

BACKGROUND NOTE ON ACTION PLANS

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

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

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

Use of Information

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

ACTION PLAN

IFAC Member/Associate:	The Institute of Chartered Accountants of Scotland (ICAS)
Approved by Governing Body:	Executive Team
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GLOSSARY

AADB	Accountancy and Actuarial Discipline Board
AQRT	Audit Quality Review Team
BISs	Department for Business, Innovation and Skills
CCABs	Consultative Committee of Accountancy Bodies
CIPFA	Chartered Institute of Public Finance and Accountancy
FRC	Financial Reporting Council
FReM	Government Financial Reporting Manual
IAASA	Irish Auditing & Accounting Supervisory Authority
IAASB	International Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IASB	International Accounting Standards Board
ICAEW	Institute of Chartered Accountants in England and Wales
IESBAs	International Ethics Standards Board for Accountants
IESs	International Education Standards
IFRSs	International Financial Reporting Standards
IPSASs	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standards on Auditing
PSC	Public Sector Committee
RSB	Recognised Supervisory Body

Action Plan Subject: SMO 1–Quality Assurance

Action Plan Objective: Maintain and continue to use best endeavors to further develop ICAS’ quality assurance programme

Background

In the UK, the quality assurance requirements for audit are set out in the European Union (EU) 8th directive and are enacted in the Companies Act 2006. Under the Companies Act ICAS is a Recognised Supervisory Body (RSB) for audit and ICAS therefore not only registers firms for audit work but its Audit Monitoring unit also conducts the quality assurance inspections. The three Chartered Institute bodies (ICAS, ICAEW and ICAI) have joint “Audit Regulations” which set out in detail the scope and powers of the bodies’ monitoring units and regulatory committees and also sets out the detailed requirements against which each firm is monitored. These Audit Regulations are written to ensure the monitoring unit complies with SMO1, as well as the EU 8th directive and Companies Act requirements and also to ensure that each audit registered firm not only complies with the Companies Act requirements, but also International Standard on Quality Control (ISQC)1, the International Standard on Auditing (ISAs), the FRC’s Ethical Standards (based on the IFAC Code of Ethics), International Financial Reporting Standards (IFRS) or UK General Accepted Accounting Principles (GAAP) requirements and International Education Standards (IES) 8.

ICAS audit registered firms have been monitored under companies act requirements since the early 1990s therefore ICAS has significant quality assurance experience and each firm has been visited many times. ICAS SMO1 requirements are therefore written with the aim to maintain and further develop the quality assurance programme.

In the UK the oversight body is called the Financial Reporting Council (FRC) and it regularly conducts regulatory visits to ICAS to ensure that the quality assurance programme is robust and fit for purpose. In addition, ICAS is also regulated by the Irish Auditing & Accounting Supervisory Authority (IAASA) as ICAS registers a number of firms who conduct company audit work in the Republic of Ireland (ROI) or for ROI companies.

The Audit Quality Review Team of the FRC is responsible for monitoring certain listed and public interest entities. ICAS works alongside the Audit Quality Review Team in visiting firms which audit public interest entities.

Given that ICAS has a mature quality assurance programme and has significant experience, ICAS has, in recent years, helped various other international professional bodies in training, developing or enhancing their quality assurance programmes and has also conducted quality assurance work for other bodies.

ICAS in conjunction with BIS, the FRC and other UK relevant professional accountancy bodies, is currently considering the impact of the introduction of the new EU audit legislation (entered in EU Official Journal in May 2014 and which becomes applicable two years hence).

