

8 May 2018

Sue Lloyd
Chair
IFRS Interpretations Committee
30 Cannon Street
London
United Kingdom
EC4M 6XH

Dear Ms Lloyd

Tentative agenda decision – IAS 7 *Statement of Cash Flows*: Classification of short-term loans and credit facilities

Deloitte Touche Tohmatsu Limited is pleased to respond to the IFRS Interpretations Committee's publication in the March IFRIC Update of the tentative decision not to take onto the Committee's agenda the request for clarification on the types of borrowings to be included in the statement of cash flows as a component of cash and cash equivalents.

We agree with the Interpretations Committee's decision not to add this item onto its agenda and that, in accordance with the guidance noted in paragraphs 7-9 of IAS 7, a fixed-term loan of the kind described in the tentative agenda decision that can never fluctuate between a positive and negative balance should not be classified as part of cash and cash equivalents.

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

Yours sincerely



Veronica Poole
Global IFRS Leader