

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

Member Name: Institut des Réviseurs d'Entreprises

Country: Luxembourg

Finalized Date: June 30, 2006

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

Number	Question Title/Text/Help text	Answer	Comments
IFAC Part 2 SMO Self-Assessment			
1.	SMO 1		
1.1.	Quality Assurance Program		
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 <input checked="checked" type="radio"/> Yes 2 <input type="radio"/> No	The Institute has enacted into its national standard a monitoring peer review system for all members of the profession (not limited to audit of listed companies). The peer review standard and guidance are currently being reviewed to, first, comply with the revised 8th Directive requirements and, second, SMO 1 requirements. The review process is planned to be finalised by May 2006.

Number	Question Title/Text/Help text	Answer	Comments
1.2.	Responsibility for Quality Assurance - Overview		
1.2.1.	<p><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.</p>	<p>1 <input checked="" type="radio"/> Yes - for all audits of financial statements</p> <p>2 <input type="radio"/> Yes - for all audits except those of listed entities</p> <p>3 <input type="radio"/> Our organization shares responsibility for the quality assurance program with another body</p> <p>4 <input type="radio"/> No, responsibility for quality assurance for all audits rests with another body</p> <p>5 <input type="radio"/> Other (please describe)</p> <p>6 <input type="radio"/> Not applicable - no members of our organization perform audits of listed entities</p>	<p>The scope of the national monitoring peer review system covers all standards issued by the institute thus not limited to audit of financial statements.</p>
1.2.6.	<p><i>Quality Assurance (Member Body) All Audits - Scope</i> 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 <input checked="" type="checkbox"/> Financial statement audit - listed entities (minimum requirement)</p>	<p>The scope of the national monitoring peer review system covers all standards issued by the institute thus not limited to audit of financial statements.</p>

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		<input checked="" type="checkbox"/> 2 Financial statement audit - audit of other than listed entities <input checked="" type="checkbox"/> 3 Other services (e.g., review, compilation) <input type="checkbox"/> 4 Insolvency <input checked="" type="checkbox"/> 5 Other (please specify)	
1.4.	Member - Benchmarking		
1.4.1.	Quality Control Standards and Guidance		
1.4.1.1.	<i>Quality Control Standards</i> Has your organization established and published quality control standards requiring firms to implement a system of quality control in accordance with International Standard on Quality Control 1?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	In June 2005, the institute has enacted into its national standards ISQC 1 as a minimum benchmark.
1.4.1.3.	<i>Quality Control Standards - Name</i> State the name of the relevant quality control standards.	See 1.4.1.1.	
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 <input type="radio"/> Yes 2 <input checked="" type="radio"/> No	
1.4.1.6.	<i>Other Quality Control Guidance Follow Up</i> What plans does your organization have for	The Institute will consider	

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	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?	implementing IFAC other quality control guidance when issued.	
1.4.2.	Design of the Quality Assurance Review Program		
1.4.2.1.	<i>Subject of the QA Review Program</i> Who is the subject of the quality assurance review program?	1 <input type="checkbox"/> Audit firm	The current peer review system is based on physical person which comprises also the audit firm organisation into which the professional operates. The actual standard is currently being reviewed with the objective to add a separate quality review of the audit firm with the objective to comply with SMO 1 (planned date of adoption by the general assembly June 20, 2006).
		2 <input checked="" type="checkbox"/> Partner	
1.4.2.3.	<i>Partner</i> As a partner is the subject of the quality assurance review program, the quality assurance program should be designed, as required by SMO1, to obtain reasonable	1 <input checked="" type="radio"/> Yes	

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	<p>assurance that:</p> <ul style="list-style-type: none"> - The partner is subject to an adequate system of quality control relating to audits of financial statements of listed entities (and of other entities or engagements that are included within the scope of the review). - The partner complies with that system. - The partner has adhered to professional standards and regulatory and legal requirements in performing audits of financial statements selected for review. <p>Does the quality assurance review program contain all three of these elements?</p>	<p>2 <input type="radio"/> No</p>	
1.4.2.5.	<p><i>Publication of Scope</i> 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> Please name the published document(s) that describe the scope and design of the quality assurance review program.</p>	<p>Available upon request (only in French).</p>	
1.4.2.8.	<p><i>Location of Documents</i> Please indicate where the document(s) that</p>	<p>Available on the Institute website</p>	

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	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).	under the intranet section (accessible to IRE members and trainees). It can be made available, only in French, upon request.	
1.4.3.	Review Cycle		
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 2 <input type="checkbox"/> Risk-based approach	
1.4.3.3.	<i>Cycle Approach - Partner</i> As the partner 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 type="radio"/> 4 years 5 <input checked="" type="radio"/> 5 years 6 <input type="radio"/> 6 years 7 <input type="radio"/> 7 years 8 <input type="radio"/> 8 years 9 <input type="radio"/> 9 or more years	
1.4.3.4.	<i>Cycle Greater Than Three Years</i> As the review cycle is more than the three year cycle recommended by SMO1, please	The actual standard is currently	being reviewed to comply with the

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	provide an explanation for adopting a longer cycle.	revised 8th Directive which requires a three year period for auditors of Public Interest Entities and a period of 6 years for other auditors.	
1.4.3.5.	<i>Cycle - Partner</i> Please describe how your organization evaluates the quality and effectiveness of the internal inspection program of a partner's firm when determining the cycle for review.	The current standard does not rely on internal inspection program of a partner's firm. So far, it is considered as a tool to participate to the scope of the peer review.	
1.4.4.	Implementation of the Quality Assurance Program		
1.4.4.1.	<i>Date of Implementation</i> On what date did the quality assurance review program commence? (provide month/year)	6/1/2001	
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)?	75	
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	64	

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	in 2004)?		
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)?	53	
1.4.5.	Quality Assurance Review Team Procedures		
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 2 <input type="radio"/> No	
1.4.5.2.	<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.	Guide du Contrôle Qualité (available upon request only in French).	
1.4.5.4.	<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)?	See 1.4.5.2.	

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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> <ul style="list-style-type: none"> - The functioning of that system of quality control, and compliance with it; and - The compliance with professional standards and regulatory and legal requirements in respect of audits of financial statements <p>c. Review of engagement working papers</p> <p>d. Specific requirements regarding documentation of the review</p> <p>Does your quality assurance review program include requirements for all of these procedures?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	<p>The current standard and peer review guidance are currently being reviewed to include sufficient review/testing of the newly adopted ISQC 1 by the profession.</p>
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>	<p>1 <input checked="" type="radio"/> Yes</p>	<p>See also 1.4.5.5.</p>

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	<ul style="list-style-type: none"> - The existence and effectiveness of the system of quality control implemented by the subject of the review; - Compliance with professional standards and regulatory and legal requirements in performing the engagement; - The sufficiency and appropriateness of evidence documented in the working papers; and - Whether the auditor's reports are appropriate in the circumstances. <p>Does your quality assurance review program include requirements for all of these procedures?</p>	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"> - of evidence supporting the quality assurance review report; and - that establishes that the quality assurance review was carried out in accordance with the established guidelines. <p>Are both of these requirements included in the quality assurance review program?</p>	1 <input checked="" type="radio"/> Yes	

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		2○ No	
1.4.6.	The Quality Assurance Review Team		
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"> - Appropriate professional education - Relevant professional experience - Specific training on performing quality assurance reviews <p>Does the quality assurance review program require members of the quality assurance review team to have all three of these competencies?</p>	1⊙ Yes	
		2○ No	
1.4.6.3.	<p><i>Certification/Credentials</i></p> <p>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?</p>	1○ Yes	
		2⊙ No	
1.4.6.4.	<p><i>Certification/Credentials Follow Up</i></p> <p>Please explain why members of the quality assurance review team are not required to possess certification or credentials issued by</p>		Considering the size of the Luxembourg profession, the Institute disposes of the necessary

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	your organization to be eligible to serve as team members.	information to appreciate all three criteria.	
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 <input type="radio"/> Yes 2 <input checked="" type="radio"/> No	
1.4.6.6.	<i>QA Review Team Leader Follow Up</i> Please explain why a quality assurance review team leader is not assigned for each quality assurance review assignment.	The actual standard and guidance are currently being reviewed to introduce this concept.	
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. Does the quality assurance program place all these responsibilities on the review team leader?	1 <input type="radio"/> Yes	See also 1.4.6.6. (the future standard and guidance will include this notion).

