

From: Geoff Parker [mailto:gparker@inpactauditaustralia.com.au]
Sent: Monday, 19 June 2006 8:24 AM
To: AASB Mailbox
Subject: Reporting Entity Concept

We strongly object to the proposed amendment as set out in paragraph 7 which states: "General purpose financial statements include those that are presented separately or within other public documents such as a regulatory filing or reporting to shareholders."

We believe that the existing application requirement of only 'reporting entities' needing to apply all of the AASB Standards, should remain applicable. The Reporting Entity Concept is a superior differential system that appropriately reflects the costs and benefits of financial reporting in Australia, and any change to the Reporting Entity Concept would not be in the best interests of the Australian economy.

The cost to our business would be enormous and not able to be adequately re-couped from clients. What would be far more beneficial would be a definition as to what standards should be applied when preparing Special Purpose Financial Statements so as to remove some of the current ambiguity and give this the force of law if need be..

I am however in favour of not-for-profit entities, or those that receive Government assistance and donations from the public to be forced to prepare GPFS.

Regards

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