

## Response to the IFAC Part 2, SMO Self-Assessment Questionnaire

**Member Name:** Institute of Certified Public Accountants of Bulgaria

**Country:** Bulgaria

**Published Date:** October 2006

**Disclaimer:** Please refer to the Disclaimer published on IFAC's website about this assessment.

Number	Question Title/Text/Help text	Answer	Comments
<b>IFAC Part 2 SMO Self-Assessment</b>			
1.	<b>SMO 1</b>		
1.1.	<b>Quality Assurance Program</b>		
1.1.1.	<i>Quality Assurance Review Program</i> In your jurisdiction is there a mandatory quality assurance review program in place for members of your organization performing audits of financial statements of listed companies?	1Ⓐ Yes  2Ⓐ No	Bulgaria is planning to establish public oversight body for auditors. In the view of the forthcoming adoption of Bulgaria in EU, it is one of the tasks to execute in order to comply with EU 8th Directive.
1.2.	<b>Responsibility for Quality Assurance - Overview</b>		
1.2.1.	<i>Responsibility for Quality Assurance</i> Within your jurisdiction, is your organization responsible for monitoring the quality of the work of your members performing audits of financial statements? Select the answer option that is most appropriate.	1Ⓐ Yes - for all audits of financial statements  2Ⓐ Yes - for all audits except	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
		<p>those of listed entities</p> <p>3○ Our organization shares responsibility for the quality assurance program with another body</p> <p>4○ No, responsibility for quality assurance for all audits rests with another body</p> <p>5○ Other (please describe)</p> <p>6○ Not applicable - no members of our organization perform audits of listed entities</p>	
1.2.6.	<p><i>Quality Assurance (Member Body) All Audits - Scope</i></p> <p>What types of engagements are included in the scope of the quality assurance review program? Select all the answer options that are appropriate.</p>	<p>1☑ Financial statement audit - listed entities (minimum requirement)</p> <p>2☑ Financial statement audit - audit of other than listed entities</p> <p>3☑ Other services (e.g., review, compilation)</p> <p>4☐ Insolvency</p> <p>5☐ Other (please specify)</p>	
1.4.	<b>Member - Benchmarking</b>		
1.4.1.	<b>Quality Control Standards and Guidance</b>		
1.4.1.1.	<p><i>Quality Control Standards</i></p> <p>Has your organization established and published quality control standards requiring</p>	1⊙ Yes	

Number	Question Title/Text/Help text	Answer	Comments
	firms to implement a system of quality control in accordance with International Standard on Quality Control 1?	2○ No	
1.4.1.3.	<i>Quality Control Standards - Name</i> State the name of the relevant quality control standards.		The International Standards on Quality Control 1 is directly adopted by law.
1.4.1.4.	<i>Other Quality Control Guidance</i> Has your organization established and published other quality control guidance to assist your members to understand the objectives of quality control and to implement and maintain appropriate systems of quality control?	1○ Yes  2⊙ No	
1.4.1.6.	<i>Other Quality Control Guidance Follow Up</i> What plans does your organization have for developing and issuing other quality control guidance for your members? If you do not have such plans, what special reasons or conditions for that fact exist?		We believe that the International Standard on Quality control 1 provides enough understandable guidance for our members
1.4.2.	<b>Design of the Quality Assurance Review Program</b>		
1.4.2.1.	<i>Subject of the QA Review Program</i> Who is the subject of the quality assurance review program?	1☑ Audit firm  2☐ Partner	

Number	Question Title/Text/Help text	Answer	Comments
1.4.2.2.	<p><i>Audit Firm</i></p> <p>As the audit firm is the subject of the quality assurance review program, the quality assurance program should be designed, as required by SMO 1, to obtain reasonable assurance that:</p> <ul style="list-style-type: none"> <li>- The firm has an adequate system of quality control relating to audits of financial statements of listed entities (and of other entities or engagements that are also included in the scope of the review).</li> <li>- The firm complies with that system.</li> <li>- The firm and engagement teams have adhered to professional standards and regulatory and legal requirements in performing audits of financial statements selected for review.</li> </ul> <p>Does the quality assurance program contain all three of these elements?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
1.4.2.5.	<p><i>Publication of Scope</i></p> <p>Does your organization publish a description of the scope and design of its quality assurance review program?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
1.4.2.7.	<p><i>Name of Documents</i></p>		

Number	Question Title/Text/Help text	Answer	Comments
	Please name the published document(s) that describe the scope and design of the quality assurance review program.	Rules and Procedures of the quality assurance review program	
1.4.2.8.	<i>Location of Documents</i> Please indicate where the document(s) that include details on the scope and design of the quality assurance program can be located (e.g., provide internet address or indicate that documents are available from your organization).	The documents are available from our organization.	
1.4.3.	<b>Review Cycle</b>		
1.4.3.1.	<i>Selection Approach</i> Please select the approach used to select subjects for quality assurance review. Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Cycle approach	
1.4.3.2.	<i>Cycle Approach - Firm</i> As the audit firm is the subject of the review, please indicate the maximum number of years in the review cycle:	1 <input type="radio"/> 1 year	
		2 <input type="radio"/> 2 years	
		3 <input type="radio"/> 3 years	
		4 <input checked="" type="radio"/> 4 years	
		5 <input type="radio"/> 5 years	
		6 <input type="radio"/> 6 or more years	

Number	Question Title/Text/Help text	Answer	Comments
1.4.3.4.	<p><i>Cycle Greater Than Three Years</i> As the review cycle is more than the three year cycle recommended by SMO1, please provide an explanation for adopting a longer cycle.</p>	<p>Lack of enough resources because of the small number of our members - around 600 persons. However an audit firm which failed to comply with the requirements of the professional standards is subject to a review every year until a satisfaction result is obtained.</p>	
1.4.3.6.	<p><i>Risk-based Approach</i> Please indicate the risk factors used to determine which firms or partners are reviewed. Select all the answer options that are appropriate.</p>	<p>1 <input type="checkbox"/> Number of listed entity clients</p> <p>2 <input type="checkbox"/> Number of entities considered to be of public interest</p> <p>3 <input checked="" type="checkbox"/> Past results of quality assurance reviews</p> <p>4 <input checked="" type="checkbox"/> Failure to meet Continuing Professional Development requirements</p> <p>5 <input checked="" type="checkbox"/> Independence violations</p> <p>6 <input checked="" type="checkbox"/> Previously identified deficiencies in the design of, or compliance with the firm's system of quality control</p> <p>7 <input type="checkbox"/> Other (please describe)</p>	
1.4.4.	<p><b>Implementation of the Quality Assurance Program</b></p>		

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
1.4.4.1.	<i>Date of Implementation</i> On what date did the quality assurance review program commence? (provide month/year)	11/1/2002	
1.4.4.2.	<i>Number of Reviews - 2005</i> How many quality assurance reviews were completed during the year ended December 31, 2005 (or other 12 month period ending in 2005)?	265	Increase in number of cases is caused by the fact that some of the reviews begin in one calendar year and finish in the next one. The numbers in our responses are for reviews finished in the relevant calendar year.
1.4.4.3.	<i>Number of Reviews - 2004</i> How many quality assurance reviews were completed during the year ended December 31, 2004 (or other 12 month period ending in 2004)?	74	
1.4.4.4.	<i>Number of Reviews - 2003</i> How many quality assurance reviews were completed during the year ended December 31, 2003 (or other 12 month period ending in 2003)?	31	
1.4.5.	<b>Quality Assurance Review Team Procedures</b>		
1.4.5.1.	<i>Publication of Review Guidelines</i> Does your organization publish guidelines for procedures to be followed by quality assurance review teams?	1 <input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
		20 No	
1.4.5.2.	<p><i>Name of Guidelines</i> State the name of the published document(s) that include the procedures required to be followed by quality assurance review teams.</p>	Rules and procedures for quality control review.	
1.4.5.4.	<p><i>Location of Guidelines</i> How can the document(s) that include the procedures required to be followed by quality assurance review teams be located (e.g., provide internet address or indicate that documents are available from your organization)?</p>	The document is available from our organization.	
1.4.5.5.	<p><i>Content of Guidelines</i> SMO 1 requires that the procedures to be performed during the quality assurance review include:</p> <p>a. An assessment of the system of quality control relating to audits of financial statements of listed entities (minimum requirement)</p> <p>b. Sufficient review of the quality control policies and procedures and reviews of engagement working papers to evaluate:</p> <p style="padding-left: 20px;">- The functioning of that system of quality control, and compliance with it; and</p>	10 Yes	



