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INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA

Cost-Benefit Analysis of Implementing The *IFRS for SMEs*[®] Accounting Standard in Uganda

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Foreword

At the Institute of Certified Public Accountants of Uganda (ICPAU), our mission is to foster excellence in the accountancy profession and to impact meaningfully on national economic development. As part of this commitment, we recognize that Small and Medium-sized Enterprises (SMEs) are a vital engine of Uganda’s economy. Their financial reporting practices must therefore be robust, credible, and tailored to their realities. The IFRS for SMEs® Accounting Standard (SMEs Accounting Standard) was adopted to offer a simplified yet effective reporting framework for these entities.

This research report on cost-benefit analysis of implementing SMEs Accounting Standard in Uganda is an important milestone in our continuous effort to evaluate the relevance, adoption, and practical implications of international accounting standards in Uganda. The study investigates the perceptions of users regarding the costs, benefits, and challenges associated with implementing the standard, and provides valuable insights into how the adoption process can be enhanced.

The findings reveal that while the standard delivers numerous benefits—such as improved financial reporting quality, enhanced access to funding, and elevated business reputation—its successful implementation is often hindered by limited skills, inadequate awareness, and cost-related concerns. Encouragingly, most respondents view the costs as manageable and believe that with the right support, SMEs can fully reap the benefits of this standard.

I commend our researchers, Dr. Faridah Nakayima and Mr. Donatus Kimera, for the intellectual rigor and professionalism with which they conducted this study. I also extend sincere appreciation to the ICPAU Education and Research Committee, the ICPAU Research Panel and to all members and stakeholders who contributed to this research, particularly the SMEs who generously shared their experiences.

We take the findings and recommendations of this report seriously. As ICPAU, we are committed to addressing the gaps identified—particularly through targeted training, increased stakeholder engagement, and development of practical toolkits to facilitate implementation. We will continue to champion the capacity-building of preparers and promote awareness of the IFRS for SMEs® across the country.

It is our hope that this report will guide policymakers, accounting professionals, and SME leaders toward improved financial reporting practices and informed decision-making. Let us all work together to create a more transparent, accountable, and resilient business environment in Uganda.

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The Education and Research Committee of Council of the Institute of Certified Public Accountants of Uganda (ICPAU) extends its deepest gratitude to all those who contributed to the success of this research project examining users' perceptions on the costs, benefits, and challenges of implementing SMEs Accounting Standard.

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We also extend our sincere appreciation to CPA Charles Lutimba, the Director of Standards and Regulation at ICPAU, for his invaluable role in proofreading the report. Special thanks go to CPA Lydia Nankabirwa, CPA Elizabeth Kaheru, CPA Ambrose Mugisha, and CPA Charles Bahakwonka Byaruhanga, whose constructive feedback greatly enriched the depth and quality of this study.

Furthermore, we acknowledge the contributions of all Small and Medium-sized Enterprises (SMEs) preparers of financial statements using the SMEs Accounting Standard who participated in our survey and provided essential data for this research. Their willingness to share their perspectives on the costs, benefits, challenges, and suggestions regarding SMEs Accounting Standard implementation was crucial in deriving meaningful conclusions.

This research highlights the importance of proper training, stakeholder involvement, and cost management in ensuring the successful implementation of SMEs Accounting Standard in Uganda. We hope that the findings and recommendations will contribute to better decision-making, increased adoption, and enhanced financial reporting within SMEs.

Once again, we sincerely thank everyone who played a role in the completion of this research project.

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Abstract

Purpose: The study examined the users' perceptions on costs, benefits and challenges of implementing SMEs Accounting Standard, as well as the suggestions on how to successfully implement this standard.

Methods: The cost-benefit analysis involved conducting a census, targeting all SMEs whose preparers use this accounting standard. A list of these SMEs was generated and their respective preparers were contacted to avail their emails via which survey links were shared for data collection. An online survey was utilised. A questionnaire was shared on emails to collect data about their perceptions on the costs, benefits, challenges and suggestions regarding implementation of SMEs Accounting Standard. Quantitative data was analysed using descriptive statistics generated by the survey monkey software. On the other hand, qualitative data was analysed by employing thematic and content analysis.

