

7 November 2012  
EFRAG  
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B-1000 Brussels,  
BELGIUM

14 Valleyview Crescent  
Greenwich NSW 2065  
[www.westworthkemp.com.au](http://www.westworthkemp.com.au)

Dear Sir or Madam,

**EFRAG Invitation to Comment: Towards a Disclosure Framework for the Notes**

Westworth Kemp Consultants value the opportunity to provide feedback into the consultative process surrounding the proposed improvements to information in the notes to financial statements set out in the consultative document "*Towards a Disclosure Framework for the Notes*". We specialise in financial reporting, assurance and compliance issues, particularly in the context of litigation and dispute resolution. ([www.westworthkemp.com.au](http://www.westworthkemp.com.au)).

From our experience as auditors, advisors and, in a small way as investors, there is clear evidence that financial statements have become extremely complex and include information, which, whilst important, is of little use to an understanding of a company's historical financial performance.

The complexity of information about a company lies not only in the complexity of the financial statements themselves but in the plethora of sources of information including prescribed continuous disclosure requirements, analysts presentations, regular financial reporting and even social media.

In order to accommodate these important sources of information we suggest that a comprehensive framework is developed that includes not only the material from this discussion paper but a consideration of all areas of corporate reporting including governance, risk and forward looking information to determine how that can be best conveyed to investors and other parties with a legitimate interest in understanding a company and its business.

Whilst we welcome this paper as a first step in reducing clutter in financial information and as a logical sequel to some of the UK FRC's writings such as

<http://www.frc.org.uk/getattachment/8eabd1e6-d892-4be5-b261-b30cece894cc/Cutting-Clutter-Combating-clutter-in-annual-reports.aspx> .in our view it is important that there is

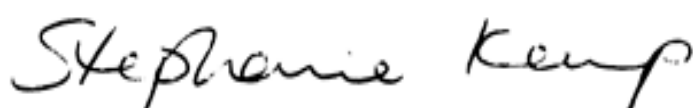
discussion in the immediate future not only of what information should be provided but where and how and how it can be integrated.

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



Chris Westworth, LLB, FCA, FAICD



Stephanie Kemp MA, FCA