

## **BACKGROUND NOTE ON ACTION PLANS**

SMO Action Plans are developed by IFAC Members and Associates to demonstrate fulfillment of IFAC Statements of Membership Obligations (SMOs). SMOs require IFAC Members and Associates to support the adoption<sup>1</sup> and implementation<sup>2</sup> of international standards and other pronouncements issued by independent standard-setting boards under the auspices of IFAC as well as by the International Accounting Standards Board (IASB); and to establish a Quality Assurance (QA) review and Investigation and Disciplinary (I&D) systems.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where improvements are needed. Based on the results of the assessment, Members and Associates develop an SMO Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs and (b) where some requirements are not yet addressed, to present plans towards their fulfillment.

SMO Action Plans are designed to be ever-green documents that provide a comprehensive description of the accountancy profession and its legislative and regulatory environment in the jurisdiction as well as the actions undertaken by IFAC Members or Associates to support adoption and implementation of international standards and best practices.

Regular updates of the SMO Action Plans are required as part of the IFAC Member Compliance Program.

### **Use of Information**

Please refer to the [Disclaimer](#) published on the Compliance Program website.

## **ACTION PLAN**

<b>IFAC Member:</b>	Netherlands Association of Registered Controllers [Vereniging van Registercontrollers] (VRC)
Approved by Governing Body:	
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<sup>1</sup> *Adoption* is concerned with the decision that international standards are appropriate for use in specific national financial reporting environments and with the actions necessary to effect those decisions, including incorporation into national requirements or requiring the use of international standards through law. Adoption may include a process to review draft international standards, translation, public exposure of proposed standards, approval, incorporation into national requirements as necessary, and promulgation of final standards, and, where applicable, a convergence process to eliminate or minimize differences between international and national standards.

<sup>2</sup> *Implementation* may include a process to build awareness of the adopted standards, provide relevant education and training, develop or disseminate implementation guidance and any other activities that promote proper understanding and use of the standards in practice.

## Glossary

AB	Appeals Board
AIB	Accountants in Business
AFM	Netherlands Authority for the Financial Markets
CAP	Compliance Advisory Board
CC	Confidential Counsellor
CFO	Chief Financial Officer
CPD	Continuing Professional Development
Code	Code of Ethics
DB	Disciplinary Board
EB	Executive Board
EC	European Credit
ED	Exposure Draft
E&E	Ethics and Enforcement Committee
EMFC	Executive Master of Finance and Control
FEE	Federation Experts-comptables Européens
IAASB	International Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IAS	International Accounting Standards
IGC	International Group of Controlling
IES	International Education Standard
IESBA	International Ethics Standards Board for Accountants
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
MCA	the Journal on Management Control and Accounting
MSc	Master of Science
NBA	Netherlands Institute of Registered Accountants [Nederlandse Beroepsorganisatie van Accountants]
NVAO	Accreditation Organisation of the Netherlands and Flanders [Nederlands Vlaamse Accreditatie Organisatie]
PIE	Public Interest Entity
QA	Quality Assurance
QAC	Quality Assurance Committee
RC	Registered Controller [Registercontroller] (the Dutch equivalent of management accountant)
SMO	Statement of Membership Obligations
VRC	Netherlands Association of Registered Controllers [Vereniging van Registercontrollers]
Wab	Auditors Profession Act (Wet op het accountantsberoep)
Wta	Audit Firms Supervision Act (Wet op de accountantsorganisaties)

**Action plan subject:** SMO 1 – Quality Assurance  
**Action plan objective:** Maintaining and raising the professional standards of the VRC's members

