

1. *IFRS for SMEs* published July 2009

- a. ‘Good Financial Reporting Made Simple’.
- b. 230 pages (full IFRSs has over 3,000 pages).
- c. Built on a full IFRS foundation. Simplifications from full IFRSs based on:
 1. User needs primarily for information about short-term cash flows, liquidity and solvency (rather than longer-term forecasts of earnings and share prices).
 2. Cost-benefits considerations.
- d. Completely stand-alone.
- e. Access [here](#).

2. Types of simplifications compared to full IFRSs

- a. Some topics in full IFRSs are omitted because they are not relevant to typical SMEs.
- b. Some accounting policy options in full IFRSs are not allowed because a more simplified method is available to SMEs.
- c. Simplification of many of the recognition and measurement principles in full IFRSs.
- d. Substantially fewer disclosures.
- e. Simplified redrafting.

3. Use around the world

- a. To assess progress toward the goal of global accounting standards, the IFRS Foundation is developing profiles of application of full IFRSs and the *IFRS for SMEs* in individual jurisdictions. View the jurisdiction profiles [here](#).
- b. Profiles for 130 jurisdictions have been posted:
 1. 63 of the 130 jurisdictions require or permit the *IFRS for SMEs*:
Anguilla, Antigua and Barbuda, Argentina, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Bhutan, Bosnia and Herzegovina, Botswana, Brazil, Cambodia, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Fiji, Georgia, Ghana, Grenada, Guatemala, Honduras, Hong Kong, Iraq, Ireland, Israel, Jamaica, Jordan, Kenya, Lesotho, Macedonia, Maldives, Mauritius, Montserrat, Myanmar, Nicaragua, Nigeria, Panama, Rwanda, Saint Lucia, Saudi Arabia, Sierra Leone, Singapore, South Africa, Sri Lanka, St Kitts and Nevis, St Vincent and the Grenadines, Swaziland,

Switzerland, Tanzania, Trinidad and Tobago, Turkey, Uganda, United Arab Emirates, United Kingdom, Venezuela, Yemen, Zambia, and Zimbabwe.

2. 16 of the 130 jurisdictions are currently considering requiring or permitting the *IFRS for SMEs*.
3. For the 63 jurisdictions that require or permit the *IFRS for SMEs*:
 - i. 8 jurisdictions require the *IFRS for SMEs* for all SMEs that are not required to use full IFRSs.
 - ii. 38 jurisdictions give an SME a choice to use full IFRSs instead of the *IFRS for SMEs*.
 - iii. 16 jurisdictions give an SME a choice to use either full IFRSs or local GAAP instead of the *IFRS for SMEs*.
 - iv. 1 jurisdiction requires an SME to use local GAAP if it does not choose the *IFRS for SMEs*.
4. In requiring or permitting the *IFRS for SMEs*, 55 of the 63 jurisdictions made no modifications at all to its requirements.
5. 6 jurisdictions made relatively minor modifications (Argentina, Bangladesh, Bosnia and Herzegovina, Brazil, Hong Kong and Saudi Arabia).
6. 2 jurisdictions (Ireland and United Kingdom) made some significant modifications, including adding in options allowed under full IFRSs that are not allowed in the *IFRS for SMEs*.

4. Translations

- a. **Completed:** Albanian*, Arabic, Armenian*, Bosnian*, Bulgarian*, Chinese (simplified)*, Croatian*, Czech*, Estonian*, French*, Georgian, German, Hebrew*, Italian*, Japanese*, Kazakh*, Khmer*, Lithuanian*, Macedonian*, Mongolian*, Polish*, Portuguese*, Romanian*, Russian*, Serbian, Spanish*, Turkish* and Ukrainian* (28 languages total).
- b. **Under discussion with the IFRS Foundation:** Azeri and Turkmen.

*Available for free download [here](#) (for translations not marked with an * please see our [webshop](#) for details on how to purchase a hard copy).

