

## **BACKGROUND NOTE ON ACTION PLANS**

Action Plans are developed by IFAC members and associates to address policy matters identified through their responses to the IFAC Compliance Self-Assessment Questionnaire. They form part of a continuous process within the IFAC Member Body Compliance Program to support the ongoing development and improvement of the accountancy profession around the world.

Action Plans are prepared by members and associates for their own use based on the national frameworks, priorities, processes and challenges specific to each jurisdiction. As such, they will vary in their objectives, content and level of detail, consistent with their differing national environments and stages of development, and will be subject to periodic review and update.

Refer to responses to the Part 1 Assessment of the Regulatory and Standard-Setting Framework Questionnaire and Part 2 SMO Self-Assessment Questionnaire provide background information on each member and associate their environment and existing processes. These responses may be viewed at: [http://www.ifac.org/ComplianceAssessment/published\\_surveys.php](http://www.ifac.org/ComplianceAssessment/published_surveys.php)

### **Use of Information**

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

## **ACTION PLAN**

<b>IFAC Member:</b>	Russian Collegium of Auditors (RCA)
<b>Original Publish Date:</b>	September 2008
<b>Last Updated:</b>	December 2012
<b>Next Update:</b>	December 2014

In June 2012 RCA established a Committee on Development. The Committee was created within RCA framework, and acts on behalf of RCA, particularly concerning the relations with RCA members, members of other professional societies and regulatory authorities on auditing, accounting, consulting activities.

The Committee is aimed to solve social, political, economic problems in the process of formation and development of the auditing profession. These are:

- To develop and implement measures to improve RCA quality and effectiveness;
- To prepare proposals to involve as new members specialists not only from audit, but also from other fields (accounting, tax, management, financial control, financial expertise, internal audit, financial analysts, consultants, etc.);
- To create new trends, promoting development and strengthening of the RCA; and
- To study the practices and experience of auditing and accounting communities, to develop objectives and plans for the development of new activities.

## **GLOSSARY**

<b>ACCA</b>	Association of Chartered Certified Accountants
<b>AICPA</b>	American Institute of Certified Public Accountants
<b>CAP</b>	Compliance Advisory Panel
<b>CGA</b>	Certified General Accountants
<b>CoAA MF</b>	Council on auditing activity under the Ministry of Finance of the Russian Federation
<b>CoE</b>	Code of Ethics
<b>CPD</b>	Continuing Professional Development
<b>DC</b>	Disciplinary Committee
<b>DipIFR</b>	Diploma in International Financial Reporting
<b>ECCAA</b>	Eurasian Council of Certified Accountants and Auditors
<b>I&amp;D</b>	Investigation and Discipline
<b>IAASB</b>	International Auditing & Assurance Standards Board
<b>IAESB</b>	International Accounting Education Standards Board
<b>IAS</b>	International Accounting Standards
<b>IASB</b>	International Accounting Standards Board
<b>IEPS</b>	International Education Practice Statements
<b>IES</b>	International Education Standards
<b>IESBA</b>	International Ethics Standards Board for Accountants
<b>IFA</b>	Institute of Financial Accountants
<b>IFAC</b>	International Federation of Accountants
<b>IFRS</b>	International Financial Reporting Standards
<b>IMA</b>	Institute of Management Accountants
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>ISA</b>	International Standards on Auditing
<b>ISQC</b>	International Standard on Quality Control

<b>ME&amp;S RF</b>	Ministry of education and science of Russian Federation
<b>MF RF</b>	Ministry of Finance of the Russian Federation
<b>MJ RF</b>	Ministry of Justice of the Russian Federation
<b>MoFCC</b>	Ministry of Finance Consultative Council
<b>NAS</b>	National Accounting Standards
<b>NSA</b>	National Standards on Audit
<b>QA</b>	Quality Assurance
<b>QARP</b>	Quality Assurance Review Program
<b>QC</b>	Quality Control
<b>RCA</b>	Russian Collegium of Auditors
<b>RF</b>	The Russian Federation
<b>SME</b>	Small and Medium Enterprises
<b>SMO</b>	Statements of Membership Obligations
<b>SRO</b>	Self-regulated organization

**Action Plan Subject:** SMO 1 and Quality Assurance (QA)  
**Action Plan Objective:** Ensuring Russian Collegium of Auditors (RCA) Quality Assurance Review System is in Line with SMO 1 Requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>The key provision of the new Law on Auditing Activity (‘Federal law No. 307-FZ of December 30, 2008), which promotes the principles of self-regulation of the profession with the enhancement of the public oversight, has become effective in the Russian Federation as of January 2010. In 2009, RCA conducted detailed analysis of changes in legislation on auditing activity and introduced add-ons and amendments into RCA’s Charter. In addition, RCA implemented re-registration of its Charter by the Ministry of Justice (MJ) RF. At the same time, RCA made further amendments to the RCA Quality Assurance (QA) internal documentation.</p> <p>The new Audit law requires mandatory membership of Russian auditors in one of the accredited Self-regulated organizations of Auditors (SROs), and registration by the Ministry of Finance (MF) of Russia. On December 23, 2009 RCA received accreditation with the Ministry of Finance of the Russian Federation (MF RF) and obtained the legal recognition of the Auditors SRO. For new RCA members, the RCA membership Committee developed entry regulations including the incoming QA procedures, developed in accordance with the SMO 1 requirements and new Russian legislation.</p> <p>According to the new legislation Quality Assurance (QA) is conducted jointly by the auditors SROs and MF RF, Quality Control (QC) – by the members of the SROs.</p> <p>RCA has been developing a mandatory quality assurance (QA) review program for its members in line with the CNCC QA program and Russian Law. The RCA has set up a Committee on Audit Methodology and Quality Control, which conducts quality control reviews based on the RCA’s Guidance for Quality Control (April 2007). The guidance was developed based on the recommendations of the Russian Audit Council. RCA’s QA methodology was approved by RCA Central Council. RCA conducts supervision over compliance with QA statutory requirements. The Quality Control (QC) Committee acts in all territorial branches of RCA through supervision and analysis of comptrollers’ findings. During 2010 RCA worked on developing a system of quality assurance in the new status of self-regulatory organization of auditors. The Quality Control Committee updated and supplemented internal documents on the organization of quality assurance, including methodological issues of quality assurance reviews that were published on the official site of RCA. New internal regulations have been developed and prepared for approval by the Central Council of RCA.</p> <p>In 2011 the Quality Control Committee continues to improve and update earlier adopted rules of the organization and implementation of quality assurance of its members in accordance with changes in the legislation of Russian Federation, federal auditing standards.</p> <p>RCA Quality Assurance system has been restructured. In 2010, the Quality Control Committee has been partially updated and expanded to include 11 members. RCA created an executive body under the Quality Control Committee to ensure that the work of the Quality Control Committee is organizing and executing quality assurance reviews of RCA members, the subsequent control and monitoring of corrective actions. In 2011, an institute of principal authorized experts in each territorial district has been created, where the number of authorized experts increased (73 people on December 31, 2010).</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>In 2010, 796 quality assurance reviews of RCA members (audit firms, individual auditors, auditors) were carried out in different territorial regions.</p> <p>According to the new Law on Auditing, the SROs will have more specific and defined roles in the QA for its members, but the details are still to be worked out when the restructured Audit Council is in place, and procedures of its interaction with Minfin and SROs are clarified. RCA participates in the discussion leading to elaboration of the common methodology on QA to be used by other Russian SROs.</p> <p>Currently:</p> <p>During 2011 RCA continued to work towards the development of external quality control effective system. Quality Control Committee constantly updates previously approved internal documents on the organization of external quality control, including methodological issues in conducting external audit, which are published on the RCA official website. Committee developed and approved Regulations on authorized experts, a new program for the quality control, adjusted working documents of external quality control authorized experts, training program of authorized experts. Preparations were made for the certification of authorized experts.</p> <p>In 2012, the Committee will continue to improve and update previously adopted rules of the organization and implementation of external quality control of its members in accordance with changes in the legislation of the Russian Federation, federal auditing standards. In 2012, the Regulation on the monitoring of external quality control of the RCA members was prepared and approved. Committee participated in work within the Audit Council on developing estimates the Order of SRO activities for the implementation of external quality control in accordance with international standards. This draft was highly appreciated by the Ministry of Finance of the Russian Federation and sent for approval to the Audit Council.</p> <p>In 2011, 919 quality assurance reviews of RCA members (audit firms, individual auditors, accountants) were carried out in different geographical territorial regions.</p>					
<i>Bringing RCA QA System in Line with SMO 1 Requirements</i>					
1.	August 2009	Implement the SMO 1 related revisions into RCA QA practice.	Ongoing	RCA QC Committee Chairman	RCA QC Committee members (11), Technical Manager of RCA Executive Directory
2.	December 2008	Analyze changes in Russian legislation on audit activity concerning QA procedures.  Incorporation of corresponding amendments into the RCA QC internal documentation. RCA Central Council approval of QC internal documents. Publication on RCA website.	2011 Completed  Ongoing	RCA QC Committee Chairman	RCA Central Council members (25), RCA QC Committee members (11), Technical Manager of RCA Executive Directory

