ICAEW
REPRESENTATION 48/26

[DRAFT] ENDORSEMENT CRITERIA ASSESSMENT OF TRANSLATION TO A HYPERINFLATIONARY PRESENTATION CURRENCY (AMENDMENTS TO IAS 21)

Issued 23 July 2026

ICAEW welcomes the opportunity to comment on the Draft Endorsement Criteria Assessment of *Translation to a Hyperinflationary Presentation Currency* (Amendments to IAS 21) published by the UK Endorsement Board on 27 April 2026, a copy of which is available from this link.

ICAEW supports the UKEB's DECA of *Translation to a Hyperinflationary Presentation Currency* (Amendments to IAS 21).

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This response of 23 July 2026 has been prepared by the ICAEW Corporate Reporting Faculty. Recognised internationally as a leading authority on corporate reporting, the faculty, through its Financial Reporting Committee, is responsible for formulating ICAEW policy on financial and non-financial reporting issues and makes submissions to standard setters and other external bodies on behalf of ICAEW. The faculty provides an extensive range of services to its members including providing practical assistance with common corporate reporting problems.

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KEY POINTS

1. ICAEW supports the UK endorsement of the IASB’s amendments to IAS 21.
2. This response of 23 July 2026, included in the appendix below, has been prepared by the ICAEW Corporate Reporting Faculty.

APPENDIX – DETAILED RESPONSE

Invitation to Comment

Call for comments on Draft Endorsement Criteria Assessment of *Translation to a Hyperinflationary Presentation Currency* (Amendments to IAS 21)

Deadline for completion of this Invitation to Comment:

Close of business, Monday 27 July 2026

Please submit to:

UKEndorsementBoard@endorsement-board.uk

Introduction

The objective of this Invitation to Comment is to obtain input from stakeholders on the endorsement and adoption of *Translation to a Hyperinflationary Presentation Currency* (Amendments to IAS 21) (Amendments), published by the International Accounting Standards Board (IASB) in November 2025. The Amendments clarify the translation requirements for an entity whose presentation currency is that of a hyperinflationary economy, and either its own functional currency or that of its foreign operation is that of a non-hyperinflationary economy. The Amendments will be effective for annual periods beginning on or after 1 January 2027. Earlier application is permitted. The information collected from this Invitation to Comment is intended to help with the endorsement assessment.

UK endorsement and adoption process

The requirements for UK adoption are set out in Statutory Instrument 2019/685[1].

The powers to formally adopt international accounting standards for use in the UK were delegated to the UK Endorsement Board in May 2021[2].

Who should respond to this Invitation to Comment?

Stakeholders with an interest in the quality of accounts prepared in accordance with IFRS Accounting Standards.

1 The International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019: https://www.legislation.gov.uk/uksi/2019/685/made

2 The International Accounting Standards (Delegation of Functions) (EU Exit) Regulations 2021: https://www.legislation.gov.uk/uksi/2021/609/contents/made

How to respond to this Invitation to Comment

Please download this document, answer any questions on which you would like to provide views, and return it to **UKEndorsementBoard@endorsement-board.uk** by close of business on Monday 27 July 2026.

Brief responses to individual questions are welcome, as well as comprehensive responses to all questions.

Privacy and other policies

The data collected through submitting this document will be stored and processed by the UKEB. By submitting this document, you consent to the UKEB processing your data for the purposes of influencing the development of and adopting IFRS for use in the UK. For further information, please see our Privacy Statements and Notices and other Policies (e.g. Consultation Responses Policy and Data Protection Policy)[3].

The UKEB's policy is to publish on its website all responses to formal consultations issued by the UKEB unless the respondent explicitly requests otherwise. A standard confidentiality statement in an e-mail message will not be regarded as a request for non-disclosure. If you do not wish your signature to be published, please provide the UKEB with an unsigned version of your submission. The UKEB prefers to publish responses that do not include a personal signature. Other than the name of the organisation/individual responding, information contained in the "Your Details" document will not be published. The UKEB does not edit personal information (such as telephone numbers, postal or e-mail addresses) from any other response document submitted; therefore, only information that you wish to be published should be submitted in such responses.

[3] These policies can be accessed from the footer in the UKEB website here: https://www.endorsement-board.uk

Assessment against endorsement criteria

Our draft assessment [tentatively] concludes that:

- the Amendments meet the criteria of relevance, reliability, understandability and comparability required of the financial information needed for making economic decisions and assessing the stewardship of management, as required by SI 2019/685 (see Regulation 7(1)(c));
- application of the Amendments is not contrary to the principle that an entity's accounts must give a true and fair view as required by SI 2019/685 (see Regulation 7(1)(a)); and
- that the Amendments are likely to be conducive to the long term public good in the UK as required by SI 2019/685 (see Regulation 7(1)(b)), having considered:
  - whether they will generally improve the quality of financial reporting;
  - the costs and benefits that are likely to result from their use; and
  - whether they are likely to have an adverse effect on the economy of the UK, including on economic growth.

Our assessment of the Amendments is set out in **Tables 1–4** of the [Draft] Endorsement Criteria Assessment ([Draft] ECA).

Questions

Technical accounting criteria assessment

1. Do you agree with the draft assessment of the Amendments against the **technical accounting criteria**? Please select one option. Please explain why or why not.

Yes	☒	**No**	☐

We agree with the UKEB's draft assessment of the Amendments against the technical accounting criteria. By clarifying the translation requirements in an area where diversity in practice currently exists, the Amendments will enhance consistency in reporting and provide decision-useful information for users of financial statements. We also agree that the disclosure requirements about foreign operations will provide users with relevant and reliable information.

True and fair view

2. Do you agree with the draft assessment that the Amendments **are not contrary to the true and fair view requirement**? Please select one option. Please explain why or why not.

Yes	☒	**No**	☐

No comments

UK long term public good

3. Do you agree with the initial overall assessment of **costs and benefits** likely to arise from the Amendments? Please select one option. Please explain why or why not.

Yes	☒	**No**	☐

No comments

4. Do you agree with the draft assessment that the Amendments are likely to be conducive to the **long term public good in the UK**? Please select one option. Please explain why or why not.

Yes	☒	**No**	☐

We agree with the UKEB's draft assessment and consider that, in relation to these Amendments, maintaining alignment between UK-endorsed IFRS Accounting Standards and IFRS Accounting Standards issued by the IASB is in the best interests of UK users of financial statements.

5. Do you have **any other comments** you would like to add?

No comments

Impact on UK entities

6. Are you a preparer of financial statements that could be affected by the Amendments?

Yes	☐	**No**	☒

7. Are you aware of any UK entities that could be affected by the Amendments?

Yes	☐	**No**	☒

No comments

Response generation

8. Did you/your organisation use a large language model (e.g. Chat GPT, Microsoft Copilot) to create any part of your/its response (response to this Invitation to Comment or a comment letter you are submitting as part of your response)?

Yes	☐	**No**	☒

9. If you answered yes to the question above, please specify which model and what prompt(s) you used for the large language model.

N/A

Thank you for completing this Invitation to Comment

Please submit this document

by close of business on Monday 27 July 2026 to:

UKEndorsementBoard@endorsement-board.uk