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>To continue to retain RSB status and to maintain ongoing processes</i>					
1.	01.01.05	ICAS will continue to operate, and seek continuous improvement of, its well-established risk based quality assurance schemes in the UK and Ireland, in accordance with the requirements of the Revised SMO 1.	Ongoing	Executive Director, Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
2.	2009/10	ICAS will ensure that reviewers maintain their technical knowledge, and keep up to date with changing regulatory requirements. Feedback will be provided on a regular basis to ensure any training needs are identified.	Ongoing	Executive Director, Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
3.	01.01.08	ICAS will continue to monitor the effectiveness of the audit quality assurance programme in compliance with the changes brought into effect by the EU 8th directive, as reflected in ICAS Audit Regulations.	Review Ongoing Monitoring Ongoing	Executive Director, Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
4.	2008	ICAS will maintain the public Joint Audit Register reflecting the EU 8th directive requirements and to continue to host the public register for all other UK RSBs.	Ongoing	Executive Director, Regulation	Director of Regulatory Monitoring, IT Department of ICAS
<i>To respond effectively to regulator recommendations</i>					
5.	01.01.05	ICAS will continue to develop the risk based quality assurance programme and respond effectively to Financial Reporting Council and Irish Auditing and Accounting Supervisory Authority (IAASA) recommendations.	Ongoing	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
6.	01.01.05	ICAS will continue to cooperate with the FRC's Audit Quality Review Team in relation to visits to firms auditing listed/publicly quoted companies	Ongoing	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team

#	Start Date	Actions	Completion Date	Responsibility	Resource
7.	01.05.09	ICAS will develop a further "Three Year Plan" of audit quality initiatives as required by the Financial Reporting Council. To include education and training (see education and training below) and to continue to operate a risk based/more frequent visit approach to firms with audit quality/compliance issues	Ongoing	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
<i>To develop the monitoring programme in line with regulatory changes and to continue to improve the quality control programme</i>					
8.	01.01.05	ICAS will continue to update the monitoring methodology to reflect regulatory changes within the UK and Republic of Ireland (RoI), including changes to specialist entity audit requirements.	Ongoing	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
9.	2009/10	ICAS will implement electronic Annual Returns for audit registered firms (and other practising firms).	Next phase to start in 2015	Executive Director Regulation	Director of Regulatory Monitoring, IT Department and external contractors
10.	01.01.05	ICAS will monitor the success of our new Practice Monitoring programme for non-audit firms and make ongoing improvements.	Ongoing	Executive Director Regulation	Director of Regulatory Monitoring, Audit and Practice Monitoring Team
11.	01.01.12	ICAS will keep under review the agreed common audit quality grading structure agreed with the other UK Recognised Supervisory Bodies to allow a common approach to reporting engagement file audit quality	Project implemented but kept under review	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team working alongside other RSBs
<i>To continue to provide feedback to audit registered firms on the outcome of the quality assurance programme</i>					
12.	01.01.05	ICAS will deliver feedback to firms on monitoring results via a quarterly publication of Audit News, and publication of an annual monitoring report.	Quarterly	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>New Developments</i>					
13.	01.01.15	ICAS will commence an electronic working paper project to record audit monitoring work more clearly and effectively and to ensure conclusions, findings and recommendations are adequately supported.	2015	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
14.	Various	ICAS provide assistance, consultancy and education to other bodies internationally and domestically– to help those bodies implement/operate/develop/improve their quality assurance functions.	Ongoing	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
<i>Improve education and training to ICAS authorised firms</i>					
15.	01.01.10	<p>ICAS will ensure all Audit Compliance Partners have attended our mandatory course (Keeping Your Audit Firm on the Right Track and Keeping Your Audit Files on the Right Track) by the end of the first five year cycle ending in 2015 (current attendance rate is 85%).</p> <p>ICAS will further review the content and delivery methods for this course in anticipation of the second mandatory five year cycle starting in 2016.</p>	Ongoing December 2015	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
16.	01.09.10	<p>ICAS will continue to: Publish and keep up to date the Audit Compliance Principal Helpsheets which provides Audit Compliance Principals with a guide as to how to ensure audit quality and good compliance;</p> <p>Publish, and keep up to date, a range of helpsheets on regulated and specialist industries to provide audit firms with useful guidance on the unique aspects of these audits.</p>	<p>Published September 2010 but update ongoing</p> <p>Ongoing</p>	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team

