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Sent: Wednesday, 21 March 2018 10:44 AM
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Cc: Tracey Crookston <Tracey.Crookston@xrb.govt.nz>; Anthony Heffernan <Anthony.Heffernan@xrb.govt.nz>; Sanja Sesto <Sanja.Sesto@fma.govt.nz>
Subject: FMA Comments: Proposed changes to FRS-42

Dear Warren

Thank you for the opportunity to comment on the proposed changes to the scope of FRS-42 *Prospective Financial Statements* set out in ED NZASB 2017-3.

FRS-42 plays a critical role in promoting high quality forecasts for offers of equity and certain managed investment schemes.

Overall we are comfortable with the changes in the standard. In particular we consider the following particularly helpful:

- The amendments to clarify that FRS-42 only applies to prospective financial *statements*
- The encouragement to apply FRS-42 when an entity chooses to present prospective financial statements.

If you have any questions, please contact me directly.

Regards,

Jeromy

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