Results: In general, the study found out that costs are moderate, training is key, and benefits are clear, but implementation is hindered by skills and support gaps. Respondents indicated that the initial training costs for implementing SMEs Accounting Standard were generally moderate. On rating the challenges faced during the implementation, most respondents indicated that during standard implementation, need for additional training was the most serious challenge. There are enormous benefits of implementing SMEs Accounting Standard like increased funding and access to financing, improved quality of organization's financial reporting, positive impact on business reputation, improved transparency and accountability. The results reveal that majority of the respondents anticipate that implementing SMEs Accounting Standard in Uganda significantly improves all those benefits especially the quality of organizations' financial reporting. Respondents highly suggested training their preparers as a move towards successful implementation of SMEs Accounting Standard in Uganda.

Recommendations: This research, thus, recommends that: there is need to train the standard users and to also involve stakeholders in the entire process. SMEs have to incur costs of training and recruiting experts to use the standard. ICPAU through the continuous professional development programs should take on the burden to train the users and this will lower this standard's implementation costs on the side of SMEs, create awareness, increase adaptation, and standard users will also appreciate the relevancy of proper book keeping.

Key Words: *SMEs Accounting Standard and Cost-Benefit Analysis*

PART 1

INTRODUCTION

1.1 Background

In an increasingly globalized economy, financial reporting standards play a crucial role in enhancing transparency, comparability, and reliability of financial information. The SMEs Accounting Standard was introduced to provide a simplified and cost-effective reporting framework for non-publicly accountable entities. However, its implementation presents both opportunities and challenges, particularly in developing economies like Uganda. This is supported by a study conducted by Mukokoma and Tushabomwe-Kazooba (2019) that revealed low implementation levels and incomplete disclosure of financial information as required by the standard.

This study conducted a cost-benefit analysis of implementing SMEs Accounting Standard in Uganda, examining the financial and operational implications for businesses. Specifically, it aimed at establishing and bringing to light the perceived costs associated with implementation, identify the potential benefits, and explore the challenges faced by entities during implementation. Additionally, the research sought to propose recommendations to ease the adoption process and maximize the benefits of SMEs Accounting Standard in Uganda's business environment.

By assessing the experiences of SMEs' accounting professionals, this study contributes valuable insights into the practical realities of SMEs Accounting Standard implementation. The findings will inform policymakers, business owners, and other stakeholders on how to optimize implementation strategies, ensuring that SMEs can comply with international standards while maintaining financial sustainability.

The SMEs Accounting Standard was issued to apply to the general-purpose financial statements of small and medium-sized entities (SMEs). SMEs Accounting Standard is based on IFRS Accounting Standards with modifications and simplifications to reflect the needs of users of SMEs' financial statements and cost-benefit considerations. Uganda is one of the Jurisdictions that have adopted SMEs Accounting Standard.

1.2 Objectives

- a) To establish the perception on costs of implementing SMEs Accounting Standard in Uganda.
- b) To determine the perception on the benefits of implementing SMEs Accounting Standard in Uganda.

- c) To explore the challenges faced by entities during the implementation of SMEs Accounting Standard in Uganda.
- d) To come up with suggestions on easing the implementation of this accounting standard.

PART 2

METHODOLOGY

2.1 Research Design

The study employed a cross-sectional research design which was entirely descriptive, because it sought to describe the current state of affairs as is, without relating the variables. The study drew data from the planned population using a survey.

2.2 Population

The cost-benefit analysis involved conducting a census among the preparers in these SMEs across the country, targeting only SMEs whose preparers use this accounting standard. A list of these SMEs was generated and their respective preparers were contacted to avail their emails via which survey links were shared for data collection.

