



DRSC e. V. • Zimmerstr. 30 • 10969 Berlin

Jean-Paul Gauzès
EFRAG Board President
35 Square de Meeûs
B-1000 Brussels

IFRS Technical Committee

Phone: +49 (0)30 206412-12

E-Mail: info@drsc.de

Berlin, 17 March 2017

Dear Jean-Paul,

EFRAG's Draft Letter regarding endorsement of IFRS Interpretation 22

On behalf of the Accounting Standards Committee of Germany (ASCG) I am writing to comment on EFRAG's Draft Letter to the European Commission regarding Endorsement of IFRS Interpretation 22 *Foreign Currency Transactions and Advance Consideration* (IFRIC 22).

We support EFRAG's preliminary assessment to recommend IFRIC 22 for endorsement. We agree with EFRAG's conclusion that the guidance proposed by IFRIC 22 is consistent with the principles in IAS 21 and, despite our initial reservations flagged, believe that it is the most appropriate reading of the principles in IAS 21.

Like EFRAG, we consider all technical endorsement criteria being met. In assessing whether IFRIC 22 is conducive to the European public good we agree with EFRAG's conclusion that it is likely to improve the quality of financial reporting when compared to current guidance as it reduces existing diversity in practice and as the benefits for both users and preparers are likely to exceed the costs of applying IFRIC 22.

If you would like to discuss our views further, please do not hesitate to contact Olga Bultmann or me.

Yours sincerely,

Andreas Barckow

President

Contact:

Zimmerstr. 30 · D-10969 Berlin
Phone: +49 (0)30 206412-0
Fax: +49 (0)30 206412-15
E-Mail: info@drsc.de

Bank Details:

Deutsche Bank Berlin
Account. 0 700 781 00, BLZ 100 700 00
IBAN-Nr. DE26 1007 0000 0070 0781 00
BIC (Swift-Code) DEUTDE33XXX

Register of Associations:

District Court Berlin-Charlottenburg, VR 18526 Nz
Executive Committee:
Prof. Dr. Andreas Barckow (President)
Peter Missler (Vice-President)