

BACKGROUND NOTE ON ACTION PLANS

Action Plans are developed by IFAC members and associates to address policy matters identified through their responses to the IFAC Compliance Self-Assessment Questionnaire. They form part of a continuous process within the IFAC Member Body Compliance Program to support the ongoing development and improvement of the accountancy profession around the world.

Action Plans are prepared by members and associates for their own use based on the national frameworks, priorities, processes and challenges specific to each jurisdiction. As such, they will vary in their objectives, content and level of detail, consistent with their differing national environments and stages of development, and will be subject to periodic review and update.

Refer to responses to the Part 1 Assessment of the Regulatory and Standard-Setting Framework Questionnaire and Part 2 SMO Self-Assessment Questionnaire provide background information on each member and associate their environment and existing processes. These responses may be viewed at: http://www.ifac.org/ComplianceAssessment/published_surveys.php

Use of Information

Please refer to the Disclaimer published on the Compliance Program website.

ACTION PLAN

IFAC Member:	Chamber of Auditors of the Czech Republic (CACR)
Approved by Governing Body:	Executive Committee
Original Publish Date:	July 2008
Last Update:	December 2011
Next Update:	December 2012

GLOSSARY

CACR	Chamber of Auditors of the Czech Republic
CPD	Continuing Professional Development
CPO	Council of the Public Oversight on Statutory Auditors
EU	European Union
IAASB	International Auditing and Assurance Standards Board
IESBA	International Ethics Standards Board for Accountants
IES	International Education Standards
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
ISA	International Standards on Auditing
ISQC 1	International Standard on Quality Control
QA	Quality Assurance
SME	Small and Medium Enterprises
SMO	Statement of Membership Obligations
SMP	Small and Medium Practices

Action Plan Subject: SMO 1 - Quality Assurance (QA)
Action Plan Objective: Continue to Ensure that the Chamber of Auditors of the Czech Republic (CACR's) Quality Assurance Review System is in Line with SMO 1 Requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>CACR has been running a quality assurance (QA) scheme covering its practicing members in the Czech Republic since its establishment in 1992. The scheme is compliant with the requirements of SMO 1 and the European Union 8th Company Law Directive on Statutory Audit. The Supervisory Committee is responsible for the review of all auditing practices including those auditing public interest entities. Reviews are performed in accordance with the Review Program, whose final version was approved and published in October 2009 and is available to auditors on CACR's website www.kacr.cz.</p> <p>All auditors and audit firms are obliged to comply with the requirements of International Standard on Quality Control (ISQC 1) that has been approved for the use in the Czech Republic since 15 June 2006. Clarified ISQC 1 is effective for audits and other engagements performed on financial statements covering periods beginning on 15 December 2009 and later and ending 15 December 2010 and later.</p> <p>According to the new Act on Auditors, statutory auditors and audit firms are subject to a quality control system focusing on the review of compliance with the auditing standards and the Code of Ethics. The quality control system is organized and managed by the Chamber which determines the details of performance of quality control.</p>					
<p><i>Revise the Existing Review Program to Ensure it Addresses All SMO 1 Requirements</i></p>					
1.	25/2/08	Develop a tentative long term plan for reviews of firms auditing public interest entities to ensure three year review cycle.	22/4/08 Completed	Supervision department CACR	Head of the Supervision department CACR and selected employees
2.	18/3/08	Establish working group to develop review program/checklist.	18/3/08 Completed	Supervisory Committee	Supervisory Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
3.	18/3/08	Develop review program/checklist, covering auditors' (audit firms') compliance with: <ul style="list-style-type: none"> • Act on Auditors • Internal rules of CACR (e.g. continuing professional development, subscription fees) • ISQC 1 	16/5/08 Completed	Working Group of Supervisory Committee	Members of the Supervisory Committee nominated into the Working Group
4.	16/5/08	Review of the review program by all members of the Supervisory Committee.	27/5/08 Completed	Supervisory Committee	All members of Supervisory Committee, Supervision Department CACR
5.	27/5/08	Review comments discussed and recommendations for finalization of the review program developed.	27/5/08 Completed	Supervisory Committee	All members of Supervisory Committee, Supervision Department CACR
6.	17/6/08	Final review and approval of the review program.	17/6/08 Completed	Supervisory Committee	All members of Supervisory Committee
7.	1/7/08	Implement Review program.	Onwards	Supervisory Committee	All members of Supervisory Committee, Supervision Department CACR
<i>Implementation of the Revised Program</i>					
8.	1/7/08	Prepare an explanatory article the review program.	30/10/09 Completed	Supervision department CACR	Nominated employee of Supervision department CACR

