Our objective: To reinforce the IFRS Foundation’s goal of promoting the adoption and consistent application of International Financial Reporting Standards (IFRS).

In fulfilling its objective, the Education Initiative takes into account the particular needs of small and medium-sized entities (SMEs) and emerging economies.

How do we do this?

The Education Initiative aims to leverage the work of others, complementing and not derogating from IFRS:

• Framework-based teaching—supporting IFRS teachers
• IFRS adoption and implementation support
• IFRS for SMEs adoption and implementation support
• Investor-focused IFRS education

The pages that follow highlight some components of each of these projects.

“... the Education Initiative is not just a powerful tool that the IASB is using to support the adoption of IFRS globally, but also an innovation in teaching accounting and reporting. Accounting firms and their clients are likely to greatly benefit from this initiative, both in terms of cost savings and more effective insights from professional accountants. Because of this, it is our opinion that the Education Initiative should be given full support by all players: companies, accounting firms, training institutions and academia”.
(RSM International, June 2013, p7)
Supporting IFRS teachers

To a large extent, IFRS financial reports are based on estimates, judgements and models rather than exact depictions. As jurisdictions adopt IFRS, teachers wonder how much their previous teaching practices must change to equip their students to apply IFRS rigorously and consistently.

A series of regional IFRS teaching workshops to assist IFRS teachers and IFRS trainers educate IFRS accountants more effectively. The main focus of these sessions is to encourage and support a Framework-based approach to teaching IFRS that is designed to develop students’ ability to make the necessary judgements and estimates.

Aim
To contribute to the rigour and consistency in which IFRS and the IFRS for SMEs are applied worldwide by supporting those that teach them.

How do we do this?
• we provide IFRS teachers with a range of free-to-download comprehensive IFRS teaching material that is designed to develop students’ ability to make the necessary judgements and estimates
• we find resources for the translation of that material into widely spoken languages
• we facilitate regional workshops to train IFRS teachers and IFRS trainers in the effective use of that material.

Progress
• the first suite of material was published on 31 January 2013
• translations in Arabic, French, Japanese, Portuguese, Chinese, Russian and Spanish have been completed, with translations in progress
• 14 regional ‘Train the teacher’ workshops in 2013 and 2014.

“This project is a timely focus on direct training in a manner that should have long-term benefits for the global financial reporting community” (IRZ, Heft 5 May 2013, p195).

“The message to educators with regard to teaching IFRSs is that resources from the IFRS Education Initiative are available and specifically designed to enable students to become more capable in exercising the judgments needed for IFRS application” (Issues in Accounting Education Volume 28, No. 2, 2013, p217).

“The ability to make reasoned, informed judgments and estimates is crucial to appropriate application of IFRS. Framework-based teaching is the best way to educate students to enable them to make those judgments and estimates. Framework-based teaching helps students understand the objective of and the concepts underlying financial reporting, thereby helping them understand the “why” of IFRS requirements and not just the “how.” Understanding the “why” forms the foundation for their ability to make the judgments and estimates necessary to apply IFRS. Framework-based teaching also provides students with long-lasting knowledge of IFRS—requirements in IFRS change with every new standard issued, whereas the concepts underlying IFRS live for decades. This is the approach I use to teach my students and highly recommend it to all teachers of IFRS.” (Mary Barth, Professor of Accounting, Stanford University)
Framework-based IFRS teaching material language map and workshops

Comprehensive teaching material to support those teaching CA/CPA (or equivalent) students to develop their students’ ability to make judgement and estimates to apply IFRS at three stages along the path to qualification. (Languages—Arabic, Chinese, English, French (Stage 3 only), Japanese, Polish (Stage 3 only), Portuguese, Russian and Spanish.)

Train the teacher® workshop; number indicates duration in days.

Half-day video conference
IFRS adoption and implementation support

IFRS is adopted widely (100+ jurisdictions), however, there are unanswered questions about the rigour and consistency with which it is applied. The Education Initiative contributes to IFRS capacity-building by developing educational material, organising events and supporting the work of others.

Examples—IFRS material

In response to requests from emerging countries and other interested parties, the IFRS Foundation published education material on how to measure the fair value of unquoted equity instruments.