#	Start Date	Actions	Completion Date	Responsibility	Resource
17.	01.06.09	ICAS will seek to enhance the range of communication of technical and regulatory developments to ICAS authorised firms via quarterly Audit News	Ongoing	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
18.	01.06.07	ICAS publishes guidance to ICAS registered firms on the implementation of IFAC IES 8 and development of the quality review programme to monitor IFAC International Education Standard 8 recommendations and issue reminders via Audit News	Updates ongoing	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team
19.	2014	ICAS has developed a Practice Management course which is mandatory for all Practising Certificate holders to attend once every five years which covers regulatory matters, monitoring findings, complaints, Ethics, Business Development and technical updates. This provides educational feedback to all ICAS authorised firms and members and forms part of a key ICAS strategic objective to support our Community of Practitioners.	Ongoing	Executive Director, Regulation and Executive Director Technical Policy and Practice Support.	Regulation, Technical and Practice Support teams
<i>Review of ICAS Compliance Information</i>					
20.	Annually	<p>ICAS undertakes periodic review of our response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 1 as necessary.</p> <p>Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information</p>	Annually	Executive Director Regulation	Director of Regulatory Monitoring, Audit Monitoring Team

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements issued by the IAESB
Action Plan Objective: Continue to ensure that all IES requirements are incorporated into ICAS' education programmes

Background

ICAS designs, delivers and examines the Chartered accountants (CA) qualification. This encompasses everything from developing and setting the syllabus on an annual basis to preparing course materials, designing and delivering the education models, setting and marking certain of the examinations. With an annual syllabus review and focus on assessments which, where possible, replicate the working environment the CA qualification focuses on relevance and consistency. A review of the structure of the qualification in 2012 and 2013 has resulted in the introduction of a new Principles of Tax subject.

The qualification is designed to ensure that on completion, the newly-qualified CA has developed the necessary technical knowledge and skills combined with professional skills in judgment, analysis, communication and presentation to deal with a wide variety of complex and often unpredictable issues and situations. The development of these technical and professional skills also enables the newly-qualified CA to formulate and communicate professional solutions which are appropriate to the circumstances. In addition, the newly qualified CA will have developed the necessary professional and ethical values to deal with and make informed judgments on complex, ethical and professional issues.

In the UK the oversight body is called the “Financial Reporting Council” and the regulator arm is called The Professional Oversight Team. ICAS is recognised by the UK regulator as a Recognised Qualifying Body (RQB). The Professional Oversight Team conducts annual regulatory visits to ICAS to ensure that the CA qualification meets the requisite regulatory and legal requirements and is fit for purpose.

ICAS has a mature education programme and has significant experience in this area, and, has continued in recent years, to help other international professional bodies in training, developing or enhancing their education and training programmes.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>International Education Standards (IES) 1 – 7</i>					
21.	Ongoing	<p>IES 1-6</p> <p>As indicated above, ICAS continues to review the CA qualification annually taking into account market demand and changes in regulatory requirements. As changes and improvements are made, ICAS ensures that these have not resulted in ICAS falling below the bar set by the IESs. ICAS continues to use IES 1 – 6 (including the revised IES) as a benchmark for reviews on an ongoing basis. The Education Directors will be carrying out a detailed review of the CA qualification against the requirements of the revised IESs. ICAS provides comments on IAESB exposure drafts and is engaged with the IAESB's activities to actively ensure that any changes required to the ICAS programme are identified and implemented.</p>	July 2015	Executive Director, Education	Executive Director, Education Director, Policy Director, Courses Director, Development
22.	Ongoing	<p>IES 7 relating to CPD</p> <p>On the issue of IES7, ICAS reviewed its approach to Continuous Professional Development (CPD). As a result ICAS made significant changes to its approach to CPD to ensure the standard was met. ICAS has approached CPD as an area for continuous improvement. As various initiatives are introduced to members the previous system has been improved upon. When ICAS makes changes and improvements it ensures that these changes have not resulted in ICAS falling below the bar set by IES 7. ICAS continues to use IES 7 as a benchmark on an ongoing basis.</p>	Ongoing	Executive Director, Regulation	Executive Director, Regulation Director, Regulatory Monitoring

