

BACKGROUND NOTE ON ACTION PLANS

The SMO Action Plan is intended to provide a summary of:

- The legal and regulatory environment for the profession;
- The status of adoption of international standards and best practices in the jurisdiction; and
- The Member's or Associate's activities to fulfill IFAC membership requirements.

IFAC [Statements of Membership Obligations](#) (SMOs) require IFAC Members and Associates to support the adoption¹ and implementation² 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. The SMOs are recognized as the international benchmarks for credible and high-quality PAOs that are focused on and have the necessary expertise to serve the public interest and meet the market demands of their respective jurisdictions.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where, if any, improvements are needed. Members and Associates should develop an Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs (revised in 2012), and (b) where some requirements are not yet addressed, to present plans towards their fulfillment. Action Plans are designed to be **ever-green** documents that take into consideration IFAC recommendations. Depending on the PAO's level of fulfillment (see *IFAC's Summary Assessment* – page 2), an Action Plan may not be necessary for each SMO section and instead the '*Attestation of Ongoing SMO Compliance*' is used to confirm their ongoing commitments. However, PAOs may wish and are welcome to utilize the Action Plan as a tool to demonstrate how they are using 'best endeavors' and going beyond their mandate with innovative approaches to fulfilling the SMOs and strengthening the national profession.

The specific details of each organization's actions will vary even where two PAOs are involved in the same SMO area. Each PAO operates in its own unique regulatory and standard-setting framework and has different operating, technical, and resource capacities. Moreover, in deciding when and how a particular SMO requirement is to be addressed, PAOs might have differing timeframes and objectives to achieve. Notwithstanding these inevitable differences, seeking the advice and assistance of other PAOs who have already faced and dealt with similar challenges can save significant time and resources. IFAC staff will offer assistance as needed.

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 IFAC website.















¹ *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 affect 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.

² *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.

ACTION PLAN

IFAC Member: The Polish Chamber of Statutory Auditors (PIBR)
Approved by Governing Body: **The National Council of Statutory Auditors (Council = KRBR)**
Last Updated: September 2022
Next Update: September 2026

IFAC's Summary Assessment: IFAC staff will complete this section at the conclusion of each SMO Action Plan review and update process. PAOs are encouraged to take staff's recommendation into consideration as part of future strategic planning conversations at the PAO. For more information on [IFAC Member Compliance Program](#) and the legends used to describe the status of adoption of international standards, best practices, and fulfillment of SMO requirements, please refer to the Status of Adoption [methodology](#) and SMO Fulfillment [methodology](#).

	PAO Level of Responsibility for Adoption of Standards	Jurisdiction Adoption Status as of 2022	Level of SMO Fulfillment as of 2022
QA / SMO 1	No Direct	 Adopted	 Sustain
IES / SMO 2	Shared	 Partially Adopted	 Review & Improve
ISA / SMO 3	Shared	 Adopted	 Sustain
IESBA / SMO 4	Shared	 Partially Adopted	 Sustain
IPSAS / SMO 5	No Direct	 Not Adopted	 Sustain
I&D / SMO 6	Shared	 Partially Adopted	 Review & Improve
IFRS / SMO 7	No Direct	 Adopted	 Sustain

Attestation of SMO Compliance

The **PIBR** has developed an Action Plan to demonstrate how it fulfills the requirements of the SMOs (revised in 2012). The abovementioned *Governing Body* has reviewed the information contained within the SMO Action Plan and affirms that the **PIBR** continues to undertake these and other relevant actions to maintain ongoing compliance and fulfillment of the membership obligations where IFAC's assessments are at *Review & Improve* and/or *Sustain*. In areas where IFAC's assessments are at *Execute, Plan, Consider, or Not Active* the **PIBR** has updated the Action Plan to reflect the specific actions to adopt or support adoption and support implementation that must be taken to achieve the improvement accompanied by a timeline.

On behalf of the **PIBR**, the *Governing Body* endorses the information contained within the SMO Action Plan as of the publication date and its publication on the IFAC website in the interests of transparency and to demonstrate our commitment to enhancing the quality and credibility of the accountancy profession worldwide.

GLOSSARY

AAC	Annual Auditing Conference
AAP	Accountants Association in Poland (SKwP)
ASC	Accounting Standards Committee (KSR)
Act	Act of May 7, 2009 on Statutory Auditors and their Self-Governing Organization, Entities Authorized to Audit Financial Statements and on Public Oversight (the Act had been in force until June 20, 2017)
Act	Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight ("AoSA") (the Act has been in force since June 21, 2027), amended in 2019 (by the Act of July 19, 2019 on the amendment to the Act on Statutory Auditors, Audit Firms and Public Oversight and some other acts ("Act on the amendment to the AoSA"), in 2020 and in 2022 (consolidated text, O. J. of 2022, item 1302).
AF	Audit Firm
Agency	Polish Audit Oversight Agency (PANA), public oversight body of the audit profession in Poland; it has existed since January 1, 2020
AOC	Polish Audit Oversight Commission (KNA), public oversight body of the audit profession in Poland; it has existed until December 31, 2019
CCP	Code of Criminal Procedure (Kpk)
Council	National Council of Statutory Auditors (KRBR), PIBR constituent body
CPD	Continuous Professional Development (ODZ)
EC	European Commission
PIBR	PIBR Education Centre
EEA	European Economic Area
EFRAG	European Financial Reporting Advisory Group
EU	European Union
IAASB	International Auditing and Assurance Standards Board
IASB	International Accounting Standards Board
IES	International Education Standards (MSE)
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards (MSSF)
IPSAS	International Public Sector Accounting Standards
ISAE	International Standards on Assurance Engagements (MSUA)
ISRE	International Standards on Review Engagements (MSUP)
ISRS	International Standards on Related Services (MSUPo)
ISQC 1	International Standard on Quality Control 1
KIBR	National Chamber of Statutory Auditors (previous name of the Polish professional self-government – until June 20, 2017)
KIBR RB	KIBR Regional Branches (previous name of the Branches of the Polish professional self-government)
MF	Ministry of Finance
NASs	National Auditing Standards (KSB)
NDC	National Disciplinary Court (KSD), PIBR constituent body
NDP	National Disciplinary Prosecutor (KRD), PIBR constituent body
NIAC	National Internal Audit Committee (KKR)
NRS	National Review Standards (KSP)
NSAE	National Standards on Assurance Engagements (KSUA)

NSC	National Supervisory Committee (KKN), PIBR constituent body, it has existed until December 31, 2019
NSRS	National Standards on Related Services (KSUP)
PALC	Polish Association of Listed Companies (SEG)
PFSA	Polish Financial Supervision Authority (KNF)
PIBR	Polish Chamber of Statutory Auditors (current name of the self-governing organization in Poland – since June 21, 2017)
PIBR RB	PIBR Regional Branches
PIE	Public Interest Entity
SMEs	Small and Medium Entities
SMO	Statements of Membership Obligations (OOC)

INTRODUCTION:

The Act of May 7, 2009 on *Statutory Auditors, Their Self-Governing Organization, Entities Authorized to Audit Financial Statements and on Public Oversight* (the Act) came into force on June 6, 2009. This Act implemented (with one-year delay) provisions of the Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (called commonly the 43rd Directive) and replaced the previously binding Act of 13 October 1994 on *Statutory Auditors and Their Self-Governing Organization* (Dz. U. of 2001 No 31, item 359 with further amendments).

Then, on June 21, 2017, the Act of 11 May 2017 on *Statutory Auditors, Audit Firms and Public Oversight* came into force, which replaced the previously applicable Act of May 7, 2009 on *Statutory Auditors, Their Self-Governing Organization, Entities Authorized to Audit Financial Statements and on Public Oversight*. The changed Act aimed, among others, at applying the Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities. The provisions of the above-mentioned Regulation shall apply in Poland from June 17, 2016.

The main changes that the above mentioned The Act of 2017 in relation to the 2009 Act, are following:

- Statutory audits of PIEs will only be carried out by the Audit Oversight Commission (AOC) (and from January 1, 2020 only by the Polish Audit Oversight Agency (Agency)), and in the scope of other activities – by the National Supervisory Committee (NSC) (and from January 1, 2020 only by the Agency), while changing the provisions on the minimum frequency of inspections, i.e.:
 - inspections carried out by the AOC once every 3 years (statutory audits of large public interest entities) or once every 6 years (statutory audits of other public interest entities),
 - inspections carried out by the NSC: at least once every 6 years (other audits); At the same time, the lack of a minimum frequency of inspections for other activities provided by audit firms.
- Internal quality control system: requirements of audit firm organization are based on ISQC 1.
- Rotation of audit firms and statutory auditors: the maximum period of cooperation with the audit firm in situation of PIEs' audits was set for 5 years (this period was gradually extended to 10 years during the Covid-19 pandemic). The cooling-off period was determined for 4 years, but only for a situation in which the audit firm cooperated in the scope of audits by the maximum permissible period. No rotation has been set for non-PIEs.
- A list of prohibited services has been introduced – it only applies to cooperation with PIE clients.
- A new duty (for entities other than from the financial sector) to transfer to AOC (currently the Agency), among others, information obtained when performing an audit that may result in a qualified opinion, an adverse opinion, or disclaimer of opinion – it applies only to cooperation with PIE clients.
- Creating the "whistleblower" institution – establishing, among others, procedures by audit firms which enable their employees to provide potential or actual violations of the provisions of the Act or the Regulation (EU) No 537/2014.
- Division of recipients for supervision fees for: state budget (from the financial audit activities in PIEs) and PIBR (from the financial audit activities in non-PIEs), while diversifying the fees rates.
- Amendments to the Accounting Act: introduction of at least a 2-year period for an audit contract, as well as an obligation to inform the Council about the termination of the audit contract for all audits and Polish Financial Supervision Authority (PFSA) for PIE audits.

Subsequently, in 2019 there has been a significant amendment to the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight, made by the Act of July 19, 2019 amending the Act on Statutory Auditors, Audit Firms and Public Oversight and some other acts ("amending Act"). Most of the amended provisions entered into force on January 1, 2020. However, audit firms had time to adapt their internal organization, internal quality control system and documentation for new requirements by August 31, 2020. On August 19, 2020, a unified text of the Act on Statutory Auditors was published. Then, in 2022 some slight amendments to the Act were made (current publication address of the Act is following: OJ from 2022, item 1302).

The main purpose of these changes was to strengthen public oversight of the activities of statutory auditors and audit firms. A direct form of public oversight by a new oversight authority is to contribute to ensuring uniformity of administrative and disciplinary proceedings, especially in terms of infringements and possible penalties. The amended provisions of the Act introduced, among others, a change in the supervision model over audit firms.

The most important changes regarding public oversight are following:

- Liquidation of the Audit Oversight Commission (AOC) and appointment in its place of the Polish Audit Oversight Agency (Agency), a supervisory body separate from the Ministry of Finance. The Agency started operating on January 1, 2020.
- The Agency exercises overall public supervision over statutory auditors and audit firms.
- The Agency is a unit of the public finance sector and is financed mainly from supervision fees paid by audit firms. The minister responsible for public finances exercises supervision over the Agency.
- The bodies of the Agency, appointed by the Minister of Finance, are the Agency's President and the Agency's Council.
- As of 01/01/2020, following changes were made to the quality control system:
 - It is the responsibility of the Agency to conduct inspections in audit firms (all, not only – as before – in the scope related to the statutory audits of PIE financial statements);
 - PANA also took over the existing powers of the NSC in the field of inspections related to statutory audits of entities other than PIEs and services covered by national professional standards other than statutory audit;
 - Thus, starting from January 1, 2020, the PIBR no longer carries out inspections of audit firms in the above scope.
 - The current inspection regime for statutory audits was retained. The frequency of inspections depends on the results of the risk analysis of irregularities in statutory audits, and the inspection may not be performed less frequently than:
 - once every 3 years – in the case of an audit firm that carries out statutory audits of the PIEs which meet the criteria of a large entity,
 - once every 6 years – in the case of an audit firm conducting statutory audits of non-PIEs,
 - Annual inspection plans are published on the Agency website,
 - Possibility to inspect statutory audits of entities other than PIEs "from behind the desk", i.e. at the headquarters of the Agency – with the consent of the inspected audit firm.
- Since 01/01/2020, the Agency is entitled to conduct explanatory proceedings, disciplinary investigations and to act as a prosecutor before courts in cases of disciplinary offenses committed in connection with the performance of all assurance engagements and related services (not only in relation to statutory audits of PIEs financial statements as the AOC had been entitled before). The above cases are subject to disciplinary proceedings conducted by the PANA, both in the case when they related to services rendered to PIEs and non-PIEs.

- Since January 1, 2020, the Agency keeps the list of audit firms, including entries and removals.
- A new provision was added to the amended act, stating that it is possible only within an audit firm to provide:
 - assurance engagements other than audit activities, not reserved for performance by statutory auditors; and
 - related services,in accordance with national professional standards.
- The amended act introduced the obligation for the internal quality control system to cover not only audits of financial statements but also the performance of assurance engagements other than audits, as well as the performance of related services.
- Supervision fees of audit firms:
 - The fees are the income of the Agency and from 2020 they are fully transferred to the Agency;
 - The basis for calculating the supervision fee paid by audit firms has been extended. The previous basis, i.e. revenues from the performance of audit activities, was replaced with revenues from the performance of assurance engagements and related services performed in accordance with the national professional standards;
 - The method of calculating the percentage rate of fees, the method and dates of payment and settlement of fees are specified in the Regulation of the Minister of Finance – Regulation of the Minister of Finance of November 27, 2019 on supervision fees paid by audit firms in connection with the performance of assurance engagements and related services in accordance with national professional standards (Journal of Laws, item 2321).

Pursuant to the amended Act, new tasks of the Agency include:

- serving the proper functioning of the market of statutory auditors and audit firms,
- action aimed at developing the market of statutory auditors and audit firms and its competitiveness,
- action aimed at supporting the development of innovation in the market of statutory auditors and audit firms,
- educational and information services related to the functioning of the market of statutory auditors and audit firms.

The most important changes regarding the tasks of the self-government (PIBR).

The tasks of the Polish Chamber of Statutory Auditors (PIBR) shall include, in particular:

- 1) representation of members and protection of their professional interests;
- 2) establishment of national professional standards, national standards on quality control and principles of professional ethics;
- 3) performance of objectives serving the proper performance of the audit profession and compliance with the principles of professional ethics by the members of the Polish Chamber of Statutory Auditors, including:
 - a) monitoring of the fulfilment by statutory auditors of their tasks in regard to Continuous Professional Development (CPD) and conducting disciplinary proceeding regarding breaches of the tasks with respect to CPD,
 - b) conduct of disciplinary proceedings against the statutory auditors with regard to offences other than:

- any offence that occurred during the performance of assurance engagements and related services in accordance with the national professional standards,
- the breach of tasks referred to in letter a;

4) cooperation in shaping principles of financial accounting and audit;

5) preparation of training materials for the candidates for the statutory auditors.

Additional information:

The new PIBR website (www.pibr.org.pl) has been operating since the end of January 2017. In 2017 and 2018, intensive work was carried out to expand the functionality on the PIBR website available to candidates for statutory auditors, statutory auditors and audit firms (after logging in) with the possibility of e-reporting in the area of the activities reports of audit firms (the so-called P11 forms), self-education statements or documents enabling data updates. Additionally, e-reporting on the CPD trainings was expanded on the PIBR website by creating and expanding individual accounts for units organizing trainings. As a result, the process of reporting information on training courses attended by statutory auditors has been improved and accelerated. Currently, each statutory auditor can check his/her training status online on his individual account. Moreover, additional functionalities have been made available after logging in, such as:

- Compass 2.0 application (a digital version of the ISA Guide),
- e-report reader.

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective: Further Develop the PIBR’s Quality Assurance System in Line with SMO 1 Requirements

Background:

Development of the existing Quality Assurance System in Poland to ensure it addresses all SMO 1 requirements.

In accordance with the Act of May 7, 2009, among others:

– (art. 21 paragraph 2 point 3b) the competences of the National Council of Statutory Auditors (Council) included, inter alia, establishing – in the form of a resolution – the principles of internal quality control of an entity authorized to audit financial statements,

– (art. 26 paragraphs 2-13):

2. The tasks of the NSC included controlling compliance with the provisions and procedures related to the performance of audit activities by statutory auditors and the activities of entities authorized to audit financial statements, including control of:

- 1) internal quality control system in the entity authorized to audit financial statements;
- 2) compliance of the activities of the entity authorized to audit financial statements with legal provisions;
- 3) audit documentation on the audit activities performed, including compliance with the applicable auditing standards and independence requirements;
- 4) quantity and quality of human resources used;
- 5) remuneration calculated for audit activities.

3. The control referred to in par. 2 was conducted:

- 1) in entities authorized to audit financial statements that perform audit activities in public interest entities – at least once every three (3) years;
- 2) in other entities authorized to audit financial statements – at least once every six (6) years.

4. The controls referred to in para. 3 were carried out by inspectors employed by the PIBR; while the controls referred to in para. 3 point 2 could also be carried out, on the basis of a civil law contract, by controllers who are statutory auditors.

5. Candidates for inspectors, prior to their employment, and controllers designated for individual controls referred to in para. 3 point 1 were approved by the AOC.

6. At the request of the AOC, the controls referred to in para. 3 were attended by employees of the organizational unit supporting the Minister of Finance responsible for accounting and auditing. Those employees participated as observers with the right to access any documents.

7. The AOC could issue to the NSC recommendations and instructions regarding the performance of the controls referred to in para. 3.

