



*Action Plan Developed by:
Iranian Association of Certified Public Accountants (IACPA)*

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 Programme 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 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 Programme website.

ACTION PLAN

IFAC Member/Associate:	<i>Iranian Association of Certified Public Accountants (IACPA)</i>
Approved by Governing Body:	<i>Iranian Association of Certified Public Accountants (IACPA)</i>
Original Published:	<i>September 2009</i>
Last Updated:	<i>May 2025</i>
Next Updated:	<i>November 2029</i>

Glossary

BoD	Board of Directors
CE	Code of Ethics
DB	Disciplinary Boards
EC	Ethics Committee
E & RB	Education & Research Board
E.R. & T	Education, Research and Training
E & RC	Education & Research Committee
IPART	Institute of Professional Accounting Research and Training
QA	Quality Assurance
QCC	Quality Control Committee
QCD	Quality Control Directorate
T & SC	Technical & Standards Committee

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Action Plan Subject: SMO 1 - Quality Assurance.

Action Plan Objective: Continue to ensure an effective quality review programme is in place for all members offering accounting services to the public and in particular offering assurance services.

Background:

Quality assurance is one of the Association's key functions. The Association and the Certified Public Accountant (CPA) brand represent quality, integrity and the adoption and application of professional standards. The Association has an obligation to the public to ensure that its members practice in a manner consistent with these values. The Association also has an obligation to its members to ensure that the CPA brand continues to have relevance and maintains its value to members and the marketplace.

This action plan includes only those actions that are still required or are by nature, part of an on-going process to meet the bold type requirements within SMO 1. IACPA has been monitoring the vast majority of the requirements within SMO1 since 2003. All member firms are subject to yearly visits and sole-practitioners too since 2003. Visits include the review of a sample of audits performed and consideration is given to the risk profile of audits in selecting engagements for review. Furthermore, specific visits may take place when IACPA receives a complaint or request from either a regulatory agency or the public. The operating policies and procedures for carrying out these visits are well established and well understood by those carrying out the visits and by audit firms.

The quality assurance review programme is one quality assurance process that the Association uses to ensure its members continue to be competent, act with integrity and comply with professional and technical standards. It is both educational and compliance focused.

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#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Quality Assurance Review team procedures</i>					
1.	Ongoing	QA Procedures and documentation are subject to continuous updating process to reflect current developments in law, regulations, standards and best practice.	Ongoing	QCD	QCD- IACPA Council
<i>Documentation</i>					
2.	Ongoing	IACPA continually reviews documentation to ensure it fully supports our conclusions and visit rating.	Ongoing	QCC	QCD
<i>Skills and Competence</i>					
3.	Ongoing	Regular and relevant training of all QA staff to update them on technical and practice developments including Iranian/ International auditing and accounting standards, ethical standards and Iranian law and regulations. IACPA system for individual appraisal monitors the maintenance and development of skills (technical and soft), experience, competence and adequacy of CPD.	Ongoing	QCD	QCD staff and external resources as appropriate
4.	Ongoing	IACPA recruits only those with appropriate qualification, experience and fit and proper status and the new joiners are subject to a comprehensive induction plan.	Ongoing	QCD	QCD staff

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#	Start Date	Actions	Completion Date	Responsibility	Resource
5.	Ongoing	Develop workshops for QA teams in risk and controls issues.	Ongoing	QCD	QCD staff
Reporting					
6.	Ongoing	Perform periodic review of IACPA's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 1, as necessary. Once updated, inform IFAC Compliance Staff about the updates in order for the Compliance Staff republish updated information.	Ongoing	QCD	QCD staff

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Action Plan Subject: SMO 2 - International Education Standards for professional Accountants and Other Pronouncements issued by the IAESB

Action Plan Objective : Continue to use the best endeavors to ensure that all IES requirements are incorporated into the IACPA professional accountancy education system.

Background					
IACPA through its Institute of professional accounting and Training (Education & Research wing of IACPA) develop and run professional training courses (virtual, on- line, off- line, in person, workshop, etc.) for members and their professional staff and monitors members' in-house trainings as per approved criteria. IACPA also monitors members' continuing professional development (CPD) requiring 120 learning units over every rolling three years.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
International Education Standards					
1.	Ongoing	The IACPA training programme is compliant with fundamental principles of IESs 1-8.	Ongoing	IPART	Members of IPART
2.	Q4.2021	IACPA initiated plan of establishing an educational institute- Institute of Professional Accounting Research and Training (IPART)- with the responsibilities of E&RC.	Q1.2022	(E, R&T) IPART	Members of IPART