2.3 Data Collection Method and Tool

An online survey was utilised. A questionnaire was shared on emails to collect data about their perceptions on the costs, benefits, challenges and recommendations regarding implementation of SMEs Accounting Standard.

2.4 Data Analysis

Quantitative data was analysed using descriptive statistics generated by the survey monkey software. On the other hand, qualitative data was analysed by employing thematic and content analysis.

PART 3

PERCEPTIONS ON THE COSTS OF IMPLEMENTING SMEs ACCOUNTING STANDARD

3.1 Background information of respondents

Respondents who participated in the survey were to give their ICPAU membership status as an eligibility criterion to participate in the study.

Table 1: ICPAU membership status

Status	Frequency	Percentage (%)
Full Member of ICPAU	57	62.0%
Associate Member of ICPAU	30	32.6%
CPA Student	4	4.4%
Other Qualification	1	1.0%
TOTAL	92	100%

Source: Primary Data

From Table 1, most respondents 57(62%) were full members of ICPAU followed by associate members. This implies that most respondents were qualified Accountants.

3.2 Perception on initial costs

The study investigated the perceived initial costs for implementing SMEs Accounting Standard such as Training & Consultancy. Data was collected on the rating of very high to very low cost using the rating scales below.

- Very high
- High
- Moderate
- Low
- Very low

Table 2: Perception on initial costs for implementing SMEs Accounting Standard such as Training & Consultancy

Rating	Frequency	Percentage (%)
Very high	10	11.0%
High	36	39.6%
Moderate	37	40.7%
Low	7	7.7%
Very Low	1	1.1%
TOTAL	91	100%

From the above Table, it is revealed that respondents indicated that the initial training and consultancy costs for implementing SMEs Accounting Standard were generally perceived to be moderate (37, 40.7%), though almost equal number of respondents (36, 39.6%) indicated that the costs were high. This implies that while costs are a notable concern, they are not the most critical barrier.

3.3 Perception on ongoing costs

Respondents were further supposed to indicate their perception on the ongoing costs for maintaining compliance with SMEs Accounting Standard such as Software & Audit fees. Their views were rated on a very high scale to a very low scale as reflected below. The results from the survey are provided in Table 3.

- Very high
- High
- Moderate
- Low
- Very low

Table 3: Perception on ongoing costs for maintaining compliance with SMEs Accounting Standard such as Software & Audit fees

Rating	Frequency	Percentage (%)
Very high	11	12.09%
High	36	39.56%
Moderate	36	39.56%
Low	6	6.59%
Very Low	2	2.2%
TOTAL	91	100%

Source: Primary Data

From the above Table, respondents were requested to give their perception on ongoing costs of maintaining compliance with SMEs Accounting Standard software and Audit fees on a scale of very high-very low. Equal number (36, 39.56% and 36, 39.56%) indicated that the ongoing costs were moderate and high, respectively. This implies that such costs are neither very high nor very low. Costs, therefore, are not a major reason for low and slow implementation of a SMEs Accounting Standard in Uganda.

PART 4

PERCEPTIONS ON THE BENEFITS OF IMPLEMENTING SMEs ACCOUNTING STANDARD

4.1 Organization's access to finance/funding after implementing SMEs Accounting Standard

The study was intended to find out whether implementing the standard significantly improves organizational access to finances or it would significantly deteriorate the access as indicated below.

- Significantly improves
- Improves
- No change
- Deteriorates
- Significantly deteriorates

Table 4: Organization's access to finance/funding after implementing SMEs Accounting Standard

Perceived benefits rating	Frequency	Percentage (%)
Significantly improves	49	55.06%
Improves	25	28.09%
No change	14	15.73%
Deteriorates	1	1.12%
Significantly deteriorates	0	0.0%
TOTAL	89	100%

Source: Primary Data

From Table 6, the results reveal that majority of the respondents anticipate that implementing SMEs Accounting Standard in Uganda will significantly (55%) improve their access to finance/funding.

