



<b>To:</b>	<b>AASB members</b>	<b>Date:</b>	23 August 2011
<b>From:</b>	<b>Peter Batten</b>	<b>Agenda Item:</b>	17.1
<b>Subject:</b>	<b>IFRS Interpretations Committee</b>	<b>File:</b>	

## Action

Note that in regard to:

### Stripping Costs in the Production Phase of a Surface Mine

1. At its July 2011 meeting the Interpretations Committee agreed to amend the near final draft of IFRIC Interpretation 20 (agenda paper 17.3) to acknowledge that an entity might choose to apply the revaluation model to the subsequent measurement of its mine assets, based on the AASB's letter (dated 15 June 2011) (July 2011 agenda paper 3.2) notifying the Committee of the inconsistency with the subsequent measurement principles in IAS 16;
2. The amended near final draft will be ratified by the IASB at its September meeting (19- 23 September 2011);

### Business Combinations involving newly formed entities

3. The AASB wrote to the Committee on 12 August 2011 (agenda paper 3.4).advising issues identified in regard to this matter. This letter was approved by the Chairman out of session.
4. KPMG also wrote to the Committee on 11 August 2011 raising similar issues to those raised with the Committee by the AASB in its letter of 12 August 2011.

## Attachments

Letter dated 11 August 2011 from KPMG to IFRS Interpretations Committee re Tentative agenda decisions: IFRS 3 Business Combinations – business combinations involving newly formed entities (agenda paper 17.2)

Near final draft of IFRIC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine* (agenda paper 17.3)