8. The NSC developed annual control plans referred to in para. 3. The annual control plan referred to in para. 3 point 1 was submitted to the AOC for approval.
9. The annual control plans were published on the website of the PIBR immediately after their approval by the AOC.
10. The NSC could commission inspectors and controllers to carry out unplanned controls. The scope of unplanned controls could cover all or selected issues listed in para. 2.
11. The NSC kept the list of entities authorized to audit financial statements that perform— at least once in three years – audit activities in public interest entities.
12. The list referred to in para. 11 was published on the website of the PIBR.
– (art. 27 paragraphs 1-4, 6 and 9-12).
1. Immediately after signing the control report, depending on the type and scope of irregularities found by the NSC, the NSC, subject to para. 2 and 3:
 - 1) made recommendations to the entity authorized to audit financial statements, along with specification of the deadline for removing irregularities;
 - 2) submitted an application to the NDP to initiate disciplinary proceedings against the statutory auditor;
 - 3) submitted an application to the Council for:
 - a) imposing a financial penalty on the entity authorized to audit financial statements in the amount not exceeding 10% of the revenues earned in the previous financial year from performance of audit activities and not exceeding PLN 250,000;
 - b) ruling that an entity authorized to audit financial statements is prohibited from performing audit activities for a period from 6 months to 3 years;
 - c) removal of the entity authorized to audit financial statements from the list of entities authorized to audit financial statements;
 - d) publishing the information on irregularities found and penalties imposed on the entity authorized to audit financial statements as an additional penalty.
2. The NSC provided the AOC with the control report including the control protocol carried out by the inspectors, along with post-control conclusions containing the NSC's position to the objections raised.
3. The report on the control of entities authorized to audit financial statements, referred to in art. 26 para. 3 point 1, was subject to approval by the AOC. Before approving the report, the AOC had the right to access the control files, request explanations and amend the content of the report. After approval of the control report, the NSC could take action referred to in para. 1 point 3.
4. In the case referred to in para. 1 point 1, after the deadline, the inspectors and controllers carried out checks on the implementation of recommendations. If recommendations had not been implemented, provisions of para. 1 point 2 or para. 1 point 3 were applied.

6. The NSC prepared an annual report on the implementation of control plans, referred to in art. 26 para. 8. The report was submitted to the AOC by March 31 of the following year.

9. The NSC determined, in the form of resolutions approved by the AOC:

- 1) the procedure for selecting inspectors and controllers;
- 2) principles of professional development of inspectors and controllers;
- 3) a template of the protocol of controls carried out by inspectors and controllers.

10. Inspectors and controllers were appropriately recruited or appointed from among persons who:

- had Polish citizenship;
- enjoyed full public rights;
- completed higher studies in the Republic of Poland or foreign higher studies recognized in the Republic of Poland as equivalent;
- was of good repute;
- had the authority, knowledge and experience which guaranteed the proper conduct of the control;
- was not convicted by a final judgment for an intentionally committed crime or a fiscal crime;

11. Before the control, the inspectors and controllers submitted a declaration that within a period of 2 years prior to the commencement of the control they were not employed or otherwise associated with the inspected entity authorized to audit financial statements under pain of criminal liability for a false declaration. Information on the submission of the declaration was provided to the AOC.

12. The submission of a false declaration by the inspector or controller or withholding information therein was the basis for the termination by the PIBR of the employment contract with the inspector without notice or for the termination of the civil law contract with the controller.

On February 10, 2015 the Council adopted the provisions of the ISQC 1 as the national principles of internal quality control (Resolution no. 2784/52/2015). According to the resolution, entities authorized to audit financial statements that performed audits or reviews of financial statements of PIEs, prepared for periods ending between December 31, 2016 and December 31, 2017, were required to adjust their activities to the provisions of this resolution by January 1, 2016, and other audit firms – by January 1, 2017.

At the same time, ISAs were adopted to be applied as National Auditing Standards (NASs). Moreover, the NSC conducted a number of activities aimed at the implementation of tasks related to the quality assurance system.

Furthermore, procedures for controlling the requirements indicated in ISQC 1 were developed.

2017 was special due to the change in the legal basis of the NSC's operation. On May 11, 2017, the Parliament adopted the Act on Statutory Auditors, Audit Firms and Public Oversight, which entered into force on June 21, 2017. Thus, the existing Act of May 7, 2009 on Statutory Auditors and their Self-Governing Organization, Entities Authorized to Audit Financial Statements and on Public Oversight was repealed.

From the NSC's point of view, the most important changes introduced by the Act concerned the tasks of the NSC and the scope of the inspections carried out. The NSC has become one of the self-government pillars of the quality assurance system in relation to statutory audits of entities other than PIEs.

The Act defined the tasks of the NSC as the control of compliance with the law, procedures and standards by statutory auditors and audit firms in the field of statutory audits of entities other than PIEs.

From the point of view of the NSC, the most important changes introduced by the Act concerned:

- the AOC inspections of audits of PIEs financial statements carried out by audit firms,
- exposing the risk analysis of irregularities in statutory audits as an indispensable premise influencing the frequency of inspections in audit firms (at least once every 6 years in the case of audit firms that do not carry out statutory audits of PIEs financial statements (the inspection was performed by the NSC) and at least once every 3 years in audit firms that audit both PIEs and non-PIEs (the inspections were performed by the AOC),
- approval by the AOC of inspection procedures (the procedures for the purposes of inspections under the conditions of the amended Act were approved by the AOC on August 16, 2017),
- approval by the AOC of the inspection plan of audit firms carrying out statutory audits of entities other than PIEs,
- the obligation to respect the recommendations and instructions issued by the AOC regarding the method of conducting inspections and commissioning ad hoc inspections,
- the possibility to request from the audit firm the information necessary to plan and perform the inspection (in 2017, the pre-inspection questionnaire was for the first time addressed to audit firms included in the inspection plan),
- introduction of a specific catalog of infringements of the provisions of the Act or Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities, which result in administrative liability of the audit firm,
- after the inspection, submitting to the Council information on irregularities instead of a motion for imposing a penalty as so far,
- on the basis of the Council's decision, obligation to carry out by the NSC an analysis of the audit files of an audit firm that, for example, submitted an application for removal from the list.

In the Journal of Laws of August 21, 2019 (item 1571), the text of the Act of July 19, 2019 amending the Act on Statutory Auditors, Audit Firms and Public Oversight and Certain Other Acts was published. The main purpose of the changes was to strengthen public oversight over the activities of statutory auditors and audit firms. The direct form of public oversight by the new supervisory authority (the Agency) is also intended to contribute to ensuring uniformity of administrative and disciplinary proceedings, especially in the field of identifying violations and possible penalties. As a result, the amendment to the Act on Auditors introduced a number of significant changes to the oversight system, making at the same time many changes for audit firms. Since January 1, 2020, a number of PIBR's existing competences have been taken over by the Agency (PANA). The powers transferred to the Agency include the supervision over

compliance with the law, procedures and standards by audit firms, including inspections and imposition of administrative penalties. This change resulted in the liquidation of one of the PIBR bodies – the National Supervisory Commission (NSC).

The current oversight directly exercised by the AOC has been extended to audit firms that provide services to entities other than public interest entities. Thus, all audit firms (so far only audit firms auditing financial statements of public interest entities) have been covered by the oversight of the Agency (PANA). Thus, the Polish professional self-government (PIBR) will no longer participate in the supervision of the activities of audit firms in the field of services performed in accordance with national professional standards. The Agency's oversight covers all services provided to PIEs and non-PIEs covered by the national professional standards.

The consequence of taking over by the Agency the total oversight of the audit firms and the services provided by them is the subject and objective change of the inspection. The Agency takes over the existing powers of the National Supervisory Commission in the field of inspections related to statutory audits of entities other than PIEs performed by statutory auditors. The objective scope of the Agency's inspection was extended to include quality control of services covered by national professional standards other than statutory audits, i.e., assurance engagements other than statutory audits and related services. Thus, from 2020, the professional self-government (PIBR) will no longer carry out inspections of audit firms in the above scope.

After completing the inspections planned for 2019, the National Supervisory Commission was liquidated on December 31, 2019.

The PIBR prepared some activities to support audit firms in implementing the quality control standards, such as Continuing Professional Development (CPD) courses which in 2016 and 2017 covered the implementation of ISQC 1:

- “Organization of the quality control system in terms of the size of the audit firm”;
- “The use of internal control in the process of auditing financial statements of SMEs and the provision of other assurance engagements”.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Continuing to Develop the Quality Assurance Review System</i>					
1.	Since 2016	On the basis of the list of irregularities found during the inspections prepared by the NSC, at the initiative of the Professional Training Committee, training sessions were organized at the PIBR RB and they were entitled: <i>"Control of compliance with the provisions and procedures related to the performance of audit activities by statutory auditors and the activities of audit firms"</i> .	Ongoing (until the end of 2019) Completed	Chair of the Professional Training Committee, a NSC Member responsible for professional training	Professional Training Committee, Council, Chair of NSC
2.	2018	Training materials for CPD courses for statutory auditors were developed. They are entitled: "Audit documentation on audits of financial statements subject to control by inspectors of the National Supervisory Commission". The outline of the publication was created in cooperation with the NSC and the Professional Training Committee.	2018 Completed	Chair of the Professional Training Committee	Professional Training Committee, Council, Chair of NSC

3.	February 2019	Adoption of a resolution on procedures for the inspection of services other than statutory audit of financial statements.	February 2019 Completed	NSC	NSC, inspectors, staff of PIBR
4.	April 2019	Adoption of a resolution on the adoption of the inspection plan for 2019.	April 2019 Completed	NSC	NSC, inspectors, staff of PIBR
5.	May 2019	Adoption of a resolution on procedures for the inspection of services other than statutory audit of financial statements (amendments).	May 2019 Completed	NSC	NSC, inspectors, staff of PIBR
6.	January 2020	Developing and publishing on the PIBR website a guide entitled: "Internal Quality Control System (IQCS) - requirements resulting from the amendment to the Act on Statutory Auditors", aimed at supporting audit firms and statutory auditors in the process of developing and implementing IQCS. The guide was developed as a result of the amendment to the Act of July 19, 2019, which introduced provisions regarding, inter alia, the obligation to include assurance services other than audit and related services performed in accordance with national performance standards in the IQCS.	March 2020 Completed	Chair of the Committee for Standardization of Services Provided by Statutory Auditors	Committee for Standardization of Services Provided by Statutory Auditors, staff of PIBR
<i>Maintaining Ongoing Processes</i>					
7.	Ongoing	The activity of the Council's committees which support statutory auditors and audit firms in cases of doubts raised by them regarding specific situations.	Ongoing	Chairs of the Council's Committees	Council's Committees, staff of PIBR
<i>Review of PIBR's Compliance Information</i>					
8.	Ongoing	Periodic review and update of sections relevant to SMO 1 as necessary.	Ongoing	President of the Council	Staff of PIBR

Self-Assessment Against the Main Requirements of SMO 1

Requirements	Y	N	Partially	Comments
Scope of the System				All are now conducted by PANA (https://pana.gov.pl/)
1. At a minimum, mandatory QA reviews are required for all audits of financial statements.	X			
Quality Control Standards and Other Quality Control Guidance	X			Article 50 of Polish Auditing Act (2017, amended 2019)

Requirements	Y	N	Partially	Comments
2. Firms are required to implement a system of quality control in accordance with the quality control standards.				
3. Most up to date versions of ISQC 1 and other relevant ISAs are adopted as the quality control standards.	X			ISQC1 and other relevant ISAs are currently applicable. A plan is in place for the adoption of the new quality management standards by 1 January 2023 (Resolution No. 2021 / 33a / 2022 ; Dedicated web page)
4. Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	X			Hot line, training courses, alert letters distributed to CPA and published on the PIBR website. PIBR developed a guide entitled: "Internal Quality Control System (IQCS) - requirements resulting from the amendment to the Act on Statutory Auditors", aimed at supporting audit firms and statutory auditors in the process of developing and implementing IQCS. The guide was developed as a result of the amendment to the Act of July 19, 2019, which introduced provisions regarding, inter alia, the obligation to include assurance services other than audit and related services performed in accordance with national performance standards in the IQCS.
Review Cycle 5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.	X			As reported in IFIAR profile of PANA: https://www.ifiar.org/?wpdmdl=12618
6. For cycle-based approach, quality control reviews are required to take place at least every six years (and every three years for audits of public interest entities).	X			As reported in IFIAR profile of PANA: https://www.ifiar.org/?wpdmdl=12618 and Article 106 of the Polish Auditing Act of 2017.
QA Review Team 7. Independence of the QA Team is assessed and documented.	X			Section 3.4 of " Procedury przeprowadzania kontroli PANA " (PANA Control Procedures)

Requirements	Y	N	Partially	Comments
8. QA Team possesses appropriate levels of expertise.	X			See Polish Auditing Act Articles 109 and 111, and Chapter 6 of " Procedury przeprowadzania kontroli PANA " (PANA Control Procedures)
Reporting 9. Documentation of evidence supporting the quality control review report is required.	X			See section 3.12 of " Procedury przeprowadzania kontroli PANA " (PANA Control Procedures)
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	X			See section 3.11 of " Procedury przeprowadzania kontroli PANA " (PANA Control Procedures)
Corrective and Disciplinary Actions 11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.	X			See section 3.13 of " Procedury przeprowadzania kontroli PANA " (PANA Control Procedures)
12. QA review system is linked to the Investigation and Discipline system.	X			See chapter 5 of " Procedury przeprowadzania kontroli PANA " (PANA Control Procedures) and Chapter 9 of the Polish Auditing Act of 2017
Consideration of Public Oversight 13. The body responsible for QA reviews cooperates with its oversight body and shares information on the functioning of the QA review system, as needed.	X			Minister for Public Finance has oversight over PANA (Article 126 of Polish Auditing Act of 2017)
Regular Review of Implementation and Effectiveness 14. Regular reviews of implementation and effectiveness of the system are performed.	X			Chapter 6 of " Procedury przeprowadzania kontroli PANA " (PANA Control Procedures)

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements
Action Plan Objective: Review and Implementation of IES 8 – Competence Requirements for Audit Professionals
Review and Implementation of IES 7 – Continuing Professional Development: a Program of Lifelong Learning and Continuing Development of Professional Competence

Background:

In accordance with the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight as amended (consolidated text, O. J. of 2022, item 1302), among others:

➤ (art. 4 para. 2-5):

2. Entered into the register of statutory auditor may be a natural person who:

- 1) enjoys full public rights and has full capacity to perform acts in law;
- 2) is of good repute and his/her current conduct guarantees the proper pursuit of the profession of statutory auditor;
- 3) has not been convicted under a legally binding sentence for a deliberate crime or a deliberate tax offence;
- 4) completed higher education in the Republic of Poland or graduated from a foreign university with a degree deemed equivalent in the Republic of Poland, and is fluent in the Polish language in speech and writing;
- 5) completed:
 - a) a one-year practice with regard to accounting in the EU Member State, and at least two-year internship in the audit firm registered in the EU Member State, under the supervision of the statutory auditor or the statutory auditor registered in the EU Member State, or
 - b) three-year internship in an audit firm registered in the EU Member State under the supervision of the statutory auditor or the statutory auditor registered in the EU Member State- provided that fulfilment of these conditions was ascertained by the Examination Board;
- 6) passed the examinations for the candidates for the statutory auditors with respect to the knowledge referred to in Article 14 section 1 and 2 before the Board;
- 7) passed the diploma examination before the Board;
- 8) took an oath.

3. The statutory auditor entered into the register may also be a natural person who:

- 1) has at least 15 years of professional experience in the field of accounting, law, finance and financial audit, during which he/she acquired skills required from the statutory auditors;
- 2) fulfilled the conditions referred to in section 2 items 1–4 and 6–8.

