

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 to 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:	<i>The Institute of Chartered Accountants in England and Wales (ICAEW)</i>
Approved by Governing Body:	Executive Director, Technical
Date Approved:	October 2011
Last Update:	November 2011
Next Update:	November 2012

GLOSSARY

AAF	Audit and Assurance Faculty	IEPS	International Education Practice Statements
ACA	Chartered Accountant Qualification issued by the ICAEW	IES	International Education Standards for Professional Accountants
AIU	Audit Inspection Unit	IESBA	International Ethical Standards Board for Accountants
APB	Auditing Practices Board - Independent UK Audit Standard Setter	IFAC	International Federation of Accountants
CCAB	Consultative Committee of Accountancy Bodies	IFRS	International Financial Reporting Standards
CIPFA	The Chartered Institute of Public Finance and Accountancy	IFRIC	IFRS Interpretations Committee
CPD	Continuing Professional Development	IPSAS	International Public Sector Accounting Standards
EU	European Union	IPSASB	International Public Sector Accounting Standards Board
FAQs	Frequently Asked Questions	ISA	International Standards of Auditing
FEE	Fédération des Experts Comptables Européens	ISAE	International Standard on Assurance Engagements
FRAB	Government Financial Reporting Advisory Board	ISQC	International Standard on Quality Control
FRC	Financial Reporting Council	ISRE	International Standard on Review Engagements
FReM	Government Financial Reporting Manual	ISRS	Integrated Statewide Record System
FRF	ICAEW Financial Reporting Faculty	LPD	Learning & Professional Development
GAAP	Generally Accepted Accounting Principles	PCD	Procurement and Contracts Division
I & M	Investigation & Monitoring	POB	Professional Oversight Board
IAAER	International Association for Accounting Education and Research	PSD	Professional Standards Department
IAASA	Irish Auditing and Accounting Supervisory Authority	QA	Quality Assurance
IAESB	International Accounting Education Standards Board	QAD	Quality Assurance Department
IASB	International Accounting Standards Board	MT	Management Team
ICAEW	Institute of Chartered Accountants in England and Wales	SMO	Statement of Membership Obligation
IEIP	International Education Information Statements	SMPC	Small and Medium Practices Committee (of IFAC)
		TACs	Technical Advisory Committees
		UK	United Kingdom

Action Plan Subject: SMO1: Quality Assurance Program
Action Plan Objective: Ensure a mandatory quality review programme is in place for those members performing audits of financial statements of, as a minimum, listed companies

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Background:</p> <p>This action plan includes only those actions that are still required or, by their nature, part of an ongoing process to fully meet the bold type requirements within SMO1. ICAEW has been monitoring statutory audit work since 1991, when audit registration began in the UK, and so the vast majority of the requirements within SMO1 have already been met in full. Firms with listed audits are subject to a three yearly visit cycle (with the larger firms being visited annually). All other firms carrying out statutory audits are subject to a six year visit cycle, with flexibility to prioritise firms for visits based on risk. Visits include the review of a sample of non-listed audits in addition to reviewing relevant listed audits and consideration is given to the risk profile of audits in selecting engagements for review. The operating policies and procedures for carrying out these visits are well established and well understood by those carrying out the visits and by the audit firms. ICAEW carries out annual quality assurance reviews of the effectiveness of its own operations and is also subject to review by the Professional Oversight Board (POB), which is part of the Financial Reporting Council (FRC). The Audit Inspection Unit (AIU), part of POB, is responsible for monitoring certain listed and public interest entities. ICAEW works with the AIU in carrying out visits to firms which audit such entities. Further information about POB and the AIU's activities can be found on the FRC website.</p> <p>For more details information regarding the Quality Assurance Schemes, please see www.icaew.com.</p>					
<i>Quality Assurance review team procedures</i>					
1.	Ongoing	Audit visit procedures and documentation are subject to an ongoing updating process to reflect current developments. <i>(SMO1 paragraphs 29-30).</i>	Ongoing	Quality Assurance Department Management Team (QADMT)	Members of Quality Assurance Department (QAD)