Number	Question Title/Text/Help text	Answer	Comments
	<p style="text-align: center;">- The compliance with professional standards and regulatory and legal requirements in respect of audits of financial statements</p> <p>c. Review of engagement working papers d. Specific requirements regarding documentation of the review</p> <p>Does your quality assurance review program include requirements for all of these procedures?</p>	2 <input type="radio"/> No	
1.4.5.7.	<p><i>Review of Engagement Working Papers</i> SMO 1 requires procedures to be performed for the review of engagement working papers, including the evaluation of:</p> <ul style="list-style-type: none"> <li>- The existence and effectiveness of the system of quality control implemented by the subject of the review;</li> <li>- Compliance with professional standards and regulatory and legal requirements in performing the engagement;</li> <li>- The sufficiency and appropriateness of evidence documented in the working papers; and</li> <li>- Whether the auditor's reports are appropriate in the circumstances.</li> </ul> <p>Does your quality assurance review program</p>	1 <input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	include requirements for all of these procedures?	2 <input type="radio"/> No	
1.4.5.9.	<p><i>Documentation</i></p> <p>Do the procedures to be performed by the quality assurance review team require documentation:</p> <ul style="list-style-type: none"> <li>- of evidence supporting the quality assurance review report; and</li> <li>- that establishes that the quality assurance review was carried out in accordance with the established guidelines.</li> </ul> <p>Are both of these requirements included in the quality assurance review program?</p>	1 <input checked="" type="radio"/> Yes	
		2 <input type="radio"/> No	
1.4.6.	<b>The Quality Assurance Review Team</b>		
1.4.6.1.	<p><i>Skills and Competence</i></p> <p>Members of the quality assurance review team should have the necessary competencies to perform expected work. As required by SMO 1, these competencies should include:</p> <ul style="list-style-type: none"> <li>- Appropriate professional education</li> <li>- Relevant professional experience</li> <li>- Specific training on performing quality assurance reviews</li> </ul>	1 <input checked="" type="radio"/> Yes	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
	Does the quality assurance review program require members of the quality assurance review team to have all three of these competencies?	2○ No	
1.4.6.3.	<i>Certification/Credentials</i> Are members of the quality assurance review team required to possess certification or credentials issued by your organization to be eligible to serve as team members?	1⊙ Yes  2○ No	
1.4.6.5.	<i>Quality Assurance Review Team Leader</i> Where more than one reviewer is used to conduct a review, is a quality assurance review team leader assigned for each quality assurance review assignment?	1⊙ Yes  2○ No	
1.4.6.7.	<i>QA Review Team Leader - Responsibilities</i> As required by SMO 1, the responsibilities of the quality assurance review team leader should include:  - Supervision of the quality assurance review. - Communication of the quality assurance review team's conclusions to the subject of the review. - Preparation of the quality assurance review report.	1⊙ Yes	

Number	Question Title/Text/Help text	Answer	Comments
	Does the quality assurance program place all these responsibilities on the review team leader?	2○ No	
1.4.6.9.	<i>Size of Quality Assurance Review Team</i> Please estimate the average number of reviewers included on a review team.	2	
1.4.7.	<b>Quality Assurance Confidentiality - QA Review Team</b>		
1.4.7.1.	<i>Exemption for QA Reviewers</i> Does your organization exempt members from professional client confidentiality requirements concerning audit engagement working papers for the purpose of quality assurance reviews?	1⊙ Yes  2○ No	
1.4.7.3.	<i>Confidentiality Requirements</i> Is the quality assurance review team required to follow professional confidentiality requirements similar to those established for professional accountants performing audits of financial statements?	1⊙ Yes  2○ No	
1.4.8.	<b>Ethical Requirements and QA Review Team</b>		
1.4.8.1.	<i>Fundamental Principles</i> Are the fundamental principles set out in the	1⊙ Yes	

Number	Question Title/Text/Help text	Answer	Comments
	IFAC Code of Ethics (relevant national ethical requirements) considered in relation to the quality assurance review team's conduct of a review?	2○ No	
1.4.8.3.	<p><i>Consideration of Independence</i></p> <p>Quality assurance review team members are expected to be independent of the member (i.e., the accountant or firm being reviewed) and the member's clients selected for review.</p> <p>Do those who select and approve a review team determine whether the independence of the quality assurance review team leader and each member of the quality assurance review team has been reasonably assured?</p>	1⊙ Yes	
		2○ No	
1.4.8.5.	<p><i>Reciprocal Reviews</i></p> <p>Where the review is performed by team members from a single firm (e.g., a "peer review"), please indicate whether firms are permitted to perform reciprocal quality assurance reviews.</p>	1○ Yes, reciprocal reviews are permitted	
		2⊙ No, reciprocal reviews are not permitted	
		3○ Not applicable - peer review is not used	
1.4.9.	<b>Reporting</b>		
1.4.9.1.	<p><i>Quality Assurance Review Report</i></p> <p>Is the quality assurance review team leader</p>	1⊙ Yes	

Number	Question Title/Text/Help text	Answer	Comments
	<p>required to issue a written quality assurance review report to the reviewed firm or partner upon completion of each quality assurance review assignment?</p>	<p>2 <input type="radio"/> No</p>	
1.4.9.3.	<p><i>Contents of Report</i> As required by SMO 1, the quality assurance review report should include the following elements:</p> <ul style="list-style-type: none"> <li>- The review guidelines (referred to in Question 1.4.5.1) utilized by the quality assurance review team.</li> <li>- Recommendations for areas of improvement at both firm wide and engagement level.</li> </ul> <p>Does the quality assurance program require both of these elements to be included in the report?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
1.4.9.5.	<p><i>Contents of Report - Firm</i> As required by SMO 1, the quality assurance review report should include the following conclusions:</p> <ul style="list-style-type: none"> <li>- Whether the firm's system of quality control has been designed to meet the requirements of the applicable quality</li> </ul>	<p>1 <input checked="" type="radio"/> Yes</p>	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
	<p>control standards;                      - Whether the firm has complied with its system of quality control during the period under review; and                      - Reasons for reaching negative conclusions on either or both of the above.</p> <p>Does the quality assurance program require all of these elements to be included in the report?</p>	2○ No	
1.4.9.8.	<p><i>Response to Reporting</i>                      Is the subject of the review required to provide a timely written response to the recommendations and conclusions of the quality assurance review report, including planned actions and expected time of completion or implementation?</p>	1⊙ Yes	
		2○ No	
1.4.9.10.	<p><i>Reporting to the Public</i>                      Does your organization prepare and make available to the public (and upon request from regulatory authorities) an annual report summarizing the results of the quality assurance review program?</p>	1○ Yes	
		2⊙ No	
1.4.9.11.	<p><i>Reporting to the Public Follow Up</i>                      Please explain why your organization does not prepare an annual report summarizing the results of the quality assurance review</p>		It is not obligatory by law and so far there were no demand from any organization/institution. However

Number	Question Title/Text/Help text	Answer	Comments
	program available to the public?		recently we consider to start to publish such summary results.
<b>1.4.10.</b>	<b>Corrective and Disciplinary Actions</b>		
1.4.10.1.	<i>Corrective Actions Required</i> Does your organization require each of its members to make appropriate corrections to its system of quality control, or in its compliance with policies and procedures?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
1.4.10.3.	<i>Disciplinary Actions</i> If one of your members subsequently fails to demonstrate compliance with professional standards and regulatory and legal requirements, do you take appropriate disciplinary action?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
1.4.10.5.	<i>Linkage with Disciplinary Actions</i> Does your organization clearly establish a link between less than satisfactory results of quality assurance reviews and the initiation of corrective and disciplinary actions under its disciplinary system?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
<b>2.</b>	<b>SMO 2</b>		
2.1.	<i>MB Membership Requirements</i> Which of the following are required for individuals to be admitted as members in your organization? Select all the options that	1 <input checked="" type="checkbox"/> Complete a program of professional accountancy education	