4. The statutory auditor entered into the register may be a natural person who has rights necessary to conduct compulsory audits of financial statements, obtained in the European Union Member State other than the Republic of Poland, and passed before the Board the examination on Polish economic law in the Polish language, within a scope necessary to audit financial statements.
5. A natural person authorised to pursue the profession of statutory auditor in the third country may also be entered in the register upon the principle of reciprocity on the condition of compliance with requirements regarding professional qualifications in line with the conditions determined by the Act or equivalent conditions, and after passing before the Board the examination on Polish economic law in the Polish language within a scope necessary to perform audit activities.
 - (art. 14 para. 1-4):
1. Knowledge examinations shall comprise test questions and case studies covering 10 examination topics related to:
 - 1) a theory and principles of accounting;
 - 2) principles of preparation of financial statements, including consolidated financial statements;
 - 3) international accounting standards;
 - 4) financial analysis;
 - 5) costs and management accounting;
 - 6) risk management and internal control;
 - 7) a financial audit;
 - 8) national professional standards;
 - 9) professional ethics and independence of the statutory auditor;
 - 10) legal requirements concerning audits of financial statements, statutory auditors and audit firms.
2. The examinations referred to in section 1 shall also check knowledge necessary to audit financial statements, in particular in the scope of:
 - 1) commercial law, including companies' law, and corporate governance;
 - 2) law on bankruptcy and recovery proceedings;
 - 3) tax law;
 - 4) civil law;
 - 5) labour law and social insurance law;
 - 6) banking law;
 - 7) insurance law;
 - 8) IT and computer systems;

- 9) microeconomics, macroeconomics and financial economics;
 - 10) mathematics and statistics;
 - 11) fundamental principles of financial management of economic entities;
 - 12) functioning of the financial market.
3. The candidate for the statutory auditor shall take the diploma examination conducted by the Board after:
- passing the examinations referred to in section 1;
 - observing by the Board fulfilment of the condition referred to in Article 4, section 2 item 5, or Article 4 section 3 item 1.
1. The diploma examination consist in checking the ability to apply knowledge in practice to independently and duly perform the profession of statutory auditor, in particular to audit annual financial statements and consolidated annual financial statements.
- (art. 15):
1. The Board shall exempt the candidate for the statutory auditor, upon the candidate's request, from the examination, if the candidate passed university or equivalent examinations within its scope.
 2. Upon the request of the candidate for the statutory auditor, the Board shall exempt him/her from all knowledge examinations, if he/she graduated from a university in the Republic of Poland or graduated from a foreign university with a degree recognised in the Republic of Poland as equivalent, and the curriculum of these foreign studies was implemented under the agreement referred to in Article 12, section 3.
 3. Upon the request of the candidate for the statutory auditor, the Board shall exempt him/her from examinations, if he/she passed examinations on subjects encompassed by the qualification proceedings conducted by a body authorised to grant the statutory auditor licenses in the EU Member State other than the Republic of Poland, whose scope of education encompassed knowledge in the scope stipulated in Article 14 section 1 and 2.
4. The condition for exempting from knowledge examinations is that:
- 1) the university examinations or equivalent examinations referred to in section 1,
 - 2) the university examinations referred to in section 2,
 - 3) the examinations under the qualification proceedings referred to in section 3
- shall be written examinations, and no more than 3 years shall pass from the date of graduation from university, date of completing the qualification proceedings, or passing the examinations under the qualification proceedings.
5. The Board may exempt the candidate for the statutory auditor having authorisations of a tax advisor, upon the candidate's application, from examination on tax law.
6. Upon the request of the candidate for the statutory auditor, the Board shall exempt him/her from the work placement referred to in Article 4, section 2 item 5 letter a, if he/she:
- 1) was employed in the audit firm, or remained in employment relation on an independent position in the financial and accounting units for at least 3 years, or

- 2) holds an accounting certificate authorising to keep accounting books, or a qualification certificate authorising to keep accounting books, issued by the minister competent for public finance, or
 - 3) is the appointed inspector of the Supreme Audit Office.
- (art. 16 para. 6-7):
6. The minister competent for public finance shall define, by way of a regulation:
 - 1) a manner and conditions for applying for qualification proceedings,
 - 2) a manner and deadline for payment of the examination fee and a manner and a procedure of its refund,
 - 3) a procedure and a manner of conducting the qualification proceedings, including order regulations to be observed by the candidates during the qualification proceedings,
 - 4) a procedure and a manner of conducting the examinations,
 - 5) a procedure and a deadline for obtaining access to examination tests, and a manner of inspection thereof,
 - 6) a procedure and a deadline for filing appeals against results of examinations,
 - 7) a scope, course of and a manner of participation in practices and internships, as well as a mode of acknowledging the completion of practices and internships,
 - 8) a mode of acknowledging compliance with the condition referred to in Article 4 section 3 item 1,
 - 9) a procedure and a manner of passing the examinations referred to in Article 15 sections 1–3 and 5,
 - 10) a mode of acknowledging compliance with the conditions referred to in Article 15, section 6

- taking into account the necessity of objective verification of theoretical and practical preparation of the candidates for the statutory auditors, proper course of examinations and the need to ensure effective operation of the Board.
 7. The National Council of Statutory Auditors shall determine the following in consultation with the Board, in the form of resolutions approved by the Agency Council:
 - 1) a framework schedule for conducting the qualification proceedings, specifying the place and the date of examinations for the candidates for the statutory auditors, as well as the examination on economic law referred to in Article 4, section 4 and 5;
 - 2) a detailed thematic scope of examinations, taking into account the fields referred to in Article 14 section 1 and 2;
 - 3) a list of issues essential for audits of financial statements which comprise the examination on economic law referred to in Article 4, section 4 and 5;
 - 4) the amount of the initial fee for joining the qualification proceedings;
 - 5) the amount of fees for particular examinations and the amount of remuneration for members of the Board;
 - 6) a mode of appointing examiners and the amount of their remuneration;

- 7) the amount of fees for examination of each request referred to in Article 12 section 1 item 2 letter b, second indent, and Article 15 sections 1–3 and 5;
- 8) a programme of the practice and the internship;
- 9) a manner of documenting the practice and the internship, as well as fulfilment of the condition referred to in Article 4, section 3, item 1;
- 10) a scope and a mode of other actions necessary for proper operation of the Board and a detailed procedure for conducting the qualification proceedings for the candidates for the statutory auditors.

The scope of knowledge and learning outcomes of candidates for statutory auditors, verified during examinations conducted by the Examinations Board on the dates set by the National Council of Statutory Auditors, are specified in detail by the Resolution No. 1273/30/2017 of the National Council of Statutory Auditors of September 5, 2017 on the detailed scope of thematic examinations in the qualification procedure for statutory auditors.

In accordance with the Regulation of the Minister of Development and Finance of December 19, 2017 on the qualification procedure for statutory auditors:

[§ 13.] The written part of the diploma examination consists in the analysis of selected issues checking the skills of practical application of theoretical knowledge for independent and proper performance of the profession of statutory auditor, in particular for auditing annual financial statements and annual consolidated financial statements, in terms of identifying audit risk, developing audit strategies, selecting and applying appropriate methods and techniques in the process of auditing financial statements, preparing files for the audit of financial statements, including working documentation and audit report, as well as resolving professional ethical dilemmas, using professional judgment in solving business issues, assessing the correctness of the applied principles and procedures of the internal quality control system in the audit firm as well as communication and reporting. The oral part of the diploma examination consists in answering three (3) questions, one of which concerns the discussion of the solutions presented in the written part.

[§ 19.] During the internship, a candidate for a statutory auditor acquires the skills required to perform the profession of a statutory auditor, in particular in the scope of:

- 1) knowledge of the organization and techniques of keeping books of accounts and the methods of meeting the requirements for documenting accounting entries;
- 2) records of economic events and preparation of financial statements as well as tax and insurance declarations as well as other reports and declarations;
- 3) using the legal provisions necessary in the implementation and service of financial and accounting processes.

[§ 26.] During the apprenticeship, a candidate for a statutory auditor acquires the skills required to perform the profession of a statutory auditor, in particular in the scope of:

- 1) identification of audit risk and development of the audit strategy and plan;
- 2) selection and application of appropriate methods and techniques in the process of auditing financial statements and consolidated financial statements;
- 3) preparation of files for the audit of financial statements or consolidated financial statements, including working documentation and the audit report;
- 4) cooperation with representatives of entities whose financial statements or consolidated financial statements are subject to audit by a statutory auditor;
- 5) conducting a complete audit of the annual financial statements or the annual consolidated financial statements.

2. The candidate for the statutory auditor referred to in Art. 4 para. 2 point 5 indent b of the Act, during the three-year apprenticeship, in addition to the skills referred to in para. 1, also acquires the skills to check the correctness of bookkeeping by the audited entity.

Implementation of IES 7 (CPD):

Background:

In accordance with the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight as amended (consolidated text, O. J. of 2022, item 1302), among others:

- (art. 8 point 2): In particular, the statutory auditor shall be required to constantly improve their professional qualifications, including participation in Continuous Professional Development (CPD) courses each calendar year.

- (art. 9):

1. The obligation of the Continuous Professional Development referred to in Article 8 item 2 arises on the first day of the year following a year in which the statutory auditor was entered in the register.
2. The Continuous Professional Development is a training aimed at updating and improving the level of knowledge or skills associated with the profession of statutory auditor, in particular in the scope of accounting and audits of financial statements.
3. A part of the Continuous Professional Development may be completed by the statutory auditor as part of a professional self-study.
4. The statutory auditor is obliged to document the completion of the Continuous Professional Development. The statutory auditor confirms the completion of the professional self-study by submitting a statement.
5. The statutory auditor stores documents proving the completion of the Continuous Professional Development for the period of 3 years, counting from the end of a calendar year in which he/she completed the training.
6. The statutory auditor, when requested by the National Council of Statutory Auditors, submits documents proving the completion of the Continuous Professional Development within 30 days from the date of receipt of the request.
7. The National Council of Statutory Auditors may, in justified cases and at the documented request of the statutory auditor, consent for the completion of the Continuous Professional Development at a later date, however no later than 2 years from the end of the required period.

- (art. 10 para. 11):

11. The National Council of Statutory Auditors shall define, in the form of resolutions approved by the Agency Council:
 - 1) a thematic scope of the Continuous Professional Development, except for a part concerning professional self-study referred to in Article 9 section 3;
 - 2) a settlement period and the minimum number of hours of the Continuous Professional Development, including an acceptable number of hours corresponding to professional self-study, for the statutory auditors practising and not practising their profession;
 - 3) the amount of fee mentioned in section 4.

- (art. 10 para. 1):

Courses of the Continuous Professional Development are conducted by:

1) the National Council of Statutory Auditors; 2) an authorized entity.					
The National Council of Statutory Auditors has reviewed the revised International Education Standards (IES) issued by the International Accounting Education Standards Board (IAESB) in 2014 and 2018 and it has undertaken specific activities to further ensure that the national requirements are set in line with the revised IES. Revisions to the IES 7 (issued by IAESB in 2018) have been addressed in the PIBR Educational Requirements (fully compliant).					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Further Developing PIBR Educational Requirements to be in line with the IES 8 Requirements.</i>					
9.	February 2017	A meeting organized by the Professional Training Committee for entities providing CPD training, representatives of the PIBR RB and Chairs of the PIBR constituent bodies on the education of statutory auditors, in which NDP Deputies also participated.	February 2017 Completed	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
10.	March 2017	Meeting of the Group for the implementation of the revised IES 8. Its aim was to prepare participants for participation in the Common Content workshop, a project for a common European framework for education.	March 2017 Completed	Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee, staff of PIBR
11.	June 2017	Workshops within the Quality Assurance Network-Audit (QAN-Audit). Issues discussed at the meeting included, among others, IT tools and data analysis, financing supervision over the activities of audit firms, IES 8, group audit and reporting on the supervision over the activities of audit firms.	June 2017 Completed	Chair of NSC, Chair of the Council's Professional Training Committee	NSC, Council's Professional Training Committee, staff of PIBR
12.	February 2018	Conference in the series: "What education of the future?" organized by the Professional Training Committee with the participation of PIBR RB and representatives of PIBR bodies.	February 2018 Completed	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
13.	February 2019	Conference in the series: "What education of the future?" organized by the Professional Training Committee with the participation of PIBR RB and representatives of PIBR bodies.	February 2019 Completed	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
14.	November 2019	The 20 th Annual Auditing Conference (AAC)	November 2019	Committee on Annual Auditing Conference (AAC)	Committee on Annual Auditing Conference (AAC),

			Completed		PIBR Education Centre (EC)
15.	2020	Commencement of cooperation with the Polish economic university aimed at signing an agreement (in accordance with Article 12 (3) of the Act on Statutory Auditors) under which a graduate of this university who is a candidate for a statutory auditor will be able to pass all examinations.	In progress	Chair of the Examinations Board	Examinations Board, staff of PIBR
16.	September 2020	Development of a framework concept on the Repository of publications useful for candidates for statutory auditors and statutory auditors, constituting a proposal / basis for further work related to taking actions aimed at popularizing the profession of statutory auditor and attracting new candidates.	In progress	Chair of the Examinations Board	Examinations Board
17.	October 2020	The 21 st Annual Auditing Conference (AAC)	October 2020 Completed	Committee on Annual Auditing Conference (AAC)	Committee on Annual Auditing Conference (AAC), PIBR Education Centre (EC)
18.	October 2021	The 22 nd Annual Auditing Conference (AAC)	October 2021 Completed	Committee on Annual Auditing Conference (AAC)	Committee on Annual Auditing Conference (AAC), PIBR Education Centre (EC)
<i>Further Development of PIBR CPD Requirements in line with the IES 7 Requirements, That Is Minimum 120 hours in a Three-year Rolling Period with a Minimum of 24 hours Each Year</i>					
19.	January 2018	Adoption by the Council of the resolution on the CPD thematic scope for statutory auditors in 2019.	Ongoing	Council	Council
20.	April 2018	Adoption of a resolution by the Council on the CPD rolling period and the minimum number of hours for statutory auditors.	Ongoing	Council	Council
21.	May 2019	Translation and posting on the PIBR website of the International Education Standard 7 (Revised), <i>Continuing Professional Development</i> developed by the International Accounting Education Standards Board (IAESB) and issued by IFAC in December 2018. IES 7 is effective since January 1, 2020.	Ongoing	Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee, staff of PIBR

22.	July 2019	Adoption by the Council of the resolution on the CPD thematic scope for statutory auditors in 2020.	Ongoing	Council	Council
23.	July 2020	Adoption by the Council of the resolution on the CPD thematic scope for statutory auditors in 2021.	Ongoing	Council	Council
24.	July 2020	Introducing new training topics to the CPD for statutory auditors in 2021: <ul style="list-style-type: none"> – "Cash flow statement on a reporting basis"; – "Cash flow statement subject to audit in terms of financial audit"; – "The most common irregularities in financial statements"; – "Audit of key areas of the financial statements – Part 1: Revenues"; – "Crypto-assets in the financial statements"; – "The specifics of auditing financial statements of housing cooperatives", – "Research and development works – balance and tax aspects"; – "Update of knowledge on changes in International and National Standards on Auditing"; – "Related services and assurance engagements other than audits of financial statements – practical application of NRS, NSAE and NSRS"; – "Audit of accounting estimates and related disclosures during the audit of financial statements in accordance with the requirements of the national professional standards." 	Ongoing	Council, Council's Professional Training Committee	Council, Council's Professional Training Committee
25.	February 2021	Amendment to the resolution on the CPD rolling period and the minimum number of hours for statutory auditors.	Ongoing	Council	Council
26.	May 2021	Adoption by the Council of the resolution on the CPD thematic scope for statutory auditors in 2021.	Ongoing	Council	Council
27.	May 2021	Introducing new training topics to the CPD for statutory auditors in 2022: <ul style="list-style-type: none"> – The process of auditing financial statements in terms of the most common irregularities; – Audit of accounting estimates and related disclosures during the audit of financial statements (NAS 540 (Revised)) – application practice; – Identification of the assessment of the risks of material misstatement in the light of NAS 315 (Revised in 2019); – Audits of local government units; 	Ongoing	Council, Council's Professional Training Committee	Council, Council's Professional Training Committee

		<ul style="list-style-type: none"> – Impairment of assets in the light of Polish and international balance sheet law; – The auditor's communication with management and those charged with governance; – The role of the IT environment in the process of auditing financial statements; – Principles of ethics in practice – a case study; – Preparation and audit of consolidated financial statements – the most common irregularities. 			
28.	Ongoing	Determining by the Council of the CPD topics for subsequent calendar years.	Ongoing	Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee
<i>Maintaining Ongoing Processes</i>					
29.	Ongoing	Maintenance of activities of the Council Committees which provide support to statutory auditors and audit firms in cases of doubts raised by them regarding specific situations.	Ongoing	Chairs of the Council's Committees	Council's Committees, staff of PIBR
30.	Ongoing	Continuous use of best endeavors to ensure PIBR education requirements continue to incorporate all IES requirements. This includes ongoing review of the existing requirements and preparation of the Action Plan for the future activities where necessary.	Ongoing	Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee
<i>Review of PIBR's Compliance Information</i>					
31.	Ongoing	Performance of periodic review of and update sections relevant to SMO 2 as necessary.	Ongoing	President of the Council	Staff of PIBR

Action Plan Subject: SMO 3–International Standards and other Pronouncements Issued by the IAASB
Action Plan Objective: Continue Maintaining Ongoing Process to Translate IAASB New and Revised Standards and Publications, Setting National Standards in the wording of International Standards Continue to Develop Education Activities and Curricula in Order to Ensure Effective Adoption and Implementation of IS and Other IAASB Pronouncements

Background:

Legal regulations

The above part of this Action Plan provides information on the 2017 amendment to the Act on Statutory Auditors, which also influenced the process of establishing national professional standards.

Before the amendment of the Act:

- (art. 21 para. 2 point 3 indent a): The competences of the Council include, in particular, setting national auditing standards in the form of resolutions,
- (art. 120): Until the ISAs come into force, announced in the form of EC regulations, auditing standards shall be understood as national auditing standards established by the Council and approved by the AOC.

After the amendment of the Act:

Definitions:

- (art. 2 point 22) national auditing standards – it shall be understood as:
 - a) International Auditing Standards adopted into the European Union law in the form of regulations of the European Commission,
 - b) auditing standards in the scope not regulated by the standards referred to in indent a, adopted by the National Council of Statutory Auditors³, approved by the Agency's Council⁴ insofar as they relate to audits of financial statements;
- (art. 2 point 23), national professional standards – it shall be understood as national auditing standards, national review standards, national standards on assurance engagements other than the audit and the review, and national standards on related services.

Competences:

- (art. 25 para. 1 point 2): The tasks of the Polish Chamber of Statutory Auditors⁵ shall include, in particular, establishment of national professional standards, national standards of quality control and principles of professional ethics.⁶
- (art. 30 para. 2 point 3 indent a, b, c): The competences of the National Council of Statutory Auditors shall encompass all matters not reserved by the provisions of the Act for other bodies, in particular, adoption of resolutions on the following matters: national professional standards, national quality control standards, principles of professional ethics for the statutory auditors.
- (art. 30 para. 3): The resolutions listed above shall be approved by the Agency Council.

³ The National Council of Statutory Auditors is one of the bodies of the self-government of statutory auditors, i.e. the Polish Chamber of Statutory Auditors ("PIBR").