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<i>Documentation</i>					
2.	Ongoing	There is a continuing focus on ensuring the visit documentation fully supports the conclusion and visit rating.	Ongoing	QADMT	Members of QAD with support from information technology specialists
<i>Skills and competence</i>					
3.	Ongoing	Ongoing training of all individuals carrying out monitoring visits to update them on technical and practical developments including UK/international auditing and accounting standards, ethical standards and UK law. ICAEW system for individual appraisal monitors the maintenance and development of skills, competence and adequacy of CPD. <i>(SMO1 paragraph 36)</i>	Ongoing	QADMT	Members of QAD and external resources as appropriate.
4.	Ongoing	Adequacy of resources is under continual review; ICAEW policy ensures that only those with appropriate qualifications, experience and fit and proper status are recruited and that new joiners are subject to a comprehensive induction plan. <i>(SMO1 paragraphs 37-40)</i>	Ongoing	QADMT	Members of QAD with support from ICAEW Human Resource department

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<i>Reporting</i>					
5.	Ongoing	To keep under review the format of our reports to firms to ensure they adequately cover the elements set out in paragraph 52. Reports on firms with listed audits fully meet the requirements and we continue to update and enhance reports to other firms. <i>(SMO1 paragraph 52)</i>	Ongoing	QADMT	Members of QAD
<i>Review of ICAEW Compliance Information</i>					
6.	Ongoing	Perform periodic review of ICAEW's response to the IFAC's 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 data. Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 1 as necessary.	Ongoing	QADMT	QADMT

Action Plan Subject: SMO 2: International Education Standards (IES) for Professional Accountants and other IAESB Guidance
Action Plan Objective: Continue to ensure that all IES requirements are taken into account in ICAEW's education requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background:					
<p>ICAEW is known worldwide for the rigor of its chartered accountant (ACA) qualification. ICAEW fully supports the work of International Accounting Education Standards Board (IAESB) and has provided significant input to the development of all IAESB pronouncements. In addition to meeting all IFAC membership obligations, all aspects of the ACA qualification are regularly inspected by the Professional Oversight Board, the UK statutory regulator, as part of ICAEW's compliance as a recognized qualifying body under the Companies Act, 2006.</p> <p>For more details regarding the ACA see www.icaew.com.</p>					
<i>International Education Standards 1-6</i>					
7.	Ongoing	The ACA syllabus and training program is compliant with International Education Standards (IES) 1 – 6 and is supported by International Education Practice Statements (IEPSs) 1- 3.	Ongoing	Learning and Professional Development (LPD)	Policy & Strategy and Qualifications teams
8.	Ongoing	'Next Generation ACA' design and consultation. This work will ensure that the development of the ACA continues to comply with all relevant IESs and is supported by IEPSs.	Ongoing	LPD	Policy & Strategy and Qualifications teams
<i>International Education Standards 7</i>					
9.	Ongoing	Maintenance of universal, mandatory CPD for members in an outputs-based policy compliant with IES 7 and supported by International Education	Ongoing	LPD and Professional Standards (PSD)	Policy & Strategy and Qualifications teams and

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#	Start Date	Actions	Completion Date	Responsibility	Resource
		Information Statements (IEIP) on Continuing Professional Development (CPD) measurement. Ongoing member support and communication. Monitoring and investigation and disciplinary actions against any non-compliant members.			Quality Assurance and Professional Conduct teams
10.	Ongoing	Acceptable CPD activities are not limited to those provided by ICAEW. Any activity appropriate can be used for learning and development. ICAEW has Faculties, regional and district societies and a strategic relationship with a training provider in order to support members in their chosen field. Departments to continue to work together to provide quality of service.	Ongoing	ICAEW	ICAEW
<i>International Education Standard 8</i>					
11.	Ongoing	Compliance with IES 8 achieved through the ACA, the audit qualification, 'responsible individual' status and the oversight activities of the registered auditor and the recognized supervisory body.	Ongoing.	LPD & PSD	Policy & Strategy and Qualifications teams and Quality Assurance team
<i>Review of ICAEW's Compliance Information</i>					
12.	Ongoing	Perform periodic review of ICAEW's response to IFAC's 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 data. Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 2 as necessary.	Ongoing	LPD	LPD

