

International Financial Reporting Interpretations Committee  
30 Cannon Street  
London  
EC4M 6XH

7 December 2009

Dear IFRIC members

**Tentative Agenda Decision - Presentation of comparatives when applying the 'pooling of interests' method**

The global organisation of Ernst & Young is pleased to respond to the above tentative agenda decision as published in the November 2009 IFRIC Update.

IFRIC was asked for guidance on 'the presentation of comparatives when applying the 'pooling of interests method' for business combinations between entities under common control when preparing financial statements in accordance with IFRS.'

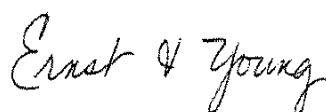
The IFRIC issued a Tentative Agenda Decision not to add this issue to its Agenda, given the Board's project on common control transactions. We are disappointed with, but acknowledge, the IFRIC's decision not to add this issue to its Agenda. However, we are concerned that the text of the agenda decision should be revised given the discussion held by the IFRIC as we believe this would provide some clarity to constituents.

The submission to IFRIC presented two views. The Staff proposed that only one view was acceptable under IFRS (ie that information for prior periods cannot be restated), on the basis of paragraph 26 of IAS 27. Based on our observations of the meeting, the IFRIC did not agree that the Staff view was the only acceptable view under IFRS.

Therefore, we request that the IFRIC expand the reasons given in the agenda decision, noting that IFRIC believes that there may be more than one way of interpreting the interaction of the concept of pooling and IAS 27.

Should you wish to discuss the contents of this letter with us, please contact Lynda Tomkins at the above address or on +44 (0) 20 7951 0241.

Yours faithfully

A handwritten signature in cursive script that reads 'Ernst & Young'.