Welcome to the IFRS for SMEs Update

The IASB’s IFRS for SMEs Update is a staff summary of news relating to the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs). All issues of the IFRS for SMEs Update are available in both HTML and PDF format on the IASB’s website. To subscribe use the link on the right.

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SME Implementation Group publishes first draft Q&A

On 24 February 2011, the SME Implementation Group (SMEIG) published for public comment the first draft question and answer (Q&A) guidance on the IFRS for SMEs. The SMEIG is responsible for assisting the IASB on matters related to the implementation of the standard.

The draft Q&A addresses whether a parent entity that does not have public accountability may present its separate financial statements in accordance with the IFRS for SMEs if it is part of a group that is required (or elects) to present consolidated financial statements in accordance with full IFRSs. The SMEIG is inviting comments on the following tentative consensus:

If a parent entity does not have public accountability, it may present its separate financial statements in accordance with the IFRS for SMEs.
An entity is eligible to use the IFRS for SMEs if it does not have public accountability (paragraph 1.2). A parent entity assesses its eligibility to use the IFRS for SMEs on the basis of its own public accountability without considering whether other group entities have, or the group as a whole has, public accountability.

A parent entity will have public accountability if (paragraph 1.3):

a. the parent entity's own debt or equity instruments are traded in a public market or the parent entity is in the process of issuing such instruments for trading in a public market, or
b. (b) the parent entity holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

The draft Q&A is open for comment until 4 April 2011 and can be accessed at: http://go.ifrs.org/IFRS+for+SMEs+QandA

Developing non-mandatory and timely guidance on specific accounting questions that are being raised by those implementing the IFRS for SMEs is one of the two main responsibilities of the SMEIG. The other is to make recommendations to the IASB regarding amendments to the IFRS for SMEs. Those recommendations will be considered when the IFRS for SMEs is updated, approximately every three years.

Updated IFRS for SMEs training PowerPoint slides

We have posted a complete set of updated PowerPoint presentations that we use in our three-day train-the-trainers workshops. They are available without charge for downloading here: http://www.ifrs.org/IFRS+for+SMEs/SME+Workshops.htm

The 20 presentations are intended for use in training that involves approximately 24 classroom hours. We encourage you to use them in conducting training on the IFRS for SMEs.

Upcoming 'train the trainers' workshops

The IFRS Foundation is conducting workshops to 'train the trainers' on the IFRS for SMEs Most workshops are three days duration with eight contact hours per day. Upcoming workshops will be held in Ankara, Banjul, Basseterre, Buenos Aires and Dubai. A few others are in the planning stage for 2011 (see http://www.ifrs.org/IFRS+for+SMEs/SME+Workshops.htm):

Eurasia

Date 15-17 March 2011
Location Ankara, Republic of Turkey
Instructors Michael Wells (Director of the IFRS Foundation Education Initiative), Ali Cicekli (Partner, Deloitte) and Asli Gedik (Partner, PwC)
Language English and Turkish
Sponsoring organisation The Turkish Accounting Standards Board (TASB)

West Africa

Date 9-11 May 2011
Location Banjul, the Republic of The Gambia
Instructors Michael Wells and Paul Pacter (IASB member and Chairman of the SME Implementation Group)
Language English
Sponsoring organisation The Association of Accountancy Bodies in West Africa (ABWA) with the support of a World Bank financed project for The Gambia Association of Accountants.

The Caribbean

Date 16-20 May 2011
Location Basseterre, The Federation of Saint Kitts and Nevis
Instructors Mary Barth (Academic Advisor to the IASB), Robert Garnett (Chairman, IFRS Interpretations Committee) and Michael Wells
Language English
Sponsoring organisation: The Eastern Caribbean Central Bank (ECCB) with the support of a World Bank-financed project.

Latin America

Date: 4-6 July 2011
Location: Buenos Aires, Argentina
Instructors: Michael Wells and Jorge Gil (General Director, Federación Argentina de Consejos Profesionales de Ciencias Económicas (FACPCE) and Member of the SME Implementation Group)
Language: English and Spanish
Sponsoring organisation: FACPCE with the support of the World Bank Spanish Trust Fund for Latin America and the Caribbean.

The Middle East

Date: 27-29 September 2011
Location: Dubai, UAE
Instructors: Michael Wells and Paul Pacter
Language: English spoken (workshop material in Arabic and English)
Sponsoring organisations: Dubai SME and the Arab Society for Certified Accountants (ASCA).

News about adoptions of the IFRS for SMEs

Panama. 29 December 2010, the Technical Accounting Board (Junta Técnica de Contabilidad, or JTC), which is the accounting standard-setter in Panama, published Resolution No.03-2010 adopting the IFRS for SMEs as an option for use in Panama beginning on 1 January 2011. SMEs that do not choose the IFRS for SMEs must use full IFRSs, which have been Panama’s official accounting standards since 1998. The JTC adopted the IFRS for SMEs as issued by the IASB without any changes. The JTC expects to publish the Spanish version of IFRS for SMEs in the official Gazette in Panama.

Zambia. The Zambia Institute of Chartered Accountants has adopted a three-tier financial reporting framework for Zambia effective 1 January 2011. This effectively means that the framework applies to financial statements for years ending on or after 31 December 2011. The reporting and auditing requirements for the three tiers under the framework are as follows:

- Publicly accountable entities. Listed companies, public interest entities and government-owned enterprises must use full IFRSs and must be audited.
- Economically significant companies. Companies that are not in the first tier and have annual turnover equal to or exceeding K20 billion (approximately US$4 million) have a choice of using the IFRS for SMEs or full IFRS, and they must be audited.
- Micro and small enterprises. Those with annual turnover below K20 billion (approximately US$4 million) will use the Zambian Financial Reporting Standard for Micro and Small Entities, and an audit is not required.

Where to obtain IFRS for SMEs materials

- The standard online
  (Armenian, Chinese, Czech, English, French, Italian, Romanian and Spanish)
- The standard in hard copy
- Information about the SME Implementation Group
- Q & A
- Presentations at 'train the trainers' Workshops
- Training materials in PDF format
- Board and staff presentations about the IFRS for SMEs
- Past issues of the IFRS for SMEs Update

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