

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:	Audit Chamber of Russia (ACR)
Approved by Governing Body:	Local Governing Body
Date Approved:	December 2011
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GLOSSARY

ACCA	Association of Certified and Chartered Accountants (UK)
ACR	Audit Chamber of Russian Federation
AICPA	American institute of CPAs
CAP/CIPA	Certified Accountant Practitioner, Certified International Professional Accountant
CGA	Certified General Accountants (Association of Canada)
CoE	Code of Ethics
CPD	Continuing Professional Development
CPE	Committee for Professional Education
CPE	Committee of Professional Education
ECCAA	Eurasian Council of Certified Accountants and Auditors
I&D	Investigation and Discipline
IAASB	International Auditing & Assurance Standards Board
IAAS	International Auditing & Assurance Standards
IAESB	International Accounting Education Standards Board
IASB	International Accounting Standards Board
IES	International Education Standard
IESBA	International Ethics Standards Board for Accountants
IFAC	International Federation of Accountants
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standard
IMA	Institute of Management Accounts
IPSAS	International Public Sector Accounting Standard
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standard on Auditing
ISQC	International Standard on Quality Control
MF RF	Ministry of Finance of the Russian Federation
QA	Quality Assurance
QC	Quality Control
RF	Russian Federation
SMB	Small and Medium Businesses
SMO	Statement of Membership Obligations
SMP	Small and Medium Practices

SRO	Self-regulated organization
SROA	Self-Regulating Organizations of Auditors
TMC	Training Methodological Centre
WG	Working Group

Action Plan Subject: SMO 1 - Quality Assurance (QA)
Action Plan Objective: Continue to Use Best Endeavors

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Since January 1, 2009 in the territory of the Russian Federation (RF) a new law regulating auditing Federal Law № 307-FZ on Auditing Activity went into effect. The new law in the aggregate with the former Federal Law № 315-FZ of 01.12.2007 substantially changed principles and the organizational form of audit in the RF. According to the new legislation Quality Assurance (QA) is conducted jointly by the auditors, Self-regulated organization (SROs) and Ministry of Finance of the Russian Federation (MF RF), Quality Control (QC) – by the members of the SROs.</p> <p>In accordance with the legislative changes, which required auditors to belong to a single accredited body by the Ministry of Finance, the Self Regulating Organization of Auditors (SROA). The Audit Chamber of Russian Federation (ACR) was registered as a SRO by the MF RF on October 1, 2009. According to the above Federal Law the organizations which are the SRO members were granted the right to perform audit activities. ACR is one of these organizations which keeps a register of its members and exercises the control over their activities. At the beginning of 2010, ACR has completed all of its planned activities in relation to QA, originally planned for 2009.</p>					
<p><i>Development of Methodological Base of the ACR Quality Assurance Review System</i></p>					
1.	IV Quarter 2010	Obtain a detailed understanding of QA requirements and processes to support the QA program: a. Translate SMO1 into Russian (or update the existing translation) b. Compare with Russian standards and identify differences c. Study International Federation of Accountants (IFAC) members' experience to understand how they developed and implemented their QC programs	IV Quarter 2012	Chairman of the ACR Committee on QC and Professional Ethics Chairman of the ACR of the Committee on Audit activity legislation and interaction between	Members of the ACR Committee on QC and Professional Ethics Members of the ACR Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<p>Implement International Standard on Quality Control (ISQC) Clarity requirements in the practice of QA, to work on risk management in the planning of reviews and on inclusion in the list of subjects of obligatory external quality control:</p> <ul style="list-style-type: none"> - At the level of certain types of engagements - audits performed by ACR members of public-important enterprises and enterprises whose securities are traded on the Stock Exchange (SMO 1); and -Related services in a part of the duties of audit firms to ensure compliance with the requirements of Russian legislation. <p>Organize the study process of new QA requirements for ACR firm members through the ACR Training Centre by:</p> <ul style="list-style-type: none"> -Raising the level of authorized experts' skill; -Obtaining and publishing on ACR website Russian translation of ISQC1 Clarity; - Obtaining and publishing on ACR website Russian translation of the Guide to Quality Control for Small- and Medium-sized Practices; and -Incorporating them into ACR training programs. 		<p>professional organizations, business regulators and bodies of legislative and executive power</p> <p>Chairman of the ACR Committee for Professional Education</p>	<p>power</p> <p>Members of the ACR Committee for Professional Education</p> <p>ACR staff</p>
2.	II Quarter 2011	<p>Assess the applicability of ISQC 1 for all members of Audit Chamber of Russia (ACR). Develop and implement an institution of authorized experts, chief authorized experts in territorial districts of ACR. Develop the internal Statute on authorized experts, approve it by ACR Central Council and published on the ACR website.</p>	IV Quarter 2012	<p>Chairman of the ACR Committee on QC and Professional Ethics</p> <p>Chairman of the ACR of the</p>	<p>Members of the ACR Committee on QC and Professional Ethics</p> <p>Members of the ACR Committee on Audit activity legislation and interaction between</p>