#	Start Date	Actions	Completion Date	Responsibility	Resource
9.	1/7/08	Update the template report to reflect the scope of review program and conclusions regarding quality control system. (Update has included new terms set by new regulatory Act No. 93/2009 on auditors.)	30/10/09 Completed	Supervision department CACR	Head of Supervision Department CACR
10.	15/7/08	Prepare article about the main issues identified during reviews of auditors and audit firms (Yearly 2 – 3 Articles).	26/8/08 Completed	Supervisory Committee	Nominated member of Supervisory Committee
11.	1/9/08	Publish review program with explanatory article in AUDITOR magazine.	30/10/09 Completed	Editorial Council	Editorial Council
12.	1/9/08	Publish article about the main issues identified during reviews of auditors and audit firms in Auditor magazine. (Yearly 2 – 3 Articles)	30/10/09 Completed Afterwards ongoing	Editorial Council	Editorial Council
13.	1/9/08	Prepare training modules about the most significant and the most frequent issues identified during reviews of auditors and audit firms.	1/10/08 Completed	Supervisory Committee	Nominated members of Supervisory Committee
14.	15/10/08	Conduct training on the most significant and the most frequent issues identified during reviews of auditors and audit firms.	31/10/08 Completed Afterwards ongoing	CACR's institute of training	Nominated members of Supervisory Committee, CACR's institute of training
<i>Maintaining Ongoing Processes</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
15.	Ongoing	<p>Continue to ensure that CACR's review program is operating effectively and continues to be in line with SMO 1 requirements. This includes periodic review of the operation of the AQA system and updating the Action Plan for future activities where necessary.</p> <p>(Review program has been updated to be compliant with the clarified International Standards on Auditing (ISAs). Updated review program has been implemented starting July 2011).</p>	Ongoing	Chairman of Supervisory Committee	Head of Supervision Department
<i>Review of CACR's Compliance Information</i>					
16.	Ongoing	<p>Perform periodic review of CACR's response to the International Federation of Accountants (IFAC) Compliance Self-Assessment questionnaires and update sections relevant to SMO 1 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.</p>	Ongoing	Chairman of Supervisory Committee	Head of Supervision Department and CACR staff

Action Plan Subject: SMO 2 - International Education Standards (IESs)
Action Plan Objective: Continue to Use Best Endeavors to Ensure that all IES Requirements are Incorporated into CACR’s Education Requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>To obtain an auditor’s certificate and be registered in CACR register of auditors, one must:</p> <ul style="list-style-type: none"> • Pass examinations in subjects determined by the Act on Auditors Examination. Candidates must have obtained at least bachelor's degree. • Work for the minimum of three years as an audit assistant. • <p>The scope of examination is determined by the Act on Auditors and details are specified by CACR. Preparatory courses for each examination are organized by the Audit Examination Committee of CACR that is an auxiliary body to the Executive Committee.</p> <p>All CACR members shall complete 40 hours, or its equivalent, of continuing professional development each year. CACR can announce obligatory subject of Continuing Professional Development (CPD) for each year. Training courses are organized by the Committee for CPD that is an auxiliary body to the Executive Committee.</p>					
<i>Maintaining Ongoing Processes</i>					
17.	Ongoing	CACR maintains an ongoing process to monitor new and revised standards and incorporate them into education and examination requirements.	Ongoing	Chairman of the Committee for the Professional Development	Committee for the Professional Development and CACR Staff
18.	Ongoing	Continue to use best endeavors to ensure CACR education requirements continue to incorporate all IES requirements. This includes review of the Action Plan for the future activities when necessary.	Ongoing	Chairman of the Committee for the Professional Development	Committee for the Professional Development and CACR Staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of CACR's Compliance Information</i>					
19.	Ongoing	Perform periodic review of CACR's response to the IFAC Compliance Self – Assessment questionnaires and update sections relevant to SMO 2 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Working Group of Supervisory Committee	Committee for the Professional Development and CACR Staff