⁴ The Agency should be understood as the Polish Audit Oversight Agency ("PANA"), which was established under the amended Act on Statutory Auditors. It is a new public oversight institution that replaced the Audit Oversight Commission ("AOC"), operating in the years 2009-2019.

⁵ The previous name, before the amendment to the Act on Statutory Auditors, was the National Chamber of Statutory Auditors ("KIBR").

⁶ This task is entrusted to the Polish Chamber of Statutory Auditors to be performed within the framework of public oversight (art. 25 para. 2). Therefore, the Polish Chamber of Statutory Auditors receives funds from the Polish Audit Oversight Agency for the implementation of this task.

Concluding, establishing national standards, before and after the amendment to the Act on Statutory Auditors, falls within the competence of the PIBR, and more specifically, of the National Council of Statutory Auditors. At the same time, resolutions of the National Council of Statutory Auditors in this respect require approval under public oversight (previously by the Audit Oversight Commission ("AOC"), currently by the Council of the Polish Audit Oversight Agency ("PANA")).

Pursuant to Directive 2014/56/EC of the European Parliament and of the Council, amending Directive 2006/43/EC on statutory audits⁷, Member States require statutory auditors and audit firms to conduct statutory audits in accordance with International Standards on Auditing ("ISAs") adopted by the European Commission. EU law empowers the European Commission (EC) to adopt ISAs at European level, but no timetable for this process has been established. The directive states that, in the meantime, Member States may apply National Auditing Standards. Most Member States have voluntarily adopted ISAs as national auditing standards. In the current legal situation, PIBR has no possibility of accelerating the adoption of International Standards by the European Commission (EC) in the form of its regulations.

In 2015, as a result of the decision of the National Council of Statutory Auditors, in consultation with the public oversight (AOC), national standards were adopted for mandatory application in the wording of relevant International Standards issued by the IAASB.

A brief summary of the situation before the adoption of International Standards for use in Poland.

Before the adoption of International Standards to Polish regulations, as mentioned below, three national standards were applied in Poland – the national auditing standards:

- 1) National Auditing Standard no. 1 "General principles of auditing financial statements";
- 2) National Auditing Standard no. 2 "Audit of consolidated financial statements of capital groups";
- 3) National Auditing Standard No. 3 "General principles for conducting the review of financial statements / condensed financial statements and performing other assurance services".

Adoption of International Standards to Polish regulations

On April 1, 2015, the Audit Oversight Commission ("AOC") approved the resolutions of the National Council of Statutory Auditors, pursuant to which International Standards issued by the International Auditing and Assurance Standards Board (IAASB) were introduced – for the first time – as national standards for use in Poland by statutory auditors and audit firms. They included:

- International Standards on Auditing (ISA);
- International Standards on Review Engagements (ISRE);
- International Standards on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE); and
- International Standard on Quality Control 1 (ISQC 1).

The auditing standards adopted at that time were, in principle, in the wording of the IAASB ISAs, 2009 edition.

The beginning of the obligatory application of national standards in the wording of International Standards was determined as follows:

- in the case of audit firms that perform audits or reviews of financial statements of Public Interest Entities – for audits and reviews of financial statements for periods ending on December 31, 2016 and later;
- in the case of other audit firms – for audits and reviews of financial statements for periods ending on December 31, 2017 and later;

⁷ Legal acts in the form of an EU directive require proper implementation into the legal order of a given Member State.

- for assurance engagements other than audits and reviews of historical financial information commenced on or after January 1, 2017.

Concluding, starting from the audit of financial statements for the periods ending on December 31, 2017, all statutory auditors in Poland are required to apply national standards in the wording of the International Standards on Auditing.

The process of setting International Standards on Auditing ("ISAs") takes into account the broadly understood public interest and concern to ensure high-quality audits of financial statements, as well as the consistency of standards applied by auditors around the world. ISAs are periodically assessed, reviewed and revised to adapt to constantly changing market conditions. Significant changes that affected most ISAs occurred as part of the IAASB Clarity Project, which began in 2004, which was designed to increase transparency and understanding of the ISAs. The IAASB Clarity Project was completed in 2009 with the release of 36 ISAs. And the standards in this wording, as a principle, have been approved in Poland as national standards, as mentioned above. Further significant amendments to the ISAs took place in 2015, when the IAASB issued revised ISAs and one new ISA relating primarily to the auditor's reports, but also to clarify the auditor's obligations related to other information that is attached to the audited financial statements.

The IAASB periodically reviews the standards and issues their subsequent versions, marking them as "Revised", and as a result of these revisions they make the wording of other standards consistent. Before the standard is adopted by the IAASB, the draft of its amended wording is subject to public consultation.

ISAs are adopted in Poland with consideration of the provisions of Polish law. The new or revised ISAs, after being translated into Polish, become binding in Poland only after their adoption by the Council in the form of a resolution and approval of this resolution by the Agency ("PANA") (formerly the AOC).

The process of setting other national professional standards, other than auditing, is similar, i.e. national review standards, national standards on assurance engagements other than audits and reviews, and national standards on related services, as well as national standards on quality control, adopted in the wording of relevant International Standards.

Until 2021 the translation process has consisted of a faithful translation of the English language of International Standards in accordance with IFAC's translation procedures, without making any changes to the requirements of IAASB International Standards. In 2022 the translation process for ISA 315 (Revised in 2019) and Quality Managements Standards consists for the first time of making limited modifications in accordance with Polish legal and regulatory requirements, with such amendments highlighted in the translation where possible.

Additional requirements, in addition to the requirements of the national auditing standards in the wording of ISAs, i.e. the requirements of the Act on Statutory Auditors and Regulation (EU) No 537/2014, affecting the content of the audit opinion, after the amendment to the Act on Statutory Auditors (the name of this document was changed into the "audit report") are compiled in examples illustrating the content of the audit report and constitute separate attachments to the resolution of the National Council of Statutory Auditors on national auditing standards.

It should also be mentioned how the amendment to the Act on Statutory Auditors influenced the standard setting process in Poland. Namely, after the amendment to the Act on Statutory Auditors, the National Council of Statutory Auditors had to adopt all the standards again, as the resolutions adopted under the Act before the amendment expired.⁸ Therefore, in 2018 the National Council of Statutory Auditors passed new resolutions and adopted national standards in the same wording as those adopted for the first time in 2015, changing their names into national auditing standards, national review standards, national standards on assurance engagements other than audits and reviews, accordingly. At the same time the name of principles of internal quality control in the entity authorized to audit financial statements was changed into national standards on quality control. Moreover, the Council adopted national standards on related services as binding. At the same time, in order to be able to adopt International Standards in the unchanged wording as national

⁸ Pursuant to Art. 294 para. 2 of the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight, on March 22, 2018, the previous resolutions, adopted pursuant to the previously applicable Act on Statutory Auditors, on: national auditing standards, internal quality control principles, principles of professional ethics of statutory auditors were no longer valid.

standards, the National Council of Statutory Auditors analyzed whether the requirements of the standards do not contradict the requirements of the amended Act on Statutory Auditors (which implemented, among others, the provisions of the EU Directive on statutory audits of financial statements) or the requirements of the Regulation (EU) No. 537/2014. After the amendment of the Act on Statutory Auditors in 2017, another group of standards was included in the catalog of national professional standards i.e. the national standards on related services. Before the amendment to the Act, the International Standards on Related Services, after their translation into Polish, were adopted by the National Council of Statutory Auditors in the same period as the other standards, i.e. in 2015. Their adoption by the National Council of Statutory Auditors in the form of a "communiqué", instead of a resolution, was a kind of incentive for statutory auditors to apply them, and it was not the obligation.

The chronological summary of changes in the standards (the dates given below are, as a rule, the dates of adopting resolutions by the National Council of Statutory Auditors, which, before their entry into force, required approval by the AOC and later by the Agency Council) is as follows:

- February 10, 2015 – adoption of National Auditing Standards for the first time in Poland in the wording of relevant International Standards (Resolution No. 2783/52/2015), with the following effective dates:
 - * financial statements for 2016 – the beginning of mandatory application of auditing and review standards by audit firms auditing financial statements of Public Interest Entities;
 - * January 1, 2017 – beginning of the application of the standards on assurance engagements other than audits and reviews of historical financial information in the wording of relevant International Standards;
 - * financial statements for 2017 – the beginning of mandatory application of auditing and review standards by audit firms other than those auditing financial statements of Public Interest Entities, i.e. by all audit firms and statutory auditors.
- January 24, 2017 – change of the content of the audit opinion as a result of the amendment to the provisions of the Accounting Act (Resolution No. 913/22a/2017).
- July 4, 2017 – adoption of the national standard on assurance engagements 3000 (Revised) in the wording of ISAE 3000 (Revised) (resolution No. 1153/28/2017) – mandatory application to services commenced on January 1, 2018 and later, with earlier application possible.
- November 21, 2017 – development of new examples of the audit report in connection with the entry into force of the provisions of the amended Act on Statutory Auditors (Resolution No. 1553/33/2017).
- February 19, 2018 – adoption of the revised national auditing standards for application: 700 (Revised), 701, 705 (Revised), 706 (Revised), 720 (Revised), 260 (Revised), 570 (Revised) (Resolution No. 2039/37a/ 2018) – obligatory application for audits of financial statements for periods ending on or after December 31, 2018, with earlier application possible.
- March 5, 2018 – due to the expiration of the resolutions adopted by the National Council of Statutory Auditors under the Act on Statutory Auditors before its amendment in 2017, the re-adoption of International Standards as national standards, without changing their Polish wording (with only the change of their titles as well as the adoption of national standards on related services as binding) (Resolution No. 2041/ 37a /2018).
- January 9, 2019 – adoption of the revised national auditing standards: 800 (Revised), 805 (Revised), 810 (Revised) (Resolution No. 2997/49a/2019) – mandatory application to services relating to financial statements prepared for periods ending on or after December 31, 2019, with earlier application possible.
- March 21, 2019 – adoption of national auditing standards and other documents (Resolution No. 3430/52a/2019). Pursuant to the resolution, among others, Resolution No. 2039/37a/2018 (a group of ISAs "700" (Revised)) and Resolution No. 2997/49a/2019 (a group of ISAs "800" (Revised)) were repealed, the national auditing standard 250 (Revised) was adopted, i.e. one set of auditing standards was created. In addition, by virtue of the resolution, it was agreed that this package of standards would be the only one applicable starting from January 1, 2020. Previously, depending on the period for which the financial statements were prepared, different versions of the auditing standards were applied. (To facilitate the work of statutory auditors and to select the appropriate standards for a specific audit, a special tool has been prepared on the PIBR website: "Standards Search"). It

should be emphasized that before the adoption of these standards, their translation into Polish was thoroughly verified on the basis of a glossary of basic terms (the so-called translation changes).

- April 8, 2019 – adoption of national review standards, national standards on assurance engagements other than audits and reviews, and national standards on related services (Resolution No. 3436/52e/2019). Pursuant to the resolution, the Resolution No. 1153/28/2017 (a group of ISAE "3000" (Revised)) was repealed and one set of standards on assurance engagements other than audits was adopted. In addition, it was established by the resolution that this package of review standards would be the only one in force as of January 1, 2020. Previously, depending on the period for which the financial statements were prepared, different versions of the review standards were applied (structure similar to the auditing standards). It should be emphasized that before the adoption of these standards, as in the case of auditing standards, their translation into Polish was thoroughly verified on the basis of a glossary of basic terms (the so-called translation changes).
- May 17, 2019 – adoption of the National Standard on Related Services 4401PL "Agreed-upon procedures performed in connection with transactions in securities that require a prospectus" (Resolution No. 3598/54a/2019 as amended). It was the first national standard developed by the National Council of Statutory Auditors, not being a translation of the International Standard. Development of the standard resulted from the requirements of the amended Act on Statutory Auditors.
- September 8, 2020 – adoption of the National Auditing Standard 540 (Revised) in the wording of ISA 540 (Revised) and adoption of amendments to the resolution on national standards on quality control, the resolution on national auditing standards and other documents, as well as the resolution on national review standards, national standards on assurance engagements other than audits and reviews and national standards on related services, as a result of the adoption of NAS 540 (Revised) and NAS 250 (Revised) (Resolution No. 1107/16a/2020) – mandatory application to services for reporting periods ending on December 31, 2021 and later, with earlier application possible.
- June 7, 2021 – adoption of the National Standard on Related Services 4400 (Revised) in the wording of ISRS 4400 (Revised) (Resolution No. 1632/25a/2021) – mandatory application for agreed-upon procedures engagements for which the terms of engagement are agreed on or after January 1, 2023 with earlier application possible.
- December 17, 2021 – adoption of the National Standard on Assurance Engagements other than audits and reviews 3001PL "Audit of financial statements prepared in a European Single Electronic Format" (Resolution No.1975/32a/2021).). It was the second national standard developed by the National Council of Statutory Auditors, not being a translation of the International Standard. Development of the standard resulted from the requirements of the Regulation (EU) 2019/815 and of the amended Act on Statutory Auditors.
- July 7, 2022 – adoption of the National Auditing Standard 315 (Revised in 2022) in the wording of ISA 315 (Revised in 2019) and adoption of amendments to national auditing standards as a result of the adoption of NAS 315 (Revised in 2022) – mandatory application to services for reporting periods beginning on or after January 1, 2023, with earlier application possible.

As a support for the process of implementing ISAs and other International Standards in Poland, the PIBR:

- was publishing alerts on individual ISAs (a short summary of the content of a given standard) on its website when the ISAs were to be applied for the first time as national standards in Poland;
- prepared a material, free of charge, entitled the "Guide on ISAs-Procedures" (the 1st edition in January 2017, the 2nd updated edition in December 2017). On January 31, 2017, PIBR released the first edition of the "Guide on ISAs-Procedures". The publication aimed at supporting statutory auditors in auditing financial statements in accordance with the new professional standards (ISA), as well as creating a new, audit best practice. On December 12, 2017, the updated version of the "Guide on ISAs-Procedures, second edition" was made available;
- organized a series of meetings called "With the Guide through Poland" aimed at presenting the "Guide to ISA-Procedures". Statutory auditors could take part in a free six-hour training course, during which it was explained in detail how to use the Guide. It was also an opportunity to collect initial assessments and suggestions for the prepared material in order to improve it in the second edition. The meetings started on April 12, 2017 and ended on July 7, 2017. The project included 19 meetings attended by approximately 1,700 participants from each of the 27 Regional Branches of PIBR;

- In January 2018, the "Standards Search" was launched on the PIBR website in order to support auditors in determining which standards apply to the provision of audit and review services, other assurance engagements reserved to the statutory auditor as well as related services. The Standards Search allows you to filter and group documents according to defined parameters.
- in September 2018, the IT tool called "Compass" was made available. It is a digitized version of the "Guide to ISA-Procedures" with a built-in database of the content of all auditing standards;
- was providing individual consultations (PIBR helpline functioning until January 2019), then the formula was changed to answer the most frequently asked questions (FAQ);
- annually provides a Special Alert summarizing changes in regulations (standards) and legal provisions;
- translates into Polish IAASB materials supporting the implementation and application of the revised standards (e.g. to ISA 540 (Revised));
- translates other IAASB materials into Polish, e.g. all Staff Alerts related to audits during the COVID-19 pandemic, materials related to the use of automated tools and techniques;
- prepares its own materials related to the application of standards (e.g. exemplary reports from the review of interim financial statements adjusted to Polish conditions; "Guidelines for external confirmations in the conditions of remote audit", an exemplary statement of the entity's management;
- translated into Polish the third and the latest, fourth edition, of the IFAC material entitled "Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities";
- conducted a number of trainings, including:
 - ISAs in practice – a cycle of free three-day training courses on the ability to apply International Standards on Auditing in practice. The workshops were carried out from May to September 2017 in over a dozen Polish cities,
 - selected statutory auditors were trained as part of the "ISAs for Leaders" Project – one of the elements of the preparation process for the implementation of ISAs in Poland. The task of the leaders was to conduct further trainings in all Regional Branches of PIBR, as well as to act as mentors: statutory auditors from small and medium-sized audit firms (SMP) could ask questions and dispel doubts,
 - after the adoption of new / revised standards training courses are organized as part of the CPD for statutory auditors.

Furthermore, PIBR informs its Members –on an ongoing basis – about new and revised International Standards issued by the IAASB, encouraging them to participate in consultations (in the form of the so-called news published on the PIBR website and via e-mails sent directly to Members). Moreover, PIBR promotes and encourages the use of IAASB publications and materials on the audit practice and other non-authoritative materials for guidance and practical assistance.