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Background</b>					
<p>The Netherlands Authority for the Financial Markets (AFM) is responsible for quality assurance (QA) in the case of statutory audits. NBA is responsible for QA in relation to all other assignments. This is a task of the NBA Commission Quality Assurance (Raad van Toezicht).</p> <p>Quality assurance and the position of AFM are regulated by the Audit Firm Supervision Act (Wet toezicht accountantsorganisaties, Wta). This Act introduces public oversight by the AFM on audit entities that provide audit reports that are relevant to the Dutch capital markets.</p> <p>The Auditors Profession Act 2013 (Wet op het Accountantsberoep: Wab) is the legal foundation of NBA. NBA is governed by public law, appointed by the government to represent the general interests of the profession and bound by law to ensure that the profession is practised properly.</p> <p>You are also referred to the NBA action plan. This plan states that AFM's approach for QA's on audits of PIE's is completely aligning SMO1 requirements.</p> <p>Because the VRC is a management accounting institute, its members do not audit final statements, and the VRC focuses activities on maintaining and improving the professional skills of its members by requiring them to comply with VRC's requirement for continuing professional development and to comply with the mandatory VRC Code of Ethics. VRC will do all in its power to promote and enforce its requirements by offering CPD courses to its members and by informing them about the courses that are available. VRC provides CPD –courses and the Code of Ethics. CPD is mandatory, for more information please see SMO 2.14. A course on the Code of Conduct is incorporated in the curriculum of IPD. Professional ethics is a mandatory activity of CPD.</p>					
<b>Actions</b>					
1.	Ongoing	Continuing professional development. SMO 2 provides more information about this matter.	Ongoing	See SMO 2	See SMO 2
2.	Ongoing	Code of Ethics – all VRC members are required to comply with it. SMO 4 provides more information about this matter.	Ongoing	See SMO 4	See SMO 4
3.	Ongoing	Provide access to relevant content, for instance, through the MCA journal and relevant CPD courses.	Ongoing	VRC EB VRC Technical Staff	VRC EB VRC Technical Staff MCA Editorial Board NBA-VRC Educational Programme Council
4.	2014	Provide access to relevant content on IFAC website by means of IFAC Global Knowledge Gateway logo on VRC website	Done, December 2014	VRC EB VRC Technical Staff	VRC Technical Staff

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
5.	2015	Development and implementation of a dedicated page on the VRC-website on VRC's international relations and information of independent standards setting boards.	2016-2017	VRC EB VRC Technical Staff	VRC Technical Staff
6.	2015	Explore strategic partnerships with peer institutes (IMA, CIMA) in order to cooperate and to enhance the value added for VRC-members.	Ongoing	VRC EB VRC Technical Staff	VRC EB VRC Technical Staff QAC

**Action plan subject:** SMO 2 – International Education Standards for Professional Accountants and other pronouncements issued by the IAESB

