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our references  
**C-107**

your references

date  
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Dear Sir,

**Invitation to comment – IASB ED Investment Entities**

The Belgian Accounting Standards Board (BASB) is pleased to respond to the Exposure Draft on Investment Entities issued by the IASB (the “Board”) in August 2011 (hereinafter the “ED”). After deliberation, the BASB is against the introduction of an exception to the principle of consolidation for Investment Entities.

We are of the opinion that the concept of control, within the current and future set of Standards, should be maintained, and hence we believe that exemptions for specific entities cannot be aligned with the characteristics of principle-based standards. Thus the BASB supports the alternative view (AV1 to AV14 of the ED) of Warren J Mc Gregor, Sir David Tweedie and Tatsumi Yamada.

We would like to add that Investment Entities, in applying the concept of control, should be encouraged to disclose the fair value of their respective subsidiaries, Associates and Joint Ventures in their IFRS Financial Statements. This will, at least to some extent, increase the usefulness of financial statements of Investment Entities.

Should you wish to discuss the content of this letter with us, please contact our chairman, Mr. Jan Verhoeve at [jan.verhoeve@cnc-cbn.be](mailto:jan.verhoeve@cnc-cbn.be).

Yours faithfully,

Sadi Podevijn,  
Secretary-general.