



# **Financial Reporting Decision**

**14 March 2017**

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| <b>Issuer</b>                                   | Pelican Mortgages No. 1 plc               |
| <b>Report type</b>                              | Interim financial statements              |
| <b>Reporting period</b>                         | For the six months ended 30 June 2016     |
| <b>Financial reporting framework</b>            | IFRS-EU                                   |
| <b>Applicable financial reporting standards</b> | IAS 34 <i>Interim Financial Reporting</i> |
| <b>Other Regulations</b>                        | Section 304, Companies Act 2014           |

### Summary

Pelican Mortgages No. 1 plc ('the issuer') is an entity whose principal activity is the investment in a portfolio of mortgage receivables in Portugal.

IAASA performed a focused examination of the issuer's half-yearly financial statements for the six months ended 30 June 2016 ('the Report').

IAASA concluded that the Report had not complied, in full, with the disclosure requirements of IAS 34 *Interim Financial Reporting* and Section 304, Companies Act 2014. The matters identified in the interim report as being non-compliant were as follows:

1. the incorrect comparative amounts were provided in the Consolidated Statement of Comprehensive Income;
2. the Report did not contain:
  - a Condensed Statement of Cash Flows;
  - a Condensed Statement of Changes in Equity;
  - a Statement of Compliance; and
  - Statement that the same accounting policies had been followed.

In addition, the Report did not contain a disclosure that the parent company has availed of the exemption from presenting its separate Income Statement as required by Section 304, Companies Act 2014.

### Background

The issuer is a company incorporated in Ireland. The principal activity of the issuer is the investment in a portfolio of mortgage receivables in Portugal, through the purchase of 100% of the units in the subsidiary, Fundo de Titularizacao de Creditos MG Titulos.

### Outline of financial reporting treatment applied by the issuer

The issuer had provided comparative information for the year ended 31 December 2015 rather than the comparable six month period ended 30 June 2015. The comparative information for the Consolidated Statement of Comprehensive Income did not comply in full with the requirements of IAS 34.20(b).

In addition, the report did not contain:

- (i) a Condensed Statement of Cash Flows as required by IAS 34.8(d);
- (ii) a Condensed Statement of Changes in Equity as required by IAS 34.8(c);
- (iii) a Statement of compliance as required by IAS 34.19; and
- (iv) a statement that the same accounting policies had been followed in the interim financial statements as compared with the most recent annual financial statements as required by IAS 34.28.

The Report did not contain a disclosure that the parent company has availed of the exemption from presenting its separate Income Statement as required by Section 304, Companies Act 2014.

**Outline of decisions made by IAASA**

IAASA concluded that the Report as published by the issuer on 30 August 2016 had not complied, in full, with the disclosure requirements of IAS 34 and Section 304, Companies Act 2014.

The issuer fully cooperated with IAASA's examination and agreed to prepare revised consolidated interim financial statements for the six months ended 30 June 2016 that contained a Statement of Cash Flows, a Statement of Changes in Equity, together with the aforementioned disclosures.

The issuer subsequently published revised consolidated interim financial statements on 21 December 2016. A link to those revised consolidated interim financial statements can be found [here](#).