Action Subject: SMO 3: International Auditing and Assurance Standards
Action Plan Objective: Convergence with IAASB Pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Background:</p> <p>The independent UK auditing standard-setter (Auditing Practices Board, APB) adopted clarified International Standards on Auditing (ISAs, UK and Ireland) and International Standard on Quality Control 1 (ISQC 1, UK and Ireland) which consist of ISAs relevant to statutory audit in the UK for audits of financial statements for periods ended on or after 15 December 2010.</p> <p>ISAs not relevant to statutory audit in the UK include those in the ISA 800 series, ISA 701, and other International Auditing and Assurance Standards Board (IAASB) pronouncements such as International Standards on Assurance Engagements (ISAEs), International Standards on Review Engagements (ISREs) and International Standards on Related Services (ISRSs). APB has issued a Practice note which implements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity but ISRE 2400 has not been adopted.</p> <p>APB considers the need for implementation guidance on an ongoing basis and issued revised Practice Note 26 Guidance on smaller entity audit documentation. All other Practice Notes and Bulletins are scheduled for revision for clarified ISAs, several already exposed.</p> <p>ICAEW has issued a number of clarified ISA Implementation publications in UK and international editions, including the well-received <i>Right first time with the clarified ISAs</i> publication and publications on the audits of groups, related parties and quality control. For more details of auditing technical work and member support by ICAEW, see www.icaew.com.</p>					
<p><i>Adoption of International Standards issued by the IAASB</i></p>					
13.	Ongoing	Continue to use best endeavours to encourage APB's adoption of IAASB standards and continue to support implementation. This includes reviewing this action plan on a periodic basis. The likely issue of ISAE 3000 and ISRE 2400 on review engagements and ISRS 4410 on compilation engagements will bring APB adoption of ISAs and related material back into focus.	Ongoing	Chief Executive, ICAEW	Executive Director, Technical, ICAEW
14.	Ongoing	Continue to base the ACA auditing and assurance syllabus on International	Ongoing	LPD	LPD

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#	Start Date	Actions	Completion Date	Responsibility	Resource
		Auditing and Assurance Standards.			
<i>Implementation Guidance</i>					
15.	Ongoing	ICAEW considers the need for implementation guidance on an ongoing basis and issues guidance as appropriate.	Ongoing	ICAEW Audit and Assurance Faculty (AAF)	AAF
<i>Notifying Members of International Standards Issued by IAASB</i>					
16.	Ongoing	<p>The ISAaudit2010.com web-site highlighting ICAEW, IFAC and IAASB clarified ISA materials that are available to practitioners will be maintained for the time being.</p> <p>Articles continue to be published in the professional press and ICAEW publications such as <i>Audit and Beyond</i> dealing with technical aspects of the clarified ISAs, authored by members of the ISA Implementation group and other volunteers.</p> <p>Regular Audit and Assurance Faculty Roadshows continue to attract 1,500 delegates across the UK and continue to have substantial ISA content.</p> <p>A letter was sent to all practitioners in late 2010 reminding them that clarified ISAs were coming into force, and highlighting the guidance material available.</p> <p>There has been little in the way of adverse feedback in 2011 on the implementation of clarified ISAs in the UK which we believe reflects the detailed groundwork performed to facilitate the smooth introduction of clarified ISAs in the UK.</p>	Ongoing	<p>AAF</p> <p>QAD</p>	<p>AAF</p> <p>QAD</p>
<i>Assistance in Implementing ISAs in the UK</i>					