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		<p>Describe in details the process of quality reviews carried out to date.</p> <p>Reflect this information on the ACR web site www.aprussia.ru by posting to the site the set of proper documents concerning obligatory QC reviews.</p> <p>Actualization and promo activity on ISQC 1 and on other audit matters.</p>		<p>Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power</p>	<p>professional organizations, business regulators and bodies of legislative and executive power ACR staff</p>
3.	III Quarter 2011	<p>Develop a differentiated approach to quality control (frequency, complexity, compliance with ISQC 1).</p> <p>Create control system over regional network of QA committees through central supervisory inspections.</p>	Ongoing	<p>Chairman of the ACR Committee on QC and Professional Ethics</p> <p>Chairman of the ACR of the Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power</p>	<p>Members of the ACR Committee on QC and Professional Ethics Members of the ACR Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power ACR staff</p>

#	Start Date	Actions	Completion Date	Responsibility	Resource
4.	Ongoing basis	Collaborate with the MF RF: <ul style="list-style-type: none"> • Comment on drafts of documents developed by the MF RF. • Introduce drafts of amendments to the effective legislation. 	Ongoing	Chairman of the ACR QC Committee Chairman of the ACR of the Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power	Members of the ACR Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power
<i>Educational Activities</i>					
5.	Ongoing	Continue to arrange re-training seminars for controllers, including training audit firms in ISQC 1.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics Chairman of the ACR of the Committee on Audit activity legislation and interaction between professional organizations,	Members of the ACR Committee on QC and Professional Ethics Members of the ACR Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power

#	Start Date	Actions	Completion Date	Responsibility	Resource
				business regulators and bodies of legislative and executive power Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
6.	September 2011 ongoing	Continue to develop the programs of training (given the effective legislation, SMO 1 and ISQC 1 provisions). Implement the SMO 1 related revisions into ACS QA practice. Review, discuss and promote further amendments into Draft Audit Law in the QA area in line with SMO 1 requirements.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics Chairman of the ACR of the Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power	Members of the ACR Committee on QC and Professional Ethics Members of the ACR Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power
7.	September 2011	Analyze and actualize ACR internal documents on quality control in order to modify them in accordance with international standards on quality control and international standards on auditing.	December 2012	Chairman of the ACR Committee on QC and Professional Ethics	Members of the ACR Committee on QC and Professional Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
		Submit these documents for approval by ACR Central Council.		Chairman of the ACR of the Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power	Members of the ACR Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power
8.	November 2011	Continue to develop methodological materials and tests (given an opportunity of distance learning). Create new template for a written quality assurance review report for QA inspection teams. Publish annual report summarizing the results of the QA review publish on the ACR's web site. Develop and approve a set of working papers of authorized experts on QA including a new form of Report on the results of QA review. Publish the results of realized reviews on ACR website.	December 2012	Chairman of the ACR Committee on QC and Professional Ethics Chairman of the ACR of the Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power	Members of the ACR Committee on QC and Professional Ethics Members of the ACR Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power Members of the ACR Committee for Professional Education