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
3.	December 2008	Analyze and actualize RCA internal documents on quality control in order to modify them in accordance with international standards on quality control and international standards on auditing.  Submit these documents for approval by RCA Central Council.	2011 Completed  Ongoing	RCA QC Committee Chairman	RCA QC Committee members (11), Department for ensuring the work of the Quality Control Committee
4.	January 2009	Contact other Russian SROs to compare requirements, concerning QA matters and the compliance with the international requirements in order to elaborate a common approach to QA among Russian Auditors' SROs.	Ongoing	RCA Central Council	RCA Central Council members (25), RCA QC Committee (11)
5.	2011	Continue to develop the new RCA member's entry regulations including the incoming QA procedure for the applicants taking into consideration incoming QA procedures approved in 2011.	Ongoing	RCA QC Committee Chairman  RCA Membership Committee Chairman	RCA Executive management board RCA QC Committee members(8), RCA Membership Committee members, Technical Manager of RCA Executive Directory
6.	September 2009	Publish annual report summarizing the results of the QA review publish on the RCA's web site.	Ongoing	RCA QC Committee Chairman	RCA QC Committee members (11), Technical Manager of RCA Executive Directory
7.	November 2010	Develop and implement an institution of authorized experts, chief authorized experts in territorial districts of RCA. Develop the internal Statute on authorized experts, approve it by RCA Central Council and published on the RCA website.	2011 Completed	RCA QC Committee Chairman	RCA QC Committee members (11), Legal Committee, Department for ensuring the work of the Quality Control Committee
8.	November 2010	Develop and apply changes in the organization of the RCA QA system, including multi-stage control over QA in the territorial districts: monitoring of review executed by authorized experts is realized by the chief authorized expert of the territorial district as well as Department staff; following control of results of reviews; approval of review results by the Quality Control Committee.	2011 Completed	RCA QC Committee Chairman	RCA QC Committee members (11), Legal Committee, Department for ensuring the work of the Quality Control Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
9.	November 2010	Develop and approve a set of working papers of authorized experts on QA including a new form of Report on the results of QA review.	2011 Completed	RCA QC Committee Chairman	RCA QC Committee members (11), Department for ensuring the work of the Quality Control Committee
10.	December 2010	Develop and implement procedures on monitoring of corrective actions of audit firms, in which the results of QA review revealed violations of the law and standards on auditing.	2011 Completed	RCA QC Committee Chairman	RCA QC Committee members (11), Department for ensuring the work of the Quality Control Committee
11.	September 2010	Publish the results of realized reviews on RCA website. <a href="http://www.rkanp.ru/sites/default/files/storage/120807godovoy_otchet_o_sostoyanii_vkkr_za_2011_0.pdf">http://www.rkanp.ru/sites/default/files/storage/120807godovoy_otchet_o_sostoyanii_vkkr_za_2011_0.pdf</a>	Ongoing	RCA QC Committee Chairman  Legal Committee Chairman	RCA Central Council members (25), RCA QC Committee members (11), Legal Committee, Department for ensuring the work of the Quality Control Committee
<i>Adoption and Implementation of Clarified International Standard on Quality Control (ISQC)</i>					
12.	May 2007	Describe in details the process of quality reviews carried out to date. Reflect this information on the RCA web site <a href="http://www.Rkanp.Ru">www.Rkanp.Ru</a> by posting to the site the set of proper documents concerning obligatory QC reviews. Actualization and promo activity on ISQC 1 and on other audit matters.	Ongoing	RCA QC Committee Chairman	RCA QC Committee members (11), Technical Manager of RCA Executive Directory
13.	March 2010	Prepare a comparative paper on Russian Federal standard on auditing № 34 and ICQC1 Clarity. Facilitate the process of making the necessary changes in the standard.	Ongoing	RCA QC Committee Chairman	RCA Central Council members (25), RCA QC Committee members (11), Department for ensuring the work of the Quality Control Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
	April 2010	Develop a plan for implementing ISQC Clarity requirements in RCA and to make a timetable for the adoption of these requirements by RCA members within the RCA Quality Assurance System.	2011 Completed	RCA QC Committee Chairman	RCA Central Council members (25), RCA QC Committee members (11), Department for ensuring the work of the Quality Control Committee
14.	December 2010	Implement ISQC Clarity requirements in the practice of QA, to work on risk management in the planning of reviews and on inclusion in the list of subjects of obligatory external quality control: - At the level of certain types of engagements - audits performed by RCA members of public-important enterprises and enterprises whose securities are traded on the Stock Exchange (SMO 1); and - Related services in a part of the duties of audit firms to ensure compliance with the requirements of Russian legislation.	Ongoing	RCA QC Committee Chairman	RCA Central Council members (25), RCA QC Committee members (11), Department for ensuring the work of the Quality Control Committee
15.	July 2010	Organize the study process of new QA requirements for RCA firm members through the RCA Training Centre by: -Raising the level of authorized experts' skill; -Obtaining and publishing on RCA website Russian translation of ISQC1 Clarity; -Obtaining and publishing on RCA website Russian translation of the Guide to Quality Control for Small- and Medium-sized Practices; and -Incorporating them into RCA training programs.	Ongoing	RCA QC Committee Chairman  RCA Education Committee Chairman	RCA Central Council members (25), RCA Education Committee members (8)
<i>Implementation of ISQC 1</i>					
16.	March 2010	Compare requirements of the Russian Federal Audit Standard #34 "QC for Firms that perform Audits" with the requirements of the Clarity ISQC1 and use its best endeavors to encourage the Russian standard setters to make appropriate changes into the Russian standard.	Ongoing	RCA QC Committee Chairman	RCA Central Council members (25), RCA QC Committee members (11), Technical Manager of RCA Executive Directory
17.	April 2010	Develop a plan for implementing ISQC Clarity requirements in RCA and to make a timetable for the adoption of these requirements by RCA members within the RCA Quality	Ongoing	RCA QC Committee Chairman	RCA Central Council members (25), RCA QC Committee