#	Start Date	Actions	Completion Date	Responsibility	Resource
The information below concerns only the setting of national standards in the wording of International Standards. They do not include information on support in their implementation and application (please see above in Background Note)					
32.	February 2018	As a result of the expiration of the existing resolutions adopted by the National Council of Statutory Auditors under the Act on Statutory Auditors before its amendment in 2017, the re-adoption of International Standards as National Standards, without changing their Polish wording (with only the name change to national auditing standards, national review standards, national standards on assurance engagements other	March 2018 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR

		<p>than audits and reviews, and the adoption of national standards on related services as binding).</p> <p>(Resolution No. 2041/37a/2018 of the National Council of Statutory Auditors of March 5, 2018 on the National Professional Standards).</p> <p>The process included: preparation of the resolution, its adoption by the Council, submission to the AOC for approval, entry into force of the resolution on the date of its approval by the AOC, making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).</p>			
33.	December 2015	<p>Adoption of the revised National Auditing Standards: NAS 700 (Revised), NAS 701, NAS 705 (Revised), NAS 706 (Revised), NAS 720 (Revised), NAS 260 (Revised), NAS 570 (Revised) in the wording of appropriate ISAs – obligatory application for audits of financial statements for periods ending on or after December 31, 2018, with earlier application possible.</p> <p>(Resolution No. 2039/37a/2018 of the National Council of Statutory Auditors of February 19, 2018 on the National Auditing Standards (NAS 700 (Revised), NAS 701, NAS 705 (Revised), NAS 706 (Revised), NAS 720 (Revised), NAS 260 (Revised), NAS 570 (Revised))).</p> <p>The process included: obtaining the necessary IFAC permissions for translation, translating the original wording of the International Standards into Polish, preparation of a resolution, adopting it by the Council, submitting it to the AOC for approval, consideration by the Council of the AOC's reservations and adopting a new resolution taking into account the AOC's reservations, entry into force of the resolution on the date of its approval by the AOC, making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).</p>	March 2018 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
34.	August 2016	<p>Adoption of the revised National Auditing Standards: NAS 800 (Revised), NAS 805 (Revised), NAS 810 (Revised) in the wording of appropriate ISAs – obligatory application for audits of financial statements for periods ending on or after December 31, 2019, with earlier application possible.</p> <p>(Resolution No. 2997/49a/2019 of the National Council of Statutory Auditors of January 9, 2019 on the National Auditing Standards (NAS 800 (Revised), NAS 805 (Revised), NAS 810 (Revised))).</p>	February 2019 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR

		The process included: obtaining the necessary IFAC permissions for translation, translating the original wording of the International Standards into Polish, preparation of a resolution, adopting it by the Council, submitting it to the AOC for approval, consideration by the Council of the AOC's reservations and adopting a new resolution taking into account the AOC's reservations, entry into force of the resolution on the date of its approval by the AOC, making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).			
35.	September 2018	<p>Adoption of one set of national auditing standards and other documents.</p> <p>(Resolution No. 3430/52a/2019 of the National Council of Statutory Auditors of March 21, 2019 on the national auditing standards and other documents).</p> <p>The new resolution was adopted due to the fact that the National Council of Statutory Auditors decided to provide statutory auditors with the most recent versions of International Standards, after their translation into Polish. The standards were adopted in the wording of International Standards included in the IAASB publication entitled "Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements 2016-2017". The wording of individual International Standards contained in the Handbook included the changes since the adoption of the ISAs for the first time in Poland.</p> <p>By this resolution, Resolution No. 2039/37a/2018 (revised "700") and Resolution No. 2997/49a/2019 (revised "800") were repealed, the revised National Auditing Standard 250 (Revised) was adopted for application, i.e. one set of auditing standards was created.</p> <p>In addition, it was established under this resolution that this set of standards would be the only one in force as of January 1, 2020. Previously, different versions of the auditing standards were applied depending on the period for which the financial statements were prepared.</p> <p>It should be emphasized that before the adoption of these standards, an additional translation of the changes to the wording of each of the standards was made and their translation into Polish was thoroughly</p>	April 2019 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR

		<p>verified on the basis of a glossary of basic terms (the so-called translation changes).</p> <p>The process included: obtaining the necessary IFAC permissions for re-translation, reviewing the translation of the original wording of the International Standard into Polish, preparing a resolution, adopting it by the Council, submitting it to the AOC for approval, consideration by the Council of the AOC's reservations and adopting a new resolution taking into account the AOC's reservations, entry of the resolution into force on the date of its approval by the AOC, making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).</p>			
36.	November 2018	<p>Adoption of national review standards, national standards on assurance engagements other than audits and reviews, and national standards on related services.</p> <p>The new wording standards apply:</p> <ul style="list-style-type: none"> – NRS – for reviews of financial statements for periods ending on or after December 31, 2019, – NSAE and NSRS – for the performance of services commenced after December 31, 2019, with earlier application possible. <p>(Resolution No. 3436/52e/2019 of the National Council of Statutory Auditors of April 8, 2019 on the national review standards, national standards on assurance engagements other than audits and reviews, and national standards on related services).</p> <p>The new resolution was adopted due to the fact that the National Council of Statutory Auditors decided to provide statutory auditors with the most recent versions of International Standards, after their translation into Polish. The standards were adopted in the wording of International Standards included in the IAASB publication entitled "Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements 2016-2017". The changes in the national standards resulted mainly from:</p> <ul style="list-style-type: none"> – changing the original wording of International Standards. This applies to changes in the standards of the "3000" group, resulting from the so-called conforming amendments to other standards accompanying the changes to ISAE 3000 (Revised); 	September 2019 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR

		<p>– a new translation methodology (possibly faithful translation of English-language texts using a specially developed dictionary of basic terms, in accordance with the IFAC translation procedure).</p> <p>Under to this resolution, Resolution No. 1153/28/2017 (revised "3000") was repealed and one set of standards other than audits was adopted. In addition, it was established by this resolution that this set of national review standards would be the only one in force from January 1, 2020. Previously – depending on the period for which the financial statements were prepared – different versions of the review standards were applied (structure similar to that in the case of auditing standards).</p> <p>The process included: obtaining the necessary IFAC permissions for re-translation, reviewing the translation of the original wording of the International Standard into Polish, preparing a resolution, adopting it by the Council, submitting it to the AOC for approval, consideration by the Council of the AOC's reservations and adopting a new resolution taking into account the AOC's reservations, entry of the resolution into force on the date of its approval by the AOC, making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).</p>			
37.	January 2020	<p>Adoption of the National Auditing Standard 540 (Revised) and adoption of conforming amendments to other standards as a result of the adoption of NAS 540 (Revised) and NAS 250 (Revised).</p> <p>Mandatory application for the provision of services for reporting periods ending on December 31, 2021 and later with earlier application possible.</p> <p>(Resolution No. 1107/16a/2020 of the National Council of Statutory Auditors of September 8, 2020 on the adoption of the National Auditing Standard 540 (Revised) and the adoption of amendments to the resolution on national standards on quality control, the resolution on national auditing standards and other documents, as well as the resolution on national review standards, national standards on assurance engagements other than audits and reviews, and national standards on related services).</p> <p>The process included: obtaining the necessary IFAC permissions for translation, translation of the original wording of the International Standard into Polish, preparing a resolution, adopting it by the Council,</p>	November 2020 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR

		submitting it to the Agency ("PANA") for approval, entry of the resolution into force on the date of its approval by the Agency ("PANA"), making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).			
38.	March 2020	<p>Translation into Polish and adoption of the National Auditing Standard 315 (Revised in 2022) in the wording of the International Standard on Auditing 315 (Revised in 2019) and adoption of conforming amendments to national auditing standards as a result of the adoption of NAS (Revised in 2022).</p> <p>Mandatory application for the provision of services for reporting periods beginning on or after January 1, 2023 with earlier application possible. (Resolution No. 2272/38a/2022 of the National Council of Statutory Auditors of July 7, 2022 on the adoption of the National Auditing Standard 315 (Revised in 2022) and amendments to national auditing standards as a result of the adoption of NAS (Revised in 2022).</p> <p>The process has included: obtaining the necessary IFAC permission for translation, translating the original wording of the International Standard into Polish, preparing a resolution, adopting it by the Council, submitting it to the Agency ("PANA") for approval, entry of the resolution into force on the date of its approval by the Agency ("PANA"), making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).</p>	September 2022 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
39.	June 2020	<p>Translation into Polish and adoption of the National Standard on Related Services 4400 (Revised) in the wording of the International Standard of Related Services 4400 (Revised).</p> <p>Mandatory application for agreed-upon procedures engagements for which the terms of engagement are agreed on or after January 1, 2023 with earlier application possible. (Resolution No. 1632/25a/2021 of the National Council of Statutory Auditors of June 7, 2021 on the adoption of the National Standard on Related Services 4400 (Revised).</p> <p>The process has included: obtaining the necessary IFAC permission for translation, translating the original wording of the International Standard into Polish, preparing a resolution, adopting it by the Council, submitting</p>	August 2021 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR

		it to the Agency ("PANA") for approval, entry of the resolution into force on the date of its approval by the Agency ("PANA"), making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).			
40.	January 2021	<p>Translation into Polish and adoption of the National Standards on Quality Control in the wording of the International Standard on Quality Management 1, International Standard on Quality Management 2 and International Standard on Auditing 220 (Revised).</p> <p>The process has included so far: obtaining the necessary IFAC permission for translation, translating the original wording of the International Standard into Polish – work in progress.</p>	In progress	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
<i>Maintaining Ongoing Processes</i>					
41.	Ongoing	Continuing to support ongoing convergence of national standards with IAASB pronouncements.	Ongoing	President of the Council	Staff of PIBR
42.	Ongoing	Including issues related to ISAs each year in the CPD training for statutory auditors.	Ongoing	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
43.	Ongoing	Maintaining activities of the Council's Committees which support statutory auditors and audit firms in cases of doubts raised by them regarding specific situations.	Ongoing	Chairs of the Council's Committees	Council's Committees, staff of PIBR
44.	Ongoing	Cooperation of PIBR with the Polish Association of Listed Companies, ACCA and other professional bodies and institutes in order to promote the audit services.	Ongoing	Council	Council Members
<i>Review of PIBR's Compliance Information</i>					
45.	Ongoing	Performing periodic review of and update sections relevant to SMO 3 as necessary.	Ongoing	President of the Council	Staff of PIBR

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

Action Plan Objective: Ensure Effective Implementation of the Revised IESBA Code of Ethics for Professional Accountants through Assuring that Statutory Auditors are Aware of the Revised Requirements. Expansion of the Education and CPD Program for Statutory Auditors to Include Courses on the Revised IESBA Code of Ethics

Background:

Disseminating the principles of professional ethics for statutory auditors included in the revised IESBA Code of Ethics for Professional Accountants as part of the CPD program and conferences devoted to this subject.

In accordance with the Act, among others:

(art. 25 para. 1 point 2): The competences of the National Council of Statutory Auditors shall encompass, in particular, adoption of the principles of professional ethics for statutory auditors in the form of resolutions.

On June 13, 2011 the National Council of Statutory Auditors adopted a Resolution No. 4249/60/2011 on the principles of professional ethics for statutory auditors which implemented the IESBA Code of Ethics for Professional Accountants in Poland, in the version in force since 2009 (the version updated in July 2009). The Code entered into force from January 1, 2012. The principles of professional ethics for statutory auditors – the IESBA Code of Ethics for Professional Accountants dated July 2009 was published by the PIBR and is made available on the PIBR website. The Code was applicable to activities taken before March 21, 2018.

By the resolution No. 206/6/2015 of the National Council of Statutory Auditors of November 3, 2015 amending the resolution on the principles of professional ethics for statutory auditors, amendments to the IESBA Code of Ethics for Professional Accountants were adopted according to the state applicable from 2014. Those changes entered into force on February 11, 2016.

On March 13, 2018 the National Council of Statutory Auditors adopted the Resolution No. 2042/38/2018 on the principles of professional ethics for statutory auditors, implementing in Poland the Code of Professional Ethics of Accountants, published by the International Accounting Federation (IFAC), as the principles of professional ethics for statutory auditors in the wording contained in the Handbook of the Code of Ethics for Professional Accountants, 2016 Edition, developed by the International Ethics Standards Board for Accountants (IESBA). This Code applies to activities undertaken on March 21, 2018 and later.

Then, on March 25, 2019 the National Council of Statutory Auditors adopted the Resolution No. 3431/52A/2019 on the principles of professional ethics for statutory auditors, implementing in Poland (with effective date of January 1, 2020) the International Code of Ethics for Professional Accountants (including International Independence Standards) as the principles of professional ethics for statutory auditors developed by the International Ethical Standards Board for Accountants (IESBA), 2018 Handbook. On August 6, 2021, the National Council of Statutory Auditors adopted the Resolution No. 1760/27a/2021 on the principles of professional ethics for statutory auditors, implementing in Poland (with effective date of July 1, 2022) [Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in International Standard on Assurance Engagements 3000 \(Revised\)](#) issued by the IESBA in January 2020. The IESBA Code of Ethics and its revisions have been translated in accordance with the IFAC procedures.

According to the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight (consolidated text, O. J. of 2022, item 1302), the statutory auditor is obliged to observe the principles of professional ethics for statutory auditors, including, in particular, integrity, objectivity, professional competence, due care and confidentiality (art. 69).

At the same time, the principles on the independence of the statutory auditor have been defined in art. 69 in para. 4-9 as follows:

4. The audit firm, members of the audit team and a natural person, that may affect results of the audit, shall be independent from the audited entity and shall not be involved in process of making decisions by the audited entity at least in the period covered by the audited financial statement and the audit period.
5. The audit firm and the key statutory auditor shall take actions necessary to ensure that, when conducting the audit, their independence is not affected by any actual or potential conflict of interest, economic relations or any other direct or indirect relations between the audited entity and the audit firm, members of the audit team, members of the network, to which the audit firm belongs, managers of the audit firm or persons controlled thereby.
6. The audit firm and the key statutory auditor shall not conduct the audit, if there is a risk of auto-control, gaining own benefits, promotion of interests of the audited entity, amity or intimidation caused by a financial, personal, economic, employment or other relation between the audited entity and the key statutory auditor, the audit firm, a member of the network, to which the audit firm belongs, or a natural person potentially affecting results of the audit, as a result of which an objective, reasonable and informed third party would conclude that the independence of the key statutory auditor or the audit firm is compromised in spite of application of protective measures aiming at elimination or limitation of the risk to an acceptable level.
7. The key statutory auditor, the audit firm and its employees participating in the audit, as well as a natural person directly participating in the audit activities, whose services are used or supervised by the key statutory auditor or the audit firm, as well as closely related persons:
 - 1) shall not have or obtain significant and direct benefits from financial instruments, including shares in equity, securities as defined by Article 3 item 1 of the Act of 29 July 2005 on Trade in Financial Instruments, credits, loans or debt instruments, including rights and obligations to purchase these financial instruments, and derivatives directly associated with these financial instruments, issued, guaranteed or otherwise supported by any audited entity in relation to which any audit activities are performed;
 - 2) shall not participate in transactions the subject of which are the financial instruments specified in item 1.
8. Independence is not compromised in the case of:
 - 1) having or deriving benefits by the persons or entities referred to in section 7 from:
 - a) financial instruments that are held indirectly by taking part in diversified collective investment schemes, in particular, in pension funds, investment funds and insurance capital funds offered by insurance companies, unless these programmes are controlled by the persons or entities referred to in section 7, or investment decisions undertaken with respect to these programmes are influenced by the persons or entities referred to in section 7, or
 - b) credits or loans granted on market terms as part of normal operations by the audited entities authorised to grant credits on the basis of separate regulations, or
 - 2) participation in transactions, the subject of which are the instruments referred to in item 1 letter a.
9. The key statutory auditor, the audit firm, its employees participating in the audit and a natural person taking direct participation in audit activities from which services are employed, or which supervises the key statutory auditor or company the audit firm, as well as closely related persons, shall not participate in determining the result of the audit of the audited entity or otherwise affect this result, if:
 - 1) they have financial instruments, including shares in equity securities as defined by Article 3 item 1 of the Act of 29 July 2005 on Trade in Financial Instruments, credits, loans or other debt instruments, including rights and obligations to purchase these financial instruments and derivatives directly associated with these financial instruments, issued by the audited entities, except for those held indirectly by taking part in diversified collective investment schemes, in particular, pension funds, investment funds and insurance capital funds offered by insurance companies, unless these programmes are controlled by these persons or companies or investment decisions undertaken with regard to these programmes are influenced by

these persons or companies, and except for credits or loans granted on market terms as part of normal operations by the audited entities authorised to grant credits on the basis of separate regulations;

- 2) they have financial instruments, including shares in equity as defined by Article 3 item 1 of the Act of 29 July 2005 on Trade in Financial Instruments, credits, loans or other debt instruments, including rights and obligations to purchase these financial instruments and derivatives directly associated with these financial instruments, issued by the affiliate of the audited entity, the possession of which may result in or can be perceived by an objective, reasonable and informed third party as a cause of conflict of interest, except for those instruments held indirectly by taking part in diversified collective investment schemes, in particular, pension funds, investment funds and insurance capital funds offered by insurance companies, unless these programmes are controlled by these persons or companies or investment decisions undertaken with regard to these programmes are influenced by these persons or companies;
- 3) in the period referred to in section 4, remained in employment, economic or other relation with the audited entity, which may result in conflict of interest or can be perceived as such an objective, reasonable and informed third party;
- 4) participated in keeping the accounting books or preparation of accounting documentation or financial statements of the audited unit in the financial year preceding the period covered by the audit in the period covered by the audited statement or the period of in which the audit was conducted;
- 5) are legal representatives (proxies), members of supervisory or management bodies, or employees of the audited entity or its affiliate;
- 6) take part in the management and decision-making process within the audited entity;
- 7) provide services other than auditing, having a significant impact on the audited financial statement;

there are other circumstances compromising independence to the extent preventing this violation from being limited using any security which enables the auditors to prepare an impartial and independent audit report.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adopting the Principles of Professional Ethics for Statutory Auditors.</i>					
<i>Assisting the PIBR Members with the Implementation of the IESBA Code of Ethics.</i>					
46.	February 2016	Entry into force of the revisions to the IESBA Code of Ethics.	February 2016 Completed		
47.	November 30, 2016	Conducting a training at the PIBR Regional Branch in Lublin on the principles of determining fees for audit services.	November 30, 2016 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR, staff of the PIBR Regional Branch in Lublin
48.	December 13, 2016	At the request of the Ethics Committee, the Council adopted a position (together with a justification) on the	December 13, 2016 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR

		implementation of the principles of determining fees for audit services provided by audit firms.			
49.	2017	At the initiative of the Ethics Committee, assumptions and topics related to CPD for 2018-2019 were prepared, i.e.: <ul style="list-style-type: none"> • <i>The principles of determining fees for the services of a statutory auditor, and</i> • <i>Combining other services of a statutory auditor with audits of financial statements.</i> 	2018-2019 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
50.	May 16, 2017	Commencement of the translation of the consolidated text of the IESBA Code of Ethics for Professional Accountants, contained in the Handbook of the Code of Ethics for Professional Accountants, 2016 Edition, developed by the International Ethics Standards Board for Accountants (IESBA). An agreement for translation was signed between PIBR and AAP.	November 2017, Completed	President of the Council, Chair of the Council's Ethics Committee	Council, Council's Ethics Committee, staff of PIBR
51.	November 2017	Conducting 8 meetings for experts at the PIBR Regional Branches. The main topics of the meetings were as follows: <ul style="list-style-type: none"> • <i>The principles of determining fees for the services of a statutory auditor, and</i> • <i>Combining other services of a statutory auditor with audits of financial statements.</i> The meetings were dedicated to statutory auditors from the following PIBR Regional Branches in: Bielsko-Biala, Częstochowa, Katowice, Koszalin, Poznań, Radom, Olsztyn and Warsaw.	January 2018 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
52.	September 28, 2017	Conducting a discussion panel at the conference organized by the PIBR Regional Branch in Warsaw on "How to prepare an audit firm and a statutory auditor to the requirements of the new Act on Statutory Auditors".	September 28, 2017 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
53.	January 2018	Adoption by the Council of a resolution on the thematic scope of CPD in – respectively – 2019 and 2020, including:	February 2019 Completed	President of the Council	Council, staff of PIBR