#	Start Date	Actions	Completion Date	Responsibility	Resource
				Chairman of the ACR Committee for Professional Education	
<i>Maintaining Ongoing Processes</i>					
9.	2012	Ensure ACR convergence with SMO 1 requirements. Monitoring changes in the International Auditing & Assurance Standards Board (IAASB) pronouncements regarding QA. Update ACR QA documents, if necessary. Analyze changes in Russian legislation on audit activity concerning QA procedures □ Incorporation of corresponding amendments into the ACR QC internal documentation. ACR Central Council approval of QC internal documents.	Ongoing	Chairman of the ACR operating budget Committee Chairman of the ACR International Affairs Committee Chairman of the ACR Committee on QC and Professional Ethics	Members of the ACR operating budget Committee Members of the ACR International Affairs Committee Members of the ACR Committee on QC and Professional Ethics
10.	2012	Inform the IFAC Member Body Compliance Staff Key Contact as to compliance with SMO 1 requirements.	Ongoing	Chairman of the ACR International Affairs Committee	Members of the ACR International Affairs Committee
<i>Review of ACR Compliance Information</i>					
11.	December 2010 Ongoing	Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 1 as necessary. Once updated, inform the IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Chairman of the ACR International Affairs Committee Chairman of the ACR operating	Members of the ACR International Affairs Committee Members of the ACR operating budget

#	Start Date	Actions	Completion Date	Responsibility	Resource
		Continue to develop the new ACR member's entry regulations including the incoming QA procedure for the applicants taking into consideration incoming QA procedures approved in 2010 and fixed in Statute on Department for ensuring the work of the Quality Control Committee (approved by ACR Central Council, protocol № 23 of December 23, 2010).		budget Committee	Committee

Action Plan Subject: SMO 2 - International Education Standards for Auditors and Other International Accounting Education Standards Board (IAESB) Guidance

Action Plan Objective: Ongoing Convergence with Requirements of SMO 2. Further Development and Maintenance of the ACR Education System.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
ACR Education Standard for Auditors is based on the national educational system and International Education Standards (IESs) and includes a system of education and Continuing Professional Development (CPD).					
The ACR education system for auditors includes qualification and experience requirements (as barriers to entry), requirements establishing the level of knowledge to be received in the process of training, and independent review of obtained knowledge and skills through qualification exams.					
<i>Development of Professional Education in Accordance with IESs</i>					
12.	1 December 2011	Start to monitor IESs amendments.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
13.	April 2011 Ongoing	Continue to monitor institutes of higher education programs (bachelor + magistracy) from a perspective of IES 1. Consider the professional training programs for auditors with International Financial Reporting Standards (IFRS) units, including Association of Certified and Chartered Accountants (ACCA), American Institute of CPAs (AICPA), Institute of Management Accounts (IMA), Certified General	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education Institution of Further Training

#	Start Date	Actions	Completion Date	Responsibility	Resource
		Accountants (CGA) certificates programs. Review ACR professional education program in accordance with all IES requirements. Include in ACR program specific professional knowledge, skills, values, ethics, and attitudes of the auditors from IES 8, <i>Competence Requirements for Audit Professionals</i> .			
14.	September 2011	Update ACR's educational programs in accordance with effective legislation and IESs.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
15.	January 2012	Develop test programs for specialists depending on the workplace.	January 2013	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
16.	February 2012	Spot check of the programs approved.	-	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education

