

Belarus

Accounting firms' experience in ensuring growth
of their practice in Belarus

Development and growth outlook for the UCAA

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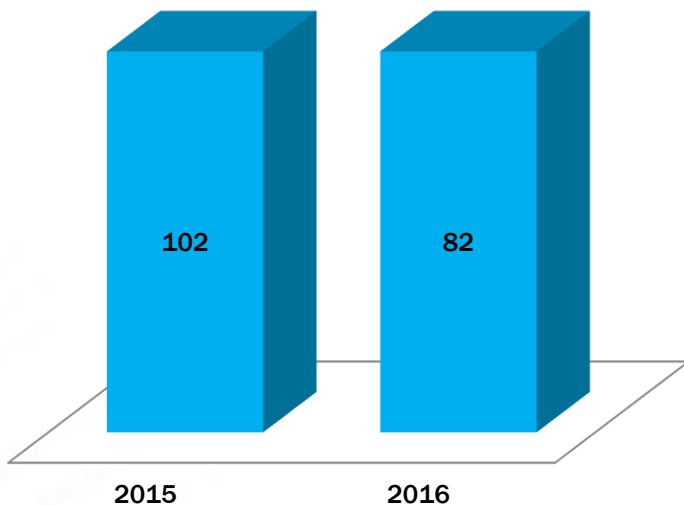
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Overview of the profession



The market of accounting firms in the Republic of Belarus is characterized by the following key indicators:

- As of January 1, 2017 there were 82 audit firms
- As of January 1, 2016 there were 102 audit firms

Source: www.minfin.gov.by



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The audit requirement

The audit activity is regulated by the Law on Auditing.

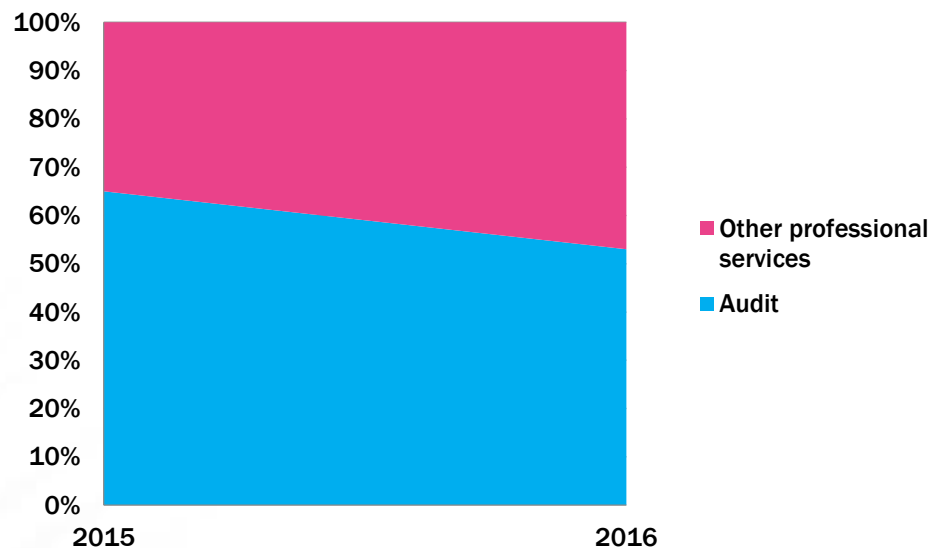
The Ministry of Finance of the Republic of Belarus is the regulator of accounting and auditing activities in the Republic of Belarus. The Ministry of Finance issues the mandatory certification of professional accountants and auditors. Members of qualifications commission include the representatives of the UCAA.

Audit firms should not have licenses on audit activity and are not required to be the members of the PAOs.



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Split of revenue from audit and other services



Structure of rendered services in auditing activities In 2016 :

- Audit – 53%
- Other professional services – 47 %



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Application of ISA in Belarus

According to requirements of the Law on Auditing, it is mandatory to comply with local audit rules.

ISAs is not mandatory to use on the territory of the Republic of Belarus.



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PAOs in Belarus and the mandate of the PAOs

There are the following PAOs in Belarus:

- Association of Audit Organizations (united legal entity)
- ACBA (united individuals)
- UCAA is a Union that unites audit and accounting firms and individuals

The objectives of the UCAA are:

- to contribute in establishment and development of the quality assurance for the UCAA members
- to contribute to meet the *International Education Standards for Professional Accountants* by the UCAA members
- to contribute to meet *Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services*
- to contribute in adoption and compliance of the *Code of Ethics for Professional Accountants*
- to contribute in adoption and development of the *International Public Sector Accounting Standards*
- to contribute in establishment and development of mechanisms for investigation and discipline of the UCAA members, failed to comply with the requirements of the UCAA
- to contribute in adoption and development of *IFRSs*



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The traditional services and the new emerging services

As Belarus is a former Soviet republic, an accountant is equally an accountant and a tax accountant. So, the audit in Belarusian practice includes the verification of taxes. The adoption of the Decree of the President “On tax advising” on the allocation of a tax consultant as a separate type of profession has been initiated.

It will lead to:

- the creation of a separate service of tax advisers, which will be certified by the Ministry of Taxes;
- the allocation of tax advice in a separate type of service for existing audit firms.

In recent years, the members of the SSAB have also noticed the growth of new services in Belarus:

- risk advisory
- IT risk and advisory
- financial management
- forensic
- Due Diligence

Among the new service lines there is also a demand for the development of sustainability reporting and integrated reporting



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How UCAA is supporting its members

Within this framework, the UCAA divides auditing companies into two types of membership:

- Full members (applying ISAs and having access to the latest services through the methodology of their networks). For such members, an external quality control system has been designed by our PAO
- Associate members. The main requirement for them is to comply with the local rules of auditing.



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Activities of the UCAA

To pursue professional growth of accountants and auditors the UCAA is involved in the following activities:

- collaboration with the other business unions in the Republic of Belarus;
- cooperation with the Belarusian State Economic University on the development and implementation of the CPD;
- negotiation with The Ministry of Finance of the Republic of Belarus on amendments to the legislation on auditing and accounting
- negotiation with the Eurasian Economic Commission on creation of a ISA-based single audit market in the EAEU
- establishment of the partnership with PAOs in other countries



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How UCAA is supporting its members

The growth of the UCAA is based on:

- increased credibility among the practicing community for the UCAA members
- functioning of the quality control system for the UCAA members
- professional certification of the accountants and CPD



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Thank you