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Sir David Tweedie
Chairman
International Accounting Standards Board
30 Cannon Street
London EC 4M 6XH
UNITED KINGDOM

Dear Sir David

ED 2010/2 The Reporting Entity

The Group of 100 (G100) is an organization of chief financial officers from Australia's largest business enterprises with the purpose of advancing Australia's financial competitiveness.

1. *Do you agree that a reporting entity is a circumscribed area of economic activities whose financial information has the potential to be useful to existing and potential equity investors, lenders and other creditors who cannot directly obtain the information they need in making decisions about providing resources to the entity and in assessing whether the management and the governing board of that entity have made efficient and effective use of the resources provided? (See paras RE2 and BC4-BC7). If not, why?*

The G100 agrees that the concept of the reporting entity should not be restricted to legal entities. As presently proposed the concept is sufficiently flexible to embrace a wide variety of business relationships and structures. However, the use of the phrase 'management and governing board' could be interpreted to preclude some types of arrangements.

2. *Do you agree that if an entity that controls one or more entities prepares financial reports, it should present consolidated financial statements? Do you agree with the definition of control of an entity? (See paras RE17, RE8 and BC18-BC23). If not, why?*

Yes. The G100 questions whether it is appropriate to introduce the definition of control, which is a fundamental concept underlying the definition of a reporting entity and the scope of general purpose financial statements, in this document rather than the conceptual framework.

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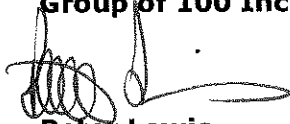
3. *Do you agree that a portion of an entity could qualify as a reporting entity if the economic activities of that portion can be distinguished from the rest of the entity and financial information about that portion of the entity has the potential to be useful in making decisions about providing resources to that portion of the entity? (See paras RE6 and BC10). If not, why?*

Consistent with our response to Q1 we believe that the reporting entity concept should be sufficiently flexible to embrace a wide variety of business arrangements.

4. *The IASB and the FASB are working together to develop common standards on consolidation that would apply to all types of entities. Do you agree that completion of the reporting entity concept should not be delayed until those standards have been issued? (See para BC27). If not, why?*

Yes. Given the significance of the reporting entity concept and control in the conceptual framework, work on this project should not be delayed. It is desirable that the conceptual framework drives the development of standards on separate issues rather than the contents/approach in a standard determining the meaning of components of the conceptual framework.

Yours sincerely
Group of 100 Inc



Peter Lewis
President