#	Start Date	Actions	Completion Date	Responsibility	Resource
23.	October 2013	ICAS has conducted a further benchmarking exercise against the revised IES 7 to ensure fit for purpose in advance of implementation date of 1 Jan 2014.	Completed	Executive Director, Regulation	Executive Director, Regulation Director, Regulatory Monitoring
24.	March 2014	Provide more CPD support to members:	Ongoing	Executive Director, Regulation	Executive Director, Regulation Director, Regulatory Monitoring
25.	March 2014	CPD case-studies	Ongoing	Executive Director, Regulation	Executive Director, Regulation Director, Regulatory Monitoring
26.	Ongoing	<p>IES 1 – 7 Conclusion</p> <p>ICAS has concluded that the continual improvements and enhancements to its processes have ensured that ICAS continues to meet or exceed the standard set by IES 1 – 7. ICAS has used the external review and oversight by its relevant Boards and Committees of the interpretations of IES 1 -7 by ICAS staff to ensure that the IFAC requirements are fully satisfied. In addition, the Common Content project included IES requirements as one of its criteria for assessment. The review of ICAS confirmed that ICAS met the IFAC standards. The IFAC requirements were also used by the various Chartered Accountants bodies in renewing reciprocal membership agreements with ICAS. Again ICAS compliance was confirmed.</p> <p>ICAS continues to use IES1-7 as a benchmark on an ongoing basis.</p>	Ongoing	Executive Director, Education and Executive Director, Regulation	Executive Director, Education and Executive Director, Regulation

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>IES 8</i>					
27.	Ongoing	ICAS will continue to use IES 8 in the future as a benchmark against which to monitor CPD compliance for auditors particularly when the revised IES8 is issued.	Ongoing	Executive Director, Regulation	Executive Director, Regulation Director Regulatory Monitoring
28.	Complete	Submit responses to IES8 consultations	Completed	Executive Director, Regulation	Executive Director, Regulation Director Regulatory Monitoring
<i>Review of ICAS compliance information</i>					
29.	Annual	Periodic review of ICAS's 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	Annual	Executive Director, Education and Executive Director, Regulation	Executive Director, Education and Executive Director, Regulation

Action Plan Subject: SMO 3—International Standards and other Pronouncements Issued by the IAASB
Action Plan Objective: Raising awareness of International Standards issued by the IAASB and supporting their adoption in the UK

Background					
<p>In the United Kingdom, the responsibility for setting auditing standards rests with the Financial Reporting Council (FRC). The FRC adopted the International Standards on Auditing which resulted from the International Auditing and Assurance Standards Board's (IAASB) clarity project for accounting periods ending on or after 15 December 2010. As previously, the FRC has augmented the international standards with supplementary requirements to address specific UK and Irish legal and regulatory requirements, and additional guidance that is deemed appropriate in the UK and Irish national legislative, cultural and business context. The supplementary material is clearly distinguished from the original text of the international standards by the use of grey shading.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Notifying members of International Standards issued by the IAASB</i>					
30.	Ongoing	Ensure that details of new or revised IAASB standards and other documents are made available on the ICAS website and via 'The CA' magazine, including details of how interested members can comment.	Ongoing	Executive Director, Technical Policy and Practice Support	Audit and Assurance Committee, Assistant Director, Assurance and Sustainability
31.	Ongoing	Ensure that the ICAS Audit and Assurance Committee responds to all major IAASB Exposure Drafts and other consultations, seeking the views of the wider ICAS membership where appropriate.	Ongoing	Executive Director, Technical Policy and Practice Support	Audit and Assurance Committee, Assistant Director, Assurance and Sustainability

