

## **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](http://www.ifac.org/ComplianceAssessment/published_surveys.php)

### **Use of Information**

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

## **ACTION PLAN**

<b>IFAC Member/Associate:</b>	Moscow Audit Chamber
<b>Approved by Governing Body:</b>	MoAC Managing Board
<b>Date Approved:</b>	December 2014
<b>Date Published:</b>	February 2015

## **GLOSSARY**

<b>AC</b>	Audit Council
<b>CPD</b>	Continuing Professional Development
<b>DRSFCAAR</b>	Department for State Financial Control, Audit and Accounting Regulation
<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>IASB</b>	International Accounting Standards Board
<b>IESs</b>	International education standards
<b>IESBA</b>	International Ethics Standards Board for Accountants
<b>IFRSs</b>	International Financial Reporting Standards
<b>IPSASs</b>	International Public Sector Standards
<b>ISAs</b>	International Standards on Auditing
<b>MoAC</b>	Moscow Audit Chamber
<b>QA</b>	Quality Assurance
<b>QC</b>	Quality Control
<b>QCR</b>	Quality Control Review
<b>RDM</b>	Regulations on Disciplinary Measures
<b>SRO</b>	Self-Regulated Organization of Auditors

**Action Plan Subject:** SMO 1–Quality Assurance  
**Action Plan Objective:** Ensure ongoing development of the MOAC’s QA system in line with the SMO 1 requirements

***Background***

In Russia, the quality assurance requirements for audit are set out in the Federal Law No.307-FZ “On Auditing” (the Audit Law) of December 30, 2008. Quality Assurance (QA) is conducted jointly by the auditors, Self-regulated organization (SROs) and Ministry of Finance of the Russian Federation (MF RF).

MoAC’s QA requirements are written with the aim to maintain and further develop the quality assurance program. Russian’s government oversight body is the Ministry of Finance of Russian Federation and the regulator arm is called the Department for State Financial Control, Audit and Accounting Regulation or DSFCAAR. It conducts regulatory visits to MoAC with inspections to ensure that the quality assurance program is fit for purpose.

According to the amended Audit Law No. 307, Article 10.5, the Quality Assurance (QA) reviews for the members of the Self-Regulatory Organizations (SROs) of auditors and for organizations defined in Article 5.3 (where the auditing entity belongs to certain types of public interest entities-PIEs) is conducted jointly by the SROs and designated Federal body, entrusted with state control and oversight (currently Rosfinandzor or RFN). According to the article 10.6, the designated body should define the principles of the QA reviews for PIEs as well as the key requirements. According to the para10.7 of the Audit Law, the SRO of auditors defines the form of their own inspections, timetable and frequencies based on the RFN’s requirements. The RFN determines its own rules and procedures, questionnaires, as well as the process of documentation of the QA review findings. As of today, all Russian SRO’s members, engaged in PIE audits, are subject to QA reviews by both SRO and Rosfinandzor (RFN) and relevant stakeholders are currently discussing ways to limit duplication.

MoAC reports that its system is largely based on the SMO1 requirements.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b><i>Develop MoAC Documentation on QA in accordance with the SMO 1 requirements</i></b>					
1.	I Quarter 2014	Study and analyze requirements of revised SMO 1.	II Quarter 2015	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
2.	III Quarter 2014	Preparing of the Action Plan based on the requirements of the revised SMO1.	IV Quarter 2014	President; Chairman	Members of the Control, Methodology and Professional Ethics Department

