



# Overall Audit financial statements in Myanmar for FY2022-2023

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# What is MFRS/IFRS?

## IFRSs

- International Financial Reporting Standards (IFRS Standards) is a single set of accounting standards, developed and maintained by the International Accounting Standards Board (the Board).
- IFRSs can be applied globally.
- IFRSs provides investors and other users of financial statements with the ability to compare the financial performance of publicly listed companies on a like-for-like basis with their international peers.

## MFRSs

- Accounting standards in Myanmar are set by the Myanmar Accountancy Council (MAC), which is headed by the Office of the Auditor General of the Republic of the Union of Myanmar (OAG).
- With regard to accounting standards, the MICPA (Myanmar Institute of Certified Public Accountants) is an advisory body to the MAC.

# Development of Financial Reporting Standards in Myanmar

- On 6 June 2010, the MAC issued 29 new MAS's and 8 new Myanmar Financial Reporting Standards (MFRS) that were identical to the IFRS Standards that existed on that date. Exceptions are IFRS 9 (Financial Instruments), IFRS 10 (Consolidated FS), IFRS 11 (Joint Arrangements), IFRS 12 (Disclosure of Interests in Other Entities) and IFRS 13 (Fair Value Measurement).
- In accordance with MAC notification 18/2018, Public interest entities (bank, insurance and public companies) must follow the “International Financial Reporting Standards (IFRS) for preparing financial reports and these regulations will be effective for the financial reporting from the financial year of 2022-2023.
- In accordance with MAC notification 19/2018, Small and Medium enterprises (SMEs) can follow International Financial Reporting Standards (IFRS for financial reporting. Otherwise, these entities can practice “IFRS for SMEs”. These regulations will be effective for the financial reporting from the financial year of 2022-2023.

**\*\* There is no further notification/update regarding with the implementation of IFRS from MAC.**

# Regulatory Reporting Timeline

## Taxable period

The taxable period is the same as the financial year of a company. The fiscal year changes in Myanmar are as below:

- Prior to the financial year 2018-2019: 1 April to 31 March
- 2019 to 2021: 1 October to 30 September
- October 2021 onwards: 1 April to 31 March

## Tax return

Annual tax return must be filed within 3 months from the end of the financial year which is **30 June**.

## Penalty

A penalty of 10% on the tax due shall be charged if there is a failure to furnish the return without a sufficient cause within the stipulated time.

# Current challenges

01 

Inflation and  
foreign  
currency risk

02 

Understanding  
of accounting  
concepts/ best  
practices

03 

Required skill-  
set and  
exposure

04 

System,  
process and  
tools

05 

Corporate  
governance

**Q&A**



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