

Mr Robert Garnett  
Chairman  
International Financial Reporting Interpretations Committee  
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**17 August 2009**

Dear Mr Garnett,

**Tentative agenda decision: IFRS 3 Business Combinations—Measurement of NCI**

Deloitte Touche Tohmatsu is pleased to respond to the IFRIC's publication in the July 2009 IFRIC Update of the tentative decision not to take onto the IFRIC's agenda a request for an Interpretation of IFRS 3 Business Combinations with respect to providing guidance on Measurement of Non-controlling interest.

We agree with the IFRIC's decision not to take this item onto its agenda for the reasons set out in the tentative agenda decision.

However, we note that the IFRIC concluded "that the measurement choice should apply only to instruments currently entitled to a proportionate share of the acquiree's net assets". We are not sure that such conclusion can be reached with reference to current standard, something the IFRIC acknowledged by referring the matter to the Board. Therefore, for clarity, we suggest that the agenda decision reinforce this by stating that the IFRIC concluded "that it would be appropriate that the measurement choice apply only to instruments currently entitled to a proportionate share of the acquiree's net assets."

If you have any questions concerning our comments, please contact Ken Wild in London at +44 (0)20 7007 0907.

Yours sincerely,



**Ken Wild**  
Global IFRS Leader