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17.	Ongoing	<p>Regular meetings with training, software and methodology providers continue to emphasise the importance of changes in IAASB standards, raise awareness and seek feedback on implementation issues for practitioners. Feedback from the Quality Assurance Department (QAD) inspection process is also provided. There is now a well-established relationship with training providers who remain keen to attend and contribute to meetings and to exchange views and experiences on ISA implementation.</p> <p>A very substantial meeting of training, software and methodology providers and practitioners was held at the end of 2010, just prior to the introduction of clarified ISAs, under the chairmanship of Martyn Jones, current Vice President of ICAEW, at which representatives of APB and IAASB made presentations on ISAs to nearly 100 delegates.</p>	Ongoing Ongoing	AAF	AAF
<i>Contribution to Standard-setting Activities</i>					
18.	Ongoing	<p>Formal and detailed responses made to virtually every IAASB and APB exposure. Wide ranging consultation of practitioners represented on ICAEW Committees, Panels and Boards.</p> <p>Publication of all IAASB exposures on Institute web-site and solicitation of comments.</p> <p>Advertisement of all IAASB exposures through the Audit and Assurance Faculty's publications and ICAEW's web-site.</p> <p>Advertisement of more significant IAASB exposures and solicitation of comments thereon within Audit and Beyond, (Audit and Assurance Faculty monthly newsletter), the professional press and electronic Practice and Business Alerts.</p>	Ongoing	AAF	AAF

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		ICAEW staff and volunteers serve on Fédération Européenne des Experts-Comptables (FEE) and IFAC (SMP Committee) Small and Medium Practice committees developing responses to IAASB.			
19.	Ongoing	Quarterly input into APB International Committee to brief the UK member of IAASB on ICAEW views	Ongoing	CCAB	AAF
<i>Review of ICAEW's Compliance Information</i>					
20.	Ongoing	Perform periodic review of ICAEW's response to IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 3, as necessary. Once updated, inform the IFAC compliance Staff about the updates in order for the compliance Staff to republish updated data. Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 3 as necessary.	Ongoing	AAF	AAF

NB: Translation process N/A

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Action Plan Subject: SMO 4: IESBA Code of Ethics

Action Plan Objective: Ongoing activities to ensure alignment of ICAEW Code of Ethics with the IESBA Code and use best endeavours for convergence of auditor independence standards

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background:					
<p>In 2010 ICAEW adopted the ICAEW Code of Ethics which is substantively based on the International Ethics Standards Board of Accounting (IESBA) Code with certain additional material (included in italics). The only substantive difference between the ICAEW Code and the IESBA Code is that the ICAEW Code requires members performing audits in the UK and Ireland to adopt the APB ethical standards on independence. The APB is responsible for setting ethical standards on auditor independence in the UK and has set its own standards in this area. The ICAEW Code applies to all members in business and practice and became applicable on January 1, 2011. The APB's view is that following the recent revisions to the IESBA Code, compliance with the APB ethical standards will, in substance, result in compliance with the IESBA Code of Ethics.</p> <p>For more information about ICAEW's ethical technical work and member support see icaew.com/ethics.</p>					
<i>Education & Promotion Activities for the Updated Code</i>					
21.	Ongoing	Continued publicity/articles for members and, internally, on key aspects of Code, case studies and Frequently Asked Questions.	Ongoing	I&M, with CCAB Ethics Group where appropriate	I&M and, where relevant, personnel from other accountancy bodies
<i>Monitoring Activities</i>					
22.	Ongoing	Developments and amendments to the IFAC Code are monitored through monitoring IESBA communications.	Ongoing	I&M	I&M
23.	Ongoing	Developments affecting ICAEW members are communicated by means of newsletters, journals and similar media.	Ongoing	I&M	I&M plus ICAEW communications personnel

