



20 June 2024

To: **Members of the Hong Kong Institute of CPAs**  
**All other interested parties**

## INVITATION TO COMMENT ON IFRS INTERPRETATIONS COMMITTEE TENTATIVE AGENDA DECISION

*Comments to be received by 19 July 2024*

The IFRS Interpretations Committee (IC) works together with the International Accounting Standards Board to support the consistent application of IFRS Accounting Standards. They do so by, among other things, issuing narrow-scope amendments and IFRIC Interpretations, and publishing agenda decisions to address application questions.

If the IC decides that a standard-setting project should not be added to the work plan, it explains why in a tentative agenda decision, and requests comments within a period normally of 60 days. An agenda decision explains why a standard-setting project has not been added to the work plan and, in many cases, includes explanatory material. Agenda decisions cannot add or change requirements in IFRS Accounting Standards.

At its June meeting, the IC discussed an application issue about [Classification of Cash Flows related to Variation Margin Calls on 'Collateralised-to-Market' Contracts \(IAS 7 Statement of Cash Flows\)](#). The request asked how an entity presents, in its statement of cash flows, the cash flows related to variation margin call payments made on contracts to purchase or sell commodities at a predetermined price and at a specified time in the future. Based on the evidence gathered by the IC, the IC concluded that the matter described in the request does not have widespread effect and tentatively decided not to add a standard-setting project to the work plan.

The Financial Reporting Standards Committee of the Hong Kong Institute of Certified Public Accountants is seeking comments on the above tentative agenda decision by **19 July 2024** to allow your comments to be considered in developing its response. Comments should be supported by specific reasoning and should be submitted in written form.

Comments may be sent by mail, fax or e-mail to:

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Comments will be acknowledged and may be made available for public review unless otherwise requested by the respondent.