

A large, abstract graphic of a network or sphere made of interconnected blue nodes and lines, positioned in the upper right background. The nodes are 3D cubes, and the lines are thin, connecting them in a complex, spherical pattern.

Argentina

Accounting

FUNDS AND FUND MANAGEMENT 2009

1.1 Requirement to produce financial statements

Requirement to maintain the books and records in the local jurisdiction

All accounting records of an investment management company and every fund under management must be maintained and updated in the country. Quarterly and annual accounts must be prepared and all detailed reconciliations (investments, cash, units, etc.) must be performed in the country.

Production of financial statements by collective investment funds

Law No. 24083 regulating funds requires the production of quarterly statements of results and annual financial statements under Argentine Generally Accepted Accounting Principles (GAAP).

The National Securities Commission listing rules require that the financial statements of the management company be issued within 70 days of year-end, accompanied by the minutes of the managing board's meeting that approves them, the statutory audit committee's report and the external auditor's report. Mutual fund financial statements must be issued within 42 days from the quarter-end date and within 70 days from the fund year-end date, including the statutory audit committee's report and the external auditor's report.

For investment management companies and unit trusts, the directors are responsible for the preparation of the financial statements and the president is required to sign the profit and loss account and balance sheet of the quarterly and annual statements.

Choice of period/year-end for collective investment funds

Law No. 24083 regulating funds states that they can choose their own year-end.

Requirement for comparatives

Comparatives are required for the financial statements.

Restrictions on the currency under which financial statements must be prepared

Financial statements must be prepared in the local currency (Argentine pesos).

Accounting publications specific to the funds industry (as issued by accounting bodies or the regulators)

There are no accounting publications specific to the funds industry issued by the accounting bodies in Argentina.

Use of short form accounts

There are no provisions in legislation for short form accounts.

Umbrella schemes

Umbrella funds and funds of funds are not permitted.

Classes of shares

Financial statements are required, which incorporate all classes of shares.

There is no requirement to produce financial statements for each class of share.

1.2 Requirement to audit financial statements

Annual financial statements of investment management companies and unit trusts require annual audits. Audited accounts must be completed within 70 days of the year-end. They must be audited by an accounting professional registered with the related Professional Council of Economic Sciences.

There is no requirement to audit interim financial statements. The quarterly financial statements of the unit trust require a limited review as per the regulations of the Professional Council of Economic Sciences. Review accounts must be completed within 42 days from quarter-end.

1.3 Publication of financial statements

The publication of financial statements must be made at the discretion of the management company- in the bulletin of a stock exchange or stock market or a newspaper of wide circulation where the mutual fund has its registered office.

1.4 Accounting standards

Argentine GAAP must be used. This is similar to International Accounting Standards.

1.5 Contents of financial statements

Requirements for inclusion in annual financial statements:

	Required by law	Required by GAAP (Argentina)	Complied with for Best Practice
A statement which includes all income less expenses plus realized and unrealized gains and losses	No	No	Yes
A statement which only includes income less expenses	Yes	Yes	No
A statement which only includes income less expenses plus realized gains and losses	No	No	No
Statements of net assets and liabilities	No	No	Yes
Statement of changes in net assets	No	No	Yes
Cash flow statement	No	Yes	No
Statement of accounting policies	Yes	Yes	Yes
3 year net asset value table	No	No	Yes

	Required by law	Required by GAAP (Argentina)	Complied with for Best Practice
5 year net asset value table	No	No	Yes

1.6 Accounting treatments and disclosures

The following items must be included in the annual financial statements:

	Required by law	Required by GAAP (Argentina)	Complied with for Best Practice
Futures are shown on balance sheet using the grossed up notional amount	No	No	No
Futures are shown on the balance sheet based on the margin outstanding	No	No	Yes
Futures are shown on the balance sheet based on the margin outstanding and the margin paid to date	No	Yes	No
Organization costs are written off immediately	No	Yes	Yes
Organization costs are amortized over one year	No	No	No
Organization costs are amortized over more than one year	No	No	No

5 Argentina – Accounting

	Required by law	Required by GAAP (Argentina)	Complied with for Best Practice
Issue costs are charged to the statement of operations	No	No	Yes
Issue costs are netted off against creation proceeds	No	Yes	Yes
Contingent deferred sales charges are recorded as income	No	No	No
Contingent deferred sales charges are netted off against redemption proceeds	No	Yes	Yes
Holdings in other collective investment funds are consolidated if the fund holds > 50% of the underlying collective investment fund's shares	No	Yes	Yes
Methods used in financial statement presentation to measure listed investments are:			
Cost	No	No	Yes
Market value			
bid	No	No	No
mid	No	No	No
offer	No	No	Yes
close	Yes	Yes	No
price at any time during the day	No	No	Yes
The financial statements distinguish between income and capital	Yes	Yes	Yes

Appendix

Reference Material

The following details the relevant laws and regulations for collective investment funds and fund management companies and provides Web addresses (in certain instances) for where this material can be located.

Regulator

National Securities Commission (C.N.V.) notices: <http://www.cnv.gov.ar>

Stock exchange

Buenos Aires Stock Exchange (BCBA) notices:
<http://www.bcba.sba.com.arTaxationauthority>

AFIP notices: <http://www.afip.gov.ar>

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