



# Grant Thornton

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Dear Kevin

## **AASB ITC 24 REQUEST FOR COMMENT ON IASB REQUEST FOR VIEWS ON EFFECTIVE DATES AND TRANSITION METHODS**

Grant Thornton Australia Limited (Grant Thornton) is pleased to provide the Australian Accounting Standards Board (AASB) with its comments on ITC 24 which is a re-badged copy of the International Accounting Standards Board's (the Board) Request for Views. We have considered the ITC, and set out our preliminary comments in the Appendix.

Grant Thornton's response reflects our position as auditors and business advisers both to listed companies and privately held companies, and public and private businesses, and this submission has benefited with some initial input from our clients, Grant Thornton International which is working on a global submission to the IASB, and discussions with key constituents.

The views expressed here are preliminary in nature, and a more detailed Grant Thornton global submission will be finalised by the IASB's due date of 31 January 2011.

We note that the AASB in its 10 December 2010 Action Alert stated that it supports a common effective date of 1 January 2014, with early adoption subject to cross cutting issues, on the basis of the AASB's view that this would provide preparers sufficient time to prepare for adoption.

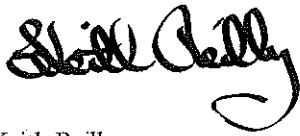
However our tentative view is that as a general principle, we believe that a 3 year period from the date of the release of the major accounting standards being Revenue, Leases and Financial instruments is needed to enable entities to make system changes so that the fundamental changes being introduced by these accounting standards can be made. Assuming that the final accounting standards are released by the IASB's date of 30 June 2011, this would mean a 30 June 2014 commencing period. Given that the IASB prefers a January 1 operational date, this would suggest that the major accounting standards could

have an applicable date of years commencing 1 January 2015, which for Australian balance dates would mean 30 June 2016 financial year ends.

Grant Thornton also supports early adoption but without any restriction on what accounting standards can be applied, as we do not see that it is possible to be sure of what the AASB terms 'cross cutting'.

If you require any further information or comment, please contact me.

Yours sincerely  
GRANT THORNTON AUSTRALIA LIMITED



Keith Reilly  
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