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5 February 2026

Bruce Mackenzie
Chair, IFRS Interpretations Committee
Columbus Building
7 Westferry Circus
Canary Wharf
London, E14 4HD

Dear Mr Mackenzie

Tentative agenda decision – *Assessment of a Specified Main Business Activity for the purposes of the Separate Financial Statements of a Parent (IFRS 18 Presentation and Disclosure in Financial Statements)*

Deloitte Touche Tohmatsu Limited is pleased to respond to the tentative agenda decision in the November 2025 *IFRIC Update* in respect of the request about how a parent applying IFRS 18 assesses, for the purpose of its separate financial statements, whether it has a specified main business activity in the scope of the requirements in paragraph 83 of IFRS 18.

There is no clear statement in IFRS 18 that an entity must in all cases have at least one main business activity and we do not believe that it is appropriate to infer such a requirement from the statement in paragraph B30 of IFRS 18 that "[a]n entity may have more than one main business activity".

IFRS 18 also does not require every entity to have income or expenses classified in the operating category (which would be the natural outcome of a requirement to always have a main business activity). For example:

- an entity whose only activity is investing in associates or joint ventures accounted for applying the equity method would classify all income and expenses in the investing category [IFRS 18:55]; and

- an entity (possibly a Special Purpose Acquisition Company) holding only cash would, likewise, classify its income only in the investing category [IFRS 18:56].

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If the Committee believes that inferring a requirement for every entity to identify a main business activity is necessary to reach a conclusion on the circumstances described in the tentative agenda decision, we recommend that this issue be referred to the Board for standard-setting activity.

If you have any questions concerning our response, please contact Veronica Poole in London at +44 (0)20 7007 0884.

Yours sincerely



Veronica Poole
Deloitte Global IFRS and Corporate Reporting Leader