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#	Start Date	Actions	Completion Date	Responsibility	Resource
24.	Ongoing	Compliance with code of ethics is a consideration on monitoring visits to firms and when investigating complaints.	Ongoing	QAD & PSD	QAD & PSD
<i>Maintaining Ongoing Procedures</i>					
25.	Ongoing	Responses to consultations and proposed changes are discussed with the other accountancy bodies forming the membership of the CCAB Ethics Group.	Ongoing	CCAB Ethics Group	I&M and personnel from other accountancy bodies
26.	Ongoing	Issues reported by individual members and students are monitored against the coverage of the Code.	Ongoing	I&M	I&M, ICAEW Ethics Advisory Services, ICAEW Professional Standards
27.	Ongoing	Periodic view of CPD and student training material.	Ongoing	I&M and ICAEW education staff	I&M
<i>Review of ICAEW's Compliance Information</i>					
28.	Ongoing	Perform periodic review of ICAEW's response to IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 4, as necessary. Once updated, inform the IFAC compliance Staff about the updates in order for the compliance Staff to republish updated data. Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 4 as necessary.	Ongoing	I & M	I & M

Action Plan Subject: SMO 5: IPSAS and Other IPSASB Guidance

Action Plan Objective: Continue to use best endeavours to support incorporation of IPSAS requirements into National Public Sector Accounting Requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background:					
<p>The UK Treasury issues accounting guidance for central government bodies, as set out in the Government Financial Reporting Manual (FRM). The guidance is closely based on International Financial Reporting Standards (IFRS) (as adopted for use in the EU), but interprets or adapts IFRS where deemed necessary. International Public sector Accounting Standards (IPSAS) form the next tier of the accounting hierarchy, and apply where IFRS does not address a substantive public sector issue. All formal papers prepared by the Government’s Financial Reporting Advisory Board (FRAB) on the implementation of IFRS include explicit discussion of IPSAS.</p> <p>Local government bodies in the UK implemented IFRS from 1 April 2010, using guidance in the Code of Practice on Local Authority Accounting, issued by the Chartered Institute of Public Finance and Accounting (CIPFA) /Local Authority (Scotland) Accounts Advisory Committee Code Board.</p> <p>ICAEW supports the use of IPSAS as point of authoritative reference in the development by the UK Government and the FRAB of IFRS-based requirements for the UK public sector and the recognition of IPSAS in the UK public sector standard setting hierarchy. ICAEW commented on the April 2011 ED on <i>Key Characteristics of the Public Sector with Potential Implications for Financial Reporting</i>. While we agree that specific attributes of the public sector are relevant for financial reporting purposes, it is important that financial reporting standards remain sector neutral. We believe comparability between different organisations and different sectors may be impaired where standards become too sector specific. For ICAEW work in the public sector see www.icaew.com. This now includes a public sector supplement to the Financial Reporting Faculty’s printed journal, “By All Accounts”, and an annual conference held jointly with CIPFA, in 2011 in London.</p>					
<i>Assistance with Implementation of IPSASB requirements into National Public Sector Accounting Requirements</i>					
29.	Ongoing	Continue to encourage debate on transition to new UK public sector standards and continued development of relevant standards and concepts, promoting consistency between the different sectors as much as possible.	Ongoing	ICAEW Financial Reporting Faculty (FRF)	CIPFA/FRF
<i>Notifying Members of IPSAB Requirements</i>					

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#	Start Date	Actions	Completion Date	Responsibility	Resource
30.	Ongoing	Maintain on the website pages of the ICAEW Financial Reporting Faculty (FRF) a list of relevant IPSASB and International Accounting Standards Board (IASB) discussion papers and exposure drafts, with details of how to contribute to any ICAEW or joint-UK submission.	Ongoing	FRF	FRF
31.	Ongoing	Highlight relevant new IPSASB and IASB requirements on the website pages of the FRF.	Ongoing	FRF	FRF
32.	Ongoing	Consider invitations to provide training/assistance/advice on the conversion/improvement of public sector accounting requirements in other jurisdictions.	Ongoing	FRF	FRF
<i>Review of ICAEW's Compliance Information</i>					
33.	Ongoing	Perform periodic review of ICAEW's response to IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 5, as necessary. Once updated, inform IFAC compliance staff about updates so that revised data can be published.	Ongoing	FRF	FRF

Action Plan Subject: SMO 6: Investigation and Discipline
Action Plan Objective: Maintain professional conduct arrangements of ICAEW