Number	Question Title/Text/Help text	Answer	Comments
	are appropriate.	<input checked="" type="checkbox"/> Complete a practical experience requirement <input checked="" type="checkbox"/> Complete a final assessment of the individual's professional capabilities and competencies <input type="checkbox"/> None of the above	
2.2.	<i>Continuous Professional Development</i> Is there a requirement for your members to develop and maintain competence through continuous professional development (CPD)?	<input checked="" type="radio"/> Yes  <input type="radio"/> No	
2.3.	<b>Professional Accountancy Education</b>		
2.3.1.	<i>Professional Accountancy Education Program</i> Who delivers the professional accountancy education program for your members? Select all the answer options that are appropriate.	<input type="checkbox"/> Our organization  <input type="checkbox"/> Another IFAC member body <input checked="" type="checkbox"/> Universities <input type="checkbox"/> Approved training institutions <input type="checkbox"/> Government bodies <input type="checkbox"/> Other organizations	
2.3.2.	<i>Describe Other Organizations</i> Where your response in question 2.3.1 indicates another IFAC member body,	Universities of economics. Their legal authority is stipulated by the	

Number	Question Title/Text/Help text	Answer	Comments
	<p>universities, approved training institutions, and / or other organizations deliver the professional accountancy education program, describe these organizations and their legal authority to deliver the program. (Include the name of the other IFAC member body where relevant).</p>	<p>High Education Act.</p>	
2.3.3.	<p><i>Prof Accountancy Education Program Follow Up</i> Please describe how your organization ensures the professional accountancy education program, delivered by the organization in response to question 2.3.1., meets the required content.</p> <p>Include in your description the specific activities your organization undertakes with regards to the necessary content requirements.</p>	<p>We check the diploma of the candidates issued by the relevant University. According to the Independent Financial Audit Act, the candidates should have passed at least following subjects:</p> <ol style="list-style-type: none"> <li>1. Accounting theory</li> <li>2. Financial accounting</li> <li>3. Management accounting</li> <li>4. Financial statements analysis</li> <li>5. Financial control and standards on auditing</li> <li>6. Employment and social security law</li> <li>7. Commercial law</li> <li>8. Enterprise's finances</li> <li>9. Economic analysis and statistics</li> <li>10. Microeconomics</li> <li>11. Information systems and technology</li> </ol>	

Number	Question Title/Text/Help text	Answer	Comments
			Should the candidate did not pass one or more of the above subjects, he/she is not allowed to pass to the final assessment until he/she passes the relevant exam with one of the Universities of economics.
2.11.	<b>IES 5 Practical Experience Requirement</b>		
2.11.1.	<i>Approved Provider</i> Section 2.11 deals with the practical experience requirement established by your organization.  Does the practical experience requirement have to be obtained with approved providers or employers?	1 <input checked="" type="radio"/> Yes          2 <input type="radio"/> No	
2.11.2.	<i>Provider Characteristics</i> Please describe the characteristics set by your organization for recognizing approved providers.		Providers can be and audit firm or individual auditor. According to the Independent Financial Audit Act, each audit firm and each auditor must be members of our organization in order to practice. A firm can be an audit firm only if more than 50 % of its equity and voting rights belong to individual auditors - members of our organization.

Number	Question Title/Text/Help text	Answer	Comments
2.11.4.	<i>Length of Practical Experience</i> What is the required length of pre-qualification practical experience? Select the answer option that is most appropriate.	1Ⓐ Three years 2Ⓐ Less than three years 3Ⓐ More than three years	
2.11.6.	<b>Practical Application SMO 2</b>		
2.11.6.1.	<i>Practical Application</i> Where relevant graduate (beyond undergraduate, e.g., masters) professional education has a strong element of practical accounting application, may any portion of the professional education be contributed to the practical experience requirement?	1Ⓐ Yes 2Ⓐ No	
2.11.7.	<b>Timing of Experience</b>		
2.11.7.1.	<i>Pre or Post Qualification Experience</i> The practical experience for accountants may be obtained (select all the answer options that are appropriate):	1Ⓐ Before the professional accountancy education program of study 2Ⓐ At the same time as the professional accountancy education program of study 3Ⓐ After the professional accountancy education program of study	
2.11.7.2.	<i>Describe Pre or Post Experience</i> Describe the length of practical experience that may be obtained pre-qualification and / or post-qualification.	Three years	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
2.12.	<b>IES 5 Monitoring of Practical Experience Requirement</b>		
2.12.1.	<i>Monitoring of Practical Experience</i> Is the period of practical experience monitored?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
2.12.3.	<i>Monitoring Practical Experience</i> How is the practical experience requirement (or practical application) monitored and assessed? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Mentoring system 2 <input type="checkbox"/> Approved training employers and organizations 3 <input checked="" type="checkbox"/> Self-declaration required from the candidate 4 <input checked="" type="checkbox"/> Record of the practical experience is kept and submitted to the member body when applying for membership 5 <input checked="" type="checkbox"/> An assessment is made by the mentor or employer 6 <input type="checkbox"/> Other (please describe)	
2.13.	<b>IES 6 Assessment of Prof Capabilities and Competence</b>		
2.13.1.	<i>Assessment by IFAC Body or Other</i> Section 2.13 deals with the final assessment requirements established by your organization.	1 <input checked="" type="checkbox"/> Our organization (including training entities that are affiliated with our	

Number	Question Title/Text/Help text	Answer	Comments
	<p>Select all the organizations involved in conducting the final assessment.</p> <p>If the final assessment is conducted jointly between various organizations, select all those that have some responsibility for conducting the final assessment and in the Comment Box, describe the nature of their respective roles and responsibilities.</p>	<p>organization or a subsidiary of our organization).</p> <p>2 <input type="checkbox"/> Another IFAC member body 3 <input type="checkbox"/> Government or regulatory body 4 <input type="checkbox"/> Other</p>	
2.13.4.	<p><i>Characteristics of Assessment</i></p> <p>Which of the following characteristics are applicable to the final assessment process? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Uniform for all students</p> <p>2 <input type="checkbox"/> Given simultaneously where it is being held in more than once location in the country</p> <p>3 <input checked="" type="checkbox"/> Assessment is set and assessed only by qualified or approved individuals</p> <p>4 <input type="checkbox"/> None of the above</p>	
2.13.5.	<p><i>Qualifying for Final Assessment</i></p> <p>What requirements must the candidate satisfy to take the final assessment? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Specified pre-qualification requirements relating to professional knowledge,</p>	<p>The Institute requires university degree with certain courses passed as described in question 2.3.3.</p>

Number	Question Title/Text/Help text	Answer	Comments
		professional skills, and professional values, ethics, and attitudes 2 <input checked="" type="checkbox"/> Specified practical experience requirements 3 <input type="checkbox"/> Other (please describe) 4 <input type="checkbox"/> None of the above	
2.13.6.	<i>Timing Considerations for Final Assessment</i> Is there a requirement or restriction for completing the final assessment? For example, some organization may require the candidate to take the final examination within a specified number of years of meeting the pre-assessment requirements.	1 <input checked="" type="radio"/> Yes          2 <input type="radio"/> No	
2.13.7.	<i>Requirement or Restrictions</i> Describe the requirements or restrictions relating to when the final assessment must be undertaken.	The final assessment exams must be passed successfully within three years during which period all the exams passed successfully are valid. Should the candidate fail to pass all the final exams within this period, he/she has to start to pass all the final exams once again.	
2.13.8.	<i>Assess Professional Knowledge</i> Describe in general terms how required professional knowledge (e.g. technical knowledge about accounting, finance, audit, financial reporting, legislative requirements,	Through exams.	The exams are oral and written. Regarding written exams, the techniques are tests, cases, subject to develop a thesis. The focus areas are IAS/IFRS, ISA, local accounting,

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
	information technology etc) is assessed during the final assessment.		commercial and taxation laws e.t.c.
2.13.9.	<i>Assess Professional Skills</i> Describe in general terms how required professional skills (e.g. ability to solve problems, make decisions, exercise judgment, personal skills, interpersonal and communication skills, organizational and business management skills etc) are assessed during the final assessment.	Through exams	The exam is oral. The commission sets cases, which usually require from the candidates to solve problems or exercise judgment. The commission also estimates (throughout the exam) the candidate's communication skills. Focus areas are accountancy, audit, ethics, business management decisions e.t.c.
2.13.10.	<i>Assess Professional Values, Ethics, Attitudes</i> Describe in general terms how required professional values, ethics, and attitudes are assessed during the final assessment.	Through exams	The exam is oral. It is based on the IFAC Code of Ethics.
2.13.11.	<i>Recorded or Oral Format</i> Is the final assessment conducted through:	1 <input type="radio"/> Recorded format with recorded (e.g. written) response required 2 <input type="radio"/> Oral format with oral responses 3 <input checked="" type="radio"/> Both recorded and oral response formats	
2.13.12.	<i>Recorded Proportion</i> Approximately what proportion of the final assessment requires candidates' responses to be in recorded form?	1 <input type="radio"/> Less than 25%  2 <input checked="" type="radio"/> 25%	



