
Kosovo

Rules for listed filings

IFRS required or permitted for listed companies?

Not applicable. There is no local exchange.

Rules for statutory filings

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

Based on law 04/L-014 on Accounting, Financial Reporting and Audit issued by Government of Kosovo at July 29, 2011:

Companies that meet two out of three of the following criteria are considered as “Large Companies” and should prepare the IFRS Financial Statements (Articles 4 and 5). Financial Statements of these Companies are required to be audited each year by statutory audit firms that are licensed to carry out statutory audits by the competent authorities as defined in this law.

- Annual Turnover: > 4,000,000 Euro,
- Total Assets: > 2,000,000 Euro,
- Average number of employees > 50

Companies that meet two of three of the following criteria are considered as “Medium Companies” and should apply IFRS for SMEs Financial Statements if the Companies are Limited Liabilities Companies or shareholders Company (Articles 4 and 5). Financial statements of these companies are required to be audited by statutory audit firms or Auditors that are licensed to carry out statutory audits by the competent authorities as defined in this law.

- 2,000,000 Euro < Annual turnover < 4,000,000 Euro,
- 1,000,000 Euro < Total assets < 2,000,000 Euro;
- 10 < Average number of employees < 50

Companies that meet 2 of 3 following criteria are considered as ‘Small Companies’ and should prepare IFRS for SMEs Financial Statements if the Companies are Limited Liabilities Companies or shareholders Company (Articles 4 and 5).

- 50,000 Euro < Annual turnover < 2,000,000 Euro,
- 25,000 Euro < Total assets < 1,000,000 Euro;
- Up to 10 Average number of employees;

Companies that meet 2 of 3 following criteria are considered as Micro-enterprise Companies and criteria for accounting and reporting applicable to Micro-enterprises will be regulated by the Kosovo Financial Reporting Council (“KKRF”) in order to minimize administrative burden on the Micro-enterprises (Article 4).

- 50,000 Euro < Annual turnover
- 25,000 Euro < Total assets
- Smaller than 10 Average number of employees

Version of IFRS

IFRS or IFRS for SMEs as published by the IASB

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

Not applicable

Other useful websites

Official gazette of Kosovo

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

Ministry of finance - Secretariat for Kosovo Financial Reporting Council - ("KFRC")

<http://mf.rks-gov.net/en-us/zyrat/sekretariatiikkrfse.aspx>

Tax information

Type of tax regime

Dependent. Taxable profit is entirely based on the legal entity statutory accounts.

Plans for IFRS converging as the basis of tax reporting

Not applicable. Based on the law 03/L-222 on the Tax Authority and procedures Article 13, books and records for businesses with annual turnovers over 50.000 Euro shall be kept in conformity with generally accepted accounting principles of Kosovo as supplemented by IFRS.