

11 April 2018

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Sir,

COMMENTS ON THE INTERNATIONAL ACCOUNTING STANDARDS BOARD'S PROPOSED AMENDMENTS TO IAS 1 AND IAS 8

We would like to take this opportunity to provide our comments on Exposure Draft (ED) ED/2017/6 *Proposed Amendments to IAS 1 and IAS 8: Definition of Material* issued by the International Accounting Standards Board (IASB).

Clarification of meaning of 'obscuring information'

2. The IASB proposed to include 'obscuring information' in the revised definition of "material" in ED/2017/6. It further explained that material information might be obscured if it is not communicated clearly – for example, if it is obscured by immaterial information. The IASB observed that this explanation is consistent with the meaning of 'obscuring' in the English language and with the requirement in IAS 1 *Presentation of Financial Statements* that a fair presentation requires information to be understandable.

3. According to the Oxford Dictionaries, the word 'obscure' has several meanings, such as '*not clearly expressed or easily understood*', '*hard to make out or define*', '*vague*' and '*make unclear or difficult to understand*'. Interpreting the term 'obscuring information' using some of these meanings may lower the threshold of what information could be considered as material. For example, information that is vague could be considered as 'obscuring information'. We are not sure if this is in line with the intention of the IASB when deciding whether information is material. **Therefore, we would like to suggest to the IASB to provide a definition and / or an explanation of 'obscuring information' so**



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that entities can consistently apply the definition of “material” when preparing their financial statements.

4. We hope that our comments will contribute to IASB’s further deliberation on this ED. If you require any clarifications, please contact the Secretariat, Advisory Committee on Accounting Standards for Statutory Boards. Thank you.

Yours sincerely

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SECRETARIAT
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for ACCOUNTANT-GENERAL