



ASPEN CORPORATE

Accountants • Business Advisers • Registered Tax Agents

14 March 2003

Senator G H Brandis
 Chairperson
 Economics Legislative Committee
 Department of Senate
 Parliament House
 CANBERRA ACT 2600

By facsimile: (02) 6277 3552

Dear Sir

CORPORATIONS LEGISLATION AMENDMENT BILL 2002

After attending a BGL Corporate Solutions Pty Ltd seminar yesterday and being informed of the proposed changes under the Corporations Legislation Amendment Bill 2002. (CLERP 7) and viewing draft procedures and documents from the ASIC we are most concerned with the proposed implementation of the Corporations Legislation Amendment Bill 2002. (CLERP 7).

The intention of CLERP 7 was to simplify ASIC lodgements and reduce the cost of ASIC compliance to business. However, if CLERP 7 is implemented in its current form, it will have the exact opposite effect.

We understand that CLERP 7 will remove the need for companies to lodge Annual Returns. CLERP 7. However introduces a raft of new forms to compensate for the removal of this form. Further, the compliance work involved in the proposed Annual Review process and these new forms far exceeds the amount of work required to prepare an Annual Return and will lead to cost increases for our clients.

In our view, the implementation and in some respects the foundations on which CLERP 7 is based are flawed. CLERP 7 was supposed to simplify the lodgement requirements for companies. In fact, it is doing the exact opposite. It is making the corporate compliance system more complicated. There is also a further issue with the timing of these changes. ASIC has indicated that CLERP 7 will come into effect on 1 July 2003. June, July and August are the busiest times for my firm that is still coming to terms with new tax systems and tax return lodgements. Introducing these changes at this time will add significantly to our workload while we are still trying to cope with the enormous amount of additional work resulting from the introduction of the GST and the poor administration services provided by the Australian Tax Office. In our view, introduced in its current form, the CLERP 7 changes will be just as disastrous as the introduction of GST.

Helping you manage your business better!

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Our Ref :aspen140

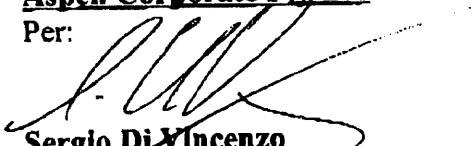
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We ask that you seriously consider referring CLERP 7 back to the government for review and amendment.

Yours faithfully

Aspen Corporate Pty Ltd

Per:



Sergio Di Vincenzo
Managing Director

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|-----|-----------------------|----------------|
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