



7 August 2013

Mr K Stevenson
Chairman
Australian Accounting Standards Board
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Dear Kevin

ED 243 'Withdrawal of AASB 1031 Materiality'

The Group of 100 (G100) is an organization of chief financial officers from Australia's largest business enterprises with the purpose of advancing Australia's financial competitiveness. The G100 is pleased to support the withdrawal of AASB 1031 for the reasons stated in ED 243.

We do not believe that withdrawal of AASB 1031 would result in the omission of disclosures that might otherwise be made because the application of materiality is well-entrenched and is applied by directors and managers in exercising their judgment whether or not to disclose a particular item or group of items.

Approaches to addressing issues relating to the volume, complexity and detail of disclosures in accounting standards and other regulatory requirements emphasize the importance of providing information to users of financial reports that is both relevant and material while at the same time avoiding disclosures of immaterial items. These responses rely heavily on the application of materiality and directors and managers exercising their professional judgment in relation to the disclosures made. It is suggested that given the extent of judgment required it is preferable that the application of materiality is best achieved through the issue of guidance rather than in an accounting standard.

From a G100 perspective the proposals which reflect the adoption of application guidance or educational material developed by the IASB for use internationally are in the best long term interests of the Australian economy.

Yours sincerely

Group of 100 Inc

Terry Bowen
President