Number	Question Title/Text/Help text	Answer	Comments
		3○ 50% 4○ 75% 5○ 100%	
2.13.13.	<i>Assessment Formats</i> What formats are used in conducting the final assessment (select all the answer options that are appropriate)?	1☑ Multiple choice questions  2☑ Case studies 3☐ Technical questions 4☑ Thesis 5☐ Other (please describe) 6☐ None of the above	
2.13.14.	<i>Reliability and Validity</i> Describe in general terms the procedures in place to ensure the final assessments are reliable and valid. Include a description of how the assessment questions are set and by whom and also how reviewers / assessors are selected.	There are six exams of which four are oral. The reviewers are appointed by the Managing Council of our organization and are members of it. Only for the commercial law exam the reviewers are professors from the University of Law. The materials for the written exams are prepared by a commission (different from the commission of reviewers) which consists only members of our organization appointed by the Managing Council of our organization.	The oral exams are as follows:  1. Accountancy (there is a separate written exam also) 2. Auditing (there is a separate written exam also) 3. Ethics and professional skills. 4. Bulgarian Commercial Law  Subject matters of the exams are: National Accounting Standards, IAS/IFRS, ISA, IFAC Code of Ethics, Bulgarian accounting, commercial and tax laws, Corporate governance, IT, e.t.c. The exams usually begin with a pick-up of an envelope with a part of the subject (for example IFRS 1). The candidate has to develop the matter. Then

Number	Question Title/Text/Help text	Answer	Comments
			various questions regarding all subject (in this example not only IFRS 1) are asked. The assessment of all exams is either "Yes" (passed) or "No" (failed).
2.13.15.	<p><i>Frequency of Final Assessments</i> How many times in a year is the final assessment offered? Select the answer option that is the most appropriate.</p>	<p>1 <input checked="" type="radio"/> Yearly (or once a year)</p> <p>2 <input type="radio"/> Half yearly (or twice a year)</p> <p>3 <input type="radio"/> Three sessions a year</p> <p>4 <input type="radio"/> Four sessions a year</p> <p>5 <input type="radio"/> Five sessions a year</p> <p>6 <input type="radio"/> Other (please describe the frequency of the examinations)</p>	
2.14.	<p><b>IES 7 Continuing Professional Development - CPD</b></p>		
2.14.1.	<p><i>Responsibility for CPD Requirements</i> Section 2.14 deals with the continuous professional development requirements established by your organization.</p> <p>Who establishes the continuous professional development requirements applicable to your members? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Our organization</p> <p>2 <input type="checkbox"/> Another organization (state the name of the organization including whether it is an</p>	

Number	Question Title/Text/Help text		Answer	Comments
		3	<input type="checkbox"/> IFAC member body <input type="checkbox"/> Law and / or regulation (state the name of the law / regulation) <input type="checkbox"/> Other (please describe)	
2.14.2.	<p><i>CPD and Professional Accountants</i> Which membership categories are required to maintain professional competence through continuous professional development? Select all the answer options that are appropriate.</p>	1	<input checked="" type="checkbox"/> All our qualified members  <input type="checkbox"/> Qualified members who perform audits of listed entities <input type="checkbox"/> Qualified members who perform audits of entities other than listed entities <input type="checkbox"/> Qualified members who provide services (other than audit) to the public <input type="checkbox"/> Qualified members who are employed in business <input type="checkbox"/> Other (please describe)	
2.14.3.	<b>Requirement - CPD</b>			
2.14.3.1.	<p><i>Type of CPD Requirement</i> Which of the following answer options describes the way the continuous professional development is structured? Select all the answer options that are appropriate.</p>	1	<input checked="" type="checkbox"/> Members must satisfy a number of hours of continuous professional development a year or over a number of years	

Number	Question Title/Text/Help text	Answer	Comments
		<p>2 <input type="checkbox"/> All members are to satisfy specified content requirements (e.g. specified courses or knowledge content)</p> <p>3 <input type="checkbox"/> Members working in specialist areas or areas of high risk to the public are to satisfy specified content requirements (e.g. specified courses or knowledge content)</p> <p>4 <input type="checkbox"/> Other</p>	
2.14.3.3.	<p><i>Hours of Continuous Professional Development</i> Which one of the following answer options best describes the continuous professional development hours required?</p>	<p>1 <input type="radio"/> Members have to complete a minimum of 120 hours or equivalent learning units of relevant professional development activity over a three-year rolling period.</p> <p>2 <input type="radio"/> Members have to complete a minimum of 20 hours or equivalent learning units in each year</p> <p>3 <input checked="" type="radio"/> Other</p>	
2.14.3.4.	<p><i>Other Hours Follow Up</i> Describe the continuous development hours required by members.</p>	Members have to complete minimum 40 hours of training	

Number	Question Title/Text/Help text	Answer	Comments
		every year.	
2.14.3.8.	<i>Monitoring of CPD</i> Is there a process to monitor whether your members who are qualified as professional accountants meet the continuous professional development requirements?	<p>1 <input checked="" type="radio"/> Yes, there is a monitoring process for CPD requirements</p> <p>2 <input type="radio"/> No, there is no monitoring process for CPD requirements</p>	
2.14.4.	<b>Monitoring of CPD Requirement</b>		
2.14.4.1.	<i>Monitoring Process SMO 2</i> Which of the following elements does the monitoring process include? Select all the answer options that are appropriate.	<p>1 <input checked="" type="checkbox"/> Professional accountants are required to submit a declaration</p> <p>2 <input checked="" type="checkbox"/> Professional accountants are required to submit evidence</p> <p>3 <input type="checkbox"/> Our organization audits a sample of professional accountants to check compliance</p> <p>4 <input type="checkbox"/> Compliance is monitored through firm quality control standards</p> <p>5 <input checked="" type="checkbox"/> Compliance is monitored through a quality assurance review program</p> <p>6 <input type="checkbox"/> Other (please describe)</p> <p>7 <input type="checkbox"/> None of the above</p>	
2.14.4.2.	<i>Declaration and CPD SMO 2</i> Describe the matters addressed in the	1 <input checked="" type="checkbox"/> Professional accountant's	

Number	Question Title/Text/Help text	Answer	Comments
	declaration (select all that apply):	obligation to meet ethical obligations 2 <input checked="" type="checkbox"/> Professional accountant's obligation to maintain knowledge 3 <input checked="" type="checkbox"/> Professional accountant's obligation to maintain skills to perform competently 4 <input checked="" type="checkbox"/> Compliance with CPD requirement 5 <input type="checkbox"/> Other (please describe)	
2.14.4.3.	<i>Sanctions SMO 2</i> Where a professional accountant does not satisfy the CPD requirements (within a reasonable period of encouraging the professional accountant to meet the requirements), are sanctions or other non-compliance actions, such as expulsion or denial of the right to practice, imposed?	1 <input checked="" type="radio"/> Yes, sanctions or actions for non-compliance are imposed  2 <input type="radio"/> No, sanctions or other non-compliance actions are not imposed	
2.14.4.4.	<i>Sanction Types and CPD</i> Describe the nature and extent of the sanction, expulsions or denial of the right to practice.	Fine, denial of the right to practice up to two years. Should the member fail again the denial can be up to three years.	
2.15.	<i>Activities to Promote IESs SMO 2</i> Please describe the activities your	Translation, publishing and	