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
3.	IV Quarter 2014	Development of the proposals regarding improvement of the audit organizations' (auditors') responsibility for the quality of the audit reports they issue	I Quarters 2015	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
4.	IV Quarter 2014	Participation in the development of the proposals about amendments to the Federal Law #307-FZ "On Audit activity" as regards the assignment of the additional functions to Rosfinnadzor in the sphere of quality assurance of the audit organizations' performance	Throughout a 2015 year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
5.	I Quarter 2015	Update of criteria of risk-based approach for selecting firms for QA review and its implementation	IV Quarter 2015	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
6.	I Quarter 2015	Cooperate with all others Self-regulated organizations of auditors to unify Quality Assurance practice.	I-IV Quarter 2015	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
7.	I Quarter 2015	Amendment of the internal documents to ensure a more detailed approach to the issue of quality assurance	I-II Quarter s 2015	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
8.	II Quarter 2015	Jointly with other Russia SROs of auditors, initiate the discussion and promote awareness to all relevant stakeholders the revised SMO 1 requirement to extend QA reviews to all audits of financial statements	IV Quarter 2015	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
<b>Maintaining Ongoing Processes</b>					
9.	Throughout a year	Development of international relationships with the IFAC Members on the issue of quality assurance.	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
10.	2015	Participation in the monitoring and analysis of the audit services market in Russian Federation in 2015	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
11.	Throughout a year	Participation in the development of the proposals regarding state policy in the sphere of auditing	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
12.	Throughout a year	Monitoring changes in the International Auditing & Assurance Standards Board (IAASB) and in Russian legislation pronouncements regarding QA. Update MoAC QA documents.	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
13.	Throughout a year	Participation in official translations of ISA via participation of MoAC's interpreters in working group of "National Organization for Financial Accounting and Reporting Standards" Foundation.	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department
<b><i>Review of MoAC's Compliance Information</i></b>					
14.	Throughout a year	Periodic review and update of MoAC's documentation in accordance with IFAC Compliance Self-Assessment questionnaires.	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department

**Action Plan Subject:** SMO 2–International Education Standards for Professional Accountants and Other Pronouncements issued by the IAESB  
**Action Plan Objective:** Ensure member’s high professional skills and technical knowledge.

<b>Background</b>					
<p>MOAC Education System of Auditors is based on the national educational system and International Education Standards (IESs) and includes a system of professional education and Continuing Professional Development (CPD).</p> <p>Education requirements for auditors are regulated by the government and are universally the same throughout the country. Responsibility for IESs is shared between the universities involved in accounting education, the Unified Certification Commission (UCC), and SROs of auditors. According to the Law, the UCC has been created by all SROs with the purposes of setting up the auditors’ certification. Federal Law 307-FZ (December 30, 2008) determines auditor’s education requirements, the experience required, and qualification requirements for membership and they are mostly in line with the IESs. All SROs maintain annual CPD requirement, which is also monitored by the regulator.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Development of MOAC Education system in Accordance with IESs</b>					
1.	IV Quarter 2014	Review and analyze requirements of the revised SMO 2 to assess level of compliance with the revised SMOs.	I Quarter 2015	Chairman; Director of Education, Information and Regional Policy Department	Members of Education, Information and Regional Policy Department
2.	IV Quarter 2014	Development of the new professional programs for auditors and for QA Team.	I Quarter 2015	Chairman; Director of Education, Information and Regional Policy Department	Members of Education, Information and Regional Policy Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
3.	IV Quarter 2014	Participation in XII World Congress of Accounting Educators and Researchers and analyze of results	IV Quarter 2014 – I Quarter 2015	Chairman; Director of Education, Information and Regional Policy Department	Managing Board
4.	I Quarter 2015	Realization of training programs for MoAC's members at different topics including ISAs and IFRSs.	I-IV Quarter 2015	Chairman; Director of Education, Information and Regional Policy Department	Members of Education, Information and Regional Policy Department
5.	II Quarter 2015	Organization and holding of the webinars dedicated to the issues of consolidation of professional activities in the sphere of accounting and audit	IV Quarter 2015	Chairman; Director of Education, Information and Regional Policy Department	Members of Education, Information and Regional Policy Department
6.	II Quarter 2015	Holding of a set of workshops in different regions of Russia devoting to ISAs implementation in Russia.	IV Quarter 2015	Chairman; Director of Education, Information and Regional Policy Department	Members of Education, Information and Regional Policy Department
<b>Maintaining Ongoing Processes</b>					
7.	2015	Development of international relationships with the IFAC Members on the issue of education.	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
8.	2015	Results analysis of the qualification examination aimed at obtaining auditor qualification certificate in 2015	Throughout a year	Chairman; Director of Education, Information and Regional Policy Department	Members of Education, Information and Regional Policy Department
9.	2015	Update MoAC training programs in accordance with IES revisions.	Throughout a year	Chairman; Director of Education, Information and Regional Policy Department	Members of Education, Information and Regional Policy Department
<b><i>Review of MoAC's Compliance Information</i></b>					
10.	Throughout a year	Periodic review and update of MoAC's documentation in accordance with IESs.	Throughout a year	Chairman; Director of Education, Information and Regional Policy Department	Members of Education, Information and Regional Policy Department



