Instituto de Censores Jurados de Cuentas de España (ICJCE) (Spain)
Additional information relating to questions 28 and 29 of the IFAC Assessment of the Regulatory and Standard-Setting Framework questionnaire.

**Question 28**

All private sector companies should prepare annual accounts but depending on their size and the public interest there are different requirements to fulfil. I.e. Financial and insurance institutions have special financial reporting requirements and information to report to their oversight bodies (Central Bank and Insurance Dirección General).

<table>
<thead>
<tr>
<th>Private Companies Including Banks and Financial Institutions</th>
<th>Accounting GAAPs</th>
<th>Financial reporting requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Annual Accounts</td>
<td>National GAAPs¹</td>
<td>Full annual accounts, profit or loss application, and directors’ report stated at the Art 171 of the LSA² (Ley de Sociedades Anónimas). The annual accounts include the Balance Sheet, the Profit and Loss Account and the Notes to the Accounts. Listed companies have to report quarterly and semester. Listed Companies that do not prepare consolidated annual accounts should state the differences in equity and profit and loss account due to reporting under National GAAP instead of IFRSs.</td>
</tr>
<tr>
<td>Consolidated annual accounts (if applicable see ³)</td>
<td>From 1.1.2005 onwards IAS and IFRSs</td>
<td>Financial report as stated in IAS 1</td>
</tr>
</tbody>
</table>

**Non Listed Companies**

¹ The Economy and Finance Ministry is preparing an updated General Accounting Plan to adapt standards to the International Accounting Standards. The General Accounting Plan is the Spanish accounting standards. It includes a chart of accounts, accounting principles, valuation rules, and reporting standards. Until then the GAAP applicable to entities is that stated at the General accounting Plan and its adaptations. Royal Decree 1636/1990.

² LSA. Limited Liability Companies Act.

³ The criteria to formulate consolidated annual accounts are as follows: Consolidated amounts means the amount after consolidation adjustments. Added amounts means without the consolidation adjustments.

<table>
<thead>
<tr>
<th></th>
<th>Consolidated amounts (euros)</th>
<th>Added Amounts (euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance sheet:</td>
<td>9,496,000</td>
<td>11,395,000</td>
</tr>
<tr>
<td>Annual turnover</td>
<td>18,992,000</td>
<td>22,790,000</td>
</tr>
<tr>
<td>Number of employees</td>
<td>250</td>
<td>250</td>
</tr>
</tbody>
</table>

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| A. - Companies that do not meet the criteria stated at the Royal Decree 296/2004 on the Simplified Accounting Regime | National GAAPs
d1 | Full individual annual accounts or:  
• Abbreviated Balance sheet and notes to the accounts if the company does not exceed the following thresholds (Art 181 LSA2) for two consecutive exercises  
  - Balance sheet: 2,374,000 euros  
  - Annual Turnover 4,748,000 euros  
  - Number of employees 50  
• Abbreviated Profit and loss account if the company does not exceed the following thresholds (Art 190 LSA 2) for two consecutive exercises  
  - Balance sheet: 9,496,000 euros  
  - Annual Turnover 18,992,000 euros  
  - Number of employees 250  
Full consolidated annual accounts if applicable 3 |
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>B. - Companies that meet the criteria stated at the Royal Degree 296/2004 on the Simplified Accounting Regime</td>
<td>National GAAPs that are not fully in accordance with IAS.</td>
<td>Simplified annual accounts</td>
</tr>
</tbody>
</table>

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4 The Simplified Accounting Regime states some accounting rules not in accordance with the National GAAPs nor IFRSs. Size Criteria to be met for two consecutive years and required to meet two of the following three thresholds. The Royal decree also states other criteria relating to the activity and property of the company:  
Assets: 1,000,000 euro  
Annual Turnover: 2,000,000 euro  
Average number of employees: 10
**Question 29 Requirement for Statutory Audit**

The following information relates to entities that are statutorily required to be audited.

1. Listed companies:
2. All companies meeting 2 of the 3 thresholds stated in the Art 181 of the Company Law.
   a. Turnover: 2,374,000 euros
   b. Total assets: 4,748,000 euros
   c. Number of personnel: 50
3. Credit and insurance Companies with a very few exceptions (size and sector of business of insurance companies).
4. Those receiving grants from the Government (with exception of those not obliged to prepare annual accounts)
5. Public sector entities are controlled by Government. Companies whose shares are owned by State are obliged to be audited with the same requirements/exceptions that the private companies.
6. Exchange Offices
7. Sport companies
8. Real state investment funds
9. Mutual Guarantee Companies
10. Social work entities