



IFRS® Foundation

Review of the *IFRS for SMEs* Accounting Standard

Accounting Standards Advisory Forum meeting

ASAF Agenda Paper 8
July 2022

Timeline of the Second Comprehensive Review

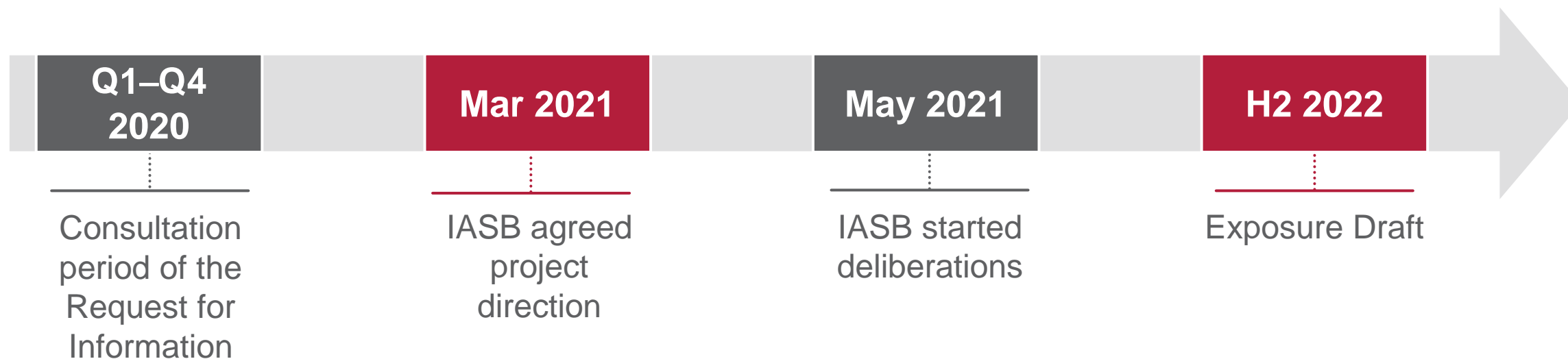
Framework for the Second Comprehensive Review