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		2 <input checked="" type="radio"/> No	
1.4.6.8.	<i>QA Review Team Leader - Responsibilities Follow Up</i> Explain the reasons why one or more of these responsibilities have not been placed on the quality assurance review team leader.	See also 1.4.6.6. (the future standard and guidance will include this notion).	
1.4.6.9.	<i>Size of Quality Assurance Review Team</i> Please estimate the average number of reviewers included on a review team.	0	Not applicable yet
1.4.7.	Quality Assurance Confidentiality - QA Review Team		
1.4.7.1.	<i>Exemption for QA Reviewers</i> Does your organization exempt reviewers from professional client confidentiality requirements concerning audit engagement working papers for the purpose of quality assurance reviews?	1 <input checked="" type="radio"/> Yes	The peer review standard includes confidentiality matter. However, it should be noted that the Luxembourg law is very strict with this matter. However, the enactment of the revised 8th Directive into national legislation will remove all legal impediments related to this issue.
		2 <input type="radio"/> No	
1.4.7.3.	<i>Confidentiality Requirements</i> Is the quality assurance review team required to follow professional	1 <input checked="" type="radio"/> Yes	

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	confidentiality requirements similar to those established for professional accountants performing audits of financial statements?	2 <input type="radio"/> No	
1.4.8.	Ethical Requirements and QA Review Team		
1.4.8.1.	<i>Fundamental Principles</i> Are the fundamental principles set out in the IFAC Code of Ethics (relevant national ethical requirements) considered in relation to the quality assurance review team's conduct of a review?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
1.4.8.3.	<i>Consideration of Independence</i> 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. 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?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
1.4.8.5.	<i>Reciprocal Reviews</i> 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	1 <input type="radio"/> Yes, reciprocal reviews are permitted	

Number	Question Title/Text/Help text	Answer	Comments
	assurance reviews.	<p>2⊙ No, reciprocal reviews are not permitted</p> <p>3○ Not applicable - peer review is not used</p>	
1.4.9.	Reporting		
1.4.9.1.	<p><i>Quality Assurance Review Report</i></p> <p>Is the quality assurance review team leader 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>1⊙ Yes</p> <p>2○ No</p>	
1.4.9.3.	<p><i>Contents of Report</i></p> <p>As required by SMO 1, the quality assurance review report should include the following elements:</p> <p>- The review guidelines (referred to in Question 1.4.5.1) utilized by the quality assurance review team.</p> <p>- Recommendations for areas of improvement at both firm wide and engagement level.</p> <p>Does the quality assurance program require both of these elements to be included in the report?</p>	<p>1⊙ Yes</p> <p>2○ No</p>	

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1.4.9.6.	<p data-bbox="373 326 726 350"><i>Contents of Report - Partner</i></p> <p data-bbox="373 358 926 456">As required by SMO 1, the quality assurance review report should include the following conclusions:</p> <ul style="list-style-type: none"> <li data-bbox="373 496 894 626">- Whether the partner has been subject to a system of quality control designed to meet the requirements of the quality control standards; <li data-bbox="373 634 911 732">- Whether the partner has complied with the firm's system of quality control during the period under review; and <li data-bbox="373 740 911 797">- Reasons for negative conclusions on either or both of the above. <p data-bbox="373 837 905 943">Does the quality assurance program require all of these elements to be included in the report?</p>	1 <input checked="" type="radio"/> Yes	
		2 <input type="radio"/> No	
1.4.9.8.	<p data-bbox="373 984 653 1008"><i>Response to Reporting</i></p> <p data-bbox="373 1016 926 1219">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 <input checked="" type="radio"/> Yes	
		2 <input type="radio"/> No	
1.4.9.10.	<p data-bbox="373 1260 663 1284"><i>Reporting to the Public</i></p> <p data-bbox="373 1292 926 1356">Does your organization prepare and make available to the public (and upon request</p>	1 <input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	from regulatory authorities) an annual report summarizing the results of the quality assurance review program?	2 <input type="radio"/> No	
1.4.10.	Corrective and Disciplinary Actions		
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 type="radio"/> Yes 2 <input checked="" type="radio"/> No	
1.4.10.4.	<i>Disciplinary Actions Follow Up</i> Please explain why your organization does not take appropriate disciplinary action if one of your members subsequently fails to demonstrate compliance with professional standards and regulatory and legal requirements.		The Institute establishes first a dialogue and a follow-up process of the implementation of an action plan. The Institute does not open automatically a disciplinary action when a member fails to demonstrate compliance. It is only used on last recourse.
1.4.10.5.	<i>Linkage with Disciplinary Actions</i>		

Number	Question Title/Text/Help text	Answer	Comments
	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	
2.	SMO 2		
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 are appropriate.	1 <input checked="" type="checkbox"/> Complete a program of professional accountancy education 2 <input checked="" type="checkbox"/> Complete a practical experience requirement 3 <input checked="" type="checkbox"/> Complete a final assessment of the individual's professional capabilities and competencies 4 <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)?	1 <input checked="" type="radio"/> Yes	The Luxembourg Institute has enacted a standard, called "continuing professional Education", that requires each member to devote at least 100 hours per three-year period to continuous learning, with a minimum of 20 hours per year. This standard is

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		20 No	currently being reviewed to comply with IES 7.
2.3.	Professional Accountancy Education		
2.3.1.	<p><i>Professional Accountancy Education Program</i> Who delivers the professional accountancy education program for your members? Select all the answer options that are appropriate.</p>	<p>1 <input type="checkbox"/> Our organization</p> <p>2 <input type="checkbox"/> Another IFAC member body</p> <p>3 <input checked="" type="checkbox"/> Universities</p> <p>4 <input type="checkbox"/> Approved training institutions</p> <p>5 <input type="checkbox"/> Government bodies</p> <p>6 <input type="checkbox"/> Other organizations</p>	
2.3.2.	<p><i>Describe Other Organizations</i> Where your response in question 2.3.1 indicates another IFAC member body, 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>The following steps must be performed in order to obtain the qualification of “réviseur d’entreprises” in Luxembourg as stated by the law of June 28, 1984 organising the audit profession as subsequently amended:</p> <p>Step 1. Full four year university cycle</p> <p>Be a holder of a full four year university cycle degree comprising, as a minimum, the following</p>	

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		<p>subjects and hours: General accounting (120hrs); Analysis and critical assessment of annual accounts (60hrs); Cost and management accounting (90hrs); Civil law (45hrs); Commercial law, inc. insolvency and similar procedures (30hrs); Social-security & labour laws; Information and computer systems (120hrs); Business, general and financial economics (180hrs); Mathematics and statistics (120hrs); Basic principles of the financial management of undertakings (75hrs); External audit technics (75hrs); Consolidated accounts (30hrs); Internal audit technics (45hrs).</p> <p>If the degree does not meet all the above subjects, the candidate may complete his formation by a maximum of five certificates (each certificate must comprise an examination), which acknowledge sufficient knowledge of the missing subject(s). IRE organizes each year accepted examination.</p>	

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		<p>Step 2. Three year practical experience</p>	
		<p>Obtain a minimum of three years relevant practical experience within a recognised audit firm during which the professional trainee must obtain a complementary training certificate from the Luxembourg University which comprises 9 seminars, each one followed by an examination, as follows: Ethics (4hrs); Annual accounts (12hrs); Accounting for UCITS (24hrs); Consolidated accounts (12hrs); Commercial law (45hrs); Social-security & labour laws (16hrs); Insurance company legislation (16hrs); Banking legislation (24hrs); Tax legislation (40hrs).</p>	
		<p>Step 3. Final Uniform Exam</p>	
		<p>Complete with success the Final Uniform Exam to ensure that the professional trainee has the necessary level of expertise to apply the theoretical knowledge of subjects relevant to the profession. The final uniform exam comprises</p>	

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		<p>a written examination, an oral examination and a training report.</p> <p>The written and oral examinations are based on subjects relevant for the profession.</p> <p>The training report must comprise a critical analysis, from an economic, law, accounting and auditing standards views, of an issue encountered during the three year training period and the required solution(s).</p>	
2.3.3.	<p><i>Prof Accountancy Education Program Follow Up</i></p> <p>Please describe how your organization ensures the professional accountancy education program, delivered by the organization in response to question 2.6, meets the required content.</p> <p>Include in your description the specific activities your organization undertakes with regards to the necessary content requirements.</p>	See 2.3.2.	

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2.11.	IES 5 Practical Experience Requirement		
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.	All professional trainees must be followed during the three year practical experience by a registered auditor who has a minimum of three year experience as a registered auditor and can provide sufficient assurance type of work.	
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 <input checked="" type="radio"/> Three years 2 <input type="radio"/> Less than three years 3 <input type="radio"/> More than three years	
2.11.6.	Practical Application SMO 2		
2.11.6.1.	<i>Practical Application</i> Where relevant graduate (beyond undergraduate, e.g., masters) professional education has a strong element of practical	1 <input type="radio"/> Yes	

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	accounting application, may any portion of the professional education be contributed to the practical experience requirement?	2⊙ No	
2.11.7.	Timing of Experience		
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 <input type="checkbox"/> Before the professional accountancy education program of study 2 <input type="checkbox"/> At the same time as the professional accountancy education program of study 3 <input checked="" type="checkbox"/> After the professional accountancy education program of study	See 2.3.2.
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.	See 2.3.2.	
2.12.	IES 5 Monitoring of Practical Experience Requirement		
2.12.1.	<i>Monitoring of Practical Experience</i> Is the period of practical experience monitored?	1⊙ Yes 2○ 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	1 <input type="checkbox"/> Mentoring system	Regular assessments are made by the mentor and summarised in a leaflet. At

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	are appropriate.	<p>2 <input type="checkbox"/> Approved training employers and organizations</p> <p>3 <input type="checkbox"/> Self-declaration required from the candidate</p> <p>4 <input type="checkbox"/> Record of the practical experience is kept and submitted to the member body when applying for membership</p> <p>5 <input type="checkbox"/> An assessment is made by the mentor or employer</p> <p>6 <input checked="" type="checkbox"/> Other (please describe)</p>	the end of the three year practical experience, the latter is remitted to the authority before the final examination.
2.13.	IES 6 Assessment of Prof Capabilities and Competence		
2.13.1.	<p><i>Assessment by IFAC Body or Other</i></p> <p>Section 2.13 deals with the final assessment requirements established by your organization.</p> <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</p>	1 <input type="checkbox"/> Our organization (including training entities that are affiliated with our organization or a subsidiary of our organization).	The Government is assisted by an examination jury which comprises registered auditors, academics and other members recognised for their professional expertise.

