

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 Questionnaires. 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 for 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/Associate:	Ukrainian Association of Certified Accountants and Auditors (UACAA)
Approved by Governing Body:	UACAA Council
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GLOSSARY

AC	Audit Committee of UACAA
AcC	Accounting Committee of UACAA
ACCA	Association of Certified and Chartered Accountants (UK)
AMC	Accounting Methodological Council of MoF
ARC	Accounting Resource Center of UACAA
CAP	Certified Accounting Practitioner
CIPA	Certified International Professional Accountant
CoAU	Chamber of Auditors of Ukraine
CPD	Continuing Professional Development
CPE	Continuing Professional Education
EB	Executive Board of UACAA
EC	Education Committee of UACAA
ECCAA	Eurasian Council of Certified Accountants and Auditors
ED	Executive Director of UACAA
EMC	The Ethics and Membership Committee of UACAA
IAASB	Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IASB	International Accounting Standards Board
I & D	Investigation and Discipline
ICAS	Institute of Chartered Accountants of Scotland
IES	International Education Standards
IESBA	International Ethics Standards Board for Accountants
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standard on Auditing
ISQC	International Standard on Quality Control 1
MoE	Ministry of Economy of Ukraine
MoF	Ministry of Finance of Ukraine
NAS	National Accounting Standards
NBU	National Bank of Ukraine
QA	Quality Assurance
SMO	Statement of Membership Obligations
UACAA	Ukrainian Association of Certified Accountants and Auditors
USAID	United States Agency for International Development

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective: Support the Implementation of Quality Assurance Review Program

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
According to the Law of Ukraine on Audit Activity the Chamber of Auditors of Ukraine (CoAU) is National Regulator of the Auditing Profession in Ukraine. CoAU is responsible for quality assurance of certified auditors and audit firms. In 2007 CoAU adopted internal regulations on quality control. This regulation was based on International Standard on Quality Control 1 (ISQC 1). Further implementation of Quality Assurance Review Program depends on the adoption of the new Audit Law. The draft of this law was posted for comments at the web-site of CoAU.					
<i>Promoting SMO 1 to CoAU and Ukrainian Association of Certified Accountants and Auditors (UACAA) Members</i>					
1.	September 2009	Analyze CoAU regulations on quality control for compliance with ISQC 1, International Standard on Auditing (ISA) 220 and SMO 1.	September 2009 Completed	Chair of AC	Members of AC
2.	December 2009	Provide recommendations to CoAU as for quality control procedures and regulations.	Ongoing	Chair of AC	Members of AC
3.	December 2009	Develop guidance for audit firms to implement a system of quality control that comply with ISQC 1.	February 2013 Completed	Chair of AC	Members of AC
4.	April 2010	Disseminate guidance on quality control implementation to UACAA members for their use.	Partially Completed	Chair of AC, ED	EB staff
5.	November 2009	Organize and provide training on ISQC 1 and ISA 220 to support their implementation by raising UACAA members' awareness and deepening their knowledge of this area.	December 2012 Completed	Chair of EC, Chair of AC	Members of AC and EC
6.	September 2012	Collaboration with other professional organizations from different countries on Quality Assurance, signing of memorandums of cooperation.	Partially Completed	President of UACAA	EB staff
<i>Maintaining Ongoing Processes</i>					
7.	2013	Ensure that CoAU QA review program and UACAA guidance are operating effectively and continues to be in line with the revised SMO	2014	Chair of AC	Members of AC

#	Start Date	Actions	Completion Date	Responsibility	Resource
		1 requirements. This includes periodic review of the operation of the QA system and updating the Action Plan for future activities where necessary.			
<i>Review of UACAA's Compliance Information</i>					
8.	Ongoing	Frequently update UACAA Compliance Program (questionnaires) to measure and assess progress achieved with regards to SMO 1. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Chair of AC	Members of AC

