

Mr Robert Garnett
Chairman
International Financial Reporting Interpretations Committee
30 Cannon Street
London
United Kingdom
EC4M 6XH

Email: ifric@iasb.org

8 April 2009

Dear Mr Garnett,

Tentative agenda decision: IAS 41 *Agriculture*—Discount rate assumption used in fair value calculations

Deloitte Touche Tohmatsu is pleased to respond to the IFRIC's publication in the March 2009 *IFRIC Update* of the tentative decision not to take onto the IFRIC's agenda a request for an Interpretation of IAS 41 *Agriculture* with respect to providing guidance on the discount rate assumption used in fair value calculations.

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, especially because the IASB will soon issue an exposure draft on fair value measurement.

However, we do not agree with the IFRIC including a specific reference to IAS 39 Financial Instruments: Recognition and measurement in the agenda decision. We believe that the IFRIC should not emphasise specific Standards for analogising, but should make clear that there is sufficient guidance available on estimating fair value of assets. We, therefore, recommend that the text of the agenda decision be amended as follows:

“The IFRIC noted that ~~IAS 39 and other~~ material ~~recently~~ published by the Board provides extensive guidance on estimating fair values for assets that do not have readily observable prices in active markets that would also be relevant for biological assets.”

Additionally, we do not believe that reference to paragraph 24 of IAS 41 provides any insight relevant to the IFRIC rejection being proposed and therefore recommend that this reference be deleted from the IFRIC agenda decision.

“When an entity incurs an initial cost with respect to a biological asset, paragraph 24 of IAS 41 notes that that cost may approximate fair value when little biological transformation has taken place since the cost was incurred.”

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

Yours sincerely,

A handwritten signature in black ink, appearing to read "Ken Wild", written over a single horizontal line.

Ken Wild
Global IFRS Leader