

19 November 2021

Sue Lloyd  
Chair  
IFRS Interpretations Committee  
Columbus Building  
7 Westferry Circus  
Canary Wharf  
London  
United Kingdom

Dear Ms Lloyd

## **Tentative agenda decision – Demand Deposits with Restrictions on Use (IAS 7)**

Deloitte Touche Tohmatsu Limited is pleased to respond to the IFRS Interpretations Committee's publication in the September 2021 Update of the tentative decision not to take onto the Committee's agenda the request for clarification on whether an entity includes a demand deposit as a component of cash and cash equivalents in its statements of cash flows and financial position when the demand deposit is subject to contractual restrictions on use agreed with a third party.

We agree with the IFRS Interpretations Committee's decision not to add this item onto its agenda for the reasons included in the tentative agenda decision.

Whilst it is clear in the fact pattern that the decision applies to restrictions on use arising from contractual agreements with third parties, we believe that it would be useful if this could also be made clear in its title. Therefore, we would suggest that the decision could be renamed "Demand Deposits with *Third Party Contractual* Restrictions on Use" to ensure that the decision is not applied too broadly.

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

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