Action Plan Subject: SMO 3 - International Auditing and Assurance Standards (IAASB) Pronouncements
Action Plan Objective: Continue to Improve and Maintain Ongoing Process to Adopt and Implement IAASB Pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
<p>Auditors in the Czech Republic have been obliged to provide assurance and related services in compliance with the relevant IAASB Pronouncements since 2006. Translations are provided by the Board for the ISAs Translations that is auxiliary body to the Executive Committee which co-operates with the Auditing Standards Committee. CACR Committee for CPD together with the Auditing Standards Committee organizes trainings in this area. Awareness is built also through the translation of the materials issued by the IFAC and other organizations. Based on the Act on Auditors, all audits must be performed in accordance with international auditing standards adopted by the European Union (EU) and with auditing standards issued by the Chamber. According to the Statute of the Chamber, auditing standards issued by the CACR include, among others, all IAASB pronouncements, unless stated otherwise. Clarified standards become effective, based on the decision of the CACR Assembly, for audits of the financial statements covering periods beginning on 15 December 2009 and later and ending 15 December 2010 and later.</p>					
<i>Maintaining Ongoing Processes</i>					
20.	02/18/08	Perform a translation of the new and updated standards included in the 2008 Handbook of International Auditing and Assurance Pronouncements. Made translated standards publicly available through CACR website. Provide all auditors with CD containing full version of 2008 Handbook of International Auditing, Assurance and Ethics Pronouncements.	08/31/08 Completed	Chairman and members of the Auditing Standards Committee, Members of the Boards for the ISAs Translations and CACR Office staff	Chairman and members of the Auditing Standards Committee, Members of the Boards for the ISAs Translations and CACR Office staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
21.	02/18/08	Perform a translation of the new and updated standards included in the following Handbooks of International Auditing and Assurance Pronouncements. Made translated standards publicly available through CACR website. Provide all auditors with CD containing full version of the following Handbook of International Auditing, Assurance and Ethics Pronouncements. Closely co-operate with the Ministry of Finance and European Commission in the translation of ISAs for the use in the EU.	As needed	Chairman and members of the Auditing Standards Committee, Members of the Boards for the ISAs Translations and CACR Office staff	Chairman and members of the Auditing Standards Committee, Members of the Boards for the ISAs Translations and CACR Office staff
<i>Education and Awareness Building</i>					
22.	02/18/08	Continue in the provision of training focused on the application of ISAs by Small and Medium Practices (SMPs). –CACR has already developed Guide for the application of ISAs for Small and Medium Enterprises (SMEs) audits and also created a training program on the application of this guide. Seminars under this training have been provided by CACR since 2006. The Guide will be updated based on the clarified standards; training program covering areas not covered by the first round of training will be developed.	06/30/2008 Completed	CACR Committee for the Continuous Professional Development. Chairman and Members of Auditing Standards Committee and Office Staff.	CACR Committee for the Continuous Professional Development. Chairman and Members of Auditing Standards Committee and Office Staff.

#	Start Date	Actions	Completion Date	Responsibility	Resource
23.	02/18/08	Provide training on 2008 developments in ISAs. Trainings on 2007 and 2006 ISAs developments has already been provided.	02/28/09 Completed	Chairman and members of the Auditing Standards Committee, CACR Committee for the Continuous Professional Development, CACR Office staff	Chairman and members of the Auditing Standards Committee, CACR Committee for the Continuous Professional Development, CACR Office staff
24.	02/18/08	Continue in a provision of trainings on ISAs developments.	As needed	Chairman and members of the Auditing Standards Committee, CACR Committee for the Professional Development, CACR Office staff	Chairman and members of the Auditing Standards Committee, CACR Committee for the Professional Development, CACR Office staff
25.		Provide a training on clarified ISAs that become obligatory auditing standards for auditors in the Czech republic based on the Act on Auditors and Statute of the Chamber (refer to Background to SMO 3).			

