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Mr. Paul Pacter
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Dear Sir,

Re : Preliminary Views on Accounting Standards for SMEs / Question 9

As I feel the IASB approach is very complex for SMEs (who will not have a team of IFRS specialists as the big companies) and their advisors, I would suggest you to take an approach which would be much easier to understand by them : by putting the emphasis on a goal to achieve : **a standard Financial Statements reporting form.**

This form would contain

- * Balance Sheet, Profit and loss, Cash flow statement and standard attachments where the company only has to fill in boxes with figures (or short text in the attachments)
- * standard valuation rules : where the company only has to tick its choice amount the possibilities accepted by the IFRS for SMEs
- * a limited list of additional attachments to provide if applicable for the company

As a consequence the IFRS publication would comment the rules in the order of the items in these forms. Anyone knowing the financial statements would be able to find information in your publication.

The IASB would also define controls (totals, reasonableness, cross checks...) which are to be fulfilled and which would seriously improve the quality of the financial statements (these controls would be included in the software that companies would develop to prepare the financial statements for publication)

This approach of a standard financial statement is used for legal reporting in Belgium and in many groups for consolidation purpose and makes preparing, understanding, analyzing and comparing financial statements much easier.

The advantages would be :

- anyone could understand the financial statements in another language as all forms would be the same (the same is successfully done with the European car accident form)
- all financial statements would be comparable (ratios,...)
- a large part of the data's required could be automatically filled in by a standard link from the accounting software

Best regards