

International Financial Reporting Standard

Amendments to References to the Conceptual Framework in IFRS Standards

March 2018

IMPLEMENTATION GUIDANCE – AMENDMENTS

[IFRS 4]

[Related to AASB 2019-1]

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Amendments to Guidance on implementing IFRS 4 *Insurance Contracts*

As a consequence of amending paragraph 7 of IAS 1 *Presentation of Financial Statements*, paragraph IG16 is amended, and the footnote to 'paragraph 25' in paragraph IG16 is deleted. New text is underlined and deleted text is struck through.

Materiality

...

IG16 IAS 1 also explains the following:

Assessing whether an omission or misstatement could influence economic decisions of users, and so be material, requires consideration of the characteristics of those users. ~~The Framework for the Preparation and Presentation of Financial Statements states in paragraph 25² that 'users~~Users are assumed to have a reasonable knowledge of business and economic activities and accounting and a willingness to study the information with reasonable diligence.² Therefore, the assessment needs to take into account how users with such attributes could reasonably be expected to be influenced in making economic decisions.

² IASC's *Framework for the Preparation and Presentation of Financial Statements* was adopted by the IASB in 2001. In September 2010 the IASB replaced the Framework with the *Conceptual Framework for Financial Reporting*. Paragraph 25 was superseded by Chapter 3 of the *Conceptual Framework*.

Amendment to Illustrative Examples on IAS 34 *Interim Financial Reporting*

A footnote is added to '*Conceptual Framework*' in paragraph B23.

* The reference to the *Conceptual Framework* is to the *Conceptual Framework for Financial Reporting*, issued in 2010.