Number	Question Title/Text/Help text	Answer	Comments
	organization undertakes to promote and assist in implementing the pronouncements issued by IFAC's International Accounting Education Standards Board.	distribution amongst our members and various institutions and organizations - governmental, universities and others.	
3.	<b>SMO 3</b>		
3.1.	<p><i>Auditing Standards in Law/Regulation</i> Does law or regulation establish the set of auditing standards to be used in the audit of private sector listed entities and non-listed entities? Select all the answer options that are appropriate.</p> <p>Where the law / regulation establishes the auditing standards to be used by reference to the set of standards to be used by their name or by including the text of the standards in the law / regulation, please respond "yes" to this question. Section 3.8. of this module includes questions about the law / regulation.</p> <p>Where the law / regulation gives authority to a national standard-setter to establish the auditing standards, please respond "no". Section 3.2. of this module includes questions about the standard-setter and the auditing standards that are established.</p>	<p>1 <input checked="" type="checkbox"/> Yes for audits of listed entities</p> <p>2 <input checked="" type="checkbox"/> Yes for audits of non-listed entities</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<input type="checkbox"/> 3 No for audits of listed entities <input type="checkbox"/> 4 No for audits of non-listed entities	
3.8.	<b>Law/Reg and Auditing Standards</b>		
3.8.1.	<i>Law/Reg Auditing Standards - Private Sector</i> Is there only one set of auditing standards or are the auditing standards applicable to listed entities different from non-listed entities?	<input checked="" type="radio"/> 1 The auditing standards for listed entities and non-listed entities are the same set of standards  <input type="radio"/> 2 The auditing standards for listed entities and non-listed entities are not the same set of standards	
3.8.2.	<i>Auditing Standards for Private Sector</i> Does the law/regulation require the use of IAASB pronouncements? Select the answer option that is most appropriate.	<input checked="" type="radio"/> 1 The law/regulation simply refers to IAASB pronouncements as the auditing standards (without bringing in the full or partial text of individual IAASB pronouncements) <input type="radio"/> 2 The law/regulation contains the full text of each IAASB pronouncement <input type="radio"/> 3 The law/regulation contains the basic principles and essential procedures of the IAASB pronouncement <input type="radio"/> 4 The law / regulation has a	The Standards are adopted by the Independent Financial Audit Law.



Number	Question Title/Text/Help text	Answer	Comments
		<p>requirement to use IAASB pronouncements using another approach (please describe)</p> <p>5○ The law / regulation requires the use of national standards with no reference to IAASB pronouncements</p>	
3.8.9.	<p><i>MB Responsibilities and IAASB SMO 3</i></p> <p>Does your organization have responsibility for any of the following activities? Select all the answer options that are appropriate.</p>	<p>1<input type="checkbox"/> Develop other authoritative pronouncements</p> <p>2<input checked="" type="checkbox"/> Promulgate the IAASB pronouncements established by law / regulation (e.g. by publishing or communicating the standards to the public)</p> <p>3<input type="checkbox"/> Other (please describe)</p> <p>4<input type="checkbox"/> None of the above</p>	
3.8.11.	<p><i>Describe Activities and Law/Reg SMO 3</i></p> <p>Describe your organization's activities for promulgating and / or implementing the standards.</p>	<p>We translate and publish all IAASB pronouncements on yearly basis as per requirements of our law.</p>	<p>1. ICPAB appoints the commission of editors - members of our Institute most of them working for the big four. There is a glossary of terms obligatory for the translators, which work is fully reviewed by the commission. Normally it takes six months to translate all of the new standards for the relevant year.</p> <p>2. We publish new handbook every year.</p>

Number	Question Title/Text/Help text	Answer	Comments
3.9.	<b>Law / Reg and MB Responsibilities SMO 3</b>		
3.9.1.	<p><i>Incorporation into Law/Reg SMO 3</i></p> <p>Is information publicly available about the IAASB pronouncements that have been established into law/regulation, including:</p> <p>The IAASB pronouncements that have been established into law / regulation; Whether the IAASB pronouncement established into law / regulation is the version in effect as at September 30, 2005; The effective date set by law / regulation where it differs from the IAASB pronouncement; The differences between the IAASB pronouncement and what was established into law / regulation; and The reasons for the differences?</p>	<p>1⓪ Yes</p> <p>2⓪ No</p>	<p>The law prescribes direct application of all IAASB pronouncements. They have the same effective date as indicated in the relevant pronouncement.</p>
3.9.2.	<p><i>Incorporation Description - Law/Reg SMO 3</i></p> <p>If information about IAASB pronouncements that have been established into law / regulation is available in English, indicate this in your response and submit a copy of the information to Compliance Staff.</p> <p>If this information is not available, refer to</p>	<p>1⓪ Yes, information is available and in English and will be submitted to Compliance Staff</p>	<p>The English version of the law will be sent to the Compliance Staff.</p>

Number	Question Title/Text/Help text	Answer	Comments
	<p>the &lt;a href="SMO 3 Comparison with IAASB Pronouncements.doc"&gt;SMO 3: Comparison with IAASB Pronouncements&lt;/a&gt; report by clicking on the link and complete it to the extent your organization is able to and submit it in Word format to Compliance Staff.</p> <p>Indicate whether your organization will be submitting available information or the "SMO 3: Comparison with IAASB Pronouncements" report.</p>	<p>2○ No, information is not available; however our organization or jointly with another IFAC member / associate will complete the "SMO 3: Comparison with IAASB Pronouncements" report and submit it to Compliance Staff</p> <p>3○ No, information is not available</p>	
3.10.	<b>Translation SMO 3</b>		
3.10.1.	<p><i>Translation of IAASB Pronouncements</i></p> <p>Are the IAASB pronouncements translated into a national language?</p>	<p>1○ No as English is the national language or a widely spoken language</p> <p>2⊙ Yes, the IAASB pronouncements are</p>	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
		<p>translated</p> <p>3○ No and English is not an official language or is not widely spoken</p>	
3.10.2.	<i>IFAC Translation Policy SMO 3</i> Is the IFAC Translation Policy followed?	<p>1⊙ Yes</p> <p>2○ No</p>	
3.10.3.	<i>Principal Translator SMO 3</i> Who is the principal translator? Select the answer option that is most appropriate.	<p>1⊙ Our organization is the principal translator</p> <p>2○ The government or another organization is the principal translator</p> <p>3○ Our organization and the government or another organization are the principal translators</p>	
3.10.4.	<i>Key Words SMO 3</i> Does the translation process include a list of key words?	<p>1⊙ Yes</p> <p>2○ No</p>	
3.10.5.	<i>Faithful Translation SMO 3</i> What processes are in place to ensure a faithful translation of the IAASB pronouncements?	The translation is carried out by the licensed translators and is monitored and reviewed by a commission which contains members of our organization only - most of them working for a big four.	

Number	Question Title/Text/Help text	Answer	Comments
3.11.	<i>Activities to Promote IAASB Pronouncements</i> Please describe the activities your organization undertakes to promote and assist in the implementation of IAASB pronouncements and other IAASB activities.	Other than translation and publishing - also courses, seminars, articles in our magazin.	
4.	<b>SMO 4</b>		
4.1.	<b>Responsibility and National Ethical Requirements</b>		
4.1.1.	<i>IFAC MB and Ethical Requirements</i> Does your organization establish ethical requirements (e.g. code of ethics, code of conduct, ethics rules, member regulations, etc.) to be complied with by your members?  <b>Help text:</b> In some countries, ethical requirements may be established on a regional, provincial, or state basis. Where this is the case in your country for the ethical requirements that apply to your members, please contact Compliance Staff for further instruction.	1 <input checked="" type="radio"/> Yes, our organization does establish ethical requirements  2 <input type="radio"/> No, our organization does not establish ethical requirements	
4.1.2.	<i>IFAC MB and Convergence with IFAC Code</i> Has your organization implemented convergence with the IFAC Code of Ethics as an objective?	1 <input checked="" type="radio"/> Yes  2 <input type="radio"/> No	
4.1.9.	<i>IFAC MB Approach to Ethics</i> Which of the following options best	1 <input checked="" type="radio"/> Our organization adopted the	

Number	Question Title/Text/Help text	Answer	Comments
	<p>describes your organization's activities to incorporate the IFAC Code?</p>	<p>IFAC Code as issued without modifications</p>	
	<p>For the purposes of the Part 2 SMO 4 module, modifications include: Deletion/omission of concepts, principles, or guidance that are established in the IFAC Code; Inclusion of concepts, principles, or guidance that are not in the IFAC Code; Other amendments that give rise to differences between your organization's ethical requirements and the IFAC Code.</p>	<p>2○ Our organization adopted the IFAC Code but with modifications</p> <p>3○ Our organization has developed our own ethical requirements with a process to eliminate differences between our ethical requirements and the IFAC Code</p> <p>4○ Our organization develops our own ethical requirements and uses another approach to incorporate the IFAC Code of Ethics</p>	
4.2.	<b>MB and Version of IFAC Code</b>		