		<ul style="list-style-type: none"> • Application of ethical principles in practice: combining other statutory auditor services with audits of financial statements, • Application of ethical principles in practice: the principles of determining fees for the services of a statutory auditor, and • The principles of ethics in practice – revisions to the IESBA Code of Ethics. 			
54.	March 2018	Adoption by the Council of the Resolution No. 2042/38/2018 of the National Council of Statutory Auditors of March 13, 2018 on the principles of professional ethics for statutory auditors, as contained in the Handbook of the Code of Ethics for Professional Accountants, 2016 Edition, developed by the International Ethics Standards Board for Accountants (IESBA).	March 2018 Completed	Council	President of the Council, staff of PIBR
55.	March 2018	Submitting to the AOC of the Resolution No. 2042/38/2018 of the National Council of Statutory Auditors of March 13, 2018 on the principles of professional ethics for statutory auditors.	March 2018 Completed	President of the Council	Staff of PIBR
56.	March 2018	Approval by the AOC of the Resolution No. 2042/38/2018 of the National Council of Statutory Auditors of March 13, 2018 on the principles of professional ethics for statutory auditors.	March 2018 Completed	AOC	AOC
57.	March 2018	Publishing on the PIBR website of the Resolution No. 2042/38/2018 of the National Council of Statutory Auditors of March 13, 2018 on the principles of professional ethics for statutory auditors.	March 2018 Completed	President of the Council	Staff of PIBR
58.	March 21, 2018	Entry into force of the IESBA Code of Ethics as contained in the Handbook of the Code of Ethics for Professional Accountants, 2016 Edition, developed by the International Ethics Standards Board for Accountants (IESBA).	December 31, 2019 Completed		
59.	May 21, 2018	Organizing a conference in Warsaw under the title: "The value of professional ethics of a statutory auditor for the users of financial statements".	May 21, 2018 Completed	President of the Council, Chair of the	Council, Council's Ethics Committee, staff of PIBR

				Council's Ethics Committee	
60.	May 2018	Commencement of the translation of the consolidated text of the IESBA "International Code of Ethics for Professional Accountants (including International Independence Standards)" issued by IFAC in 2018.	March 2019, Completed	President of the Council, Chair of the Council's Ethics Committee	Council, Council's Ethics Committee, staff of PIBR
61.	January 2019	Meetings organized by the Warsaw School of Economics regarding the preparation of the project "Proclamation of the principles of ethics – Voice from Poland" to be presented during the conference "Asian-Pacific Conference on International Accounting Issues", scheduled for October 13-16, 2019 in Warsaw.	May 2019, Completed	President of the Council, Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
62.	March 2019	Adoption by the Council of the Resolution No. 3431/52a/2019 of the National Council of Statutory Auditors of March 25, 2019 on the principles of professional ethics for statutory auditors in the wording of the "International Code of Ethics for Professional Accountants (including International Independence Standards)" issued by IFAC in 2018.	March 2019 Completed	Council	President of the Council, staff of PIBR
63.	April 2019	Submitting to the AOC of the Resolution No. 3431/52a/2019 of the National Council of Statutory Auditors of March 25, 2019 on the principles of professional ethics for statutory auditors.	April 2019 Completed	President of the Council	Staff of PIBR
64.	August 2019	Approval by the AOC of the Resolution No. 3431/52a/2019 of the National Council of Statutory Auditors of March 25, 2019 on the principles of professional ethics for statutory auditors.	August 2019 Completed	AOC	AOC
65.	August 2019	Publishing on the PIBR website of the Resolution No. 3431/52a/2019 of the National Council of Statutory Auditors of March 25, 2019 on the principles of professional ethics for statutory auditors.	August 2019 Completed	President of the Council	Staff of PIBR
66.	October 13-16, 2019	Participation in the "Asian-Pacific Conference on International Accounting Issues" organized in Warsaw, also covering the topics of professional ethics.	October 13-16, 2019 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR

67.	January 1, 2020	Entry into force of the <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> issued by IFAC in 2018.	currently		
68.	December 2019	Translating into Polish and publishing on the PIBR website of the twelve-installment publication series entitled: " <i>Exploring the IESBA Code</i> ", developed by IFAC in collaboration with the International Ethics Standards Board for Accountants (IESBA).	May 2021 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
69.	August 2020	Translating into Polish and publishing on the PIBR website of the IESBA publication entitled: " <i>Applying the Code's Conceptual Framework in COVID-19 Circumstances: Scenarios in Taxation and Valuation Services</i> ".	October 2020 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
70.	May 2020	Translating into Polish and publishing on the PIBR website of the IESBA publication entitled: " <i>COVID-19: Ethics and Independence Considerations</i> ".	December 2020 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
71.	October 2020	Translating into Polish and publishing on the PIBR website of the publication entitled: " <i>Using Specialists in the COVID-19 Environment Including Considerations for Involving Specialists in Audits of Financial Statements</i> ", developed by IESBA, IAASB and American Institute of Certified Public Accountants (AICPA).	January 2021 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
72.	December 2020	Translating into Polish and publishing on the PIBR website of the IESBA publication entitled: " <i>Navigating the Heightened Risks of Fraud and Other Illicit Activities During the COVID-19 Pandemic Including Considerations for Auditing Financial Statements</i> ".	March 2021 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
73.	April 12, 2021	Organizing and conducting a webinar on: "How to ethically and profitably shape fees for assurance services?"	April 12, 2021 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
74.		Translating into Polish of the Final Pronouncement: Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in International Standard on Assurance	August 2021 Completed	Council	President of the Council, staff of PIBR

		<i>Engagements 3000 (Revised)</i> issued by IESBA in January 2020.			
75.	August 6, 2021	Adoption by the Council of the Resolution No. 1760/27a/2021 on the principles of professional ethics for statutory auditors, implementing into Polish law (with effective date of July 1, 2022) <i>Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in International Standard on Assurance Engagements 3000 (Revised)</i> issued by IESBA in January 2020.	August 6, 2021 Completed	Council	President of the Council, staff of PIBR
76.	August 2021	Submitting to the the Agency ("PANA") of the Resolution No. 1760/27a/2021 of the National Council of Statutory Auditors of August 6, 2021 on the principles of professional ethics for statutory auditors implementing into Polish law (with effective date of July 1, 2022) <i>Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in International Standard on Assurance Engagements 3000 (Revised)</i> .	August 2021 Completed	President of the Council	Staff of PIBR
77.	August 2021	Approval by the Agency ("PANA") of the Resolution No. 1760/27a/2021 of the National Council of Statutory Auditors of August 6, 2021 on the principles of professional ethics for statutory auditors implementing into Polish law (with effective date of July 1, 2022) <i>Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in International Standard on Assurance Engagements 3000 (Revised)</i> .	October 2021 Completed	Agency ("PANA")	Agency ("PANA")
78.	October 2021	Publishing on the PIBR website of the Resolution No. 1760/27a/2021 of the National Council of Statutory Auditors of August 6, 2021 on the principles of professional ethics for statutory auditors implementing into Polish law (with effective date of July 1, 2022) <i>Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in International Standard on Assurance Engagements 3000 (Revised)</i> .	October 2021 Completed	President of the Council	Staff of PIBR
79.	July 1, 2022	Entry into force of the <i>Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in International Standard on Assurance Engagements 3000 (Revised)</i> .	currently		

80.	January 2021	Translating into Polish and publishing on the PIBR – as a draft version – of the Final Pronouncement: Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants issued by IESBA in October 2020.	September 2021 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
81.	February 2021	Translating into Polish and publishing on the PIBR – as a draft version – of the Final Pronouncement: <i>Revisions to the Code Addressing the Objectivity of an Engagement Quality Reviewer and Other Appropriate Reviewers.</i>	September 2021 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
82.	May 2021	Translating into Polish and publishing on the PIBR – as a draft version – of the Final Pronouncement: <i>Revisions to the Fee-related Provisions of the Code.</i>	January 2022 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
83.	May 2021	Translating into Polish of the Final Pronouncement: <i>Revisions to the Non-Assurances Services Provisions of the Code.</i>	In progress	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
84.	April 2022	Translating into Polish of the 2021 IESBA Handbook.	In progress	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
85.	May 2022	Translating into Polish of the Final Pronouncement: <i>Revisions to the Definitions of Listed Entity and Public Interest Entity in the Code.</i>	In progress	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
86.	May 2022	Translating into Polish of the Final Pronouncement: <i>Quality Management-related Conforming Amendments to the Code.</i>	In progress	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
<i>Maintaining Ongoing Processes</i>					
87.	Ongoing	Provision by the Council's Ethics Committee with ongoing explanations regarding ethical problems reported by statutory auditors.	Ongoing	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
88.	Ongoing	Publishing on the PIBR website – as part of the PIBR consultations, and then the FAQ on the application of the IESBA Code of Ethics – responses prepared by the	June 2019 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR

		Council's Ethics Committee concerning ethical issues reported by statutory auditors.			
89.	November 2020	Launching on the PIBR website – in the statutory auditor's panel available after logging in – the Bank of Ethical Dilemmas along with an online form for reporting ethical dilemmas by statutory auditors. The aim of the project is to collect descriptions of ethically difficult situations faced by statutory auditors in their professional practice. Selected descriptions, submitted by using the form, are analyzed by the Ethics Committee, which prepares proposals for solutions.	Ongoing	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
90.	Ongoing	Continuing to constantly monitor new and revised principles of the IESBA Code of Ethics by the Council's Professional Training Committee and Ethics Committee in order to incorporate them into PIBR educational requirements.	Ongoing	Chair of the Council's Professional Training Committee, Chair of the Council's Ethics Committee	Council's Professional Training Committee, Council's Ethics Committee, staff of PIBR
91.	Ongoing	Maintaining activities of the Council's Committees which support statutory auditors and audit firms in cases of doubts raised by them regarding specific situations.	Ongoing	Chairs of the Council's Committees	Council's Committees, staff of PIBR
92.	Ongoing	Cooperation of PIBR with the Polish Association of Listed Companies, ACCA and other professional bodies/institutes in order to promote the principles of professional ethics.	Ongoing	Council	Council Members
93.	Ongoing	Performing periodic review of the implementation of the Action Plan to date and updating the Action Plan for future activities.	Ongoing	President of the Council	Staff of PIBR
<i>Review of PIBR's Compliance Information</i>					
94.	Ongoing	Performing periodic reviews of and updating sections relevant to SMO 4 as necessary.	Ongoing	President of the Council	Staff of PIBR

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Continue Activities and Use Best Endeavors to Promote the Use of IPSAS by the Public Sector in Poland

Background:					
PIBR has no legal power to develop International Public Sector Accounting Standards; therefore, PIBR activities are limited to promoting the use of International Public Sector Accounting Standards (IPSAS) by the public sector in Poland.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Continuing to Promote the Use of IPSASs by the Public Sector in Poland</i>					
95.	2009	Continuing activities and using best endeavors to promote the use of IPSAS by the public sector in Poland.	2022	President of the Council	Council, Council's Committees, staff of PIBR
96.	2009	Assisting with implementation of IPSAS by organization/participation in training courses, conferences promoting the use of IPSAS by the public sector in Poland.	2022	President of the Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee, staff of PIBR
<i>Maintaining Ongoing Processes</i>					
97.	Ongoing	Co-operating with the Ministry of Finance that oversees the public sector (e.g. by issuing opinions on draft legal acts in the area of public sector accounting in Poland).	Ongoing	President of the Council, Chair of the Council's Committee for issuing opinions on legal acts	Council, Council's Committee for issuing opinions on legal acts, staff of PIBR, staff of the Ministry of Finance
98.	Ongoing	Continuing to use best endeavors by identifying opportunities to further support the Ministry of Finance in implementing the IPSAS.	Ongoing	President of the Council	Council, staff of PIBR
99.	Ongoing	Continuing activities of the Council's Committees which support statutory auditors and audit firms in cases of doubts raised by them regarding specific situations.	Ongoing	Chairs of the Council's Committees	Council's Committees, staff of PIBR
100.	Ongoing	Performing periodic reviews of and updating sections relevant to SMO 5 as necessary.	Ongoing	President of the Council	Staff of PIBR

Action Plan Subject: SMO 6–Investigation and Discipline

Action Plan Objective: Use Best Endeavors to Maintain an Investigation and Disciplinary Mechanism that Addresses all SMO 6 Requirements

Background:					
Composition of disciplinary bodies.					
The nomination procedure for both the National Disciplinary Prosecutor (NDP) and the National Disciplinary Court (NDC) is regulated by the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight (consolidated text, O. J. of 2022, item 1302), independently from the self-government of statutory auditors. Pursuant to the Act, it is currently not possible to sit on the PIBR disciplinary tribunal by persons who do not have the qualifications of a statutory auditor. At the same time, the act regulates that the accused may appoint defenders from among not only members of the PIBR, but also advocates or legal advisers.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Development and publication of information on the course of disciplinary proceedings</i>					

101.	2010	Publishing the list of the Council's defenders on the PIBR website.	Ongoing	Chair of NDC	Staff of PIBR
102.	2018	Posting on the PIBR website up-to-date data related to disciplinary proceedings before the NDP and NDC and information on the course of the proceedings –in connection with the changes introduced by the Act of May 11, 2017 on Statutory Auditors.	2020 Completed	NDP, Chair of NDC	Staff of PIBR
103.	2020	Posting on the PIBR website up-to-date data related to disciplinary proceedings before the NDP and NDC and information on the course of the proceedings – in connection with the changes introduced by the Act of 19 July 2019 amending the Act of May 11, 2017 on Statutory Auditors.	Ongoing	NDP, Chair of NDC	Staff of PIBR
104.	2015	Update of the list of public defenders.	2016, 2017 Completed	Chair of NDC, NDP	Staff of PIBR, NDC, NDP
105.	June 2016	Training courses for public defenders with participation of NDP, NDP Deputies and NDC Members.	June 2016 Completed	Chair of NDC, NDP	Staff of PIBR, NDC, NDP
106.	2016	Update of the list of public defenders.	November 2016 Completed	Chair of NDC, NDP	Staff of PIBR, NDC, NDP

107.	2020	Update of the list of public defenders.	Ongoing	Chair of NDC	Staff of PIBR
108.	2017	Publication by the Council of validated judgments imposing penalties by posting them on the PIBR website.	Ongoing	Council	Staff of PIBR
<i>Maintaining Ongoing Processes</i>					
109.	Ongoing	<p>Continuing to use best endeavors to ensure the PIBR's investigation and disciplinary mechanisms continue to address all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.</p> <p>The implementation of statutory obligations in the field of counteracting negative phenomena lowering the quality of the profession of public trust performed by statutory auditors is confirmed by the activities of the NDP and NDC presented in the annual reports.</p> <p>Taking action in cooperation with the AOC (until December 31, 2019)/Agency (starting from January 1, 2020) in order to fulfill requirements covered by SMO 6, namely:</p> <ul style="list-style-type: none"> ➤ using the right to defense and complying with SMO requirements, as well as distinguishing disciplinary action based on complaints and information, ➤ limiting disciplinary proceedings in the scope of cases that can be effectively resolved by regulatory actions within a Member organization by establishing proceedings in cases of professional misconduct not constituting a breach of the law, ➤ review and verification of prosecutors' decisions in matters not submitted to NDC, ➤ initiating activities aimed at amending the provisions of the Act on Statutory Auditors regulating the issue of appeals against judgements of the NDC, ➤ organizing a conference of the NDC and NDP on changes resulting from the amendments to the Code of Criminal Procedure in 2015-2016, provisions of which are applied – in accordance with the art. 46 of the Act – in disciplinary proceedings, accordingly, ➤ organizing a conference of the NDC and NDP on changes resulting from the amendment to the Act on Statutory Auditors in 2017 and 2019, 	Ongoing	President of the Council, NDP	Staff of PIBR

		➤ organizing a conference on the application of the provisions of the Act on Statutory Auditors in the transitional period (2019).			
<i>Review of PIBR's Compliance Information</i>					
110.	Ongoing	Performing periodic reviews of the PIBR's responses to and updating sections relevant to SMO 6 as necessary.	Ongoing	President of the Council	Staff of PIBR

