



28 November 2014

Kris Peach
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Australian Accounting Standards Board
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Via email: standard@asb.gov.au

Dear Kris

Exposure Draft 256: Removal of Cross-references from Financial Statements to Other Documents

CPA Australia welcomes the opportunity to comment on the above Exposure Draft (ED). CPA Australia is one of the world's largest accounting bodies and represents the diverse interests of more than 150,000 members in public practice, industry, commerce, government, not-for-profits and academia in 121 countries throughout the world.

The ED proposes to remove the ability to include cross-references in financial statements to disclosures outside the financial statements. Australia's approach to International Financial Reporting Standards (IFRS) has been to adopt verbatim (for application by for-profit entities that state compliance with IFRS), the standards as issued by the International Accounting Standards Board (IASB), unless there are compelling reasons to not do so. While the ED states that the intent to remove the ability to cross-refer from the financial statements to other documents is premised on unintended audit or regulatory compliance consequences in the Australian environment, it does not specify the nature of these unintended audit or regulatory compliance consequences. Therefore, in addition to recommending that the AASB does not proceed with the proposals in the ED, to be consistent with Australia's approach to adopting IFRS, we also suggest reinstating the cross-referencing option in AASB 7, subject to other priorities in the AASB's work plan. A further issue that could result from the proposal is the duplication of information that could adversely impact on the issue of complexity in financial reporting.

If you require further information on any of our views expressed in this submission, please contact Ram Subramanian by email at ram.subramanian@cpaaustralia.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Eva Tsahuridu', written over a horizontal line.

Dr Eva Tsahuridu
Manager, Accounting Policy