
Sri Lanka

Colombo Stock Exchange

<http://www.cse.lk>

Rules for listed filings

IFRS required or permitted for listed companies?

IFRS is required by all companies effective January 1, 2012.

Version of IFRS

IFRS as adopted locally

Are subsidiaries of foreign companies or foreign companies listed on local exchanges subject to different rules?

No

Rules for statutory filings

Is IFRS or IFRS for SMEs required, permitted or prohibited for statutory filings?

IFRS or IFRS for SMEs are required by all companies effective January 1, 2012.

IFRS for SMEs is permitted for consolidated statutory financial statements.

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 SMEs as per this Standard.

- Companies licensed under the Banking Act, No. 30 of 1988
- Companies authorized under the Control of Insurance Act, No. 25 of 1962, to carry on insurance business
- Companies carrying on leasing business
- Factoring companies
- Companies registered under the Finance Companies Act, No. 78 of 1988
- Companies licensed, under the Securities and Exchange Commission Act, No 36 of 1987, to operate unit trust
- Fund management companies
- Companies licensed under the Securities and Exchange Commission Act, No 36 of 1987, to carry on business as stock brokers or stock dealers
- Companies licensed under the Securities and Exchange Commission Act, No. 36 of 1987 to operate a Stock Exchange
- Companies listed in a Stock Exchange licensed under the Securities and Exchange Commission Act, No 36 of 1987

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- Public corporation engaged in the sale of goods or the provision of services

Version of IFRS

IFRS and IFRS for SMEs as adopted locally

In addition to local GAAP statutory financial statements, are there any other regulatory financial statement requirements that permit or require the use of IFRS?

No

IFRS conversion plans

Plans for converging

Not applicable

Tax information

Type of tax regime

Quasi-dependent: Taxable profit is principally based on the legal entity statutory accounts, with a number of adjustments provided in the tax law.

Plans for IFRS converging as the basis of tax reporting

The local tax authorities have not announced any adoption or convergence plans of tax reporting to IFRS or IFRS for SMEs.