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Supporting adoption of ISAs in the UK</i>					
32.	Ongoing	<p>As mentioned above ISAs have already been adopted by the FRC in the UK. ICAS is now focused on persuading the European Commission to require their adoption across all of the European Union member states.</p> <p>The revised Audit Directive requires the European Commission to adopt the ISAs however there is still considerable inertia amongst the EC to move forward quickly on this issue.</p>	Ongoing	Executive Director, Technical Policy and Practice Support	Audit and Assurance Committee, Assistant Director, Assurance and Sustainability
<i>Assisting with implementation of ISAs in the UK</i>					
33.	Ongoing	Ensure training courses are available in the market place highlighting changes to ISAs and focusing on the most common problem areas found by audit monitoring for ICAS members.	Ongoing	Executive Director, UK and Global	Commercial team
34.	Ongoing	Provide access to members to guidance and literature on applying ISAs	Ongoing	Executive Director, Technical Policy and Practice Support	Technical Queries Team- Accounting and Auditing department
<i>Review of ICAS compliance information</i>					
35.	Annual	Periodic review of ICAS's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO3 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information	Annual	Executive Director, Technical Policy and Practice Support and Executive Director, UK and Global	Executive Director, Technical Policy and Practice Support and Executive Director, UK and Global

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: Ensure alignment of ICAS Code of Ethics with the clarified IESBA Code of Ethics and continue to use best endeavours for convergence of auditor ethical requirements for auditors

Background					
<p>From 1 June 2011 the latest version of the IESBA Code of Ethics was substantively incorporated in the revised ICAS Code of Ethics. Although the ICAS Code of Ethics includes all of the material contained in section 290 of the IESBA Code, none of the auditing content is applicable in the UK as the FRC is responsible for setting ethical standards for auditors in the UK which ICAS members undertaking audits in the UK are required to comply with. The ICAS Code of Ethics was revised for UK specific issues in 2013 and became applicable for accounting periods commencing on or after 1 January 2014.</p> <p>ICAS also actively supports helping members to apply the Code of Ethics in practice and has published a series of ethical dilemmas for professional accountants which can be downloaded at: www.icas.org.uk/ethics</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Updating the ICAS Code of Ethics</i>					
36.	January 2012	Ensure that the ICAS Ethics Committee responds to all major IESBA Exposure Drafts and other consultations including those of the FRC on ethical matters, seeking the views of the wider ICAS membership where appropriate.	Ongoing	Executive Director, Technical Policy and Practice Support	Secretary to the Ethics Committee, Ethics Committee
37.	July 2014	Planning now taking place along with the other CCAB bodies as to the most effective means of implementing recent changes to the IESBA Code of Ethics (2014 IESBA Handbook Version).	Ongoing	Executive Director, Technical Policy and Practice Support	Secretary to the Ethics Committee, Ethics Committee
<i>Notifying Members</i>					
38.	June 2011	Host events for members to highlight key ethical issues focusing on lessons from corporate scandals.	Ongoing	Executive Director, Technical Policy and Practice Support	Secretary to the Ethics Committee, Ethics Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
39.	June 2011	Issue further guidance as necessary e.g. case studies to assist members to appreciate how the Code should be applied in practice.	Ongoing	Executive Director, Technical Policy and Practice Support	Secretary to the Ethics Committee, Ethics Committee
40.	June 2011	Publish regular articles in member magazine and on ICAS website, including blogs.	Ongoing	Executive Director, Technical Policy and Practice Support	Secretary to the Ethics Committee, Ethics Committee
41.	January 2012	Seek to promote ethical business behaviour in the wider global business community. In particular providing other IFAC member bodies with access to the ICAS case study material.	Ongoing	Executive Director, Technical Policy and Practice Support	Secretary to the Ethics Committee, Ethics Committee
<i>Review of ICAS compliance information</i>					
42.	Annual	Periodic review of ICAS's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO4 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information	Annual	Executive Director, Technical Policy and Practice Support	Executive Director, Technical Policy and Practice Support

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Raise awareness of the work of the International Public Sector Accounting Standards Board

