

IFAC SMP Committee Meeting Summary

New York City, USA, October 22-23, 2012

Contact: Paul Thompson (paulthompson@ifac.org)
Paul Harrison (paulharrison@ifac.org)

This meeting summary of the IFAC Small and Medium Practices (SMP) Committee has been prepared for information purposes only. Decisions reported are tentative and reflect only the current status of discussions on projects which might change after further deliberation by the SMP Committee.

Strategic Planning and Work Program

The committee approved its *Strategy and Work Plan for 2013-16*, which was developed taking into consideration a range of environmental factors, poll and survey data, and input provided by delegates during breakout sessions at the IFAC SMP Forum 2012. The final Strategy document will be published in December 2012 and will be available on the IFAC website at www.ifac.org/smp.

The committee also discussed its 2012 Work Program and noted satisfactory progress. Since its previous meeting in June, the committee released articles entitled *ISRS 4410: The Standard for Today's Compilation Engagements, Highlighting the Value to SMPs and SMEs*¹ and *How to Cope with Pressure to Lower Fees*², and made publicly available a series of videos³ featuring interviews with leading edge practitioners on how to develop a successful business advisory practice.

Guidance for Review Engagements

The committee approved a proposal to develop a new publication which will help member bodies support their SMP constituents with the implementation of the IAASB's recently revised International Standard on Review Engagements (ISRE) 2400, *Engagements to Review Historical Financial Statements*⁴. The publication, which will supplement the committee's existing implementation guides⁵, is expected to be released in late 2013.

Practice Management Guide

The committee approved plans which will see the release of the third edition of its *Guide to Practice Management for Use by Small- and Medium-Sized Practices*⁶ before the end of 2012.

¹ See <http://www.ifac.org/news-events/2012-07/isrs-4410-standard-todays-compilation-engagements>

² See <http://www.ifac.org/news-events/2012-09/how-cope-pressure-lower-fees>

³ See <http://www.youtube.com/playlist?list=PL38B5A23305EFBFB0>

⁴ See <http://www.ifac.org/news-events/2012-09/iaasb-continues-address-assurance-needs-smaller-entities-issues-revised-standard>

⁵ See Implementation Guidance at <http://www.ifac.org/about-ifac/small-and-medium-practices-committee/smp-resources-and-tools>

⁶ Second edition is at <http://www.ifac.org/publications-resources/guide-practice-management-small-and-medium-sized-practices>



Input to IAASB Standard Setting

The committee noted its response of October 5, 2012⁷, to the IAASB's *Invitation to Comment: Improving the Auditor's Report*.

The committee also discussed its ongoing input, throughout the development process, to other IAASB projects of particular interest to SMEs and SMPs, including the Audit Quality Framework, ISAE 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, and ISA Implementation Monitoring.

Liaison with IESBA

The committee discussed a number of IESBA initiatives and projects, and considered its proposed response to the IESBA Exposure Draft, *Responding to a Suspected Illegal Act*⁸.

IFRS for SMEs

The committee discussed the International Accounting Standards Board (IASB)'s post implementation review of its IFRS for SMEs standard. Discussion focused in particular on IFAC's proposed response to the IASB's Request for Information, *Comprehensive Review of the IFRS for SMEs*⁹, which the committee is playing a central role in preparing.

Next Meeting

The next meeting of the SMP Committee is provisionally scheduled for February 14-15, 2013 in New York City, USA.

⁷ See item 38 at <http://www.ifac.org/publications-resources/improving-auditor-s-report>

⁸ See <http://www.ifac.org/publications-resources/responding-suspected-illegal-act>

⁹ See http://www.ifrs.org/IFRS-for-SMEs/Documents/RequestforInformation_IFRSforSMEs_WEBSITE.pdf