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	<p>Comment Box, describe the nature of their respective roles and responsibilities.</p>	<p>2 <input type="checkbox"/> Another IFAC member body 3 <input checked="" type="checkbox"/> Government or regulatory body 4 <input type="checkbox"/> Other</p>	
2.13.2.	<p><i>Assessment - Name of IFAC Organization SMO 2</i> State the name of the IFAC member body, government or regulatory body, or other organization that conducts the final assessment.</p>	<p>Ministry of Justice</p>	
2.13.3.	<p><i>MB Input Follow Up</i> Please describe how does your organization provide input into the government or regulatory body or other organization's assessment activities?</p>	<p>See 2.13.1.</p>	
2.13.4.	<p><i>Characteristics of Assessment</i> 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 2 <input type="checkbox"/> Given simultaneously where it is being held in more than once location in the country 3 <input checked="" type="checkbox"/> Assessment is set and assessed only by qualified or approved individuals</p>	

Number	Question Title/Text/Help text	Answer	Comments
		4 <input type="checkbox"/> None of the above	
2.13.5.	<i>Qualifying for Final Assessment</i> What requirements must the candidate satisfy to take the final assessment? Select all the answer options that are appropriate.	1 <input type="checkbox"/> Specified pre-qualification requirements relating to professional knowledge, professional skills, and professional values, ethics, and attitudes 2 <input type="checkbox"/> Specified practical experience requirements 3 <input checked="" type="checkbox"/> Other (please describe) 4 <input type="checkbox"/> None of the above	See 2.3.2.
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 type="radio"/> Yes 2 <input checked="" type="radio"/> No	
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, information technology etc) is assessed during the final assessment.	The professional trainee must complete with success the Final Uniform Exam to ensure he has the necessary level of expertise to apply the theoretical knowledge of subjects relevant to the profession. The final uniform exam comprises a written examination, an oral examination and a training report.	

Number	Question Title/Text/Help text	Answer	Comments
		<p>The written and oral examinations are based on subjects relevant for the profession.</p> <p>The training report must comprise a critical analysis, from an economic, law, accounting and auditing standards views, of an issue encountered during the three year training period and the required solution(s).</p>	
2.13.9.	<p><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.</p>	See 2.13.8.	
2.13.10.	<p><i>Assess Professional Values, Ethics, Attitudes</i> Describe in general terms how required professional values, ethics, and attitudes are assessed during the final assessment.</p>	See 2.13.8.	
2.13.11.	<i>Recorded or Oral Format</i>		

Number	Question Title/Text/Help text	Answer	Comments
	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	See 2.13.8.
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 type="radio"/> 25% 3 <input checked="" type="radio"/> 50% 4 <input type="radio"/> 75% 5 <input type="radio"/> 100%	Written form 50%, oral form 40% and the professional training report 10%-
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 <input type="checkbox"/> Multiple choice questions 2 <input checked="" type="checkbox"/> Case studies 3 <input checked="" type="checkbox"/> Technical questions 4 <input type="checkbox"/> Thesis 5 <input type="checkbox"/> Other (please describe) 6 <input type="checkbox"/> 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	The Ministry of Justice is assisted by an examination jury comprising registered auditors, academics and professional with specific expertise. they are chosen by the Justice	

Number	Question Title/Text/Help text	Answer	Comments
	are selected.	Minister upon recommendation from the Institute (for the registered auditors), from the University (for the academics) and the supervisory authorities (for the others). They are responsible to prepare the questions and assess the responses.	
2.13.15.	<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.	<input checked="" type="radio"/> Yearly (or once a year) <input type="radio"/> Half yearly (or twice a year) <input type="radio"/> Three sessions a year <input type="radio"/> Four sessions a year <input type="radio"/> Five sessions a year <input type="radio"/> Other (please describe the frequency of the examinations)	
2.14.	IES 7 Continuing Professional Development - CPD		
2.14.1.	<i>Responsibility for CPD Requirements</i> Section 2.14 deals with the continuous professional development requirements established by your organization. Who establishes the continuous professional development requirements applicable to your members? Select all the answer options	<input checked="" type="checkbox"/> Our organization	The Luxembourg Institute has enacted a standard, called "continuing professional Education", that requires each member to devote at least 100 hours per three-year period to continuous learning, with a

Number	Question Title/Text/Help text	Answer	Comments
	that are appropriate.	<p data-bbox="940 500 1402 636">2 <input type="checkbox"/> Another organization (state the name of the organization including whether it is an IFAC member body)</p> <p data-bbox="940 636 1402 734">3 <input type="checkbox"/> Law and / or regulation (state the name of the law / regulation)</p> <p data-bbox="940 734 1402 766">4 <input type="checkbox"/> Other (please describe)</p>	minimum of 20 hours per year. This standard is currently being reviewed to comply with the revised IES 7.
2.14.2.	<p data-bbox="373 776 940 808"><i>CPD and Professional Accountants</i></p> <p data-bbox="373 808 940 977">Which membership categories are required to maintain professional competence through continuous professional development? Select all the answer options that are appropriate.</p>	<p data-bbox="940 808 1402 847">1 <input checked="" type="checkbox"/> All our qualified members</p> <p data-bbox="940 977 1402 1075">2 <input type="checkbox"/> Qualified members who perform audits of listed entities</p> <p data-bbox="940 1075 1402 1172">3 <input type="checkbox"/> Qualified members who perform audits of entities other than listed entities</p> <p data-bbox="940 1172 1402 1269">4 <input type="checkbox"/> Qualified members who provide services (other than audit) to the public</p> <p data-bbox="940 1269 1402 1354">5 <input type="checkbox"/> Qualified members who are employed in business</p>	

Number	Question Title/Text/Help text	Answer	Comments
		6 <input type="checkbox"/> Other (please describe)	
2.14.3.	Requirement - CPD		
2.14.3.1.	<p><i>Type of CPD Requirement</i></p> <p>Which of the following answer options describes the way the continuous professional development is structured? Select all the answer options that are appropriate.</p>	<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</p> <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></p> <p>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>The Luxembourg Institute has enacted a standard, called "continuing professional Education", that requires each member to devote at least 100 hours per three-year period to</p>

Number	Question Title/Text/Help text	Answer	Comments
		<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>	<p>continuous learning, with a minimum of 20 hours per year. This standard is currently being reviewed to comply with IES 7.</p>
2.14.3.4.	<p><i>Other Hours Follow Up</i> Describe the continuous development hours required by members.</p>	<p>The Luxembourg Institute has enacted a standard, called "continuing professional Education", that requires each member to devote at least 100 hours per three-year period to continuous learning, with a minimum of 20 hours per year. This standard is currently being reviewed to comply with IES 7.</p>	
2.14.3.8.	<p><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>	<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.	<p>Monitoring of CPD Requirement</p>		

Number	Question Title/Text/Help text	Answer	Comments
2.14.4.1.	<p><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>	<p>1 <input checked="" type="checkbox"/> Professional accountants are required to submit a declaration</p> <p>2 <input 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.	<p><i>Declaration and CPD SMO 2</i> Describe the matters addressed in the declaration (select all that apply):</p>	<p>1 <input type="checkbox"/> Professional accountant's obligation to meet ethical obligations</p>	<p>The Luxembourg Institute has enacted a standard, called "continuing professional Education", that requires each member to devote at least 100 hours per three-year period to continuous learning, with a minimum of 20 hours per year.</p> <p>The system recognises the</p>

Number	Question Title/Text/Help text	Answer	Comments
		<p>2 <input type="checkbox"/> Professional accountant's obligation to maintain knowledge</p> <p>3 <input type="checkbox"/> Professional accountant's obligation to maintain skills to perform competently</p> <p>4 <input type="checkbox"/> Compliance with CPD requirement</p> <p>5 <input checked="" type="checkbox"/> Other (please describe)</p>	<p>merits of the different types of continuous learning activities that vary according to the needs of each professional. However, the learning activity must have a link with the profession.</p> <p>This standard is currently being reviewed to comply with IES 7.</p>
2.14.4.3.	<p><i>Sanctions SMO 2</i></p> <p>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?</p>	<p>1 <input checked="" type="radio"/> Yes, sanctions or actions for non-compliance are imposed</p> <p>2 <input type="radio"/> No, sanctions or other non-compliance actions are not</p>	<p>Should a professional not comply with the requirements, he may be subject to disciplinary sanctions.</p>

