

IFRS APPLICATION AROUND THE WORLD

JURISDICTIONAL PROFILE: Myanmar



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This Profile has been prepared by the IFRS Foundation based on information from various sources. The starting point was the answers provided by standard-setting and other relevant bodies in response to surveys that the IFRS Foundation conducted on the application of IFRS Standards around the world. The IFRS Foundation drafted the Profile and invited the respondents to the survey and others (including regulators and international audit firms) to review the drafts, and their comments are reflected.

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RELEVANT JURISDICTIONAL AUTHORITY

Organisation	Myanmar Accountancy Council (MAC) Myanmar Institute of Certified Public Accountants (MICPA)
Role of the organisation	Accounting standards in Myanmar are set by the Myanmar Accountancy Council (MAC), which is headed by the Union Auditor General of the Republic of the Union of Myanmar. With regard to accounting standards, the MICPA is an advisory body to the MAC.
Website	Myanmar Accountancy Council: http://www.oagmac.gov.mm
Email contact	winthin09@gmail.com

COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

Has the jurisdiction made a public commitment in support of moving towards a single set of high quality global accounting standards?	Yes.
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Has the jurisdiction made a public commitment towards IFRS Standards as that single set of high quality global accounting standards?	Yes.
What is the jurisdiction's status of adoption?	Myanmar has adopted the 2010 version of IFRS Standards for all publicly accountable entities. Those standards are known as Myanmar Financial Reporting Standards (MFRSs).
Additional comments provided on the adoption status?	<p>In 2003 and 2004, the Myanmar Accountancy Council (MAC) issued Myanmar Accounting Standards (MASs) 1 to 30, which were based on International Accounting Standards existing at that time. Because of a lack of detailed guidance and training on those standards, accountants in Myanmar found them difficult to apply.</p> <p>On 5 June 2010, the MAC withdrew all 30 of those standards and replaced them with 29 new MASs and 8 new Myanmar Financial Reporting Standards (MFRSs) that were identical to the IFRS Standards that existed on that date (including the same numbering). The new MASs and MFRSs were notified in the <i>Official Gazette</i> and became effective on 4 January 2011.</p> <p>The MAC has a plan to update the MASs/MFRSs to reflect new and amended standards issued by the IASB since 4 January 2011.</p> <p>The Securities and Exchange Law of Myanmar (Law No. 20 /2013) adopted 31 July 2013 requires (Section 12) that the following types of entities use Myanmar Accounting Standards (MASs and MFRSs described above):</p> <ul style="list-style-type: none"> • Public companies • Securities companies • Companies whose securities trade in an over-the-counter market • Stock exchanges • Persons who serve as a responsible person, member, staff and agent of the above categories • Entities that hold a license as a lawyer or auditor, or agent of such license-holder. <p>The Securities and Exchange Law may be found here: http://ysx-mm.com/en/regulations/laws/</p>

If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Standards in the jurisdiction.	Not applicable.
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EXTENT OF IFRS APPLICATION

For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Standards in their consolidated financial statements?	The Yangon Stock Exchange (YSX) was launched in December 2015. Website: http://ysx-mm.com/en/ Additionally, an over the counter market has developed for the shares of some companies; those companies are regarded as publicly accountable. Companies listed on the YSX and companies trading in the over-the-counter market are required to use MFRSs, which are identical to the 2010 versions of IFRS Standards.
If YES, are IFRS Standards REQUIRED or PERMITTED?	Required.

Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?	All.
Are IFRS Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?	Yes.
For instance, are IFRS Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?	Required.
For instance, are IFRS Standards required or permitted for companies whose securities do not trade in a public market?	MFRSs (which are identical to the 2010 version of IFRS) Standards are permitted. Alternatively, SMEs may use the MFRS for SMEs, which is identical to the IFRS for SMEs.
If the jurisdiction currently does NOT require or permit the use of IFRS Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Standards for such companies in the future?	Not applicable.

For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Standards in their consolidated financial statements?	There are no foreign companies whose securities trade in a public market in Myanmar.
If YES, are IFRS Standards REQUIRED or PERMITTED in such cases?	Not applicable.
Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?	Not applicable.

IFRS ENDORSEMENT

Which IFRS Standards are required or permitted for domestic companies?	IFRS Standards as issued by the IASB as of 2010, which have been adopted by the Myanmar Accountancy Council as MFRSs.
The auditor's report and/or the basis of presentation footnotes states that financial statements have been prepared in conformity with:	Myanmar Financial Reporting Standards.
Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Standards and the jurisdiction's GAAP)?	Yes.
Are IFRS Standards incorporated into law or regulations?	Yes.

If yes, how does that process work? IFRS Standards have been adopted as MFRSs by the Myanmar Accountancy Council, which was created in 1972 by the Burma Accountancy Council Law and has legal authority to issue accounting standards that are mandatory in Myanmar.

If no, how do IFRS Standards become a requirement in the jurisdiction? Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS (including Interpretations) in place? Yes.

If yes, what is the process? The Myanmar Accountancy Council has a policy to consider new and amended IFRS within one year after they are issued by the IASB Board. The MAC seeks the views of others including the MICPA. Approved MFRSs are published in the Official Gazette.

If no, how do new or amended IFRS become a requirement in the jurisdiction? Not applicable.

Has the jurisdiction eliminated any accounting policy options permitted by IFRS Standards and/or made any modifications to any IFRS Standards? No. However, IFRS Standards were adopted as of 2010 and have not been updated since.

If yes, what are the changes? Not applicable.

Other comments regarding the use of IFRS Standards in the jurisdiction? None.

TRANSLATION OF IFRS STANDARDS

Are IFRS translated into the local language? No.

If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Standards? Not applicable.

APPLICATION OF THE IFRS FOR SMEs

Has the jurisdiction adopted the IFRS for SMEs Standard for at least some SMEs? Yes. Myanmar has adopted the IFRS for SMEs Standard as the MFRS for SMEs.

If no, is the adoption of the IFRS for SMEs Standard under consideration? Not applicable.

Did the jurisdiction make any modifications to the IFRS for SMEs Standard? No.

If the jurisdiction has made any modifications, what are those modifications? Not applicable.

Which SMEs use the IFRS for SMEs Standard in the jurisdiction, and are they required or permitted to do so? All SMEs are permitted to use the MFRS for SMEs.

For those SMEs that are not required to use the IFRS for SMEs Standard, what other accounting framework do they use?

SMEs that do not use the MFRS for SMEs must use full MFRSs which are identical to IFRS Standards as of 2010.

Other comments regarding use of the IFRS for SMEs Standard?

None.
