

# Adoption Statement

## *Annual Improvements to IFRS Accounting Standards – Volume 11 – Determination of a ‘De Facto Agent’ (Amendments to IFRS 10)*

1. The UK Endorsement Board is designated under regulation 2(1) of The International Accounting Standards (Delegation of Functions) (EU Exit) Regulations 2021 No. 609<sup>1</sup> (“the Delegating Regulations”) for the purpose of enabling it to exercise functions of the Secretary of State under Chapter 3 of Part 2 of The International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019 No. 685<sup>2</sup> (“the Regulations”).
2. *Annual Improvements to IFRS Accounting Standards – Volume 11* contains amendments to IFRS 1, 7, 9, 10 and IAS 7. These unrelated amendments have been assessed by the UK Endorsement Board as individual, separate amendments within a single overarching Endorsement Criteria Assessment.
3. The UK Endorsement Board, in exercise of the powers conferred by regulation 6(1) of the Regulations, adopts the following amendment to international accounting standards published by the International Accounting Standards Board (IASB), for use within the United Kingdom:
  - a) *Annual Improvements to IFRS Accounting Standards – Volume 11 – Determination of a ‘De Facto Agent’* (Amendments to IFRS 10) (“the Standard”)<sup>3</sup>.
4. In accordance with regulation 7(1) of the Regulations, the UK Endorsement Board is of the view that:
  - a) the Standard is not contrary to either of the following principles –
    - i. an undertaking’s accounts must give a true and fair view of the undertaking’s assets, liabilities, financial position and profit or loss;
    - ii. consolidated accounts must give a true and fair view of the assets, liabilities, financial position and profit or loss of the undertakings included in the accounts taken as a whole, so far as concerns

<sup>1</sup> Accessible here: <https://www.legislation.gov.uk/ukxi/2021/609/contents/made>

<sup>2</sup> Accessible here: <https://www.legislation.gov.uk/ukxi/2019/685/contents>

<sup>3</sup> In this Adoption Statement the term ‘Standard’ is used to refer to amendments to international accounting standards, in line with the definition of ‘international accounting standards’ used in the Regulations, which includes ‘subsequent amendments to international accounting standards’.

members of the undertaking;

- b) the use of the Standard is likely to be conducive to the long term public good in the United Kingdom; and
  - c) the Standard meets the criteria of understandability, relevance, reliability and comparability required of the financial information needed for making economic decisions and assessing the stewardship of management.
5. In accordance with regulation 8 of the Regulations, the UK Endorsement Board is of the view that adequate consultation with persons representative of those with an interest in the quality and availability of accounts, including users and preparers of accounts, has been undertaken before the adoption decision.
6. The adopted Standard referred to in paragraph 3:
- a) must be used for financial years beginning on or after 1 January 2026;
  - b) may be used for financial years beginning before 1 January 2026.
7. The text of the Standard is set out in the annex to this statement.

# Approval by the UKEB Board

## **Adoption of *Annual Improvements to IFRS Accounting Standards–Volume 11–Determination of a ‘De Facto Agent’* (Amendments to IFRS 10)**

*Annual Improvements to IFRS Accounting Standards–Volume 11–Determination of a ‘De Facto Agent’* (Amendments to IFRS 10) published by the IASB in July 2024 was approved for adoption by 14 members of the UK Endorsement Board.

Pauline Wallace	Chair
Amir Amel-Zadeh	
Michael Ashley	
Philip Aspin	
Anthony Clifford	
Katherine Coates	
Robin Cohen	
Owen Glaysher	
Edward Knapp	
Paul Lee	
Giles Mullins	
Liz Murrall	
Sandra Thompson	
Michael Wells	

11 February 2025