



29 September 2010

Finance & Administration
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Mr Kevin Stevenson
Australian Accounting Standards Board
Level 7, 600 Bourke Street
Melbourne VIC 3000

Dear Kevin

AASB ED 200A and 200B - Proposals to Harmonise Australian and New Zealand Standards in Relation to Entities Applying IFRSs as Adopted in Australia and New Zealand

General Comments

We are pleased to have the opportunity to provide our comments to the proposals contained in ED 200A and 200B. For the purpose of harmonising Australian and New Zealand financial reporting standards based on IFRSs and simplifying disclosure requirements, Telstra supports the amendments as proposed in ED 200A and 200B.

We support the effective date of the proposals being for annual reporting periods beginning on or after 1 July 2011, with early application permitted.

Our comments to the specific matters outlined in the exposure drafts are detailed below.

Specific Matters for Comment

(a) Do you agree with the concept of harmonising the reporting requirements in Australia and New Zealand in relation to for-profit entities applying IFRSs as adopted in Australia and New Zealand? *Yes, we agree.*

(b) Should the retained additional disclosures be contained in a separate disclosure standard (as proposed) or contained with each Standard relevant to the topic of the disclosures (which is the current practice)? *Yes, the additional disclosures should be contained in a separate standard for clarity.*

(c) Do you agree with the specific proposals in this Exposure Draft regarding alignments, deletions, relocations and relocation and harmonisations? Please provide reasons supporting your response. *Yes, we agree.*

(d) Which of the disclosures proposed to be included in separate disclosure standards AASB ED 200B / FRSB ED 122 should be required of entities applying differential reporting requirements, namely:

- (i) in Australia, the proposed Reduced Disclosure Requirements for general purpose financial statements; and
- (ii) in New Zealand, qualifying entities. Please provide reasons for your response.

Disclosures should be kept consistent with the current requirements for entities applying differential reporting requirements.

(e) Are there any regulatory issues or other issues arising in the Australian or New Zealand environment that may affect the implementation of the proposals? Please provide reasons for your response. *None noted.*

(f) Do you consider that the proposed amendments are in the best interests of users of general purpose financial statements of entities in Australia and New Zealand? Please provide reasons for your response. *Yes, we support the move to harmonise and simplify the additional disclosures.*

Questions Applicable to Specific Proposals

The Boards would particularly value comments on the following.

(a) The Boards note that the proposed auditor remuneration disclosure requirements in AASB ED 200B / FRSB ED 122 are simplified and do not include the existing requirement in AASB 101 *Presentation of Financial Statements* in respect of 'related practice'. Do you agree with the Boards' proposals? *Yes, we are supportive of the simplification of audit fee disclosures.*

(b) In relation to the proposed deletion of paragraph Aus7.1 of Interpretation 113 *Jointly Controlled Entities – Non-monetary Contributions by Venturers*, if this causes an entity to change its accounting policy, do you agree that it should be applied retrospectively? *Yes, we agree that changes should be treated in accordance with AASB 108.*

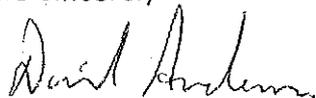
Other Questions

Although not dealt with in this Exposure Draft, the AASB is taking the opportunity to seek constituent views on whether it should retain disclosure requirements (AASB 124 *Related Party Disclosures* paragraphs Aus25.2 to Aus25.6, Aus25.7.1 and Aus25.7.2) related to the compensation of individual key management personnel of managed investment schemes that are disclosing entities.

We support the removal of these disclosure requirements as this is an unnecessary duplication of information already required by the Corporations Act to be included in the Remuneration Report.

We thank you for the opportunity to comment on these changes. Please contact me on +61(3) 9634 6470 if you need any further explanation on the comments made in this letter.

Yours sincerely



David Anderson
Director Corporate Accounting