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
4.2.1.	<i>Version of IFAC Code</i> Which version of the IFAC Code was adopted or used as the basis for your organization's ethical requirements?	<p>1 <input checked="" type="radio"/> The IFAC Code currently in effect, revised and issued in June 2004</p> <p>2 <input type="radio"/> A version issued prior to 2004</p> <p>3 <input type="radio"/> The revised IFAC Code issued and in effect June 30, 2006</p>	
4.2.3.	<i>MB and Revised Code</i> Does your organization have plans to adopt the revised IFAC Code (effective June 30, 2006) or revise your ethical requirements to incorporate the revised IFAC Code? Select the option that is the most relevant.	<p>1 <input type="radio"/> Our organization has already amended our ethical requirements for the revised IFAC Code (effective June 30, 2006)</p> <p>2 <input checked="" type="radio"/> Our organization is in the process of amending or has included a plan to amend our ethical requirements for the revised IFAC Code (effective June 30, 2006)</p> <p>3 <input type="radio"/> Our organization currently has not included in our work program a plan to amend our ethical requirements for the revised IFAC Code (effective June 30, 2006)</p> <p>4 <input type="radio"/> Other (please describe)</p>	
4.2.5.	<i>MB and Revision Plans</i> Please describe the work program timetable.	We expect that the amendment	

Number	Question Title/Text/Help text	Answer	Comments
			shall take place no later than December 31, 2006.
4.3.	<i>Ethical Requirements by Gov / Reg Bodies</i> In addition to the ethical requirements established by your organization, are there also laws or regulations that set out ethical requirements to be complied with by your members?	1 <input type="radio"/> Yes	
		2 <input checked="" type="radio"/> No	
4.11.	<i>Translation of IFAC Code</i> Has your organization or others (e.g. government or regulatory body) translated the IFAC Code (in effect) or earlier versions of the Code? Select all the answer options that are appropriate.	1 <input type="checkbox"/> No, as English is an official language or widely spoken language	
		2 <input checked="" type="checkbox"/> Yes, our organization has translated the IFAC Code	
		3 <input type="checkbox"/> Yes, a government, regulatory, or other body has translated the IFAC Code	
		4 <input type="checkbox"/> No, the IFAC Code has not been translated and English is not an official language or widely spoken language	
4.14.	<b>IFAC Code Translated SMO 4</b>		
4.14.1.	<i>IFAC Translation Policy SMO 4</i> Was the IFAC Translation Policy followed?	1 <input checked="" type="radio"/> Yes	
		2 <input type="radio"/> No	



<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
		3○ It was translated by a government or regulatory body and the information is not available	
4.14.2.	<i>Principal Translator SMO 4</i> Who was the principal translator? Select the answer option that is the most appropriate.	1⊙ Our organization is the principal translator 2○ The government or another organization is the principal translator 3○ Our organization and the government or another organization are the principal translators 4○ It was translated by a government or regulatory body and the information is not available	
4.14.3.	<i>Key Words SMO 4</i> Does the translation process include a list of key words including terms defined within the IFAC Code?	1⊙ Yes 2○ No 3○ It was translated by a government or regulatory body and the information is not available	
4.14.4.	<i>Faithful Translation SMO 4</i> What processes are in place to ensure a faithful translation of the IFAC Code? If it	The translation is carried out by the licensed translators and is	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
	was translated by a government or regulatory body and the information is not available, please state this in the response.	monitored and reviewed by a commission of our members.	
4.15.	<i>Activities to Promote IFAC Code of Ethics</i> Please describe the activities your organization undertakes to promote and assist in implementing the pronouncements (e.g. IFAC Code of Ethics) and work of IFAC's International Ethics Standards Board for Accountants.	Translation, publishing, courses, seminars and other.	
5.	<b>SMO 5</b>		
5.1.	<i>Public Sector Accounting Standards - Objective</i> Has the federal government / national government established convergence with International Public Sector Accounting Standards (IPSASs) as an objective?	1 <input checked="" type="radio"/> Yes  2 <input type="radio"/> No 3 <input type="radio"/> Information is not available or not known	
5.3.	<b>Convergence and IPSASs</b>		
5.3.1.	<i>Convergence Approach - IPSASs</i> Which of the following best describes government's convergence objective? Select the answer option that is the most appropriate.	1 <input type="checkbox"/> IPSASs are adopted as drafted without amendments  2 <input type="checkbox"/> IPSASs are adopted with amendments	

Number	Question Title/Text/Help text	Answer	Comments
		<p>3 <input checked="" type="checkbox"/> National public sector accounting standards are developed with a process to eliminate differences between the national standards and IPSASs</p> <p>4 <input type="checkbox"/> IPSASs are incorporated using another approach</p>	
5.3.3.	<p><i>Comparison Information SMO 5</i></p> <p>Is information about the IPSASs that have been incorporated (e.g. by adoption or other approaches) publicly available? Information should include the IPSASs issued and in effect that have been incorporated and differences between the IPSASs and national public sector accounting standards where differences exist.</p>	<p>1 <input type="radio"/> Yes</p> <p>2 <input checked="" type="radio"/> No</p> <p>3 <input type="radio"/> Our organization is not aware of such information</p>	
5.4.	<p><i>Activities to Promote IPSASB Pronouncements</i></p> <p>Please describe the activities your organization undertakes to promote pronouncements issued by the International Public Sector Accounting Standards Board. Please provide an explanation where such activities have not been undertaken because they are not within the scope of your organization's objectives or work program.</p>	<p>The adoption and implementation of IPSAS is not our responsibility, but of the Government. As far as we know there are plans to adopt IPSAS within next two years.</p>	

Number	Question Title/Text/Help text	Answer	Comments
6.	<b>SMO 6</b>		
6.1.	<p><i>Investigation and Discipline Program</i> In your jurisdiction is there a program for investigating and disciplining members of your organization for misconduct, including breaches of professional standards and rules?</p>	1 <input checked="" type="radio"/> Yes	
		2 <input type="radio"/> No	
6.3.	<b>Responsibility for Investigation and Discipline</b>		
6.3.1.	<p><i>Body Responsible for Investigation and Discipline</i> Is your organization responsible for investigation and discipline of misconduct, including breaches of professional standards and rules by its individual members (and, if local laws and practices permit, by firms)? Select the answer option that is most appropriate.</p>	1 <input checked="" type="radio"/> Yes, our organization has this responsibility	
		2 <input type="radio"/> No, responsibility for investigation and discipline rests solely with an external body	
		3 <input type="radio"/> Our organization shares responsibility for investigation and discipline with an external body	

Number	Question Title/Text/Help text	Answer	Comments
		4○ Other	
6.5.	<b>SMO 6 - Detailed Assessment</b>		
6.5.1.	<b>Rules and Procedures for Investigation and Discipline</b>		
6.5.1.1.	<i>Rules and Procedures</i> Does your organization establish in its constitution or rules the provisions and processes for the investigating and disciplining your members?	1⊙ Yes  2○ No	
6.5.1.3.	<i>Misconduct</i> In your jurisdiction, which of the following are considered "misconduct" as described in SMO 6 paragraph 4? Select all the answer options that are appropriate.	1☑ Criminal activity  2☑ Acts or omissions likely to bring the accountancy profession into disrepute 3☑ Breaches of professional standards 4☑ Breaches of ethical requirements 5☑ Gross professional negligence 6☑ A number of less serious instances of professional negligence that, cumulatively, may indicate unfitness to exercise practicing rights 7☑ Unsatisfactory work 8☐ Other (please describe)	

Number	Question Title/Text/Help text	Answer	Comments
6.5.2.	<p><i>Types of Sanctions</i> Which of the following actions can be imposed by those who judge such issues: Select all the answer options that are appropriate.</p>	<p>1 <input type="checkbox"/> Reprimand</p> <p>2 <input checked="" type="checkbox"/> Loss or restriction of practice rights</p> <p>3 <input checked="" type="checkbox"/> Fine/payment of costs</p> <p>4 <input type="checkbox"/> Loss of professional title (designation)</p> <p>5 <input type="checkbox"/> Exclusion from membership</p> <p>6 <input type="checkbox"/> Other (please describe)</p>	
6.5.3.	<b>Provision of Information and Guidance to Members</b>		
6.5.3.1.	<p><i>Information and Guidance</i> Does your organization make each member fully aware of:</p> <p>- All provisions of the ethical code and other applicable professional standards, rules and requirements (and any amendments), whether issued by IFAC or at the national level by the member body and</p> <p>- Consequences of non-compliance?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
6.5.3.2.	<p><i>Information and Guidance Description</i> Provide a brief description of how your organization meets this requirement of SMO 6.</p>	<p>According to our statute (and to the law) there is a disciplinary council elected for a mandate of three years</p>	

