

Assessment of the Regulatory and Standard-Setting Framework

Section 1 -- Introduction

The information required from member bodies for the IFAC Member Body Compliance Program will be collected in two parts:

- Part 1: Assessment of the Regulatory and Standard-Setting Framework (provides information about regulatory requirements and standard-setting processes in member body countries); and
- Part 2: Assessment of Compliance (provides information on compliance by member bodies with the Statements of Membership Obligations).

The content of this assessment relates to Part 1 and includes 138 questions, of which 23 relate to information IFAC regularly collects from its member bodies and the remainder relate to IFAC's Member Body Compliance Program. The purpose of this assessment is to collect information on the roles of IFAC member bodies and other organizations (including government, regulatory or other appointed authorities) with respect to:

- a. Setting auditing, accounting, ethics, public sector and education standards; and
- b. Regulating the accountancy profession.

The deadline for completion of this assessment is December 31, 2012.

As indicated in the Compliance Working Group's recommendations to the IFAC Board, the IFAC staff will review completed assessments and validate the responses with external knowledgeable parties (for example, other member bodies, regional accountancy organizations, firms, or regulators) as necessary. Additionally, the information will be made available to the Public Interest Oversight Board.

Responses to certain questions may be common among member bodies in one country and for such questions IFAC encourages member bodies to minimize the duplication of effort. In addition, certain questions may not apply to the role of certain member bodies and responses are therefore not required for such member bodies. Where necessary, please communicate with other member bodies in your country to minimize duplication or clarify your organization's need to respond to particular questions.

IFAC will publish the results of this assessment on its website and use the collected information to establish an understanding of the role of IFAC member bodies in standard setting and regulation of the profession.

Part 2 of the Member Body Compliance Program will also require member bodies to complete a self-assessment. The information collected during Part 2 will be used in conjunction with the information submitted during Part 1 to evaluate how the member body complies with the Statements of Membership Obligations.

Completion of the assessments during Part 1 and Part 2 of the Compliance Program is mandatory for all member bodies.

A "Certification of Chief Executive" must accompany the completed assessment.



Section 2 -- Instructions and Definitions

General Instructions

IFAC requests that all member bodies complete the questionnaire electronically. You may also download and print a PDF version of the survey. This may be used as both a guide and a worksheet (see below).

Please submit all responses in English and make them as complete and as current as possible. IFAC understands that each member body exists in a unique environment, and that serving the public interest can be accomplished through various structures and systems. Every attempt has been made to structure this document to accommodate a variety of circumstances. Where, however, the form of the question does not permit you to adequately describe the situation in your country, please submit additional descriptions and other relevant information to enhance our understanding. If your organization (or any other organization) has prepared or published documents (in English) that contain some of the requested information, please submit those documents to IFAC. Please send all supplementary materials via e-mail, courier or postal mail identifying which questions they relate to by December 31, 2012:

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Definitions

IFAC recognizes that the terminology used in this assessment (e.g., law, regulation, process, etc.) may be different in each member body's country. Each member body should respond in the context of what is applicable in their country and explain the differences.

To assist member bodies, the following terms are defined for the purposes of completing this questionnaire:

- **"Enacting body"** means (a) level of government and responsible ministry or department, or (b) other agency or regulatory body that published the "legal authority" (defined below);
- **"Legal authority"** means laws, regulations, orders, directives, circulars, or other documents having the force of law;
- **"Listed entity"** means an entity whose shares, stock or debt are quoted or listed on a recognized stock exchange, or are marketed under the regulations of a recognized stock exchange or other equivalent body;
- **"Regional organization"** means an organization of accounting institutions of countries located within a defined region of the world. In cooperation with IFAC, a regional organization encourages, advises and coordinates the efforts of their member institutions to achieve the mission and work program of the regional organization as well as that of IFAC; and
- **"Your organization"** means your member body.

You are encouraged to contact the IFAC staff if you have any questions or require clarification of any of the requested information. Questions should be directed to:

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Section 3 -- Member Body General Information

1. Country:

Guatemala

2. Name of member body:

Association of Accountants and Auditors of Guatemala

(Colegio de Contadores Públicos y Auditores de Guatemala)

Or please specify name:

3. Individual responsible for preparation:

4. Date member body became a member of IFAC:

Note: Please enter a numeric date (e.g., 12/2001, Month/Year)

Questions 5 - 22 are for internal use only

Section 3G -- Affiliations

23. Please list those regional organizations to which your organization belongs (e.g., FEE, CAPA, ECSAFA, IAA, etc.):

Section 4 -- Statutory Framework

Responses to this section will provide a description of the legal framework governing the commercial aspects of auditing and financial reporting in your country.