5. Free training materials

- a. One module per section of the *IFRS for SMEs*. Already available in English, Spanish, Turkish, Russian and Arabic. More translations to come.
- b. Each module has the complete text of the section, with each paragraph annotated with commentary and numerical examples. At the end of the module are a comparison with full IFRSs, discussion of significant estimates and judgements required in applying the section, a quiz (with answers), and two case studies (with solutions).
- c. Self-study. Available for free download in PDF format. Around 2,000 pages of training material in all.
- d. 34 modules are finished and posted in English. The remaining module, Section 12 *Other Financial Instruments Issues*, has been drafted and is expected to be completed later this year. Details [here](#).

6. Free training workshops

- a. **Regional:** Generally 3 days × 8 classroom hours per day. 20 sets of PowerPoint slides with 1,100 slides in total. Two IASB instructors. Local organiser/sponsor (often World Bank or regional development bank). PowerPoint slides are available for free download in English as well as French, Portuguese, Russian, Spanish and Turkish.
- b. **To date:** Abu Dhabi, Argentina, Armenia, Bangladesh, Barbados, Bosnia, Brazil, Cameroon, Caribbean, Chile, Dubai, Egypt, Gambia, India, Kazakhstan, Kenya, Malaysia, Mongolia, Myanmar, Nordic countries, Panama, Singapore, Sri Lanka, Tanzania, Turkey, Ukraine and Zambia.
- c. **More information** [here](#).

7. SME Implementation Group (SMEIG)

- a. Created in 2010 by IFRS Foundation Trustees after public call for nominations. Currently there are 27 members plus the chair (IASB member Darrel Scott). Details [here](#).
- b. The SMEIG has two main responsibilities:
 1. Make recommendations to the IASB on the need for modifications to the *IFRS for SMEs*.
 2. Provide guidance on implementing the *IFRS for SMEs* via non-mandatory Q&As.
- c. The *Terms of Reference and Operating Procedures for the SMEIG*, as approved by the Trustees, was updated in February 2014 for the following:
 1. Changes in the procedure that the SMEIG follows when issuing non-mandatory guidance (Q&As).
 2. Increasing membership of the SMEIG from 22 to a maximum of approximately 30 as of 1 July 2014 and staggering the terms of members from that date. The result of this is the terms of 15 of the current members will expire on 30 June 2017 and the terms of the others on 30 June 2016.
- d. Guidance issued by the SMEIG will now continue as a two-tier system as follows:
 1. Tier 1: Issues would be those requiring authoritative guidance and would require full due process for changes to the *IFRS for SMEs*. These issues are expected to be rare.
 2. Tier 2: Issues would be dealt with by non-mandatory education material in the form of Q&As. Q&As are intended to help those who use the *IFRS for SMEs* to think about specific accounting questions and are subject to the normal due process for educational material. IASB approval is not required. Q&As are issued in the name of the SMEIG.
- e. Existing Q&A status:
 1. 7 final Q&A were completed and posted during 2011 and 2012 (English and Spanish). These have been incorporated into IFRS Foundation education material and will be deleted at the end of the initial comprehensive review of the *IFRS for SMEs*.
 2. No additional Q&As are currently under development by the SMEIG.

8. Comprehensive review 2012-2014

- a. The IASB committed 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 SMEs.
- b. Steps taken so far:
 1. June 2012: The IASB issued a Request for Information (RfI) seeking public views on whether there is a need to make any amendments to the *IFRS for SMEs*. Comment deadline was November 2012.
 2. February 2013: The SMEIG met to discuss comments and develop recommendations for the IASB on possible amendments to the *IFRS for SMEs*.
 3. March to June 2013: IASB deliberations on possible amendments to the *IFRS for SMEs*.
 4. October 2013: Exposure Draft of proposed amendments to the *IFRS for SMEs* issued. Comment deadline was March 2014.
 5. May 2014: Comment letter analysis presented to the IASB.
- c. Expected timetable to completion:
 1. July to October 2014: The SMEIG will develop recommendations for the IASB on possible changes to the Exposure Draft.
 2. October to December 2014: IASB redeliberations on changes to the Exposure Draft.
 3. First half 2015: Final revised *IFRS for SMEs*.
 4. Effective date of amendments 1 January 2017, with early adoption permitted.
- d. More information [here](#).