#	Start Date	Actions	Completion Date	Responsibility	Resource
		Assurance System.			members (11), Technical Manager of RCA Executive Directory
18.	January 2010	Organize study process of the Clarity ISQC 1 for RCA firm members and QC commissions through RCA Training Centre and its representative centers in regions.	Ongoing	RCA Education Committee Chairman	RCA Central Council members (25), RCA Education Committee members (8)
19.	July 2009	Organize study process of new QA requirements for RCA firm members through RCA Training Centre. Raising the level of authorized experts' skill. -Obtain and publish on RCA website Russian translation of ISQC1 Clarity. -Obtain and publish on RCA website Russian translation of the Guide to Quality Control for Small- and Medium-sized Practices. -Include these materials into RCA training program.		RCA QC Committee Chairman RCA Education Committee Chairman	RCA Central Council members (25), RCA Education Committee members (8)
20.	March 2008	Analyze and actualize the following documents on quality control in order to modify them in accordance with modifications of current legislation and federal standards on auditing: a. Statute on Quality Control Committee; b. Statute on Department for ensuring the work of the Quality Control Committee; c. Rules of organization and realization of quality assurance and compliance of RCA members with professional ethics; and d. Set of working documents on quality assurance. Approve amendments by RCA Central Council and publish updated documents on the web site of RCA.	Ongoing	RCA QC Committee Chairman	RCA QC Committee members (11), RCA Legal Committee members (9)
21.	June 2008	Develop the frameworks of RCA documentation by regulating the financial base of QC Committee activity: -Statute on QC Committee financing fund -Statute on QC Committee activity -Statute on QC Committee rules of order	December 2008 Completed  Ongoing	RCA QC Committee Chairman  RCA Finance Committee Chairman	RCA QC Committee members (8), RCA Finance Committee members (7)
22.	Ongoing	Perform all QC reviews of RCA members according to RCA regulation in full and in time.	Ongoing	RCA QC Committee Chairman	RCA QC Committee members (11)

**Action Plan Subject:** SMO 2 and International Education Standards (IES)  
**Action Plan Objective:** Further Development of RCA Educational System in Line with the SMO 2 Requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>The Ministry of Finance of Russia and Ministry of Education are responsible for devising the content of accounting education programs. The certification examinations for the auditors, recently revised by the Ministry of Finance introduced very stringent entry requirements, which resulted in the dropping down of the passing rate to 40% of all candidates. The syllabus was also updated in line with the International Education Standard (IESs) requirements.</p> <p>The education requirements for accountants and auditors are the same throughout the country. The education program and final examination are delivered by Russian education institutions.</p> <p>Through the network of the Audit Council, the leading accounting education providers are trying to keep abreast of the accounting news and pronouncements, issued by the international standard setters, but there are still some gaps and inconsistencies, which will be addressed.</p> <p>The RCA established its own Centre for Professional Education in 1997 and has managed to build over the years an extensive regional network which consists of 20 regional education centers all over Russia. It provides the Program for Continuous Professional Development (CPD) (min. 40 hours per annum). In addition, the RCA's Training Center conducts trainings with the specialization in International Financial Reporting Standards (IFRSs) programs: Institute of Financial Accountants (IFA), the Compliance Advisory Panel (CAP)/CIPA, Association of Chartered Certified Accountants (ACCA) / Diploma in International Financial Reporting (DipIFR), IPFM. Currently, the RCA Training Center conducts negotiations with IFA Great Britain concerning possibility of offering the International Certification of Auditors to Russian auditors.</p> <p>The order of certification of auditors is regulated by Federal Law 307 on Auditing activities of December 30, 2008 and state regulator the Ministry of Finance. In 2010, all SROs established the Unified Attestation Commission which is responsible for examinations for applicants wishing to become certified auditors. Until 2013, all certified auditors have to participate in mandatory recertification by exams in a simplified manner. According to preliminary forecasts and market research, executed by SROs, the number of auditors will be reduced by 50-60%.</p> <p>In 2010, RCA developed a network of 23 accredited training centers for the training on programs of raising the qualification in accordance with International Education Standard 7 "Continuing Professional Development" and the requirements of Federal Law 307. Also about 20 training centers are working in regions on association agreement with the RCA training center.</p> <p>In 2010, training centers working with RCA will be doing the training program of professional development for certified auditors, as well as preparing for exams in a simplified manner.</p> <p>In view of the coming reduction of the auditors until 2013, RCA is going to start developing its own programs of certification of professional accountants in accordance with IESs. In the certification program of RCA special importance will be placed on training professional accountants starting with the preparatory course "Introduction into book-keeping", as well as on offsets and recognizing of training programs for professional accountants of other organizations, members of IFAC are among the training courses offered.</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of RCA's Supported Training Programs in Light of SMO 2 Requirements</i>					
23.	March 2008	Consider the professional training programs for auditors with IFRS units, including ACCA, American Institute of Certified Public Accountants (AICPA), Institute of Management Accountants (IMA), Certified General Accountants (CGA) certificates programs.	December 2008 Completed	RCA Education Committee Chairman	RCA Education Committee members (8)
24.	December 2008	Advocate to the Eurasian Council for Certified Accountants and Auditors (ECCAA) that the CAP/CIPA program be reviewed. Expand or update the program to meet education and certification needs of professional accountants offering services to the public or serving as auditors Revise the study guidance in the following disciplines: "Financial Accounting - 1" and "Management Accounting - 1".	June 2009 Completed	RCA Central Council	RCA Central Council members (28)
25.	July 2009	Continue to discuss with the ECCAA and all relevant stakeholders the changes to be implemented to CAP/CIPA program to make consistent with the SMO 2 requirements.	2011 Ongoing	RCA Central Council	RCA Central Council members (25)
26.	January 2007	Review RCA professional education program in accordance with all IES requirements.	December 2008 Completed	RCA Education Committee Chairman	RCA Education Committee members (8), RCA Training Centre experts
27.	September 2008	Include in RCA professional accountancy program specific professional knowledge, skills, values, ethics, and attitudes of the auditors from IES 8, Competence Requirements for Audit Professionals.	March 2009 Completed	RCA Education Committee Chairman	RCA Education Committee members (8), RCA Training Centre experts
28.	March 2008	Develop the RCA Training Centre Action Plan for the period until 2009 in the context of all IES requirements.	September 2008 Completed	RCA Education Committee Chairman	RCA Education Committee members (8)
29.	October 2008	Implement the new CPD programs (including IFRS programs) into the study process of RCA Training Centre in order to react immediately on the current situation and the changes in legislation.	October 2009 Completed	RCA Education Committee Chairman	RCA Education Committee members (8), RCA Training Centre experts
30.	March 2008	Create the concept of RCA Training Centers' network on the territory of Russian Federation.  Hold a meeting concerning this matter with the heads of RCA affiliated training centers in RF regions.	October 2008 Completed	RCA Education Committee Chairman	RCA Central Council members (11), RCA Education Committee members (8)