4.2 Organization’s quality of financial reporting after implementing SMEs Accounting Standard

Further, the study investigated whether the quality of an organization’s financial reporting would improve with implementing SMEs Accounting Standard. Data was collected basing on a scale of significantly improves to significantly deteriorates as shown below and the results are presented in Table 6 below.

- Significantly improves
- Improves
- No change
- Deteriorates
- Significantly deteriorates

Table 5: Organization’s quality of financial reporting after implementing SMEs Accounting Standard

Quality Rating	Frequency	Percentage (%)
Significantly improves	53	58.2%
Improves	36	39.6%
No change	2	2.2%
Deteriorates	0	0.0%
Significantly deteriorates	0	0.0%
TOTAL	91	100%

Source: Primary Data

The results from Table 5 indicate that most respondents 53(58.2%) believe that implementing SMEs Accounting Standard will significantly improve the quality of an organization’s financial reporting. This was followed by 36(39.6%) of the respondents who also believe that the standard once implemented will enhance the quality of an organization’s reporting standard.

4.3 Organization’s business reputation after implementing SMEs Accounting Standard

Furthermore, the study investigated whether the entity’s business reputation would improve with implementing SMEs Accounting Standard. Data was collected basing on a scale of significantly impacts positively to significantly impacts negatively as shown below.

Table 6: Impact of implementing SMEs Accounting Standard on business reputation

Impact Rating	Frequency	Percentage (%)
Significantly impacts positively	42	46.67%
Impacts positively	40	44.44%
No impact	8	8.89%
Impacts negatively	0	0.0%
Significantly impacts negatively	0	0.0%
TOTAL	90	100%

Source: Primary Data

Basing on findings from the above table, 42 (46.7%) of the respondents believe that SMEs Accounting Standard implementation Significantly impacts positively the business reputation.

4.4 Rating the benefits enjoyed by organizations that have implemented SMEs Accounting Standard

Respondents were requested to rate the listed benefits that are enjoyed by their organizations after implementing SMEs Accounting Standard.

- Improved financial management
- Better decision-making
- Enhanced transparency and comparability
- Increased investor confidence
- Easier access to international markets
- Other (please specify):

Table 7: Anticipated benefits enjoyed by organizations

Benefits	Frequency	Percentage (%)
Improved financial management	28	31.1%
Better decision-making	21	23.3%
Enhanced transparency and comparability	32	35.6%
Increased investor confidence	8	8.9%
Easier access to international markets	1	1.1%
TOTAL	90	100%

Source: Primary Data

From analysis (Table 7), the results indicate that most organizations 32(35.6%) that have embraced IFRS in their entities are able to achieve transparency and comparability benefits. This was followed by 28(31.1%) who believe that the introduction of SMEs Accounting Standard has improved their financial management capabilities while 21(23.3%) associate it with better decision making. A few 8(8.9%) and 1(1.1%) believe that the SMEs Accounting Standard increases investor confidence and improves access to international markets respectively.

PART 5

CHALLENGES DURING IMPLEMENTATION OF SMEs ACCOUNTING STANDARD

5.1 Rating the common challenges

The study investigated the opinion on the common challenges faced by entities when implementing SMEs Accounting Standard. Respondents gave their views on the challenges. The results have been summarized in Table 8.

- Increased financial costs
- Time-consuming processes
- There is need for additional training
- Disruption of regular business activities

Table 8: Challenges during the standard implementation

Challenges	Frequency	Percentage (%)
Increased financial costs	13	15.66%
Time-consuming processes	9	10.84%
Need for additional training	60	72.29%
Disruption of regular business activities	1	1.2%
TOTAL	83	100%

Source: Primary Data

From the above table, most respondents 60(72.3%) indicated that during standard implementation, there is need for additional training. This implies that there is a skill gap among this Accounting Standard users.

5.2 Perceived main challenge faced during the implementation of SMEs Accounting Standard

The study sought to determine the main perceived challenge experienced by SMEs during the implementation of SMEs Accounting Standard, from a qualitative perspective. From content analysis, the following challenges indicated in Table 9 were identified.