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements issued by the IAESB
Action Plan Objective: Promote the Professional Accountancy Education requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
<p>Candidates for UACAA membership are required to hold a university degree, complete a period of practical experience (1 year for Certified Accounting Practitioner (CAP) and 3 years for Certified International Professional Accountants (CIPA)) and pass exams for CAP/CIPA qualification. UACAA also recognizes the professional accounting certification of the professional accounting organizations, IFAC full member bodies in a good standing.</p> <p>The Continuing Professional Development (CPD) program is a mandatory membership requirement for UACAA’s members. Every UACAA member has to fulfill 120 hours of professional education within a three year period. 60 hour of these 120 must be verified. The minimum number of CPD hours per year is 20.</p> <p>UACAA has its own training center – Accounting Resource Center (ARC) where training for CAP/CIPA program is delivered. ARC also provides training for the UACAA CPD program. With the support from the United States Agency for International Development (USAID)-funded projects UACAA has translated International Education Standards and posted them in the general access area of its website.</p>					
<i>Promote IES Requirements to Eurasian Council of Certified Accountants and Auditors</i>					
9.	April 2008	Cooperate with Eurasian Council of Certified Accountants and Auditors (ECCAA) in improving and updating CIPA program to meet requirements of IESs and to incorporate new requirements introduced by professional standards.	May 2010 Completed	Chair of EC	Members of EC
<i>Promote IES Requirements to Ukrainian Universities and Ensure Syllabi Incorporate International Requirements</i>					
10.	November 2009	Together with leading economic universities hold a seminar on the importance of compliance with IES and quality of university education on accounting, finance and auditing for strengthening the profession.	May 2010 Completed	Chair of EC, ED	Members of EC, EB staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
11.	January 2009	Establish contacts with the leading economic universities to develop recommendations for providing compliance of the content of their syllabi with the international educational requirements of the profession.	Ongoing	President of UACAA, Chair of EC, ED	Members of EC, EB staff
<i>Endeavour to Ensure Compliance of UACAA Members-Auditors with IES 8</i>					
12.	November 2009	Develop UACAA procedures to ensure current and future members who perform audits comply with IES 8 in the context of CoAU framework for the regulation of auditors.	December 2011 Partially Completed	Chair of AC, Chair of EC	Members of AC and EC, EB staff
13.	2012	Negotiate with international UACAA partners about the possibility of joint studying and implementation of international professional certification programs.	Ongoing	President of UACAA	Members of AC and EC, EB staff
14.	2012	Create a program of certification of UACAA professional accountants in accordance with International Standards of Education, including requirements for applicants, program content, skills, professional values, ethics and attitudes, assessment of professional skills and competence.	Partially Completed	Council of UACAA, EB	Members of AC and EC, EB staff
15.	2013	Review and incorporate relevant new and amended requirements of the revised IESs developed by the International Accounting Education Standards Board (IAESB) into UACAA education requirements.	2014	Nominated member of UACAA Council, EB	Members of AC and EC, EB staff
<i>Maintaining Ongoing Processes</i>					
16.	2011	Ensure that new and revised standards on auditing, financial reporting and ethics are incorporated into UACAA training and education requirements.	Ongoing	Chair of EC	Members of EC
17.	Ongoing	Modify Action Plan for future activities as necessary	Ongoing	UACAA Council	Members of EC

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of UACAA's Compliance Information</i>					
18.	2013	Update UACAA Compliance Program (questionnaires) to measure and assess progress achieved with regards to the revised SMO 2. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	2014	Chair of EC	Members of EC

Action Plan Subject: SMO 3—International Standards and Other Pronouncements Issued by the IAASB
Action Plan Objective: Continue to Use Best Endeavors to Maintain an Ongoing Process for Convergence with IAASB Pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
<p>In accordance with the law, the Chamber of Auditors of Ukraine (CoAU) serves as audit regulator and standard-setter. CoAU translated IAASB's International Standards on Auditing and Ethics and adopted them as National Standards on Auditing in April 2003. CoAU has translated Clarity ISAs issued in 2010 in Ukrainian and their implementation for Ukrainian auditors is obligatory. Currently, access to Clarity ISAs is restricted, which is impeding auditor activity. UACAA has provided input to a draft law on auditor activity that would guarantee free access to Clarity ISAs through on the CoAU web-site. UACAA was part of the working group for development of this draft law.</p> <p>UACAA is not directly involved in standard setting, but as an IFAC Associate, UACAA has an important role with the implementation process so that auditors are aware of the standards and using them as intended. UACAA used best endeavors to promote translated ISAs within Ukrainian auditing community and plans to play an active role in elaborating high quality of ongoing translation of ISAs.</p>					
<i>Maintaining Ongoing Processes to Converge with ISAs</i>					
19.	2010	<p>Notify CoAU and UACAA members of all IAASB consultation papers and exposure drafts as they are released.</p> <p>Prepare a submission to the IAASB on all consultations papers and exposure drafts within the specified comments period.</p>	Ongoing	Chair of AC, ED	Members of AC, EB staff
20.	May 2010	Study Scottish experience (Institute of Chartered Accountants of Scotland (ICAS) to develop new CPD courses on clarified ISA.	November 2011 Completed	Chair of AC	UACAA, ICAS
21.	2011	Monitor new auditing requirements and incorporate to CPD program of UACAA technical courses to educate auditors about new auditing requirements so they applied them as intended.	Ongoing	Chair of AC	Members of EC
22.	May 2010	Discuss and coordinate with CoAU translation of clarified ISA into Ukrainian language.	Ongoing	President of UACAA	UACAA, CoAU
23.	After Translation ISA	Disseminate translated clarified ISA within Ukrainian auditing community.	Ongoing	Chair of AC	Members of AC

