



Anglo Platinum Limited

CL 7

11 September 2006

Mr Thomas Seidenstein
International Accounting Standards Committee Foundation
30 Cannon Street
London
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United Kingdom

Email: ifricdueprocess@iasb.org

Dear Sir

**COMMENTS ON DUE PROCESS OF THE INTERNATIONAL FINANCIAL
REPORTING INTERPRETATIONS COMMITTEE DRAFT HANDBOOK**

Thank you for the opportunity to comment on this exposure draft. Our responses to the questions posed in the exposure draft are set out in the Appendix to this letter.

If you have any questions concerning our comments, we would be pleased to discuss them.

Kind regards

MEROONISHA PILLAY
MANAGER: TECHNICAL ACCOUNTING

cc: Barrie Van Der Merwe: Anglo Platinum Limited
cc: Sue Ludolph: South African Institute of Chartered Accountants

ANGLO PLATINUM SUBMISSION ON DUE PROCESS OF THE INTERNATIONAL FINANCIAL REPORTING INTERPRETATIONS COMMITTEE DRAFT HANDBOOK

Invitation to Comment

Question 1

The Agenda Committee assists the IASB staff in presenting issues to the IFRIC so that the IFRIC can decide whether to add an issue to its agenda (paragraph 23). The Agenda Committee is not a decision-making body and does not meet in public (paragraph 26). The Agenda Committee reports to the IFRIC at its regular meetings on the issues the Agenda Committee considered and the Agenda Committee's recommendation on each issue (paragraph 27).

Do you agree with the Agenda Committee process described in paragraphs 23–27? If not, what changes do you propose, and why?

Yes. We support the formation of the agenda committee as it will assist the IFRIC in alleviating their current workload. The composition of the agenda committee should be broadly representative in that it should include members from the profession as well as include at least one member who is a preparer/user.

Furthermore, if issues are rejected by the agenda committee and the IFRIC concurs with the agenda committee's decision, we recommend that a comprehensive explanation is provided in the IFRIC update to enable the readers to understand the rationale behind the decision. The reason for this is that the meetings of the agenda committee are not held in public and the minutes are not published. Therefore, if the reasons are not clearly explained, it might be difficult for a reader to fully comprehend the decision.

Question 2

The IFRIC assesses proposed agenda items against the criteria listed in paragraph 28. For inclusion in the agenda an issue does not have to satisfy all the criteria.

Do you agree with the agenda criteria listed in paragraph 28? If not, please specify the criteria you would add, alter or delete, and explain why.

Yes. We agree with the criteria listed in paragraph 28. However, with respect to criterion (a), the requirement of an issue being widespread can be applied subjectively. The only way to overcome this is to ensure that this criterion is applied consistently and fairly across all issues irrespective of the country from which they emanate i.e. issues from one region should not receive more importance than issues from another region.

In addition, the paragraph makes mention of the fact that if the IFRSs are clear, the IFRIC will not add an item to the agenda. We agree with this however, we recommend that the voting threshold for the IFRIC committee agreeing on the IFRSs being clear should be increased. The rationale behind this is that if more than 1 member on the IFRIC does not

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Question 2 (continued)

agree with the fact that the IFRSs are clear in the matter under consideration, then surely the matter might not be that patently obvious to other users/preparers and may warrant further debate or clarification.

Question 3

A consultative period applies to issues that are not added to the agenda. The draft reason for not adding an item to the agenda is published in IFRIC Update and electronically on the IASB Website with a comment period of about 30 days.

Do you agree with the consultative process for issues that are not added to the IFRIC agenda? If not, what changes do you propose, and why?

Yes. We believe that this period is appropriate.

Question 4

The IFRIC's relationship with national standard-setters (NSSs) and interpretative groups (NIGs) is described in paragraphs 54 and 55.

(a) *Do you agree that NSSs and NIGs should be encouraged to refer interpretative issues to the IFRIC? If not, why not?*

Yes. This will promote and enhance consistent financial reporting and will ensure that the IFRIC is made aware of the divergent practices/interpretations across the world and enable the IFRIC to be better positioned to assess whether an issue is widespread.

(b) *Do you agree that the IFRIC should not consider local interpretations and comment on whether they are either consistent or inconsistent with IFRSs? If you disagree, please explain why.*

Yes. Given the number of issues that the IFRIC has to deal with, this would place a significant burden on the resources of the IFRIC. However, it is essential that where guidance has been provided by other standard setters, it is consistent with the IFRSs. Therefore we recommend that the IASB staff should review and consider these interpretations and comment on them. Obviously, this would be at a much lower level of assurance. But this process would at least ensure that the interpretations are a reasonable interpretation of the IFRSs. This would also be useful as many companies are required to perform their own research on technical issues and these interpretations could prove to be a valuable source of information, especially if they have at least been reviewed by the IASB staff.