

# ANNOUNCEMENT



**The Institute of Chartered Accountants  
of Trinidad and Tobago**  
**ICATT**

The Institute of Chartered Accountants of Trinidad and Tobago (ICATT) wishes to announce that effective February 1st 2010, the International Financial Reporting Standards for Small and Medium –Sized Entities (IFRS for SMEs) have been adopted for the preparation of financial statements of qualifying entities in Trinidad and Tobago. The new standard is available for use in the presentation of financial statements for 2009 and prior periods.

The adoption of this Standard impacts the majority of the entities in Trinidad and Tobago and would simplify the level of accounting and auditing requirements for qualifying entities choosing to implement the Standard.

ICATT has the responsibility of setting and/or adopting appropriate accounting standards for use by reporting entities in Trinidad and Tobago. In pursuit of this mandate, ICATT has adopted the full set of IFRS set by the International Accounting Standards Board (IASB). IFRS for SMEs was issued by the IASB in July 2009 and has been adopted by several countries in recent months.

The Standard ensures that small and medium sized entities report their financial positions and financial results in a consistent manner and in accordance with IFRS. Several benefits would accrue to preparers, auditors and users of financial statements prepared using the new standard. These include lower costs, less disclosure (especially of sensitive information) and greater compliance with IFRS.

Entities that publish general purpose financial statements for external users but have no public accountability are eligible to implement IFRS for SMEs. However, those entities holding assets in a fiduciary capacity for a broad group of outsiders (e.g. banks, insurance companies, dealers in securities, mutual funds and credit unions) are required to maintain compliance with full IFRS.

ICATT's President, Anthony Pierre stated, 'IFRS for SMEs is a step in the right direction and will keep us in line with International Best Practice. The goal of IFRS is to provide the world's integrating capital markets with a common language for financial reporting, while taking into account the needs of small and medium-sized entities and emerging economies.'

Mr. Pierre also noted that ICATT is however cognizant of the fact that there may still be the need to develop an Accounting Standard for micro entities and pointed out that he will be raising this issue at the next meeting of the Board of Directors of the Institute of Chartered Accountants of the Caribbean (ICAC), carded for February 27, 2010 in Nassau, for a regional position to be adopted.

At present, the Institute is focused on providing training and ready support for its members in the implementation of the standard. Additionally, through our Practise Monitoring initiative, ICATT will continue to monitor the progress of the implementation and any issues that may arise.