#	Start Date	Actions	Completion Date	Responsibility	Resource
17.	April 2012	Review of Certified Accountant Practitioner, Certified International Professional Accountant (CAP/CIPA) programs and IESs requirements to ensure their compliance with ACR requirements (what about IES requirements?). Continue to discuss with the Eurasian Council of Certified Accountants and Auditors (ECCAA) and all relevant stakeholders the changes to be implemented to CAP/CIPA program to make consistent with the SMO 2 requirements.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
18.	May 2012	Develop suggestions on how the programs may be perfected in case the level of their requirements is lower than it should be.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
19.	September 2012	Develop a QC system for the Committee of Professional Education (CPEs).	Ongoing	Chairman of the ACR Committee for Professional Education Chairman of the ACR Committee on QC and Professional Ethics	Members of the Committee for Professional Education Members of the ACR Committee on QC and Professional Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
20.	September 2012	Hold seminars, workshops, and roundtables with representatives of the CPEs.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the Committee for Professional Education
21.	May 2011	Conduct of the annual ACR Congress with the view of enhancing the prestige of the profession and improving the level of competence of auditors.	Completed	ACR President Chairman of the ACR Committee for Professional Education	Members of the Committee for Professional Education
<i>Maintaining Ongoing Processes</i>					
22.	2011	Promote information about IESs, other IAESB documents, and the best practice in the area of accounting education.	December 2011	Chairman of the ACR International Affairs Committee	Members of the ACR International Affairs Committee
23.	2011	Ensure convergence with SMO 2 requirements. Monitoring changes in IESs. Update ACR documents if necessary.	December 2011	Chairman of the ACR International Affairs Committee Chairman of the ACR Committee for Professional Education	Members of the ACR International Affairs Committee Members of the ACR Committee for Professional Education

#	Start Date	Actions	Completion Date	Responsibility	Resource
24.	2011	<p>Inform IFAC Member Body Compliance Staff as to the compliance with SMO 2.</p> <p>Continue to use best endeavors by identifying opportunities to further assist in implementation of International Education Standards. This includes review of the existing activities and updating the Action Plan for future activities where necessary.</p>	December 2011	<p>Chairman of the ACR International Affairs Committee</p> <p>Chairman of the ACR Committee for Professional Education</p>	<p>Members of the ACR International Affairs Committee</p> <p>Members of the ACR Committee for Professional Education</p>
<i>Review of ACR's Compliance Information</i>					
25.	Ongoing	<p>Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 2 as necessary. Once updated, inform the IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.</p> <p>Perform periodic review of ACR 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.</p>	Ongoing	Chairman of the ACR International Affairs Committee	Members of the ACR International Affairs Committee

Action Plan Subject: SMO 3 - International Auditing and Assurance Standards (IAAS)

Action Plan Objective: Ongoing Convergence with Requirements of SMO 3

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>ACR takes an active part in the development of national audit standards based on International Standards on Auditing (ISAs). Promoting the convergence of national and international standards of audit, ACR carried out a translation of the clarified 2008 Handbook of International Quality Control, Auditing Review, Other Assurance and Related Services Pronouncements, and the Glossary of Terms.</p> <p>The new law 307-FZ on Auditing Activity that took effect in the territory of Russia as of December 30, 2008 established new rules of audit standard-setting. Accordingly, the function of the development of federal audit standards is entrusted with SROs.</p> <p>Meanwhile, ACR is seeking to comply with requirements of SMO3 and to conform to interests of its members, in doing so, ACR continues its activity in the field of auditing standards, primarily directed on the promotion of information about ISAs.</p>					
<p><i>ISAs Translation</i></p>					
26.	September 2011	<p>Form a Working Group (WG) for the translation of ISAs (in Clarity format) according to IFAC's documents in the translation department. Select translators and experts (ACR is assisting the MF RF, the official regulator of accounting and auditing profession in Russia in the task to update Russian Standards of Audit in consistence with ISAs).</p> <p>Continue ongoing review, training and implementation of Auditing Standards, prepared by the Ministry of Finance.</p> <p>Development of ISAs translation plan.</p> <p>Identify financial resources.</p>	Ongoing	Chairman of the ACR of the Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and	<p>Members of the ACR Committee on Audit activity legislation and interaction between professional organizations, business regulators and bodies of legislative and executive power</p> <p>Member of the ACR on Auditing activities and practices</p>

