

IFAC SMP COMMITTEE MEETING SUMMARY

Brussels, Belgium, February 16-17, 2015

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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.

IFAC President Address

The Committee noted a presentation by Ms. Olivia Kirtley, IFAC President. Ms. Kirtley was elected as IFAC's first female President, for a two-year term in November 2014. Ms. Kirtley highlighted the importance of SMPs and how the SMP Committee is a key strategic adviser to the IFAC Board. Ms. Kirtley acknowledged the impact of rapid technology change and the importance of good governance in every organization.

Public Policy and Regulation

The Committee noted a presentation by Mr. Luc Hendrickx, Director Enterprise Policy and External Relations, [UEAPME](#). This focused on recent projects on Clouding SMEs, Responsible Entrepreneurship in SMEs and Late Payment. The Committee commented on the three initiatives.

Ms. Loren Lesko, Policy Officer, Audit and Credit Rating Agencies Unit, [European Commission](#) provided an overview of the new EU Legal Framework on Statutory Audit. The Committee commented on the key measures.

Strategy and Work Plan

The Committee noted a report on the IFAC SME-SMP Strategy Implementation Plan 2014 and noted a presentation on the 2015 IFAC Strategy Implementation Plan, the development of the 2016-2019 IFAC Strategy and 2015 SMP-SME Work Plan. The Committee made a number of comments and observations on the future IFAC strategy and the SMP-SME Work Plan.

Task Force Meetings

The Committee split into separate task force meetings, which included the Ethics Task Force (ETF), IAASB Rapid Response Task Force (IRRTF), Implementation Guidance Task Force (IGTF) and Small Business Support Task Force (SBSTF). The Committee provided input on the current projects of each Task Force.



PAO Development

The Committee noted a presentation by Mr. Paul Hurks, Senior Advisor to the IFAC CEO, which provided an overview of IFAC's objective to develop the profession and individual Professional Accountancy Organizations (PAOs). It covered IFAC's Capacity Building Framework and highlighted the importance of collaboration with regional organizations and leveraging PAO-to-PAO partnerships.

SMP Business Support

Mr. Christopher Arnold outlined the main results from the [IFAC Global SMP Survey 2014](#). The Survey was open from November 3, 2014 to December 31, 2014 in 21 languages and received 5,083 responses from 135 countries. The Committee considered the strategic implications of the results and provided suggestions for how the Survey and number of respondents could be improved in 2015.

Mr. Daniel Kroes, President, IBR-IRE provided an overview of a [new publication](#) by the members of the Belgian SME/SMP Commission of the Belgian Institute of Registered Auditors (IBR/IRE) on transfer and takeover of SMEs and in particular on due diligence engagements. The Committee commented on the role of the auditor and different business valuation methods. A discussion was subsequently produced for the Global Knowledge Gateway – [SME Acquisitions and the Added Value of a Registered Auditor](#).

Ms. April McKenzie, Chief Operating Officer, [International Valuation Standards Council \(IVSC\)](#) provided an overview of the IVSC, the valuation infrastructure and the Valuation Framework. The Committee commented on the importance of business valuation and the role of SMPs.

The Committee noted a presentation on the [Global Knowledge Gateway](#), which included the highlights from 2014, such as the number of unique visitors, and the Key Performance Indicators (KPIs) for 2015.

Global Representation and Advocacy

The Committee noted a presentation on "Accountants in Society", which was one of the four IFAC speaking themes in 2014. Members provided examples developed by member bodies which demonstrated how, in the work that they do, SMPs contribute to society.

Next Meeting

The next meeting of the SMP Committee is scheduled for June 8-9, 2015 in New York, US.