

IFRS® STANDARDS—APPLICATION AROUND THE WORLD

JURISDICTIONAL PROFILE: **Liechtenstein**

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This Profile provides information about the application of IFRS® Accounting Standards (Standards) in Liechtenstein. The Standards are developed and issued in the public interest by the International Accounting Standards Board (IASB). The IASB is the standard-setting body of the IFRS Foundation (Foundation), an independent, private sector, not-for-profit organisation.

The Foundation has prepared this Profile based on information from various sources. The starting point was the answers provided by standard-setting and other bodies in response to surveys the Foundation conducted on the application of the Standards around the world. The Foundation drafted the profile and invited the respondents to the survey. The Foundation also invited others (including regulators and international audit firms) to review the drafts. Their comments are reflected in this Profile.

The purpose of the Foundation's Jurisdictional Profiles is to illustrate only the extent of implementation of the Standards across the globe. The Profiles do not reflect the intellectual property licensing status of the Standards within any given jurisdiction. The Standards are protected by copyright and are subject to licensing arrangements agreed upon within their jurisdiction. For further information, please contact permissions@ifrs.org.

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RELEVANT JURISDICTIONAL AUTHORITY

Organisation	Liechtensteinische Wirtschaftsprüfer-Vereinigung (WPV) [Liechtenstein Association of Auditors]
Role of the organisation	<p>The WPV is the professional association of auditors in Liechtenstein. It does not have direct accounting standard-setting authority.</p> <p>The legislative assembly (Landtag) is responsible for setting accounting standards in Liechtenstein.</p>
Website	www.wpv.li
Email contact	info@wpv.li

COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

Has the jurisdiction made a public commitment in support of moving towards a single set of high quality global accounting standards?	Yes. As a member of the European Economic Area, Liechtenstein is subject to the European Union Directives, including the Accounting Directives. Refer to the IAS Regulation adopted by the European Union in 2002.
Has the jurisdiction made a public commitment towards IFRS Accounting Standards as that single set of high quality global accounting standards?	Yes. As a member of the European Economic Area, Liechtenstein is subject to the European Union Directives, including the Accounting Directives. Refer to the IAS Regulation adopted by the European Union in 2002.
What is the jurisdiction's status of adoption?	Liechtenstein has already adopted IFRS Standards as a requirement for all or some companies
Additional comments provided on the adoption status?	<p>IFRS Standards as adopted by the EU are a requirement for the consolidated financial statements of all companies whose securities trade in a regulated market and for the consolidated financial statements of all other companies on a voluntary basis.</p> <p>Liechtenstein used the option under the EU IAS Regulation to:</p> <ul style="list-style-type: none"> • Permit IFRS Standards as adopted by the EU in the separate financial statements of companies whose securities trade in a regulated market. (There is no regulated market in Liechtenstein. Some Liechtenstein companies trade on the Deutsche Börse, a regulated market in Germany.) • Permit IFRS Standards as adopted by the EU in both the consolidated and separate financial statements of companies that do not trade in a regulated market.
If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Accounting Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Accounting Standards in the jurisdiction.	Not applicable.

EXTENT OF IFRS APPLICATION

For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Accounting Standards in their consolidated financial statements?	There is no stock exchange in Liechtenstein. Domestic companies generally list on the Deutsche Börse (which requires IFRS Standards or IFRS Standards as adopted by the EU) or on the SIX Swiss Exchange (allows IFRS Standards or IFRS Standards as adopted by the EU).
If YES, are IFRS Accounting Standards REQUIRED or PERMITTED?	See above.
Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?	All.
Are IFRS Accounting Standards also required or permitted for more than the	Yes.

consolidated financial statements of companies whose securities trade in a public market?

For instance, are IFRS Accounting Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?

IFRS Standards as adopted by the EU are permitted in the separate financial statements of companies whose securities trade in a regulated market.

For instance, are IFRS Accounting Standards required or permitted for companies whose securities do not trade in a public market?

IFRS Standards as adopted by the EU are permitted in both the consolidated and separate financial statements of companies whose securities do not trade in a regulated market.

If the jurisdiction currently does NOT require or permit the use of IFRS Accounting Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Accounting Standards for such companies in the future?

Not applicable.

For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Accounting Standards in their consolidated financial statements?

Yes.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED in such cases?

Required for some and permitted for others. Foreign companies whose securities trade in a regulated market in Liechtenstein (and generally in the EU and EEA) are required to report under IFRS Standards as adopted by the EU for their consolidated financial statements unless the European Commission has deemed their local accounting standards to be equivalent to IFRS Standards, in which case they may use their local standards. Further details may be found on the 'Financial Reporting' page of the European Commission's website.

Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

IFRS ENDORSEMENT

Which IFRS Accounting Standards are required or permitted for domestic companies?

IFRS Standards as adopted by the European Union, which are IFRS Standards as issued by the Board with some limited modifications such as the temporary 'carve-out' from IAS 39. However, the resulting financial statements of the majority of companies can still be in full compliance with IFRS Standards.

The auditor's report and/or the basis of presentation footnote states that financial statements have been prepared in conformity with:

IFRS Standards as adopted by the European Union.

Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS

Yes.

Accounting Standards and the jurisdiction's GAAP)?

Are IFRS Accounting Standards incorporated into law or regulations?	Yes.
If yes, how does that process work?	The process is described in the Profile of the European Union.
If no, how do IFRS Accounting Standards become a requirement in the jurisdiction?	Not applicable.
Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Accounting Standards (including Interpretations) in place?	Yes.
If yes, what is the process?	The process is described in the Profile of the European Union. Because Liechtenstein is not an EU member, in addition to the formal EU endorsement process, according to the EEC-agreement the EU regulations have to be enacted into Liechtenstein national law.
If no, how do new or amended IFRS Accounting Standards become a requirement in the jurisdiction?	Not applicable.
Has the jurisdiction eliminated any accounting policy options permitted by IFRS Accounting Standards and/or made any modifications to any IFRS Accounting Standards?	Yes.
If yes, what are the changes?	Details are in the Profile of the European Union.
Other comments regarding the use of IFRS Accounting Standards in the jurisdiction?	None.

TRANSLATION OF IFRS ACCOUNTING STANDARDS

Are IFRS Accounting Standards translated into the local language?	IFRS Standards are translated into German, the national language of Liechtenstein.
If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Accounting Standards?	Pursuant to a copyright waiver agreement with the Directorate-General for Translation of the European Commission, the Commission takes care of the translation into the official languages (including German) according to their own translation process. The translation only covers the standards and mandatory guidance,) which is what is then published in the <i>Official Journal of the European Union</i> .

APPLICATION OF THE IFRS FOR SMEs ACCOUNTING STANDARD

Has the jurisdiction adopted the <i>IFRS for SMEs</i> Accounting Standard for at least some SMEs?	No.
If no, is the adoption of the <i>IFRS for SMEs</i> Accounting Standard under consideration?	Yes.
Did the jurisdiction make any modifications to the <i>IFRS for SMEs</i> Accounting Standard?	Not applicable.

If the jurisdiction has made any modifications, what are those modifications?	Not applicable.
Which SMEs use the <i>IFRS for SMEs</i> Accounting Standard in the jurisdiction, and are they required or permitted to do so?	Not applicable.
For those SMEs that are not required to use the <i>IFRS for SMEs</i> Accounting Standard, what other accounting framework do they use?	They follow the accounting requirements of the European Accounting Directives, which have been transposed into Liechtenstein law.
Other comments regarding use of the <i>IFRS for SMEs</i> Accounting Standard?	None.