point of publication. The sentiment or opinion expressed are separate from, and will not necessarily affect or bind the conclusions in, any endorsement and adoption assessment on new or amended international accounting standards undertaken by the UKEB.

The IASB's Exposure Draft

The IASB Exposure Draft (ED) contains proposed amendments to IAS 28 *Investments in Associates and Joint Ventures* and IAS 27 *Separate Financial Statements*. It also proposes changes to disclosure requirements in IFRS 12 *Disclosure of Interests in Other Entities* and IFRS 19 *Subsidiaries without Public Accountability: Disclosures*.

The ED:

- Restructures the text of IAS 28 to improve the understandability of the requirements.
- Introduces new requirements and illustrative examples to explain the principles underlying IAS 28 and to apply those principles to application questions previously received by the IASB.

The IASB emphasised that no fundamental overhaul of the equity method had been undertaken as part of this project.

Limited scope outreach

- Initial research indicated that the ED was unlikely to lead to pervasive or material concerns for the UK. Accordingly, the Board considered and approved a project plan that is proportionate to a limited scope project.
- Outreach to develop the UKEB Comment Letter consisted of a 30-day public consultation on the UKEB's Draft Comment Letter (DCL), which supported the proposals in the ED.
- The UKEB promoted awareness of the DCL and encouraged stakeholders to respond through the UKEB website, the UKEB subscriber News alerts, and the use of UKEB LinkedIn posts.
- One written response to the DCL was received from an accounting firm. This respondent noted that the proposals will “clarify and improve the understandability of IAS 28” and had “no significant comments on the observations noted in the UKEB's draft comment letter”.
- The UKEB's final comment letter supports the proposals in the ED and is consistent with the DCL.

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