



Financial Services Commission
Mauritius

CIRCULAR LETTER
CL271114

28 November 2014

The Directors
Management Companies

Dear Sir/Madam

INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)
FOR SMALL AND MEDIUM ENTITIES (“SMEs”)

1. Pursuant to Section 30 (1) of the Financial Services Act 2007 (the “FSA”) a corporation holding a Category 1 Global Business (GBC1) licence under the FSA shall file with the Financial Services Commission (the “Commission”) every year Audited Financial Statements (“AFS”) prepared in accordance with the IFRS.
2. Under Section 30 (4) of the FSA, a corporation holding a GBC1 Licence shall be deemed to comply with Section 30 (1) of the FSA where the AFS are prepared in accordance with such internationally recognised accounting standards as may be agreed with the Commission.
3. The Commission has received several requests to consider “IFRS for SMEs” as an internationally recognised accounting standards under Section 30 (4) of the FSA.
4. In this respect, the Commission intends to allow GBC1 entities to prepare and submit AFS in accordance with IFRS for SMEs as issued by the International Accounting Standards Board (“IASB”) subject to conditions mentioned below.
 - a) An entity holding a GBC1 Licence may use “IFRS for SMEs” as issued by IASB if the following conditions are met:
 - i. The entity does not conduct any financial services as defined under the FSA
 - ii. The entity does not qualify as a Public Interest Entity as defined under the Financial Reporting Act 2004;
 - iii. The entity meets the description of SME as laid down in the IFRS for SMEs issued by IASB; and
 - iv. The entity does not have public accountability.



5. Public Accountability has the same definition as laid down in the IFRS for SMEs as issued by the IASB.
6. A GBC1 may be required to demonstrate to the satisfaction of the Commission that it is eligible to adopt the IFRS for SMEs and shall furnish all such information and documents as may be required by the Commission from time to time.
7. Additionally, the Commission may require its licensees to furnish such statistical information at such intervals and within such time pursuant to its powers conferred by Section 7(2) of the FSA.

For further information, please contact the Commission on 404 5689.

Yours faithfully

A handwritten signature in black ink, appearing to be 'C. Ah-Hen', written in a cursive style.

C. Ah-Hen
Chief Executive