



CENTRAL BANK OF SEYCHELLES

P. O. Box 701, Victoria, Seychelles

PRESS RELEASE

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Central Bank of Seychelles early adoption of the International Financial Reporting Standards

The Central Bank of Seychelles (“CBS”) has taken another major step in its own internal reforms with the successful adoption of the **International Financial Reporting Standards** (“IFRS”) for its financial statements for the year ended December 31, 2009. This was one of the key recommendations of the safeguards assessment carried out by the IMF in 2008, and its implementation was completed one year earlier than planned. The accounts for 2009 have been audited and signed by the CBS Board Members and unqualified audit reports were issued by both the Auditor General and PricewaterhouseCoopers (“PWC”).

Adoption and preparation of the accounts under IFRS were made possible through assistance from PWC and CBS staff dedicated to complete the project. As part of the transition to IFRS new controls have put in place to comply with certain unique IFRS accounting and disclosure requirements. Under IFRS reporting, the CBS accounts will be more transparent, as evidenced by the greater level of disclosures in the 2009 financial statements, compared to the previous financial statements prepared under the CBS GAAP. The audited financial statements can be downloaded on the CBS website at <http://www.cbs.sc/CBSAuditedstatement.html>

Implementation of an Integrated Core Banking System

The CBS has also taken a further step in its modernization process with the signing of the implementation and license agreements with Polaris Software Lab Limited, of India, on March 30, 2010 to develop and supply an Integrated Core Banking System for the Bank. Once the system is up and running, this will bring in more efficiency, improve internal controls within the Bank, and will provide faster and real time banking services to the Government and the commercial banks. The system will eliminate the manual processes currently in place which needs to be automated in order to be in line with international best practice.