

Guidance Note 1 on Application of Brunei Darussalam Accounting Standards for Non-PIEs (BDAS) for Financial Periods Beginning 1 January, 2018 onwards

This note is served in accordance with the powers vested in the Accounting Standards Council by the Authority under the Accounting Standards Order, 2010 to formulate accounting standards and offer guidance as necessary to the public on the application of such standards.

Departure from BDAS

- 1.) The Council acknowledges the fact that certain accounting policies previously adopted by entities reporting under accounting principles generally accepted in Brunei are in conflict or are not covered by BDAS. Though expected to be rare, the Council also acknowledges that there may be transactions that will occur in the future for which no appropriate BDAS is available for entities to adopt.
 - a. Where such accounting policies previously adopted are in conflict with BDAS, provided that such policies were issued by the IASB¹, an entity may choose to continue applying them together with other BDASs if it believes it will result in a fair and proper presentation of its financial statements.
 - b. Where such accounting policies are not provided for under BDAS, an entity may choose to apply or continue applying them together with other BDASs provided that they were issued by the IASB and if it believes the continued application will result in a fair and proper presentation of its financial statements.
 - c. Such departures from BDAS shall be accounted for in accordance with paragraph 1.5 of BDAS 1 *Presentation of Financial Statements*.
- 2.) The adoption of accounting policies other than those issued by the Council or the IASB is not permitted. Unless in extremely rare circumstances, the application of such policies will result in a fair and proper presentation of the financial statements under the BDAS or IASB framework. Such departures shall be accounted for in accordance with paragraph 1.5 of the BDAS 1 *Presentation of Financial Statements*.
- 3.) The above Guidance Note shall be valid until the Council notifies otherwise.

Issued by the Brunei Darussalam Accounting Standards Council

Date: 7th August 2019

¹ Standards issued by the International Accounting Standards Board, namely International Financial Reporting Standards (IFRS) and IFRS for SMEs.