

Wayne Upton
Chairman
IFRS Interpretations Committee
30 Cannon Street
London
United Kingdom
EC4M 6XH

Email: ifric@ifrs.org

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Dear Mr Upton

Tentative agenda decision - IAS 21 *The Effects of Changes in Foreign Exchange Rates*: Foreign exchange restrictions and hyperinflation

Deloitte Touche Tohmatsu Limited is pleased to respond to the IFRS Interpretations Committee's publication in the July IFRIC Update of the tentative decision not to take onto the Committee's agenda a request for guidance on the translation and consolidation of the results and financial position of foreign operations in Venezuela (given the strict foreign exchange controls in place).

With respect to the issue of translation of a net investment in a foreign operation when there are multiple exchange rates, we believe that an amendment to IAS 21 via the Annual Improvement Project to confirm that the principle of paragraph 26 applies would be beneficial.

We recognise that addressing the issue of longer-term lack of exchangeability would require consideration of the concepts underpinning IAS 21, and as such may be outside the scope of the Committee's activities. For this reason, we recommend that this issue be highlighted to the IASB for possible consideration as part of any future project on foreign currency translation.

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