#	Start Date	Actions	Completion Date	Responsibility	Resource
		Organize development of education and training activities in the field of International auditing standards. Include into the system of ACR trainings the studies on the implementation of IAASB Pronouncements. Promote the public's awareness about the IAASB Pronouncements.		executive power ACR Chairman on Auditing activities and practices Standardization Committee	Standardization Committee
<i>Maintaining Ongoing Processes</i>					
27.	2010	Promote information about ISAs and other IAASB documents.	Ongoing	Chairman of the ACR International Affairs Committee	Members of the ACR International Affairs Committee
28.	2011	Ensure convergence with SMO 3 requirements. Update ACR documents, if necessary.	December 2011	Chairman of the ACR International Affairs Committee	Members of the ACR International Affairs Committee
29.	2011	Inform IFAC Member Body Compliance Staff as to the compliance with SMO 3. Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires 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 updated information.	December 2011	Chairman of the ACR International Affairs Committee	Members of the ACR International Affairs Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
30.	Ongoing	<p>Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires 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 updated information.</p> <p>The study of relevant materials and documents of IFAC and development of recommendations for Russian Small and Medium Practices (SMPs) on application guides.</p> <p>In 2011:</p> <ul style="list-style-type: none"> • Practice Management for Small and Medium Businesses (SMB); and • Quality control and International Standards on Auditing (ISAs). <p>Joint meeting with the representatives of SMP Committee of IFAC on participation of SMP Practices in the development of SMP.</p>	Ongoing	<p>Chairman of the ACR International Affairs Committee</p> <p>Chairman of the ACR Working Committee with audit organizations and auditors</p>	<p>Members of the ACR International Affairs Committee</p> <p>Members of the ACR Working Committee with audit organizations and auditors</p>

Action Plan Subject: SMO 4 - International Ethics Standards Board for Accountants (IESBA) Code of Ethics
Action Plan Objective: Ongoing Convergence with Requirements of SMO 4. Further Improve and Maintain Processes for Ongoing Compliance with the IESBA Code of Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Incorporating within its member’s representatives of auditors, ACR firmly gives significance to professional ethics issues. ACR members, acting as auditors are obliged to conform to requirements of the Auditors Code of Ethics as well as of the ACR Code of Ethics. Consistency of both Codes is ensured by their common origin - the IESBA Code of Ethics.</p> <p>ACR representatives are involved in the work of the Ethics Commission under the MF RF. The primary goal for ACR nowadays is to revise and to amend the ACR Code of Ethics in accordance with the latest edition of the IESBA Code of Ethics (July 2009). The amendments are to be made in correspondence with the Auditors Code of Ethics.</p>					
<p><i>Maintaining the Actuality of the ACR Code of Ethics</i></p>					
31.	September 2011	<p>Prepare comparative analysis of provisions of the current Russian regulatory requirements (the Auditors Code of Ethics), the current ACR Code of Ethics and IESBA Code of Ethics (June 2006), identification of “gaps” in:</p> <ul style="list-style-type: none"> • concepts • requirements • safeguards <p>Promote the ongoing study process of Russian auditors Code of Ethics developed in accordance with new requirements of the IESBA Code of Ethics. Council on Auditing Activity by RF Ministry of Finance approved Russian Code of Professional Ethics (protocol № 56 from May 31 2007).</p>	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics	Members of the ACR Committee on QC and Professional Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
		Initiate education and continuing education programs (lectures, seminars at ACR Training Centre) on the revised IESBA Code of Ethics requirements.			
32.	December 2011	<p>Prepare suggestions for extension of provisions of:</p> <ul style="list-style-type: none"> • the ACR Code of Ethics, considering provisions of the existing Russian regulatory framework • identification of allowable extensions • the Auditors Code of Ethics <p>Translate the Clarified Code of Ethics (CoE) of IESBA and create comparative document with estimates the differences between Russian CoE and the new IESBA Code of Ethic.</p> <p>Implement updated Russian CoE and publish renewed Russian CoE on the web-site of ACR.</p>	To be started	Chairman of the ACR Committee on QC and Professional Ethics	Members of the ACR Committee on QC and Professional Ethics
33.	Ongoing	Establish a dialogue with other auditors associations to ensure consistency of ethical requirements set for the members of these associations.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics	Members of the ACR Committee on QC and Professional Ethics
34.	Ongoing	Consult with ACR members on the ACR Charter, QC Regulations and Code of Ethics.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics	Members of the ACR Committee on QC and Professional Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
35.	May 2011	Form a consulting body within the structure of ACR and establish a procedure to resolve unclear ethical matters occurring with ACR members.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics	Members of the ACR Committee on QC and Professional Ethics
36.	October 2011 Ongoing	Cooperate with CPEs in: • Development of a questionnaire on commonly encountered ethical problems. • Preparation and conduct of workshops on ethical and membership issues.	October 2012	Chairman of the ACR Committee on QC and Professional Ethics	Members of the ACR Committee on QC and Professional Ethics
37.	Ongoing	Implement candidates' competency tests in relation to the ACR Code of Ethics.	Ongoing	ACR Chief Executive officer (CEO)	ACR staff
38.	Ongoing	Actualize education and CPD programs and of qualification exam tests in respect to ethics.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
<i>Maintaining Ongoing Processes</i>					
39.	February 2012	Ensure convergence with SMO 4 requirements. Monitoring of changes in the IESBA Code of Ethics (and prospective changes) and implementation of respective changes in the ACR Code of Ethics.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics Chairman of the ACR	Members of the ACR Committee on QC and Professional Ethics Members of the ACR International Affairs Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
				International Affairs Committee	
40.	June 2012	Inform IFAC Member Body Compliance Staff as to the compliance with SMO 4.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics Chairman of the ACR International Affairs Committee	Members of the ACR Committee on QC and Professional Ethics members of the ACR International Affairs Committee
41.	October 2011	Promotion of information about the IESBA Code of Ethics, other IESBA documents, the best ethical practice for auditors.	Ongoing	Chairman of the ACR Committee on Quality Control (QC) and Professional Ethics Chairman of the ACR International Affairs Committee	Members of the ACR Committee on QC and Professional Ethics members of the ACR International Affairs Committee
<i>Review of ACR's Compliance Information</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
42.	Ongoing	Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires 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 updated information.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics Chairman of the ACR International Affairs Committee	Members of the ACR Committee on QC and Professional Ethics members of the ACR International Affairs Committee

