

Mr Robert Garnett  
Chairman  
International Financial Reporting Interpretations Committee  
30 Cannon Street  
London  
United Kingdom  
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Email: ifric@iasb.org

22 June 2009

Dear Mr Garnett,

**Tentative agenda decision: IFRS 3 *Business Combinations* – Acquisition-related costs in a business combination**

Deloitte is pleased to respond to the IFRIC's publication in the May 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 acquisition-related cost in a business combination.

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 rejection indicates that “[t]herefore, except for costs to issue debt or equity securities that are recognised in accordance with IAS 32 and IAS 39, the revised IFRS 3 requires an entity to account for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received, with one exception”. The reference to “with one exception” at the end of this sentence is ambiguous since the only exception we are aware of is already mentioned in the sentence. For clarity, we suggest that this reference to “with one exception” be deleted from the sentence or that the specific exemption be mentioned.

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