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The Gazette of the Democratic Socialist Republic of Sri Lanka  
EXTRAORDINARY

අංක 2102/40 - 2018 දෙසැම්බර් මස 21 වැනි සිකුරාදා - 2018.12.21  
No. 2102/40 - FRIDAY, DECEMBER 21, 2018

(Published by Authority)

**PART I : SECTION (I) — GENERAL**

**Government Notifications**

**SRI LANKA ACCOUNTING AND AUDITING STANDARDS ACT, No. 15 OF 1995**

**Publication under Section 4(2)**

BY virtue of the powers vested in the Institute of Chartered Accountants of Sri Lanka (hereinafter referred to as the “Institute”), the Institute has adopted the Amendments to the Sri Lanka Accounting Standard (SLFRS) for Small and Medium-sized Entities with effect from 27<sup>th</sup> September 2018, published herewith for the purpose of the Sri Lanka Accounting and Auditing Standards, Act, No. 15 of 1995. This amendments shall be effective from Twenty Seventh of September Two Thousand Eighteen. Earlier application is permitted.

By Order of the Council,

ARUNA ALWIS,  
Secretary.

The Institute of Chartered Accountants of Sri Lanka,  
No. 30A,  
Malalasekera Mawatha,  
Colombo 07.  
21<sup>st</sup> December 2018.



## Amendments to the Sri Lanka Accounting Standard (SLFRS) for Small and Medium-sized Entities

Paragraph 1.1A is added and paragraph 1.1 is amended. New text is underlined and deleted text is struck through.

### Section 1

#### *Small and Medium-sized Entities*

#### **Intended scope of this Standard**

- 1.1 The SLFRS for SMEs is intended for use by **small and medium-sized entities** (SMEs). The section describes the characteristics of SMEs.

Following companies categorized under the Section 5 of the “Sri Lanka Accounting and Auditing Standards Act, No.15 of 1995” will not fall under the definition of SME as per this standard.

...

- Companies listed in a stock exchange licensed under the Securities and Exchange Commission Act, No.36 of 1987, other than the companies listed on the Empower Board subject to the provisions stated in paragraph 1.1A of this standard.

1.1A The Companies listed on the Empower Board under the Securities and Exchange Commission Act, No.36 of 1987, may apply SLFRS for SMEs to prepare financial statements for three consecutive financial periods after the date of listing on such a board with the following additional disclosures;

- o Disclosures on impact to the Statement of Comprehensive Income for the period, if SLFRS 15 *Revenue from Contracts with Customers* had been applied from the financial year commencing on or after 01<sup>st</sup> January 2018. If that determination of impact is impracticable, that fact shall be disclosed.
- o Disclosures required as per SLFRS 9 *Financial Instruments*, if the company has complex financial instruments.
- o Disclosures required as per SLFRS 13 *Fair Value Measurement*, if the company is following fair value measurements in valuing their assets and liabilities as per SLFRS 13.