Action Plan Subject: SMO 5 - International Public Sector Accounting Standards (IPSASs)

Action Plan Objective: Ongoing Convergence with Requirements of SMO 5

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Accounting regulation in the RF is conducted in accordance with the current Federal Law №129-FZ on Accounting of 21.11.1996. By the Article 5 of the law, the Government of the RF is responsible for the methodological regulation of accounting. The MF RF develops and approves pronouncements (standards) of accounting for public sector organizations and determines principles, rules and methods of accounting and financial reporting.</p> <p>The draft new Federal Law on Accounting proposes the same order of accounting regulation in the public sector. The right of standard-setting in the public sector would be entrusted to state regulators.</p>					
<i>Development of Accounting in Public Sector in accordance with IPSASs</i>					
43.	Ongoing	<p>Monitor changes in IPSASs. Promotion of information about IPSASs and practice of their implementation.</p> <p>Actively participate in the process of implementation of IPSASs into Russian audit practice, adapted by the RF Ministry of Finance.</p> <p>Continue to use best endeavors by identifying opportunities to further assist in implementation of IPSASs. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.</p>	Ongoing	<p>Chairman of the ACR public interest entities Committee</p> <p>Chairman of the ACR International Affairs Committee</p>	<p>Members of the ACR public interest entities Committee</p> <p>Members of the ACR International Affairs Committee</p>
44.	Ongoing	Cooperate with national regulating bodies, standard-setters, and other stakeholders in relation to IPSASs.	Ongoing	Chairman of the ACR public interest entities Committee	Members of the ACR public interest entities Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
45.	Ongoing	Participate in conferences, workshops, and seminars in relation to IPSASs.	Ongoing	Chairman of the ACR public interest entities Committee	Members of the ACR public interest entities Committee
46.	Ongoing	Update education and CPD programs, and qualification exam tests with respect to IPSASs.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
<i>Maintaining Ongoing Processes</i>					
47.	2011	Ensure convergence with SMO 5 requirements by monitoring changes in IPSASs. Update ACR documents, if necessary.	Ongoing	Chairman of the ACR public interest entities Committee Chairman of the ACR International Affairs Committee	Members of the ACR public interest entities Committee Members of the ACR International Affairs Committee
48.	2011	Inform IFAC Member Body Compliance Staff as to the compliance with SMO 5.	Ongoing	Chairman of the ACR International Affairs Committee	Members of the ACR International Affairs Committee
<i>Review of ACR's Compliance Information</i>					
49.	Ongoing	Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 5 as necessary. Once updated, inform the IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information. Perform periodic review of ACR response to the	Ongoing	Chairman of the ACR International Affairs Committee	Members of the ACR International Affairs Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
		IFAC Compliance Self-Assessment questionnaires 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 updated information.			

