



**Irish Auditing & Accounting Supervisory Authority**

# IFRS for SMEs

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IAASA

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# *Disclaimer*

The views expressed are mine and do not necessarily reflect the views of the Board, individual Board members or the staff of the Authority.

# IAASA's statutory remit

1. To supervise how the prescribed accountancy bodies regulate and monitor their members;
2. To promote adherence to high professional standards in the auditing & accountancy profession;
3. **To monitor whether the accounts of certain classes of companies and other undertakings comply with the Companies Acts and, where applicable, Article 4 of the IAS Regulation [and now Transparency Directive]; and**
4. To act as a specialist source of advice to the Minister on auditing and accounting matters.

# Principal Functions of Financial Reporting Supervision Unit

- To monitor whether the accounts of certain classes of companies and other undertakings comply with the Companies Acts, the IAS Regulation and now the Transparency Directive
  - Liaising with other countries' financial reporting monitoring bodies
- Co-operating in the development of accounting standards and practice notes
- Assisting the Board to discharge its functions as an advisor to the Minister on accounting related matters

# Proposed IFRS for SMEs – importance to Ireland

- Key determinant of future convergence of ASB Standards (UK/Irish GAAP) with IFRS.
- It is a matter for each EU Member State to decide upon which accounting standards SMEs should follow - the suitability of the IFRS for SMEs is likely to be influential in Ireland's decision making process in this regard.
- This proposed accounting standard could be mandatory for entities ranging in size from small to large in the future.

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» Do you deem it suitable ??????

# Some issues to consider -

- IASB Invitation to Comment seeking views on:-
  - Topics omitted
  - Reduction of accounting policy options
  - Simplification of recognition and measurement principles
  - Adequacy of implementation guidance
  - Adequacy of disclosures
  - ..... Etc.

# Some issues to consider -

- ASB focus on convergence ....
  - Is the proposed IFRS for SMEs suitable for “middle tier”?
  - **Is it a suitable replacement for the FRSSE?**
  - What changes should be made to ASB version of IFRS for SMEs if any?



# Irish considerations that may differ to the UK?

- Use of FRSSE in Ireland?
- Small open economy ... nature and size of entities
- Small and medium sized thresholds different
- Accounting standard setting in Ireland
- Desirability of having different accounting standards for ROI –v– NI ?
- IFRS moving towards US GAAP?

# Contacts & Further Information

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