#	Start Date	Actions	Completion Date	Responsibility	Resource
26.	02/18/08	Provide information on the obligatory application of ISAs and its consequences in the Czech Republic in the nationwide newspapers.	12/31/08 Completed	CACR Committee for the Information Policy	CACR Committee for the Information Policy
27.	02/18/08	Organize a conference focused on various aspects of the audit profession including ISAs implementation.	06/13/08 Completed	CACR Council and Office	CACR Council and Office
28.	30/6/2008	Organize a training focused on the auditor's report.	During 2008/2009 Completed	Chairman and Members of Auditing Standards Committee, CACR Committee for the CPD	Chairman and Members of Auditing Standards Committee, CACR Committee for the CPD
29.	30/6/2008	Organize a training focused on other assurance and related services.	During 2008/2009 Completed	Chairman and Members of Auditing Standards Committee, Office Staff	Chairman and Members of Auditing Standards Committee, Office Staff
30.	30/6/2009	Organize a training focused on the most problematic auditing issues including the application of ISQC 1.	Second half of 2009 Completed	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD

#	Start Date	Actions	Completion Date	Responsibility	Resource
31.	30/6/2009	Organize a training focused on the audit documentation.	Second half of 2009 Completed	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD
32.	30/6/2009	Provide auditors with information on changes in the auditing process that raise from the issuance of clarified standards. Organize a training focused on clarified standards.	2009/2010 Completed	Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD	Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD
33.	31/3/2009	Continue to support activities of SMPs through translation of guidance issued by IFAC and organization of the training in this respect. Provide all auditors with the translation of the Guide to Using ISAs in the Audit of SMEs on CD. Organize training in this respect.	2009/2011	Chairman and Members of Auditing Standards Committee, CACR Committee for the Continuous Professional Development	Chairman and Members of Auditing Standards Committee and Office staff, CACR Committee for the Continuous Professional Development

#	Start Date	Actions	Completion Date	Responsibility	Resource
34.	31/3/2009	Provide auditors with the information on auditing issues connected with the current global financial crisis. Publish on the CACR website translation of IFAC materials Audit “Consideration in Respect of Going Concern in the Current Economic Environment” and “Challenges in Auditing Fair Value Accounting Estimates in the Current Market Environment”.	06/2009 Completed	Chairman and Members of Auditing Standards Committee	Chairman and Members of Auditing Standards Committee and Office staff
35.	30/9/2009	Organize training on other assurance engagements and related services.	10/2009 Completed	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD
36.	04/2010	Organize training on risk of fraud assessment.	5/2010 Completed	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD

#	Start Date	Actions	Completion Date	Responsibility	Resource
37.	06/2010	Organize training on group audits.	09/2010 Completed	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD
38.	02/2011	Organize training on tests of controls.	05/2011 – 09/2011 Completed	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD
39.	05/2011	Provide all auditors with the translation of the Guide to Quality Control for SMPs . Organize a training in this respect.	2011 - 2012	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD	Chairman and Members of Auditing Standards Committee, Office Staff, CACR Committee for the CPD

#	Start Date	Actions	Completion Date	Responsibility	Resource
40.	30/9/2011	Update CACR Manual for the Audit of Entrepreneurs and organize training in this respect.	10/2011 – 06/2013	Chairman and Members of Auditing Standards Committee, CACR Committee for the Continuous Professional Development	Chairman and Members of Auditing Standards Committee and Office staff, CACR Committee for the Continuous Professional Development
<i>Maintain Ongoing Review Process on New and Revised Standards</i>					
41.	02/18/08	Continue in reviews performed by the CACR Supervisory Commission focused on the compliance with ISAs.	Ongoing	Supervisory Commission Members and Office staff	Supervisory Commission Members and Office staff
42.	02/18/08	Review the IAASB Policy Position on Modifications to IAASB Standards.	06/30/08 Completed	Chairman and Members of Auditing Standards Committee	Chairman and Members of Auditing Standards Committee
<i>Maintaining Ongoing Processes</i>					
43.	Ongoing	Continue to support ongoing adoption and implementation of IAASB pronouncements. This includes review of the implementation of the Action Plan to date and updating the Action Plan for future activities as necessary.	Ongoing	Chairman of the Auditing Standards Committee	Chairman and members of the Auditing Standards Committee, CACR Committee for CPD, CACR Office Staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of CACR's Compliance Information</i>					
44.	Ongoing	Perform periodic review of CACR's response to the IFAC Compliance Self – Assessment questionnaire and update sections relevant to SMO 3 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish the updated information.	Ongoing	Chairman of the Auditing Standards Committee	Chairman and members of the Auditing Standards Committee, CACR Committee for CPD, CACR Office Staff

