

11 April 2010

Mr Kevin Stevenson
Chairman
Australian Accounting Standards Board
PO Box 204
Collins Street West
MELBOURNE VIC 3007

Via email: standard@asb.gov.au

Dear Kevin

Comments on Exposure Draft ED 209 *Offsetting Financial Assets and Financial Liabilities*

Thank you for the opportunity to comment on the AASB Exposure Draft 209 *Offsetting Financial Assets and Financial Liabilities*. CPA Australia, The Institute of Chartered Accountants (the Institute) and the National Institute of Accountants (the Joint Accounting Bodies) have considered this ED and our comments follow.

The Joint Accounting Bodies represent over 190,000 professional accountants in Australia. Our members work in diverse roles across public practice, commerce, industry, government and academia throughout Australia and internationally.

Overall the Joint Accounting Bodies are supportive of the ED. Our response to matters on which specific comment is requested is included in the attached Appendix. Also attached is our submission to the IASB which includes our responses to the specific IASB questions for comment.

If you have any questions regarding this submission, please do not hesitate to contact either Mark Shying (CPA Australia) at mark.shying@cpaaustralia.com.au, Kerry Hicks (the Institute) at kerry.hicks@charteredaccountants.com.au or Tom Ravlic (NIA) at tom.ravlic@nia.org.au.

Yours sincerely



Alex Malley
Chief Executive Officer
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Graham Meyer
Chief Executive Officer
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Chief Executive Officer
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Representatives of the Australian Accounting Profession



cpaaustralia.com.au



The Institute of
Chartered Accountants
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charteredaccountants.com.au



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The AASB would particularly value comments on the following:

1. whether, overall, the proposals would result in financial statements that would be useful to users;

We consider that the proposals would result in useful financial statements.

2. whether there are any regulatory issues or other issues arising in the Australian environment that may affect the implementation of the proposals, particularly any issues relating to:

(a) not-for-profit entities; and

(b) public sector entities;

We do not consider there to be any issues relating to not-for-profit entities and public sector entities.

3. whether there are any implications for GAAP/GFS harmonisation;

We are not aware of any implications for GAAP/GFS harmonisation.

4. whether the proposals are in the best interests of the Australian and New Zealand economies;

The proposals are in the best interests of the Australian and New Zealand economies.

5. unless already provided in response to specific matters for comment 1 – 4 above, the costs and benefits of the proposals relative to the current requirements, whether quantitative (financial or non-financial) or qualitative.

The costs are not expected to be significant.

6. whether the proposed disclosures (paragraph 11-15 and C16-C20) in this Exposure Draft should also be applied to Tier 2 entities. The AASB proposes to exempt Tier 2 entities from providing any of the proposed disclosures.

The proposed disclosures should only be considered in relation to Tier 2 entities once the IASB has undertaken its next review of the IFRS for SMEs standard.