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Mr David Boymal  
Chairman  
Australian Accounting Standards Board  
PO Box 204  
COLLINS STREET WEST VIC 8007

15<sup>th</sup> May 2006  
Our ref: DR:NG

Dear David

**Re: ED 147 Revenue from Non-Exchange Transactions (Including Taxes and Transfers)**

Deloitte Australia welcomes the opportunity to comment on the proposals contained in Exposure Draft ED 147 Revenue from Non-Exchange Transactions (Including Taxes and Transfers) (the ED).

Although we are not commenting on the specific matters for comment to the AASB, overall we do not support the proposal to adopt the IPSASB proposals for not-for-profit entities at this time.

Our key reasons for not supporting the proposal in Australia are outlined below:

International developments

In light of the IASB's stated intention to amend IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance* (IAS 20) we do not believe it is appropriate or necessary to issue an IPSASB standard to apply to not-for-profit entities in Australia at this time.

Integration of concepts

We are also concerned with the AASB's integration of historical AGAAP requirements, IFRS requirements, and IPSASB requirements for not-for-profit entities in Australia. We believe that the AASB should reassess their current strategy in relation to not-for-profit entities to either consider adopting either IPSASB requirements in their entirety, or require the application of A-IFRS for both for profit and non-for-profit entities.

Overall, it is our opinion that the AASB should wait for the IASB to finalise its deliberations on IAS 20 before making any amendments to AASB 1004.

If you have any questions concerning our comments, please contact Darryn Rundell on (03) 9208 7916.

Yours sincerely



**Darryn Rundell**

Partner