

IFRS APPLICATION AROUND THE WORLD

JURISDICTIONAL PROFILE: **Spain**



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This Profile provides information about the application of IFRS Standards in Spain. IFRS Standards are developed and issued in the public interest by the International Accounting Standards Board (the Board). The Board is the standard-setting body of the IFRS® Foundation, an independent, private sector, not-for-profit organisation.

This Profile has been prepared by the IFRS Foundation based on information from various sources. The starting point was the answers provided by standard-setting and other relevant bodies in response to surveys that the Foundation conducted on the application of IFRS around the world. The Foundation drafted the profile and invited the respondents to the survey and others (including regulators and international audit firms) to review the drafts, and their comments are reflected.

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RELEVANT JURISDICTIONAL AUTHORITY

Organisation	Instituto de Contabilidad y Auditoria de Cuentas (ICAC) [Institute of Accounting and Auditing]
Role of the organisation	The ICAC recommends accounting standards to be adopted into law by the government and is the standard-setter for Spanish GAAP in all aspects not explicitly regulated by law.
Website	http://www.icac.meh.es/
Email contact	contabilidad@icac.meh.es

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. Refer to the IAS Regulation adopted by the European Union in 2002 .
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<p>Has the jurisdiction made a public commitment towards IFRS Standards as that single set of high quality global accounting standards?</p>	<p>Yes. Refer to the IAS Regulation adopted by the European Union in 2002.</p>
<p>What is the jurisdiction's status of adoption?</p>	<p>Spain has already adopted IFRS Standards for the consolidated financial statements of all companies whose securities trade in a regulated market.</p>
<p>Additional comments provided on the adoption status?</p>	<p>As a member state of the European Union, Spain is subject to the IAS Regulation adopted by the European Union in 2002.</p> <p>The EU IAS Regulation requires application of IFRS Standards as adopted by the EU for the consolidated financial statements of European companies whose securities trade in a regulated securities market starting in 2005. The EU IAS Regulation gives member states the option to require or permit IFRS Standards as adopted by the EU in separate company financial statements (statutory accounts) and/or in the financial statements of companies whose securities do not trade on a regulated securities market. See the Profile for the European Union for more detailed information about the EU IAS Regulation.</p> <p>The following are the regulated markets in Spain:</p> <ul style="list-style-type: none"> • Bolsa de Madrid. • Bolsa de Barcelona. • Bolsa de Bilbao. • Bolsa de Valencia. • MEFF Exchange. • MEFF Segmento Derivados Energia. • Mercado Electronico de Renta Fija. • SEND – Sistemas Electronico de Negociacion de Deuda. • Mercado de Deuda Publica en Anotaciones. • AIAF – Mercado de Renta Fija. • Mercado Continuo Español. <p>Spain used the option under the IAS Regulation to:</p> <ul style="list-style-type: none"> • Require IFRS Standards as adopted by the EU in the consolidated financial statements of all groups that include at least one group company whose securities are traded in a regulated market, even if the parent's securities do not trade in a regulated market. • Permit IFRS Standards as adopted by the EU in the consolidated financial statements of all other companies whose securities do not trade in a regulated market.
<p>If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Standards in the jurisdiction.</p>	<p>Not applicable.</p>

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 Standards in their consolidated financial statements?	Yes.
If YES, are IFRS Standards REQUIRED or PERMITTED?	In accordance with the EU Accounting Regulation, IFRS Standards as adopted by the EU are required for the consolidated financial statements of all European companies whose debt or equity securities trade in a regulated market in Spain.
Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?	All.
Are IFRS 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 Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?	No. Spanish national accounting standards are required in the separate company financial statements of all companies, both publicly traded and private. More information about Spanish national accounting standards.
For instance, are IFRS Standards required or permitted for companies whose securities do not trade in a public market?	IFRS Standards as adopted by the EU are required in the consolidated financial statements of all groups that include at least one group company whose securities are traded in a regulated market, even if the parent's securities do not trade in a regulated market. IFRS Standards as adopted by the EU are permitted in the consolidated financial statements of all other companies whose securities do not trade in a public market.
If the jurisdiction currently does NOT require or permit the use of IFRS Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS 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 Standards in their consolidated financial statements?	Yes.
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If YES, are IFRS Standards REQUIRED or PERMITTED in such cases?