Section 4A -- The Companies Act or Commercial Code

The following questions concern the Companies Act (the Act) or Commercial Code (the Code) or similar Legal authority in your country. If no Legal authority exists, or the Legal authority does not address particular questions, please indicate "N/A" for Not Applicable.

24. What is the full name of:

a. the Act or the Code: *Guatemala Commercial Code, Decree 2-70*

b. the Enacting body: *Congress of the Republic of Guatemala*

c. date the Act or Code came into force: *January, 1st. 1971*

25. How can IFAC obtain a copy of the Act or Code?

It is available <http://www.registromercantil.gob.gt/regulaciones/DECRETO-2-70%5BCodigo-Comercio%5D.pdf>

26. Is the Act or Code available in English?

Yes ☐ No ☒

27. What are the types of entities covered by the Act or the Code?

Please check all that apply:

Listed entities	No	Yes	If YES, please describe)
Private companies		X	According to Article 1
Governmental		X	According to Article 1
Not-for-profit			According to Article 1
Other (please describe) Banks, financial institutions, insurance companies...		X	According to Article 1
Other (please describe)			

28. Is there a requirement for the following entities to prepare annual statutory financial statements? If YES, please describe the financial reporting requirements including the accounting standards to be followed.

Please check all that apply:

Listed entities	No	Yes	If YES, please describe)
Private companies		X	According to Article 375 and Article 377 of the commercial code
Governmental		X	According to Article 375 and Article 377 of the commercial code
Not-for-profit		X	According to Article 375 and Article 377 of the commercial code
Other (please describe)		X	According to Article 375 and Article 377 of the commercial code

Other (please describe)		<input checked="" type="checkbox"/>	According to Article 375 and Article 377 of the commercial code
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29. Is there a statutory requirement for the following entities to be audited? If YES, describe the requirement including the auditing standards to be followed:

Please check all that apply:

Listed entities	No	Yes	If YES, please describe)
Private companies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Law of Income Tax decree 26-92, and Banks Act decree 19-2002
Governmental	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Law of Income Tax decree 26-92, and Banks Act decree 19-2002
Not-for-profit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Law of Income Tax decree 26-92, and Banks Act decree 19-2002
Other (please describe)	<input type="checkbox"/>	<input type="checkbox"/>	
Other (please describe)	<input type="checkbox"/>	<input type="checkbox"/>	

30. Are the auditors ("statutory auditors") that are appointed for audits required by the Act or Code ("statutory audits") appointed for a specific period?

Yes ☐ No ☐ X

If YES, please indicate the term of appointment: Year(s)

31. Who appoints the statutory auditors?

Please check all that apply.

- Shareholders ☐
- Management ☐ X
- Board of directors ☐ X
- Audit committee ☐
- Government agency ☐
- Other (please specify)

32. Does the Act or Code require joint auditors for the statutory audit?

Yes ☐ No ☒ X

If yes, please describe the requirement:

33. Does the Act or Code require the rotation of the auditors or audit firms performing statutory audits?

Yes ☐ No ☒ X

If yes, please describe the requirement:

Section 4B -- Securities Market Regulations

Responses to this section will provide a description of the financial reporting and auditing requirements for listed entities in your country.

34. What are (a) the major items of Legal authority for such requirements, (b) the Enacting body(ies) and (c) the latest amendment date? Please identify the specific articles or sections that pertain to auditing and financial reporting:

According to a resolution issued by the Association of Accountants and Auditors of Guatemala issued on March 13, 2012, published in the Journal of Central America where it solves the issue of audit reports based accounting used in Guatemala are the International Standards Financial Reporting IFRS or IFRS for SMEs

a. The major items of Legal authority for such requirements

Agree to the bylaws of the College Art.7 subparagraphs a), b) and c)

b. The Enacting body (ies)

Association of Accountants and Auditors of Guatemala

c. The latest amendment date?

March 13, 2012.

35. How can IFAC obtain a copy of the Legal authority?

We already sent you a copy

36. Is the Legal authority available in English?

Yes ☐ No ☐ X

37. Are there any additional or alternative financial statement reporting requirements for listed entities that are not described in your answer to Question 28?

Yes ☐ No ☐ X

If YES, please describe the requirement:

38. Are there any additional auditing requirements that apply to listed entities other than those described in your answer to Question 29 (e.g., additional GAAS requirements, additional independence requirements, requirements to report to those charged with governance, etc.)?

Yes ☐ X No ☐

If YES, please describe the requirement:

The required by the Banking Act

39. Who appoints the statutory auditors of listed entities?

Please check all that apply.