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
31.	June 2007	Accept thematic plans and the order of studies to train RCA Quality controllers.	December 2007 Completed	RCA Education Committee Chairman	RCA Education Committee members (8), RCA QC Committee members (8)
32.	June 2007	Develop and implement through RCA affiliated training centers in RF regions the Mock tools Program concerning CPD for RCA members performing in the field of statutory audit and audits of stock exchanges, funds and investments organizations.	2010 Completed	RCA Education Committee Chairman	
33.	November 2008	Negotiate with international RCA partners about the possibility of cooperative studying and implementation of international professional certification programs.	2010 Ongoing	RCA Central Council	RCA Central Council members (11)
34.	May 2008	Consider subjects of RCA seminars and training programs engaging the RCA experts to hold seminars and trainings on relevant professional topics. Hold corporate trainings for the large companies.	December 2008 Completed	RCA Education Committee Chairman	RCA Education Committee members (8), RCA Training Centre experts
35.	September 2009	Upgrade existing educational programs on ISQC1 and Clarity International Standards on Auditing (ISAs) in accordance with latest amendments.	2011 Completed	RCA Education Committee Chairman	RCA Education Committee members (8), RCA Training Centre experts
36.	September 2009	Promote ongoing convergence with IESs in order to make proposals to the standard-setter on modernization of existing Russian Education Standards (Rules).	2011 Ongoing	RCA Education Committee Chairman	RCA Education Committee members (8), RCA Training Centre experts
37.	December 2010	Create a program of certification of RCA professional accountants in accordance with International Standards of Education, including requirements for applicants, program content, skills, professional values, ethics and attitudes, assessment of professional skills and competence.	2011 Ongoing	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts, attracted methodologists on accounting and taxation
38.	December 2010	Create a system for recognizing and offsetting certification programs for professional accountants of other associations, members of IFAC.	2011 Completed	RCA Education Committee Chairman	RCA Central Council members (25)

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
39.	March 2011	Create a single list of training programs for certified auditors and professional accountants, as well as a separate list of training programs for certified auditors and professional accountants in accordance with IES 7.	2011 Completed	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts
40.	March 2011	Implement a training program for non-financial specialists.	2011 Completed	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts
41.	September 2012	Create training programs on internal auditing, financial management for auditors who are going to finish their audit activity, but continue their career in finance, internal control and other related fields.	2012	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts
42.	October 2012	Create a certification program on internal auditing and financial management.	2013	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts
43.	November 2012	Organize a program to monitor the quality of training centers accredited to RCA.	2012	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts
44.	December 2012	Implement a methodology for test knowledge of applicants for RCA certificate in accordance with International Standards of Education. When checking the knowledge of applicants to provide basic principles: independence, objectivity and comprehensiveness.	2013	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts
45.	October 2012	Organize a system of short-term familiarization courses and seminars on auditing, accounting, law, finance for all the interested students - non-members of RCA.	2013	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts
46.	December 2012	Organize a motivational system (discount system) for RCA members in the direction of advanced training in accordance with the principle of Life learning Study.	2013	RCA Education Committee Chairman	RCA Central Council members (25), RCA Training Centre experts
<i>Ensuring Compliance with IES 5 Requirement Addressing Length of Practical Experience</i>					
47.	September 2008	Review practical experience requirements for RCA entrants and bring them into the line with IES 5 and Russian regulation.	December 2008 Completed	Executive Director	RCA Central Council members (28), RCA Executive Directorate (5)
48.	September 2009	Organize the work concerning practical experience classification tools and work on practical experience quality control.	2010 Completed	RCA QC Committee Chairman	RCA Central Council members (28), RCA QC Committee members (8)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Monitoring of Practical Experience</i>					
49.	September 2009	Review the mechanisms of monitoring of RCA members' practical experience in order to ensure compliance with IES 5 requirements.	2010 Completed	RCA Education Committee Chairman	RCA Central Council members (28), RCA Education Committee members (8)
50.	September 2008	Organize cooperation with other IFAC members who already have mechanism of ensuring Compliance with IES 5 requirement addressing length of practical experience as well as a monitoring mechanism.	2011 Completed	RCA Education Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8), RCA Executive Directorate (5)
51.	September 2009	Put into RCA practice the advanced compliance and monitoring tools of practical experience.	2011 Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
<i>Maintaining Ongoing Processes</i>					
52.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of International Education Standards. This includes review of the existing activities and updating the Action Plan for future activities where necessary.	Ongoing	RCA Education Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8), RCA Education Committee members (8)
<i>Review of RCA's Compliance Information</i>					
53.	Ongoing	Perform periodic review of RCA response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 2 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Last update September 2009 Ongoing	RCA Education Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8), RCA Education Committee members (8), Technical Manager of RCA Executive Directory

**Action Plan Subject:** SMO 3 and International Auditing Standards (IAS)  
**Action Plan Objective:** Further Improve and Maintain Processes for Ongoing Compliance with the International Auditing and Assurances Standards Board (IAASB) Pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>According to the “old” Audit Law the auditing standard-setting body in Russia is the Ministry of Finance (MinFin). The process for standard setting and approving the standards as legally binding pronouncements with all relevant Ministries and stakeholders was rather lengthy, and as a result, didn’t provide for ongoing convergence with the ISAs. The “old” Russian Federal Law on the Audit Activities required auditors to comply with the Russian Standards on Auditing. The standards contained basic principles and essential procedures of IAASB pronouncements, issued in the period 2000-2005. Currently, there are 34 RSAs adopted in Russia, with the latest admission of the ISQC1 (Pre-Clarity version).</p> <p>The latest completed available translation of ISAs was done in 2005. In the past the RCA had undertaken one of the first translations of the ISAs into Russian.</p> <p>The RCA supports the implementation of the standards by providing CPD courses and uses its QA review system to monitor compliance with NSAs and IAASB pronouncements. RCA, through its participation in the Russia’s Audit Council, has possibility to discuss and propose changes to the draft Russian Auditing Standards. RCA’s training center provides training on ISAs through the program enacted by MF RF named “NEW ISA” (2009). RCA also reported that it has undertaken documentation and disclosure of differences between Russian auditing standards and ISAs based on SMO 3 and that the Comparison Report was compiled based on the findings.</p> <p>According to the new Audit Law, the new national auditing standards are to be developed in accordance with international auditing standards. The SROs will be responsible for development of the draft standards to be approved by the Audit’s Council and MinFin. But the specific mechanism of the standard setting is yet to be elaborated. Therefore, RCA expects in 2010 to be involved in many of the activities, envisioned to set procedures for future audit standard setting activities in Russia.</p> <p>In addition, SROs have a right to set add-ons to the official Russian Federal Audit Standards which do not contradict Russian Federal Audit Standards.</p> <p>In January 2011 Russian Collegium of auditors created Small and Medium Practices Professional Committee. The Committee was created in the framework of RCA and all actions of the Committee and its members, particularly in the external manifestations are related to the strategy and political line of RCA concerning relations with RCA members, members of other professional associations and auditing, accounting, consulting regulatory authorities. The Committee is assigned to solve significant social, political, and economic problems in the process of formation and development of small and medium-sized practices in our country. The important role in this process belongs to RCA, auditors, consultants, accountants and other experienced professionals able to solve problems of complex nature defining role of finance professionals in the development of Small and Medium Enterprises (SMEs).</p> <p>In accordance with the previous law on auditing Ministry of Finance was the standard-setting body. The process of setting any new standards and approval in relevant ministries and departments was sufficiently long and, therefore, could not ensure the continuity of convergence with International</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Standards. This law obliged the auditors to act in accordance with the Russian auditing standards. These standards contain the basic principles of the documents of the Committee for the IFAC International Auditing Standards, issued during the period from 2000 to 2005. Currently in Russia there are 34 Standards of auditing. The final standard was adopted on the basis of the standard ICQC1 (previous to the Clarity draft version).</p> <p>RCA supports the implementation of International Standards on Auditing through the training program and monitors the compliance of external QA procedures according to documents of the IAASB and Russian standards of audit. RCA participating in the Auditing Council in the Ministry of Finance of the Russian Federation takes part in the discussions and offer amendments to the Russian standards draft. RCA has prepared the comparison of differences in the Russian auditing standards and ISAs, based on scientific research (taking into account SMO3 requirements).</p> <p>According to the new Law on auditing the new national standards will be developed on the basis of ISAs. SRO will also be responsible for developing drafts of standards, which should be approved by the Auditing Council in the Ministry of Finance of the Russian Federation and the Ministry of Finance. But the new mechanism has not been set yet. SROs can also set their own standards, if they don't contradict federal standards.</p> <p>Currently: RCA has completed the agreed translation of ISAs and (ISQC) 1, published in the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements - 2010 Edition, Part 1 (April 2010) into Russian. Translation was fulfilled in terms and in accordance with the requirements of the AGREEMENT on the translation and publication of the English language works of IFAC dated as of June 15, 2011, and the Policy for Translating and Reproducing Standards Issued by the International Federation of Accountants – December 2008. The translation was made with the help of TRADOS system.</p> <p>As agreed with IFAC, RCA conducted multistage discussion and approval of ISAs translation into Russian language with the leading experts in the field of standards implementation in Russia and CIS countries. Experts from the "Big Four" of the CIS countries and experts from the large Russian audit firms, international audit team and Review Committee took part in this process.</p> <p>Their suggestions, comments and amendments were taken into consideration by the Working Group while preparing the text of the ISAs translation into Russian for publication.</p> <p>This ISAs translation will allow the Russian audit community to participate actively in the development and discussion of new projects of ISAs proposed by IAASB.</p> <p>The translated Handbook will be published by the end of 2012. With the permission of IFAC the publication will be presented in Russian/English synoptic way.</p> <p>On June 18, 2012 Ministry of Finance published on its website a draft of Federal law of December 30, 2008 № 307-FZ on making amendments in the Federal Law On audit activity (regarding implementation of international auditing standards), made by the Government of the Russian Federation, according to which audit activities in the Russian Federation will be conducted in accordance with ISAs, which will be mandatory for audit firms, auditors, self-regulating organizations of auditors and their employees, as well as the auditing standards of self-regulating organizations of auditors. The international auditing standards issued by IFAC would be implemented in the territory of the Russian Federation in order fixed by the Government of the Russian Federation.</p>					



