

**Comment the Union of Accountants of the Czech Republic (UACR) on the
proposed revisions of the Statements of Membership Obligations (SMOs) 1-7.**

The Union of Accountants of the Czech Republic (UACR) considers the revision of the Statements of Membership Obligations (SMOs) 1-7 to be highly useful in the globalized economy. We agree with the key principles in the draft revision of the SMOs. We recommend to add to the key principles of the territorial principle, which would take into account the specificities of the territories - areas. We lack the publication best practice and present their requirements in a clear, consistent, and concise manner.

Change of Terminology from "incorporation" to "Adoption and Implementation - UACR welcomes and supports the proposed change of terminology and allows you to recommend to include adoption and implementation of parallel elements and principles of sustainable development.

SMO 1 - Quality Assurance - We recommend declaring the close cooperation between the audit and accounting professions.

SMO 2 - International Education Standards - UACR seeks, implements and integrates into the IES educational programs of academic institutions especially in economic faculties of universities in the country.

SMO 4 - Code of Ethics for Professional Accountants - UACR is currently updating its code of ethics approved by the supreme body of the UACR in 2008 and member organizations in the Czech Republic and therefore we recommend to determine the period for updating of national codes of ethics in the Member countries for 2-3 years.

SMO 5 - International Public Sector Accounting Standards - agree that the SMO 5 had a consistent structure as a non-public sector.

SMO 6 - Investigation and Discipline SMO 6 - our proposal to the SMO 6 recommends disciplinary offenses to disclose the reasons lesson and avoid such irregularities in future.

SMO 7 - International Financial Reporting Standards - we welcome methodical instructions and guides for the application of IFRS in selected areas in an international context, which clearly complement the interpretation of IFRS.

Sincerely,

February 29, 2012

Lilia Dvorakova
Vicepresident UACR

e-mail: ldvorakova@ucetni.cz
Mobil: +420 606 665 127

Martin Sedivy
Chief Executive UACR
The Union of Accountants of the Czech Republic
Jugoslávská 567/16, 120 00 Praha 2
Czech Republic
e-mail: sedivy@ucetni.cz
Direct: +420 221 505 400
Mobil: +420 737 259 689