

Meeting: IESBA Consultative Advisory Group
Meeting Location: Prague Marriott Hotel, Czech Republic
Meeting Date: September 14, 2011

SME/SMP Issues

Objectives of Agenda Item

1. To consider the IESBA SME/SMP Working Group's preliminary report

Background

The IESBA SME/SMP Working Group was formed in late 2010 to identify and advise the Board on unique and challenging issues faced by professional accountants in SMEs and SMPs when complying with the Code. Its members¹ bring a range of SME and SMP experience as professional accountants, including:

- Employment by SMEs;
- Public practice in SMPs and larger firms providing audit, review and other services to SMEs; and
- Service with IFAC member bodies setting, interpreting, monitoring compliance with and obtaining feedback related to ethics standards for professional accountants in SMEs and SMPs.

At its June 2011 meeting in Warsaw, the Board received the attached preliminary report setting out the Working Group's initial findings and advice.

The Working Group is currently completing a number of interviews to expand its geographic input and further validate these preliminary findings and recommendations.

¹ The IESBA SME/SMP Working Group is comprised of the following members: Don Thomson (Chair), Canada, Giancarlo Attolini, Italy, Stuart Black, Australia, Hilde Blomme, Belgium, Tony Bromell, United Kingdom, Kim Gibson, United States, Larry Kean, United States, Marie Lang, United Kingdom

Next Steps

Following the meeting, the Working Group will address CAG's feedback. A final report is due at the IESBA's October meeting.

Action requested

IESBA CAG members are asked to receive and comment on the Working Group's *Preliminary Report*.

Material Presented

Agenda Paper F

This Agenda Paper

Agenda Paper F-1

IESBA SME/SMP Working Group's *Preliminary Report*