**Action plan objective:** Continue best endeavours to ensure that IES requirements are incorporated into VRC CPD standards and EMFC programmes of study.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><b>Background</b></p> <p>The VRC aims to improve the professional competence and development of its members. The VRC encourages the exchange of professional knowledge and skills to the benefit of both its members and the accredited universities. To do this the VRC maintains close contact with the academic community, exchanges information in the field of theory and practice, and maintains contact with those organisations and institutions with which it shares professional interests.</p> <p>VRC complies with SMO 2 as far as SMO 2 is applicable for management accountants, and considering the shared responsibility with EMFC programme providers. VRC performs its best endeavours to ensure that International Education Standards requirements are incorporated in the EMFC-programme.</p> <p><b>IES 1 – Entry requirements (SMO 2.7)</b></p> <p>To become a member of the VRC a person has to complete a professional accountancy programme of study: the EMFC (Executive Master of Finance and Control). Entry requirements for the EMFC qualification are an MSc in Accounting and Control and two years of relevant experience as a financial professional. These prerequisite qualifications are assessed by the relevant EMFC provider.</p> <p>The quality of the EMFC courses is guaranteed with the aid of periodic reviews and accreditation by the NVAO (Accreditation Organisation of the Netherlands and Flanders), an independent institution responsible for ensuring the quality of education in the Netherlands and Flanders (Belgium).</p> <p><b>IES 2 – Content of professional accounting education programmes (SMO 2.8)</b></p> <p>The following courses are taught as part of the EMFC programme of study: Management Accounting, Management Control, Accounting Information Systems, Financial Accounting (including IFRS), Corporate Finance and Treasury, Strategy, Tax Law, Corporate Law, Ethics, Governance and Compliance, Risk management. This programme of study is rounded off with a thesis. The VRC has a duty to ensure that the content of these courses is relevant and that their weighting is appropriate, and to secure a uniform weighting for these subjects. The EMFC is an MSc awarded by seven Dutch universities. It represents no less than 60 European Credits (ECs). As an EC represents 28 hours of study, the EMFC programme covers at least 1,680 study hours. On request we can send our training programme for CPD.</p> <p><b>IES 3 – Professional skills and general education (SMO 2.9)</b></p> <p>Professional skills are part of general education and the professional accountancy education programme entry requirements. They include intellectual, technical, functional, personal, interpersonal, communication, organisational and business management skills. All are covered by a requirement of two years of practical experience and of an MSc in Accounting and Control, and by the EMFC courses.</p> <p><b>IES 4 – Professional values, ethics and attitudes (SMO 2.10)</b></p> <p>Professional values, ethics, and attitudes for professional judgment are part of the EMFC programme of study and an important component of the</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>CPD courses offered by NBA-VRC.</p> <p><b>IES 5 – Practical experience requirement (SMO 2.11 &amp; 2.12)</b> Practical experience is one of the entry requirements for participation in the EMFC programme. Such practical experience includes at least two years of relevant experience as a financial professional.</p> <p><b>IES 6 – Assessment of professional capabilities and competence (SMO 2.13)</b> Those universities providing the EMFC programme are responsible for initial professional development.</p> <p><b>IES 7 – Continuing professional development (CPD – SMO 2.14)</b> As of 2007 the VRC's CPD standards require members to develop and maintain competencies through CPD. Article 6.4 of the VRC constitution (Members' Rights and Duties), Article 2.4.1 of the VRC's Code of Ethics, and more specifically the VRC's CPD scheme for registered controllers (the Dutch equivalent of management accountants). CPD standards are in line with the IFAC Education Standards (IES's) and are monitored by the Enforcement and Ethics Committee (E&amp;E Comm.).</p> <p>Those members who hold the title of RC are required to complete a minimum of 120 hours of relevant continuous professional development over a period of three years or 40 hours per year, and to register their activities using the CPD recordkeeping system provided on the VRC's website. CPD content must be relevant to management accounting, control and financial management and has to be a mix of professional competencies and personal development. Mandatory CPD activity 'Professional Ethics': a RC is required to complete a minimum of 3 CPD credits/hours on the subject of Professional Ethics as part of the 40 CPD credits/hours per annum.</p> <p>As part of the joint-venture, NBA-VRC, the VRC cooperates with the accountants in business of the NBA (the Dutch association of chartered accountants). The activities organised by the NBA-VRC are part of a broader selection of activities to which the VRC's members have access and include numerous professional courses, seminars and meetings on financial management and management accounting, for example:</p> <ul style="list-style-type: none"> <li>• training and development programmes offered by NBA-VRC Education (<a href="http://www.nbavrc.nl">www.nbavrc.nl</a>), which includes online learning through programmes such as Finance Mentor (80 courses covering the IFRS, auditing, finance, treasury, management accounting, control, strategy, tax management, economics, finance, and personal skills – courses designed to improve leadership and communication skills);</li> <li>• various events, such as the CFO Cycle (five times a year), an annual conference (600 to 700 visiting financial professionals), a mid-summer conference, boardroom meetings on location and annual code challenge meetings;</li> <li>• the professional journal on management control and accounting (MCA) for financial executives.</li> </ul> <p><b>IES 8 – Competence requirements for auditing professionals</b> IES 8 is not applicable, because audits do not constitute part of VRC's focus. In the Netherlands they are part of NBA's responsibility.</p> <p><b>Internationalization</b> By reacting on Exposure Drafts, VRC takes part in the process of international standard setting. VRC has consultations with the Chartered Institute of Management Accountants (CIMA) and with the Institute of Management Accountants (IMA) on educational matters. VRC is analysing further international cooperation with Federation Experts-comptables Européens (FEE) and the International Group of Controlling ICG. As of 2016, VRC is member of ICG.</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>IES requirements: standards and monitoring</b>					
7.	Ongoing	IES 7: Continue to promote CPD requirements and lifelong learning for all members with the aid of events, a website, email, newsletters, magazine articles and brochures, and through personal contact with VRC staff.	Ongoing	VRC EB VRC Technical Staff VRC E&E Comm.	VRC EB VRC Technical Staff VRC E&E Comm. NBA-VRC Educational Programme Council Event Committee
8.	Ongoing	IES 7: The VRC monitors its members' compliance with CPD standards. CPD is mandatory for all members. CPD monitoring includes an annual assessment of CPD compliance and is followed up with a random auditing process. Sanctions for non-compliance are imposed by the Executive Board after consulting the E&E Comm., and include official warnings and ultimately the exclusion of membership.	Ongoing	VRC EB VRC Technical Staff VRC E&E Comm.	VRC EB VRC Technical Staff VRC E&E Comm.
9.	Ongoing	IES 1: Best endeavours to ensure that the entry-requirement level (admission into a recognised university degree programme) is maintained by having annual policy and review dialogues with those universities providing the EMFC programme.	Ongoing	VRC EB VRC Technical Staff QAC	VRC EB VRC Technical Staff QAC
10.	2014	IES 1: Facilitation of periodic review (2015) and of new accreditation round (2016-2017).	2018	VRC EB VRC Technical Staff QAC	VRC EB VRC Technical Staff QAC
11.	2014	IES 2: Developing a new Professional Profile for Financial Professionals as part of the <a href="#">Vision Statement on the Profession of Financial Professional</a> (see <a href="http://www.vrc.nl">www.vrc.nl</a> ).	2017	VRC EB VRC Technical Staff QAC NBA-VRC AiB Board	VRC EB VRC Technical Staff QAC NBA-VRC AiB Board
12.	Ongoing	IES 2: Detect developments in the professional financial environment and channel them into those universities providing the EMFC programme. This may be done by means of interviews, seminars, etc.	Ongoing	VRC EB VRC Technical Staff QAC	VRC EB VRC Technical Staff QAC
13.	Ongoing	IES 2: Maintain the quality of the thesis. One way to do this is the annual thesis awards event.	Ongoing	VRC EB QAC	VRC EB QAC VRC Technical Staff Thesis Price Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
14.	2015	IES2: Maintain the quality of the thesis by fine tuning specific evaluation standards.	Ongoing	VRC EB VRC Technical Staff QAC	VRC EB QAC VRC Technical Staff Thesis Price Committee
15.	Ongoing	IES 2,3,4,5 and 6: Policy dialogue on the relevance of these entry requirements.	Ongoing	VRC EB VRC Technical Staff QAC	VRC EB VRC Technical Staff QAC
16.	Ongoing	IES 7: Maintaining the quality of the content of the CPD courses through the NBA-VRC's Education Programme Council.	Ongoing	VRC EB	VRC EB NBA-VRC Technical Staff NBA-VRC Educational Programme Council
<b>Maintaining ongoing processes</b>					
17.	Ongoing	IES 1-7: Continuous monitoring of the IFAC's IESs to ensure that the VRC's standards are compliant and up-to-date. Standards are reviewed annually.	Ongoing	VRC EB VRC Technical Staff QAC VRC E&E Comm.	VRC EB VRC Technical Staff QAC VRC E&E Comm.