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Background:</p> <p>ICAEW upholds professional standards in the public interest. ICAEW’s investigation and disciplinary procedures comply fully with the main requirements of SMO 6.</p> <p>The Professional Oversight Board, The Insolvency Service and Irish Auditing and Accounting Supervisory Authority (IAASA) have the authority to monitor ICAEW’s complaints function and these bodies undertake regular inspection visits. Complaints which raise issues of public concern in the UK are remitted to the Accountancy and Actuarial Discipline Board. ICAEW operates robust investigation and disciplinary arrangements which have the public interest to the fore. All our investigation and disciplinary committees have lay member representation. Where cases are closed without reference to the Investigation Committee, the complainant has the right to request that the complaint is considered by the committee. If the Investigation Committee decides to take no action, the complainant can request that the matter be considered by an independent reviewer of complaints.</p> <p>ICAEW is committed to a program of continuous improvement which continually reviews and enhances the investigation processes. Focus is also being given to the implementation of improved communication and information sharing arrangements.</p> <p>Investigation and discipline arrangements can be found on www.icaew.com.</p>					
<p><i>Investigation & Disciplinary Activities</i></p>					
34.	Ongoing	Sanctions (Para 7) – Review guidance on sentencing provided to the Investigation Committee and to tribunals after consultation with all conduct committees.	Ongoing	Head of Legal Services	Professional Conduct staff
35.	Ongoing	Provision of information and guidance to members (Para 9) – Punctual updating of website and online Members’ Handbook.	Ongoing	Heads of Division, PCD	Professional Conduct staff

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#	Start Date	Actions	Completion Date	Responsibility	Resource
36.	Ongoing	Liaison with outside bodies (Para 10) – Annual training update for staff in relation to reporting requirements. All matters requiring report to the Serious Organised Crime Agency are reported promptly in accordance with legal requirements.	Ongoing	Head of Quality Assurance Division	Quality Assurance Division
37.	Ongoing	Initiation of proceedings (Para 11) – Press monitoring to identify possible misconduct by member firms.	Ongoing	Head of Assessment	Professional Conduct Department
38.	Ongoing	Investigative powers and processes (Para 12) – Ensure Disciplinary Bye-law 13 employed where member/firms do not co-operate.	Ongoing	Head of Investigation	Professional Conduct Department
39.	Ongoing	Investigative powers and processes (Para 13) – Monitor complaints’ workload in various divisions and seek additional financial and staffing resources where necessary.	Ongoing	Director, Professional Conduct Department	Professional Conduct Department
40.	Ongoing	Investigative powers and processes (Para 15) – Ensure appropriate guidance given where conflicts of interest arise.	Ongoing	Head of Legal Services	Professional Conduct Department
41.	Ongoing	Investigative powers and processes (Para 18) – Procure Annual Report from Reviewers of Complaints.	Ongoing	Secretary to the Investigation Committee	Professional Conduct Department
42.	Ongoing	The disciplinary process (Para 19) – Conduct annual review of committee membership to ensure terms of office adhered to and appropriate levels and range of skills maintained.	Ongoing	Head of Legal Services	Professional Conduct Department

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#	Start Date	Actions	Completion Date	Responsibility	Resource
43.	Ongoing	Disciplinary process (Para 22) – Emphasize requirements for independence in training sessions for new committee members and undertake periodic reviews of committee handbooks.	Ongoing	Head of Legal Services	Professional Conduct Department
44.	Ongoing	Administrative processes (Paras 25 & 26) – Monitor on a monthly basis elapsed times of cases both in investigation and where formal complaints have been laid.	Ongoing	Head of Investigation & Head of Legal Services	Professional Conduct Department
45.	Ongoing	Administrative processes (Para 30) – Procedures manuals to include reference to employees’ obligations under their contracts of employment.	Ongoing	Heads of Division	Professional Conduct Department
46.	Ongoing	Administrative processes (Para 33) – Documents to be retained during the lifetime of cases and throughout prescribed retention period.	Ongoing	Heads of Division & Head of Administration	Professional Conduct Department
<i>Review of ICAEW’s Compliance Information</i>					
47.	Ongoing	Perform periodic review of ICAEW’s response to the IFAC’s 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 data. Notify updates to IFAC’s Compliance Self-Assessment and any update to SMO 6 as necessary.	Ongoing	Professional Conduct Department	Professional Conduct Department