Table 9: Challenges during standard implementation

Challenges	Frequency	Percentage (%)
Adaptation	15	14.6%
Costly process	23	22.3%
Inadequate Skilled Human Resources	36	35.0%
None	9	8.7%
Poor record keeping	4	3.9%
Software	7	6.8%
Top management	9	8.7%
TOTAL	103	100%

Source: Primary Data

Inadequate Skilled Human Resources

This relates to having employees with the right skills to implement the new changes, to understand the standards like financial reporting and it accounted for 36(34.0%). This is because such competent accountants are expensive on the market given their high demand. Organizations end up using less qualified staffs to manage their operations

Costly process

This was also noted to be among the challenges faced while implementing the SMEs Accounting Standard. These costs (22.3%) relate to training costs as there was inadequate training by ICPAU, recruitment costs of professional accountants, implementation costs.

Adaptation challenges

Adaption refer to the ability to quickly adjust from previous state to a new state through learning and flexibility (Nakayima *et al.*, 2024). Individuals who are able to quickly learn are in a better position to adjust and adapt. According to Hurk *et al.* (2024), implementing new standards is only successful if it is implemented in phases starting with a pilot stage. After the pilot stage, the identified challenges are then addressed in the next stage fostering feed-forward and feedback learning. The study found that during the implementation of SMEs Accounting Standard, they found it challenging to change from the manual way of operation to a new framework that required standardized principles, mindset change and resistance was also a challenge as it required disclosure which most people were not willing to easily accept. Understanding the requirements of the new reporting framework was also challenging because of the short time given to adjust.

It relates to lack of knowledge by most users about the SMEs Accounting Standard, as most of them do not understand the standard. Understanding the accounting standards and disclosure requirements remain a big challenge to the internal employees who have been noted not to be conversant with SMEs Accounting Standard.

Inadequate top management support

For any change to be successfully implemented in an organization, it requires top management buy-in. The study found that there was inadequate top management support accounting for 8.7%. This relates with management fear of financial reporting disclosure requirement.

Software challenges

Implementing SMEs Accounting Standard implies adopting a new software for use. The software was noted to be expensive for most SMEs yet not to be user friendly, the need for standard upgrade, alignment, measurement and reporting was also found to be a serious hinderance as it requires consolidating reports prepared in the old standard into a new reporting format. This challenge accounted for 6.8%.

Poor book keeping

This accounted for 3.9% and it relates to incomplete records where some SMEs do not actually have records. With poor record keeping, organizational memory is lost and firms cannot make better decisions.

PART 6

PROPOSED SUGGESTIONS FOR THE SUCCESSFUL IMPLEMENTATION OF SMEs ACCOUNTING STANDARD

6.1 Proposed suggestions for the successful implementation of SMEs Accounting Standard

Respondents were requested to suggest strategies for successful implementation of SMEs Accounting Standard in Uganda. Table 10 shows some of the suggested recommendations.

Table 10: The proposed suggestions for successful IFRS implementation

Proposed recommendations	Frequency	Percentage (%)
Create awareness	34	40%
Make IFRS comprehensive	5	5.9%
Stakeholder involvement	4	4.7%
Training	42	49%
TOTAL	85	100%

Source: Primary Data

Training

From Table 10, respondents highly recommended training as a move towards implementing SMEs Accounting Standard in Uganda and it accounted for 42 (49%). Training imparts knowledge and closes knowledge gaps making it easy for users to navigate around the standard. This is because, the users will understand the standard, disclosure requirements, standards and when to apply them and be in position to differentiate between SMEs Accounting Standard and other IFRS Accounting Standards. Using the technology acceptance model (TAM), it was noted that when users are trained on the various standards, they would understand its benefits and this fosters acceptance of the standard (Elsayed and Shabbat, 2025). Accordingly, this is a form of organizational support and it addresses capacity gaps. ICPAU should sensitize stakeholders and also give enough time to allow the users master the principles.

