

From: CONPUCOL, Colegio de Contadores Públicos de Colombia (national guild of public accountants in Colombia)

We would like to thank you for allowing us to participate in the socialization, discussion and study session for the initiative to develop a guide for the implementation of financial information standards in Nonprofit Organizations (NPO).

Regarding the definition for NPOs that we agreed in CONPUCOL, which is an arranged set of resources aimed at achieving ends mainly for the common benefit without this representing some kind of profit for its founders. These NPO play an important role in Colombia and worldwide meeting social needs, whose patrimony is not made up of securities and their profits are used to reinvestment in their object, and where most of its income corresponds to donations received from public and private entities as also individuals.

Having said that, from CONPUCOL we share the need that there should be a framework concept for NPO with very clear principles performing as proper guide. Furthermore, the need of setting a section of definitions for each component of the financial statements, for the registration and recognition of accounting in general, and some other components such as the potential of generating income from services, assets, equity, among others.

We share that NPOs must present reports under suitable principles, but its scope must be flexible. This means that presenting reports for NPOs must be according to their capabilities, size, and aim. However, the final purpose for this information must be to satisfy the needs of their stakeholders.

We, as CONPUCOL, think that the goal of this framework works for the need of financial statements that reveal information for meeting individual needs and for making decisions to render accounts in NPOs.

In Colombia there is a technical framework applied to micro-enterprises, which is a simplification or an adaptation of IFRS for MSEs, and which is working properly for small entities. In the same way, we consider that the suggested framework should be based and inspired in the principles of the IFRS for MSEs that can be adapted perfectly for NPOs with a flexible scope.

This project is certainly a very important challenge that will have an important impact. And from CONPUCOL, we feel honored for having been part of an initiative as challenging as this one.

Best regards.

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