Background					
<p>In the UK, HM Treasury issues accounting guidance for central government bodies within each UK jurisdiction. The guidance is set out in the Government Financial Reporting Manual (the FReM) which is based on EU adopted IFRSs. Guidance in the FReM interprets or adapts IFRSs as necessary for central government. International Public Sector Standards (IPSASs) form the next tier of the hierarchy and apply where IFRSs do not address a substantive public sector issue. At the moment no IPSASs appear to be included in the hierarchy. Local authorities across the UK implemented EU adopted IFRSs on 1 April 2010. Accounting guidance for local authorities based on EU adopted IFRS is contained in the Code of Practice on Local Authority Accounting which is issued by the Chartered Institute of Public Finance and Accountancy (CIPFA)/LASAAC (Local Authority (Scotland) Accounts Advisory Committee) Code Board.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>To notify members of all IPSASs, guidelines, studies and occasional papers developed by IPSASB</i>					
43.	Start 2005	IPSASB publications relevant to accruals accounting are reported in the Institute's monthly magazine 'The CA' which is circulated to all members.	Ongoing	Executive Director, Technical Policy and Practice Support	Director, Technical Policy, CA Magazine editorial staff
<i>To consider notifying members off all exposure drafts issued by the IPSASB and to consider responding on behalf of those members that have an interest in public sector accounting standards.</i>					
44.	Start 2005	The ICAS Public Sector Committee (PSC) selectively comments on IPSASB consultations.	Ongoing	Executive Director, Technical Policy and Practice Support	Assistant Director, Business Policy and Public Sector, Public Sector Committee
45.	Start 2005	Responses to IPSASB consultations are placed on the ICAS website.	Ongoing	Executive Director, Technical Policy and Practice Support	Assistant Director, Business Policy and Public Sector, Public Sector Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>To use our best endeavours to encourage standard setters to adopt IPSASBs and to assist with the implementation of IPSASs, or national public sector accounting standards which incorporate IPSASs.</i>					
46.	Mid 2008	Continue to support the new hierarchy for public sector accounts introduced in the UK in 2008, which places EU adopted IFRS first followed by IPSAS, through a policy position which supports robust accounting regulations for all public benefit entities.	Ongoing	Executive Director, Technical Policy and Practice Support	Assistant Director, Business Policy and Public Sector, Public Sector Committee Executive Team, Office Bearers and Council members
47.	Jan 2014 onwards	Seek to prevent the introduction of EPSASs in the EU unless these specifically allow for Member States to use a more rigorous financial reporting framework i.e. IFRS.	Ongoing	Executive Director, Technical Policy and Practice Support	Assistant Director, Business Policy and Public Sector, Public Sector Committee Executive Team, Office Bearers and Council members
<i>Maintaining Ongoing Processes</i>					
48.	Ongoing	All activities will be ongoing. In particular, the PSC will continue to comment directly on consultations undertaken by IPSASB in relation to accruals accounting and will continue to provide input into developments in public sector accounting within the UK.	Ongoing	Executive Director, Technical Policy and Practice Support	Assistant Director, Business Policy and Public Sector, Public Sector Committee
<i>Review of ICAS compliance information</i>					
49.	Annual	Periodic review of ICAS's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO5 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Annual	Executive Director, Technical Policy and Practice Support	Executive Director, Technical Policy and Practice Support

Action Plan Subject: SMO 6—Investigation and Discipline

Action Plan Objective: Continue to use our best endeavors to have an investigation and disciplinary process that meets the SMO 6 requirements

Background

ICAS upholds professional standards in the public interest. ICAS’s investigation and disciplinary procedures comply fully with the main requirements of SMO 6. The FRC Conduct Committee, the Insolvency Service and IAASA have the authority to monitor ICAS’s complaints function and these bodies undertake regular inspection visits. Complaints which raise issues of public concern in the UK are remitted to the FRC’s Accountancy Scheme.

ICAS operates a robust investigation regime which is Public Interest Member orientated, with the Investigation Committee comprising 50% lay member representation. ICAS also operates a robust case review procedure whereby all cases which are closed without reference to the Investigation Committee are nevertheless reviewed by not less than two Public Interest Members to ensure compliance with the principles of fairness and transparency.