Main Requirements of SMO 6 [PIBR Procedures]

Requirements	Y	N	Partially	Comments
Scope of the System				
1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	X			
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	X			
Initiation of Proceedings				
3. Both a "complaints-based" and an "information-based" approach are adopted.	X			
4. Link with the results of QA reviews has been established.	X			
Investigative Process				
5. A committee or similar body exists for performing investigations.	X			
6. Members of a committee are independent of the subject of the investigation and other related parties.	X			

Requirements	Y	N	Partially	Comments
Disciplinary Process				
7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.	X			
8. Members of the committee/entity include professional accountants as well as non-accountants.		X		Professional Accountants, i.e. Statutory Auditors (Members of PIBR) only. Advocate and legal advisors can be on the defense team.
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	X			
Sanctions				
10. The disciplinary system allows imposing an extensive range of penalties. It is particularly important to include (a) loss of professional designation; (b) restriction and removal of practicing rights; and (c) exclusion from membership.	X			
Rights of Representation and Appeal				
11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	X			
Administrative Processes				
12. Timeframe targets for disposal of all cases are set.	X			
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	X			

Requirements	Y	N	Partially	Comments
14. Records of investigations and disciplinary processes are established.	X			
Public Interest Considerations				
15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	X			
16. A process for the independent review of complaints on which there was no follow-up is established.	X			
17. The results of the investigative and disciplinary proceedings are made available to the public.	X			
Liaison with Outside Bodies				
18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	X			
Regular Review of Implementation and Effectiveness				
19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.	X			

Action Plan Subject: SMO 7–International Financial Reporting Standards (IFRS) and Other Pronouncements issued by the IASB
Action Plan Objective: Continue to Use Best Endeavors to Adopt and Implement IFRS in Poland

Background:					
<p>PIBR has no legal power to implement IFRS into the Polish legal system (this is the responsibility of the Ministry of Finance in Poland), therefore, PIBR is focused on promoting activities aimed at familiarizing PIBR members (Polish statutory auditors) with IFRS. The application of IFRS in Poland is mandatory for consolidated financial statements of issuers of securities and banks.</p> <p>IFRS may be applied to individual financial statements by following entities:</p> <ul style="list-style-type: none"> • issuers of securities, issuers seeking admission or intending to apply for admission to trading of securities on regulated markets of the EEA; • subsidiaries of the capital group, where the parent entity prepares consolidated financial statements in accordance with IFRS; • branches of foreign companies if the parent company prepares financial statements in accordance with IFRS. <p>The decision to apply IFRS has to be taken by the body approving the financial statements (the General Meeting of Shareholders, in practice).</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Continuing to Promote IFRS Awareness</i>					
111.	2008	Continuing to support the Ministry of Finance in implementing IFRS in Poland by including training courses on IFRS Update in the CPD program.	Ongoing	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
112.	Ongoing	Annual presentation by the Council's Professional Training Committee of the scope of the CPD subjects for statutory auditors (including topics on IFRS) to the Council for approval . Then, organizing training courses for statutory auditors on those subjects. Publication of the scope of the CPD subjects for statutory auditors on the PIBR website.	Ongoing	President of the Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee, staff of PIBR
<i>Maintaining Ongoing Processes</i>					
113.	Ongoing	Continuing to use best endeavors by identifying opportunities to further support the Ministry of Finance in implementing IFRS. This includes reviewing current activities and updating the Action Plan for the future activities where necessary. Examples of the PIBR activities:	Ongoing	President of the Council	Council, staff of PIBR

		<ul style="list-style-type: none"> ➤ Workshops on IFRS for candidates for statutory auditors organized within the Swiss-Polish Cooperation Programme in April-June 2016 in ten (10) Polish cities; <ul style="list-style-type: none"> ➤ CPD Workshop for statutory auditors on <i>IFRS 16 – change in the recognition, measurement and presentation of lease agreements</i> organized by KIBR, ACCA Polska and EY Academy of Business on March 17, 2016 in Warsaw; ➤ Training courses within CPD in 2017: <ul style="list-style-type: none"> • <i>Fair value under IFRS and Polish Accounting Act,</i> • <i>Divisions, mergers and business combination under IFRS and Polish Accounting Act in terms of balance sheet and tax,</i> ➤ Training courses on IFRS 15 and IFRS 16 within CPD held in 2018; ➤ Participation of PIBR representatives in the meetings with the Polish Financial Supervision Authority – promoting this type of meeting among statutory auditors in order to improve the quality of the application of IFRS; ➤ Cooperation of PIBR with the Polish Association of Listed Companies, ACCA and other professional bodies/institutes in order to promote IFRS; ➤ Consultations of the International Accounting Standards Board (IASB) related to the work on the IFRS standard for SMEs. The second comprehensive review of IFRS for SMEs that is International Financial Reporting Standards (IFRS) proportionally adjusted for use by small and medium-sized enterprises (SMEs). 			
114.	January 2002	<p>Participation of PIBR representatives in the works of the Accounting Standards Committee (ASC), a body operating at the Ministry of Finance – pursuant to the Accounting Act of September 29, 1994 (O. J. of 2018, item 395, as amended) and the regulation of the Minister of Finance of November 28, 2001 on the scope of operation and organization of the Accounting Standards Committee (consolidated text, O. J. of 2018, item 749).</p> <p>Main tasks of the ASC:</p> <ol style="list-style-type: none"> 1) issuing national accounting standards and an overview and updating of existing standards, 2) issuing positions on problematic issues in the field of accounting, 3) giving opinions on draft legal acts in the field of accounting, 	Ongoing	Council	Recommended PIBR representatives

		<p>4) analysis and opinions on draft International Accounting Standards and draft changes to IASs, 5) cooperation with international accounting organizations, 6) undertaking other activities aimed at harmonizing and standardizing accounting principles.</p> <p>Moreover, the Committee cooperates with the European Financial Reporting Advisory Group (EFRAG). Members of the Committee shall participate in the work of EFRAG working groups. Members of the Committee, on an ongoing basis, analyze and issue opinions on international documents, in particular draft changes to IFRS on matters relevant from the point of view of Polish entities applying IFRS.</p>			
115.	2017-2020	<p>Inclusion of IFRS training in the CPD subjects for statutory auditors:</p> <ul style="list-style-type: none"> – Leasing revolution in IFRS 16 "Leasing" and differences to the Polish accounting law, – A new model of revenue recognition according to IFRS 15 "Revenue from Contracts with Customers". 	2017-2020	Council's Professional Training Committee	Council's Professional Training Committee
116.	Ongoing	Continuing activities of the Council's Committees which support statutory auditors and audit firms in cases of doubts raised by them regarding specific situations.	Ongoing	Chairs of the Council's Committees	Council's Committees, staff of PIBR
117.	Ongoing	Performing periodic reviews of the PIBR's responses to and updating sections relevant to SMO 7 as necessary.	Ongoing	President of the Council	Staff of PIBR

Appendix of Previous Actions – SMO 1 – 7

Action Plan Subject: **SMO 1–Quality Assurance**

<i>Continuing to Develop the Quality Assurance Review System</i>					
118.	November 2008	Appointment of a Working Team by the Council from among members of PIBR for the purpose of a detailed analysis of SMO 1 requirements. The NSC of the new term of office (2015-2019), collectively, during its meetings in 2015, analyzed provisions of the revised SMO 1, <i>Quality Assurance</i> , which had been effective since January 2014, and took steps to fulfill its provisions in the scope directly related to this body of the PIBR. However, the resolution on the application of ISQC 1 adopted by the Council is based on ISQC 1 published by the IAASB in April 2009.	January 2009 Completed	President of the Council	Council
119.	January 2009	Development of a catalog of necessary changes by the Working Team.	March 2009 Completed	Head of the Working Team	Members of Working Team, staff of PIBR
120.	March 2009	Asking the PIBR Regional Branches and experts to make proposals for the modernization of the Quality Assurance System.	March 2009 Completed	Head of the Working Team	Members of Working Team, staff of PIBR
121.	March 2009	Gathering opinions of the PIBR Regional Branches and experts.	May 2009 Completed	Head of the Working Team	Members of Working Team, staff of PIBR
122.	May 2009	The work of the Working Team on the collected proposals for amending the currently applicable regulations on Quality Assurance and on the possibility of their implementation. realization.	August 2009 Completed	Head of the Working Team	Members of Working Team, staff of PIBR
123.	August 2009	Development by the Committee on Auditing Standards and Professional Norms of a draft resolution on the principles of internal quality control of an entity authorized to audit financial statements ⁹ .	October 2009 Completed	Chair of the Committee on Auditing Standards and Professional Norms	Committee on Auditing Standards and Professional Norms, staff of PIBR

⁹ The principles of internal quality control of an entity authorized to audit financial statements have been based on ISQC 1. Additionally, the principles include a provision that “in unregulated matters and in case of doubts, the authorized entity shall follow the provisions of the International Standard on Quality Control 1 for firms that perform audits and reviews of financial statements and other assurance engagements and related services, published by IFAC, and the International Standard on Auditing 220 „Quality Control for an Audit of Financial Statements”.

124.	October 2009	Adoption by the Council of a resolution on the principles of internal quality control of an entity authorized to audit financial statements.	October 2009 Completed	Council	Council
125.	November 2009	Approval by the AOC of the resolution on the principles of internal quality control of an entity authorized to audit financial statements.	November 2009 Completed	AOC	Staff of AOC
126.	November 2009	Publication of the resolution on the principles of internal quality control of an entity authorized to audit financial statements on the PIBR website.	November 2009 Completed	President of the Council	Staff of PIBR
127.	June 2009	Controlling over compliance with the provisions and procedures related to the performance of audit activities by statutory auditors and the activities of entities authorized to audit financial statements by inspectors (in the case of authorized entities performing audit activities in public interest entities) and by controllers (in the case of other authorized entities) – in accordance with the provisions of the Act.	Ongoing (by the end of 2019)	Chair of NSC	NCS, inspectors, controllers, staff of PIBR
128.	May 2011	Presentation of the draft resolution on the principles of internal quality control of an entity authorized to audit financial statements ¹⁰ by the Committee on Auditing Standards ¹¹ to the Council.	May 2011 Completed	Chair of the Committee on Auditing Standards	Committee on Auditing Standards, staff of PIBR
129.	June 2011	Adoption by the Council of the resolution on the principles of internal quality control of an entity authorized to audit financial statements.	June 2011 Completed	Council	Council
130.	July 2011	Refusal by the AOC to approve the resolution on the principles of internal quality control of an entity authorized to audit financial statements.	July 2011 Completed	AOC	Staff of AOC
131.	August 2011	Repeal by the Council of the resolution on the principles of internal quality control of an entity authorized to audit financial statements.	August 2011 Completed	Council	Council

¹⁰ The resolution implementing ISQC 1.

¹¹ Previous Committee on Auditing Standards and Professional Norms.

132.	2012	Development and presentation to the Council by the Committee for Standardization of Services Provided by Statutory Auditors ¹² of a revised draft resolution on the principles of internal quality control in an entity authorized to audit financial statements (along with guidelines (constituting an appendix to the resolution) for the application of the principles of internal quality control in entities authorized to audit financial statements which indicate the manner of conduct of the statutory auditor in compliance with legal regulations and the principles of quality control) for its adoption.	March 2013 Completed	Chair of the Committee for Standardization of Services Provided by Statutory Auditors	Committee for Standardization of Services Provided by Statutory Auditors, staff of PIBR
133.	2012	Issuance of publication entitled: "Selected problems of the principles of professional ethics for Statutory Auditors and ISQC 1" as part of the CPD training programme for 2013-2014.	2013 – 2014 Completed	Chair of the Professional Training Committee	Professional Training Committee, staff of PIBR
134.	April 2013	Adoption by the Council of the resolution on the principles of internal quality control in an entity authorized to audit financial statements.	April 2013 Completed	Council	Council
135.	May 2013	Approval by the AOC of the resolution on the principles of internal quality control in an entity authorized to audit financial statements.	May 2013 Completed	AOC	Staff of AOC
136.	June 2013	Publication of the resolution on the principles of internal quality control in an entity authorized to audit financial statements on the PIBR website.	June 2013 Completed	President of the Council	Staff of PIBR
137.	July 2017	Adoption of a resolution on the adoption of the inspection plan for 2017.	July 2017 Completed	NSC	NSC, inspectors, staff of PIBR
138.	July 2017	Adoption of a resolution on the procedure for selecting the inspectors of the National Supervisory Committee to conduct inspections in 2017 in audit firms that do not audit financial statements of PIEs.	July 2017 Completed	NSC	NSC, inspectors, staff of PIBR
139.	August 2017	Adoption of a resolution on specifying the inspection procedures to be carried out by the inspectors of the National Supervisory Committee in 2017.	August 2017 Completed	NSC	NSC, inspectors, staff of PIBR
140.	November 2017	Adoption of a resolution on the principles of professional development of inspectors of the National Supervisory Committee.	November 2017 Completed	NSC	NSC, inspectors, staff of PIBR

¹² Previous Committee on Auditing Standards.

141.	December 2017	– Adoption of a resolution on the regulations of the NSC, as amended.	December 2017 Completed	NSC	NSC, inspectors, staff of PIBR
142.	March 2018	Adoption of a resolution on the inspection protocol template.	March 2018 Completed	NSC	NSC, inspectors, staff of PIBR
143.	April 2018	Adoption of a resolution on the adoption of the inspection plan for 2018.	April 2018 Completed	NSC	NSC, inspectors, staff of PIBR
144.	May 2018	Adoption of a resolution on specifying the procedures for conducting inspections by the inspectors of the National Supervisory Committee (organizational and administrative).	May 2018 Completed	NSC	NSC, inspectors, staff of PIBR
145.	September 2018	Adoption of a resolution on the procedures for the verification of recommendations.	September 2018 Completed	NSC	NSC, inspectors, staff of PIBR
146.	Ongoing (until the end of 2019)	The NSC's inspection plans, inter alia, emphasized the inclusion of audit firms for which there was information indicating a risk for the required quality of audits of financial statements (e.g. a large number of audits per one key statutory auditor, low audit fees).	Ongoing (until the end of 2019)	Chair of NSC	NSC, staff of PIBR
147.	Ongoing (until the end of 2019)	The NSC prepared information, explanations and responses in connection with the AOC's letters. The NSC responded on an ongoing basis to the AOC's requests regarding individual inspections in audit firms	Ongoing (until the end of 2019)	Chair of NSC	NSC, staff of PIBR
148.	Ongoing (until the end of 2019)	Periodic meetings with representatives of the Audit Oversight Commission in order to improve mutual cooperation, carried out on an ongoing basis through regular meetings of representatives of the PIBR bodies, including meetings of the NSC – in relation to the inspections performed by the PIBR.	Ongoing (until the end of 2019)	Chair of NSC	NSC, AOC
149.	Ongoing (until the end of 2019)	The NSC developed and submitted amendments to the draft amendment to the Act.	Ongoing (until the end of 2019)	Chair of NSC	NSC, staff of PIBR

150.	Ongoing (until the end of 2019)	The NSC, taking into account the preventive and training function of the NSC in the conducted inspections, as the body appointed to exercise the supervision over the quality of services provided by audit firms, fulfilled its statutory tasks respecting the rights and competences of other PIBR bodies and committees appointed by the National Council of Statutory Auditors. The NSC operated in accordance with the adopted strategy of activities, which included, in particular, the development of an effective and modern model of the PIBR supervision, to the extent that it fell within the statutory powers of the NSC.	Ongoing (until the end of 2019)	Chair of NSC	NSC, inspectors, staff of PIBR
151.	December 2019	<p>The NSC, at the end of its activity (after 17 years of existence), provided the Agency (PANA) with the documents required by the Act:</p> <ul style="list-style-type: none"> – documentation of NSC inspections not completed by December 31, 2019, – NSC recommendations addressed to audit firms, the implementation date of which expired by November 30, 2019, – reports on the NSC inspections addressed to audit firms, for which the deadline for implementing the recommendations expired after November 30, 2019, and information on the manner of implementing the recommendations, – the list prepared by the NSC as of December 31, 2019, including the following information: <ul style="list-style-type: none"> a. Names of the audit firms (AFs) covered by the 2019 inspection plan, which were inspected as on September 5, 2019, b. Names of the AFs for which the inspection was continued after September 5, 2019, c. Names of the AFs for which the NSC issued recommendations with a deadline for implementation by November 30, 2019, d. Names of the AFs for which the NSC issued recommendations with a deadline for implementation after November 30, 2019, and for which the inspection report and information on the manner of implementing the recommendations (Article 29 (7)) should be submitted to the Agency (PANA). 	December 2019 Completed	Chair of NSC	NSC, staff of PIBR

152.	April 2010	By 30 April of each year, the AOC published an annual report including comprehensive information on the functioning of the QA system, on the results of disciplinary proceedings against statutory auditors and on penalties imposed on entities authorized to audit financial statements, including information on the public oversight activities planned for the next year (publication on the Ministry of Finance's website).	Ongoing (until the end of 2019)	Chair of AOC	Staff of AOC
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Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements

