

Amendments to MFRS 134 *Interim Financial Reporting*

Paragraphs 31 and 33 are amended and paragraph 58 is added. The footnote to '(the *Framework*),' in paragraph 31 is deleted. New text is underlined and deleted text is struck through.

Same accounting policies as annual

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- 31 Under the ~~*Framework for the Preparation and Presentation of Financial Statements (the Framework)*~~²*Conceptual Framework for Financial Reporting (Conceptual Framework)*, recognition is the 'process of ~~incorporating in the balance sheet or income statement capturing, for inclusion in the statement of financial position or the statement(s) of financial performance,~~ an item that meets the definition of ~~an element~~one of the elements of the financial statements and satisfies the criteria for recognition'. The definitions of assets, liabilities, income, and expenses are fundamental to recognition, at the end of both annual and interim financial reporting periods.

²~~The *Framework for the Preparation and Presentation of Financial Statements* was adopted by the MASB in 2007. In November 2011 the MASB replaced the *Framework* with the *Conceptual Framework for Financial Reporting*.~~

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- 33 An essential characteristic of income (revenue) and expenses is that the related inflows and outflows of assets and liabilities have already taken place. If those inflows or outflows have taken place, the related revenue and expense are recognised; otherwise they are not recognised. ~~The *Framework* says that 'expenses are recognised in the income statement when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably... [The] *Framework*~~*Conceptual Framework* does not allow the recognition of items in the ~~balance sheet~~statement of financial position which do not meet the definition of assets or liabilities.²

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Effective date

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58 *Amendments to References to the Conceptual Framework in MFRS Standards*, issued in 2018, amended paragraphs 31 and 33. An entity shall apply those amendments for annual periods beginning on or after 1 January 2020. Earlier application is permitted if at the same time an entity also applies all other amendments made by *Amendments to References to the Conceptual Framework in MFRS Standards*. An entity shall apply the amendments to MFRS 134 retrospectively in accordance with MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. However, if an entity determines that retrospective application would be impracticable or would involve undue cost or effort, it shall apply the amendments to MFRS 134 by reference to paragraphs 43–45 of this Standard and paragraphs 23–28, 50–53 and 54F of MFRS 108.