

Report on the Observance of Standards & Codes (ROSC) Accounting & Auditing (A&A)

MODULE B: INSTITUTIONAL FRAMEWORK FOR CORPORATE FINANCIAL REPORTING

B.8 ACCOUNTING STANDARD-SETTING



WORLD BANK GROUP

TABLE OF CONTENTS

INTRODUCTION TO THE QUESTIONNAIRE	3
A. INSTITUTIONAL ENVIRONMENT FOR STANDARD-SETTING	4
B. ADOPTION OF IFRS	6
C. STANDARD-SETTING PROCESS FOR NATIONAL GAAP	8
D. OTHER ASPECTS OF THE STANDARD-SETTING PROCESS	10
ADDITIONAL INFORMATION	11

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INTRODUCTION TO THE QUESTIONNAIRE

The purpose of this questionnaire is to gain an understanding of the governance arrangements and procedures for setting accounting/financial reporting standards in a jurisdiction, covering (a) the adoption of International Financial Reporting Standards (IFRS)¹ where applicable, and (b) national generally accepted accounting principles (GAAP). The questions are based on examples of good practice followed by internationally-recognized standard-setting bodies. The questionnaire is structured as follows:

A. INSTITUTIONAL ENVIRONMENT FOR
STANDARD-SETTING

B. ADOPTION OF IFRS

C. STANDARD-SETTING PROCESS FOR NATIONAL
AUDITING STANDARDS

D. OTHER ASPECTS OF THE STANDARD-SETTING
PROCESS

How should the questionnaire be completed?

- This questionnaire should be completed by the body responsible for setting accounting/financial reporting standards in the jurisdiction.
- Where applicable, state the legal instrument or code that establishes a requirement and the date of enactment.

¹ IFRS here collectively refers to the accounting standards and corresponding interpretations (IFRICs) issued by the International Accounting Standards Board and its predecessor. Refer to <http://www.ifrs.org/>

Please provide the following information when completing this questionnaire.

Country

Organization

Date of preparation

Telephone number

Individual(s) responsible for preparation

Address

Job Title(s)

Email

A. INSTITUTIONAL ENVIRONMENT FOR STANDARD-SETTING

1. Which body is responsible for setting accounting and financial reporting standards in the jurisdiction? Is the authority of this body established by law or other regulation?

2. Describe the membership/composition of the standard-setting body.

3. Describe the process for selecting/appointing members (including *ex-officio* members) to the standard-setting body and state any required qualifications for members.

4. Are representatives from the following institutions members of the standard-setting body? If so, please indicate the number of members.

	Number of members
Central Bank (or banking supervisor)	
Securities market regulator	
Insurance supervisor	
Ministry of Finance (or if other government agency, please state which)	

5. Describe the sources of funding for the standard-setting body and the amount of its annual budget (e.g., subsidy from the government, revenues from commercial activities, in-kind contributions etc.).

6. Describe the process for determining, implementing and reporting on the work program of the standard-setting body.

7. Is the standard-setting process subject to independent oversight? If so, please indicate which body is responsible and briefly describe the oversight activities performed.

8. Do the accounting and financial reporting standards issued or adopted by the national standard-setting body have legal standing in the jurisdiction (i.e., are companies required by law to comply with the standards)?

9. Are unique standards established for specialized industries or categories of companies (e.g., construction, insurance, and oil and gas)? If so, please briefly describe.

B. ADOPTION OF IFRS

10. Have **full and current** International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) been adopted? If so, please indicate:

a. Whether IFRS have been adopted in law, through a decision of the national standard-setting body, by a regulator or by other means.

b. The year of IFRS currently in use.

c. Whether IFRS is required for:

- i. individual (or “legal entity”) financial statements
- ii. consolidated financial statements
- iii. both

d. The types of commercial enterprise (e.g., listed companies and banks) which are required to comply with IFRS.

11. If IFRS have been adopted, please indicate whether the original standards as issued by the IASB have been modified in any way for use in the jurisdiction (e.g., “carve-outs”, additional requirements, or options prohibited).

12. Where modifications to IFRS have been made, please indicate which standards have been modified and briefly describe the modification(s) and the rationale.

13. Where IFRS have been adopted but the standards in use are not those currently in issue by the IASB, please describe the process to adopt the current standards.

14. Where IFRS have been adopted in full (i.e., without modifications), please describe the process for approving (or “endorsing”) new standards issued by the IASB.

15. Has the IFRS for small and medium-sized enterprises (“IFRS for SMEs”) been adopted in the jurisdiction? If so, briefly describe the process for approving (or adopting or “endorsing”) the standards if different from that of IFRS.

C. STANDARD-SETTING PROCESS FOR NATIONAL GAAP

16. Who are considered to be the principal users of financial statements prepared according to national accounting and financial reporting standards (“national GAAP”)?

17. How often are national accounting and financial reporting standards/GAAP updated?

18. Please indicate which of the following form part of the established process for issuing new standards for national GAAP and/or revisions to the standards, selecting all that apply:

<input type="checkbox"/>	Conducting research and producing discussion papers	<input type="checkbox"/>	Issuing standard (or revised standard as applicable)
<input type="checkbox"/>	Developing and circulating draft standards	<input type="checkbox"/>	Issuing interpretation guidance
<input type="checkbox"/>	Public consultation period	<input type="checkbox"/>	Issuing implementation guidelines
<input type="checkbox"/>	Publication of responses	<input type="checkbox"/>	Post-implementation reviews
<input type="checkbox"/>	Other (please explain)		
<input type="checkbox"/>			

19. If discussion papers are produced as part of the development process for new/revised standards, describe the process.

20. If drafts for new/revised standards are circulated prior to issuance of standards, describe the process.

21. If there is public consultation prior to issuance of standards, please indicate the following:

	Comments
a. The length of the consultation period (for both discussion papers and draft standards where different)	
b. Whether consultation is open to the general public	
c. If consultation is only with certain stakeholders, please specify which.	
d. Whether public consultation is a statutory requirement.	
e. If the standard-setting body is required to respond to the comments received in the consultation process.	

22. If guidance to facilitate interpretation of the standard is produced, describe this process.

23. If guidelines on implementation of the standard are produced, describe this process.

24. If post-implementation reviews are performed following issuance of the standard, describe this process.

D. OTHER ASPECTS OF THE STANDARD-SETTING PROCESS

25. Is English the business language in the jurisdiction? If not, and IFRS has been adopted, please indicate the following:

	Comments
a. Which version of IFRS is being used, noting the year and date of translation.	
b. Name of the body which performs the translation and its sources of funding.	
c. Average time taken for the translated standards to be issued.	
d. Whether the official IFRS Interpretations (IFRICs) are translated.	

26. Briefly describe the dissemination process for new and/or revised standards to the profession and to stakeholders such as academia, businesses and the wider public (e.g., publications, conferences, workshops etc.)

27. Does the national standard-setting body contribute to the international standard-setting process of the IASB? For example, by participating in working groups, responding to public consultations etc. Please briefly describe and provide examples of such letters recently submitted.

ADDITIONAL INFORMATION

Please indicate the corresponding section and question number if using this page to provide additional information.