Number	Question Title/Text/Help text	Answer	Comments
		by the general assembly of our organization. The Council approves rules and procedures for investigation and sanctions. The sanctions are described in the Independent Financial Audit Act - which is a law adopted by the Parliament.	
6.5.4.	<b>Obligations to Report to Outside Bodies</b>		
6.5.4.1.	<i>Reporting to Outside Bodies</i> Is your organization obligated under local laws to report possible involvement in serious crimes and offences by its individual members or member firms to the appropriate public authority and disclose related information to that authority?	1 <input checked="" type="radio"/> Yes  2 <input type="radio"/> No	
6.5.5.	<i>Approach to Proceedings</i> What type of approach does your organization use to initiate investigation and discipline proceedings? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Information-based  2 <input checked="" type="checkbox"/> Complaints-based 3 <input type="checkbox"/> Other (please describe) 4 <input type="checkbox"/> None of the above	
6.5.6.	<b>Investigative Powers and Processes</b>		
6.5.6.1.	<i>Powers</i> Does your organization have all required powers so that authorized personnel can	1 <input checked="" type="radio"/> Yes	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
	carry out an effective investigation?	2○ No	
6.5.6.3.	<i>Cooperation of Members</i> Do the powers to carry out an effective investigation include: Select all the answer options that are appropriate.	1☑ A requirement for members (and member firms) to cooperate in the investigation of complaints and to respond promptly to all communications from the member body 2☑ Provision for sanctions in the event of failure to comply 3☐ None of the above	
6.5.6.6.	<i>Expertise and Resource</i> Does your organization maintain appropriate expertise and adequate financial and other resources to enable timely investigative and disciplinary action?	1⊙ Yes (please describe)  2○ No	The investigation is carried out by the members of the Discipline Council. The expenses are covered by the firm/person that are investigated.
6.5.6.8.	<i>Independence and Subject of Investigation</i> Does your organization in all cases, confirm at the start of the investigation that any individual chosen to assist in an investigation is independent from (a) the subject of the investigation, and (b) anyone connected with or interested in the matter	1⊙ Yes	



Number	Question Title/Text/Help text		Answer	Comments
	<p>investigated? <b>Help text:</b> If a conflict exists at the start of an investigation, or arises during the investigation, the chosen individual should immediately withdraw. Similar considerations apply equally to anyone else connected with the investigation and hearing of cases.</p>	2	<input type="radio"/> No	
6.5.6.10.	<p><i>Infrastructure</i> Which of the following best describes your organization's investigation and discipline infrastructure? Select all the answer options that are appropriate.</p>	1	<input checked="" type="radio"/> One committee/panel to investigate the complaint and a separate committee/tribunal to administer disciplinary action <input type="radio"/> A single committee/panel to conduct the investigation and administer disciplinary action. <input type="radio"/> Other	The Disciplinary Council investigates and proposes the relevant sanction to the President of our organization who imposes the sanction.
6.5.6.12.	<p><i>Independent Review</i> Has your organization established and does it maintain a process for the independent review of complaints by clients and others where it has been decided by the investigation committee that the matter will not be referred to a disciplinary hearing?</p>	1	<input type="radio"/> Yes	
6.5.6.13.	<p><i>Independent Review Follow Up</i></p>	2	<input checked="" type="radio"/> No	

Number	Question Title/Text/Help text	Answer	Comments
	Please explain why your organization has not established and maintained such a process.	Because the law prescribes the procedure. We can not establish an independent body to review the case again. If a company which submitted the complaint is not satisfied, it can open a court case against the audit firm. They can do this even if satisfied.	
6.5.7.	<b>The Disciplinary Process</b>		
6.5.7.1.	<i>Composition of Tribunal</i> Does the tribunal responsible for the disciplinary hearing contain a balance of professional expertise and outside judgment (e.g., composed of accountants and non-accountants)?	1 <input type="radio"/> Yes (please describe)  2 <input checked="" type="radio"/> No	
6.5.7.2.	<i>Composition of Tribunal Follow Up</i> Please explain why the tribunal responsible for the disciplinary hearing does not contain a balance of professional expertise and outside judgment (e.g., composed of accountants and non-accountants)?	Because of the requirements of the law.	
6.5.7.3.	<i>Conflicts</i> Are members of the investigation committee or the disciplinary tribunal permitted to serve on both at the same time, or in relation to the same case?	1 <input type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
6.5.7.5.	<i>Independence of Tribunal</i> Briefly describe how the disciplinary tribunal exhibits independence.	2⊖ No	It is elected by the general assembly of our organization for a mandate of three years. Each member of the disciplinary council can not be elected for more than two consecutive mandates.
6.5.7.6.	<i>Appeals Process</i> Does your organization's rules:  Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Permit a qualified lawyer or other person chosen by the defendant to accompany and represent the defendant at all disciplinary hearings and to advise him or her throughout the investigative and disciplinary process 2 <input type="checkbox"/> Permit the defendant to appeal the conviction and any imposed sanction 3 <input type="checkbox"/> Permit any order made against the defendant to be suspended by the tribunal that convicted the defendant, pending the hearing of that appeal 4 <input type="checkbox"/> Prohibit the appeal tribunal from including a prosecutor or a member of the first	

Number	Question Title/Text/Help text	Answer	Comments
		tribunal, or any other individual who was concerned with the original conviction 5 <input type="checkbox"/> Require that the same procedures apply to the appeal process as apply to hearings before the disciplinary tribunal 6 <input type="checkbox"/> None of the above	
6.5.7.7.	<i>Appeals Process Follow Up</i> Please explain why your organization has not established the rules that were not selected.	Because these rules are not included as possibility neither in our legislation nor in our statute.	
6.5.8.	<b>Administrative Processes</b>		
6.5.8.1.	<i>Elements of Administrative Processes</i> As a part of Investigation and Discipline administrative processes does your organization:  Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Establish time limits for disposal (completion) of all cases  2 <input checked="" type="checkbox"/> Maintain and operate tracking mechanisms, to ensure that all investigations and prosecutions are promptly handled, and that all necessary action is taken at the appropriate stage	

Number	Question Title/Text/Help text	Answer	Comments
		<p>3<input checked="" type="checkbox"/> Maintain a procedure requiring (a) notification to all persons employed or otherwise participating in the investigative and disciplinary processes (or having access to information concerning such processes) of the importance of maintaining confidentiality, and (b) a binding agreement to maintain that confidentiality</p> <p>4<input checked="" type="checkbox"/> Maintain secure and confidential facilities for the storage of case papers and other evidence</p> <p>5<input checked="" type="checkbox"/> Maintain records of all investigation and disciplinary proceedings</p> <p>6<input type="checkbox"/> None of the above</p>	
6.5.8.3.	<b>Case Numbers</b>		
6.5.8.3.1.	<i>2005 Heard Case Numbers</i> Indicate the number of cases heard in 2005.	13	
6.5.8.3.2.	<i>2004 Heard Case Numbers</i> Indicate the number of cases heard in 2004.	6	
6.5.8.3.3.	<i>2003 Heard Case Numbers</i> Indicate the number of cases heard in 2003.	2	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
6.5.8.3.4.	<i>2005 Completed Case Numbers</i> Indicate the number of cases completed in 2005.	11	
6.5.8.3.5.	<i>2004 Completed Case Numbers</i> Indicate the number of cases completed in 2004.	6	
6.5.8.3.6.	<i>2003 Completed Case Numbers</i> Indicate the number of cases completed in 2003.	2	
6.5.8.3.7.	<i>Average time required for disposal of cases</i> Indicate the average time (in months) required for the disposal (completion) of a case. This number should include both the time spent on (a) the investigation of the complaints and (b) the disciplinary proceedings.	3	
<b>7.</b>	<b>SMO 7</b>		
7.1.	<i>Accounting Standards in Law/Regulation</i> Does law or regulation establish the set of accounting standards to be used for preparation of financial statements of private sector listed entities and non-listed entities? Select all the answer options that are appropriate.  Where the law / regulation establishes the	1 <input checked="" type="checkbox"/> Yes, for financial statements of listed entities	

