

# ICAG



## THE INSTITUTE OF CHARTERED ACCOUNTANTS (GHANA)

# IMPORTANT NOTICE

### **COMPLIANCE WITH FULL INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) BY ALL PUBLIC INTEREST ENTITIES (PIEs).**

The adoption of IFRS in Ghana was officially announced in January 2007. Subsequent to the publication of the announcement, a two year moratorium was granted by the Institute of Chartered Accountants (Ghana) (ICAG) which extended the compliance date to financial periods ending on or after 31<sup>st</sup> December 2015.

Thus for financial period ending on or after 31<sup>st</sup> December, 2015, Public Interest Entities (PIEs) are to apply full IFRSs; Non –PIEs who have the capacity to adopt full IFRSs are encouraged to do so; and all other SMEs should apply IFRS for SMEs. The Institute of Chartered Accountants (Ghana) (ICAG) as the regulator of accountancy practice in Ghana, in consultation with relevant industry regulators has defined PIEs for the purpose of complying with full IFRS.

Generally PIEs are defined as entities that manage public funds; but specifically cover the entities listed below for the purposes of complying with the full IFRS:

- a) Companies that have made invitations to the public for shares, whether listed or unlisted;
- b) Mutual Funds licensed by the Securities and Exchange Commission (;SEC);
- c) Investment Advisors licensed by SEC who are also Fund Managers;
- d) Unit Trusts licensed by SEC;
- e) Companies operating the Basic National Social Security Scheme (Tier 1)
- f) Trust Companies licensed by the National Pensions Regulatory Authority (NPRA) and charged with the responsibility of administering private pension schemes under the Tier 2 and Tier 3;
- g) Private pension schemes registered by NPRA under the Tier 2 and Tier 3 pension schemes;
- h) Deposit-taking Institutions regulated by the bank of Ghana such as :
  - Banks,
  - Savings and Loans Companies,
  - Finance Houses,
  - Rural and Community Banks and
  - Deposit-taking Microfinance Institutions;
- i) Life Insurance Companies;
- j) Non-Life Insurance Companies;
- k) Reinsurance Companies and
- l) State-owned enterprises regulated by State Enterprises Commission

The above list may be amended from time to time as the need arises.

Licensed audit practitioners (Individuals and firms) and preparers of financial statements should take note of this requirement and comply with same in respect of the audits and preparations of financial statements of companies falling under the above definition of Public Interest Entities.

Issued Under the hand of the President of The Institute of Chartered Accountants (Ghana)

**For Further information, please contact:**

**The Acting Chief Executive, The Institute of Chartered Accountants (Ghana)**

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