- Shareholders ☐
- Board of directors ☐
- Audit committee ☐
- Government agency ☐ Superintendency of Banks
- Management ☐ X

40. Are auditors who perform audits of listed entities appointed for a specified period?

Yes ☐ No ☐ X

If YES, please indicate the term of appointment: Year(s)

41. Are joint auditors required for audits of listed entities?

Yes ☐ **No** ☐ **X**

If YES, please describe the requirement:

42. Is rotation of the auditor or audit firm for audits of listed entities required?

Yes ☐ **No** ☐ **X**

If YES, please describe the requirement:

Section 5 -- Auditing Standards

Responses to this section will provide a description of the legal and professional framework governing audit and other assurance standards in your country. The section focuses on the establishment of such standards. Please indicate the role your organization plays within this framework.

Section 5A -- Statutory Framework

43. Please provide the name of the Legal authority and/or self-regulatory rules that establish audit and other assurance standards in your country, the date of the last amendment of such authority or rules and the name of body responsible for setting audit and other assurance standards. If the standards are different for different entities (e.g., listed entities, private companies, governmental bodies, not-for-profit organizations, etc.), please specify the details that apply to each:

Type of entity	Name of applicable legal authority	Date of last amendments (e.g. MM/YYYY 06/2001)	Name of body responsible for setting audit and other assurance standards
Listed entity	Rules apply international auditing for all entities	03 / 2012	Association of Accountants and Auditors of Guatemala
Other (please describe)			
Other (please describe)			

a. How can IFAC obtain copies of these documents?

We already sent you a copy

b. Are the documents available in English?

Yes ☐ No ☐ X

Section 5B -- Standard-Setting

44. For standard setting, please indicate the nature of the body (i.e., whether it is part of a government ministry or department, an agency appointed by government, a private organization established by the profession, or other [please describe]) and the name of the standards.

The Association of Accountants and Auditors promotes international auditing standards

Ministry of Public Finance
Superintendency of Banks

a. Nature of body

b. Name of standards

International Standards Financial Reporting IFRS or IFRS for SMEs,

45. How many voting members does the standard-setting body have?

No regulatory body has already qeu not make the rules only promotes

46. Are the members of the standard-setting body involved on a voluntary basis or employed by the standard-setting body?

Voluntary ☐ N/A

Employed ☐

Both - Please describe:

47. What are the criteria considered in selecting members of the standard-setting body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

N/A

48. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

N/A

49. What is the term of appointment for members? N/A

Year(s)

50. For how many years has the standard-setting body been in existence?

Year(s) N/A

51. Please indicate the budget in US\$ of the standard-setting body for the last fiscal year:

Note: Please enter a whole number using commas (e.g., 4,000,000) N/A

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027)

52. To what entity is the standard-setting body accountable?

N/A

53. Describe the due process followed by the standard-setting body. Please include explanations of the following:

a. Public exposure of standards

They are published in the Official Journal of Central America

b. Accessibility of meetings (i.e., public or private)

N/A

c. Approval process for final standards (i.e., majority required to approve final standards)

N/A

d. Other relevant due process activities

54. Approximately how many days per year does the standard-setting body meet in full session (including teleconferences)? N/A

Day(s)

Section 6 -- Ethics

Responses to questions in this section will provide a description of the legal and professional framework governing ethics standards for accountants in your country. This section focuses on the establishment of such standards. Please indicate the role your organization plays within this framework.

Section 6A -- Statutory Framework

55. For each of the following types of professionals, please indicate the name of the Legal authority and/or self-regulatory rules establishing ethics standards for accountants and auditors in your country, the date of the last amendment of such authority or rules and the name of body responsible for setting the ethics standards.

Type of professional covered Name of applicable legal authority	Name of applicable legal authority	Date of last amendments (e.g. MM/YYYY 06/2001)	Name of body responsible for setting ethics standards
Professional Accountants in Public Practice	<i>Ethics Code</i>	<i>August 14th, 2008</i>	<i>Association of Accountants and Auditors of Guatemala</i>
Professional Accountants in Business	<i>Ethics Code</i>	<i>August 14th, 2008</i>	<i>Association of Accountants and Auditors of Guatemala</i>
Professional Accountants in the Public Sector	<i>Ethics Code</i>	<i>August 14th, 2008</i>	<i>Association of Accountants and Auditors of Guatemala</i>
Other (please describe)			

a. How can IFAC obtain copies of these documents?

We already sent you a copy

b. Are the documents available in English? Yes ☐ X No ☐

Section 6B- Standard Setting

56. For each professional body or standard-setting body responsible for setting ethics standards, please indicate the nature of the body (i.e., whether it is part of a government ministry or department, an agency appointed by government, a private organization established by the profession, or other [please describe]) and the name of the standards.

