

31 October 2012

Crystal Kwan, Executive Assistant, Financial Reporting & Audit  
Australian Securities and Investments Commission  
GPO Box 9827  
Sydney NSW 2001

By email: [policy.submission@asic.gov.au](mailto:policy.submission@asic.gov.au)

Dear Madam

**RESPONSE TO CONSULTATION PAPER 187 - Effective disclosure in an operating and financial review**

Westworth Kemp Consultants value the opportunity to provide feedback into the consultative process for Consultation Paper 187. We are a niche consultancy specialising in financial reporting, assurance and compliance issues ([www.westworthkemp.com.au](http://www.westworthkemp.com.au)).

Whilst the request for comment is primarily directed at preparers and investors (and we are erstwhile auditors and only in a small way investors) we believe that as reviewers of financial statements and advisers on financial reporting matters we have a dispassionate point of view that could be helpful in this debate.

In summary our views are that:

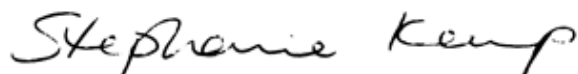
- In principle the information that it is proposed for inclusion in an operating and financial review (OFR) is appropriate;
- The proposals do go beyond the requirements of the Corporations Act (which limits its requirements to the information needs of members rather than the wider term "investors" used in CP 187) but not follow that extension to fully explore who users of financial information are and how they receive that information; and consequently
- The paper does not explore the optimal ways in which the information already available to the market can be collated and presented without unnecessary and possibly confusing duplication.

We attach our more detailed commentary on the questions put in the request for comment. If you would like to discuss any of these issues further, please do not hesitate to contact us at [chris@westworthkemp.com.au](mailto:chris@westworthkemp.com.au) or +61414 459 083.

Yours faithfully



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