Scope of the *IFRS for SMEs* Accounting Standard

IASB's tentative decisions

Timeline of the Second Comprehensive Review

Agenda ref 8



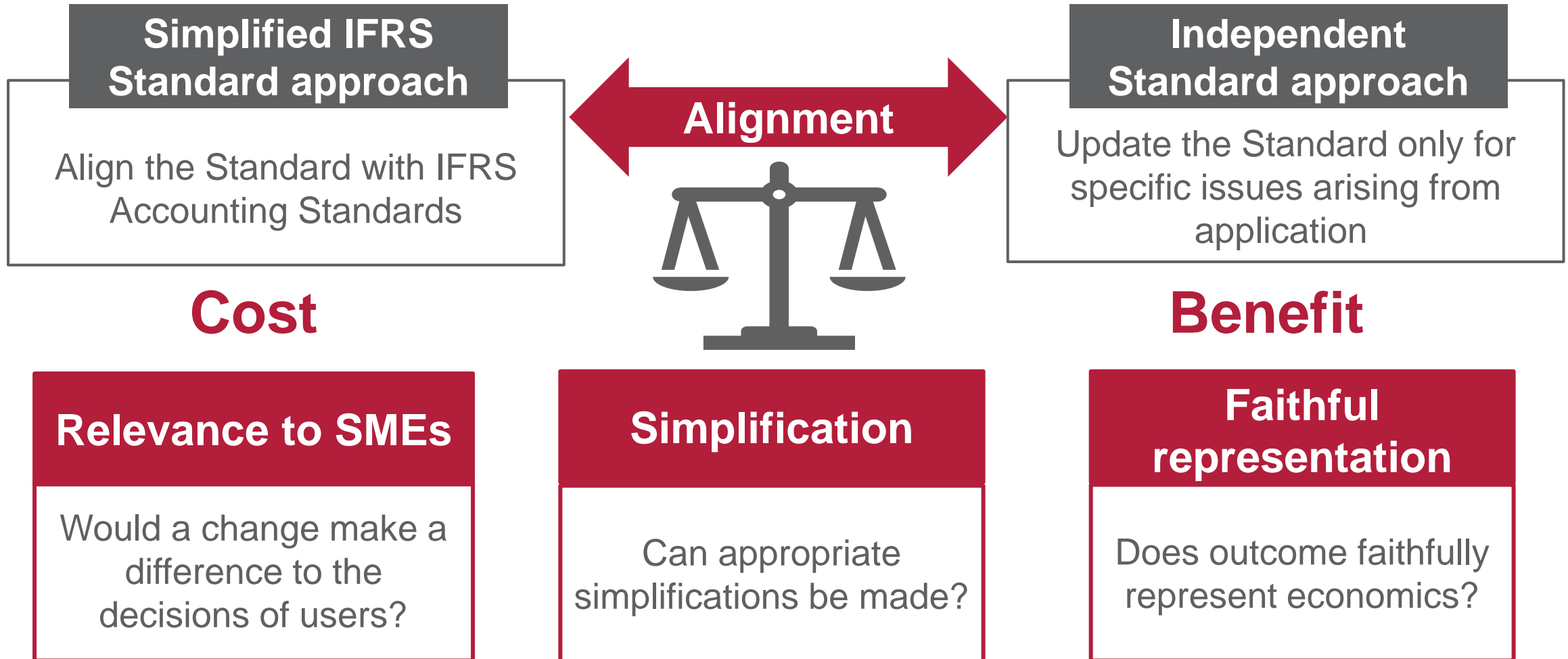
Objective

Update the *IFRS for SMEs Accounting Standard* using the alignment approach the IASB consulted on

Alignment is using IFRS Accounting Standards as the starting point, and applying the principles of relevance, simplicity and faithful representation, including the assessment of costs and benefits

Framework for the Second Comprehensive Review

Agenda ref 8



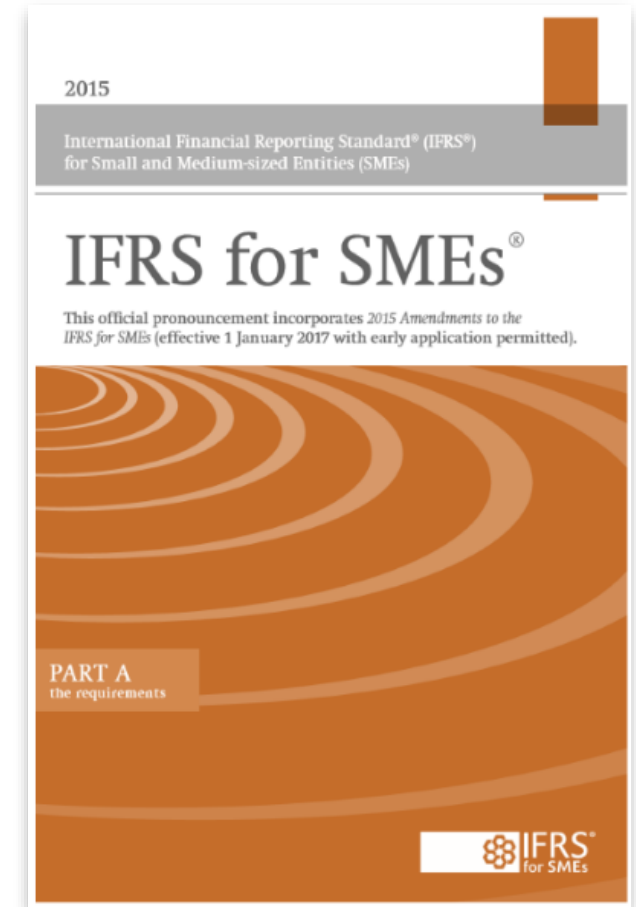
The background of the slide features a stylized world map in shades of gray. Overlaid on the map are several curved, overlapping lines and dotted lines, creating a sense of global connectivity and movement. The text is centered on the right side of the map.

Scope of the *IFRS for SMEs* Accounting Standard

Overview of the *IFRS for SMEs* Accounting Standard

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- Tailored for **small and medium-sized** entities (SMEs) that are not publicly accountable
- Based on **principles from full IFRS** Accounting Standards
- Focuses on **information needs of lenders and other users** of SMEs' financial statements



Who will be eligible to use it?