Name of body responsible for setting ethics standards	Nature of body	Name of standards
<i>Association of Accountants and Auditors of Guatemala</i>	Registered under the law of professional associations , decree 72-2001	Ethics Code

With respect to each professional body or standard-setting body responsible for setting ethics standards, please answer the following questions. Attach additional pages for each body if necessary.

57. How many voting members does the standard-setting body have?

7 members

58. Are the members of the standard-setting body involved on a voluntary basis or employed by the standard-setting body?

-Voluntary..... ☒ **X**

-Employed ☐

-Both ☐

-If both, please describe

59. What are the criteria considered in selecting members of the standard setting body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

They are elected by voting members of the College

60. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

The Association in general meeting, composed of all members of the College

61. What is the term of appointment for members?

2 years

62. For how many years has the standard-setting body been in existence?

6 years

63. Please indicate the budget of the standard-setting body for the last fiscal year.

Note: Please enter a whole number using commas (e.g., 4,000,000)

We have no budget allocated for these activities as they usually are not issued rules only adopt international standards such as earlier this year to adopt the code of ethics of IFAC

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027)

64. To what entity is the standard-setting body accountable?

Court of Honor of Association of Accountants and Auditors of Guatemala

65. Describe the due process followed by the standard-setting body. Please include explanations of the following:

a. public exposure of standards

They are published in the Official Journal of Central America

b. accessibility of meetings (i.e., public or private)

Private

c. approval process for final standards (i.e., majority required to approve final standards)

Majority required

d. other relevant due process activities

66. Approximately how many days per year does the standard-setting body meet in full session (including teleconferences)? *N/A*

Section 7 -- Education

Responses to questions in this section will provide a description of how education requirements for the profession are established. Please indicate the role your organization plays within this process.

Section 7A -- Education Requirements

67. Please describe in general terms the education system in your country including the different stages of education from early childhood education through to tertiary level study. Please indicate which aspects / levels are compulsory as part of the national education system:

Pre-primary

Elementary (1st to 6th. grade) (obligatory)

secondary (optional)

diversified (optional)

degree or higher (optional)

68. Is there a legal authority or regulation that specifies the requirements for an individual to operate as an accountant or auditor in your country?

Yes ☐ X No ☐

If YES, please provide the name and describe the requirements, including any relating to education, experience or qualifications.

To function as public auditor must be registered with the College, according to the Law of Compulsory Professional Association, decree 72-2001, for it must be a graduate and have a university degree from a university approved by our country in the career of Public Accountant and Auditor

69. Please select from below all the relevant key levels of requirements to obtain certification from your member body (i.e. to qualify as a certified or chartered accountant) and provide a general description of the requirement.

-Academic requirements

Graduate public accountant and auditor authorized by a university in our country

-Professional examinations

none

-Practical experience

none

-Final qualifying examination

none

-Other (please describe)

70. Which of the following arrangements best describes who establishes the education requirements for the accounting profession in your country? Please select one option.

-A government ministry, department or agency establishes education requirements for the accounting profession with no additional requirements set by the member body(ies).

-A government ministry, department or agency establishes minimum education requirements for the accounting profession, and member body(ies) supplement these requirements.

-Member body(ies) establishes the education requirements for the accounting profession.

-Other (please describe)

71. Please provide the name(s) of the relevant body in the government ministry, department, agency and / or member body who establishes the education requirements.

University of San Carlos of Guatemala

A general description of the role of the relevant body(ies) including how it operates and its due process in establishing the education requirements.

In Guatemala the current Constitution governing the country's higher education stipulates that San Carlos University of Guatemala is the only state university, and as such, must lead, organize and develop the State's higher education and vocational education state university. This should promote research.

How many voting members does the relevant body(ies) have

N/A

Are the members of the relevant body (ies) involved on a voluntary basis or employed by the standard-setting body?

-Voluntary ☐

-Employed ☒ x

-Both - Please describe:

For how many years has the body been in existence?

Year(s) N/A

72. How would you describe the authority that the education requirements have?

-Requirements are legally-based

-Requirements are set in the constitution, by-laws or other rules of the relevant body(ies).

-Requirements are set in member body(ies) policy document(s).

-Other (please describe)

They build the curriculum of studies agree that establishes the University of San Carlos of Guatemala.

72 a. How can IFAC obtain copies of these documents?

http://www.usac.edu.gt/principal_dua.php?f=cienciasec

72 b. Are these documents available in English?

Yes ☐ **No** ☒ **x**

73. Are the education requirements for accountants and auditors the same throughout your country, or do they differ among regions, provinces or states?