Action Plan Subject: SMO 4 - International Ethics Standards Board for Accountants (IESBA) Code of Ethics
Action Plan Objective: Continue to use best endeavors to maintain ongoing process to adopt and implement of the IESBA Code

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
CACR has adopted revised IESBA Code of Ethics issued in July 2009 which has become effective on January 1, 2011. Its implementation is supported by series of articles published and trainings provided by experts in this area.					
<i>Continue to Ensure Implementation of the Current Code of Ethics</i>					
45.	09/2007 11/2008	Publish Article “Signification of Auditors Independence for Stakeholders” Publish Article “Code of Ethics on auditor’s profession.”	11/2007 11/2008 Completed	Ing. Eva Rokosová Ing. Petr Šobotník	Miroslav Singer, CNB HN insertion Dtto
46.	11/2009	Publish Article “Code of Ethics on auditor’s profession.”	11/2010 10/2011 Completed	Ing. Šobotník	HN insertion Journal Auditor Special
47.	09/2009	Publish lectures on the topic – “Code of Ethics and its using on auditor’s scope” – 3x Prague, Brno, Ostrava	09,10/2010 Completed	Ing. Petr Šobotník,	Power-point presentation, Learning packages

#	Start Date	Actions	Completion Date	Responsibility	Resource
48.	05/2009	Hold meetings with auditors – interactive lecture about “Code of Ethics and its using on auditors’ scope” with discussion. - Total 4 times per year	10/2010 05/2011 Completed	Ing. Petr Šobotník , Ing. Jiří Ficbauer,CSc., MBA Ing. Pavel Kulhavý	Interactive training
<i>Maintaining Ongoing Processes</i>					
49.	09/2009	Perform translation of the Code of Ethics that becomes effective on January 1, 2011 - Acceptance process on General Assembly.	11/2009 – 11/2010 Completed	Ing. Petr Šobotník , Ing. Jiří Ficbauer, CSc., MBA	Code of Ethics
50.	9/2009	Monitor the changes made to the IESBA Code of Ethics and adopt the changes following the existing due process. In particular, monitor closely the IESBA work program and proposed revisions to the IESBA Code of Ethics so they can be incorporated into CACR's framework on a timely basis. This includes updating the Action Plan as necessary.	Ongoing	Ing. Petr Šobotník , Ing. Pavel Kulhavý	Code of Ethics
51.	Ongoing	Continue to support ongoing adoption and implementation of the IESBA Code of Ethics. This includes review of the implementation of the Action Plan to date and updating the Action Plan for future activities as necessary.	Ongoing	Senior Technical Staff	Technical Staff
<i>Review of CACR’s Compliance Information</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
52.	Ongoing	Perform periodic review of CACR 's response to the IFAC Compliance Self – Assessment questionnaire and update sections relevant to SMO 4 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish the updated information.	Ongoing	Senior Technical Staff	Technical Staff

Action Plan Subject: SMO 5 - International Public Sector Accounting Standards (IPSAS)
Action Plan Objective: Continue to Use Best Endeavors to Assist in the Adoption and Implementation of IPSASs in Czech Republic

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
CACR co-operates with the Supreme Audit Office and with the Ministry of Finance in the area of IPSASs. A significant number of CACR members provide services to public sector entities. CACR provides technical advice to those auditors and publishes application guides covering various topics of public sector accounting and auditing. CACR has established Public Sector Committee that is auxiliary body to the Executive Committee and provides technical assistance to public sector entities auditors.					
<i>Maintaining Ongoing Processes</i>					
53.	02/18/08	Continue in a co-operation with the Supreme Audit Office who is responsible for the translation of Handbook of International Public Sector Accounting Standards. Further co-operation is performed primarily through the participation of the Supreme Audit Office deputies in the meetings of the Public Sector Committee and exchange of the information in the area of IPSASs.	Ongoing	Chairman and members of the Public Sector Committee	Chairman and members of the Public Sector Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
54.	02/18/08	Provide comments on the changes proposed by the Ministry of Finance to the accounting legislation in connection with the introduction of the “State accounting”.	Ongoing	Chairman and members of the Public Sector Committee, chairman and members of the CACR Committee for the Legislation and Internal Rules with the support of the CACR Office staff	Chairman and members of the Public Sector Committee, chairman and members of the CACR Committee for the Legislation and Internal Rules with the support of the CACR Office staff
55.	02/18/08	Provide an information on the latest developments in the IPSASs through CACR website and magazine Auditor.	Ongoing	Chairman and members of the Public Sector Committee, CACR Office staff	Chairman and members of the Public Sector Committee, CACR Office staff
<i>Maintaining Ongoing Process</i>					
56.	Ongoing	Continue to identify opportunities to further assist in implementation of IPSASs. This includes review of the existing activities and preparation of the Action Plan for future activities where necessary.	Ongoing	Senior technical staff in charge of PSC	PSC IPSAS task force and Technical Officer