Action Plan Subject: SMO 6 - Investigation and Discipline (I&D)

Action Plan Objective: Ongoing Convergence with Requirements of SMO 6. Development and Maintenance of ACR Investigation and Discipline System

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
Auditors' activity in RF, their rights, and liabilities are determined by the Federal Law and other regulatory documents and legal acts.					
In accordance with these documents, an auditor is to be made responsible for formulation and expression of an opinion of truthfulness financial statements. Accountants incur administrative and criminal responsibilities, tax and disciplinary obligations including reprimands and reproofs, and can be discharged given sufficient grounds.					
<i>Development of I&D System in Accordance with SMO 6</i>					
50.	2012	Prepare comparative analysis of provisions of ACR documents and SMO 6. Review ACR I&D process to ensure the process is substantively and fully implemented in accordance with SMO 6.	To be started	Disciplinary Committee	Members of the ACR Disciplinary Committee
51.	2012	Prepare a proposal on amendments to the existing structure of the ACR governing bodies by adding disciplinary bodies.	To be started	Disciplinary Committee	Members of the ACR Disciplinary Committee
52.	May 2012	Prepare appropriate documentation regulating ACR disciplinary bodies. Analyze the new requirements in the audit regulation of Russian Federation in the field of I&D. ACR Discipline Committee together with Discipline Commissions in ACR Territorial regions should	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics	Chairman of the ACR Committee on QC and Professional Ethics Members of the ACR Disciplinary Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<p>control the implementation process of the new requirements.</p> <p>Develop and approve disciplinary mechanism (sanctions) for ACR members in case of disciplinary violation.</p> <p>Monitor the activity of the ACR Discipline Committee, the results of its investigations and accepted decisions through the ACR website.</p> <p>Establish institutional rules preventing the member body from influencing the Disciplinary Committee’s operational work, decision-making, and imposition of sanctions.</p> <p>Establish the appropriate tests for the Disciplinary Committee to better determine whether a defendant is liable.</p> <p>Develop and approve the order of processing complaints that clients could forward to the ACR’s Discipline Committee.</p> <p>Analyze regularly the effectiveness of approved ACR disciplinary mechanism (if it is in compliance with professional standards and requirements).</p>		Disciplinary Committee	
53.	Ongoing	Resolve conflicts, connected with the ACR Charter, QC Regulations and Code of Ethics.	Ongoing	Chairman of the ACR Committee on QC and Professional Ethics Disciplinary Committee	Members of the ACR Committee on QC and Professional Ethics Members of the ACR Disciplinary Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
54.	May 2011	Ensure convergence with SMO 6 requirements by monitoring changes in IFAC documents. Update ACR documents, if necessary. Continue to address all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	Disciplinary Committee	Members of the ACR Disciplinary Committee
55.	May 2011	Inform IFAC Member Body Compliance Staff as to the compliance with SMO 6.	Ongoing	Disciplinary Committee	Members of the ACR Disciplinary Committee
<i>Review of ACR's Compliance Information</i>					
56.	Ongoing	Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 6 as necessary. Once updated, inform the IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information. Perform periodic review of ACR responses to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 6 as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Disciplinary Committee	Members of the ACR Disciplinary Committee

Action Plan Subject: SMO 7 - International Financial Reporting Standards (IFRSs)

