

1 February 2010

Review of the Financial Reporting Framework
Competition, Trade and Investment Branch
Ministry of Economic Development
PO Box 1473
Wellington

Dear Sir/Madam

This letter is written to express support for submissions written by Business New Zealand Incorporated and Foodstuffs (NZ) Limited on the review of the Statutory Framework for Financial Reporting.

The National Association of Retail Grocers and Supermarkets of New Zealand (NARGON) is a member of the Affiliated Industries Group that has been established by Business New Zealand.

NARGON represents the interests of approximately 40% of the food retailing industry in New Zealand.

The approximately 500 retail members of NARGON are owner-operators of retail food warehouses, supermarkets and grocery/convenience stores. In the main, retail members of NARGON are aligned to a banner/advertising group of stores such as New World, Pak'N Save, Four Square, Supervalu, or Fresh Choice. NARGON's members range from the owners of the largest supermarkets through to the owners of the smallest convenience stores and are located in cities, towns and small rural communities throughout New Zealand.

NARGON has a direct relationship with both Business New Zealand and Foodstuffs and are in support of their submissions. As both organisations have written comprehensive submissions on the discussion document, we have not prepared a separate document.

This letter does not undertake a response to every section of the discussion document, as we consider that this has been adequately undertaken in the submission presented by Business New Zealand and Foodstuffs.

NARGON has a particular interest in part 5 of the discussion document. We are in a highly competitive industry and believe that private companies that are deemed to be economically significant companies should not be required to produce and file audited financial reports as it is not in the best interests of our members. Instead, we support Business New Zealand's and Foodstuffs positions.

If you would like further details regarding, or clarification of, any of the matters raised in this letter, please do not hesitate to contact me via e-mail at director@nargon.co.nz or on telephone (04) 471-1338.

Thank you for the opportunity to provide this letter.

Yours sincerely



Trina Snow
Executive Director
NARGON