



Grupo Latinoamericano
de Emisores de Normas
de Información Financiera

Group of Latin-american
Accounting Standard Setters

**Grupo Latino-Americano de
Normatizadores Contábeis**



Latin America participated little in the development of IFRS

- **Only responded to a few EDs**
- **Little presence in the group of WSS**
- **Limited presence in IFRS Foundation organizations**



Big challenges

- How do we harmonize the accounting mentality in Latin America?

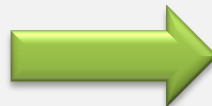
Union of Countries



GLASS

- How do we communicate the content of the standards to professionals and organizations?

Strategic Alliances



accounting profession and other partners

Organisms of the



Objective

**Interact with the IASB on technical matters,
respecting the sovereignty of each member**

**Present technical contributions to the exposure
drafts issued by the IASB**

**Propose changes to IFRS that contemplate specific
situations of the region**

**Contribute to the IFRS adoption and implementation
process in each country**

Interact with other regional groups

Participate in meetings of global standard setters



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Mission

**Make possible,
in an organized manner,
a unified regional voice before the IASB**



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Members added after constitution (5)

- Costa Rica
- El Salvador
- Guatemala
- Honduras
- Dominican Republic

Charter members (12)

- - Argentina
- - Brazil
- - Bolivia
- - Chile
- - Colombia
- - Ecuador
- Mexico
- Panama
- Paraguay
- Peru
- Uruguay
- Venezuela

Country	Member	Country	Member
Argentina	Federación Argentina de Consejos Profesionales de Ciencias Económicas	Guatemala	Colegio de Contadores Públicos de Guatemala
Bolivia	Colegio de Auditores y Contadores de Bolivia	Honduras	Junta Técnica de Normas de Contabilidad y auditoría
Brazil	Consejo Federal de Contabilidad	Mexico	Consejo Mexicano de Normas de Información Financiera
Chile	Colegio de Contadores de Chile	Panama	Comisión de Normas de Contabilidad Financiera de Panamá
Colombia	Consejo Técnico de la Contaduría Pública	Paraguay	Colegio de Contadores del Paraguay
Costa Rica	Colegio de Contadores públicos de Costa Rica	Peru	Consejo Normativo de Contabilidad
Ecuador	Superintendencia de Compañías	Dominican Republic	Instituto de Contadores públicos Autorizados de la República Dominicana
El Salvador	Consejo de Vigilancia de la Contaduría Pública y Auditoría	Uruguay	Colegio de Contadores, Economistas y Administradores del Uruguay
		Venezuela	Federación de Colegios de Contadores públicos de Venezuela



Why organisms of the Government, the profession or both? Standard-setters are considered to be:

a) The organism of each country that is the issuer of financial reporting standards and is generally recognized by the local business community;

b) If such an organism does not exist or a country's standard-setting body is not interested in participating in GLASS, a professional body that formally participates with the financial reporting standard-setter and is also a member of IFAC could form part of GLASS; or

c) if the previously-mentioned organisms do not exist (or do not accept joining GLASS), the country's professional body that is a member of IFAC could form part of GLASS.



PRESIDENT

Jorge J Gil (FACPCE/Argentina)

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Juan C Paredes (CCPAG/Guatemala)

DIRECTOR

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Stage 1 Achievements

**Consolidation
of Board and
work
methodology**

**Specific
regional
contribu-
tions to
the IASB**

**Member
of ASAF
→ IASB**

**Support to
countries,
as
requested,
for the
adoption
of IFRS**



**Response
to all EDs
of the
IASB**

**Participa-
tion in
numerous
events**

**Direct
relation-
ship with
the IASB**

**International
presence**



Highlights

Creation in July 2011

+ 17 Board meetings (Sao Paulo, Brasilia, Buenos Aires, Punta del Este, Guayaquil, Caracas, Bogota, Cartagena, San Jose, Belem, Mexico, City Managua)

Multipurpose Technical Events (Buenos Aires, Brasilia, Sao Paulo, Bogota, Caracas, Quito)

Participation in WSS, IFASS, other events

Improvement of Constitution and Bylaws

Inclusion of new members

Response to all EDs of the IASB (30)

Generation of regional issues

Member of ASAF



**GLASS does not charge
for membership**

**Generation of
webpages (Spanish,
Portuguese, English)**

**Semiannual
publication of
summary of activities
via internet and in
print**

**Dissemination of its
activities in multiple
events**

**ED comment letters to
IASB sent to all
members**

**Administration (costs)
charged to the
organization occupying
the presidency**



**Constitution of the
GLENIF Civil
Association and
registration in Uruguay**

**Promotion of the
greatest possible
participation of each
country to generate
each country's opinion**

**90-day technical
discussions to develop
comment letters for
the IASB**

**Creation of 31
Technical Working
Groups (TWGs)**

**Average participation
of 9 countries per TWG**

**Total of 280
professionals directly
involved and many
more indirectly**



Grupos Regionales

**Regional groups
are the link with
the IASB → Region**

5 Regional Groups

- EFRAG – Europe
- GLASS – Latin America
- AOSSG – Asia and Oceania
- FASB – U.S.A.
- PAFA – Africa

