

# AGENDA PAPER

IFRS Foundation Due Process Oversight Committee

Washington DC

11 July 2012

Agenda ref

4B

## Reappointment of Members of SMEIG

1. The SME Implementation Group (SMEIG) is an advisory body to the IASB. The mission of the SMEIG is to support the international adoption of the *International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs)* and monitor its implementation. In fulfilling that mission, the SMEIG has two main responsibilities:
  - to consider implementation questions raised by users of the *IFRS for SMEs*, decide which ones merit guidance, and develop and publish questions and answers (Q&As) as non-mandatory guidance for implementing the *IFRS for SMEs*; and
  - to recommend possible amendments to the *IFRS for SMEs* to the IASB as part of a comprehensive post-implementation review of the Standard.
2. The terms of reference and operating procedures for the SMEIG were approved by the Trustees of the IFRS Foundation in January 2010. The document may be downloaded here: <http://www.ifrs.org/IFRS+for+SMEs/Implementation+Group.htm>
3. The initial 21 members of the SMEIG were appointed in September 2010 by the Trustees following a public call for nominations. One person was added subsequently, and two original appointees were replaced. Appointments were based on a public invitation for nominations. There were approximately 90 nominations. Appendix A to this agenda paper lists the 22 current members of the SMEIG.
4. Since its appointment, the SMEIG has:
  - Considered 18 issues as candidates for Q&As
  - Approved and invited public comment on 11 draft Q&As, which are available here: <http://www.ifrs.org/IFRS+for+SMEs/Draft.htm>

- Approved and published 7 final Q&As, which are available here:  
<http://www.ifrs.org/IFRS+for+SMEs/QAsSMEs.htm>
  - Approved an approach to the comprehensive review of the IFRS for SMEs and provided suggestions for the content of, reviewed and approved a draft of the Invitation to Comment (ITC) prepared by IASB staff. The SMEIG's proposed approach to the review and draft ITC were submitted to the IASB for approval at the IASB's June 2012 meeting. The agenda papers for that meeting are available here:  
<http://www.ifrs.org/Meetings/IASB+June+2012.htm>.
5. The SMEIG has conducted all of its work by email, with documents posted on the SMEIG's SharePoint website, to which IASB members also have access. All 22 members have participated actively both in the Q&A process and in developing the Invitation to Comment for the comprehensive review. A physical meeting of the SMEIG is planned for first quarter 2013 to review responses to the ITC and develop recommendations to the Board for possible amendments to the IFRS for SMEs. This is considered to be the most productive and cost-effective time for SMEIG to debate potential changes to the IFRS for SMEs.
6. The terms of all 22 SMEIG members end on 30 June 2012. Michelle Fisher (the IASB's Senior Project Manager on the IFRS for SMEs) and I both are very pleased with how the group has been working and with the quality of input we have received. The comprehensive review is now under way and is scheduled to be completed in the first half of 2014 (possibly late in 2013). Michelle and I believe that there will be considerable benefit to the IASB if the terms of all current SMEIG members were extended for two more years to 30 June 2014 to allow continuity in the comprehensive review process.
7. **Therefore, we recommend to the Trustees of the IFRS Foundation that all 22 current members be reappointed for two-year terms ending 30 June 2014.** Before making this recommendation, we asked all of the current members to inform us if they did not want to be reappointed, perhaps because of upcoming work or personal commitments. None of the members have told us that they do not want to be reappointed.

8. We further recommend that sometime in the second half of 2013 the Trustees should invite nominations for SMEIG members as of 1 July 2014. We would note that the role of the SMEIG may change as a result of the comprehensive review. One of the issues that will be dealt with in the comprehensive review is whether Q&As should be issued by the SMEIG going forward. New appointments would be effective 1 July 2014. At that time the Trustees may wish to consider whether to have staggered terms and whether any other provisions of the Terms of Reference should be amended.

**Appendix A**  
**Members of the SME Implementation Group**

Chairman: Paul Pacter, IASB.

<b>Name</b>	<b>Affiliation</b>
<b>Africa</b>	
Dr Khaled A Hegazy <i>Egypt</i>	Partner, Crowe Dr. A. M. Hegazy & Co.
Omodele R. N. Jones, DBA <i>Sierra Leone</i>	Chair, Council for Standards of Accounting, Auditing, Corporate & Institutional Governance (CSAAG)
Bruce Mackenzie <i>South Africa</i>	Managing Partner, W Consulting
Frank Timmins <i>South Africa</i>	Head of Risk Management and Professional Standards, Grant Thornton
<b>Asia-Oceania</b>	
Sanath Fernando <i>Sri Lanka</i>	Partner, Ernst & Young
Ying Wei <i>People's Republic of China</i>	Deputy Director-General, Accounting Regulatory Department, Ministry of Finance
<b>Europe</b>	
Dr Kati Beiersdorf <i>Germany</i>	Project Manager, RBS RöverBrönnerSusat
Steven Brice	Financial Reporting Advisory Partner, Mazars

<i>United Kingdom</i>	
Professor Robin Jarvis <i>United Kingdom</i>	Special Adviser, The Association of Chartered Certified Accountants (ACCA); Professor of Accounting, Brunel University; Policy Adviser, European Federation of Accountants and Auditors for SMEs
Claudia Mezzabotta, Dottore Commercialista <i>Italy</i>	Head of the <i>IFRS for SMEs</i> Working Group of Ordine dei Dottori Commercialisti ed Esperti Contabili di Milano (ODCEC Milano), Italy; Director, Department of Accounting and Financial Reporting Standards (English classes), Scuola di Alta Formazione della Fondazione dei Dottori Commercialisti di Milano
Signe Moen <i>Norway</i>	Partner, PricewaterhouseCoopers
Hugo van den Ende <i>Netherlands</i>	Partner, PricewaterhouseCoopers Accountants N.V. Amsterdam
<b>North America</b>	
Ana Denena <i>United States</i>	Partner, UHY LLP
Thomas J Groskopf, CPA <i>United States</i>	Director, Barnes, Dennig & Co., Ltd.
Keith C Peterka <i>United States</i>	Professional Standards Group, Mayer Hoffman McCann P.C.
<b>Latin America/Caribbean</b>	

Artemio Bertholini <i>Brazil</i>	Partner, Directa Auditores, a member firm of PKF International Limited
Andrew F Brathwaite, CA <i>Barbados</i>	Principal, AFB Consulting, Chartered Accountants
Cdor. Hernán P Casinelli <i>Argentina</i>	Former Director and current General Coordinator of IFRS course, Universidad Argentina de la Empresa (UADE); Former Director of the Chartered Public Accounting Program (UADE); Professor of Accounting (UBA—UADE); Associate member, Gajst & Asociados
Haydeé de Chau <i>Panamá</i>	Partner, KPMG
Professor Jorge José Gil <i>Argentina</i>	Professor, University of Cuyo, Aconcagua University; General Director of AAASB (FACPCE)
Ricardo Rodil <i>Brazil</i>	Senior Partner, Baker Tilly Brasil
<b>International</b>	
Henri Fortin	Head, Centre for Financial Reporting Reform, World Bank

**Observers:**

European Commission

European Financial Reporting Advisory Group (EFRAG)