Action Plan Subject: SMO 7: International Financial Reporting Standards
Action Plan Objective: Raising awareness of IFRS and supporting the use of IFRS in the UK

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Background:</p> <p>In the UK, the consolidated accounts of listed groups are required by law to be prepared in accordance with EU-endorsed International Financial Reporting Standards (IFRS). There is however a major debate in progress about the merits of replacing UK Generally Accepted Accounting Principles (GAAP) for other entities with the IFRS for SMEs. This may lead to a move to IFRS-based reporting by many private companies and not-for-profit entities in, perhaps, 2014. ICAEW is closely engaged in this debate and is a strong supporter of a managed transition to IFRS-based reporting in the UK, recognizing that operating different sets of GAAP in the long run is not a sustainable option for the accountancy profession.</p> <p>ICAEW students are trained principally in IFRS, and IFRS learning programs are available to members. The ICAEW Financial Reporting Faculty (FRF) provides a variety of resources to assist members seeking to apply IFRS in their organizations, and makes membership of the faculty available to non-ICAEW members. ICAEW and FRF IFRS resources can be found at www.icaew.com/frf.</p>					
<p><i>Notifying Members of IFRS and IASB Exposure Drafts (SMO 7, paras 1, 2)</i></p>					
48.	Ongoing	Ensure details of IASB and IFRS Interpretations Committee (IFRSIC) discussion papers and exposure drafts, with information on how to contribute to ICAEW submissions, are maintained on the ICAEW website.	Ongoing	FRF	FRF
49.	Ongoing	Ensure the all-member monthly 'Accountancy' journal continues to publish appropriate analysis of IASB and IFRSIC proposals and that where appropriate attention is drawn to proposals and new standards in the ICAEW-section.	Ongoing	FRF	FRF

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50.	Ongoing	Use the local Technical Advisory Committees (TACs) and the electronic Alerts to ICAEW members to highlight important proposals and new standards and encourage contributions to ICAEW submissions.	Ongoing	FRF	FRF
<i>Assist with the implementation of IFRS or IFRS-based standards (SMO 7, para 3b)</i>					
51.	Ongoing	Provide ICAEW members and others with a particular interest in financial reporting with the opportunity to receive more detailed analysis and practical help regarding new IFRS and convergence developments.	Ongoing	FRF	FRF
52.	Ongoing	Encourage participation of members interested in financial reporting issues to debate and comment on IASB and UK convergence proposals through monthly FRF e-bulletins and the on-line community hosted on the FRF website pages.	Ongoing	FRF	FRF
53.	Ongoing	Assist with the development and promotion of the ICAEW IFRS learning programs, available to all	Ongoing	LPD	LPD
54.	Ongoing	Continue to provide access to the IASB eIFRS service for members with a particular interest in financial reporting	Ongoing	FRF	FRF
<i>Adoption in the UK of IFRS or IFRS-based standards (SMO 7, para 3a)</i>					
55.	Ongoing	Encourage debate of the future convergence of UK GAAP and IFRS through major events held in conjunction with standard setters, webinars, FAQs, and other means, all available to all ICAEW members.	Ongoing	FRF	FRF

Action Plan developed by the Institute of Chartered Accountants in England and Wales (ICAEW)

#	Start Date	Actions	Completion Date	Responsibility	Resource
56.	Ongoing	Encourage the UK Accounting Standards Board to actively consider implement further convergence plans; respond to ASB proposals and draw members' attention thereto.	Ongoing	FRF	FRF
57.	Ongoing	Work to remove disincentives for UK companies from adopting IFRS voluntarily.	Ongoing	FRF	FRF
<i>Review of ICAEW's Compliance Information</i>					
58.	Ongoing	Perform periodic review of ICAEW's response to the IFAC's 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 data. Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 7 as necessary.	Ongoing	FRF	FRF