Number	Question Title/Text/Help text	Answer	Comments
2.14.4.4.	<p><i>Sanction Types and CPD</i> Describe the nature and extent of the sanction, expulsions or denial of the right to practice.</p>	<p>imposed</p> <p>Should a professional not comply with the CPD requirements, he will be required to motivate this non compliance and/or provide an action plan to implement corrective measures. Should it be not satisfactory or should he not respond to the Institute's request, the IRE President may decide to open a disciplinary procedure. See SMO 6, question 6.5.2 for information on the disciplinary process and sanctions.</p>	
2.15.	<p><i>Activities to Promote IESs SMO 2</i> Please describe the activities your organization undertakes to promote and assist in implementing the pronouncements issued by IFAC's International Accounting Education Standards Board.</p>	<p>All IFAC press releases of any kind are made available to the profession / public via the Institute website.</p> <p>The Luxembourg Institut contributes indirectly to the IFAC working groups or exposure drafts through its FEE participations.</p>	
3.	<p>SMO 3</p>		
3.1.	<p><i>Auditing Standards in Law/Regulation</i> Does law or regulation establish the set of</p>	<p><input type="checkbox"/> Yes for audits of listed</p>	<p>The Institute has enacted</p>

Number	Question Title/Text/Help text	Answer	Comments
	<p>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>entities</p> <p>2 <input type="checkbox"/> Yes for audits of non-listed entities</p> <p>3 <input checked="" type="checkbox"/> No for audits of listed entities</p> <p>4 <input checked="" type="checkbox"/> No for audits of non-listed entities</p>	<p>ISAs into its national auditing standards. There are no so called "pluses" or "carve out". ISAs are completed with additional guidance to help apply ISAs in the Luxembourg context. It should be noted that there is a timing difference between the IFAC effective date of an ISA and the date the Institute enacts the same ISA into its national standards.</p>
3.2.	Responsibility for Private Sector Auditing Standards		
3.2.1.	<p><i>Auditing Standards - Private Sector</i></p> <p>Is there only one set of auditing standards or are the auditing standards applicable to</p>	<p>1 <input checked="" type="radio"/> The auditing standards for listed entities and non-listed</p>	

Number	Question Title/Text/Help text	Answer	Comments
	listed entities different from non-listed entities?	<p>entities are the same set of standards</p> <p>2○ The auditing standards for listed entities and non-listed entities are not the same set of standards</p>	
3.2.6.	<p><i>Responsibility for Auditing Standards</i></p> <p>Who has the authority for establishing the auditing standards for listed and non-listed entities?</p>	<p>1⊙ Our organization</p> <p>2○ Another IFAC member body</p> <p>3○ Joint process between our organization and another IFAC member body or other organization</p> <p>4○ Another organization</p>	
3.3.	Member Body SMO 3		
3.3.1.	<p><i>MB Convergence Objective SMO 3</i></p> <p>Has convergence with IAASB pronouncements been established as an objective?</p>	1⊙ Yes	<p>The Institute has enacted ISAs into its national auditing standards. There are no so called "pluses" or "carve out". ISAs are completed with additional guidance to help apply ISAs in the Luxembourg context. It should be noted that there is a timing difference between the IFAC effective date of an ISA and the date the Institute</p>

Number	Question Title/Text/Help text	Answer	Comments
		2○ No	enacts the same ISA into its national standards.
3.3.3.	<i>MB Convergence Implemented SMO 3</i> Has the convergence objective for auditing standards been implemented?	1⊙ Yes 2○ No	
3.6.	Incorporation of Auditing Standards		
3.6.1.	<i>Incorporation Approach SMO 3</i> Where your response indicates that convergence with IAASB pronouncements has been implemented, which of the following best describes the approach is used to incorporate the IAASB pronouncements into national standards? Select the answer option that is most appropriate. Help text: Answer Option 1 and reference to "adopted without amendment" Select this option where IAASB pronouncements are adopted as drafted except for changes to: Rename the IAASB pronouncement to a	1⊙ IAASB pronouncements are adopted as drafted without amendments (refer Help Text) 2○ IAASB pronouncements are adopted as national standards and amended as necessary to address differences due to conflicts with legal or regulatory requirements (refer Help Text)	The Institute has enacted ISAs into its national auditing standards. There are no so called "pluses" or "carve out". ISAs are completed with additional guidance to help apply ISAs in the Luxembourg context. It should be noted that there is a timing difference between the IFAC effective date of an ISA and the date the Institute enacts the same ISA into its national standards.

Number	Question Title/Text/Help text	Answer	Comments
	<p>national standard name; Translate the IAASB pronouncement into another language; Apply an effective date that differs from the IAASB pronouncement.</p> <p>Answer Option 2 and 3 reference to "Differences" In responding to this question, "differences" may include: Requirements in addition to those specified in the IAASB pronouncement or ISA; Deletion of a basic principle, essential procedure, and / or related guidance specified in the IAASB pronouncement or ISA; Modification of a requirement specified in the IAASB pronouncement or ISA (e.g. an ISA requirement was not deleted in full because a similar requirement was included).</p>	<p>3○ Existing national standards are compared with IAASB pronouncements to eliminate to the extent possible differences between the national standard and the IAASB pronouncement (refer Help Text)</p> <p>4○ Other</p>	

Number	Question Title/Text/Help text	Answer	Comments
3.6.2.	Adoption SMO 3		
3.6.2.1.	<i>IAASB Pronouncements Adopted</i> Which of the following IAASB pronouncements have been adopted? Select all the answer options that are appropriate.	<p>1 <input checked="" type="checkbox"/> International Standard on Quality Control 1</p> <p>2 <input checked="" type="checkbox"/> International Standards on Auditing</p> <p>3 <input type="checkbox"/> International Auditing Practices Statements</p> <p>4 <input checked="" type="checkbox"/> International Standards on Assurance Engagements</p> <p>5 <input checked="" type="checkbox"/> International Standards on Review Engagements</p> <p>6 <input checked="" type="checkbox"/> International Standards on Related Services</p>	<p>As stated before, it should be noted that there is a timing difference between the IFAC effective date of an ISA and the date the Institute enacts the same ISA into its national standards.</p> <p>Should additional implementation guidance be required, they are prepared by the Technical Committee, discuss / adopted by the IRE Council and then distributed to the profession.</p>
3.6.2.2.	<i>Name of Standards SMO 3</i> When the IAASB pronouncements are adopted, are the IAASB pronouncements	1 <input checked="" type="radio"/> IAASB pronouncements are adopted without changes to	

Number	Question Title/Text/Help text	Answer	Comments
	<p>If this information is not available, complete the SMO 3: Comparison with IAASB Pronouncements report by clicking on the link 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>Help text:</p>	<p>2○ The "SMO 3: Comparison with IAASB Pronouncements" report will be completed and submitted to Compliance Staff</p>	<p>password to access the intranet.</p> <p>Refer to attached submitted information (for standards issued as of September 30, 2005).</p>
3.10.	Translation SMO 3		
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 translated</p> <p>3⊙ No and English is not an official language or is not</p>	<p>Please note that English is not an official language but it is widely spoken in the business community.</p>

Number	Question Title/Text/Help text	Answer	Comments
		widely spoken	
3.10.6.	<p><i>Translation Follow Up SMO 3</i></p> <p>Explain why IAASB pronouncements are not translated (include information about specific impediments and challenges).</p>	<p>The official languages in Luxembourg are Luxembourgish, French and German.</p> <p>With regard to the IFAC Code of Ethics, ISRE, ISAE and ISRS, the Institute provides full support to the German/Swiss/Austrian profession for the German translation and to the French/Belgian profession for the French translation. Once done it is intended to buy the copyrights.</p> <p>With regard to ISAs, the Institute is awaiting the EU Commission translations (ref: revised 8th Directive).</p> <p>Considering the above and given the size of the Luxembourg profession together with the language skills of its members, the Institute has no intention to perform any translation.</p>	
3.11.	<p><i>Activities to Promote IAASB Pronouncements</i></p>		

Number	Question Title/Text/Help text	Answer	Comments
	Please describe the activities your organization undertakes to promote and assist in the implementation of IAASB pronouncements and other IAASB activities.	All IFAC press releases of any kind are made available to the profession / public via the Institute website. The Luxembourg Institut contributes indirectly to the IFAC working groups or exposure drafts through its FEE participations.	
4.	SMO 4		
4.1.	Responsibility and National Ethical Requirements		
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? Help text: 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	

Number	Question Title/Text/Help text	Answer	Comments
		2○ No	
4.1.9.	<p><i>IFAC MB Approach to Ethics</i></p> <p>Which of the following options best describes your organization's activities to incorporate the IFAC Code?</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>1○ Our organization adopted the IFAC Code as issued without modifications</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</p>	

Number	Question Title/Text/Help text	Answer	Comments
		incorporate the IFAC Code of Ethics	
4.1.10.	<i>IFAC MB and Code - Eliminate Differences</i> Describe the process used to adopt the IFAC Code or the process used to eliminate differences between your organization's ethical requirements and the IFAC Code.	The Institute has enacted into its national standards the IFAC Code of Ethics completed with: (1) some specific aspects of national legislation; (2) some provisions of the EU Recommendation on the Independence of the Statutory Auditors when more stringent.	
4.2.	MB and Version of IFAC Code		
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 type="radio"/> The IFAC Code currently in effect, revised and issued in June 2004</p> <p>2 <input checked="" 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>	The Luxembourg Institute has enacted into its national standards the IFAC Code of Ethics dated November 2001 amended with the June 2004 amendment to the 8.151 paragraph.
4.2.2.	<i>Version Pre 2004 Follow Up SMO 4</i> Please explain why the IFAC Code that is currently in effect has not been adopted or incorporated. Provide information about	It is planned to enact into national standard the latest version of the IFAC Code of Ethics before the end	

