

BT/ cr: 060610 ED148

30 May 2006

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

Dear Mr Boymal

ED 148: PROPOSED AMENDMENTS TO IAS 1 *PRESENTATION OF FINANCIAL STATEMENTS: A REVISED PRESENTATION*

We write in response to the request for comments contained in Exposure Draft 148: Proposed Amendments to IAS 1 *Presentation of Financial Statements* ("ED 148").

William Buck are generally supportive of the proposals included within this exposure draft, however we would like to raise the following matters below:

Definition of General Purpose Financial Statements

We support the inclusion of a definition of general purpose financial statements in the Accounting Standards since the current definition is open to interpretation. However we have some comments with the proposed definition as discussed below:

- The first sentence of the definition describes the nature and purpose of the general purpose financial report and is an appropriate inclusion.
- The definition includes a combination of mandatory and explanatory guidance which still leaves it open to interpretation. This particularly relates to the use of the word "include" in the second sentence as shown: "*General purpose financial statements include those that are presented separately or within another public documents such as a regulatory filing or report to shareholders.*"
- This leaves it open for non-reporting entities to use opening in this definition to continue to prepare special purpose financial reports and therefore not resolve the inconsistencies in reporting.
- We note that incorporated associations in a number of states are required to lodge their financial reports with the Registrar and therefore these entities would be required to prepare general purpose financial reports under this revised definition.

Responses to Certain Specific Matters for Comment

- (a) (ii) We do not agree with the proposed removal of the requirement to make disclosures about an economic dependency where the entity is dependent on another entity for a significant volume of revenue or financial support.

Many financial statements require this information in order to ensure that the user is fully aware of the facts and circumstances surrounding the results for the period and the economic dependency is not necessary discernible from the income statement.

- (c) We believe that the inclusion of an additional comparative statement of financial position for non-reporting entities is unnecessary since users of the financial report would have access to previous reports or would be able to demand the information. This additional statement of financial position would only result in unnecessary financial information being contained in the financial statements.

Please contact Carmen Ridley (Carmen.ridley@williambuckvic.com.au) or myself (brad.taylor@williambuckvic.com.au) via email or telephone on 03 8663 6294 if you wish to discuss further any matters arising from this submission.

Yours sincerely

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Brad Taylor
Partner