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Shane Buggle
Group General Manager Finance

29 November 2005

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

Dear Sir

ED143 "Director and Executive Disclosures by Disclosing Entities: Removal of AASB1046 and Addition to AASB124"

Australia and New Zealand Banking Group Ltd welcomes the opportunity to comment on the proposals contained in Exposure Draft ED143 ("ED143").

Apart from our key concerns below, we are supportive of the overall proposals contained in ED143. Our key concerns relate to the proposed extension of disclosure requirements with respect to key management personnel in parent entities and the application of certain of the proposals in ED143 to managed investment schemes.

Application of paragraphs AUS25.1 to AUS25.7.3 to parent entity financial statements

We are not supportive of the proposed extension of the key management personnel disclosures in paragraphs Aus25.1 to Aus25.7.3 to parent entities. We consider that the provision of such disclosures in the separate financial statements of the parent does not provide useful information to users.

Rather, we consider that users are more interested in the disclosure of information regarding the key management personnel of the group (who in practice may be members of the key management personnel of the parent) as providing sufficient and appropriate information.

Application of revised AASB124 to managed schemes

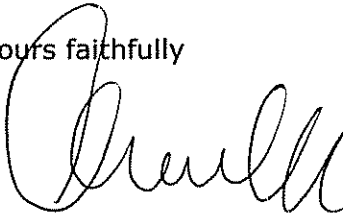
We agree that where certain managed schemes (including managed investment schemes) pay a management fee to their responsible entity, such payment may incorporate an allowance for services rendered on behalf of the managed scheme by the key management personnel in the responsible entity. However, the management fee may also represent compensation for other services such as audit fees and printing product disclosure statements as well as a profit portion. The management fee charged for these services is determined on an overall basis taking into account market considerations (in this regard, users are interested in the overall level of actual expenses incurred as reflected in the management expense ratio) and may not necessarily bear any relationship to the compensation that is ultimately paid to the key management personnel in the responsible entity.

In addition, we note that management contracts do not generally include specific allowances for specified services provided by the responsible entity. In practice, the management fee can vary according to the size of the assets of the managed scheme whereas compensation may be fixed. Therefore, any allocation of compensation (as a proportion of the overall management fee) to managed schemes may be arbitrary and potentially misleading to users of the financial reports.

An investor considering whether or not to remain invested in the managed scheme would primarily base that decision on key factors such as the scheme's investment strategy, the level of risk associated with the type of scheme, the past performance of the scheme and the overall level of fees charged. Therefore, we do not consider it appropriate that key management personnel of managed schemes that are disclosing entities should be subject to the same disclosure regime as companies in respect of management compensation. We believe the disclosures required by paragraphs 1 to 22 of AASB124 provide sufficient information in respect of a scheme.

If you have any questions regarding our submission, please contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Shane Buggle', written in a cursive style.

SHANE BUGGLE
Group General Manager Finance