Same ☒ **X** **Different** ☐

If different, please briefly describe the main differences:

74. Please indicate the scenario that best describes who delivers the education and examination process for members of the profession. Please only select one option.

-The education program and final examination are delivered by the member body.

-The education program and final examination are delivered by the member body and other education institutions (e.g., universities, colleges, and others).

-The education program and final examination are delivered by education institutions (e.g., universities, colleges, and others).

-Other (please explain)

75. Once qualified as a member of your professional body, can members offer their services directly to the public?

Yes ☒ **X** **No** ☐

Section 7B -- Licensing

76. Are there licensing requirements for auditors in your country?

Yes (continue with Question 77) **No (proceed to Section 8)**

77. Who sets the requirements to obtain a license?

They are in the Professional Association Act Decree 72-2001

And Regulation of the Income Tax Law Government Agreement 206-2004 art. 46

78. What are the requirements to obtain a license (please select all relevant requirements.)?

-Academic study specific for obtaining a license: *Degree in accounting and auditing and enrolled in Association of Accountants and Auditors of Guatemala*

-Practical experience

-Licensing examination

-Final qualifying examination

-Other (please describe)

They must also be registered with the tax administration SAT

79. Are there ongoing requirements to retain a license?

Yes ☐ **No** ☒ **X**

If YES, please select all relevant requirements.

-Continuing professional development

-Re-examination

-Other (please specify):

80. What entity grants the license?

Association of Accountants and Auditors of Guatemala

81. Describe any additional licensing requirements for auditors of listed entities (e.g., additional education requirements, registration, etc.).

The Tax Administration shall keep a Register of Accountants, which are required to register all Public Accountants and Auditors and Accountants Surveyors, entitled to exercise their profession and act upon it.

Section 8 -- Public Sector Accounting Standards

Responses to this section will provide a description of the legal and professional framework governing public sector accounting standards in your country. The section focuses on the establishment of such standards. Please indicate, where appropriate, the role of your organization within this framework.

Section 8A -- Statutory Framework

82. Please provide the name of the Legal authority and/or self-regulatory rules establishing public sector accounting standards in your country, the date of last amendment and the name of the body responsible for setting public sector accounting standards. If the standards are different for different entities (e.g., whole of government, ministry/department, statutory authority/agency, profit entity owned by government, state governments, local governments, other [please specify]), please specify the details that apply to each.

Type of entity	Name of legal authority	Date of last amendment (e.g. MM/YYYY 06/2001)	Name of body responsible for setting public sector accounting standards
Whole of government	<i>President</i>	<i>December 2010</i>	<i>State Accounting Division</i>
-Ministry/department	<i>Ministry of Public Finance</i>	<i>December 2010</i>	<i>State Accounting Division</i>
Statutory authority/agency	<i>Director of State Accounting</i>	<i>December 2010</i>	<i>State Accounting Division</i>
-Profit entity owned by government	<i>Manager</i>	<i>December 2010</i>	<i>State Accounting Division</i>
State governments	<i>Not applicable</i>	<i>December 2010</i>	<i>State Accounting Division</i>
Local governments	<i>Mayors</i>	<i>December 2010</i>	<i>State Accounting Division</i>
Other (please describe)			

a. How can IFAC obtain copies of these documents?

<http://www.minfin.gob.gt/autoridades/149-catdespacho/dependencias/1188-dependenciacontabilidadestado.html>

b. Are the documents available in English? Yes ☐ No ☐ X

Section 8B -- Standard-Setting (1)

83. For 1, please indicate the nature of the body (i.e., whether it is part of a government ministry or department, an agency appointed by government, a private organization established by the profession, or other [please describe]) and the name of the standards.

a. Nature of body

State Accounting Office is the agency of the Ministry of Finance, responsible for the registration of the Budget Execution and manage the Integrated Accounting System Government, in its capacity as the governing body, sets the standards and accounting procedures, analyzes information and prepares State's financial statements on a timely basis for decision-making of government agencies.

b. Name of standards

Integrated Government Accounting System

84. How many voting members does the standard-setting body have?

N/A

85. Are the members of the standard-setting body involved on a voluntary basis or employed by the standard-setting body?

-Voluntary ☐

-Employed ☐ X

-Both - Please describe

86. What are the criteria considered in selecting members of the standard-setting body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

Based on their experience and qualifications, all employed by the public sector.

87. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

Through a government agreement refers to the form of organization and appointment.

