Republic of Armenia Existing and Future Frameworks for Financial Reporting of Non-PIEs

Kyiv, April 26, 2017

STAREP A&ACoP

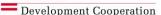




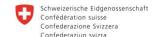


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Context and Updates

- » Drafting a concept paper on accounting and audit reform was declared a priority by the Government of the Republic of Armenia in 2017
- » The draft concept paper has been prepared and presented to the general public for discussion
- » Drafting laws:
 - » Accounting Law
 - » Auditing Law
 - » Law on Public Oversight over Auditing
- » The above draft laws have been updated in light of the developments since they were initially drafted.

Classification of Entities and Groups

Categories of entities	Micro-	Small	Medium-Sized	Large
Classification criteria				J .
Balance sheet total*	< AMD 175 mln EUR 350,000	< AMD 2 bn EUR 4 mln	< AMD 10 bn EUR 20 mln	> AMD 10 bn EUR 20 mln
Net turnover*	< AMD 350 mln EUR 700,000	< AMD 4 bn EUR 8 mln	< AMD 20 bn EUR 40 mln	> AMD 20 bn EUR 40 mln
Average number of employees*	< 10	< 50	< 250	> 250

^{*}If your country uses a different classification criterion, please indicate!

Summary of Requirements to Financial Reporting

	MICRO-	SMALL	MEDIUM-SIZED	LARGE				
Applicable accounting standards (e.g. NAS, IFRS for SMEs, full IFRS):								
for individual financial statements	Simplified Guidance	IFRS for SMEs	IFRS for SMEs	Full IFRS				
for consolidated financial statements	-	IFRS for SMEs	IFRS for SMEs	Full IFRS				
Are there more disclosure requirements than allowed by the Accounting Directive?	Yes	Yes	Yes	Yes				
Management report	-	-	-	-				
Non-financial statement	-	-	-	-				
Report on payments to government	-	-	-	-				
Publication deadline	-	By 30 June	By 30 June	By 30 June*				
Statutory audit	No	No	Yes	Yes				