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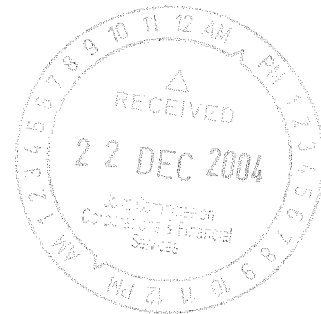
AN INDEPENDENT MEMBER OF BAKER TILLY
INTERNATIONAL OFFICES THROUGHOUT THE WORLD

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DBR:amp

14 December 2004

The Secretary
Parliamentary Joint Committee on
Corporations and Financial Services
Suite SG.64
Parliament House
CANBERRA ACT 2600



Dear Sir/Madam

Please find attached a letter we recently sent to David Boymal, Chairman of the AASB, regarding adoption of IFRS which outlines our views on recent pressure by certain bodies to defer its implementation. It is our view, as outlined in our letter, that implementation should not be deferred.

For background, Pitcher Partners is an association of firms operating in Melbourne, Sydney, Brisbane and Perth, largely representing middle-market clients. We have approximately 370 staff and partners in Melbourne and approximately 600 staff and partners Nationally. We service small corporates and large and emerging private companies.

If you would like to discuss the contents of our letter or broader issues on IFRS further, please have no hesitation in contacting myself or Dianne Azoor-Hughes (our National Technical Director).

Yours faithfully
PITCHER PARTNERS

D B RANKIN
Managing Partner

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Ref: Don Rankin:

3 December 2004

Mr David Boymal
Chairman
Australian Accounting Standards Board
PO Box 204
Collins Street West
VIC 8007

Dear David

Adoption of IFRS

This letter provides our views concerning the recent proposals to delay the adoption date of Australian equivalent of International Financial Reporting Standards for certain entities.

Pitcher Partners is large middle-tier Australian accounting firm with a strong reputation for providing professional services to privately owned and middle market businesses, including smaller listed entities. Our comments predominantly reflect issues arising on adoption of Australian equivalents of international standards by entities in this segment of the market place.

During the year Pitcher Partners has conducted staff training and client briefings to enable a better understanding of new requirements under IFRS. Based on our technical reviews of clients' annual reports at 30 June 2004 and consideration of IFRS accounting policy changes, we consider that a majority of our clients will not require any significant changes to their accounting systems for adoption of IFRS. We have encouraged our clients to prepare calculations of the anticipated financial impact of the new standards for disclosure in the half-year financial report at 31 December 2004. Many of our clients have already undertaken this work. The biggest challenge for most of our clients has probably been in finding time to physically read the text of the new standards, rather than in the technical application of the requirements.

We have been concerned about the recent discussions to allow delay in the adoption of these new standards by smaller listed entities and proprietary companies. While

delay might provide some temporary relief in this transition period, we do not believe that it would be beneficial in the long-term. The nature of middle market businesses is such that there are rarely any "spare" resources available to establish "IFRS implementation teams" or similar. Most middle market businesses require the extra demands created by IFRS transition to be absorbed into current responsibilities by their staff. We believe that significant progress has already been made and that the efforts to date will be wasted if further transitional relief is provided at this late stage.

Given the reasonable level of preparations and the limited impact of most standards on middle market business, we would strongly urge the AASB to continue with adoption of IFRS by all entities at 1 January 2005. In the event that an option for delayed adoption was offered to smaller entities, we would continue to advise our clients to continue with the current program for adoption.

Please contact our National Technical Director, Dianne Azoor Hughes (03 9289 9772 or dhughes@pitcher.com.au) if you would like to discuss further any issues arising from this submission.

Yours sincerely

DON RANKIN
Partner