

From: Weston Ryan [mailto:WestonR@einfelds.com.au]
Sent: Monday, 19 June 2006 9:13 AM
To: AASB Mailbox
Subject: ED148 'Presentation of Financial Statements'

I 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."

Our firm has a number of clients which have closely held entities and are required to file Financial Reports annually with ASIC because they are large entities or foreign owned corporations. Adoption of paragraph 7 would significantly increase compliance costs for the entities without providing additional to users of those reports. It would also increase the compliance risk of directors, possibly discouraging capable and conscientious people from taking on that role. Further, there would be pressure on audit fees as the clients would not perceive benefits from the extra work involved.

Finally, I am of the opinion, that many smaller firms, which currently provide professional and appropriate services to non-reporting entities which are required to file financial reports, would not be able to service those entities should paragraph 7 be included in a final standard.

I 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.

Yours faithfully

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