

IFRS® STANDARDS—APPLICATION AROUND THE WORLD

JURISDICTIONAL PROFILE: **Sierra Leone**

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This Profile provides information about the application of IFRS® Accounting Standards (Standards) in Sierra Leone. The Standards are developed and issued in the public interest by the International Accounting Standards Board (IASB). The IASB is the standard-setting body of the IFRS Foundation (Foundation), an independent, private sector, not-for-profit organisation.

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

The purpose of the Foundation's Jurisdictional Profiles is to illustrate only the extent of implementation of the Standards across the globe. The Profiles do not reflect the intellectual property licensing status of the Standards within any given jurisdiction. The Standards are protected by copyright and are subject to licensing arrangements agreed upon within their jurisdiction. For further information, please contact permissions@ifrs.org.

Profile last updated: 16 June 2016

RELEVANT JURISDICTIONAL AUTHORITY

Organisation	Council for Standards of Accounting, Auditing, Corporate & Institutional Governance (CSAAG)
Role of the organisation	The CSAAG sets standards under delegated authority from the Institute of Chartered Accountants of Sierra Leone (ICASL), the Audit Service of Sierra Leone (the public sector auditor), and the Ministry of Finance & Economic Development of the Republic of Sierra Leone.
Website	CSAAG: sites.google.com/a/ica-sl.org/slaf/home-1 ICASL: www.ica-sl.org/
Email contact	omodelejones@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.
Has the jurisdiction made a public commitment towards IFRS Accounting Standards as that single set of high quality global accounting standards?	<p>Yes.</p> <p>The CSAAG made the following statement in <i>Composite Financial Reporting Standard for Private & Public Not For Profit Entities</i> (CS1):</p> <p>“The aims of the Council for Standards of Accounting, Auditing, and Corporate and Institutional Governance include the establishment and improvement of standards of financial accounting and reporting for the benefit of users, preparers, and the auditors of financial information in all sectors of the Sierra Leone economy. To this end, CSAAG issues or endorses accounting standards based on the work of the International Accounting Standards Board (IASB) that are primarily applicable to general purpose financial statements. In particular industries or sectors, further guidance may be required in order to implement accounting standards efficiently and effectively. This guidance is issued by CSAAG in the form of Composite Financial Reporting Standards (CSs).”</p> <p>The CSAAG believes that full IFRS Standards are appropriate for financial institutions and publicly traded entities. The CSAAG recognises that there will be differential reporting requirements for small and medium-sized entities (SMEs), not-for-profits, and the public sector.</p>
What is the jurisdiction's status of adoption?	Sierra Leone has adopted IFRS Standards and the <i>IFRS for SMEs</i> Standard.
Additional comments provided on the adoption status?	<p>IFRS Standards are required for:</p> <ul style="list-style-type: none"> • Listed companies. • Banks. • Insurance companies. <p>Entities not required to use full IFRS Standards or the (national) public benefit entity standard (<i>Composite Financial Reporting Standard for Public and Private Not For Profit Entities</i>, CS1) are permitted to use the <i>IFRS for SMEs</i> Standard.</p> <p>A mechanism for monitoring the application of IFRS Standards was implemented in 2014 and 2015.</p>
If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Accounting Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Accounting Standards in the jurisdiction.	Not applicable.

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 Accounting Standards in their consolidated financial statements?

Yes.

If YES, are IFRS Accounting 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 Accounting 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 Accounting Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?

A policy has not been established, so IFRS Standards are effectively permitted.

For instance, are IFRS Accounting Standards required or permitted for companies whose securities do not trade in a public market?

Permitted.

If the jurisdiction currently does NOT require or permit the use of IFRS Accounting Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Accounting 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 Accounting Standards in their consolidated financial statements?

Yes.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED in such cases?

Required.

Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

IFRS ENDORSEMENT

Which IFRS Accounting Standards are required or permitted for domestic companies?

IFRS Standards as issued by the IASB Board.

The auditor's report and/or the basis of presentation footnote states that financial

IFRS Standards.

statements have been prepared in conformity with:	The CSAAG may consider whether to change the auditor's report to refer to 'IFRSs as adopted by CSAAG'.
Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Accounting Standards and the jurisdiction's GAAP)?	No. There are no separate national standards for entities required to use IFRS Standards.
Are IFRS Accounting Standards incorporated into law or regulations?	Yes.
If yes, how does that process work?	CSAAG sets standards under authority delegated by bodies created by statute. Therefore, CSAAG standards are authoritative without specific adoption into law or regulation.
If no, how do IFRS Accounting 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 Accounting Standards (including Interpretations) in place?	No.
If yes, what is the process?	Not applicable.
If no, how do new or amended IFRS Accounting Standards become a requirement in the jurisdiction?	Sierra Leone's adoption of IFRS Standards includes all new and amended IFRS Standards.
Has the jurisdiction eliminated any accounting policy options permitted by IFRS Accounting Standards and/or made any modifications to any IFRS Accounting Standards?	No.
If yes, what are the changes?	Not applicable.
Other comments regarding the use of IFRS Accounting Standards in the jurisdiction?	None.

TRANSLATION OF IFRS ACCOUNTING STANDARDS

Are IFRS Accounting Standards translated into the local language?	No. English is the official language in Sierra Leone.
If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Accounting Standards?	Not applicable.

APPLICATION OF THE IFRS FOR SMEs ACCOUNTING STANDARD

Has the jurisdiction adopted the <i>IFRS for SMEs</i> Accounting Standard for at least some SMEs?	Yes, in CSAAG BPR2/2009 – Board Paper Resolution 29 December 2009, effective 1 January 2010.
If no, is the adoption of the <i>IFRS for SMEs</i> Accounting Standard under consideration?	Not applicable.

Did the jurisdiction make any modifications to the *IFRS for SMEs* Accounting Standard?

No.

If the jurisdiction has made any modifications, what are those modifications?

Not applicable.

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

All entities in Sierra Leone are permitted to use the *IFRS for SMEs* Standard if they are not required to use full IFRS Standards or the (national) public benefit entity standard (*Composite Financial Reporting Standard for Public and Private Not For Profit Entities*, CS1).

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

Entities not required to use full IFRS Standards or CS1 are permitted to use either the *IFRS for SMEs* Standard or full IFRS Standards.

Other comments regarding use of the *IFRS for SMEs* Accounting Standard?

None.