



**Westfield Holdings Limited**

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The Chairman  
Australian Accounting Standards Board  
P O Box 204  
Cullen Street  
West Victoria 8007

CC: IAS 1 Amendments, IASB

Dear Sir,

**INVITATION TO COMMENT ON ED 148 PROPOSED AMENDMENTS TO AASB 101 –  
PRESENTATION OF FINANCIAL STATEMENTS: A REVISED PRESENTATION**

Westfield Holdings Limited is pleased to have the opportunity to make a submission on behalf of the Westfield Group regarding the Exposure Draft ED 148.

The Westfield Group has international operations, and we recognise the benefits that flow from the implementation of international accounting standards (which required a substantial financial investment by the Westfield Group). As a Group we support the majority of the proposals in ED 148, although we strongly object to the proposal to change the definition of a general purpose financial report, especially since Australia has a well established and highly effective system of differential reporting.

**Specific Matters for comment: Item (b) “the AASB’s preliminary views proposed for adopting the definition of ‘general purpose financial report’ as included in paragraph 7 of the IASB ED”.**

The proposed change in clause 7, to extend the reporting entity definition to cover accounts that are “presented separately or within other public documents such as a regulatory filing or report to shareholders” will significantly increase the burden and cost to companies in order for them to complete this additional compliance. This definition is too broad and may apply to a large number of companies that currently only provide special purpose accounts. We also believe that the AASB should wait until the FASB has completed their segment A and segment B reviews and the Joint FASB and IASB Boards are able to issue a uniform position.

The proposed change to AASB 101 will capture a large number of subsidiary companies that are within a wholly owned group and are only lodged with ASIC due to their size. These companies, in the case of the Westfield Group, have been reported in the consolidated group accounts. In many cases the only creditors within the subsidiary companies are related parties which are within the wholly owned group. In most cases, these companies are part of a vertical chain and consequently under the exposure draft there may be five levels of consolidated accounts which are required to be prepared. Four of these entity level consolidated accounts would provide no benefit to the regulator or to any other user of those accounts, whilst creating an extensive drain on the company’s resources, as well as an increased financial cost to the company.

It is our understanding that the international standard IAS 27 provides exemptions for subsidiary companies from preparing entity level consolidated accounts in wholly owned structures.

We do believe that companies which lodge accounts with a regulator should be required to comply with the measurement standards whilst retaining the flexibility to only provide the more relevant disclosures. There should also be exemptions for subsidiary companies from the requirement to prepare consolidated accounts as required under AASB 127 Consolidated and Separate Financial Statements standard for all general purpose financial reports.

We also disagree with the AASB intention to not retain paragraph Aus 105.1 (a) and the definition of Special Purpose Financial Report in paragraph Aus 11.1 since we do not agree with the change in the definition of a general purpose financial report.

**Specific Matters for comment: Item (c) “whether certain entities should be required to prepare an additional comparative statement of financial position as proposed”.**

We believe that the entities affected by this proposal should not be required to provide additional comparative information on the statement of financial position since that information is able to be obtained from previous financial reports.

If you wish to discuss this response any further please do not hesitate to contact me on (02) 9358 7000.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mark Bloom', with a horizontal line extending to the right.

Mark Bloom  
Deputy Group Chief Financial Officer