



24 November 2014

Kris Peach
Chair
Australian Accounting Standards Board
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Via email: standard@asb.gov.au

Dear Kris

Exposure Draft 255: Financial Reporting Requirements for Australian Groups with a Foreign Parent

CPA Australia welcomes the opportunity to comment on the above Exposure Draft. CPA Australia is one of the world's largest accounting bodies and represents the diverse interests of more than 150,000 members in public practice, industry, commerce, government, not-for-profits and academia in 121 countries throughout the world.

CPA Australia supports the proposal to require the ultimate Australian parent of an entity to apply the equity method in accounting for interests in Associates and Joint Ventures, if either or both the parent and the group is a reporting entity. We note this proposal aligns the requirements of AASB 128 *Investments in Associates and Joint Ventures* with the requirements of AASB 10 *Consolidated Financial Statements*.

If you require further information on any of our views expressed in this submission, please contact Ram Subramanian by email at ram.subramanian@cpaustralia.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Eva Tsahuridu', written over a light blue horizontal line.

Dr Eva Tsahuridu

Manager, Accounting Policy