**Action plan subject:** SMO 3 - International standards and other pronouncements issued by the IAASB  
**Action plan objective:** Best endeavours to promote IAASB standards and pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Background</b>					
<p><i>Auditing and assurance standards fall outside the VRC's general focus. The VRC's members do not perform audits. Those VRC members who are also members of the NBA and perform audits are subject to the NBA's standards. Best endeavours are directed towards promoting IAASB (International Auditing and Assurance Standards Board) standards and pronouncements by offering educational courses and by keeping the VRC's members informed</i></p> <p><i>You are referred to the NBA action plan. The NBA's Technical Advisory Committee [Adviescollege Beroepsreglementering] is responsible for translating and implementing IAASB pronouncements.</i></p> <p><i>VRC cooperates with Royal NBA in the NBA-VRC Education Programme. This education programme contains several courses containing audit aspects. On request, we can send you this programme.</i></p> <p><i>The EMFC programme deals with management accounting.</i></p> <p><i>VRC informs its members by: an IFAC-logo on the VRC-website, an IGC-logo on the VRC-website, and by offering VRC-members relevant CPD-courses (see: <a href="https://www.nbavrc.nl/alle-cursussen">https://www.nbavrc.nl/alle-cursussen</a>).</i></p>					
<b>Promoting activities</b>					
18.	Ongoing	<i>Offer VRC members continuing professional development courses dealing with auditing aspects.</i>	Ongoing	VRC EB VRC Technical Staff	VRC EB, VRC Technical Staff NBA-VRC Education Programme Council
19.	Ongoing	<i>Provide access to IAASB standards and other pronouncements by offering relevant CPD courses; for instance, see the article in MCA 2015, nr. 5, page 9.</i>	Ongoing	VRC EB VRC Technical Staff	VRC Technical Staff NBA-VRC Education Programme Council
20.	2014	<i>Provide access to IAASB standards and other pronouncements through the IFAC website (for instance, the IFAC Global Knowledge Gateway).</i>	December 2014 Completed	VRC EB VRC Technical Staff	VRC Technical Staff
21.	2015	<i>Development and implementation of a dedicated page on the VRC-website on VRC's international relations and information of independent standards setting boards (see action point 5).</i>	2016-2017	VRC EB VRC Technical Staff	VRC Technical Staff
<b>Maintaining ongoing processes</b>					
22.	2015	The VRC is continuing to update its processes and standards in line with the IFAC's Exposure Drafts.	Ongoing	VRC EB VRC Technical Staff	VRC EB VRC Technical Staff

