

Mr David Boymal  
Chairman  
Australian Accounting Standards Board  
PO Box 204  
Collins Street  
West Victoria 8007  
AUSTRALIA

By email: [standard@aasb.com.au](mailto:standard@aasb.com.au)

4 December 2007

Dear David

### Consultation Paper AAS 25 Financial Reporting by Superannuation Plans

Grant Thornton Association Inc ("Grant Thornton Australia") is pleased to comment on the Australian Accounting Standard Board's (AASB's) Consultation Paper AAS 25. Our response reflects our position as business advisers both to listed companies and privately held businesses.

This submission has benefited with input from our clients and discussions with key constituents.

#### Question 1 – Consolidation of Subsidiaries

Grant Thornton Australia does not support the consolidation of subsidiaries as there are no identified users who are relying upon consolidated financial information to make economic rational decisions. In particular we note that the main users of Superannuation Financial Statements are the Trustees who are able to obtain their own information as Trustees, and the Regulator who has stated that consolidated Financial Statements are not required for its regulatory purposes.

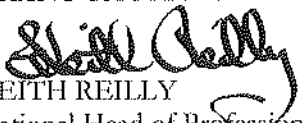
The only other Users of financial information are the Fund Members whose information needs are satisfied by either Product Disclosure Statements and/or abridged Financial Statements which are not in consolidated form given that the Fund Members' interest is in the individual Fund of which they are a Member.

#### Question 2 – Measurement of Assets and Liabilities

Grant Thornton Australia supports the measurement of Assets at Fair Value but does not support the measurement of Liabilities at Fair Value. Liabilities should instead be valued at the vested benefits of Members as that is effectively the Members expected return as calculated on an actuarial basis.

If you require any further information or explanations, please contact me.

Yours sincerely  
GRANT THORNTON ASSOCIATION INC

  
KEITH REILLY  
National Head of Professional Standards

Level 17, 383 Kent Street  
Sydney NSW 2000  
PO Locked Bag Q800  
QVB Post Office  
Sydney NSW 1230  
T +61 2 8297 2400  
F +61 2 9299 4445  
E [info@gtinsw.com.au](mailto:info@gtinsw.com.au)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

Grant Thornton Association Inc  
ABN 99 649 816 835

Liability limited by a scheme approved  
under Professional Standards Legislation.

An independent entity entitled to trade under the  
international name Grant Thornton.

Grant Thornton is a trademark owned by Grant  
Thornton International and used under licence  
by independent firms and entities throughout the world.