

IFRS® STANDARDS—APPLICATION AROUND THE WORLD



JURISDICTIONAL PROFILE: **Bolivia**

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This Profile provides information about the application of IFRS® Accounting Standards (Standards) in Bolivia. 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	<p>Colegio de Auditores o Contadores Publicos de Bolivia (CAUB) [Society of Auditors and Public Accountants of Bolivia].</p> <p>Consejo Tecnico Nacional de Auditoria y Contabilidad (CTNAC) [National Technical Board of Auditors and Accountants].</p>
Role of the organisation	<p>The CTNAC is a professional technical board that forms part of the CAUB. One of the board's responsibilities is to set local technical standards and adopt international standards for accounting and auditing.</p> <p>In accordance with Bolivian law, the Autoridad de Fiscalización y Control Social de Empresas (AEMP), which is part of the Ministerio de Desarrollo y Economía Plural de Bolivia (Ministry of Development and Economic Growth of Bolivia), must approve all technical standards set by the CTNAC before they become legally binding.</p>
Website	Colegio: www.auditorescontadoresbolivia.org/

AEMP: www.autoridadempresas.gob.bo/

Email contact

titin11578@hotmail.com

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.

Has the jurisdiction made a public commitment towards IFRS Accounting Standards as that single set of high quality global accounting standards?

Yes.

What is the jurisdiction's status of adoption?

The CTNAC has approved a plan for gradual adoption of IFRS Standards. However this plan is awaiting approval of the AEMP, the governmental regulatory body that must approve accounting standards in Bolivia.

Additional comments provided on the adoption status?

Currently, all companies domiciled in Bolivia, domestic and foreign, must follow Bolivian Accounting Standards to prepare their statutory financial statements. In addition to the statutory financial statements:

- Foreign companies are permitted to prepare supplemental financial statements using IFRS Standards for the purpose of consolidation if this is required by their head office.
- Bolivian national companies that are subsidiaries of foreign companies are permitted to prepare supplemental financial statements using IFRS Standards for the purpose of consolidation if this is required by their head office.

The CTNAC plan would require IFRS Standards (including the *IFRS for SMEs* Standard) as follows:

- For companies with public accountability starting in 2015
- For medium-sized companies starting in 2016
- For small and micro-sized companies starting in 2017.

However, as noted, that plan has not been approved by the AEMP, the Bolivian government regulatory body.

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

Currently, all companies domiciled in Bolivia must follow Bolivian GAAP, with the following exceptions:

Accounting Standards in their consolidated financial statements?

- Foreign companies are permitted to use IFRS Standards for the purpose of consolidation (but not in their separate company financial statements) if this is required by their head office.
- Bolivian national companies that are subsidiaries of foreign companies are permitted to use IFRS Standards for the purpose of consolidation (but not in their separate company financial statements) if this is required by their head office.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED?

Permitted.

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

Some, as explained above.

Are IFRS Accounting Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?

Yes.

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

No.

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

Only for foreign companies and Bolivian national companies that are subsidiaries of foreign companies, and then only in financial statements that will be used for the purpose of consolidation with their parent company, not their separate company financial statements.

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?

Permitted.

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

Foreign companies may use IFRS Standards only in their consolidated financial statements, not in their separate company financial statements.

IFRS ENDORSEMENT

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

IFRS Standards as issued by the Board, ie standards and amendments are adopted/endorsed as and when issued by the IASB Board.

The auditor's report and/or the basis of presentation footnote states that financial statements have been prepared in conformity with:	IFRS Standards.
Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Accounting Standards and the jurisdiction's GAAP)?	No.
Are IFRS Accounting Standards incorporated into law or regulations?	No.
If yes, how does that process work?	Not applicable.
If no, how do IFRS Accounting Standards become a requirement in the jurisdiction?	Currently, IFRS Standards are not a requirement in Bolivia.
Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Accounting Standards (including Interpretations) in place?	No.
If yes, what is the process?	Not applicable.
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?	No.
If yes, what are the changes?	Not applicable.
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?	The IFRS Foundation develops and publishes a Spanish translation of IFRS Standards.
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?	The translation follows the official IFRS Foundation translation process.

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?	<p>The <i>IFRS for SMEs</i> Standard has been adopted by the standard-setter but is awaiting approval by the government regulatory body.</p> <p>The National Technical Committee of Auditors and Accountants (CTNAC) of the College of Auditors of Bolivia (Colegio de Auditores o Contadores Públicos de Bolivia) has adopted the <i>IFRS for SMEs</i> Standard into Bolivian accounting standards. The CTNAC resolution would require the <i>IFRS for SMEs</i> Standard</p>
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for medium-sized companies starting in 2016 and for small and micro-sized companies starting in 2017. That resolution is awaiting approval of the AEMP (the governmental regulatory body).

If no, is the adoption of the *IFRS for SMEs* Accounting Standard under consideration?

See above.

Did the jurisdiction make any modifications to the *IFRS for SMEs* Accounting Standard?

No.

If the jurisdiction has made any modifications, what are those modifications?

Not applicable.

Which SMEs use the *IFRS for SMEs* 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 *IFRS for SMEs* Accounting Standard, what other accounting framework do they use?

All companies domiciled in Bolivia must use Bolivian GAAP. If an SME is a foreign company or a Bolivian national company that is a subsidiary of a foreign company, it may use IFRS Standards in its consolidated financial statements, not in its separate company financial statements.

Other comments regarding use of the *IFRS for SMEs* Accounting Standard?

The Colegio is offering a comprehensive training and certification programme for the *IFRS for SMEs* Standard. It is estimated that 96% of Bolivian companies will have to apply the *IFRS for SMEs* Standard.