#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Promoting Ongoing Convergence with the IAASB's Pronouncements</i>					
54.	2005	Continue ongoing review, training and implementation of Auditing Standards, prepared by the Ministry of Finance.	Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
55.	2005	Promote update of the Russian Auditing Standards according to the changes and new requirements of International Standards.	Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
56.	June 2008	Organize development of education and training activities in the field of International auditing standards. Include into the system of RCA trainings the studies on the implementation of IAASB Pronouncements. Promote the public's awareness about the IAASB Pronouncements.	Ongoing	RCA Audit Practice Committee Chairman RCA Education Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8), RCA Education Committee members (8)
57.	September 2008	Coordinate with the other professional self-regulated organizations exchange of methodological materials concerning implementation of International Standards.	January 2009 Completed	RCA Audit Practice Committee Chairman	RCA Central Council members (28), RCA Audit Practice Committee members (8)
58.	September 2008	Organize the study of IAASB's timetable and issued IAASB's pronouncements in order to get ready to do modifications required for the local environment.	Ongoing	RCA Education Committee Chairman	RCA Central Council members (25), RCA Education Committee members (8)
<i>Initiate Russian Translation of the 2010 Clarity ISAs, Involving Wide Discussion Among Russian SROs and Interested Stakeholders</i>					
59.	2011	Request IFAC's permission to translate 2010 Clarity ISAs based on the IFAC's permissions policy and other relevant requirements.	2011 Completed	Central Council Chairman, Standard Committee Chairman	RCA Central Council members, Standard Committee members
60.	2011	Signing the AGREEMENT on the translation and publication of the English language works of IFAC dated as of June 15, 2011 - ISAs and (ISQC) 1, published in the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements - 2010 Edition, Part 1 (April 2010).	2011 Completed	Central Council Chairman, Standard Committee Chairman	RCA Central Council members, Standard Committee members

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
61.	2011	Organize the process of translation in terms of the AGREEMENT of June 15, 2011. Organize Working group and Review Committee: experienced specialists and audit experts from Russia and CIS countries for discussing and approval of translation.	2012 Completed	Standard Committee Chairman	RCA Central Council members, Standard Committee members
62.	2011	Organize multistage discussion and approval of translated standards by the experts of the Review Committee. Use TRADOS software in the process of translation.	2012 Completed	Central Council Chairman, Standard Committee Chairman	RCA Central Council members, Standard Committee members
63.	2011	Organize roundtables and conferences informing audit community of Russia on the project of ISAs translation.	2013 Ongoing	Central Council Chairman, Standard Committee Chairman	RCA Central Council members, Standard Committee members
64.	2011	Interaction with IFAC: Monthly videoconferences with Kelly Anerud (Deputy Director, Translations and Permissions) and Daria Koukhar (Technical Manager, Member Body Development) with reports on the translation process. Monthly written reports on the process of the translation according the AGREEMENT. IFAC supervision and control over the process.	2012	Central Council Chairman, Standard Committee Chairman	RCA Central Council members, Standard Committee members
65.	2012	Publication and distribution of the translated Handbook in Russia and CIS.	2012 - 2013	Standard Committee Chairman	RCA Central Council members, Standard Committee members,
66.	2011	Provide sustained timely process of translation into Russian ISAs, issued by IAASB.	2012 - 2013	Standard Committee Chairman	RCA Central Council members, Standard Committee members
67.	2012	Request IFAC's permission to translate 2012 Clarity ISAs (Parts I and II) based on the IFAC's permissions policy and other relevant requirements.	2012	Central Council Chairman, Standard Committee Chairman	RCA Central Council members, Standard Committee members
68.	2012	Organize professional trainings and seminars on ISAs, published by IAASB.	2012-2013	Standard Committee Chairman, Education Committee Chairman	RCA Central Council members, Standard Committee members,
69.	2012	Participate in development and discussion of new ISAs issued by IAASB.	Ongoing	Central Council Chairman, Standard	RCA Central Council members, Standard Committee members