Number	Question Title/Text/Help text	Answer	Comments
	special conditions, challenges, or impediments relevant to this matter.	of June 2006.	
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.	<input type="radio"/> 1 Our organization has already amended our ethical requirements for the revised IFAC Code (effective June 30, 2006) <input checked="" type="radio"/> 2 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) <input type="radio"/> 3 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) <input type="radio"/> 4 Other (please describe)	It is planned to enact into national standard the latest version of the IFAC Code of Ethics before the end of June 2006.
4.2.5.	<i>MB and Revision Plans</i> Please describe the work program timetable.	June 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	<input checked="" type="radio"/> 1 Yes	The law of June 28, 1984 organising the audit profession in Luxembourg, as subsequently amended,

Number	Question Title/Text/Help text	Answer	Comments
	members?		requires the auditor to be "independent from the audited entity".
			With regards to banks, there is also one regulatory body circular that prohibits non audit services to audit banking clients (listed and non listed).
		2 <input type="radio"/> No	
4.4.	Gov / Reg Bodies and Ethical Requirements		
4.4.1.	<i>Gov/Reg Bodies - Ethical Requirements</i>		
	Where ethical requirements applicable to your members are established in law or regulation, do they include any of the following types of laws and regulations? Select all the answer options that are appropriate.	<p>1 <input type="checkbox"/> There is a law / regulation (e.g. Audit Law, Accountants Law) that sets out ethical requirements to be complied with by all professional accountants</p> <p>2 <input type="checkbox"/> There is a law / regulation that sets out ethical requirements to be complied with by professional accountants who audit listed entities</p> <p>3 <input type="checkbox"/> There is a law / regulation that sets out ethical</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>requirements to be complied with by professional accountants who audit entities other than listed entities</p> <p>4 <input type="checkbox"/> There is a law / regulation that sets out ethical requirements to be complied with by professional accountants who provide services to the public (other than as auditors of listed or other entities)</p> <p>5 <input type="checkbox"/> There is a law / regulation that sets out ethical requirements for professional accountants employed in business</p> <p>6 <input checked="" type="checkbox"/> None of the above</p>	
4.4.2.	<p><i>Gov/Reg Bodies - Other Law/Reg</i> Please describe in general terms the types of laws / regulations that establish ethical requirements that are applicable to your members.</p>	<p>The law says that the auditor must be independent. Detailed ethical and independence requirements are fixed by a national standard.</p>	
4.4.7.	<p><i>Gov/Reg and Convergence</i> Please explain whether your organization has undertaken any activities to promote the IFAC Code of Ethics to the relevant government or regulatory body that sets ethical requirements. Include in your</p>	<p>In the current transposition of the 8th Directive into national legislation, the institute is lobbying the Ministry of Justice to recognise the IFAC Code of Ethics amended</p>	

Number	Question Title/Text/Help text	Answer	Comments
	<p>explanation descriptions of any specific activities and the outcome or the reasons why such activities have not been undertaken.</p>	<p>for Luxembourg specifics.</p>	
4.5.	<p><i>Comparison of Requirements SMO 4</i> Does your organization have information that identifies any differences between the IFAC Code of Ethics currently in effect or the revised Code and the national ethical requirements? In responding to this question, differences include:</p> <p>Principles, concepts, and guidance in the IFAC Code that are not addressed in the national ethical requirements; Principles, concepts, and guidance in the IFAC Code that are not equivalent to the national ethical requirements; Principles, concepts, rules, regulations, laws, or other mandatory ethical requirements in national ethical requirements that are not addressed in the IFAC Code.</p> <p>The phrase "national ethical requirements" as used in this questionnaire refers to the totality of ethical requirements established by your organization and others including government and regulatory bodies that are applicable to your members.</p>	<p>1 <input checked="" type="radio"/> Yes, our organization has this information and it will be submitted</p>	<p>The Luxembourg Code of Ethics highlights the amendments from the original IFAC Code of Ethics. It is available upon request.</p>

Number	Question Title/Text/Help text	Answer	Comments
		2 <input type="radio"/> This information will be submitted by another IFAC member body 3 <input type="radio"/> No, the information is not available	
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 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 checked="" type="checkbox"/> No, the IFAC Code has not been translated and English is not an official language or widely spoken language	The IFAC Code has not been translated and English is not an official language although it is widely spoken.
4.13.	<i>Translation and Follow Up</i> Explain the reasons why the IFAC Code was not translated including information about specific challenges or impediments.	The official languages in Luxembourg are Luxembourgish, French and German. With regard to the IFAC Code of Ethics, ISRE, ISAE and ISRS, the Institute provides full support to the German/Swiss/Austrian profession for the German translation and to	

Number	Question Title/Text/Help text	Answer	Comments
		<p>the French/Belgian profession for the French translation. Once done it is intended to buy the copyrights.</p> <p>With regard to ISAs, the Institute is awaiting the EU Commission translations (ref: revised 8th Directive).</p> <p>Considering the above and given the size of the Luxembourg profession and the language skills of its members, the Institute has no intention to perform any translation.</p>	
4.15.	<p><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.</p>	<p>All IFAC press releases of any kind are made available to the profession / public via the Institute website.</p> <p>The Luxembourg Institut contributes indirectly to the IFAC working groups or exposure drafts through its FEE participations.</p>	
5.	SMO 5		
5.1.	<i>Public Sector Accounting Standards -</i>		

Number	Question Title/Text/Help text	Answer	Comments
	<p><i>Objective</i> Has the federal government / national government established convergence with International Public Sector Accounting Standards (IPSASs) as an objective?</p>	<p>1 <input type="radio"/> Yes</p> <p>2 <input checked="" type="radio"/> No</p> <p>3 <input type="radio"/> Information is not available or not known</p>	
5.2.	IPSASs Convergence Follow Up		
5.2.1.	<p><i>Public Sector Accounting Standards - Cash/Accrual</i> Do the national public sector accounting standards require financial statements to be prepared on a cash basis or accrual basis?</p>	<p>1 <input checked="" type="radio"/> Cash</p> <p>2 <input type="radio"/> Accrual</p> <p>3 <input type="radio"/> Both cash and accrual are permitted</p>	The general rule is cash accounting with increasing exceptions on accrual basis.
5.2.2.	<p><i>Convergence Plans Follow Up SMO 5</i> Does the government have plans to converge national public sector accounting standards with IPSASs?</p>	<p>1 <input type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p> <p>3 <input checked="" type="radio"/> Information is not available or not known</p>	
5.4.	<p><i>Activities to Promote IPSASB Pronouncements</i> Please describe the activities your organization undertakes to promote pronouncements issued by the International Public Sector Accounting Standards Board.</p>	All IFAC press releases of any kind are made available to the profession / public via the Institute website.	

Number	Question Title/Text/Help text	Answer	Comments
	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>The Luxembourg Institut contributes indirectly to the IFAC working groups or exposure drafts through its FEE participations.</p> <p>It has to be noted that the Institute, as stated in its constitutive law, focuses primarily on the audit profession. Accounting matters are out of scope so is public sector accounting in general.</p>	
6.	SMO 6		
6.1.	<p><i>Investigation and Discipline Program</i></p> <p>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 ☉ Yes	<p>The investigative and disciplinary system is embedded in the law of June 28, 1984, as subsequently amended, organizing the auditing profession. The Institute President is responsible for the investigative process. Only the President of IRE may open an instruction upon receipt of a complaint from whatever the source. Upon the IRE President's appreciation of the instruction he may decide to bring the</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>case to the Disciplinary Council. His decision on the outcome of his instruction is confidential. However, he must bring to the disciplinary Council any case forwarded by the Public Prosecutor. The Disciplinary Council comprises 5 members. The Chairman is the President of the Luxembourg District Court and the remaining members are Réviseur d'Entreprises of Luxembourg nationality member of the IRE Council. The possible sanctions are warning, reprimand, fine, suspension of voting rights (max six years), suspension and exclusion. Any suspension and exclusion are published into the Official Journal. Other decisions (warning, reprimand, fine, suspension of voting rights) are only notified to the professional involved. Should the professional not accept a decision from the</p>

Number	Question Title/Text/Help text	Answer	Comments
		20 No	Disciplinary Council he may file an appeal with the High Court which forms part of the Luxembourg judicial system.
6.3.	Responsibility for Investigation and Discipline		
6.3.1.	<p><i>Body Responsible for Investigation and Discipline</i></p> <p>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	The Institute President is responsible for the investigative process. Only the President of IRE may open an instruction upon receipt of a complaint from whatever the source. Upon the IRE President appreciation of the instruction he decide wish to bring the case to the Disciplinary Council. His decision on the outcome of his instruction is confidential. However, he must bring to the disciplinary Council any case forwarded by the Public Prosecutor. The Disciplinary Council comprises 5 members. The