Number	Question Title/Text/Help text	Answer	Comments
	<p>accounting standards to be used by reference to the set of standards to be used by their name or by including the text of the standards in the law / regulation, please respond "yes" to this question. Section 7.8. of this module includes questions about the law / regulation.</p> <p>Where the law / regulation gives authority to a national standard-setter to establish the accounting standards, please respond "no". Section 7.2. of this module includes questions about the standard-setter and the accounting standards that are established.</p>	<p>2 <input checked="" type="checkbox"/> Yes, for financial statements of non-listed entities</p> <p>3 <input type="checkbox"/> No, for financial statements of listed entities</p> <p>4 <input type="checkbox"/> No, for financial statements of non-listed entities</p>	
<b>7.8.</b>	<b>Law/Reg and Accounting Standards</b>		
7.8.1.	<p><i>Law/Reg Accounting Standards - Private Sector</i></p> <p>Is there only one group of accounting standards or are the accounting standards applicable to listed entities different from non-listed entities?</p>	<p>1 <input type="radio"/> The accounting standards for listed entities and non-listed entities are the same set of standards</p> <p>2 <input checked="" type="radio"/> The accounting standards for listed entities and non-listed entities are not the same set</p>	

Number	Question Title/Text/Help text	Answer	Comments
7.8.3.	<p><i>Accounting Standards for Listed</i> Does the law/regulation require the use of International Financial Reporting Standards issued by the International Accounting Standards Board for preparation of financial statements of listed entities? Select the answer option that is most appropriate.</p>	<p style="text-align: center;">of standards</p> <p>1○ The law/regulation simply refers to International Financial Reporting Standards as the accounting standards (without bringing in the full or partial text of individual IFRSs)</p> <p>2⊙ For listed entities, the law/regulation contains the full text of each IFRS</p> <p>3○ For listed entities, the law/regulation contains the main principles of the IFRSs</p> <p>4○ For listed entities, the law / regulation has a requirement to use IFRSs using another approach (please describe)</p> <p>5○ For listed entities, the law / regulation requires the use of national standards with no reference to IFRSs</p>	
7.8.4.	<p><i>Accounting Standards for Non-Listed</i> Does the law/regulation require the use of International Financial Reporting Standards issued by the International Accounting Standards Board for preparation of financial statements of non-listed entities? Select the answer option that is most appropriate.</p>	<p>1○ The law/regulation simply refers to International Financial Reporting Standards as the accounting standards (without bringing in the full or partial text of</p>	<p>Not for all non-listed entities. The SMEs may choose whether to apply IFRS or National Accounting Standards.</p> <p>1. Ministry of Finance develops NAS. They are subject to approval by the Government.</p>



Number	Question Title/Text/Help text	Answer	Comments
		<p>individual IFRSs)</p> <p>2Ⓞ For non-listed entities, the law/regulation contains the full text of each IFRS</p> <p>3Ⓞ For non-listed entities, the law/regulation contains the main principles of the IFRSs</p> <p>4Ⓞ For non-listed entities, the law / regulation has a requirement to use IFRSs using another approach (please describe)</p> <p>5Ⓞ For non-listed entities, the law / regulation requires the use of national standards with no reference to IFRSs</p>	<p>2. The Standards are promulgated with a Governmental Decree. The Accountancy Law refers to these standards and to the way of their promulgation (by the Government).</p> <p>3. The standards are based on the EU 4th and 7th Directive as well as on IAS/IFRS.</p> <p>4. An entity is considered as an SME if the following criteria are met:</p> <p style="padding-left: 20px;">a) average number of employees up to 250.</p> <p style="padding-left: 20px;">b) net sales up to BGN 15 million (EUR 7.7 million) or fixed assets up to BGN 8 million (EUR 4.1 million).</p>
7.8.9.	<p><i>MB Responsibilities and IASB SMO 7</i></p> <p>Does your organization have responsibility for any of the following activities? Select all</p>	<p>1ⓧ Develop other authoritative pronouncements</p>	

Number	Question Title/Text/Help text	Answer	Comments
	the answer options that are appropriate.	2 <input type="checkbox"/> Promulgate the IFRSs established by law / regulation (e.g. by publishing or communicating the standards to the public) 3 <input type="checkbox"/> Other (please describe) 4 <input checked="" type="checkbox"/> None of the above	
7.8.12.	<i>Other Organization SMO 7</i> Do any of the following organizations have responsibility for developing or implementing the accounting standards established in law / regulation?	1 <input type="radio"/> Another IFAC member body(ies)  2 <input checked="" type="radio"/> Government or regulatory body 3 <input type="radio"/> Non-IFAC professional body 4 <input type="radio"/> Other organization	Ministry of Finance and Council of Ministers.
7.9.	<b>Law/Reg and IASB Pronouncements</b>		
7.9.1.	<i>Incorporation into Law/Reg SMO 7</i> Is information publicly available about IFRSs and other IASB pronouncements that have been established into law/regulation, including:  IFRSs and other IASB pronouncements that have been established into law / regulation; Whether the IFRS or IASB pronouncement established into law / regulation is the version in effect as at September 30, 2005; The effective date set by law / regulation	1 <input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	<p>where it differs from the IFRS or IASB pronouncement; The differences between IFRSs and IASB pronouncements and what was established into law / regulation; and The reasons for the differences?</p>	<p>2○ No</p>	
7.9.2.	<p><i>Incorporation Description - Law/Reg SMO 7</i></p> <p>If the information about the status of IFRSs and other IASB pronouncements that have been established into law is available in English, indicate this in your response and submit a copy of the information to Compliance Staff.</p> <p>If this information is not available, complete the <a href="#">SMO 7 Comparison with IASB Pronouncements.doc</a> report and submit it in Word format to Compliance Staff.</p> <p>Indicate whether your organization will be submitting available information or the "SMO 7: Comparison with IASB Pronouncements" report.</p>	<p>1⊙ Yes, information is available and in English and will be submitted to Compliance Staff</p> <p>2○ No, information is not available; however our organization or jointly with</p>	<p>The English version of the Accountancy Act will be sent to the Compliance Staff.</p>

Number	Question Title/Text/Help text	Answer	Comments
		<p>another IFAC member / associate will complete the "SMO 7: Comparison with IASB Pronouncements" and submit it to Compliance Staff</p> <p>3○ No, information is not available</p>	
7.10.	<b>Translation SMO 7</b>		
7.10.1.	<i>Translation of IFRSs</i> Are the IFRSs and other IASB pronouncements translated into national language?	<p>1○ No, as English is an official language or widely spoken language</p> <p>2⊙ Yes, the IFRSs are translated</p> <p>3○ No and English is not an official language or is not widely spoken</p>	
7.10.4.	<i>Translation coordinator SMO 7</i> Who is the translation coordinator? Select the answer option that is most appropriate.	<p>1⊙ Our organization is the translation coordinator</p> <p>2○ The government or another organization is the translation coordinator</p> <p>3○ Our organization and the government or another organization are the translation coordinators</p>	
7.10.5.	<i>Key Terms SMO 7</i> Does the translation process include a list of key terms?	<p>1⊙ Yes</p> <p>2○ No</p>	

<b>Number</b>	<b>Question Title/Text/Help text</b>	<b>Answer</b>	<b>Comments</b>
7.10.6.	<i>Faithful Translation SMO 7</i> What processes are in place to ensure a faithful translation of the IFRSs?	The translation is carried out by licensed translators and is monitored and reviewed by a Commission of our members.	
7.11.	<i>Promotion Activities SMO 7</i> Please describe the activities your organization undertakes to promote and assist in the implementation of IFRSs and other IASB pronouncements and activities.	Translation, publishing, courses, seminars, articles.	
<b>8.</b>	<b>Certification of Chief Executive</b>		
8.1.	<i>Complete Certification</i> Once all required questions have been completed, the Certification of Chief Executive should be signed and submitted to Compliance Staff. Click <a href="Part 2 SMO Self Assessment Certification.doc">here</a> to download a copy of the Certification form.	1 <input checked="" type="checkbox"/> Yes, the Certification of Chief Executive has been submitted  2 <input type="checkbox"/>	