88. What is the term of appointment for members?

Year(s) It can be indefinitely

89. For how many years has the standard-setting body been in existence?

Year(s) Since December 2010 (2 years)

90. Please indicate the budget in US\$ of the standard-setting body for the last fiscal year:

Note: Please enter a whole number using commas (e.g., 4,000,000)

Information not available

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027)

91. To what entity is the standard-setting body accountable?

Ministry of Public Finance and Accounting Division of the State

92. Describe the due process followed by the standard-setting body. Please include explanations of the following:

-Public exposure of standards

Internal investigation and decisions on the needs of the accounting process of the different entities in the State.

-Accessibility of meetings (i.e., public or private)

It is accessible to the public and government through circulars and website

-Approval process for final standards (i.e., majority required to approve final standards)

Through a government decision published in the Journal of Central America and the website of the Ministry of Public Finance (<http://www.minfin.gob.gt>)

-Other relevant due process activities

House Training

93. Approximately how many days per year does the standard-setting body meet in full session (including teleconferences)?

Day(s) *Information not available*

Section 9 -- Private Sector Accounting Standards

Responses to the questions in this section will provide a description of the legal, statutory and professional framework governing private-sector accounting standards in your country. The section focuses on the establishment of such standards. Please indicate what role your organization plays within this framework.

Section 9A -- Statutory Framework

94. Please provide the name of the Legal authority and/or self-regulatory rules that establish private-sector accounting standards in your country, the date of last amendment, and the name of the body responsible for setting private sector accounting standards. If the standards are different for different entities (for example, listed entities, private companies, governmental organization, not for profit organizations, etc.), please specify the requirements that apply to each.

Type of entity	Name of legal authority or applicable rules	Date of last amendment (e.g. MM/YYYY)	Name of body responsible for setting private sector accounting standards
Listed entity	<i>Ministry of Finance via the Commercial Registry, and Commercial Code</i>	Effective from 2002, modified in 2008	<i>Association of Accountants and Auditors of Guatemala, who is the emitting body</i>
Other (please describe)	National Institute of Cooperatives - INACOP Inspector General of Cooperatives - INGECOP	General Law of Cooperatives, Decree 82/78, issued in 1978	
Other (please describe)	<i>Monetary Board of the Superintendency of Banks</i>	12 / 2006	<i>Association of Accountants and Auditors of Guatemala and Superintendency of Banks</i>
Other (please describe)			

a. How can IFAC obtain copies of these documents?

Can obetner making a direct request to the institutions involved and the website
www.sib.gob.gt/c/document_library

b. Are the documents available in English? Yes ☐ No ☐ X

Section 9B -- Standard-Setting

95. For 1, please indicate the nature of the body (i.e., whether it is part of a government ministry or department, an agency appointed by government, a private organization established by the profession, or other [please describe]) and the name of the standards.

a. Nature of body

Committee on Standards for Accounting and Auditing of Association of Accountants and Auditors of Guatemala, issuing body

b. Name of standards

International Financial Reporting Standards and International Financial Reporting Standards for Small and Medium-sized Entities (SMEs)

96. How many voting members does the standard-setting body have?

10 members

97. Are the members of the standard-setting body involved on a voluntary basis or employed by the standard-setting body?

-Voluntary ☐ X

-Employed ☐ X

Both - Please describe: X

Members delegated by the Association of Accountants and Auditors of Guatemala and the Guatemalan Institute of Certified Accountants and Auditors participate voluntarily; however delegates are employees of public institutions

98. What are the criteria considered in selecting members of the standard-setting body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

Accountants and Auditors with experience in International Financial Reporting Standards

99. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

Through a call for approval by the College and the Committee.

100. What is the term of appointment for members?

Year(s) 3

101. For how many years has the standard-setting body been in existence?

Year(s) 6

102. Please indicate the budget in US\$ of the standard-setting body for the last fiscal year:

Note: Please enter a whole number using commas (e.g., 4,000,000)

We have no budget

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027)

103. To what entity is the standard-setting body accountable?

Association of Accountants and Auditors of Guatemala

104. Describe the due process followed by the standard-setting body. Please include explanations of the following:

Public exposure of standards

Publication of decisions in the Journal of Central America

Accessibility of meetings (i.e., public or private)

Accessible to the public and private

Approval process for final standards (i.e., majority required to approve final standards)

Adoption of IFRS by us

Other relevant due process activities

Training programs

105. Approximately how many days per year does the standard-setting body meet in full session (including teleconferences)?

Day(s) 22

Section 10 -- Monitoring (Quality Assurance) and Enforcement

Responses to the questions in this section will provide a description of the legal and professional framework governing regulation of the profession in your country. Please indicate what role your organization plays within this framework.

