FRC/Adm/133

30 June 2015

The Director
International Accounting Standards Board
30 Cannon Street
EC4M 6XH
London
UNITED KINGDOM

Dear Sir

Exposure Draft on: Effective Date of IFRS 15 (Proposed amendments to IFRS 15)

The Financial Reporting Council (Mauritius) has one of its main functions to ensure coordination and cooperation with international institutions in the development and enforcement of financial reporting, accounting and auditing standards.

The FRC is pleased to respond to the International Accounting Standards Board’s (IASB’s) Exposure Draft, Effective Date of IFRS 15 (Proposed amendments to IFRS 15). The comments and responses to the specific questions are included in the following pages.

For any further clarifications, please contact us at frc mauritius@intnet.mu.

Yours faithfully

V. Tuhobol
Officer in Charge
Effective Date of IFRS 15
Proposed amendments to IFRS 15

Question

The IASB proposes to amend IFRS 15 so that entities would be required to apply IFRS 15 for annual reporting periods beginning on or after 1 January 2018. Earlier application would continue to be permitted.

Do you agree? Why or why not?

Comments to Question

The postponement of the application of IFRS 15 to 1 January 2018 reflects the fact that many companies have expressed their concerns that they would not be able to meet the initially 1 January 2017 tight timetable for its application. In addition given that it is expected that minor amendments may still be made on IFRS 15, it makes sense to push the first time implementation of IFRS 15 to 1 January 2018.

Furthermore given that FASB is also postponing the implementation of IFRS 15 to 1 January 2018, it is harmonious for IASB to take the same stand as it will make financial statements comparable between companies applying IFRS and US GAAP.

However, in a situation whereby the two major standards, namely IFRS 9 and IFRS 15, would be effective in 2018, the companies for which financial statements will be impacted materially by both standards might have difficulties to implement those standards in 2018.