**Action Plan Subject:** SMO 3—International Standards and other Pronouncements Issued by the IAASB  
**Action Plan Objective:** Ongoing Convergence with Requirements of SMO 3

**Background**

Article 7 of the amended Audit Law ( December 1, 2014) states that audits should be conducted in accordance with International Standards on Auditing (ISAs) as developed by the International Federation of Accountants and recognized through an endorsement process, developed by the Government of Russian Federation. ISAs are mandatory for use by audit firms, auditors, SROs of auditors (SROs) and their members, along with the auditing standards developed by the SROAs. According to the amended Law, ISA endorsement process is to be finalized by October 2015, with the final adoption of ISAs to take place no later than October 2017. During the transition period, Article 23.9.1 of the amended Audit Law entrusts the SROs with the responsibility to develop drafts of the federal standards on auditing (FSADs) in compliance with the process, approved by the Audit Council.

The process for ISAs endorsement in the Russian Federation has to be developed in the accelerated fashion, by October 2015. The regulator, Minfin of Russia has developed and published on its website a comprehensive Action Plan for the period of 2015-2017 defining key action steps, responsible parties and tangible deliverables regarding the implantation of the key decisions of this law.

Prior to March 2012, according to the original Audit Law, national auditing standards were developed in accordance with International Standards on Auditing (ISAs) adapted to the Russian legislation. MoAC was involved in drafting a series of FSADs based on the ISAs.

In 2012, MoAC represented by one of its foreign members, MAZAARS, was actively participating in the review of the 2010-2012 Russian translation of ISAs, performed by RCA team. MoAC is currently involved in the review of the Russian translation of the 2013 IAASB’s Handbook, organized by the “National Organization for Financial Accounting and Reporting Standards” (NOFA), which is intended to be used when ISAs will become effective in Russia.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Preparation to adopt ISAs in Russia.</b>					
15.	2007	Draft federal standards on auditing (FSADs) in accordance with International Standards on Auditing and adapted to Russian legislation	March 2012 Completed	President; Chairman; Chairman of the Quality Assurance Committee	Members of the Control, Methodology and Professional Ethics Department
16.	2012	Support regulator and provide comments and input into draft legislation mandating adoption of the ISAs as national auditing standards	December 2014 Completed		Members of the Control, Methodology and Professional Ethics Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
17.	2011	Participate in the review Committee for translation of the ISAs into Russian, organized by the Russian Collegium of Auditors, IFAC member	2013 Completed	President; Chairman; Chairman of the Quality Assurance Committee	Members of the Control, Methodology and Professional Ethics Department Mazaars, MoAC member resources
18.	IV Quarter 2014	Participate in the review Committee for translation of the ISAs into Russian, organized by the National Organization for Financial Accounting and Reporting Standards”	I Quarter 2015	President; Chairman; Chairman of the Quality Assurance Committee	Members of the Control, Methodology and Professional Ethics Department Mazaars, MoAC member resources
19.	I Quarter 2015	Organizing the training courses on International Standard of Auditing.	I-IV Quarter 2015	President; Chairman; Chairman of the Quality Assurance Committee	Members of the Control, Methodology and Professional Ethics Department
20.	I Quarter 2015	Cooperation with the International Auditing and Assurance Standards Board	IV Quarter 2015	President; Chairman; Chairman of the Quality Assurance Committee	Members of the Control, Methodology and Professional Ethics Department
<b>Maintaining Ongoing Processes</b>					
21.	Throughout a year	Participation in conferences, round table discussions, forums and other events devoting ISA.	Throughout a year	President; Chairman; Chairman of the Quality Assurance Committee	Members of the Control, Methodology and Professional Ethics Department
22.	Throughout a year	Development of international relationships with the IFAC Members on the issue of Ethics.	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
23.	Throughout a year	Ensure convergence with SMO 3 requirements. Update MOAC documents, if necessary.	Throughout a year	President; Chairman; Chairman of the Quality Assurance Committee	Members of the Control, Methodology and Professional Ethics Department
<b>Review of MoAC's Compliance Information</b>					
24.	Throughout a year	Periodic review and update of MoAC's documentation in accordance with SMO 3.	Throughout a year	President; Chairman; Chairman of the Quality Assurance Committee	Members of the Control, Methodology and Professional Ethics Department