Action Plan Objective: Ongoing Convergence with Requirements of SMO 7

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Accounting regulation in the RF is conducted in accordance with the current Federal Law on Accounting №129-FZ of 12.11.1996. By the Article 5 of the law, the Government of the RF is responsible for the methodological regulation of accounting. The MF RF develops and approves pronouncements (standards) of accounting and determines principles, rules and methods of accounting and financial reporting.</p> <p>The project of a new Federal Law On Accounting proposes a different order of accounting regulation. The right of standard-setting and regulating would be entrusted to bodies authorized under the national legislation. The right of standard development would be entrusted to non-governmental bodies, including SROs and other non-commercial organizations that are interested in accounting advance. Current national standards of accounting of the RF offer accountants an opportunity to use IFRSs in case there is no applicable regulating or legal acts.</p> <p>ACR, acting within the bounds of the effective legislation, seeks to promote the process of the convergence with IFRSs.</p>					
<p><i>Ongoing Adoption of IFRS</i></p>					
57.	January 2011 Ongoing	<p>Develop the ACR IFRSs Committee action plan for the coming year including:</p> <ol style="list-style-type: none"> 1. Monitoring of changes in IFRSs, discussions of the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) documents, preparation of comments. 2. Distribution of information relating to IFRSs, including documents issued by the IASB, the International Financial Reporting Interpretations Committee (IFRIC), and European organizations. 	Ongoing	<p>Chairman of the ACR Committee for Professional Education</p> <p>Chairman of the ACR International Affairs Committee</p>	<p>Members of the ACR Committee for Professional Education</p> <p>Members of the ACR International Affairs Committee</p>

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<p>3. Distribution of information relating to practice of IFRSs application.</p> <p>4. Preparation of analytical materials on IFRSs, including at the request of the MF RF.</p> <p>5. Organization of cooperation with governmental and legislative bodies, national organizations on IFRSs issues.</p> <p>6. Participation in conferences (including regional ones), working groups, seminars on IFRSs issues.</p> <p>Continue ongoing practice of conducting trainings in the field of IFRSs among ACR members in ACR training centers.</p>			
58.	Ongoing	<p>Monitor changes in IFRSs, discussions of the IASB and the IFRIC documents, and the preparation of comments. Distribution of information relating to IFRSs, including documents issued by the IASB, the IFRIC, and European organizations.</p> <p>Distribution of information relating to practice of IFRSs application.</p>	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
59.	Ongoing	<p>Prepare analytical materials on IFRSs, including at the request of the MF RF.</p> <p>Assist the Ministry of Finance with implementation of IFRS pronouncements in Russia and promote ongoing convergence with IFRS.</p> <p>Analyze the differences between Russian standards and IFRSs based on SMO 7 requirements. Post this information to ACR web site, making it available to the specialists and all interested persons.</p>	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education

#	Start Date	Actions	Completion Date	Responsibility	Resource
60.	Ongoing	Cooperate with governmental and legislative bodies, national organizations on IFRS issues.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
61.	Ongoing	Participate in conferences, working groups, seminars on IFRSs issues.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
62.	Ongoing	Actualize of education and CPD programs and of qualification exam tests with respect to IFRSs.	Ongoing	Chairman of the ACR Committee for Professional Education	Members of the ACR Committee for Professional Education
<i>Maintaining Ongoing Processes</i>					
63.	September 2011	Ensure convergence with SMO 7 requirements. Monitor changes in IFRS. Update ACR documents, if necessary. 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	Chairman of the ACR Committee for Professional Education Chairman of the ACR International Affairs Committee	Members of the ACR Committee for Professional Education Members of the ACR International Affairs Committee
64.	September 2011	Inform IFAC Member Body Compliance Staff as to the compliance with SMO 7.	Ongoing	Chairman of the ACR International	Members of the ACR Committee for Professional Education

#	Start Date	Actions	Completion Date	Responsibility	Resource
				Affairs Committee ACR Committee for Professional Education	Members of the ACR International Affairs Committee
<i>Review of ACR's Compliance Information</i>					
65.	Ongoing	<p>Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 7 as necessary. Once updated, inform the IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.</p> <p>Perform periodic review of ACR response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 7 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 the ACR International Affairs Committee ACR Committee for Professional Education	Members of the ACR Committee for Professional Education Members of the ACR International Affairs Committee