**Action Plan Subject:** SMO 4 - IESBA Code of Ethics for Professional Accountants  
**Action Plan Objective:** To incorporate the IESBA Code into the VRC Code where appropriate and to communicate its provisions to all members

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><b>Background</b> The IESBA Code of Ethics (SMO 4) was adopted and incorporated into the VRC's Code of Ethics (the Code) in 2009. VRC fully complies with SMO 4. The latest version of the VRC Code has been in effect since 2014.</p> <p>In 2011 the Ethics and Enforcement Committee (E&amp;E Comm.) was appointed to help the Executive Board enforce and promote the Code of Ethics. In accordance with the Article 6(3) of the VRC's constitution, RC members have a duty to behave in accordance with the Code. The Code is based on those sections of Parts A and C of the IESBA Code which are relevant to professional accountants in business. The VRC's Enforcement and Ethics Committee monitors the IESBA's operational programme on an ongoing basis to ensure the continuing relevance of the VRC Code and its compliance with international best practice. The VRC's general assembly approved the latest amendments of the Code in December 2013 and the new Code has been in effect since 1 January 2014. The VRC monitors, analyses, notes and comments the revisions of the IESBA Code of Ethics on a continuous basis. Furthermore the VRC adopts and implements these revisions every five years by reviewing and updating the VRC Code.</p> <p><b>The Code is a part of continuing professional development (CPD)</b> The VRC's CPD procedures instruct members to periodically update their ethical knowledge and skills to stimulate continuous ethical professional development through dedicated courses on ethics. All RC members have undergone mandatory training to understand the fundamental principles of the Code and to conduct themselves accordingly. Their training has been organised by those universities which have incorporated the Code into their EMFC curriculum and have organised the mandatory CPD course, VRC Code for those members who have not received such training as part of the EMFC curriculum.</p> <p>The NBA-VRC Educational Programme Council offers several relevant ethical training programmes, such as Moral Courage, a course that trains one to show moral courage when dealing with ethical dilemmas. The VRC periodically organises Code Challenge Meetings. During these events members meet as peers to discuss behavioural and ethical dilemmas as lessons to be learned in the cases that are presented. A confidential counsellor advises members on how to resolve any significant behavioural (ethical) dilemmas.</p>					
<p><b>Adopting the IESBA Code of Ethics and promoting the Code amongst members and students</b></p>					
23.	Ongoing	The VRC Code of Ethics (the Code) complies with the relevant IESBA criteria. The VRC monitors, analyses, notes and comments the revisions of the IESBA Code of Ethics on a continuous basis. Furthermore the VRC adopts and implements these revisions every five years by reviewing and updating the VRC Code. The VRC Code will be reviewed in 2017 and 2018.	Ongoing	VRC EB VRC Technical Staff VRC E&E Comm.	VRC EB VRC Technical Staff VRC E&E Comm.
24.	Ongoing	Implement and promote the Code with the aid of: <ul style="list-style-type: none"> <li>printed versions in Dutch en English</li> </ul>	Ongoing	VRC EB VRC Technical	VRC EB VRC Technical Staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<ul style="list-style-type: none"> <li>“credit cards” setting out the five basic principles of the Code in Dutch and English in a format small enough to fit in a wallet</li> <li>publication of the Code on the VRC website and in our journal, <i>MCA</i> (management control and accounting), and other media</li> <li>seminars such as the Code Challenge Meetings, and round tables, seminars during which peers interact with each other, and discuss and review cases involving real ethical dilemmas.</li> </ul>		Staff VRC E&E Comm.	VRC E&E Comm. VRC Event Committee
25.	Ongoing	Ensure best endeavours on the part of pre-qualification educational suppliers to comply with SMO 2, IES 4 requirements (and IESBA revised pronouncements) based on the latest version of the VRC Code.	Ongoing	VRC EB VRC Technical Staff VRC E&E Comm., QAC	VRC EB VRC Technical Staff VRC E&E Comm. QAC
26.	Ongoing	Continue to encourage the development of CPD activities involving the Code and ethical behaviour. For example, the NBA-VRC Educational Programme Council offers several relevant ethical training programmes, such as <i>Moral Courage</i> , a course that trains one to show moral courage when dealing with ethical dilemmas.	Ongoing	VRC EB VRC technical Staff VRC E&E Comm.	VRC EB VRC Technical Staff VRC E&E Comm. Education providers NBA-VRC Education Programme Council
27.	Ongoing	Continue to help members to act in compliance with the Code with the aid of advice provided by the VRC confidential counsellor (CC) and to resolve any significant behavioural (ethical) dilemmas. Continue to publish ethical cases and answers on the VRC website ( <a href="http://www.vrc.nl">www.vrc.nl</a> ).	Ongoing	VRC EB VRC Technical Staff VRC E&E Comm. VRC CC	VRC EB VRC Technical Staff VRC E&E Comm. VRC CC
28.	2017	Developing a new and dynamic online collection of mores prudence that replaces the addendum of the Code.	2018	VRC EB VRC Technical Staff VRC E&E Committee	VRC EB VRC Technical Staff VRC E&E Committee
29.	Ongoing	Publication of Exposure Drafts on the VRC website, and in the VRC Newsletter.	Ongoing	VRC EB VRC Technical Staff VRC E&E Committee VRC EB	VRC EB VRC Technical Staff VRC E&E Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Maintaining ongoing processes</b>					
30.	Ongoing	Continue to support ongoing compliance with the IESBA Code of Ethics and IESBA pronouncements. This includes a review of the existing requirements and preparation of an action plan for amendments where necessary.	Ongoing	VRC EB VRC Technical Staff VRC E&E Comm. QAC, Event Comm.	VRC EB VRC Technical Staff VRC E&E Comm. NBA-VRC Education Programme Council VRC Event Committee, QAC