**Action Plan Subject:** SMO 4–IESBA Code of Ethics for Professional Accountants  
**Action Plan Objective:** Ongoing Convergence with the IESBA Code of Ethics

***Background***

In Russia, the Code of Ethics is separately developed for auditors and accountants. The Code of Ethics for Russian auditors, based on the IESBA Code, became effective in January 2014. SROs of auditors’ began applying it for their members in 2013.

The representatives of all of the SROs are engaged in the work of the Ethics Committee under the Audit Council of the Ministry of Finance. The Ethics Committee led the process of convergence of the Russian Code of Professional Ethics to the 2010 version of the IESBA Code of Ethics. The IESBA’s Code was translated and adapted to the Russian legislation. As a result of this activity two documents have been approved: the Russian Code of Professional Ethics (March 2012) and Independence rules (September 2012). All SROs have adopted Russia’s Code of Ethics for Auditors as of January 1st, 2013 and are required to develop CPD programs for its members to support the implementation of the Code. The Code of Ethics for Professional Accountants in Business was developed by the Institute of Professional Accountants (IPAR) incorporating Parts A and C of the 2009 IESBA Code and became effective on January 1, 2013.

MOAC members acting as auditors are obliged to confirm to requirements of the Russian Code of Professional Ethics and Auditor Independence rules. Along with the Russian Code of Professional Ethics and Auditor Independence rules MOAC auditors should follow the IESBA Code of Ethics.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b><i>Implementation of the IESBA Code of Ethics.</i></b>					
1.	IV Quarter 2014	Continue participate in the discussion of Proposed Changes to the Russian Code of Ethics.	2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of the Control, Methodology and Professional Ethics Department

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
2.	IV Quarter 2014	Conduct opinion poll of the MOAC members- on the issue of independence of auditors and report the findings to the IESBA.	IV Quarter 2014 Completed	President; Director of the Control, Methodology and Professional Ethics Department	Members of the Control, Methodology and Professional Ethics Department
3.	I Quarter 2015	Provide consultations to MOAC members on the Code of Ethics and changes.	2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of the Control, Methodology and Professional Ethics Department
4.	I Quarter 2015	Update education and CPD programs and qualification exam tests in respect to ethics	IV Quarter 2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of the Control, Methodology and Professional Ethics Department
<b>Maintaining Ongoing Processes</b>					
5.	Throughout a year	Development of international relationships with the IFAC Members on the issue of ethics.	Throughout a year	President; Chairman	Members of the Control, Methodology and Professional Ethics Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
6.	Throughout a year	Analysis of the implementation practice of the Auditors' Professional Ethical Code and Independence Rules of Auditors and Audit Organizations	Throughout a year	President; Director of the Control, Methodology and Professional Ethics Department	Members of the Control, Methodology and Professional Ethics Department
7.	Throughout a year	Ensuring of the free access to the Rules (Standards) and Auditors' Ethical Code on the official website of SRO NP MoAC for all interested parties	Throughout a year	President; Director of the Control, Methodology and Professional Ethics Department	Members of the Control, Methodology and Professional Ethics Department
<b><i>Review of MOAC's Compliance Information</i></b>					
8.	Throughout a year	Periodic review and update of MOAC's documentation in accordance with SMO 4.	Throughout a year	President; Director of the Control, Methodology and Professional Ethics Department	Members of the Control, Methodology and Professional Ethics Department