#	Start Date	Actions	Completion Date	Responsibility	Resource
				Committee Chairman	
<i>Activities Aimed at Supporting SMPs, RCA Members</i>					
70.	April 2011	Establishment of communication platforms and conditions (conferences, forums, Internet communication) to identify, summarize and disseminate best practices and knowledge generated by the activities of SMPs for SMEs.	2011 Ongoing	SMP Committee Chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
71.	June 2011	The study of relevant materials and documents of IFAC and development of recommendations for Russian SMPs on application guides.  In 2011:  Practice Management for SMB; and Quality control and International Standards on Auditing (IAS).	Ongoing  September 2011 December 2011	SMP Committee chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
72.	April 2011	Direct work with the structures of IFAC and other standard setters in order to ensure that they are informed about issues affecting SMP Practices and take them in consideration.	Ongoing	RCA Central Council, SMP Committee Chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
73.	June 2011	Establishing and maintenance business contacts with the SMP Committee of IFAC.	2011 Ongoing	RCA Central Council, SMP Committee chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
74.	2011	Joint meeting with the representatives of SMP Committee of IFAC on participation of SMP Practices in the development of SMP.	2011	RCA Central Council, SMP Committee chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
75.	August 2011	Promote the Russian translation of current international documents for small and medium-sized practices and publish them on the web-site RSA (at least one paper per year).	December 2011	RCA Central Council, SMP Committee Chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
76.	March 2011	Participate in international meetings and conferences on small and medium-sized practices.	2011 Ongoing	SMP Committee Chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
77.	November 2011	Organize internet conferences on topical issues in the development of SMEs.	November 2011	SMP Committee Chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
78.	December 2011	Establish a seminar on "The activities of SMP Practices in the development of SMP".	December 2011	RCA Central Council, SMP Committee Chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
79.	December 2011	Finalize Action Plan 2012 by the SMP Committee.	December 2011	RCA Central Council, SMP Committee Chairman, Territorial SMP Committees Chairmen	RCA Central Council members (25), SMP Committee members (11)
<i>Maintaining Ongoing Processes</i>					
80.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of IAASB pronouncements. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.	Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Education Committee members (8), RCA Audit Practice Committee members (8)
<i>Review of RCA's Compliance Information</i>					
81.	Ongoing	Perform periodic review of RCA response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 3 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Last update September 2009 Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Education Committee members, RCA Audit Practice Committee members, Technical Manager , RCA Executive Directory

**Action Plan Subject:** SMO 4 and International Ethics Standards Board for Accountants (IESBA) Code of Ethics  
**Action Plan Objective:** Further Improve and Maintain Processes for Ongoing Compliance with the International Ethics Standards Board of Accountants (IESBA) Code of Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>RCA was the initiator for development of Code of Ethics (CoE) in the Russian Federation. Through the chairmanship of the Ethics Committee in the Audit Council, the RCA's President coordinated development of the Russian Code of Ethics, which was later approved for implementation by all Russian audit firms. At the moment and in accordance with the recommendations of the IESBA Code of Ethics for all professional organizations of auditors is ratified by the Council on auditing activity (CoAA) under MF RF and passed by RCA.</p> <p>RCA Training Center educational program provides education on CoE through the program enacted by MF RF named "Professional Ethics". The paragraph 4 of Statements of membership obligations that member bodies should not apply less stringent standards than those stated in the Code IESBA Code of Ethics can't be executed in Russia in full measure for the following reasons:</p> <p>In accordance with item 7 of Art. 1 of Federal Law N 307-FZ audit firms and individual auditors, along with audit services may provide services named in items 1 - 10 of paragraph 7 of Article 1of the Law, as well as other services, on terms that these other services are related to audit and don't involve a conflict of interest or constitute a threat of such a conflict (item 3, Article 8 of the Law).</p> <p>The list of services includes:</p> <ul style="list-style-type: none"> <li>- Organization, restoration and maintenance of accounting, preparation of accounting (financial) reporting, consulting;</li> <li>- Tax consulting, organization, restoration and maintenance of tax accounting, preparation of tax calculations and declarations;</li> <li>- Analysis of financial and business organizations and individual entrepreneurs, economic and financial consulting;</li> <li>- Management consulting, including associated with the reorganization of organizations or their privatization;</li> <li>- Legal assistance in areas related to audit, including legal advices, representation of client in civil and administrative proceedings, tax and customs law relations, public and local authorities;</li> <li>- Automation of accounting and the introduction of information technology;</li> <li>- Assessment activities;</li> <li>- Development and analysis of investment projects, preparation of business plans;</li> <li>- Conducting research and experimental work in areas related to audit, dissemination of results, including both print and electronic media; and</li> <li>- Training in areas related to auditing.</li> </ul> <p>Currently:</p> <p>Translation of Code of Ethics (IESBA) as amended in 2010 into Russian was done by Siberian Academy of Banking and Finance in April 2011 with the RCA support in accordance with the Policy for Reproducing, or Translating and Reproducing, Publications Issued by the International Federation of Accountants. Code of Ethics was published in May, 2011.</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Proposals to amend the current version of the Code of Ethics of Auditors of Russia, concerning Clarified IESBA Code of Ethics as amended in 2010, were presented to the Board of Audit in the Ministry of Finance of Russia in September 2011.</p> <p>RCA, with the assistance of other SROs in December, 2011 prepared a draft of the Code of Professional Ethics of Auditors of Russia based on the IESBA Clarified Code of Ethics as amended in 2010, including the comparative document indicating the difference between the Code of Ethics of Auditors in Russia and IESBA Code of Ethics. At the same time, the draft was published on the discussion board.</p> <p>Code of Ethics of Auditors of Russia on the basis of the IESBA Code of Ethics was approved by the Auditing Activity Board in the Ministry of Finance of Russia on 22.03.2012 (Record № 4).</p> <p>The updated Code of Professional Ethics was adopted by the RCA Central Council on 06.09.2012 (Record № 18).</p> <p>Independence Rules of auditors and audit organizations were approved by the Council for auditing activities of the Ministry of Finance of Russia on 20.09.2012 (Records № 6). All self-regulatory organizations should accept the Independence Rules in 2012, so that these Rules would take effect from.</p> <p>In October 2012, the Committee for ethics, disputes and appeals worked out the draft of the Independence Rules for auditors and audit organizations of RCA based on the developed Independence Rules for auditors and audit organizations in Russia, developed by the Council for auditing activities of the Ministry of Finance of Russia. RCA Independence Rules were approved after the discussions by the RCA Central Council on November 12, 2012 (Records № 44) and would take effect from January 1, 2013.</p>					
<i>Updating the Code of Ethics</i>					
82.	September 2008	<p>Promote the ongoing study process of Russian auditors' Code of Ethics developed in accordance with new requirements of the IESBA Code of Ethics (June 2006). Council on Auditing Activity by RF Ministry of Finance approved Russian Code of Professional Ethics (protocol № 56 from May 31 2007).</p> <p>Initiate education and continuing education programs (lectures, seminars at RCA Training Centre) on the revised IESBA Code of Ethics requirements.</p>	February 2009 Completed	RCA Discipline Committee Chairman	RCA Central Council members (28), RCA Discipline Committee members (10), RCA Audit Practice Committee members (8), RCA Education Committee members (8)
83.	September 2009	Translate the Clarified CoE of IESBA and create comparative document with estimates the differences between Russian CoE and the new IESBA Code of Ethics.	December 2011 Completed	RCA Discipline Committee Chairman	RCA Central Council members (25), RCA Discipline Committee members (3), RCA Audit Practice Committee members (8)

