
Ukraine

Local stock exchanges

PFTS

<http://www.pfts.com/>

Ukrainian Exchange

<http://www.ux.ua/>

Rules for listed filings

IFRS required or permitted for listed companies?

All domestic and foreign companies whose securities trade in a public market are required to use IFRS in their consolidated financial statements.

Version of IFRS

IFRS as published by the IASB (the translated version officially published on the website of the Ministry of Finance of Ukraine).

Are subsidiaries of foreign companies or foreign companies listed on local exchanges subject to different rules?

No. The same rules apply as to the local companies.

Rules for statutory filings

Is IFRS or IFRS for SMEs required, permitted or prohibited for statutory filings?

In accordance with the amendments to the Law of Ukraine on Accounting and Financial Reporting adopted in 2011, public joint stock companies, banks and insurance companies need to prepare IFRS financial statements. Other companies are allowed to apply IFRS based on their choice. This change came into force from January 1, 2012 with first IFRS financial statements submitted by the entities for the year ended December 31, 2012.

For companies which apply IFRS from January 1, 2012 as described above, such IFRS financial statements became the only statutory financial statements.

Other companies apply National Accounting Regulations (Standards) (“NR(S)AU”) for statutory purposes. The Law on Accounting and Financial Reporting, effective from January 1, 2000, introduced NR(S)AU. The law states that these local standards should not contradict International Financial Reporting Standards (“IFRS”), but in practice there are gaps between the two. Although NR(S)AU are generally based on IFRS, they are not identical. There are still areas for which no local standards have been introduced (e.g., Accounting for Government Grants and Disclosure of Government Assistance, Interim Financial Reporting). In addition, when local standards do exist, they often lack the detail and some of the disclosure requirements found in IFRS.

Banks are required to prepare their quarterly financial statements in accordance with IFRS starting with the first quarter of 2016.

Version of IFRS

See above

In addition to local GAAP statutory financial statements, are there any other regulatory financial statement requirements that permit or require the use of IFRS?

No.

IFRS conversion plans

Plans for converging

See above

Other useful websites

Ministry of Finance

<http://www.minfin.gov.ua/>

<http://www.minfin.gov.ua/control/en/index>

<http://msfz.minfin.gov.ua/en/Pages/default.aspx>

Tax information

Type of tax regime

Quasi-dependent. Taxable profit is principally based on the legal entity statutory/IFRS accounts, with a number of adjustments provided in the tax law.

Comments on tax regime

A new Tax Code is effective from January 1, 2015. It formally states that taxable profits and losses are calculated based on IFRS/statutory accounts adjusted by specific tax rules.

Plans for IFRS converging as the basis of tax reporting

See above