#	Start Date	Actions	Completion Date	Responsibility	Resource
24.	2011	Maintain regular meetings with the State Bodies (Ministry of Finance (MoF), Ministry of Economy (MoE)) and Parliament Committees representatives to inform them on the latest IAASB developments.	Partially Completed	Council of UACAA	Members of AC, EB staff
25.	2012	Examine the experience of the UK and Germany on CPD courses on ISA.	Completed	President of UACAA and Council of UACAA	Members of AC, EB staff
26.	2011	Participation in task forces with state authorities (Ministry of Finance and Parliament Committees) to change the law on auditing	Partially Completed	President of UACAA	Members of AC, EB staff
<i>Review of UACAA's Compliance Information</i>					
27.	2013	Update UACAA Compliance Program (questionnaires) to measure and assess progress achieved with regards to the revised SMO 3. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	2014	Chair of EC	Members of EC

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: Maintain Appropriate Ethical Requirements in line with IESBA’s Code of Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
IESBA Code of Ethics was adopted in Ukraine as national Code of Ethics according to the Law of Ukraine on Auditing Activity in 2003. Since its establishment in 2004 UACAA has adopted IESBA Code of Ethics as its own Code of Ethics. UACAA uses an official translation of IESBA code of Ethics done by CoAU.					
<i>Maintaining Ongoing Processes</i>					
28.	October 2009	Advocate to the Eurasian Council for Certified Accountants and Auditors (ECCAA) in order to incorporate Ethic topics to existing syllabi of CAP/CIPA program.	October 2009 Completed	President of UACAA, Chair of EMC, Chair of EC	Members of EMC and EC
29.	Ongoing	Provide ongoing courses for ethical awareness for pre-qualification trainings.	Ongoing	ED	EB staff
30.	Ongoing	Study international UACAA partners experience to develop new CPD courses on ethical issues.	Ongoing	Chair of EMC. Chair of EC	EB staff
31.	Ongoing	Monitor the changes made to the IESBA Code of Ethics to adopt the educational programs properly.	Ongoing	Chair of EC	Members of EMC and EC
32.	October 2009	Take part in an international conference in conjunction with the Ministry of Finance and National Economic University with special focus on ethical issues.	Completed	Council of UACAA, ED	UACAA, Kiev National Economic University
33.	2013	Develop specialized practice focused training on auditors’ independence for auditors - UACAA members as well as for other auditors in Ukraine with strong recommendation for each UACAA member - auditor to attend such a course as a part of CPD program.	2014	UACAA EC	Members of EMC and EC

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of UACAA's Compliance Information</i>					
34.	2013	Perform periodic review of UACCA's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 4 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated Information.	2014	Chair of EMC, Chair of EC	Members of EMC and EC

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Promoting IPSASs

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
The State Treasury of Ukraine is responsible for public sector standards adoption and implementation, UACAA supported the translation of revised IPSASs into Ukrainian. Together with Ministry of Education of Ukraine UACAA published university text book in 3 volumes “Accounting and Internal Audit in Public Sector” based on IPSAS.					
<i>Promotion of IPSASs</i>					
35.	Ongoing	Promote incorporation of the requirements of IPSASs into the Ukrainian public sector accounting requirements. The incorporation of such requirements is the responsibility of the State Treasury of Ukraine.	Partially Completed	President of UACAA, ED	Council of UACAA
36.	2010	Translation into Ukrainian IPSAS 21-26.	April 2010 Completed	ED	EB staff
37.	December 2010	Transfer of translated IPSAS 21-26 to the Ministry of Finance (MoF) to post them on official MoF web-site.	July 2010 Completed	President of UACAA	UACAA, MoF
38.	2010	To take part in National Public Sector Accounting Standards development (based on IPSASs) within AMC and the State Treasury of Ukraine.	Ongoing	Council of UACAA	Members of AcC, EB staff
39.	2011	To take part in Public Council for the State Treasury of Ukraine	2013 Completed	Council of UACAA	UACAA Vice- president
40.	2013	To take part in Public Council for the State Treasury of Ukraine	2015 Ongoing	Council of UACAA	UACAA Vice- president
<i>Maintaining Ongoing Processes to Converge with IPSASs</i>					
41.	Ongoing	Continue to inform the State Treasury of Ukraine about the International Public Sector Accounting Standards Board (IPSASB) work.	Ongoing	ED	EB staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
42.	Ongoing	Review implementation and update the Action Plan for future activities as necessary.	Ongoing	ED	EB staff
<i>Review of UACAA's Compliance Information</i>					
43.	2013	Update UACAA Compliance Program (questionnaires) to measure and assess progress achieved with regards to the revised SMO 5. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	2014	ED	EB staff

