



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF BARBADOS

PRESS RELEASE

New accounting standard expected to save small business time and money

Bridgetown, Barbados, October 23, 2009 -- Owners and managers of small and medium-sized enterprises (SMEs) could benefit from a reduction in the cost of complying with International Financial Reporting Standards (IFRS), especially the cost of hiring external professionals to assist with the preparation of annual financial statements, thanks to a new global accounting standard introduced in July.

This is in the opinion of Vice President of the Institute of Chartered Accountants of Barbados (ICAB) Andrew Brathwaite who was commenting ahead of a breakfast seminar that his institute is holding on November 3 at the Accra Beach Hotel & Resort to help the Barbados business community become more familiar with the 2009 IFRS for SMEs issued by the International Accounting Standards Board (IASB).

The November 3 seminar will be delivered by an expert on the topic - Paul Pacter, Director of Standards for SMEs at the IASB, who was head of the technical group that developed the standard. Pacter will be in Barbados for two days as part of a worldwide tour to promote an effective understanding of the new standard. Pacter will dedicate November 2 to the accounting profession as ICAB also hosts a continuing professional development Seminar titled "IFRS for SMEs".

"We don't expect owners and managers to become experts on the standards, but we think they will welcome the relief provided with respect to the time and costs to prepare financial statements, the costs to have the statements audited, and the relevance and simplicity of the financial statements. It will be more likely that their in-house accountants will be able to prepare the financial statements without outside help," said Brathwaite, who also serves as chairman of ICAB's Accounting and Auditing Standards Committee.

In contrast to full IFRS standards, which Brathwaite said are often seen as "complex, voluminous and arguably largely inapplicable to most local companies" the new standard for smaller companies that do not have public accountability is shorter, simpler and more applicable to the needs of businesses in Barbados and other developing countries, noted Brathwaite. Brathwaite added that businesses who complied with the 2009 IFRS for SMEs could be assured that their financial reports would have worldwide recognition and acceptance.

The ICAB seminar is aimed at financial institutions that receive and review financial statements from businesses, representatives from regulators who receive financial statements such as the Inland Revenue Department, the International Business Unit, Corporate Affairs and Intellectual Property Office, and the business people who have to read the financial statements and pay for the preparation and audit of the statements.

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