

**Deloitte.**



## IFRS Temperature Check

Thriving in an evolving financial reporting landscape in Myanmar



**MAKING AN  
IMPACT THAT  
MATTERS**

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# IFRS Adoption – An Inevitable Challenge

International Financial Reporting Standards (IFRS) are a set of common rules that companies follow when preparing and publishing their financial statements which enable consistency, transparency and comparability amongst organizations around the world. The standards are the consequence of the growing occurrence of international shareholding and global trade.

Most domestic companies are using the Myanmar Financial Reporting Standards (MFRS) or MFRS for SMEs, which are identical to the 2010 versions of IFRS Standards or the 2009 version of the IFRS for SMEs Standard respectively. In July 2018, the Myanmar Accountancy Council announced the adoption of the latest versions of IFRS Standards or IFRS for SMEs Standard for financial reporting periods beginning from the 2022–2023 financial year.

As companies in Myanmar seek to attract more foreign investment in order to grow, the accurate presentation of IFRS-compliant financial statements is more important than ever before. The key benefits of IFRS adoption are as follows:

## Transparency



Enhanced international comparability and quality of financial information, enables investors to make informed economic decisions

## Efficiency



Contribute to economic efficiency by helping investors to identify opportunities and risks across the world, thus improving capital allocation

## Accountability

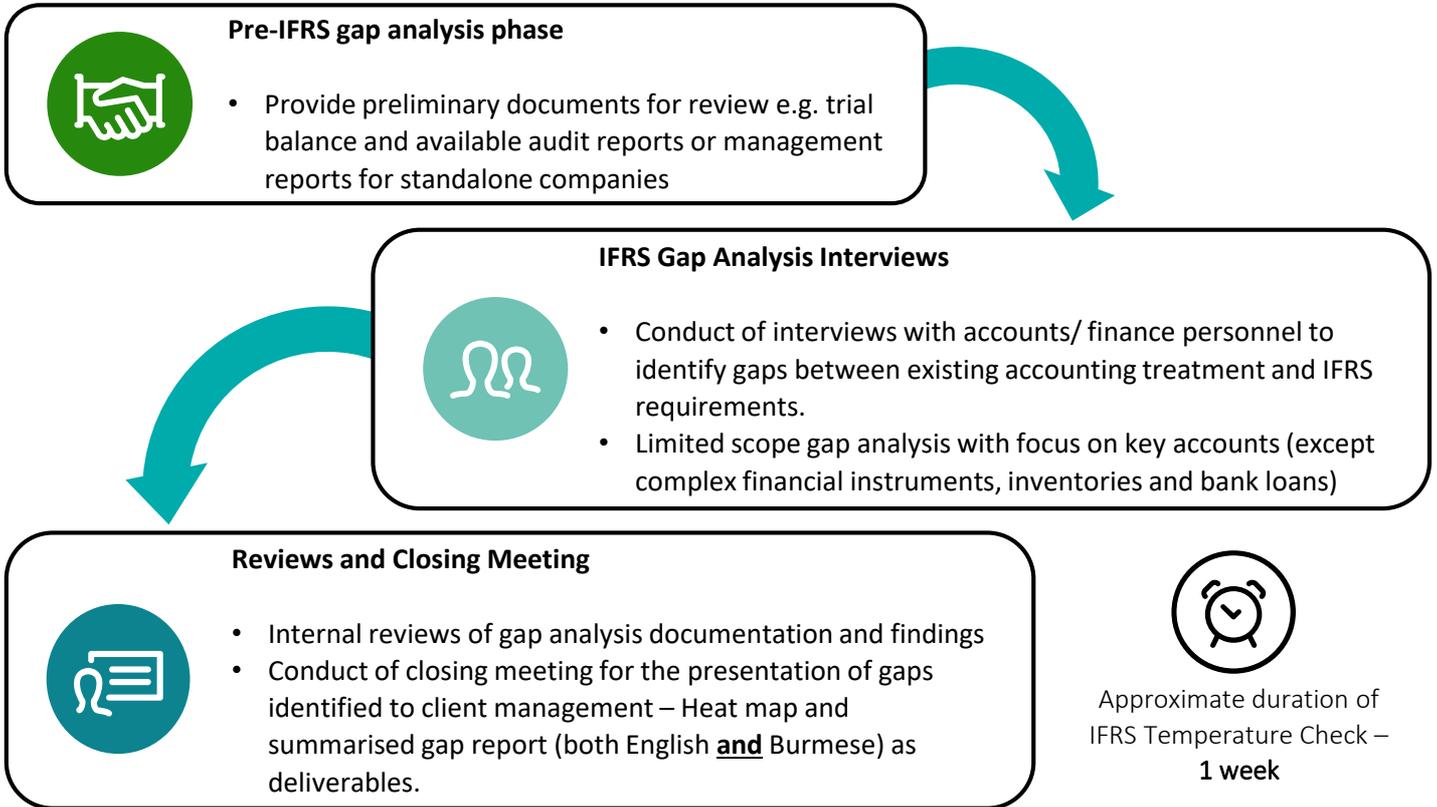


Strengthen accountability by reducing the information gap between companies and investors



## How we can help

The process of adoption of the latest versions of IFRS Standards or IFRS for SMEs Standard can be a very challenging and confusing process with many companies often not knowing where or how to begin. Thus we purpose to partner you with the **objective of assessing where you stand in terms of readiness** to embark on this convergence process via the “IFRS Temperature Check” with the workflow as shown below:



## Who should sign up

Standalone companies and business looking to adopt the latest IFRS Standards.

## Benefits of the IFRS Temperature Check

|  |   |  |
|--|---|--|
| <p><b>Cost Effective</b></p>  <p>Assess company’s readiness to adopt IFRS at a lower cost due to limited scope – no huge upfront outlay</p> | <p><b>Scalability</b></p>  <ol style="list-style-type: none"> <li>1) Results are quick compared to full-scope IFRS gap analysis (which may take a few months);</li> <li>2) Leverage on Temperature Check results if you see a need to perform a full-scope IFRS gap analysis subsequently</li> </ol> | <p><b>Ease of Communication</b></p>  <p>Gap analysis interviews would be performed by local Myanmar team either in Burmese or English</p> |
|--|---|--|



## Our credentials

Notable Myanmar companies for which Deloitte was engaged to help assess the impact and changes required on accounting for first time adopter of IFRS include:

- Capital Diamond Star Group
- First Myanmar Investment Public Co., Ltd
- Forever Group
- Max Myanmar Group
- Myanmar Treasures Hotel & Resort Group
- Yangon Airport Group
- Yangon Land

## Working collaboratively

Deloitte has plans in place to promote continuity of operations in the event of a threat or impact to Deloitte people, property, or systems. While COVID-19 has resulted in some changes to our day-to-day operations, by implementing flexible work arrangements, we continue to serve clients with minimal disruption.

In the event that physical meetings or interviews are unable to take place due to restrictions posed, Deloitte makes use of collaborative tools e.g. Microsoft Teams, Zoom and Menti to facilitate collaboration and sharing. Interactive workshops or meetings encourage engagement throughout the critical time. Using Deloitte's AV and collaboration capabilities ensures we are able to deliver meetings remotely and drive the right outcomes. Deloitte will also use client based tools (if required) to share documents, drive collaboration and manage tasks across the team.



Let's talk!

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