Create awareness

This study reveals that awareness has an effect on standard implementation. When the standard users are aware of the benefits that the standard will deliver like easy decision making and financial reporting, they will easily accept the standard. The study, however, found that there was need to increase awareness especially among some SMEs' top management team. From Table 10, this aspect ranked second highest among the proposed recommendations 34 (40%). The findings are in line with Salawu *et al.* (2025), who found that e-tax filing awareness has a positive significant influence on SMEs compliance in Lagos State. Therefore, to ease the implementation process, it is important that ICPAU creates awareness among the users through trainings.

Make SMEs Accounting Standard comprehensive

To create standard compatibility, respondents believe that there is need to improve the standard and make more changes suitable for SMEs in Uganda and this accounted for 5(5.9%). These include providing sector-specific disclosure reporting requirements and integrate digital reporting tools.

Stakeholder involvement

Stakeholder involvement is a critical aspect in the success of implementing any standard and in this study, it accounts for 4(4.7%). When stakeholders are involved in standard design and implementation, they feel part of the standard, they are in a better position to understand the various stages like reporting requirements which makes the standard user friendly. This is because it makes standard objectives clear to all stakeholders and this enhances standard acceptance. Taffere *et al.* (2023) found that early partner involvement gives chance to clarity of standard objectives which fosters easy implementation process.

PART 7

CONCLUSION

Most respondents 57(62%) were full members of ICPAU.

In general, the costs involved in implementing SMEs Accounting Standard are perceived to be between moderate and high, which may slow the implementation of the standard. Respondents indicated that the initial costs for implementing SMEs Accounting Standard were moderate: 37 (40.7%) while 36 (39.6%) indicated that the costs were high, with a marginal difference. Equal number (36, 39.56% and 36, 39.56%) indicated that the ongoing costs were moderate and high, respectively.

There are enormous benefits of implementing SMEs Accounting Standard like increased funding and access to financing, improved quality of organization's financial reporting, positive impact on business reputation, improved transparency and accountability. The results reveal that majority of the respondents anticipate that implementing SMEs Accounting Standard in Uganda will significantly improve all those benefits especially the quality of organization's financial reporting 53 (58.2%).

On rating the challenges faced during the implementation, most respondents 60(72.3%) indicated that during standard implementation, need for additional training was rated as the most serious challenge. Similarly, the qualitative analysis pointed at lack of adequate competent accountants on the market as a perceived challenge.

Respondents highly suggested training their preparers as a move towards successful implementation of SMEs Accounting Standard in Uganda and it accounted for 42 (49%).

PART 8

RECOMMENDATIONS

SMEs should require and assess skills of preparers at recruitment level for employment regarding applying the standard.

ICPAU should create awareness on the accounting standard to the stakeholders like top management of SMEs to promote acceptance since they will be able to appreciate the standard benefits.

ICPAU should increase awareness on short-term and long-term benefits of implementing SMEs Accounting Standard such as improved access to funding and enhanced credibility.

Targeted training to strengthen capacity. This can be championed by ICPAU through conducting CPDs on SMEs Accounting Standard and incorporation of SMEs Accounting Standard in the curricula of CPA subject content.

ICPAU should disseminate case studies of early adopters within Uganda to build trust and reduce skepticism among SMEs.

ICPAU should develop and distribute SMEs Accounting Standard Implementation Toolkits such as implementation guides, templates, and checklists to help SMEs manage the transition more smoothly.

Thus, with targeted capacity building and support from ICPAU, adoption of SMEs Accounting Standard can unlock improved transparency, financing, and accountability.

PART 9

POLICY IMPLICATION

The findings of this study align closely with Uganda’s National SME Development Strategy, which emphasizes improved access to finance, business formalization, and capacity building for small and medium enterprises. The reported benefits of implementing the SMEs Accounting Standard—such as enhanced financial reporting, better access to credit, and improved business reputation—are consistent with national goals of strengthening SME competitiveness and sustainability. However, the key challenges identified, particularly inadequate training and skilled personnel, highlight a critical gap that must be addressed through coordinated support from ICPAU and SMEs.