ASAF

- GLASS was elected member



**Technical
Working Groups**

TWG



GTT Procedure

**Creation of
group and
identification of
coordinator**

**Identification of
country
representatives**

Work plan

- ED translation
- Country discussions
- Group discussions
- Opinion of TWG

**Board
discussion**

**Comment letter
to IASB**



TWG	Topic
1	IASB Agenda
2	Consolidation by investment entities (10-12)
3	Leasing (P) (Q2 2014 Re-exposure)
4	Amendments to IFRS 1 – Government Loans (3-12)
5	Revenues (IFRS 15 / 05-14)
6	Transition issues of IFRS 10 (6-12)
7	Annual Improvements 2010-2012 cycle – (12-2013)
8	Due process manual (2013)



TWG	Topic
9	NCI options to sell – IFRIC (P)
10	RFI - Review of the IFRS for SMEs
11	PIR of IFRS 8 (P)
12	Conceptual Framework (GTT created by GLASS prior to the IASB ED)
13	IFRS 9 Classification of financial assets and liabilities (7-14)
14	Impairment of financial assets (7-14)
15	Amendments of IASs 16 and 38 (5-14)
16	Annual improvements 2011-2013 cycle (12-2013)



TWG	Topic
17	IFRS 10 and other (investment issues) (three parts, two completed 5-14/9-14)
18	Impairment of non-financial assets (5-13)
19	Novation of derivatives (6-13)
20	IAS 19 – Employee Contributions – (11-13)
21	Deferred regulatory accounts (IFRS 14- 1-14)
22	Insurance contracts (p) (Re-exposure Q1 14)
23	Bearer biological assets (6-14)
24	DP Conceptual Framework (p)



TWG	Topic
25	ED IFRS for SMEs (p)
26	Separate FS: Equity method (8-14)
27	Annual Improvements 2012-2014 cycle (9-14)
28	RFI – PIR IFRS 13 (p)
29	ED Amendments to IAS 1 (p)
30	ED Amendments to IFRS 10. Investment entities. Consolidation exception (due 15-9-14)
31	Recognition of Deferred Tax Assets for Unrealised Losses (due 18-12-14)
32	Measuring quoted investments in subsidiaries, joint ventures and associates at fair value (due 16-01-15)



- **We made 32 GTT**
- **Thirty ED was answered with the position of Latin America.**
- **GLASS was chose to participate in ASAF.**
- **A Board member (Amaro Gomes) has participated in all of our board meetings.**
- **Participate in technical events in countries of the Region.**
- **Board meetings conduct in seventeen cities.**
- **Twenty-five meetings board by Video.**
- **We work with countries that requested in the processes of adoption and implementation of IFRS.**
- **We participate in WSS and in NSS**
- **We have Web Presence (Spanish, Portuguese and English)**
- **We publish the news about the activities of IASB and GLASS**
- **Summary of activities of GLASS.**



- **Impact on member countries of GLASS resulting from participation in GLASS**
 - Results of survey



**Before GLASS there was no fluid and effective
channel of communication with the IASB**

**It was difficult to have each country's opinion
known and considered with due attention**

**The IASB participates in all GLASS Board
meetings**

GLASS is a member of ASAF



Some Concerns of GLASS related to its interrelationship with the IFRS Foundation



Importance of Regional Groups

- Responses of the staff regarding comment letters submitted by regional groups
- Comment letters submitted by regional groups should be given more weight than those of individual organizations



Latin America should have greater presence in the Organisms of the IFRS Foundation

The regional composition should be changed from South America to Latin America

Education initiative and outreach projects in Latin America made join the GLASS (especially in Spanish).



Translations

- Translation of EDs has proven very useful
- This effort should continue since it enhances the participation of Latin America in the comment letters



Supports the dissemination and utilization of IFRS in Latin America

- **Waiver Contract.** Should facilitate payment to the Organizations of smaller countries
- **Legal Agreements.** An impediment when the contract is only in English (and not both English and Spanish)



**Support for the
dissemination and
utilization of IFRS in Latin
America**

**e/IFRS agreement with GLASS was not
accepted by the IFRS Foundation and
this does not give the countries of
Latin America the possibility of
accessing at this price through GLASS**



Technical issues that concern GLASS

- **Recognition of the effects of inflation**
- **Disclosure overload**



**Lack of
progress on
the MOU
with the
FASB and
maintenance
of
differences**

- **Impairment of Financial Instruments**
- **Leases**
- **Insurance Contracts**



IFRS for SMEs

- **Differences with Full IFRS. A barrier for adoption (borrowing costs, R&D, Revaluation of PP&E)**
- **Concern with the decision to not update for changes in Full IFRS**
- **IAS 39 / IFRS 9. Decision to retain IAS 39 for the IFRS for SMEs**



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Thank you!