



International Accounting Standards Board®

Press Release

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IASB launches field tests of SME exposure draft

The International Accounting Standards Board (IASB) launched today a programme for field testing the proposals in the exposure draft of an International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

Field testing is part of the IASB's extensive international consultations to obtain input from a broad range of parties that could potentially benefit from the adoption of common financial reporting standards aimed at smaller companies. The testing seeks to assess the scope, impact and burden of the proposed IFRS for SMEs worldwide and will help to identify aspects of the exposure draft that may need reconsideration. In undertaking the field test, the IASB will focus on the potential operation of the proposals in smaller companies and organisations in emerging economies and developing countries.

The field test is only one of the measures that the IASB has taken to encourage wide participation in its six-month public consultation. IASB members and staff have given presentations and hosted round-table meetings in over 25 countries to discuss the exposure draft and obtain feedback from constituents. Additionally, as an exceptional step to widen access to the proposals and facilitate comments on them, the exposure draft has been translated into three languages (French, German and Spanish).

Commenting on the launch of the field testing, Sir David Tweedie, IASB Chairman, said:

The SMEs project is aimed at meeting the growing demand for a common international financial reporting language that responds to the special needs of smaller companies, particularly in emerging markets. The field test demonstrates the Board's commitment to developing a high quality set of accounting standards for smaller companies. We hope that the field test will suggest how we can improve our proposals and identify areas for further simplification, if possible.

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Notes to Editors***Field testing of exposure draft***

Companies taking part in the field test are asked to provide background information about the company, submit their most recent annual financial statements under their existing accounting framework, prepare financial statements in accordance with the proposed IFRS for SMEs for the same financial year and respond to a series of questions designed to identify any specific problems the company encountered in applying the exposure draft.

The IASB, in co-operation with national and international organisations around the globe, is identifying field test companies and will assist them in applying the requirements proposed in the exposure draft and in responding to the field test questionnaire.

About the IASB

The International Accounting Standards Board (IASB), based in London, began operations in 2001. To fund the operations of the IASB contributions are collected by its Trustees, the IASC Foundation, from the major accounting firms, private financial institutions and industrial companies throughout the world, central and development banks, and other international and professional organisations.

The 14 Board members (12 of whom are full-time) are drawn from nine countries and have wide international experience and a variety of functional backgrounds. 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. In pursuit of this objective, the IASB co-operates with national accounting standard-setters to achieve convergence in accounting standards around the world.