

From: de sousa, Paul [mailto:paul.sousa@kpmg.co.mz]
Sent: 21 September 2004 09:06
To: Commentletters
Cc: Gwaiagwaia, Abel; Vicente, Tony; Barreto, Pedro; Cota, Quintino;
"Sequeira, José (Ang)"; Serrao, Isabel (Ang)
Subject: Accounting Standards for SMEs
Importance: High

Paul Pacter
Director of Standards for SMEs
International Accounting Standards Board
30 Cannon Street, London EC4M 6XH, United Kingdom

21 September 2004

Comment Letter – Accounting Standards for SMEs

Dear Mr Pacter

The idea of developing separate, less complex accounting standards for Small to Medium Entities (SMEs) could not have come at a better time.

In Mozambique, as in most countries in the developing world, it is not practical for most companies to meet the complex reporting requirements of the International Financial Reporting Standards (IFRS).

For this reason, we at KPMG Mozambique, fully support the development of separate, less complex, accounting standards for Small to Medium Sized Entities. Such standards would make it possible for companies in Mozambique to improve their financial reporting whilst using a defined accounting framework which is also more in line with their limited accounting expertise and resources.

This would not detract from the ultimate longer term objective of having all companies in Mozambique adopt IFRS.

We take this opportunity, on behalf of KPMG Mozambique and our client base, to express our full support for the initiative to develop International Financial Reporting Standards for Small to Medium-sized Entities.

Yours faithfully

Paul de Sousa
Senior Partner