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#	Start Date	Actions	Completion Date	Responsibility	Resource
3.	Q1. 2012	To help member firms in promoting their professional staff up to supervisor position, IACPA has implemented a twice or Three times a year examination programme to test such professional staffs' knowledge, skills and competency	Ongoing	IPART	Members of IPART
4.	Ongoing	Maintenance of mandatory CPD for members in an outputs-based policy compliant with IES 7. Monitoring, investigation and, where appropriate, disciplinary action against any noncompliant member.	Ongoing	IPART	Members of IPART
5.	Ongoing	Acceptable CPD activities are not limited to those provided by IACPA. Any activity appropriate such as publishing articles and books, presentation in seminars, etc. can be used for learning and development.	Ongoing	IPART	Members of IPART
6.	Ongoing	Development of education programme for members and member firms' professional staff (specifically ensuring basic educational needs of control and risk issues).	Ongoing	IPART	Members of IPART
<i>Review of IACPA's Compliance Information</i>					
7.	Ongoing	Perform periodic review of IACPA's response to IFAC's 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.	Ongoing	IPART	Members of IPART

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Action Plan Subject: SMO 3 - International Auditing and Assurance Standards.

Action Plan Objective: Convergence with IAASB Pronouncements.

Background

Standard (accounting, auditing and ethics) setting is legally vested with Audit Organization (a governmental audit firm). Audit Organization sets Iranian standards mainly based on International Standards, with minor modifications due to local laws, regulations and other local considerations. IACPA participates actively in standard setting process by appointing two representatives on each of Audit Organization's Standard Setting Committees, informing its members of every EDs issued, informing the standard setters of its member's recommendations and making its best endeavors in due process of each standard. Audit Organization has adopted a convergence plan and accordingly has revised Iranian Standards especially Auditing standards. Meanwhile, Audit Organization generally consults with IACPA, Iranian Security and Exchange Organization and Tehran Stock Exchange regarding setting and executing the standards.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption of International Standards issued by IAASB</i>					
1.	Ongoing	IACPA continues to use best endeavors to encourage Audit Organization's adoption of IAASB standards and continue to support their implementation. This includes reviewing this Action Plan on a periodic basis.	Ongoing	CEO	Members of T & SC
2.	Ongoing	IACPA participates actively in the Iranian Standard Setting process.	Ongoing	CEO	Members of T & SC

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#	Start Date	Actions	Completion Date	Responsibility	Resource
3.	Ongoing	IACPA continues provision of training focused on the application of ISAs.	Ongoing	CEO	Members of IPART
Implementation Guidance					
4.	Ongoing	IACPA considers the need for implementation guidance on an ongoing basis and issues guidance as appropriate.	Ongoing	CEO	Members of T & SC IPART
Notifying members of ISAs issued by IAASB					
5.	Ongoing	Notifying IACPA members of IAASB EDs and Standards through IACPA website and quarterly magazine - The Certified Accountant.	Ongoing	CEO	Members of IPART & Int. Relations
Assistance in Implementing ISAs in Iran					
6.	Ongoing	Meeting with Audit Organization (The standard setter) and negotiate and emphasize our key points related to implementation of standards.	Ongoing	BoD	IACPA staff
Reviews of IACPA's Compliance information					
7.	Ongoing	Perform periodic review of IACPA's 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.	Ongoing	CEO	T & SC/Int. Relations

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Action Plan Subject: SMO 4 - IESBA Code of Ethics for Professional Accountants

Action Plan Objective: Ensure alignment of IACPA Code of Ethics with IESBA Code.

Background

National Ethical standards are developed by Audit Organization. IACPA has translated IESBA Code of Ethics for Professional Accountants (2024) which is to be published on IFAC website. Persian speaking countries may benefit from this translation. IACPA is to develop its Code of Ethics based on said translation with due consideration to Iranian laws, regulations and other local factors to be published it in late 2025, effective as of March 21, 2026.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Monitoring Activities</i>					
1.	Ongoing	Monitor developments and amendments to the IESBA Code through monitoring IESBA communications.	Ongoing	EC	EC/CEO
2.	Ongoing	Developments affecting IACPA members are communicated by means of website, newsletters and similar media.	Ongoing	EC	EC/CEO
3.	Ongoing	Review and better the IACPA Disciplinary Rules.	Ongoing	EC	EC/CEO
4.	Ongoing	Compliance with Code of Ethics is a consideration on monitoring visits to firms and when investigating complaints.	Ongoing	QA teams	QCD/DB

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#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Procedures</i>					
5.	Ongoing	Issues reported by individual members and others are monitored against the coverage of the Code.	Ongoing	EC/QCD	EC/QCC/QCD
6.	Ongoing	Periodic review of CPD Programmes.	Ongoing	IPART	Members of IPART
<i>Review of IACPA's Compliance Information</i>					
7.	Ongoing	Review of IACPA's response to the IFAC Compliance Self-Assessment questionnaires periodically 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.	Ongoing	EC	EC/CEO

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Action Plan Subject: SMO 5 - International Public Sector Accounting Standards.