Section 10A -- Securities Market Regulatory Authority

106. Name the authority that regulates the securities market:

Superintendency of Banks

107. What responsibilities does this organization have for monitoring and enforcing compliance with accounting, reporting or auditing requirements? Please identify the Legal authority that establishes that responsibility:

108. Briefly describe the role of the regulatory authority as it relates to the following:

Superintendency of Banks organized under the law, is the body that shall exercise supervision and inspection of banks, credit institutions, financial companies, surety companies, and other insurance as required by law.

Regulation of the audit profession

The entity that regulates the auditing profession is the Association of Accountants and Auditors of Guatemala

The Superintendency of Banks regulates only the entities described above and not the profession itself

Accounting and auditing standard-setting

Association of Accountants and Auditors of Guatemala

Review of financial statements prepared by listed entities, and monitoring of their compliance with the accounting and disclosure requirements

The Superintendency of Banks but only the entities described above

Section 10B -- Stock Exchange

109. Name the four largest stock exchanges (by market capitalization) and whether it is organized as a profit or not-for-profit organization:

Profit	Not-for-profit	Stock Exchange
<i>National Stock Exchange Inc.</i>		X
<i>BAC Valores</i>		X
Bursatil Corporation		X
Global stock market		X

110. Is there a mechanism at the stock exchange(s) for monitoring and enforcing financial reporting, accounting and auditing of listed entities?

Yes ☒ **No** ☐

If YES, please describe the following:

That dictates the superintendency of banks contained in the Banking Law Decree 19-2002

a. How the monitoring and enforcement of financial reporting, accounting and auditing is conducted.

It is in the Banking Law Decree 19-2002

b. The consequences of non-compliance with the financial reporting, accounting or auditing requirements.

It is in the Banking Law Decree 19-2002

c. How enforcement actions are administered.

It is in the Banking Law Decree 19-2002, it is available

www.sib.gob.gt/c/document_library

Section 10C -- Regulatory Oversight of the Accounting Profession

111. Has an audit profession oversight body been established (e.g., to oversee the external quality assurance review process, etc.)?

Yes ☒ **No** ☐

If NO, proceed to the next section.

If YES, please describe:

The Superintendency of Banks but only the entities described above

a. The duties of the oversight body

b. The number of members on the oversight body

c. Its powers

d. How the oversight body conducts or oversees a program of inspections to assess the degree of compliance of each audit firm/auditor with applicable auditing standards and regulations

It is in the Banking Law Decree 19-2002

e. The sanctions the oversight body may impose in the event of non-compliance?

It is in the Banking Law Decree 19-2002

f. How the oversight body is accountable to any public institution or body?

Section 10D -- Banks Regulatory Authority

112. Name the authority that regulates the banks and similar financial institutions. Discuss how this authority differentiates between accounting requirements for regulatory reporting and general purpose external financial reporting:

Superintendency of Banks of Guatemala

113. Discuss briefly the legal requirements with respect to monitoring and enforcement by the regulatory authority of accounting and auditing standards that apply to the banks and similar financial institutions:

Banking Act regulating the supervision and intervention for banks is through the banking superintendency with approval of the Monetary Board through the Banking Act and approvals through the Banking Act

114. Briefly describe the role of the regulatory authority as it relates to the following:

a. Regulation of the audit profession

Through the Association of Accountants and Auditors of Guatemala

b. Accounting and auditing standard-setting

Manual accounting is established by the Superintendency of Banks and international financial reporting standards are approved by the Association of Accountants and Auditors of Guatemala

c. Review of financial statements prepared by listed entities

The Superintendency of Banks and the independent external audit

d. Enforcement of accounting, reporting and auditing requirements

Compliance with accounting based on banking law and international auditing standards for external auditors and independent

Section 10E -- Non-Banking Financial Institutions Regulatory Authority

115. Name the regulatory authority(ies) responsible for monitoring compliance with and enforcing accounting, reporting and auditing requirements imposed on non-banking institutions.

The Tax Administration (SAT), Commercial Register, and the Association of Accountants and Auditors of Guatemala

116. What is the source of Legal authority of the regulatory authority (ies)?

The Commercial Code, professional licensing law and the statutes of the Association of Accountants and Auditors of Guatemala

117. Briefly describe the role of the regulatory authority (ies) as it relates to the following:

a. Regulation of the audit profession

Association of Accountants and Auditors of Guatemala

b. Accounting and auditing standard-setting

Association of Accountants and Auditors of Guatemala as an issuer of international accounting standards, and does not exist a body approved by law

c. Review of financial statements prepared by listed entities

The Tax Administration (SAT) and the Association of Accountants and Auditors of Guatemala

d. Enforcement of accounting, reporting and auditing requirements

Association of Accountants and Auditors of Guatemala

Section 10F -- Insurance Companies Regulatory Authority

118. Name the regulatory authority responsible for monitoring compliance with and enforcing accounting, reporting and auditing requirements imposed on insurance companies.