Number	Question Title/Text/Help text	Answer	Comments
		<p data-bbox="940 669 1402 971"> <input type="radio"/> No, responsibility for investigation and discipline rests solely with an external body <input type="radio"/> Our organization shares responsibility for investigation and discipline with an external body <input type="radio"/> Other </p>	<p data-bbox="1402 328 1776 561">Chairman is the President of the Luxembourg District Court and the remaining members are Réviseur d'Entreprises of Luxembourg nationality member of the IRE Council.</p>
6.5.	SMO 6 - Detailed Assessment		
6.5.1.	Rules and Procedures for Investigation and Discipline		
6.5.1.1.	<p data-bbox="373 1094 940 1256"><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?</p>	<p data-bbox="940 1127 1402 1159">1 <input checked="" type="radio"/> Yes</p> <p data-bbox="940 1328 1402 1360">2 <input type="radio"/> No</p>	<p data-bbox="1402 1127 1776 1328">The investigative and disciplinary system is embedded in the law of June 28, 1984, as subsequently amended, organizing the auditing profession.</p>

Number	Question Title/Text/Help text	Answer	Comments
6.5.1.3.	<p><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.</p>	<p>1 <input checked="" type="checkbox"/> Criminal activity</p> <p>2 <input checked="" type="checkbox"/> Acts or omissions likely to bring the accountancy profession into disrepute</p> <p>3 <input checked="" type="checkbox"/> Breaches of professional standards</p> <p>4 <input checked="" type="checkbox"/> Breaches of ethical requirements</p> <p>5 <input checked="" type="checkbox"/> Gross professional negligence</p> <p>6 <input checked="" type="checkbox"/> A number of less serious instances of professional negligence that, cumulatively, may indicate unfitness to exercise practicing rights</p> <p>7 <input checked="" type="checkbox"/> Unsatisfactory work</p> <p>8 <input type="checkbox"/> Other (please describe)</p>	
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 checked="" type="checkbox"/> Reprimand</p>	<p>The possible sanctions are warning, reprimand, fine, suspension of voting rights (max six years), suspension and exclusion.</p> <p>Please note that a professional that has been suspended means also</p>

Number	Question Title/Text/Help text	Answer	Comments
		<p>2 <input 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 checked="" type="checkbox"/> Exclusion from membership</p> <p>6 <input checked="" type="checkbox"/> Other (please describe)</p>	<p>suspension of practice rights. The professional remains a registered auditor (but suspended) and remains a member of the Institute. An excluded professional is no longer registered, no longer a member of the Institute, has lost the right to practice and can not claim to be a “réviseur d’entreprises” anymore.</p>
6.5.3.	Provision of Information and Guidance to Members		
6.5.3.1.	<p><i>Information and Guidance</i></p> <p>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),</p>	1 <input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	<p>whether issued by IFAC or at the national level by the member body and - Consequences of non-compliance?</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>All national ethical, auditing, review, assurance and related services standards, which derive from IFAC standards, are available on the institute website. All standards must be adopted by the general assembly. Thus all members are aware of all new standard enacted. The constitutive law provide for consequences of non-compliance.</p>	
6.5.4.	<p>Obligations to Report to Outside Bodies</p>		
6.5.4.1.	<p><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?</p>	<p>1 <input type="radio"/> Yes</p>	<p>There is one exception with regards to the money laundering and terrorism financing legislation. Under this legislation, the organisation is required to report any transactions or else that may be suspected of being linked to money laundering or terrorism</p>

Number	Question Title/Text/Help text	Answer	Comments
		2⊙ No	financing.
6.5.4.2.	<i>Reporting to Outside Bodies Follow Up</i> Please describe your plans to introduce an obligation or requirement to report possible involvement in serious crimes and offences by individual members or member firms to the appropriate public authority and disclose related information to that authority.	The Luxembourg Ministry of Justice is awaiting the enactment of the revised 8th Directive into national law to discuss such matter and, should it be deemed necessary to include this requirement into the new constitutive law.	It has to be said that all judgments from the Disciplinary Council must be forwarded to the State Public Prosecutor. The later may then decide to open a penal investigation with all its consequences.
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☑ Information-based 2☑ Complaints-based 3☑ Other (please describe) 4☐ None of the above	The Institute's President must bring to the disciplinary Council any case forwarded by the Public Prosecutor.
6.5.6.	Investigative Powers and Processes		
6.5.6.1.	<i>Powers</i> Does your organization have all required powers so that authorized personnel can carry out an effective investigation?	1⊙ Yes	
		2⊙ No	
6.5.6.3.	<i>Cooperation of Members</i> Do the powers to carry out an effective	1☑ A requirement for members	

Number	Question Title/Text/Help text	Answer	Comments
	investigation include: Select all the answer options that are appropriate.	(and member firms) to co-operate in the investigation of complaints and to respond promptly to all communications from the member body 2 <input checked="" type="checkbox"/> Provision for sanctions in the event of failure to comply 3 <input checked="" type="checkbox"/> 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 <input checked="" type="radio"/> Yes (please describe) 2 <input type="radio"/> No	Given the size of the Luxembourg profession, the process, as described in preceding questions, is considered satisfactory.
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 investigated? Help text: If a conflict exists at the start of an investigation, or arises during the investigation, the chosen individual should immediately withdraw. Similar	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	Independence is a pre-requisite provided in the constitutive law.

Number	Question Title/Text/Help text	Answer	Comments
	<p>considerations apply equally to anyone else connected with the investigation and hearing of cases.</p>		
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>	<p>1 <input type="radio"/> One committee/panel to investigate the complaint and a separate committee/tribunal to administer disciplinary action</p> <p>2 <input type="radio"/> A single committee/panel to conduct the investigation and administer disciplinary action.</p> <p>3 <input checked="" type="radio"/> Other</p>	<p>The Institute's president, or a delegate should there be an independence issue, investigate the complaint/information. The Disciplinary Council administers the disciplinary action.</p>
6.5.6.11.	<p><i>Other Type of Infrastructure</i> Describe the investigation and disciplinary infrastructure.</p>	<p>The investigative and disciplinary system is embedded in the law of June 28, 1984, as subsequently amended, organizing the auditing profession. The Institute President is responsible for the investigative process. Only the President of IRE may open an instruction upon receipt of a complaint from whatever the source. Upon the IRE President's appreciation of the instruction he decide to bring the</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>case to the Disciplinary Council. His decision on the outcome of his instruction is confidential. However, he must bring to the disciplinary Council any case forwarded by the Public Prosecutor. The Disciplinary Council comprises 5 members. The Chairman is the President of the Luxembourg District Court and the remaining members are Réviseur d'Entreprises of luxembourg nationality member of the IRE Council. The possible sanctions are warning, reprimand, fine, suspension of voting rights (max six years), suspension and exclusion. Any suspension and exclusion are published into the Official Journal. Other decisions (warning, reprimand, fine, suspension of voting rights) are only notified to the professional involved. Should the professional not accept a decision from the Disciplinary Council he decide to file an appeal to the High Court which forms part of the Luxembourg judicial system.</p>	

Number	Question Title/Text/Help text	Answer	Comments
6.5.6.12.	<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?	1 <input type="radio"/> Yes 2 <input checked="" type="radio"/> No	
6.5.6.13.	<i>Independent Review Follow Up</i> Please explain why your organization has not established and maintained such a process.	By the constitutive law, only the President of IRE may open an instruction upon receipt of a complaint/information from whatever the source. Upon the IRE President's appreciation of the instruction he decide to bring the case to the Disciplinary Council. His decision on the outcome of his instruction is confidential. However, he must bring to the disciplinary Council any case forwarded by the Public Prosecutor.	
6.5.7.	The Disciplinary Process		
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-	1 <input checked="" type="radio"/> Yes (please describe)	The Disciplinary Council comprises 5 members. The Chairman is the President of the Luxembourg District

Number	Question Title/Text/Help text	Answer	Comments
	accountants)?	2 <input type="radio"/> No	Court and the remaining members are Réviseur d'Entreprises of luxembourg nationality.
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 2 <input checked="" type="radio"/> No	
6.5.7.5.	<i>Independence of Tribunal</i> Briefly describe how the disciplinary tribunal exhibits independence.	The investigative and disciplinary system is embedded in the law of June 28, 1984, as subsequently amended, organizing the auditing profession. The Disciplinary Council comprises 5 members. The Chairman is the President of the Luxembourg District Court and the remaining members are Réviseur d'Entreprises of luxembourg nationality. The chairman must ensure that the remaining members of the disciplinary council are independent from the case submitted by the Institute's president or his delegate.	

