

PRESS RELEASE

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**IASB staff to develop guidance for micro-sized entities
applying the *IFRS for SMEs***

The staff of the International Accounting Standards Board (IASB) is to develop guidance to help micro-sized entities apply the *IFRS for Small and Medium-sized Entities (IFRS for SMEs)*.

The SME Implementation Group (an advisory body to the IASB) will work with the staff in developing the guidance and will approve a final draft to be sent to the IASB for review.

Paul Pacter, IASB member and chairman of the SME Implementation Group, said:

“The *IFRS for SMEs* has been a remarkable success story, with around 80 jurisdictions having already adopted or planning to adopt the 230-page standard.

In some of those jurisdictions the *IFRS for SMEs* is also used by very small companies with just a few employees. The staff was asked and has agreed to develop guidance suitable for micros as a ‘sub-set’ of the *IFRS for SMEs*, not as a separate standard.”

IASB staff will develop the guidance by extracting from the *IFRS for SMEs* only those requirements that are clearly necessary for most micro-sized entities, without modifying any of the principles for recognising and measuring assets, liabilities, income, and expenses. Only the main principles relating to those requirements would be included.

The guidance will contain cross-references to the *IFRS for SMEs* for matters not dealt with in the guidance booklet. Subsequently, having applied the guidance, an entity’s notes to financial statements and auditor’s report could refer to conformity with the *IFRS for SMEs* because there is no modification.

More information about the *IFRS for SMEs* is available at <http://go.ifrs.org/SMEsHome>

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About the IFRS Foundation

The IFRS Foundation is the oversight body of the International Accounting Standards Board (IASB). The Foundation, through the IASB, is committed to developing, in the public interest, a single set of high quality, global accounting standards that require transparent and comparable information in general purpose financial statements.

The Trustees of the IFRS Foundation promote the work of the International Accounting Standards Board (IASB) and the rigorous application of IFRSs but are not involved in any technical matters relating to the standards. This responsibility rests solely with the IASB.