

STAFF PAPER

June 2013

IASB Meeting

Project	Comprehensive review of the <i>IFRS for SMEs</i>		
Paper topic	Cover paper		
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This paper has been prepared by the staff of the IFRS Foundation for discussion at a public meeting of the IASB and does not represent the views of the IASB or any individual member of the IASB. Comments on the application of IFRSs do not purport to set out acceptable or unacceptable application of IFRSs. Technical decisions are made in public and reported in IASB *Update*.

Objective of this meeting

1. The purpose of this meeting is for the IASB to discuss additional issues identified by staff outside the IASB's 2012 Request for Information (RFI) process as well as to provide the staff with feedback on their first draft of a revised Section 29 *Income Taxes*.

Summary of agenda papers

2. The following agenda papers have been prepared for this June 2013 meeting:
 - (a) Agenda Paper 8 (this agenda paper): covers the objective of this meeting, a summary of progress to date, topics to be discussed by the IFRS Advisory Council and a timetable for the comprehensive review.
 - (b) Agenda Paper 8A: covers the process followed by the staff when redrafting Section 29 and the first draft of Section 29 (revised).
 - (c) Agenda Paper 8B: covers additional issues identified by the staff outside the RFI process.

Summary of progress and discussions to date

3. When the 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* when two years of financial statements using the *IFRS for SMEs* had been published by a broad range of entities.
4. In June 2012 the IASB issued the RFI seeking public views on whether there is a need to make any amendments to the *IFRS for SMEs*. The comment deadline of the RFI was 30 November 2012.
5. The IASB discussed all of the issues from the RFI at its March - May 2013 meetings. The staff have also identified a number of other issues outside the RFI process that they would like the IASB to discuss. These issues have been included for discussion in Agenda Paper 8B for this meeting.
6. Agenda Papers 8A and 8B contain the remaining issues that the staff plans to bring to the IASB before starting to draft the amendments to the *IFRS for SMEs*. The staff thinks that all other issues can be dealt with during drafting. However, if any further issues arise during the course of drafting of the amendments that require IASB decisions, the staff will bring these to future IASB meetings as sweep issues.

Meeting of the IFRS Advisory Council

7. On 10 June 2013, the IFRS Advisory Council will discuss three issues about the *IFRS for SMEs*:
 - (a) Use of the *IFRS for SMEs* by publicly accountable entities
 - (b) Dealing with changes to full IFRSs during reviews of the *IFRS for SMEs*
 - (i) 'close alignment with full IFRSs' versus 'independent Standard focused on the needs of SMEs'
 - (c) Frequency of reviews of the *IFRS for SMEs*
 - (i) 'responsive' versus 'stability'

8. The staff will provide a summary of the IFRS Advisory Council discussions at the beginning of this IASB meeting.

Expected timetable

9. The staff anticipate the following timetable for the comprehensive review. The timetable will vary depending on the extent of proposed amendments to the *IFRS for SMEs*.

June 2012	RFI issued (posted on IASB website). The public are invited to make recommendations on possible amendments to the <i>IFRS for SMEs</i> .
30 November 2012	Comment deadline on the RFI.
February 2013	The SMEIG reviewed the responses to the RFI in a public meeting and developed recommendations for the IASB on possible amendments. A report containing the SMEIG recommendations was posted on the IASB website in March 2013.
March - June 2013	The IASB reviews the responses to the RFI and deliberates possible amendments to the <i>IFRS for SMEs</i> .
Third quarter of 2013	The IASB develops and approves an exposure draft (ED) of proposals.
First quarter of 2014	The SMEIG reviews responses to the ED and makes recommendations to the IASB.
First half of 2014	The IASB deliberates on the amendments to proposals in the ED and agrees on final revisions to the <i>IFRS for SMEs</i> .
First half of 2014	The IASB publishes final revisions to the <i>IFRS for SMEs</i> .
Target date in 2015	Effective date of revisions.