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**Our ref :** RJ-EFRAG 589 C

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**Date :** April 20<sup>th</sup>, 2015

**Re :** EFRAGs draft comment letter on ‘Exposure Draft 2014/6 Disclosure Initiative (Proposed amendments to IAS 7)’.

Dear members of the EFRAG Technical Expert Group,

The Dutch Accounting Standards Board (DASB) appreciates the opportunity to respond to your draft comment letter on ‘Exposure Draft 2014/6 Disclosure Initiative (Proposed amendments to IAS 7)’.

We recognize the potential benefit of additional disclosures regarding gross debt and cash in general. Some entities already provide such disclosures on a voluntary basis. We agree that including requirements for such disclosures in IFRS may lead to more useful and more comparable financial information. However, we do not believe that the Exposure Draft achieves all potential benefits. We therefore neither agree with EFRAG View 1 nor View 2 directly and have therefore included our main observations below.

We are of the opinion that additional disclosures regarding ‘debt’ could be useful for users of financial statements. However, ‘debt’ is not defined in IFRS. Defining debt will be a complex exercise, whereas it could be questioned whether agreement on just one definition of debt would be possible and/or useful. We therefore suggest that disclosures on debt are dealt with through IFRS 7 by means of a description of what comprises debt ‘through the eyes of management’.

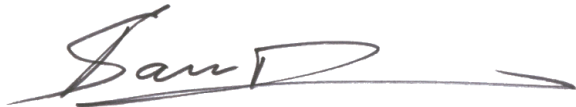
Items in the cash flow statement do not always reconcile directly to the corresponding items in the statement of financial position and/or the statement of profit or loss. This does not contribute to the cohesiveness of the statement of financial position, the statement of profit or loss and the cash flow statement. In our view, the (proposed) reconciliation of cash flows from financing activities may partly address this (but only for the financing flows). We believe that it would be more effective to change the requirements regarding the presentation of items included in the cash flow statement. For each significant item in the cash flow statement, it should become apparent to which corresponding item it relates in the statement of financial position and/or the statement of profit or loss.

In the context of the disclosure review project, we believe the IASB should also consider removing (perceived) unnecessary disclosures and not only introduce additional disclosures. Furthermore, to enhance the relevance of the cash flow statement we suggest the IASB to further explore possibilities to enhance the relevance of cash flow disclosures taking into account industry specific needs. We therefore prefer a more fundamental review of IAS 7 instead of ad-hoc changes resulting from the disclosure initiative.

Regarding the proposed disclosure about restrictions on cash and cash equivalents we agree that such disclosure will provide relevant information to investors. However, we believe that the scope and objective of the requirement in paragraph 50A is unclear and it may be interpreted too broadly. In particular, the IASB should clarify how the requirement to disclose 'restrictions' is distinct from the existing requirements in paragraphs 48 and 49 of IAS 7.

Regarding questions 2,3 and 4 we concur with EFRAG's proposed responses.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sampers', with a long horizontal flourish extending to the right.

prof. dr. Peter Sampers  
Chairman Dutch Accounting Standards Board