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Public accountability

An entity has public accountability if:

- a) its **debt or equity instruments are traded in a public market** or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); or
- b) it **holds assets in a fiduciary capacity** for a broad group of outsiders as one of its primary businesses (most banks, credit unions, insurance companies, securities brokers/dealers, mutual funds and investment banks would meet this second criterion).

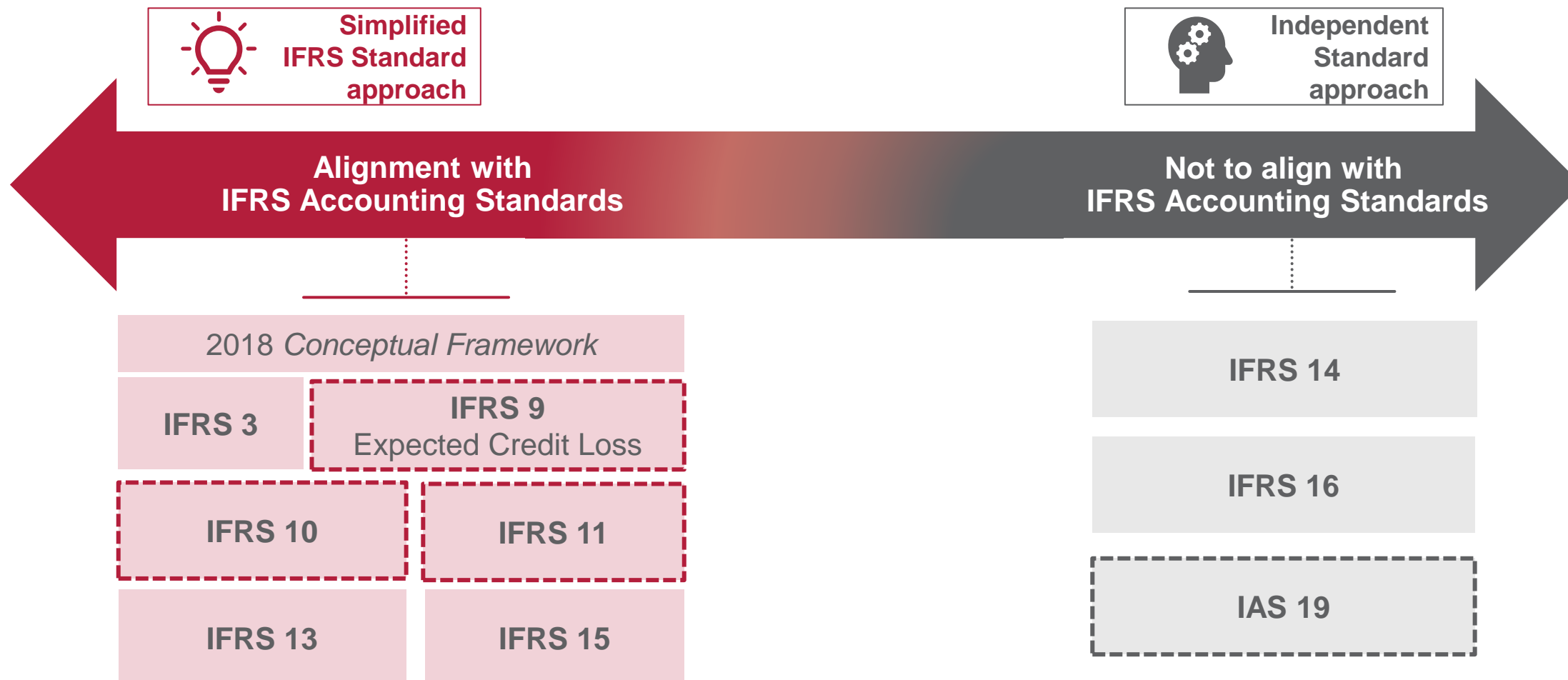


IASB's main tentative decisions

**As at 30 May 2022*

Main tentative decisions of the Second Comprehensive Review

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A summary of the IASB's tentative decisions is available [here](#)

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