Required for some and permitted for others. Foreign companies whose securities trade in a regulated market in Spain (and generally in the EU) are required to report under IFRS Standards as adopted by the EU for their consolidated financial statements unless the European Commission has deemed their local accounting standards to be equivalent to IFRS Standards, in which case they may use their local standards.

This is laid out on the '[Financial Reporting](#)' page of the European Commission's website.

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

All.

IFRS ENDORSEMENT

Which IFRS Standards are required or permitted for domestic companies?

IFRS Standards as adopted by the European Union, which are IFRS Standards as issued by the Board with some limited modifications such as the temporary 'carve-out' from IAS 39. However, the resulting financial statements of the majority of companies can still be in full compliance with IFRS Standards.

The auditor's report and/or the basis of presentation footnotes states that financial statements have been prepared in conformity with:

IFRS Standards as adopted by the European Union.

Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Standards and the jurisdiction's GAAP)?

Yes.

Are IFRS Standards incorporated into law or regulations?

Yes.

If yes, how does that process work?

The process is described in the Profile of the European Union.

If no, how do IFRS Standards become a requirement in the jurisdiction?

Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Standards (including Interpretations) in place?

Yes.

If yes, what is the process?

The process is described in the Profile of the European Union.

If no, how do new or amended IFRS Standards become a requirement in the jurisdiction?

Not applicable.

Has the jurisdiction eliminated any accounting policy options permitted by IFRS Standards and/or made any modifications to any IFRS Standards?

Yes.

If yes, what are the changes?

Details are in the Profile of the European Union.

Other comments regarding the use of IFRS Standards in the jurisdiction? None.

TRANSLATION OF IFRS STANDARDS

Are IFRS Standards translated into the local language? Yes.

The European Union has 24 official and working languages. They are: Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovene, Spanish and Swedish. Before they are published in the *Official Journal of the European Union*, and therefore become binding under EU law, individual IFRS Standards must be translated into all of those languages (other than English and Irish).

If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Standards?

Pursuant to a copyright waiver agreement with the Directorate-General for Translation of the European Commission, the Commission takes care of the translation into the official languages according to their own translation process. The translation only covers the standards and mandatory guidance, which is then published in the *Official Journal of the European Union*.

In addition, some countries (usually the standard setter or institute) have a translation contract with the IFRS Foundation to produce an 'official translation' for publication of a bound volume of IFRS Standards (usually the 'Red Book') and publication, in some cases, of individual standards and exposure drafts.

APPLICATION OF THE IFRS FOR SMEs STANDARD

Has the jurisdiction adopted the *IFRS for SMEs* Standard for at least some SMEs? No.

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

Did the jurisdiction make any modifications to the *IFRS for SMEs* Standard? Not applicable.

If the jurisdiction has made any modifications, what are those modifications? Not applicable.

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

In consolidated financial statements they may choose IFRS Standards as adopted by the EU or either the General Accounting Plan or, if they qualify, the General Accounting Plan for Small and Medium-sized Enterprises. In separate financial statements they must choose either the General Accounting Plan or, if they qualify, the General Accounting Plan for Small and Medium-sized Enterprises.

[General Accounting Plan](#)

- Spanish Title: *Plan General de Contabilidad*

[General Accounting Plan for Small and Medium-sized Enterprises](#)

- Spanish Title: *Plan General de Contabilidad de Pequeñas y Medianas Empresas*

Other comments regarding use of the *IFRS* for *SMEs* Standard? None.
