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Invitation to comment: IAS 36 Impairment of Assets – Calculation of Value in Use

Dear Madam,

The Belgian Accounting Standards Board (BASB) is pleased to respond to the draft comment letter on IAS 36 Impairment of Assets – Calculation of value in use prepared by the EFRAG in October 2010 (hereinafter the "Letter").

The BASB supports the overall view of the IFRIC and agrees that a *Dividend Discount Model* is only in very rare cases appropriate for determining the value in use of a cash-generating unit.

However, we also agree that the IFRIC, by stating that it would only be appropriate in very rare cases, has formulated a rebuttable presumption in its rejection notice. The BASB therefore proposes to amend the wording for rejection by stating that a *Dividend Discount Model* cannot be applied for determining the value in use of a cash-generating unit.

Should you wish to discuss the content of this letter with us, please contact Jan Verhoeye at jan.verhoeye@cnc-cbn.be.

Yours faithfully,

Jan Verhoeye
Chairman BASB