ICAS is committed to a programme of improvement and continues to monitor and review its investigation process to ensure complaints are handled in as fair and efficient manner as possible.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>To undertake an ongoing review of Investigation Processes</i>					
50.	01.01.15	Implement an ongoing programme of customer experience testing and feedback, with particular emphasis on enhanced public perception and Member awareness of the Investigation and Disciplinary function.	Ongoing	Executive Director, Regulation.	Head of Investigations/External company
51.	01.05.14	Review and reflect on the implementation of the recommendations arising from the Investigations Working Group resulting in the revised investigations model.	May 2015	Executive Director, Regulation	Head of Investigations
52.	01.01.14	To complete scoping and implementation for new Case Management System to improve the efficiency and interactivity of the complaints process, together with improved reporting capabilities.	December 2014	Executive Director, Regulation	Head of Investigations/IT Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
53.	01.01.14	Develop sanctions guidance to allow for a common process in determining a disciplinary sanction and to provide guidance on the level of sanction and financial penalty which may be appropriate for a particular offence and which successfully weighs the interest of the Member and the Public Interest.	January 2015	Executive Director, Regulation	Head of Investigations, Investigations Team
54.	01.01.15	To undertake an independent review of the Discipline and Tribunal function to ensure effectiveness of the process for hearing cases referred to it by the Investigations Committee.	December 2015	Executive Director, Regulation	External contractors and IT.
<i>To participate in the review of the Scheme for investigating Public Interest Cases</i>					
55.	01.11.11	To participate in and respond to consultations regarding the restructuring of the disciplinary function of the Financial Reporting Council, dealing with Public Interest Cases.	Ongoing	Executive Director, Regulation,	Executive Director, Regulation, Head of Investigations
<i>To improve Communication and Information Sharing (internally and externally)</i>					
56.	01.04.10	To publish a report on behalf of the Investigation Committee, detailing relevant complaints statistics and common areas of complaint, utilising enhanced management reporting.	Annually	Executive Director, Regulation,	Head of Investigations and Investigations Team
57.	01.01.15	Review and reflect on the revised information sharing protocols implemented across the ICAS Regulation division to ensure the proactive identification of potential disciplinary matters and risked base monitoring approach.	December 2015	Executive Director, Regulation,	Head of Investigations and Investigations Team

#	Start Date	Actions	Completion Date	Responsibility	Resource
58.	01.01.09	Establish information sharing protocols with other professional bodies. ICAS had identified a need to introduce a more formalised process for the sharing of information with other accountancy bodies. The Consultative Committee of Accountancy Bodies (CCAB) to work more closely together in light of a number of issues of common concern. It would be ICAS's desire to implement a formal information sharing protocol going forward.	Ongoing	Head of Investigations	Head of Investigations, Investigations Team
59.	01.01.15	To review and revise the communication of the Investigation Committee's findings on conclusion of a complaint with a view to improving the clarity and transparency of the Committee's decision.	June 2015	Executive Director, Regulation	Head of Investigations, Investigations Team
60.	01.01.15	Deliver improved content across all digital platforms communicating the work of the Investigation and Disciplinary function.	December 2015	Executive Director, Regulation	Head of Investigations, Investigations Team
<i>To issue guidance to the membership in relation to their obligations under the Rules</i>					
61.	01.01.14	Review all correspondence, publications, website content, help sheets and guidance provided to Members and the public in respect of the complaints process, to ensure that they remain fit for purpose.	Ongoing	Head of Investigations	Head of Investigations, Investigations Team
62.	01.06.14	Prepare and present a session for Members for inclusion at the Practice Management Course on common complaints areas, prevention techniques and consequences of non-compliance with codes, standards, rules and requirements. Communicate same to wider Membership through ICAS' professional publication.	Annually	Head of Investigations	Head of Investigations, Investigations Team