**Action Plan Subject:** SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB  
**Action Plan Objective:** Ongoing Convergence with Requirements of SMO 5

<b>Background</b>					
<p>The Ministry of Finance develops and approves pronouncements (standards) of accounting for public sector organizations and determines principles, rules and methods of accounting and financial reporting by means of Instruction No. 157n of 01.12.2010. Russia has applied accruals-based accounting for all public sector entities since 2006. In February 2011, Minfin initiated the project to introduce IPSAS-based standards, with five standards to be approved and introduced in 2014 with the expectation that the main principles of the international standards would be retained. The elaboration of national standards on the basis of IPSAS will take approximately three to four years and the accounting standards would be applied to all levels of Russian government—central government, sub-national level and municipalities – as they came into effect.</p> <p>The Federal Law on Accounting N 402-FZ proposes the same order of accounting regulation in the public sector as in private sector.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Assisting in Implementation of IPSASs</b>					
1.	IV Quarter 2014	Development of international relationships with the IPSASB.	I-IV Quarter 2015	Chairman; Chairman of the Quality Assurance Committee	Members of Quality Assurance Committee
2.	IV Quarter 2014	Provide consultations to MOAC members on the IPSAS.	II Quarter 2015	Chairman; Chairman of the Quality Assurance Committee	Members of Quality Assurance Committee
3.	I Quarter 2015	Update education and CPD programs on IPSAS.	IV Quarter 2015	Chairman; Chairman of the Quality Assurance Committee	Members of Quality Assurance Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Maintaining Ongoing Processes</b>					
4.	Throughout a year	Analysis of the implementation practice of the IPSAS in foreign countries.	Throughout a year	Chairman; Chairman of the Quality Assurance Committee	Members of Quality Assurance Committee
5.	Throughout a year	Monitor and analyze national legislation on the issue of regulation of public sector organizations activity	Throughout a year	Chairman; Chairman of the Quality Assurance Committee	Members of Quality Assurance Committee
<b>Review of MoAC's Compliance Information</b>					
6.	Throughout a year	Periodic review and update of MOAC's documentation in accordance with SMO 5.	Throughout a year	Chairman; Chairman of the Quality Assurance Committee	Members of Quality Assurance Committee



**Action Plan Subject:** SMO 6—Investigation and Discipline  
**Action Plan Objective:** Review and further develop an investigation and disciplinary process to correspond to the revised SMO 6 requirements

**Background**

MoAC shares the I&D responsibility with Rosfinnadzor (RFN). A system of investigation, discipline and appeals exists for the accountancy profession in Russia. The system is operational. Information about the types of misconduct which may bring about investigative actions is publicly available. The types of disciplinary measures the SROs of auditors have in their disposal is prescribed in the article 20 of the amended Audit Law, issued in December 2014. The disciplinary system allows imposing an extensive range of penalties. It includes loss of professional designation, restriction and removal of practicing rights and exclusion from membership. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.

MoAC’s Disciplinary Committee has been functioning for more than 8 years. The disciplinary process developed by MoAC members is developed in accordance with the Audit Law and the Law on SROs. The statute on the disciplinary measures, approved by the MoAC’s Board has been updated 3 times since 2009, the last one on May 23, 2013 and can be found on MoAC’s website at:

[http://www.npmoap.ru/upload/2013.Poloj\\_moap\\_o\\_Poriad\\_mer\\_disc\\_vozd..pdf](http://www.npmoap.ru/upload/2013.Poloj_moap_o_Poriad_mer_disc_vozd..pdf)

The Disciplinary Committee is composed of 4 voluntary members from MoAC that are elected at the General Assembly. Members of this Committee only serve 1 year terms and are accountable to the General Assembly. The Disciplinary Commission meets 12 days per year in full session.