To support those providing continuing professional development (sometimes called CPD or CPE) to others, the Education Initiative maintains a series of free-to-download PowerPoint (PPT) presentations with teaching notes on new IFRSs.

Examples—IFRS events

Each year the Education Initiative arranges a number of regional IFRS conferences in the world’s foremost financial centres. Individual conferences are attended by as many as 700+ people from over 60 countries.

To support those implementing new and amended IFRSs, half-day sessions on implementing new IFRSs are held in addition to each conference.

The IFRS Foundation also co-brands leading IFRS conferences that are arranged by larger accountancy firms. The IFRS conference map below shows where such IFRS conferences were recently held or are planned to be held.
IFRS Foundation annual IFRS conferences

IFRS Foundation IFRS conferences (some held jointly with other organisations)

IFRS conferences co-branded by the IFRS Foundation
Example—IFRS regulatory capacity-building

In response to requests for support from those engaged in accounting regulatory capacity-building, the Education Initiative is facilitating regional IFRS capacity-building workshops for emerging- and developing-market IFRS regulators.

Aim
To contribute to the rigour and consistency in which IFRS is applied in emerging and developing economies.

How do we do this?
By working with the world’s development agencies and others to enhance IFRS regulatory capacity-building in emerging and developing markets.

Progress
In 2013 and 2014 we facilitated multi-day regional IFRS regulatory capacity-building workshops with:

- the World Bank: for Central and Eastern Europe, Spanish speaking and Anglophone Latin America and the Caribbean
- the Asian Development Bank: for East Asia.

Workshops for regulators from other regions are being discussed with development agencies and others.

Feedback

97 per cent of the regulators from 19 countries—including eight EU member states in Central and Eastern Europe, EU candidate and potential candidate countries in South-Eastern Europe and the countries of the EU’s Eastern partnership financial regulators—that participated in a five-day IFRS workshop organised jointly with The World Bank Centre for Financial Reporting Reform (CFRR) for Europe and Central Asia, report that the workshop objectives were achieved. In particular, 98 per cent of workshop participants reported that the workshop was “very helpful” and “helpful” to help improve their skills and knowledge to make the necessary judgments.

IFRS for SMEs® implementation support

SMEs and the multitude of small and medium-sized practices (SMPs) that support them generally do not have the financial reporting resources and capabilities that the larger entities that use IFRS have.

Aim

To encourage the informed adoption of the IFRS for SMEs and to contribute to the rigour and consistency with which it is implemented and applied.

How do we do this?

• we develop free-to-download comprehensive training material—one module for each section of the IFRS for SMEs, which explains each requirement (commentary and examples of application) and provides self assessment questions and case studies
• we find resources for that material to be translated into widely spoken languages
• we facilitate regional workshops to train the trainers in the effective use of that training material.

Progress

• 34 comprehensive training modules and PPT slides to support three days of training have been published
• translations in Arabic, French (PPT only), Portuguese (PPT only), Russian, Spanish and Turkish have been published
• 33 regional ‘Train the trainer’ workshops have been facilitated.

Multiplier effect

85 trainers from 15 countries participated in the first IFRS for SMEs ‘train the trainer’ workshop. In the following 6 months, those trained held more than 50 workshops training 4,500+ people (Confederation of Asian and Pacific Accountants’ 2010 Annual Report).
Investor-focused IFRS education

In 2013 the Education Initiative started an Investor-focused project in response to issues observed in various forums and in staffs’ subsequent discussions with investor groups about investor-focused IFRS education.

Aim

The objective of the Investor Education Programme is to improve investors’ knowledge of IFRS, including the judgements and estimates that are necessarily made when preparing IFRS financial information.

Improving investors’ knowledge of IFRS aims to help:

• reduce the perceived need for industry-specific IFRS guidance and IFRS Interpretations; and
• contribute indirectly to increasing the consistency and rigour with which IFRS is applied.

Our activities include:

• working with established investor professional associations/investor organisations to enhance the IFRS knowledge and competences of their members;
• the development of a more comprehensive suite of investor-focused products and services; and
• arranging investor-focused IFRS updates at IFRS Foundation conferences and other events.

Working with others

As part of the IFRS Education Initiative, much of the Investor Education Programme’s work is performed in conjunction with others, including investor profession associations and other investor organisations throughout the world.