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
63.	Ongoing	Monitor complaints on a regular basis to ensure timeframe targets for disposal of all cases are met and regular contact maintained with Members and complainers.	Ongoing	Head of Investigations	Head of Investigations, Investigations Team
64.	Ongoing	Monitor complaints caseload and ensure availability of appropriate expertise and adequate financial and other resources to enable a timely Investigation and Disciplinary function.	Ongoing	Head of Investigations	Head of Investigations
65.	Annual	Conduct annual review of Investigation Committee membership to ensure terms of office adhered to and appropriate levels and range of skills maintained.	Ongoing	Executive Director, Regulation	Head of Investigations
66.	Ongoing	Ensure complaints documents retained in accordance with prescribed retention policy.	Ongoing	Head of Investigations	Head of Investigations, Investigations Team
<i>Review of ICAS's Compliance information</i>					
67.	Annual	Periodic review of ICAS's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO6 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information about the updates in order for the Compliance staff to republish updated information	Annual	Executive Director, Regulation	Executive Director, Regulation and Head of Investigations

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective: Raising awareness of IFRS and supporting the use of IFRS in the UK

Background					
<p>ICAS students have been trained in IFRS for several years. ICAS supports the use of IFRS and successfully lobbied for the Financial Reporting Council (FRC) to introduce a new UK GAAP (Financial Reporting Standard (FRS) 102) primarily for non-listed companies which is substantively based on the IFRS for SMEs (albeit with certain key differences to reflect the UK business environment. Application of FRS 102 is mandatory for accounting periods commencing on or after 1 January 2015. It is currently expected that small companies (other than those which satisfy the EU micro entity conditions) will be mandated to apply FRS 102 (with certain possible disclosure exemptions) one year later i.e. for accounting periods commencing on or after 1 January 2016.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Notifying members of IFRSs and Exposure Drafts</i>					
68.	Ongoing	Ensure that details of new IFRS, IASB Exposure Drafts and Discussion Papers, and changes to UK GAAP are made available on the ICAS website and via 'The CA' magazine, including details of how interested members can comment.	Ongoing	Executive Director, Technical Policy and Practice Support	Assistant Director, Accounting and Corporate Reporting
69.	Ongoing	Ensure that the ICAS Accounting Standards Committee responds to all major Exposure Drafts and Discussion Papers, seeking the views of the wider ICAS membership where appropriate. This includes papers issued by the IASB and the FRC.	Ongoing	Executive Director, Technical Policy and Practice Support	Assistant Director, Accounting and Corporate Reporting, Accounting Standards Committee
<i>Assisting with implementation of IFRS in the UK</i>					
70.	Ongoing	ICAS members have been made aware and are reminded via 'The CA' magazine of the free access to the main text of the IFRS on the IASB website.	Ongoing	Executive Director, Technical Policy and Practice Support	Assistant Director, Accounting and Corporate Reporting

#	Start Date	Actions	Completion Date	Responsibility	Resource
71.	Ongoing	Ensure that IFRS training courses for ICAS members are available in the market place.	Ongoing	Executive Director, UK and Global	Commercial Team
72.	June 2012	Ensure training courses on the revised UK GAAP (based on the IFRS for SMEs) are available for ICAS members via external training providers	Ongoing	Executive Director, UK and Global	Commercial Team
73.	Ongoing	Provide access to members to IFRS guidance and literature	Ongoing	Executive Director, Technical Policy and Practice Support	Technical Queries Team
74.	Ongoing	Provide access to members to UK GAAP accounting standards (issued by the FRC) and supporting literature.	Ongoing	Executive Director, Technical Policy and Practice Support	Technical Queries Team
<i>Review of ICAS compliance information</i>					
75.	Annual	Periodic review of ICAS's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO7 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information	Annual	Executive Director, Technical Policy and Practice Support and Executive Director, Innovations Division Executive Director, UK and Global	Executive Director, Technical Policy and Practice Support and Executive Director, Innovations Division Executive Director, UK and Global