

20 December 2011

Mr Kevin Stevenson
Chairman
Australian Accounting Standards Board
Level 7
600 Bourke Street
Melbourne VIC 3000

By email: kstevenson@asb.gov.au

Dear Kevin

Exposure Draft - ED 214 Extending Related Party Disclosures to the Not-for-Profit Public Sector

CPA Australia, the Institute of Chartered Accountants in Australia and the Institute of Public Accountants (the Joint Accounting Bodies) are pleased to respond to the Australian Accounting Standards Board's exposure draft on *Extending Related Party Disclosures to the Not-for-Profit Public Sector*.

The Joint Accounting Bodies represent over 190,000 professional accountants. Our members work in diverse roles across public practice, commerce, industry, government and academia throughout Australia and internationally.

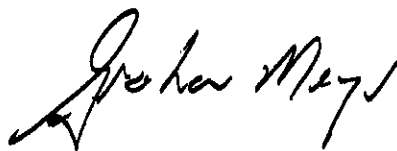
The Joint Accounting Bodies support the proposal to delete paragraph Aus1.3 and thereby remove the current scope exception that not-for-profit public sector entities do not apply paragraphs 1 to 28 of AASB 124 Related Party Disclosures. Our response to matters on which specific comment is requested is included in the Attachment.

If you require further information on any of our views, please contact Mark Shying, CPA Australia by email mark.shying@cpaaustralia.com, Kerry Hicks, the Institute of Chartered Accountants by email kerry.hicks@charteredaccountants.com.au or Tom Ravlic, the Institute of Public Accountants by email tom.ravlic@publicaccountants.org.au.

Yours sincerely



Alex Malley
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Representatives of the Australian Accounting Profession



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The Institute of
Chartered Accountants
in Australia

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Attachment: Comments in response to AASB questions

1. Is extending AASB 124 (December 2009) to the NFP public sector appropriate?

Yes, the Joint Accounting Bodies support the extension.

2. Are there any amendments that should be made to the proposed disclosure requirements (both Tier 1 and Tier 2) in respect of application by NFP public sector entities?

No, the Joint Accounting Bodies are not aware of any additional amendments that should be made.

3. Are there any regulatory issues or other issues arising in the Australian environment that may affect the implementation of the proposals?

Not to our knowledge.

4. Overall, would the proposals result in financial statements that would be useful to users?

Yes, we believe the proposals would result in financial statements that would be useful to users.

5. Are the proposals in the best interests of the Australian economy?

Yes, we consider the proposals are in the best interests of the Australian economy.

6. Unless already provided in response to specific matters for comment 1 – 5 above, are the costs and benefits of the proposals relative to the current requirements, whether quantitative (financial or non-financial) or qualitative?

We consider the cost and benefits of the proposals are appropriate relative to the current requirements.