#	Start Date	Actions	Completion Date	Responsibility	Resource
57.	Ongoing	Continue in co-operation with the Ministry of Finance in implementation of accounting legislation in connection with the introduction of the “State accounting”.	Ongoing	Chairman and members of the Public Sector Committee, CACR Office staff	Chairman and members of the Public Sector Committee, CACR Office staff
<i>Review of CACR ´s Compliance Information</i>					
58.	Ongoing	Perform periodic review of CACR ´s response to the IFAC Compliance Self – Assessment questionnaire and update sections relevant to SMO 5 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish the updated information.	Ongoing	Senior technical staff in charge of PSC	PSC IPSAS task force and Technical Officer

Action Plan Subject: SMO 6 - Investigation & Discipline

Action Plan Objective: Continue to Use Best Endeavors and Further Improve CACR’s Investigation and Disciplinary System

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>CACR has been running its investigation and disciplinary scheme since its establishment. Supervisory and Disciplinary Commissions whose members are elected by auditors are responsible for the matters in this area. The Council of the Public Oversight on Statutory Auditors (CPO) has been established in May 2009 to fulfill requirements of the 8th Directive of the EU on Statutory Auditors. CPO is responsible for the oversight of auditors and CACR.</p> <p>Statutory and executive body of the “CPO” is Presidium, which members are five non-accountants and one statutory auditor.</p> <p>The Council shall:</p> <ol style="list-style-type: none"> a) Perform public supervision over the performance of audit activities and the activities of the Chamber within the extent as stipulated in the present Act; and b) Decide about the rights, legally protected interests, and obligations of both legal entities and natural persons, if so stipulated in the present Act. c) Act in the capacity of the body of appeals in cases as stipulated in the present act or in any other legislation d) Review, together with the Chamber, any proposed amendments of internal regulations or draft internal regulations of the Chamber prior to their approval by the Assembly or by the Executive Committee; members of the Council shall be entitled to attend – without the right to vote – the Assembly of the Chamber or sessions of its bodies; e) Propose to the Chamber moves for elimination or amendment of internal regulations of the Chamber or any parts thereof, if they contradict the present Act or any other legislation; if the Chamber fails to uphold such move within a term as determined by the Council, the Council may file an action for the elimination of such internal regulation of the Chamber or any parts thereof by a court of justice; f) Propose to the Chamber moves for execution of quality controls of auditors; g) Supervise the execution of quality controls pursuant to Section 24 via a member authorized to do so by the Council or any other duly authorized person, and h) Propose remedial measures; 					

#	Start Date	Actions	Completion Date	Responsibility	Resource
		i) Act as the appellate administrative body in proceedings concerning appeals against decisions of the Chamber; j) Execute any other activities pursuant to the present Act, which are essential for the due performance of public supervision over audits. Performance of public supervision means supervision over: k) Checks of observance of the provision of the present Act, auditors standards, the Code of Ethics, and internal regulations of the Chamber by auditors and the bodies of the Chamber; l) Organization, management and operation of the system of quality control of audit activities performed by the Chamber; m) Organization and operation of the system of continuous education of statutory auditors organized by the Chamber; n) Application of disciplinary measures and penalties pursuant to the present Act by the Chamber in proceedings against auditors, and/or auditors from third countries.			
<i>Ensure Proper Supervision of Investigation and Disciplinary Proceedings made by CACR</i>					
59.	05/2009	Establish permanent continuous supervision of the system of investigation and disciplinary procedures of CACR.	Each year in December	CPO President	05/2009
60.	05/2009	Perform continuous problem solving of appeals to CPO.	As needed	CPO President	05/2009
61.	05/2009	Continue take a care on complains of CACR.	As needed	CPO President	05/2009
<i>Maintain Ongoing Processes</i>					
62.	Ongoing	Continue to use best endeavours to ensure CACR's investigation and discipline mechanism continues to addresses all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	Chairman of Disciplinary Commission	Members of Disciplinary Commission and CACR Staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of CACR's Compliance Information</i>					
63.	Ongoing	Perform periodic review of CACR 's response to the IFAC Compliance Self – Assessment questionnaire and update sections relevant to SMO 5 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish the updated information.	Ongoing	Chairman of Disciplinary Commission	Members of Disciplinary Commission and CACR Staff