Action Plan Subject: SMO 6—Investigation and Discipline
Action Plan Objective: Development and maintenance of Investigation and Discipline System

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
The CoAU as the National Regulator of the Auditing profession has by law the responsibility for I&D process for certified auditors of Ukraine. UACAA since the date of its incorporation has own disciplinary procedure for its members. In certain situations membership can be suspended or even canceled if the violation of membership criteria was serious. The information of membership certificate status can be found at UACAA web-site.					
<i>Development Investigation and Discipline Mechanism</i>					
44.	Ongoing	Review UACAA I&D process to ensure that it is substantively and fully implemented in accordance with SMO 6.	Ongoing	Chair of EMC	Members of EMC
45.	Ongoing	Analyze the new requirements of CoAU concerning I&D.	Ongoing	Chairs of EMC and AC	Members of EMC and AC
46.	Ongoing	Develop and approve disciplinary mechanism (sanctions) for UACAA members in case of any breaches of UACAA Code of Ethics and misconduct behavior in accordance with SMO 6.	December 2011 Completed	EMC	Members of EMC
47.	2013	Post on UACAA web site translated SMO 6 (revised)	2014	ED	EB staff
<i>Review of UACAA's Compliance Information</i>					
48.	2013	Update UACAA Compliance Program (questionnaires) to measure and assess progress achieved with regards to the revised SMO 6. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	2014	Chair of EMC	Members of EMC

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective: Support Implementation of International Financial Reporting Standards

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
<p>Accounting and financial reporting are regulated by the Law on Accounting and Financial Reporting in Ukraine (1999). In accordance with the law, Accounting Methodological Council (AMC), an advisory body under the Ministry of Finance, sets National Accounting Standards (NASs) based on IAS/IFRS. However, some important differences exist between NASs and IASs/IFRSs. To fill this gap UACAA delivers frequent trainings on transformation financial statements from NASs to IFRSs. UACAA through its representative in the AMC is able to promote IFRS within the MoF. In 2011 UACAA and the Ministry of Finance of Ukraine signed a Memorandum on Cooperation and Coordination of Actions on Implementation of IFRSs in Ukraine.</p> <p>Since May 2011 according to the revised law it is obligatory for certain categories of companies to use IFRS for financial reporting. UACAA entered into Agreement with the United States Agency for International Development (USAID) Financial Sector Development Project (FINREP) on implementation of IFRS in Ukraine. UACAA delivers trainings and workshops to its members and stakeholders in order to inform them on the recent developments in IFRS.</p>					
<i>Promoting the Need for Ongoing Convergence with IFRSs</i>					
49.	Ongoing	Promote to the Ministry of Finance the need to maintain an active program for responding to IASB exposure drafts.	Ongoing	Chair of AcC	Members of AcC
50.	Ongoing	Assist the Ministry of Finance in documenting and publicly disclosing any difference between NASs and IFRSs based on Comparison Report.	Ongoing	Chair of AcC	Members of AcC
51.	2009	Delegate UACAA representative as a member of the Accounting Methodological Council of the MoFU and actively promote implementation of IFRSs in Ukraine.	Completed	Council of UACAA	UACAA
52.	Ongoing	Continue to incorporate courses to UACAA CPD program in order to educate our certified accountants about new IFRSs.	Ongoing	Chairs of EC and AcC	Members of EC and AcC
53.	September 2009	Provide training for the Ministry of Finance, The State Commission for Regulation of Financial Services Makrets of Ukraine, Securities and Stock Market State Commission on IFRS.	December 2010 Completed	Chair of AcC, ED	Members of AcC, EB staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
54.	2012	Taking part in Editorial Committee of MoF for Ukrainian translation of IFRRSs	Ongoing	UACAA Vice-President	Members of EC and AcC
<i>Maintaining Ongoing Processes to Converge with IFRSs</i>					
55.	Ongoing	Continue to addresses all SMO 7 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	Chairs of EC and AcC	Members of EC and AcC
<i>Review of UACAA's Compliance Information</i>					
56.	2013	Update UACAA Compliance Program (questionnaires) to measure and assess progress achieved with regards to SMO 7. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	2014	Chairs of EC and AcC	Members of EC and AcC