REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills, Mandaluyong City

SEC MEMORANDUM CIRCULAR NO. 19
Series of 2004

SUBJECT: **PHILIPPINE FINANCIAL REPORTING STANDARDS**

The Commission, in its Resolution No. 662, Series of 2004, approved the adoption in its rules and regulations of the following Philippine Financial Reporting Standards[1] (PFRS), as approved by the Accounting Standards Council:

1. **Last Batch of IASs[2]**

PAS[3]	IAS	Title	This will supersede
PAS 19	IAS 19	Employee Benefits	SFAS 24
PAS 29	IAS 29	Financial Reporting in Hyperinflationary Economies	--
PAS 30	IAS 30	Disclosures in the Financial Statements of Banks and Similar Financial Institutions	SFAS 19
PAS 41	IAS 41	Agriculture	--

2. **International Accounting Standards (IASs), As Revised In 2003**

PAS	IAS	Title	This will supersede
PAS 1	IAS 1	Presentation of Financial Statements	SFAS 1 (rev)
PAS 2	IAS 2	Inventories	SFAS 4 (rev)
PAS 8	IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	SFAS 13 (rev)
PAS 10	IAS 10	Events after the Balance Sheet Date	SFAS 10/IAS10
PAS 16	IAS 16	Property, Plant and Equipment	SFAS 16/IAS 16
PAS 17	IAS 17	Leases	SFAS 17/IAS 17
PAS 21	IAS 21	The Effects of Changes in Foreign Exchange Rates	SFAS 21/IAS 21

[1] *Consisting of Philippine Accounting Standards 1 to 41 [these are adopted International Accounting Standards (IASs) as issued by the International Accounting Standards Committee (IASC)]; Philippine Financial Reporting Standards 1 to 5 [adopted International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and interpretations thereof.*

[2] *International Accounting Standards as issued by the IASC, the predecessor of the IASB. The adoption of this last batch of IASs (Nos. 19, 29, 30 and 41), completes the Philippines' transition to international-based accounting standards.*

[3] *Philippine Accounting Standards as re-named from Statements of Financial Reporting Standards (SFASs) by ASC to correspond better with the IASs issuance by the IASC.*

International Accounting Standards (IASs), As Revised[1]. . .

PAS	IAS	Title	This will supersede
PAS 24	IAS 24	Related Party Disclosures	SFAS 24/IAS 24
PAS 27	IAS 27	Consolidated and Separate Financial Statements	SFAS 27/IAS 27
PAS 28	IAS 28	Investments in Associates	SFAS 28/IAS 28
PAS 31	IAS 31	Interests in Joint Ventures	SFAS 31/IAS 31
PAS 32	IAS 32	Financial Instruments: Disclosures and Presentation	--
PAS 33	IAS 33	Earnings per Share	SFAS 29
PAS 36	IAS 36	Impairment of Assets	SFAS 36/IAS 36
PAS 38	IAS 38	Intangible Assets	SFAS 38/IAS 38
PAS 39	IAS 39	Financial Instruments: Recognition and Measurement	SFAS 10 & 19A
PAS 40	IAS 40	Investment Property	--

3. International Financial Reporting Standards (IFRSs)

PFRS	IFRS	Title	This will supersede
PFRS 1	IFRS 1	First-time Adoption of Philippine Financial Reporting Standards	-
PFRS 2	IFRS 2	Share Based Payment	-
PFRS 3	IFRS 3	Business Combinations	SFAS 22/IAS 22
PFRS 4	IFRS 4	Insurance Contracts	-
PFRS 5	IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	SFAS 35/IAS 35

The foregoing accounting standards shall be effective for annual financial reporting periods beginning January 1, 2005 and for interim or quarterly reports beginning January 1, 2006.

For purposes of PAS/IAS No. 39 on Financial Instruments: Recognition and Measurement:

1) Comparative information for prior years is optional; and
2) Status of conversion plan by the covered companies concerned must be discussed in their 2005 interim/quarterly reports.

Copies of these new/revised accounting standards will be available at the offices of the Philippine Institute of Certified Public Accountants (PICPA).

This Memorandum Circular shall take effect fifteen (15) days following its publication in a newspaper of general circulation.

Issued this 22nd day of December 2004 at EDSA, Greenhills, Mandaluyong City.

FE B. BARIN
Chairperson

[1] *As revised in year 2003 except IASs 36 and 38 which were revised in 2004.*