As the national accountancy body, ICPAU is well-positioned to champion the successful rollout of the SMEs Accounting Standard through structured training programs, stakeholder sensitization, development of implementation toolkits, and integration of the standard into the CPA curriculum. This advocacy role supports ICPAU’s broader mandate of promoting professional excellence and aligns with its public interest responsibility to enhance financial transparency and accountability within Uganda’s SME sector.

PART 10

CASE STUDY BOX

Zamara Agro Processors, a medium-sized food processing company based in Mbarara, adopted the SMEs Accounting Standard in 2022 with support from a local CPA firm. Prior to implementation, the company relied on informal bookkeeping and faced challenges accessing bank loans. After adopting the standard, they improved the quality and consistency of their financial statements. This attracted the attention of a commercial bank, which approved a UGX 150 million loan facility for equipment upgrade. The company's Director of Finance noted that the new financial reporting format "increased lender confidence and reduced loan processing time."

Kisaana Tech Solutions, a Kampala-based IT startup, implemented the SMEs Accounting Standard in late 2021 as part of its business restructuring. Following adoption, the company experienced a notable improvement in transparency and financial accountability, enabling it to secure a strategic partnership with a regional fintech company. During due diligence, the partner firm cited Kisaana's IFRS-compliant financials as a key factor in finalizing the partnership. The Managing Director credited the standard with "positioning the company as credible and investment-ready."

While the SMEs Accounting Standard aims to benefit all SMEs, two types of businesses in Uganda that have likely seen significant advantages are consultancy or service firms and Agro-businesses. Consultancy firms, often run by professional accountants, have shown higher adoption rates and can easily leverage the standard for improved financial reporting and access to funding. Similarly, Agro-businesses, which are a significant part of Uganda's SME landscape, can benefit from the simplified accounting requirements and enhanced comparability offered by the IFRS for SMEs, potentially improving their access to capital and overall financial management.

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APPENDIX I: SURVEY TOOL

Background information of respondents

1. Are you aware of the SMEs Accounting Standard?

- Yes
- No

Perceived costs of implementing SMEs Accounting Standard in Uganda

2. How do you perceive the initial costs for implementing SMEs Accounting Standard such as Training & Consultancy?

- Very high
- High
- Moderate
- Low
- Very low

3. How do you perceive the ongoing costs for maintaining compliance with SMEs Accounting Standard such as Software & Audit fees?

- Very high
- High
- Moderate
- Low
- Very low

4. What does your organization suffer from or lose or incur when implementing SMEs Accounting Standard?

- Increased financial costs
- Time-consuming processes
- Need for additional training
- Disruption of regular business activities
- Other (Please specify):

Perceived benefits of implementing SMEs Accounting Standard in Uganda

5. Does implementing SMEs Accounting Standard improve our organization's access to finance/funding?

- Significantly improves
- Improves
- No change
- Deteriorates
- Significantly deteriorates

6. Does the quality of an organization's financial reporting improve with implementing SMEs Accounting Standard?
 - Significantly improves
 - Improves
 - No change
 - Deteriorates
 - Significantly deteriorates

7. Does SMEs Accounting Standard implementation impact on business reputation?
 - Significant positive impact
 - Positive impact
 - No change
 - Negative impact
 - Significant negative impact

8. What is the most obvious benefit your organization enjoys from implementing SMEs Accounting Standard?
 - Improved financial management
 - Better decision-making
 - Enhanced transparency and comparability
 - Increased investor confidence
 - Easier access to international markets
 - Other (please specify):

Challenges to implementation of the standard

9. What have been the main challenges faced during the implementation of SMEs Accounting Standard?

Recommendations on easing the implementation of the standard

10. What recommendations would you suggest to ease the implementation of SMEs Accounting Standard in Uganda?