Action Plan Subject: SMO 7 - International Financial Reporting Standards
Action Plan Objective: Continue to use best endeavors to assist in ongoing adoption and implementation of IFRS

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
Publicly listed entities in the Czech Republic are obliged to prepare financial statements and consolidated financial statements in accordance with the IFRS. Other than listed companies are allowed to prepare only consolidated financial statements in accordance with the IFRS. CACR strongly supports wider use of IFRS in the Czech Republic as well as provide support to auditors providing audits of IFRS financial statements. CACR established Committee for IFRS that is auxiliary body to Executive Committee.					
<i>Continue to Assist the National Accountancy Council and Methodology Committee in Maintaining and Improving a Program for Ongoing Adoption and Implementation of IFRSs</i>					
64.	04/02/2008	Continue in active participation in the meetings of the National Accountancy Council and Methodology Committee of CACR where Ministry of Finance and Union of Accountants deputies take part.	Ongoing	Chairman of the Financial Reporting Policy Committee, CACR President, CACR Office staff	Chairman of the Financial Reporting Policy Committee, CACR President, CACR Office staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
65.	04/02/2008	Provide comments on the proposed changes in the accounting legislation.	Ongoing	Chairman and members of the Financial Reporting Policy Committee in co-operation with the members of the CACR Committee for the Legislation and Internal Rules with the support of the CACR Office staff	Chairman and members of the Financial Reporting Policy Committee in co-operation with the members of the CACR Committee for the Legislation and Internal Rules with the support of the CACR Office staff
66.	04/02/08	Continue in the providing of information on the latest developments in IFRS through CACR website and magazine Auditor.	Ongoing	CACR Office staff, members of the Financial Reporting Policy Committee and members of the CACR Committee for IFRS	CACR Office staff, members of the Financial Reporting Policy Committee and members of the CACR Committee for IFRS

#	Start Date	Actions	Completion Date	Responsibility	Resource
67.	04/02/08	Continue in the co-operation with the Ministry of Finance in the preparation of the effect studies of the implementation of particular standards and interpretations for the use in the EU.	As needed	Members of the Financial Reporting Policy Committee and members of the CACR Committee for IFRS	Members of the Financial Reporting Policy Committee and members of the CACR Committee for IFRS
68.	04/02/08	Continue in discussion on problematic aspects of the IFRS implementation in the Czech Republic with the Ministry of Finance and support endorsement of voluntary implementation of IFRS in the Czech accounting legislation.	Ongoing	Members of the Financial Reporting Policy Committee and members of the CACR Committee for IFRS	Members of the Financial Reporting Policy Committee and members of the CACR Committee for IFRS
69.	31/3/2009	Provide trainings on current IFRS issues.	2009/2010/2011	Members of the CACR Committee for IFRS and members of CPD Committee	Members of the CACR Committee for IFRS and members of CPD Committee
<i>Maintaining Ongoing Processes</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
70.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of IFRS. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.	Ongoing	Chairmen of the CACR Committee for IFRS and Financial Reporting Policy Committee	Chairmen of the CACR Committee for IFRS and Financial Reporting Policy Committee
<i>Review of CACR's Compliance information</i>					
71.	Ongoing	Perform periodic review of CACR's response to the IFAC Compliance Self – Assessment questionnaire and update sections relevant to SMO 5 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish the updated information.	Ongoing	Chairmen of the CACR Committee for IFRS and Financial Reporting Policy Committee	Chairmen of the CACR Committee for IFRS and Financial Reporting Policy Committee