Number	Question Title/Text/Help text	Answer	Comments
6.5.7.6.	<p><i>Appeals Process</i> Does your organization's rules:</p> <p>Select all the answer options that are appropriate.</p>	<p>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</p> <p>2 <input checked="" type="checkbox"/> Permit the defendant to appeal the conviction and any imposed sanction</p> <p>3 <input checked="" 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</p> <p>4 <input checked="" type="checkbox"/> Prohibit the appeal tribunal from including a prosecutor or a member of the first tribunal, or any other individual who was concerned with the original conviction</p> <p>5 <input type="checkbox"/> Require that the same procedures apply to the appeal process as apply to hearings before the disciplinary tribunal</p>	

Number	Question Title/Text/Help text	Answer	Comments
		6 <input type="checkbox"/> None of the above	
6.5.7.7.	<p><i>Appeals Process Follow Up</i> Please explain why your organization has not established the rules that were not selected.</p>	<p>The professional may be assisted by a lawyer at any stage. In addition, should the professional not accept a decision from the Disciplinary Council he may decide to file an appeal to the High Court which forms part of the Luxembourg judicial system. The composition of this Court is made of professional judges which are different from the Disciplinary Council.</p>	
6.5.8.	<p>Administrative Processes</p>		
6.5.8.1.	<p><i>Elements of Administrative Processes</i> As a part of Investigation and Discipline administrative processes does your organization:</p> <p>Select all the answer options that are appropriate.</p>	<p>1 <input type="checkbox"/> Establish time limits for disposal (completion) of all cases</p> <p>2 <input 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</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>3 <input 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 type="checkbox"/> Maintain secure and confidential facilities for the storage of case papers and other evidence</p> <p>5 <input type="checkbox"/> Maintain records of all investigation and disciplinary proceedings</p> <p>6 <input checked="" type="checkbox"/> None of the above</p>	
6.5.8.2.	<p><i>Elements of Administrative Processes</i> <i>Follow Up</i> Please explain why your organization has not established the administrative processes that were not selected.</p>	<p>The Institute is awaiting the final text of the 8th Directive enacted into national law. Under this directive a public oversight body will be created. As a result, the Institute is awaiting which responsibilities will remain within the Institute and which one will go</p>	

Number	Question Title/Text/Help text	Answer	Comments
			to the oversight body before writing down the administrative process.
6.5.8.3.	Case Numbers		
6.5.8.3.1.	<i>2005 Heard Case Numbers</i> Indicate the number of cases heard in 2005.	1	By "cases" we understand "disciplinary council hearings".
6.5.8.3.2.	<i>2004 Heard Case Numbers</i> Indicate the number of cases heard in 2004.	0	By "cases" we understand "disciplinary council hearings".
6.5.8.3.3.	<i>2003 Heard Case Numbers</i> Indicate the number of cases heard in 2003.	0	By "cases" we understand "disciplinary council hearings".
6.5.8.3.4.	<i>2005 Completed Case Numbers</i> Indicate the number of cases completed in 2005.	1	By "cases" we understand "disciplinary council hearings".
6.5.8.3.5.	<i>2004 Completed Case Numbers</i> Indicate the number of cases completed in 2004.	0	By "cases" we understand "disciplinary council hearings".
6.5.8.3.6.	<i>2003 Completed Case Numbers</i>		

Number	Question Title/Text/Help text	Answer	Comments
	Indicate the number of cases completed in 2003.	0	
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.	12	
7.	SMO 7		
7.1.	<p><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.</p> <p>Where the law / regulation establishes the 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</p>	1 <input checked="" type="checkbox"/> Yes, for financial statements of listed entities	Laws and regulations govern accounting standards which derive from EU Directives (4th, 7th and IFRS Directives).

Number	Question Title/Text/Help text	Answer	Comments
	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>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>	
7.8.	Law/Reg and Accounting Standards		
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 checked="" type="radio"/> The accounting standards for listed entities and non-listed entities are the same set of standards</p> <p>2 <input type="radio"/> The accounting standards for listed entities and non-listed entities are not the same set of standards</p>	With one exception for consolidated accounts of listed companies. They shall be presented under IFRS as adopted in the EU.
7.8.2.	<p><i>Accounting Standards for Private Sector</i></p> <p>Does the law/regulation require the use of International Financial Reporting Standards and other pronouncements issued by the International Accounting Standards Board? Select the answer option that is most appropriate.</p>	1 <input type="radio"/> The law/regulation simply refers to International Financial Reporting Standards as the accounting standards (without bringing in the full or partial text of	Please refer to comment in 7.8.1.

Number	Question Title/Text/Help text	Answer	Comments
		individual IFRSs) 2○ The law/regulation contains the full text of each IFRS 3○ The law/regulation contains the main principles of the IFRSs 4○ The law / regulation has a requirement to use IFRSs using another approach (please describe) 5⊙ The law / regulation requires the use of national standards with no reference to IFRSs	
7.8.5.	<i>National Accounting Standards</i> Provide the name of the national accounting standards for listed entities and non-listed entities and other authoritative pronouncements established by law/regulation.	Lux GAAP. For consolidated accounts of listed companies IFRS as adopted in the EU.	
7.8.8.	<i>MB Responsibilities National Standards SMO 7</i> Does your organization have responsibility for any of the following activities? Select all the answer options that are appropriate.	1□ Develop or assist in developing the proposed standards as law / regulation 2□ Develop other authoritative pronouncements 3□ Promulgate the accounting	The Luxembourg Institute has an advisory role to the Luxembourg Authorities with regards to accounting standards.

Number	Question Title/Text/Help text	Answer	Comments
		standards (e.g. by publishing or communicating the standards to the public) 4 <input checked="" type="checkbox"/> Other (please describe) 5 <input type="checkbox"/> None of the above	
7.8.11.	<i>Describe Activities and Law/Reg SMO 7</i> Describe your organization's activities for promulgating and / or implementing the standards.	See 7.8.8.	
7.8.13.	<i>National Standards and Convergence SMO 7</i> Please describe the activities your organization has undertaken to promote IFRSs and other IAASB pronouncements to the relevant government or regulatory body that sets national standards. Include in your explanation descriptions of any specific activities and the outcome.	See 7.8.8.	
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.	All IFAC press releases of any kind are made available to the profession / public via the Institute website. The Luxembourg Institut contributes indirectly to the IFAC working groups or exposure drafts through its FEE participations.	IFRS and IFRIC (which are used for consolidated accounts of listed companies) are translated into national languages (FR+ DE) by the EU Commission. Should you have any queries on the translation process, please refer to the EU Commission.

Number	Question Title/Text/Help text	Answer	Comments
8.	Certification of Chief Executive		
8.1.	<p><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 here to download a copy of the Certification form.</p>	<p>1 <input checked="" type="checkbox"/></p> <p>2 <input type="checkbox"/></p>	<p>Yes, the Certification of Chief Executive has been submitted</p>

INSTITUT DES REVISEURS D'ENTREPRISES – LUXEMBOURG
SMO 3: Comparison with IAASB Pronouncements – benchmark September 30, 2005

As of September 30, 2005

No.	IAASB Pronouncements Issued and in Effect as of September 30, 2005	State if adopted and effective for national purposes.	State if additional national guidance to the pronouncements and its nature.	Comment Box for additional relevant information
	Code of Ethics	Adopted version preceding the June 2005 revised version - Effective.	There is additional national guidance to address Luxembourg legislation and regulation. Copy of the code of Ethics may be downloaded from the IRE website.	June 2005 version is currently being analyzed. It is planned to be adopted on June 2007 with an effective date of July 1, 2007 or January 1, 2008.
	Glossary of Terms	Adopted version October 2004 – Effective July 1, 2005.	Not applicable.	December 2005 version on the planning for June 2007.
ISQC 1	International Standards on Quality Control (ISQC) Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.	Adopted – Effective January 1, 2006.	Not applicable.	No additional comment.
	International Framework for Assurance Engagements	Adopted – Effective July 1, 2005.	Not applicable.	No additional comment.
ISA 200	Objective and General Principles Governing an Audit of Financial Statements	Adopted – Effective for periods beginning on or after December 15, 2004.	Not applicable.	No additional comment.
ISA 210	Terms of Audit Engagements	Adopted – Effective	There is additional national guidance to address Luxembourg engagement letter and general conditions. Copy of this material may be downloaded from the IRE website under ISA210.	No additional comment.

As of September 30, 2005

No.	IAASB Pronouncements Issued and in Effect as of September 30, 2005	State if adopted and effective for national purposes.	State if additional national guidance to the pronouncements and its nature.	Comment Box for additional relevant information
ISA 220 (Revised)	Quality Control for Audits of Historical Financial Information.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 230	Documentation	Adopted – Effective.	<p>There is additional national guidance to address Luxembourg interpretation of some paragraphs (“period of retention”, “storage of documents”, “minimum documentation to be maintained in Luxembourg (consolidation)”, “audit of Luxembourg companies performed from abroad”).</p> <p>Copy of this material may be downloaded from the IRE website under ISA230a.</p>	No additional comment.
ISA 240	The Auditor’s Responsibility to Consider Fraud in an Audit of Financial Statements.	Adopted – Effective.	<p>There is additional national guidance to address Luxembourg legal requirements with regards to money laundering and terrorism financing.</p> <p>Copy of this material may be downloaded from the IRE website under ISA240a.</p>	No additional comment.
ISA 250	Consideration of Laws and Regulations in an Audit of Fin. Stat.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 260	Communications of Audit Matters With Those Charged With Governance.	Adopted – Effective.	Not applicable.	No additional comment.

As of September 30, 2005

No.	IAASB Pronouncements Issued and in Effect as of September 30, 2005	State if adopted and effective for national purposes.	State if additional national guidance to the pronouncements and its nature.	Comment Box for additional relevant information
ISA 300	Planning an Audit of Fin. Stat.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 315	Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 320	Audit Materiality.	Adopted – Effective.	There is additional national guidance to address Luxembourg regulation materiality requirement with regards to investment funds statutory audits. Copy of this material may be downloaded from the IRE website under ISA320a.	No additional comment.
ISA 330	The Auditor's Procedures in Response to Assessed Risks.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 402	Audit Considerations Relating to Entities Using Service Organizations.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 500	Audit Evidence. Effective for audits of financial statements for periods beginning on or after Dec 15, 2004.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 501	Audit Evidence—Additional Considerations for Specific Items.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 505	External Confirmations.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 510	Initial Engagements—Opening Bal.	Adopted – Effective.	Not applicable.	No additional comment.

