

To,
The Australian Accounting Standards Board
P.O. Box 204
Collins Street West
VIC 8007
Australia

12 August 2014

Re: Comments to the ED 250 'Investment entities: Applying the consolidation exception' proposed amendments to AASB 10 and AASB 128

Dear Sir/Madam,

We thank the AASB for providing us the opportunity to comment on **ED 250 'Investment entities: Applying the consolidation exception.'** Our comments in relation to each question are outlined as follows:

AASB requested comments

1. We are not aware of any regulatory or other issues in Australian environment that will act as a barrier to the proposal.
2. Considering the nature of business of investment entities the proposal is expected to be useful to users.
3. Since the proposal results in less reporting requirement to investment entities, it is expected that it will result in cost saving of investment entities benefitting the Australian economy.

IASB requested comments

1. Considering the main business of investment entities, we agree with the proposed amendment to IFRS 10.
2. Considering the difference in the nature of business between investment entity parent and subsidiary in this case, we support the need for consolidation. The information generated as a result is expected to be informative to stakeholders in this case.
3. Considering the significance of fair value measurement in investment entities, we agree with the proposed amendments.

Please feel free to contact us if you like to discuss further in this regard.

Regards

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