**Action Plan Subject:** SMO 5 - International Public Sector Accounting Standards and other pronouncements issued by the IPSASB  
**Action Plan Objective:** Further improve and maintain processes to ensure ongoing compliance with IPSASB pronouncements in Dutch professional practice

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><b>Background</b></p> <p><i>In the Netherlands the VRC is not responsible for accounting standards in the public sector. Most public sector departments use accrual accounting with the exception of government ministries. Within the Dutch political context there are no grounds at present for introducing public sector accounting standards on an accrual base.</i></p> <p><i>This action plan deals with the VRC's efforts to introduce generally accepted accounting techniques into the profit sector, such as performance management and finance professionalism as best practice, and IPSAS ideas into the not-for profit sector.</i></p> <p><i>The Dutch government is responsible for accounting standards in the public sector. You are referred to the NBA action plan. The NBA claims that it is not responsible for accounting standards in the public sector.</i></p> <p><i>The Public Sector Working Group consists of members of NBA and VRC who are active in the public sector. In August 2015, the Group consists of 7 members: one is working in the healthcare sector, four are working for the municipality, one at a government ministry, one at VRC. The Group organises Boardroom-meetings, seminars and network meetings, all in the context of the public sector. This Group is not responsible for setting public sector accounting standards.</i></p>					
<p><b>Promote the adoption of IPSASs</b></p>					
31.	Ongoing	Promote continuing professional development courses dealing with public sector issues for members working in that sector.	Ongoing	VRC EB	VRC EB VRC Technical Staff NBA-VRC Staff NBA-VRC Educational Programme Council
32.	Planned	Boardroom meetings – in the health and public sectors – in which public accounting issues are addressed.		VRC EB	VRC EB VRC Technical Staff NBA-VRC Staff
33.	1,2,3,4,6: Ongoing	<ol style="list-style-type: none"> <li>1. Participation in the NBA-VRC's public sector working group, in order to initiate seminars and in order to monitor developments in public sector accounting.</li> <li>2. Interviews with public sector accountants in order to monitor developments and issues in public sector accounting (for instance MCA August 2016)</li> <li>3. Publication of interviews with public sector accountants on the VRC website at www.vrc.nl.</li> </ol>	Ongoing	VRC EB VRC Technical Staff	VRC EB VRC Technical Staff NBA-VRC Staff Public Sector Working Group MCA Editorial Board
	5. 2014				
	6.				