Superintendency of Banks of Guatemala

119. What is the source of Legal authority of the regulatory authority(ies)?

It is in the Banking Law Decree 19-2002

Act insurance activity decree 25-2010

120. Briefly describe the role of the regulatory authority(ies) as it relates to the following

a. Regulation of the audit profession

It is in the Banking Law Decree 19-2002

Act insurance activity decree 25-2010

b. Accounting and auditing standard-setting

It is in the Banking Law Decree 19-2002

Act insurance activity decree 25-2010

c. Review of financial statements prepared by listed listed entities

It is in the Banking Law Decree 19-2002

Act insurance activity decree 25-2010

d. Enforcement of accounting, reporting and auditing requirements

It is in the Banking Law Decree 19-2002

Act insurance activity decree 25-2010

Section 10G -- Other Regulatory Authority

121. Name any other regulatory authority (ies) responsible for monitoring compliance with and enforcing accounting, reporting and auditing requirements.

The Tax Administration (SAT), and Association of Accountants and Auditors of Guatemala

122. What is the source of Legal authority of each regulatory authority?

Commercial Act decree 2-70

Bylaws of Association of Accountants and Auditors of Guatemala

123. Briefly describe the role of the regulatory authority(ies) as it relates to the following

a. Regulation of the audit profession

Association of Accountants and Auditors of Guatemala as an issuer of international auditing standards,

b. Accounting and auditing standard-setting

Association of Accountants and Auditors of Guatemala as an issuer of international accounting standards, and does not exist a body approved by law

The Tax Administration (SAT) through supervision

c. Review of financial statements prepared by listed listed entities

Association of Accountants and Auditors of Guatemala as an issuer of international accounting standards, and does not exist a body approved by law

The Tax Administration (SAT) through supervision

d. Enforcement of accounting, reporting and auditing requirements

Association of Accountants and Auditors of Guatemala as an issuer of international accounting standards, and International auditing standards

Section 10H -- Quality Assurance

124. Does any organization of professional accountants/auditors organize a program of quality assurance review to monitor compliance with accounting, reporting and auditing requirements?

Yes ☐ X No ☐

Association of Accountants and Auditors of Guatemala and

Superintendency of Banks of Guatemala

If NO, proceed to next Section.

If YES, briefly describe the monitoring and enforcement mechanism.

Association of Accountants and Auditors of Guatemala as an issuer of international accounting standards, and International auditing standards

Superintendency of Banks of Guatemala through supervision

125. Under what authority does the organization conduct the program of quality assurance review?

It is in the Banking Law Decree 19-2002

126. Who performs the review (e.g., one firm reviewing another firm, staff from the national professional organization, contractors, or a combination of these)?

The staff of Superintendency of Banks of Guatemala

Section 10 I -- Investigation and Discipline

127. Is there a process for investigating and disciplining the accounting profession in your country?

Yes ☒ **No** ☐

If NO, proceed to the Certification of Chief Executive

For discipline through the complaint to the Court of honor by of Association of Accountants and Auditors of Guatemala

128. Which of the following best describes the responsibility for the investigatory and disciplinary function in your country?

-Government or other agencies are solely responsible for this function.

-Government or other agencies have this responsibility, but the member body or bodies participate in the process.

-Government formally delegates this function to the member body or bodies, to exercise on its behalf.

-Member body or bodies have separate and independent processes that operate alongside processes of legal authorities.

-Other (please explain)

129. Please indicate the name of the body or bodies responsible for investigation and discipline.

Association of Accountants and Auditors of Guatemala

Responses to the remaining questions in this Section are required if your organization has responsibility for investigation and disciplinary actions.

130. How many voting members does the body have?

7 members

131. Are the members of the body involved on a voluntary basis or employed by the standard-setting body?

-Voluntary ☒ **X**

-Employed ☐

-Both - Please describe:

132. What are the criteria considered in selecting members of the body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

They are elected in general meeting payroll, and requires at least five years to be active collegiate in our Association

133. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

The general assembly meeting in collegiate

134. What is the term of appointment for members?

Year(s) 2

135. For how many years has the body been in existence?

Year(s) 6

136. Please indicate the budget in US\$ of the body for the last fiscal year.

Note: Please enter a whole number using commas (e.g., 4,000,000)

We don't have assigned budget

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027) and specify currency

137. To what entity is the body accountable?

Association of Accountants and Auditors of Guatemala

138. Approximately how many days per year does the body meet in full session (including teleconferences)?

Day(s) 30