



JURISDICTIONAL PROFILE: **Oman**

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This Profile provides information about the application of IFRS® Accounting Standards (Standards) in Oman. 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](mailto:permissions@ifrs.org).

Profile last updated: 16 June 2016

**RELEVANT JURISDICTIONAL AUTHORITY**

Organisation	Capital Market Authority (CMA)
Role of the organisation	<p>The principal role of the CMA is to supervise the capital market and insurance sectors in the Sultanate of Oman. Among other things, the CMA:</p> <ul style="list-style-type: none"> <li>• regulates, licenses, and monitors the issuance of securities.</li> <li>• supervises public shareholding companies.</li> <li>• supervises audit firms accredited to audit the accounts of the companies regulated by CMA.</li> <li>• develops and reviews legislation relating to capital markets and insurance.</li> <li>• enforces laws under its jurisdiction, including the Capital Market Law which requires the use of IFRS Standards.</li> </ul>
Website	<a href="http://www.cma.gov.om">www.cma.gov.om</a>
Email contact	<a href="mailto:info@cma.gov.om">info@cma.gov.om</a>

## 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. See below.
Has the jurisdiction made a public commitment towards IFRS Accounting Standards as that single set of high quality global accounting standards?	Yes. The commitment of the Sultanate of Oman to IFRS Standards has been made in various legislation adopted in the Sultanate, including the following:  <b>Capital Market Law (Royal Decree 80/1998)</b> : Article 282 of the Executive Regulation of the Capital Market Law states that every issuer (listed companies) shall prepare financial statements in accordance with IFRS Standards. The Code of Corporate governance also requires companies to prepare financial statements in accordance with IFRS Standards.  <b>The Law of Organising the Accountancy and Auditing Profession (Royal Decree 77/1986)</b> : Article 30 states that accountants are bound to apply the International Accounting Standards approved by the Committee on the Unified International Accounting Standards on preparing balance sheets and the final accounts, until a decision is issued by the Minister of Commerce and Industry stating the accounting standards that shall be applied on preparing the balance sheets and the final accounts etc.  <b>Article 79 of the Income Tax Law and Article 61 of Executive Regulations of the Income Tax Law (Royal Decree 47/1981)</b> : These laws make it mandatory to treat finance leases as per International Accounting Standards.
What is the jurisdiction's status of adoption?	Oman has adopted IFRS Standards.
Additional comments provided on the adoption status?	The laws in which IFRS Standards have been adopted are summarised above.
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?	IFRS.
Does that apply to ALL domestic companies whose securities trade in a	All.

public market, or only SOME? If some, which ones?

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?	IFRS Standards are required in the separate financial statements of companies whose securities trade in a public market.
For instance, are IFRS Accounting Standards required or permitted for companies whose securities do not trade in a public market?	Yes, required.
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?	As per local laws, foreign companies are not allowed to publicly trade their securities in Oman.
If YES, are IFRS Accounting 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 Accounting Standards are required or permitted for domestic companies?	IFRS Standards as issued by the Board.
The auditor's report and/or the basis of presentation footnote states that financial statements have been prepared in conformity with:	IFRS Standards.
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.

Are IFRS Accounting Standards incorporated into law or regulations?	Yes. See the Commitment to International Financial Reporting Standards section of this profile, above.
If yes, how does that process work?	Not applicable.
If no, how do IFRS Accounting Standards become a requirement in the jurisdiction?	Not applicable.

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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?	IFRS Standards are required by law, so new or amended IFRS Standards do not have to be individually endorsed.

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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?	The IFRS Foundation coordinates the publication of an annual bound volume of IFRS Standards in Arabic.
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?	The translation follows the official IFRS Foundation translation process.

## 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?	No.
If no, is the adoption of the <i>IFRS for SMEs</i> Accounting Standard under consideration?	Yes.
Did the jurisdiction make any modifications to the <i>IFRS for SMEs</i> Accounting Standard?	Not applicable.
If the jurisdiction has made any modifications, what are those modifications?	Not applicable.
Which SMEs use the <i>IFRS for SMEs</i> Accounting Standard in the jurisdiction, and are they required or permitted to do so?	Not applicable.

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

Full IFRS Standards.

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

Public discussions are going on regarding the *IFRS for SMEs* Standard in Oman. The Central Bank of Oman requires all companies that have a bank facility of more than RO 250,000 (approximately US\$ 650,000) from one bank or RO 500,000 (approximately US\$ 1,300,000) from all the banks to file the audited financial statements within four months from the end of the reporting period. Since most SMEs are now following IFRS Standards, auditors and management of SMEs are under tremendous pressure to meet the filing criterion. Adoption of the *IFRS for SMEs* Standard will reduce the time spent in that process. Accounting firms have begun *IFRS for SMEs* Standard training programmes in conjunction with the Chamber of Commerce, Ministry of Finance, Central Bank of Oman, and the Capital Market Authority.