#	Start Date	Actions	Completion Date	Responsibility	Resource
		4. Specific articles on public sector accounting themes in the journal, <i>MCA</i> . For instance, see <i>MCA</i> June and August 2016. 5. Provide access to International Public Sector Accounting Standards (IPSAS) and guidelines through the IFAC website. 6. Provide comments on ED's. 7. Issuing a RC top-10 for not-for-profit RC's.	5. Done, December 2014 6. Ongoing 7. 2016-2017		
<b>Maintaining ongoing processes</b>					
35.	2015	Following IFAC's Exposure Drafts, VRC is continuing to update its processes and standards.	Ongoing	VRC EB VRC Technical Staff	VRC EB VRC Technical Staff

**Action Plan Subject:** SMO 6 - Investigation and discipline  
**Action Plan Objective:** Use best endeavours to encourage those responsible for the requirements to comply with SMO 2 when implementing them, and to assist with the implementation of SMO 6 where appropriate.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><b>Background</b>  <i>In the Netherlands the Ministry of Justice and the Netherlands Authority for the Financial Markets (AFM) are responsible for investigations and discipline in relation to unlawful misconduct in the financial sector. The VRC has no national legal responsibility or power (no mandate) to legally investigate or discipline its members.</i></p> <p><i>The VRC does however have the power to investigate and discipline its members (not companies) for misconduct (failure to exercise and maintain professional standards) in accordance with its constitution, Code of Ethics (the Code) and Disciplinary and Appeals Boards Regulations. The VRC power to investigate and discipline its members for misconduct is therefore based upon the VRC's regulations and not on national legislation.</i></p> <p><i>Article 15 of the VRC constitution sets out the rules applicable to the activities of the Disciplinary Board. VRC has very well-developed investigation and disciplinary procedures to meet the requirements stipulated in SMO 6. The relevant process is the responsibility of the Disciplinary Board, which represents a balance of professional legal and independent expertise. A detailed description of the VRC's investigation and discipline process, governing regulations and decisions is publically available on the VRC website.</i></p> <p><i>The VRC has several processes and institutions involved in investigation and discipline. The following institutions are involved.</i></p> <p><b>The Executive Board:</b></p> <ul style="list-style-type: none"> <li>• ensures that the RC members conduct themselves in accordance with the Code. The Disciplinary and Appeals Boards have been established to rule on such matters. The Executive Board, and any member or stakeholder may file a complaint.</li> <li>• ensures that the RC members comply with the CPD regulations. The E&amp;E Comm. advises the Executive Board on these issues.</li> <li>• may rule against a member for failing to comply with the CPD regulations.</li> </ul> <p><b>The Disciplinary Board</b> receives, assesses and rules on complaints about misconduct on the part of RC members.</p> <p><b>The Appeals Board</b> receives, assesses and rules on appeals against the rulings of the Disciplinary Board</p> <p><i>The Disciplinary and Appeals Boards represent a mix of professional expertise: a chairperson (Master of Laws), an RC member (management accountant) and a non-RC member (a university professor, accountant, attorney or ethical professional). All rulings are published on the VRC website as lessons to be learned.</i></p> <p><b>The Enforcement and Ethics Committee</b> advises the Executive Board on issues pertaining to policy, enforcement and implementation in relation to the Code of Ethics in accordance with the provisions of the regulations of the Enforcement and Ethics Committee. The recent activities of the E&amp;E committee include the revision of the Code, the organisation of ethical seminars and round tables, the encouragement of best ethical practices, and the provision of advice to the Executive Board concerning the treatment of those members who fail to comply with CPD requirements.</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Investigation and discipline</b>					
36.	Ongoing	Encourage SMO 6 compliance on the part of the Executive Board (EB), Disciplinary (DB) and Appeals Boards (AB), and E&E Comm. by organizing periodic policy dialogues and by amending relevant regulations as required.	Ongoing	VRC EB VRC DB and AB VRC Technical Staff VRC E&E Comm.	VRC EB VRC DB and AB VRC Technical Staff VRC E&E Comm.
37.	Ongoing	Ensure that all members are in possession of the appropriate investigation and discipline regulations, and the Code, and publish cases and verdicts (in an anonymised form).	Ongoing	VRC EB VRC Technical Staff VRC E&E Comm.	VRC EB VRC Technical Staff VRC E&E Comm.
39.	Ongoing	VRC has an annual review of the performance of the disciplinary system as well as the continuing independence of the members of the Disciplinary Board.	Ongoing	VRC EB VRC Technical Staff	VRC EB VRC Technical Staff Disciplinary Board
<b>Maintaining ongoing processes</b>					
40.	Ongoing	Continue to support the ongoing compliance of the investigation and discipline systems with the requirements of SMO 6. This includes a review of the existing requirements and preparation of the action plan for amendments where necessary.	Ongoing	VRC EB VRC DB and AB VRC Technical Staff VRC E&E Comm.	VRC EB VRC Technical Staff VRC DB and AB VRC E&E Comm.

