



10 Shelley Street  
Sydney NSW 2000

PO Box H67  
Australia Square 1213  
Australia

ABN: 51 194 660 183  
Telephone: +61 2 9335 7000  
Facsimile: +61 2 9335 7001  
DX: 1056 Sydney  
www.kpmg.com.au

The Chairman  
Australian Accounting Standards Board  
PO Box 204  
Collins Street West Victoria 8007

Our ref Submission – ED 243

14 August 2013

Dear Sir

**Submission – ED 243 – Withdrawal of AASB 1031 Materiality**

We are pleased to have the opportunity to comment on the ED 243 – Withdrawal of AASB 1031 *Materiality*.

KPMG agrees with the AASB proposal to withdraw AASB 1031 *Materiality*, as it reduces the risk of inadvertent non-compliance with IFRS. We agree that it is unlikely to change practice regarding the application of materiality in financial reporting.

Internationally, KPMG has supported the provision of additional guidance regarding the application of materiality, specifically in relation to disclosures, in-line with the IASB Discussion Paper (DP/2013/1) *A Review of the Conceptual Framework for Financial Reporting*.

We would be pleased to discuss our comments with members of the AASB or its staff. If you wish to do so, please contact Adi Galimidi on (02) 9335 7380, or Kris Peach on (03) 9288 5297.

Yours faithfully

Martin McGrath  
Partner in charge, Department of Professional  
Practice