9. Monthly *IFRS for SMEs Update* newsletter and Alerts

- a. Free. Prepared by IASB staff.
- b. News about the comprehensive review, adoptions, SMEIG activity, training programmes and materials, translations and other *IFRS for SMEs* news.
- c. Includes relevant hyperlinks to download materials.
- d. Over 17,500 email subscribers.
- e. Subscribers also receive periodic email Alerts about other *IFRS for SMEs* news.
- f. Subscribe [here](#).

10. Guide on application of the *IFRS for SMEs* by micro-sized entities

- a. In June 2013, the IASB issued a *Guide for Micro-sized Entities Applying the IFRS for SMEs* (2009). Available for free download [here](#).
- b. Micros are very small entities with simple transactions and few employees.
- c. The Guide contains guidance both to assist micro-sized entities currently applying the *IFRS for SMEs* and to make the *IFRS for SMEs* more accessible for those considering applying it in the future.

- d. The Guide extracts from the *IFRS for SMEs* only those requirements that are likely to be necessary for a typical micro-sized entity, without modifying any of the principles for recognising and measuring assets, liabilities, income and expenses.
- e. In a few areas, it also contains further guidance and illustrative examples to help a micro-sized entity to apply the principles in the *IFRS for SMEs*.
- f. The Guide supports the *IFRS for SMEs* and is not a separate Standard. While it is intended to be self-contained for most micros, the Guide identifies those topics in the *IFRS for SMEs* that have been omitted and refers users of the Guide back to the *IFRS for SMEs*. We expect the vast majority of micro entities to be able to apply the Guide without needing to refer to the *IFRS for SMEs*.
- g. The IASB undertook the project because some organisations, mainly in smaller jurisdictions, have told us that micro-sized entities feel that the *IFRS for SMEs* is not tailored to their needs and capabilities.
- h. The basis of presentation note and auditor's report could refer to conformity with the *IFRS for SMEs* because there is no modification of the Standard.

11. IFRS for SMEs section of the IASB website

- a. Main *IFRS for SMEs* page: <http://go.ifrs.org/SMEsHome>
- b. Organised into the following sections:
 - 1. About the *IFRS for SMEs*
 - 2. Access the *IFRS for SMEs*
 - 3. Comprehensive review 2012-2014
 - 4. SMEIG
 - 5. Q&As
 - 6. Training material
 - 7. Train the trainers workshops
 - 8. *IFRS for SMEs Update* newsletter
 - 9. Presentations about the *IFRS for SMEs*
 - 10. Guidance for micro-sized entities
 - 11. Webcasts
 - 12. Project history
 - 13. Non-English resources

12. Free Downloads from the IASB website

- a. *IFRS for SMEs* (full standard, translations): <http://go.ifrs.org/IFRSforSMEs>
- b. Training materials (one module per section of the *IFRS for SMEs*, multiple languages): <http://go.ifrs.org/smetraining>
- c. PowerPoint training modules (20 PPTs, multiple languages): <http://go.ifrs.org/trainingppts>
- d. Board and staff presentations (multiple languages): <http://go.ifrs.org/presentations>

- e. *IFRS for SMEs Update* newsletter: <http://go.ifrs.org/smeupdate>
- f. SMEIG Q&As: <http://go.ifrs.org/SMEs-Q-and-A>
- g. Comprehensive review documents: <http://go.ifrs.org/Comprehensive-Review-SMEs>
- h. Executive briefing booklet: <http://go.ifrs.org/A-Guide-to-IFRS-for-SMEs-March-2012>
- i. Guidance for micro-sized entities: <http://go.ifrs.org/Guidance-for-Micro-Sized-Entities>
- j. Non-English SME resources: <http://go.ifrs.org/SMEs-Non-English-Resources>
- k. Use of the *IFRS for SMEs* around the world: <http://go.ifrs.org/Analysis-of-SME-profiles>

13. IFRS Foundation contacts

- a. IASB member Darrel Scott chairs the SMEIG and oversees *IFRS for SMEs* implementation activities. dscott@ifrs.org.
- b. Michelle Fisher, IASB Senior Project Manager, is responsible for all matters relating to the *IFRS for SMEs*. mfisher@ifrs.org.