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
84.	September 2009	Propose to the CoAA under MF to make amendments into effective Russian CoE in connection with publication of the Clarified IESBA Code of Ethics.	December 2011 Completed	RCA Central Council Chairman	RCA Central Council members (25), RCA Discipline Committee members (3), RCA Audit Practice Committee members (8)
85.	September 2009	Implement updated Russian CoE and publish renewed Russian CoE on the web-site of RCA.	December 2011 Completed	RCA Discipline Committee Chairman	RCA Central Council members (25), RCA Discipline Committee members (3), RCA Audit Practice Committee members (8)
86.	March 2011	Translation and review of the Clarified CoE of IESBA by the Siberian Academy of Banking and Finance (Rector – N. Fadeykina).	April 2011 Completed	Ethics, Dispute and Appeals Committee Chairman	Siberian Academy of Banking and Finance (Rector – N.Fadeykina), RCA Central Council Chairman, Ethics, Dispute and Appeals Committee Chairman
87.	April 2011	Prepare the comparative document indicating the difference between the Code of Ethics for Auditors in Russia and IESBA Code of Ethics. Publish IESBA Code of Ethics on RCA website. Discuss amendments concerning Clarified IESBA Code of Ethics.	December 2011 Completed	Ethics, Dispute and Appeals Committee Chairman	RCA Central Council members, Ethics Committee members, Ethics, Dispute and Appeals Committee members, Discipline Committee members, Audit Practice Committee members
88.	September 2011	Submit amendments to the current version of the Code of Ethics of Auditors of Russia, connected with the IESBA Code of Ethics, to Auditing Activity Board of MF.	2011 Completed	RCA Central Council Chairman	RCA Central Council members, Ethics Committee members, Ethics, Dispute and Appeals Committee members, Discipline Committee members, Audit Practice Committee members
89.	2011-2012	Adopt the updated Code of Professional Ethics in accordance with Clarified IESBA Code of Ethics. Update training programs of RCA Centre for Professional Education regarding the adopted Code.	2011-2012 Completed RCA Central Council on 06.09.2012 (Record N18).	RCA Central Council Chairman, Ethics, Dispute and Appeals Committee Chairman	RCA Central Council members, Ethics Committee members, Ethics, Dispute and Appeals Committee members, Discipline Committee members, Audit Practice Committee members

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
90.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of the IESBA Code of Ethics. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.	Ongoing	RCA Discipline Committee Chairman	RCA Central Council members (25), RCA Discipline Committee members (3), RCA Audit Practice Committee members (8)
<i>Review of RCA's Compliance Information</i>					
91.	Ongoing	Perform periodic review of RCA response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 4 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Last update September 2009 Ongoing	RCA Discipline Committee Chairman	RCA Central Council members (25), RCA Discipline Committee members (3), RCA Audit Practice Committee members (8) Technical Manager of RCA Executive Directory



**Action Plan Subject:** SMO 5 and International Public Sector Accounting Standards (IPSAS)  
**Action Plan Objective:** Further improve and maintain processes for ongoing compliance with International Public Sector Accounting Standards (IPSASs)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>In accordance with Russian legislation (The Code of Budget) several main principals of IPSASs act in Russia but full implementation of IPSASs needs significant change in Russian Budget legislation. At the present time MF RF adopted IPSASs and is working on their implementation.</p> <p>RCA plans to publish translations and analytical reviews concerning IPSASs implementation in Russia.</p> <p>Currently:</p> <p>RCA participated in the IPSASs translation, fulfilled by the Institute of budget decisions and BDO Unicon company.</p> <p>On June 29, 2012 the Ministry of Finance published on its website IPSAS glossary of terms, register of frequently used abbreviations and the results of public consultation on the glossary of terms and frequently used abbreviations.</p> <p>IPSAS in fact has been already taken as the basis of reforming Russia's budgetary accounting, as well as the current IFRS as the basis for reforming the national accounting system. A number of IPSASs requirements are included in Budget Code of the Russian Federation. For example, article 240 of the Budget Code of the Russian Federation defines objects of budgetary accounting: budget revenues, deficit funding, expenditures, transactions carried out during the execution of the budget (IPSASs 1, 2, 18, 19 with small changes).</p> <p>In the Russian Federation budgetary accounting is divided into two sectors: accounting of budgets execution and accounting of income and expenditures of budgetary institutions execution, which according the Budget Code contains requirements IPSAS 1, 2, 16, 17, 18, 19. In addition, Article 240 of the Budget Code of the Russian Federation determines the need for a Uniform Plan of Accounts of budgetary accounting, which should reflect all of the objects of accounting both the budget execution and the budget of public institutions (IPSAS 1, 2, 3, 6).</p> <p>The objectives of financial reporting in the public sector (IPSAS 1) are intended to provide information for decision-making, and for mandatory report for any resources.</p> <p>Implementation of IPSASs in the public sector is an important step in the process of building mutual trust between Russia and the international community. The increase in corporate transparency will mean that investment will become less risky for investors, and therefore cheaper.</p> <p>However, the transition to IFRS is part of a deep reform of the Russian accounting and reporting. The process of reform creates an environment that ensures the formation of useful and objective information on financial position and results of operations. Participation in this study is one of the important tasks of the RCA members.</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Assisting in Implementation of IPSASs</i>					
92.	Ongoing	Actively participate in the process of implementation of IPSASs into Russian audit practice, adapted by the RF Ministry of Finance.	Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
93.	August 2011	Participation in IPSASs translation, made by the Institute of budget decisions and BDO Unicon company.	June 2012 Completed	Standard Committee Chairman	Standard Committee Members
94.	March 2012	Participation in public consultation on the IPSASs glossary of terms and frequently used abbreviations.	June 2012 Completed	Standard Committee Chairman	Standard Committee Members
95.	July 2012	Informing RCA members on IPSASs content.	2012 Ongoing	RCA Executive Direction	RCA Executive Direction
96.	August 2012	Conducting roundtable on IPSASs implementation for RCA members.	2012 Completed	RCA Central Territorial District Chairman, Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
<i>Maintaining Ongoing Processes</i>					
97.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of IPSASs. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.	Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
98.	August 2012	Finalize RCA Action Plan for 2012-2013 on IPSASs implementation and interaction with public authorities responsible for IPSASs implementation.	December 2012 Ongoing	RCA Central Territorial District Chairman, Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of RCA's Compliance Information</i>					
99.	Ongoing	Perform periodic review of RCA response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 5 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Last update September 2009 Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8) Technical Manager of RCA Executive Directory

**Action Plan Subject:** SMO 6 and Investigation and Discipline (I&D)  
**Action Plan Objective:** Development and Maintenance of RCA Investigation and Discipline System