MoAC has conducted the initial review of its existing I& D practices and identified the areas of further improvement and consultation with RFN and other SROs of auditors. It intends to address it in the next reporting period.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Development of Investigation and Discipline System in Accordance with the SMO 6</b>					
1.	IV Quarter 2014	Study and analyze requirements of the revised SMO 6.	I Quarter 2015	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
2.	I Quarter 2015	To provide for annual rotation of the Disciplinary Committee members to ensure a more unbiased decision-making.	IV Quarter 2015	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department
3.	I Quarter 2015	Update of criteria of information-based approach for initiation of proceedings.	III Quarter 2015	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department
4.	I Quarter 2015	Establish working body for performing investigations, which will be the separate body to disciplinary committee.	III Quarter 2015	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department
5.	I Quarter 2015	Provide consultations to MOAC members on Investigation and Discipline measures.	IV Quarter 2015	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department
<b>Maintaining Ongoing Processes</b>					
6.	Throughout a year	Development of international relationships with the IFAC members on the issues of investigative and disciplinary proceeding.	Throughout a year	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
7.	Throughout a year	Publication of the information about MOAC members, register information, external quality control results.	Throughout a year	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department
8.	Throughout a year	Ensuring confidentiality in the course of MoAC information disclosure.	Throughout a year	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department
<b>Review of MoAC's Compliance Information</b>					
9.	Throughout a year	Periodic review and update of MoAC's documentation in accordance with SMO 6.	Throughout a year	Chairman; Director of the Law and Disciplinary Proceedings Department	Members of the Law and Disciplinary Proceedings Department

**Action Plan Subject:** SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB  
**Action Plan Objective:** Further improve and maintain processes for ongoing compliance with IFRSs

**Background**

Financial reporting requirements in Russia are stipulated in the Federal law "On Accounting" (Accounting Law), № 402- dated 6 December 2011 and Federal Law of July 27, 2010 N-208-FZ "On the Consolidated Financial Statements". Federal Law 208-FZ 'On Consolidated Financial Statements' states that standards and interpretations issued by IASB are endorsed for adoption in Russia by the Russian Government in consultation with the Central Bank. IFRSs are mandatory for consolidated financial statements. According to the law, there are four categories of companies that are required to prepare and publish the IFRS financial statements starting from the reporting year 2012, such as all companies with listed equity instruments, banks, insurance companies and all companies that have to prepare consolidated financial statements according to their charter of other laws. According to the changes to the Law implemented in May 2014, the list of entities required to produce and file IFRS consolidated financial statements was expanded to add non-state pension funds, managing companies of investment funds, unit investment funds and non-state pension funds and clearing organizations.

Standalone (separate) financial statements for all entities must be prepared using Federal Accounting Standards.

Auditors' SROs are not participating in the accounting standard setting process as such, but they are key to implementation including developing trainings and CPD modules for their members based on the IFRSs as adopted in Russia.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Ongoing adoption of IFRS</b>					
1.	I Quarter 2015	Preparation of MoAC reports according to IFRS	II Quarter 2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department
2.	I Quarter 2015	Participation in the development of the proposals regarding state policy in the sphere of IFRS	III Quarter 2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
3.	I Quarter 2015	Provide consultations to MoAC members on IFRS.	IV Quarter 2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department
4.	I Quarter 2015	Preparation of the recommendations for the Audit Council (AC) on the draft laws and other normative legal acts related to the IFRSs.	IV Quarter 2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department
5.	II Quarter 2015	Preparing the methodic materials for implementation of IFRSs.	III Quarter 2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department
6.	I Quarter 2015	Ensuring of the free access to the IFRS on the official website of MoAC for all members.	IV Quarter 2015	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Maintaining Ongoing Processes</b>					
7.	2012	Participation in conferences (including regional ones), working groups, workshops on IFRSs issues	Ongoing	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department
8.	2012	Development and update of training programs on IFRS.	Ongoing	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department
9.	2015	Development of international relationships with the IFAC members on the issues of IFRS, changes and implementation of IFRS.	Ongoing	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department
<b>Review of MoAC's Compliance Information</b>					
10.	Throughout a year	Periodic review and update of MoAC's documentation in accordance with SMO 7.	Throughout a year	President; Director of the Control, Methodology and Professional Ethics Department	Members of Control, Methodology and Professional Ethics Department