IFRS TRANSLATION:
EXPERIENCE OF CROATIA

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Translation of IFRS/IAS

- Accounting Act
- Large and listed companies are obliged to use IFRS published in Official Gazette
- IFRS are translated by Financial Reporting Standard Board
Translations by Board

- Official IFRS for companies
- Accurate till 2000
- No translations from 2000 till 2006
- Board adopt translation of standards made by Croatian Association of Accountants and Financial Experts
- In 2008 some errors in translation are corrected and IAS 39 amendments (reclassification) published
- IFRS 8 translated
History of IAS/IFRS translation in Croatia by CAAFE

- 1993  first translation of IAS
- 1996  IAS 1995 translated
- 2001  IAS 2000 translated
- 2005  IFRS/IAS 2004 translated
New translation by Board

- Published at the end of 2009
- IFRS adopted by EU till April 2009
- In 2010 translated
  - IFRS 1
  - IFRS 3
  - IAS 27
  - IFRIC 15
  - IFRIC 16
  - IFRIC 17
  - IFRIC 18
Translation process

- End of 2008 – Board decided to translate standards adopted by EU
  - consolidated text (as of 17.10.2008)
  - latest amendments
- Translation started at the beginning of 2009
- Question: what amendments translate? Till which date?
Language problems

- One term in English $\rightarrow$ few terms in Croatian
- One term in Croatian $\rightarrow$ few terms in English
  - How to translate some terms?
  - Is it possible to describe rather than use direct translation?
IAS 16

68 The gain or loss arising from the derecognition of an item of property, plant and equipment shall be included in profit or loss when the item is derecognised (unless IAS 17 requires otherwise on a sale and leaseback). **Gains shall not be classified as revenue.**

MRS 16

68. Dobitke ili gubitke proizašle od prestanka priznavanja nekretnina, postrojenja i opreme treba uključiti u dobit ili gubitak kada je prestalo njihovo priznavanje (osim ako MRS 17 ne zahtijeva drugačije u transakciji prodaje i povratnog najma). **Dobici se ne klasificiraju kao prihod.**
Future perspective

- Croatian companies will use IFRS adopted by EU
- Translate standards and amendments adopted by EU
- Translate standards and amendments accurate
Thank you for your attention! Questions?