**Action Plan Subject:** SMO 7 - International Financial Reporting Standards  
**Action Plan Objective:** Best endeavours to promote IFRS

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><b>Background</b></p> <p>As a member state of the European Union, the Netherlands is subject to the IAS Regulation adopted by the European Union. The EU IAS Regulation requires application of IFRS for the consolidated financial statements of European companies whose securities trade in a regulated market. The EU IAS Regulation gives member states the option to require or permit IFRS in separate company financial statements (statutory accounts) and/or in the financial statements of companies whose securities do not trade on a regulated securities market.</p> <p>The Dutch Accounting Standards Board (DASB) has developed two levels of standards for companies whose securities are not publicly traded: Small Entities and Medium sized and Large Entities. The last must choose between (a) Dutch Accounting Standards (DAS) for medium-sized and large entities and (b) IFRS adopted by the EU combined with a part of the DAS for medium sized and large legal entities. Listed entities have to use IFRS.</p> <p>The VRC is not responsible for accounting and reporting standards in the Netherlands. Best endeavours are directed towards encouraging the adoption of the IFRS in the Netherlands by promoting them amongst all of our members. Financial reporting represents an important part of our members' job.</p> <p>VRC considers to develop and implement a distinctive page on the VRC website giving access to relevant international information regarding IFRS, FEE, IGC, and IFAC. Relevant Exposure Drafts and reactions can be part of this page. See Action Plan 5. IFRS is part of all EMFC programmes of study. IFRS is available in several CPD-courses (see: <a href="https://www.nbavrc.nl/alle-cursussen/">https://www.nbavrc.nl/alle-cursussen/</a>).</p> <p>You are referred to the NBA action plan. The NBA claims that it is not responsible for accounting and reporting standards in the private sector. You are referred to NBA Compliance, Part 2, SMO7, for more information about SMO 7.</p>					
<p><b>Promotion</b></p>					
41.	Ongoing	Inform those VRC members attending CPD courses about IFRS items.	Ongoing	VRC EB VRC Technical Staff	VRC EB VRC Technical Staff, NBA-VRC Staff, NBA-VRC Educational Programme Council
42.	2014	Provide access to IFRS and guidelines through several websites (for instance the Global Knowledge Gateway) by providing links on the VRC-website and topical articles in our Magazine.	Website: done. Articles, ongoing	VRC EB VRC Technical Staff	VRC EB VRC Technical Staff
<p><b>Maintaining ongoing processes</b></p>					

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
43.		In line with the IFAC's Exposure Drafts, the VRC is continuing to update its processes and standards.		VRC EB VRC Technical Staff	VRC EB VRC Technical Staff