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>RCA shared the responsibility for I&amp;D processes with the Ministry of Finance which had ultimate authority for this area.</p> <p>RCA's Central Council conducts analysis and supervision over the Discipline Committee of RCA. According to "Discipline sanctions implementation procedure" as ultimate measures RCA can suspend or withdraw membership.</p> <p>In order to make the work of RCA's Discipline Committee public, RCA staff prepares a new section on the website concerning disciplinary proceedings.</p> <p>According to the Federal Law 'On Audit Activity' (2008) RCA, as a designated self-regulated professional association, has a disciplinary jurisdiction over its members. There are two independent bodies concerned the disciplinary proceedings: the Quality Control Committee and the Disciplinary Committee.</p> <p>Both bodies investigate and discipline the RCA's members on a regular basis. These bodies derive their powers from the Federal Law "On Self-regulated organizations' (2007) and the RCA's bylaw.</p> <p>Currently:</p> <p>The Disciplinary Committee acts in RCA.</p> <p>Until June 2012 the Disciplinary Committee acted on the basis of the Regulation on measures of discipline and order of implementation of disciplinary actions, adopted by the RCA General Meeting. Information on the results of the Disciplinary Committee (DC) activity is published in a special column of the RCA website.</p> <p>In 2012, the General Meeting of the RCA adopted the updated Regulations on measures of discipline, order and the reasons for their use in RCA. Regulations provide the right to the participants of disciplinary proceedings to disqualify DC members, which is a preventive measure to eliminate potential or real threat of the conflict of interest.</p> <p>The defined list of circumstances precluding disciplinary proceedings, on the one hand, protects the interests of SRO members, subjected to the disciplinary responsibility, and on the other hand, embodies the principle of inevitability of punishment.</p> <p>Regulations content a concept and list of evidence, evaluation of the evidence.</p> <p>Concepts and reasons of each disciplinary action, due to which DC operates, eliminate the presence of potential abuse and makes unreasonable biased decisions based solely on the subjective personal assessment of the "offender" action and the consequences of violations of members of bodies authorized to consider misconduct cases.</p> <p>The procedure for appealing the decisions on the implementation of disciplinary measures on all stages of the disciplinary proceedings is fixed.</p> <p>The document defines:</p> <ul style="list-style-type: none"> <li>- Terms of decision fulfillment;</li> <li>- Control over the implementation of disciplinary measures;</li> <li>- Right and order providing delay of penalty;</li> <li>- Reasons for termination the implementation of the decision;</li> <li>- Order and consequences of redemption of the disciplinary measures, order of pre-term termination of previously implemented disciplinary measures</li> </ul>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Development of I&amp;D Process</i>					
100.	January 2009	Review RCA I&D process to ensure the process is substantively and fully implemented in accordance with SMO6.	March 2009 and onwards	RCA Discipline Committee Chairman	RCA Central Council members (28), RCA Discipline Committee members (10)
101.	September 2009	Analyze the new requirements in the audit regulation of Russian Federation in the field of I&D. RCA Discipline Committee together with Discipline Commissions in RCA Territorial regions should control the implementation process of the new requirements.	February 2009 Completed	RCA Discipline Committee Chairman	RCA Central Council members (28), RCA Discipline Committee members (10)
102.	August 2008	Develop and approve disciplinary mechanism (sanctions) for RCA members in case of disciplinary violation.	May 2009 Completed	RCA Discipline Committee Chairman	RCA Discipline Committee members (10)
103.	September 2009	Monitor the activity of the RCA Discipline Committee, the results of its investigations and accepted decisions through the RCA website.	2010 Completed	RCA Discipline Committee Chairman	RCA Central Council members (28), RCA Discipline Committee members (10)
104.	May 2011	Establish institutional rules preventing the member body from influencing the Disciplinary Committee's operational work, decision-making, and imposition of sanctions.	2012	RCA Discipline Committee Chairman	RCA Central Council members (25), RCA Discipline Committee members (3)
105.	June 2011	Establish time targets for disposal of disciplinary cases.	2011 Completed	RCA Discipline Committee Chairman	RCA Discipline Committee members (3)
106.	April 2011	Establish the appropriate tests for the Disciplinary Committee to better determine whether a defendant is liable.	2012	RCA Discipline Committee Chairman	RCA Discipline Committee members (3)
107.	September 2008	Develop and approve the order of processing complaints that clients could forward to the RCA's Discipline Committee.	May 2009 Completed	RCA Discipline Committee Chairman	RCA Discipline Committee members (10)
108.	September 2009	Analyze regularly the effectiveness of approved RCA disciplinary mechanism (if it is in compliance with professional standards and requirements).	Ongoing	RCA Discipline Committee Chairman	RCA Discipline Committee members (3)
109.	November 2012	Make amendments into the Order of registration and receiving complaints, based on the analysis of the implementation of the acting Order.	December 2012	RCA Discipline Committee Chairman	RCA Discipline Committee members (3)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
110.	Ongoing	Continue to address all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	RCA Discipline Committee Chairman	RCA Central Council members (25), RCA Discipline Committee members (3)
<i>Review of RCA's Compliance Information</i>					
111.	Ongoing	Perform periodic review of RCA responses to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 6 as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Last update September 2009 Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Discipline Committee members (3) Technical Manager of RCA Executive Directory

**Action Plan Subject:** SMO 7 and International Financial Reporting Standards (IFRS)  
**Action Plan Objective:** Further Improve and Maintain Processes for Ongoing Compliance with IFRS

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>According to the legislation the standard-setting body is MF RF in Russia. MF RF developed and implemented Russian Federal Financial Reporting Standards on the basis of IFRS.</p> <p>The government initiated significant changes to financial reporting over the last 15 years but still there are some discrepancies with the IFRSs. Russian statutory financial statements are not fully comparable with IFRS financial statements. Since 1993, about twenty Russian Accounting Standards (RAS), or PBUs using the Russian language acronym have been developed to enhance alignment with International Financial Reporting Standards (IFRSs), and in 2004 the Ministry of Finance issued a concept memorandum setting out a strategy for further reforms, including the introduction of full IFRSs for many reporting entities.</p> <p>The Draft Law on Accounting</p> <p>The Draft Law on Accounting passed a third reading and on August 26th, 2009, the new exposure draft was issued by Minfin. The draft law eliminates outdated provisions and fills the gaps of the Federal Law of November 21, 1996 № 129-FZ “On accounting” and requires the mandatory membership of accountants of the listed entities in one of the auditor’s SROs.</p> <p>RCA Training Center educational program provides education on IFRSs through the program enacted by MF RF named “NEW IFRS” and “Practical usage of IFRS”. RCA takes an active part in the process of adaptation of IFRSs in the Russian Federation. RCA informs its members about innovations in official documents of IFAC through every week translations posted on the web-site. RCA informs IFAC about all changes in Russian auditing activity legislation.</p> <p>All regulative documents of RCA are posted on the official web-site.</p>					
<p><i>Promoting Ongoing Convergence with IFRSs</i></p>					
112.	Ongoing	Continue ongoing practice of conducting trainings in the field of IFRSs among RCA members in RCA training centers.	Ongoing	RCA Education Committee Chairman	RCA Central Council members (25), RCA Education Committee members (8)
113.	Ongoing	Assist the Ministry of Finance with implementation of IFRS pronouncements in Russia and promote ongoing convergence with IFRS.	Ongoing	RCA Central Council	RCA Central Council members (25)

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
114.	February 2009	Analyze the differences between Russian standards and IFRSs based on SMO 7 requirements. Post this information to RCA web site, making it available to the specialists and all interested persons.	2011 Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
115.	Ongoing	Monitor all the changes and recommendations on IFRSs in time, in order to inform RCA members on the new requirements.	Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
116.	August 2012	Summarize and spread experience of IFRS implementation in order to use them consistently.	Ongoing	RCA Central Council, Development Committee, Territorial Development Committees Chairmen	RCA Central Council members, RCA Development Committee members
117.	August 2012	Participate in the development of regulations, based on international standards in the field of accounting and auditing.	Ongoing	RCA Central Council, Development Committee, Territorial Development Committees Chairmen	RCA Central Council members, RCA Development Committee members
118.	August 2012	Participate in the development of proposals to spread advanced training of specialists engaged in all stages of audit (financial) reporting based on IFRS.	Ongoing	RCA Central Council, Development Committee, Territorial Development Committees Chairmen	RCA Central Council members, RCA Development Committee members



<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
119.	August 2012	Participate in the development of professional certification system for accountants, based on standards issued by IFAC.	Ongoing	RCA Central Council, Development Committee, Territorial Development Committees Chairmen	RCA Central Council members, RCA Development Committee members
120.	August 2012	Participate in the development of professional training system for accountants, based on standards issued by IFAC.	Ongoing	RCA Central Council, Development Committee, Territorial Development Committees Chairmen	RCA Central Council members, RCA Development Committee members
<i>Maintaining Ongoing Processes</i>					
121.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of IFRS. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.	Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8)
122.	September 2012	Continue to use best endeavors by identifying opportunities to further assist in implementation of IFRS in SME.	Ongoing	RCA Development Committee Chairman	RCA Central Council members, RCA Development Committee members
<i>Review of RCA's Compliance Information</i>					
123.	Ongoing	Perform periodic review of RCA response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 7 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Last update September 2009 Ongoing	RCA Audit Practice Committee Chairman	RCA Central Council members (25), RCA Audit Practice Committee members (8) Technical Manager of RCA Executive Directory