

Amendments to the 2018 Conceptual Framework for Financial Reporting

The following amendments are a consequence of the amendments to the definition of material in MFRS 101 and MFRS 108. These amendments are applied prospectively at the same time an entity applies the amendments to the definition of material in MFRS 101 and MFRS 108.

Paragraph 2.11 is amended. New text is underlined and deleted text is struck through.

Materiality

- 2.11 Information is material if omitting, ~~it or~~ misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial reports (see paragraph 1.5) make on the basis of those reports, which provide financial information about a specific reporting entity. In other words, materiality is an entity-specific aspect of relevance based on the nature or magnitude, or both, of the items to which the information relates in the context of an individual entity's financial report. Consequently, the Board cannot specify a uniform quantitative threshold for materiality or predetermine what could be material in a particular situation.