

STAFF PAPER

April 2020

IASB[®] Meeting

Project	Disclosure Initiative—Subsidiaries that are SMEs		
Paper topic	Cover paper		
CONTACTS	Elizabeth Buckley	ebuckley@ifrs.org	+44 (0)20 7246 6426

This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (Board) and does not represent the views of the Board or any individual member of the Board. Comments on the application of IFRS[®] Standards or the *IFRS for SMEs*[®] Standard do not purport to set out acceptable or unacceptable application of IFRS Standards or the *IFRS for SMEs* Standard. Technical decisions are made in public and reported in IASB[®] *Update*.

Purpose of this meeting

1. In January 2020, the International Accounting Standards Board (Board) agreed to move the ‘Subsidiaries that are SMEs’ project from the research programme to the standard-setting programme.
2. The purpose of this meeting is for the Board to make decisions about:
 - (a) whether it agrees with the staff’s proposed plan for the project for the remainder of 2020; and if so
 - (b) which presentation requirements the IFRS Standard being developed in this project should subsidiaries that are SMEs apply: those of IFRS Standards; or those of the *IFRS for SMEs* Standard.

Agenda Papers

3. The Agenda Papers for this meeting are:
 - (a) Agenda Paper 31A *Project Plan*; and
 - (b) Agenda Paper 31B *Presentation requirements*.

Agenda Paper 31A Project Plan

4. Agenda Paper 31A *Project Plan* sets out:
 - (a) the objective of the standard-setting project; and
 - (b) the proposed project plan for the remainder of the year, divided into:
 - (i) ‘what and when’; and
 - (ii) ‘reviewing staff analysis’.
5. Appendix A to Agenda Paper 31A describes the method to be applied to achieve the project objective and sets out the benefits of the project. Appendix B to the agenda paper lists the Board’s tentative decisions to date.
6. The Board is asked whether it agrees with the proposed project plan for the remainder of 2020.

Agenda Paper 31B Presentation requirements

7. Agenda Paper 31B *Presentation requirements* discusses:
 - (a) what presentation requirements are and how they differ from disclosure requirements;
 - (b) differences in presentation requirements between IFRS Standards and the *IFRS for SMEs* Standard;
 - (c) advantages and disadvantages of requiring subsidiaries that are SMEs to apply the presentation requirements of either IFRS Standards or the *IFRS for SMEs* Standard; and
 - (d) what the Australian Accounting Standards Board has done.
8. The Board is asked whether it agrees with the staff recommendation that the presentation requirements of IFRS Standards should be applied by subsidiaries that are SMEs that apply the IFRS Standard being developed in this project.