Action Plan Objective: Ongoing Convergence with requirements of SMO 5. Further improve and maintain process for ongoing compliance with IPSASs.

Background					
Standard Setting in Iran is legally vested with Audit Organization. Audit Organization has translated and, with due consideration to Iranian environment, laws and regulations, customized a number of IPSASs for adoption by public sector entities. IACPA will continue to use its best endeavor to their adoption in Iran.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
Assistance with implementation of IPSASB requirements into National Public Sector Accounting Standards.					
1.	Ongoing	IACPA will continue to use its best endeavors to encourage Audit Organization to adopt IPSASs.	Ongoing	T & SC	T & SC/ Chair of T & SC
2.	Ongoing	Review the requirements of IPSASs.	Ongoing	T & SC	T & SC
Notifying members of IPSAB requirements					
3.	Ongoing	Highlight relevant new IPSABS and IASB requirements on IACPA website.	Ongoing	T & SC	T & SC

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#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of IACPA's Compliance information</i>					
4.	Ongoing	Perform periodic review of IACPA's 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.	Ongoing	T & SC	T & SC/ Chair of T & SC

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Action Plan Subject: SMO 6 - Investigation and Discipline.

Action Plan Objective: Improve and ensure ongoing maintenance of IACPA Investigation and Discipline System.

Background

IACPA upholds professional standards in the public interest. IACPA devised its investigation and disciplinary scheme as of its establishment date. IACPA investigation and disciplinary procedures comply fully with the main requirements of SMO 6.

IACPA is committed to a programme of continuous improvement which continually reviews and enhances the investigation procedures.

IACPA undertakes periodic reviews of our response to the Compliance Self- Assessment questionnaires and updates relevant sections as necessary.

#	Start Date	Actions	Completion Date	Responsibility	Resource
1.	Ongoing	Review guidance on sentencing provided to DB.	Ongoing	DB/CEO	EC/DB
2.	Ongoing	All matters requiring report to regulatory authorities are reported properly in accordance with legal requirements	Ongoing	QCD	QCD staff
3.	Ongoing	Monitor complaints' work load and seek additional resources where necessary.	Ongoing	EC/CEO	DB

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#	Start Date	Actions	Completion Date	Responsibility	Resource
4.	Ongoing	Conduct annual review of DB membership to ensure terms of office adhered to and appropriate levels and range of skills maintained.	Ongoing	EC/CEO	DB
5.	Ongoing	Continue to ensure IACPA's investigation and disciplinary mechanism continues to address all SMO 6 requirements. This includes review of existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	EC/CEO	DB/ EC
<i>Review of IACPA's Compliance Information</i>					
6.	Ongoing	Perform periodic review of IACPA's response 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.	Ongoing	EC/CEO	DB

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Action Plan Subject: SMO 7 - International Financial Reporting Standards.

Action Plan Objective: Continue to use best endeavors to maintain and continuously improve an ongoing programme for adoption and implementation of IFRS.

Background					
Audit Organization (the National Standard Setter), has translated and published IFRSs extant on January 1 st , 2017, with official permission of IFRS Foundation. Larger listed companies, banks and insurance companies are to adopt and comply with these IFRSs. Other companies may voluntarily adopt them. However, all entities must comply with Iranian Accounting Standards (which are based on IASs issued by IASB) and prepare and present their financial statements in compliance with said standards.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
Maintaining Ongoing Procedures					
1.	Ongoing	Develop and promote the IACPA IFRS learning programmes for members and member firms' professional staff.	Ongoing	T & SC	T & SC/CEO
2.	Ongoing	Maintain position and use best endeavors to cooperate with standard setters.	Ongoing	T & SC/CEO	T & SC
3.	Ongoing	Use best endeavors to incorporate International Standards in Iranian standards.	Ongoing	T & SC	T & SC/CEO
4.	Ongoing	Hold discussions with Iranian standard setters.	Ongoing	T & SC/CEO	T & SC/CEO
5.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of IFRS. This includes review of existing activities and updating the Action Plan for future activities where necessary.	Ongoing	T & SC/CEO	T & SC/CEO
Review of IACPA's Compliance information					
6.	Ongoing	Perform periodic review of IACPA's 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.	Ongoing	T & SC	T & SC/CEO