

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 in the box on the right.

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Contact us

If you have news about *IFRS for SMEs* activities in your jurisdiction please contact Paul Pacter and Michelle Fisher (details below)

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Comprehensive review of the *IFRS for SMEs* has begun

When the International Accounting Standards Board (IASB) issued the *IFRS for SMEs* in July 2009, it stated that it planned to undertake an initial comprehensive review of SMEs' experience in applying the *IFRS for SMEs* after two years of financial statements using the *IFRS for SMEs* had been published by a broad range of entities.

Companies have been using the *IFRS for SMEs* in 2010 and 2011. The comprehensive review is therefore commencing in 2012. During the comprehensive review, the IASB will consider whether to propose amendments to the *IFRS for SMEs* to address any implementation issues identified in that review. It will also consider new and amended International Financial Reporting Standards (IFRSs) that have been adopted since the *IFRS for SMEs* was issued.

Issuing an Invitation to Comment (ITC) will be the IASB's first step in that initial comprehensive review. IASB staff have prepared a draft ITC incorporating suggestions by the [SME Implementation Group](#) (SMEIG). The SMEIG have reviewed and approved the ITC and have recommended that the IASB issue

the ITC for public comment. The IASB will most likely consider the ITC at its meeting in June 2012.

Q&As about the *IFRS for SMEs*: status report

The table below provides a list of the Q&As issued by the SMEIG so far. You will find links to each final Q&A [here](#). In light of the comprehensive review (see previous news story), the SMEIG does not expect that it will issue any additional Q&As before the review is completed.

Final Q&As

Q&A number	Topic	Date Q&A was published
Q&A 2011/01	Use of <i>IFRS for SMEs</i> in a parent's separate financial statements	23 June 2011
Q&A 2011/02	Entities that typically have public accountability	7 December 2011
Q&A 2011/03	Interpretation of 'traded in a public market' in applying the <i>IFRS for SMEs</i>	7 December 2011
Q&A 2012/01	Application of 'undue cost or effort'	10 April 2012
Q&A 2012/02	Jurisdiction requires fallback to full IFRSs	10 April 2012
Q&A 2012/03	Fallback to IFRS 9 <i>Financial Instruments</i>	27 April 2012
Q&A 2012/04	Recycling of cumulative exchange differences on disposal of a subsidiary	27 April 2012

PAFA General Assembly resolution to adopt the *IFRS for SMEs*

The Pan African Federation of Accountants (PAFA) General Assembly has passed a resolution to adopt IFRSs and the *IFRS for SMEs*. The IASB welcomes the move and acknowledges the resolution as a broad policy statement that requires action from the 39 constituent members of PAFA, which was established in May 2011 to accelerate the development of the accountancy profession in Africa. Whilst some PAFA members have already adopted IFRSs and the *IFRS for SMEs* or are taking steps towards doing so, the IASB hopes that the PAFA policy will encourage others to follow.

Commenting on the decision, Hans Hoogervorst, Chairman of the IASB, said:

"This is a very positive move by PAFA member states to work collectively for the adoption of both IFRSs and the *IFRS for SMEs* across Africa. By improving clarity and comparability for existing and prospective investors, I believe that our Standards have the potential to be of substantial economic benefit across the continent."

IFRS for SMEs translations: status report

A German translation of the *IFRS for SMEs* is now in process. Russian translations of the Basis for Conclusions and the Implementation Guidance issued with the *IFRS for SMEs* have now been completed and are available online, together with the translation of the Standard.

Here is the current status of translations of the *IFRS for SMEs* approved by the IFRS Foundation:

Completed. Albanian*, Arabic, Armenian*, Chinese (simplified)*, Czech*, French*, Hebrew*, Italian*, Japanese*, Kazakh*, Lithuanian, Macedonian*, Mongolian*, Polish*, Portuguese*, Romanian*, Russian*, Serbian, Spanish* , Turkish*

In process. Bosnian, Estonian, German, Khmer, Ukrainian

Under discussion with the IFRS Foundation. Bulgarian, Georgian

*Available for free download [here](#)

Spanish translations of Q&As

Spanish translations of the following Q&As on the *IFRS for SMEs* can be accessed [online](#):

- Q&A 2011/01 Use of the *IFRS for SMEs* in a parent's separate financial statements
- Q&A 2011/02 Entities that typically have public accountability
- Q&A 2011/03 Interpretation of 'traded in a public market' in applying the *IFRS for SMEs*

The Spanish translation of the four Q&As issued in 2012 is in process.

New English-language training module (Section 31)

The IFRS Foundation Education Initiative has posted online a new module of its training material on the *IFRS for SMEs: Module 31 Hyperinflation*. Section 31 of the *IFRS for SMEs, Hyperinflation*, establishes the requirements for the preparation of financial statements of an entity whose functional currency is the currency of a hyperinflationary economy.

A total of 29 English-language modules have now been posted. All of them are available for download from the IFRS Foundation [website](#).

Additional Arabic-language training module (Section 22)

The Arabic translation of Module 22 of the *IFRS for SMEs* training material, covering Section 22 *Liabilities and Equity*, is now available. In total, 28 Arabic-language modules are now available for download from the IFRS Foundation [website](#). The IFRS Foundation is grateful to the Arab Society of Certified Accountants (ASCA) Jordan for facilitating and funding the translation of the training material.

French-language translation of PowerPoint® training material

The French-language translation of the Microsoft PowerPoint® presentations, designed to support three-day workshops on the *IFRS for SMEs*, are now available for download from the IFRS [website](#). The IFRS Foundation is grateful to the World Bank for funding the translation of the material into the French language.

Upcoming 'train the trainers' workshop

For more details, [click here](#).

Central Asia

Date: 24-27 July 2012

Location: Ulaanbaatar, Mongolia

Instructor: Michael Wells (Director, IFRS Education Initiative, IASB) and Ms Nyamdari (Consultant, World Bank and Ministry of Finance (Mongolia))

Language: Mongolian

Sponsoring organisation: The World Bank together with the Ministry of Finance (Mongolia)

Where to obtain **IFRS for SMEs** materials

- [The Standard online](#) (available in multiple languages)
 - [The Standard in hard copy](#)
 - [Information about the SME Implementation Group \(SMEIG\)](#)
 - [Q & As](#)
-

Presentations at 'train the trainers' workshops

- [Training materials in PDF format](#)
- [Other IASB presentations about the *IFRS for SMEs*](#)
- [Past issues of the *IFRS for SMEs* Update](#)

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