As of September 30, 2005

No.	IAASB Pronouncements Issued and in Effect as of September 30, 2005	State if adopted and effective for national purposes.	State if additional national guidance to the pronouncements and its nature.	Comment Box for additional relevant information
ISA 520	Analytical Procedures.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 530	Audit Sampling and Other Selective Testing Procedures.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 540	Audit of Accounting Estimates.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 545	Auditing Fair Value Measurements and Disclosures.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 550	Related Parties.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 560	Subsequent Events.	Adopted – Effective.	There is additional national guidance to address revised financial statements. Copy of this material may be downloaded from the IRE website under ISA560a.	No additional comment.
ISA 570	Going Concern. Effective for audits of financial statements for periods ending on or after Dec 31, 2000.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 580	Management Representations.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 600	Using the Work of Another Auditor.	Adopted – Effective.	There is additional national guidance to address Luxembourg legislation with regards to par 18. Copy of this material may be downloaded from the IRE website under ISA600a.	No additional comment.

As of September 30, 2005

No.	IAASB Pronouncements Issued and in Effect as of September 30, 2005	State if adopted and effective for national purposes.	State if additional national guidance to the pronouncements and its nature.	Comment Box for additional relevant information
ISA 610	Considering the Work of Internal Auditing.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 620	Using the Work of an Expert.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 700	The Auditor's Report on Financial Statements. Effective for audits of financial statements for periods ending on or after September 30, 2002.	Adopted – Effective.	There is additional national guidance to present standard reports in FR, DE and GB for specific industries. Copy of this material may be downloaded from the IRE website under ISA700.	ISA700 revised version is currently being analyzed. It is planned to be adopted on June 2007 with an effective date of July 1, 2007 or January 1, 2008.
ISA 710	Comparatives. Effective for reports issued or reissued on or after July 1, 1997.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 720	Other Information in Documents Containing Audited Financial Statements.	Adopted – Effective.	Not applicable.	No additional comment.
ISA 800	The Auditor's Report on Special Purpose Audit Engagements.	Adopted – Effective.	There is additional national guidance to address specific assurance engagements provided by Luxembourg legislation. Copy of this material may be downloaded from the IRE website under ISA800a.	No additional comment.

As of September 30, 2005

No.	IAASB Pronouncements Issued and in Effect as of September 30, 2005	State if adopted and effective for national purposes.	State if additional national guidance to the pronouncements and its nature.	Comment Box for additional relevant information
IAPS 1000	Inter-Bank Confirmation Procedures.	No adoption required.	Not applicable.	No additional comment.
IAPS 1004	The Relationship Between Bank Supervisors and Banks' External Auditors.	No adoption required.	Not applicable.	No additional comment.
IAPS 1005	The Special Considerations in the Audit of Small Entities.	No adoption required.	Not applicable.	No additional comment.
IAPS 1006	Audits of the Financial Statements of Banks.	No adoption required.	Not applicable.	No additional comment.
IAPS 1010	The Consideration of Environmental Matters in the Audit of Financial Statements.	No adoption required.	Not applicable.	No additional comment.
IAPS 1012	Auditing Derivative Financial Instruments.	No adoption required.	Not applicable.	No additional comment.
IAPS 1013	Electronic Commerce—Effect on the Audit of Financial Statements.	No adoption required.	Not applicable.	No additional comment.
IAPS 1014	Reporting by Auditors on Compliance With International Financial Reporting Standards. Approved in March 2003 for publication on June 1, 2003.	No adoption required.	Not applicable.	No additional comment.

As of September 30, 2005

No.	IAASB Pronouncements Issued and in Effect as of September 30, 2005	State if adopted and effective for national purposes.	State if additional national guidance to the pronouncements and its nature.	Comment Box for additional relevant information
ISRE 2400	Engagements to Review Financial Statements (Previously ISA 910).	Adopted – Effective.	There is additional national guidance to address a specific engagements provided by Luxembourg legislation. Copy of this material may be downloaded from the IRE website under ISRE2400a.	Conforming amendments (appendix 5) pending adoption of ISRS 2410.
ISAE 3000	Assurance Engagements Other Than Audits or Reviews of Historical Fin. Info. Effective for assurance reports dated on or after January 1, 2005.	Not adopted.	Not applicable.	ISAE 3000 requires changes in national regulations. This standard will be enacted into national standards once regulations have changed.
ISAE 3400	The Examination of Prospective Financial Information (Prev. ISA 810).	Adopted – Effective.	Not applicable.	No additional comment.
ISRS 4400	Engagements to Perform Agreed-upon Procedures Regarding Financial Information (Prev ISA 920).	Adopted – Effective.	There is additional national guidance to suggest a FR translation of the norm annexes 1 and 2. Copy of this material may be downloaded from the IRE website under ISRS4400a.	No additional comment.
ISRS 4410	Engagements to Compile Financial Information (Previously ISA 930).	Adopted – Effective.	There is additional national guidance to suggest a FR translation of the norm annexes 1 and 2. Copy of this material may be downloaded from the IRE website under ISRS4410a.	No additional comment.

Issued but Not in Effect as of September 30, 2005

	IAASB Pronouncements Issued and not in Effect as of September 30, 2005	State if adopted and effective for national purposes.	If not adopted, please explain whether this pronouncement has been included in the work program.	Comment Box for additional relevant information
ISA 230 Revised	Audit Documentation. Effective for audits of historical financial information for periods beginning on or after June 15, 2006.	Not adopted	ISA230 revised version is currently being analyzed. It is planned to be adopted on June 2007 with an effective date of July 1, 2007 or January 1, 2008.	No additional comment.
ISA 700 Revised	The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements. Effective for auditors' reports' dated on or after December 31, 2006.	Not adopted	ISA700 revised version is currently being analyzed. It is planned to be adopted on June 2007 with an effective date of July 1, 2007 or January 1, 2008.	No additional comment.
ISA 701	Modifications to the Independent Auditor's Report. Effective for auditors' reports' dated on or after December 31, 2006.	Not adopted	ISA701 is currently being analyzed. It is planned to be adopted on June 2007 with an effective date of July 1, 2007 or January 1, 2008.	No additional comment.
ISRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity. Effective for engagements to review the interim financial information of an audit client for periods beginning on or after December 15, 2006.	Not adopted	ISRS 2410 analyses/adoption has been postponed due to the current workload caused by the revised 8 th Directive.	No additional comment.
ISA 200 Amended	ISA 200 Amended as a Result of ISA 700 (Revised). Effective for Audits of Financial Statements for Periods Beginning On or After December 15, 2005.	Not adopted	See above comments regarding ISA 700 revised.	No additional comment.

Issued but Not in Effect as of September 30, 2005

	IAASB Pronouncements Issued and not in Effect as of September 30, 2005	State if adopted and effective for national purposes.	If not adopted, please explain whether this pronouncement has been included in the work program.	Comment Box for additional relevant information
ISA 210 Amended	ISA 210 Amended as a Result of ISA 700 (Revised). Effective for Audits of Financial Statements for Periods Beginning on or after December 15, 2005.	Not adopted	See above comments regarding ISA 700 revised.	No additional comment.
ISA 560 Amended	Conforming Amendments to ISA 560 as a Result of ISA 700 (Revised) - Effective for Auditor's Reports Dated On or After December 31, 2006.	Not adopted	See above comments regarding ISA 700 revised.	No additional comment.
ISA 800 Amended	Conforming Amendments to ISA 800 as a Result of ISA 700 (Revised)—Effective for Auditor's Reports Dated On or After December 31, 2006.	Not adopted	See above comments regarding ISA 700 revised.	No additional comment.

IAASB Pronouncements that Have Been Withdrawn as of September 30, 2005

	Withdrawn IAASB Pronouncements	Has your organization withdrawn this IAASB pronouncement or the similar / equivalent national standard or pronouncement addressing this subject matter? (Yes / No)	Comment Box for additional relevant information
IAPS 1001	IT Environments—Stand-alone Personal Computers – Withdrawn December 2004.	Not applicable as no adoption required,	Website is currently up-to-date with regards to IAPSSs.
IAPS 1002	IT Environments—On-line Computer Systems – Withdrawn December 2004.	Not applicable as no adoption required,	Website is currently up-to-date with regards to IAPSSs.
IAPS 1003	IT Environments—Database Systems – Withdrawn December 2004.	Not applicable as no adoption required,	Website is currently up-to-date with regards to IAPSSs.
IAPS 1007	Communications With Management—Withdrawn	Not applicable as no adoption required,	Website is currently up-to-date with regards to IAPSSs.
IAPS 1008	Risk Assessments and Internal Control—CIS Characteristics and Considerations – Withdrawn December 2004.	Not applicable as no adoption required,	Website is currently up-to-date with regards to IAPSSs.
IAPS 1009	Computer-assisted Audit Techniques – Withdrawn December 2004.	Not applicable as no adoption required,	Website is currently up-to-date with regards to IAPSSs.
IAPS 1011	Implications for Management and Auditors of the Year 2000 Issue—Withdrawn.	Not applicable as no adoption required,	Website is currently up-to-date with regards to IAPSSs.