<i>Further Developing PIBR Educational Requirements to be in line with the IES 8 Requirements.</i>					
153.	2012	Becoming familiar with the Polish translation of the revised version of IES 8, <i>Competence Requirements for Audit Professionals</i> .	2013 Completed	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
154.	2015	Analysis of the discrepancies between the revised version of IES 8, translated into Polish, and the requirements for Polish statutory auditors.. The translation was officially done by the AAP (The Accountants Association in Poland).	2016 Completed	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
155.	2015	Preparation of comments for the revised version of IES 8.	February 2016 Completed	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
156.	2015	Introducing new requirements to the PIBR regulations, adjusted to the revised version of IES 8.	2017-2018 Completed	Council	Staff of PIBR
157.	2016	Publication of the revised version of IES 8 with a commentary on the PIBR website in order to draw attention to the most important issues.	November 2016 Completed	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
158.	2016	Organizing meetings / conferences in the seats of the PIBR Regional Branches devoted to the regulations of the revised version of IES 8. The conference agenda also included the implications of the revised version of IES 8, effective from July 1, 2016.	February 2016 Completed	Council, Chair of the Council's Professional Training Committee,	Council, Council's Professional Training Committee, Chairs of the PIBR Regional Branches,

				Chairs of the PIBR Regional Branches	staff of the PIBR Regional Branches
<i>Further Development of PIBR CPD Requirements in line with the IES 7 Requirements, That Is Minimum 120 hours in a Three-year Rolling Period with a Minimum of 24 hours Each Year</i>					
159.	December 2014	Preparation by the Council's Professional Training Committee of a draft resolution on the CPD rolling period and the minimum number of hours for statutory auditors.	Ongoing	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
160.	January 2015	Adoption of a resolution by the Council on the CPD rolling period and the minimum number of hours for statutory auditors.	Ongoing	Council	Council
161.	February 2015	Submission to the AOC of a resolution on the CPD rolling period and the minimum number of hours for statutory auditors.	Ongoing	President of the Council	Staff of PIBR
162.	March 2015	Approval by the AOC, of the resolution on the CPD rolling period and the minimum number of hours for statutory auditors.	March 2015 Completed	AOC	AOC
163.	March 2015	Publishing the resolution on the CPD rolling period and the minimum number of hours for statutory auditors on the PIBR website.	March 2015 Completed	President of the Council	Staff of PIBR
164.	December 2014	Preparation by the Council's Professional Training Committee of a draft resolution on the CPD thematic scope for statutory auditors in 2015.	Ongoing	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
165.	January 2015	Adoption by the Council of the resolution on the CPD thematic scope for statutory auditors in 2015.	Ongoing	Council	Council
166.	January 2015	Submission to the AOC of the resolution on the CPD thematic scope for statutory auditors in 2015 to AOC.	Ongoing	President of the Council	Staff of PIBR
167.	February 2015	Approval by the AOC of the resolution on the CPD thematic scope for statutory auditors in 2015.	February 2015 Completed	AOC	AOC
168.	February 2015	Publishing of the resolution on the CPD thematic scope for statutory auditors in 2015 on the PIBR website.	Ongoing	President of the Council	Staff of PIBR
169.	2015	Publishing the list of entities authorized to conduct CPD for statutory auditors on the PIBR website.	Ongoing	Council, Chair of the Council's	Council, Council's Professional

				Professional Training Committee	Training Committee, staff of PIBR
170.	2015	Introduction a training on the "Risks specific to selected industries" to the CPD for statutory auditors in 2015.	Continued in 2016	Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee
171.	2015	Introduction a training on the "Procedures for checking compliance of IT financial and accounting software with legal requirements" to the CPD for statutory auditors in 2016.	Completed in 2016 and continued in 2017	Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee
172.	January 2016	Adoption by the Council of the resolution on the CPD thematic scope for statutory auditors in 2017.	Ongoing	Council	Council
173.	February 2017	Adoption by the Council of the resolution on the CPD thematic scope for statutory auditors in 2018.	Ongoing	Council	Council

Action Plan Subject: SMO 3–International Standards and other Pronouncements Issued by the IAASB

<i>Adoption of National Auditing Standards</i>					
174.	July 2009	Preparation by the Council's Committee on Auditing Standards and Professional Norms of a draft resolution on the National Auditing Standards ¹³ .	February 2010 Completed	Chair of the Council's Committee on Auditing Standards and Professional Norms	Committee on Auditing Standards and Professional Norms, staff of PIBR
175.	February 2010	Approval by the Council of the resolution on the National Auditing Standards.	February 2010 Completed	Council	Council

¹³ The National Auditing Standards have been based on ISAs. Moreover, they include a provision that the statutory auditor:

- a) in matters not regulated in the National Auditing Standards,
- b) when developing a detailed methodology for planning and conducting an audit of financial statements,
- c) in case of doubt - shall apply provisions of the ISAs.

176.	February 2010	Submitting to the AOC the resolution on the National Auditing Standards.	February 2010 Completed	President of the Council	Staff of PIBR
177.	March 2010	Approval by the AOC of the resolution on the National Auditing Standards.	March 2010 Completed	AOC	AOC
178.	April 2010	Publishing the resolution on the National Auditing Standards on the PIBR website.	April 2010 Completed	President of the Council	Staff of PIBR
179.	December 2009	Preparation by the Council's Committee on Auditing Standards and Professional Norms of a draft communiqué on other assurance engagements falling within the scope of audit activities ¹⁴ .	February 2010 Completed	Chair of the Council's Committee on Auditing Standards and Professional Norms	Committee on Auditing Standards and Professional Norms, staff of PIBR
180.	January 2010	Approval by the Council of the communiqué on other assurance engagements falling within the scope of audit activities.	January 2010 Completed	Council	Council
181.	January 2010	Publishing the communiqué on other assurance engagements falling within the scope of audit activities on the PIBR website.	January 2010 Completed	President of the Council	Staff of PIBR
182.	May 2009	Signing an agreement with the AAP for the translation and publication (in a hard copy) of the Clarified ISAs.	May 2009 Completed	President of the Council	President of the Council
183.	May 2009	Translation and publication of particular volumes (three) of the ISAs.	June 2010 Completed	President of the Council	Staff of AAP
184.	February 2011	Decision of the Council to initiate the procedure of consultations with IFAC regarding the publication of all three volumes of the Polish language versions of the ISAs on the PIBR website.	June 2011 Completed	President of the Council	Council
185.	Q4 2011	Publishing the Polish language versions of the ISAs on the PIBR website.	Q4 2011 Completed	President of the Council	Staff of PIBR

¹⁴ The communiqué contained clarifications on the definition of audit activities.

186.	May 2011	Preparation by the Council's Committee on Auditing Standards of a draft resolution on the National Auditing Standards ¹⁵ .	June 2011 Completed	Chair of the Council's Committee on Auditing Standards	Council's Committee on Auditing Standards, staff of PIBR
187.	June 2011	Approval by the Council of the resolution on the National Auditing Standards.	June 2011 Completed	Council	Council
188.	June 2011	Submitting to the AOC of the resolution on the National Auditing Standards to.	June 2011 Completed	President of the Council	Staff of PIBR
189.	July 2011	Refusal by the AOC to approve the resolution on the National Auditing Standards.	July 2011	AOC	AOC
190.	August 2011	Repeal by the Council of the resolution on the National Auditing Standards.	August 2011 Completed	Council	Council
191.	2012	Translation of the <i>Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities</i> (two Volumes).	Volume 1 – April 2013, Volume 2 – June 2013 Completed	President of the Council, Chair of the Council's Professional Training Committee	President of the Council, staff of PIBR
192.	2014	Publishing the <i>Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities</i> (two Volumes) in a hard copy.	Volumes 1 and 2 – 2014 Completed	President of the Council, Chair of the Council's Professional Training Committee	President of the Council, staff of PIBR
193.	2014	Publishing the <i>Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities</i> (two Volumes) on the PIBR website.	2014 Completed	President of the Council, Chair of the Council's Professional Training Committee	President of the Council, staff of PIBR
194.	2012	Translation of the <i>Guide to Quality Control for Small- and Medium-Sized Practices</i> .	2014 Completed	President of the Council, Chair of the Council's Professional Training Committee	President of the Council, staff of PIBR

¹⁵ Implementation of all the Clarified ISAs to Polish legal regulations.

195.	2014	Publishing the <i>Guide to Quality Control for Small- and Medium-Sized Practices</i> on the PIBR website.	2014 Completed	President of the Council, Chair of the Council's Professional Training Committee	President of the Council, staff of PIBR
196.	2012	Translation of the <i>Guide to Practice Management for Small- and Medium-Sized Practices</i> .	2014 Completed	President of the Council, Chair of the Council's Professional Training Committee	President of the Council, staff of PIBR
197.	2014	Publishing the <i>Guide to Practice Management for Small- and Medium-Sized Practices</i> on the PIBR website.	2014 Completed	President of the Council, Chair of the Council's Professional Training Committee	President of the Council, staff of PIBR
198.	2013	Translation of the International Auditing Practice Note (IAPN) 1000, <i>Special Considerations in Auditing Financial Instruments</i> .	2015 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	President of the Council, staff of PIBR
199.	2015	Publishing the International Auditing Practice Note (IAPN) 1000, <i>Special Considerations in Auditing Financial Instruments</i> on the PIBR website.	2015 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	President of the Council, staff of PIBR
200.	2014	Translation of the <i>Guide to Review Engagements</i> .	2015 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	President of the Council, staff of PIBR
201.	2016	Publishing the <i>Guide to Review Engagements</i> on the PIBR website.	2016 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	President of the Council, staff of PIBR

202.	2015	Translation of <i>A Framework for Audit Quality: Key Elements that Create an Environment for Audit Quality.</i>	2015 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	President of the Council, staff of PIBR
203.	2015	Translation of the <i>Guide to Compilation Engagements.</i>	2015 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	President of the Council, staff of PIBR
204.	2016	Translation of the <i>Tips for Cost-Effective ISQC 1 Application.</i>	2016 Completed	President of the Council, staff of PIBR	President of the Council, staff of PIBR
205.	2016	Translation of the <i>Tips for Cost-Effective ISA Application.</i>	2016 Completed	President of the Council, staff of PIBR	President of the Council, staff of PIBR
206.	October 2011	Development by the Committee on standardization of services performed by statutory auditors of a document containing a list of divergences between the ISAs and Polish legal provisions and an indication of the instructions to be followed by statutory auditors and entities authorized to audit financial statements, as well as the development of a document suggesting simplifications in audits of financial statements of SMEs that ensure that the application of ISAs is proportionate in auditing financial statements of entities of various sizes.	2012 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
207.	February 2012	Approval by the Council of the communiqué on the audit engagements' contracts devoted to the correct formulation of the above-mentioned contracts in the context of the possibility for the statutory auditor to issue the position of an independent auditor instead of the audit opinion.	February 2012 Completed	Council	Council
208.	February 2012	Publishing the communiqué on the audit engagements' contracts on the PIBR website.	February 2012 Completed	President of the Council	Staff of PIBR
209.	September 2012	Preparation by the Council's Committee on standardization of services performed by statutory auditors of a draft resolution amending the resolution on the National Auditing Standards (aimed at adjusting the	September 2012 Completed	Chair of the Council's Committee on standardization of	Council's Committee on standardization of services performed

		National Auditing Standards to the changes resulting from the liquidation of the Polish Monitor „B”).		services performed by statutory auditors	by statutory auditors, staff of PIBR
210.	October 2012	Approval by the Council of the resolution amending the resolution on the National Auditing Standards.	October 2012 Completed	Council	Council
211.	October 2012	Submitting to the AOC the resolution amending the resolution on the National Auditing Standards.	October 2012 Completed	President of the Council	Staff of PIBR
212.	November 2012	Refusal by the AOC to approve the resolution amending the resolution on the National Auditing Standards.	November 2012	AOC	AOC
213.	December 2012	Repeal by the Council of the resolution amending the resolution on the National Auditing Standards.	December 2012 Completed	Council	Council
214.	November 2012	Preparation by the Council's Committee on standardization of services performed by statutory auditors of a new draft resolution amending the resolution on the National Auditing Standards (taking into account the reservations of the AOC).	December 2012 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
215.	December 2012	Approval by the Council of the resolution amending the resolution on the National Auditing Standards (this resolution adjusted the National Auditing Standards to the changes resulting from the liquidation of the Polish Monitor „B”).	December 2012 Completed	Council	Council
216.	January 2013	Approval by the AOC of the resolution amending the resolution on the National Auditing Standards.	January 2013 Completed	AOC	AOC
217.	January 2013	Publishing the resolution amending the resolution on the National Auditing Standards on the PIBR website.	January 2013 Completed	President of the Council	Staff of PIBR
218.	September 2014	Preparation by the Council's Committee on standardization of services performed by statutory auditors of a new draft resolution amending the resolution on the National Auditing Standards (taking into account the	September 2014 Completed	President of the Council	Council's Committee on standardization of

		reservations of the AOC) and the resolution on the internal quality control principles in an entity authorized to audit financial statements.			services performed by statutory auditors
219.	February 2015	Approval by the Council of the resolution amending the resolution on the National Auditing Standards and the resolution on the internal quality control principles in an entity authorized to audit financial statements.	February 2015 Completed	President of the Council	Council
220.	April 2015	Approval by the AOC of the resolution amending the resolution on the National Auditing Standards and the resolution on the internal quality control principles in an entity authorized to audit financial statements.	April 2015 Completed	President of the Council	AOC
221.	April 2015	Publishing the resolution amending the resolution on the National Auditing Standards and the resolution on the internal quality control principles in an entity authorized to audit financial statements on the PIBR website.	April 2015 Completed	President of the Council	Staff of PIBR
222.	2012	Preparation by the Council's Committee on standardization of services performed by statutory auditors of an amended draft resolution on the National Auditing Standards ¹⁶ , along with guidelines for the use of the National Auditing Standards, indicating the manner of conduct of the statutory auditor in compliance with Polish legal regulations and National Auditing Standards which constitute an appendix to the resolution (the scope of the resolution includes the adoption of the ISAs and International Standards relating to reviews of financial statements and other assurance engagements).	March 2013 Completed	Chair of the Council's Committee on standardization of services performed by statutory auditors	Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
223.	2012	Commencement of the procedure to obtain the IFAC's permission to translate IAASB International Standards into Polish and publish them (included in the draft resolution on National Auditing Standards) on the PIBR website.	2013 Completed	President of the Council	Council, staff of PIBR
224.	2012	Translation of the IAASB International Standards.	2013 Completed	President of the Council	Staff of PIBR
225.	March 2013	Obtaining the IFAC's permission to translate the IAASB International Standards into Polish and publish them on the PIBR website.	March 2013 Completed	President of the Council	Council, staff of PIBR

¹⁶ A draft resolution assuming the implementation of ISAs and other International Standards for performing reviews of financial statements and other assurance engagements such as ISRE 2400, ISRE 2410, ISAE 3000, ISAE 3400.

226.	April 2013	Approval by the Council of the resolution on the National Auditing Standards.	February 2015 Completed	Council	Council
227.	April 2013	Submitting to the AOC the resolution on the National Auditing Standards.	February 2015 Completed	President of the Council	Staff of PIBR
228.	May 2013	Approval by the AOC of the resolution on the National Auditing Standards.	April 2015 Completed	AOC	AOC
229.	June 2013	Publishing the resolution on the National Auditing Standards on the PIBR website.	April 2015 Completed	President of the Council	Staff of PIBR
230.	2012	Preparation of statutory auditors to apply IAASB International Standards (including ISAs) once they are implemented into Polish legal regulations.	Ongoing	Council, Chair of the Council's Committee on standardization of services performed by statutory auditors	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
231.	2013	Pursuant to IAASB revision works, launching at PIBR the procedure to update the Polish language versions of the International Standards published on the PIBR website.	Ongoing	President of the Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
232.	2013	Publishing the Polish language versions of the revised International Standards on the PIBR website.	Ongoing	President of the Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
The above information concerned the implementation of the IAASB International Standards for the first time in Poland.					

The information below concerns only the setting of national standards in the wording of International Standards. They do not include information on support in their implementation and application					
233.	November 2016	<p>Change in the content of the audit opinion (in the case of applying the standards in the wording of the ISAs to the audit) as a result of the amendment to the provisions of the Accounting Act relating to the content of the audit opinion (amendment to the Art.65 of this Act on the wording of the audit objective and information that should be in the audit opinion, e.g. a statement whether, in the light of the knowledge about the entity and its environment obtained during the audit, significant misstatements were found in the activities report).</p> <p>(Resolution No. 913/22a/2017 of the National Council of Statutory Auditors of January 24, 2017 amending the resolution on the National Auditing Standards).</p> <p>The process included: preparation of the resolution, its adoption by the Council, submission to the AOC for approval, consideration by the Council of the AOC's reservations and adoption of a new resolution taking into account the AOC's reservations, entry into force of the resolution on the date of its approval by the AOC, making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).</p>	January 2017 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
234.	January 2015	<p>Adoption of the National Standard of Assurance Engagements 3000 (Revised) in the wording of ISAE 3000 (Revised) - mandatory application to engagements commenced on January 1, 2018 and later, with the possibility of earlier application.</p> <p>(Resolution No. 1153/28/2017 of the National Council of Statutory Auditors of July 4, 2017 on the adoption of the National Standard on Assurance Engagements 3000 (Revised)).</p> <p>The process included: obtaining the necessary IFAC permissions for translation, translating the original wording of the International Standard into Polish, preparing a resolution, adopting it by the Council, submitting it to the AOC for approval, consideration by the Council of the AOC's reservations and adopting a new resolution taking into account the AOC's reservations, entry into force of the resolution on the date of its approval by the AOC, making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).</p>	July 2017 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR

235.	July 2017	<p>Adoption of examples of audit reports in connection with the entry into force of the provisions of the amended Act on Statutory Auditors, including change of the name of the document from the "audit opinion" to the "audit report" and changes to the content of the audit report, including various opinions, information and statements.</p> <p>(Resolution No. 1553/33/2017 of the National Council of Statutory Auditors of November 21, 2017 on the preparation of the Audit Report in connection with the entry into force of the provisions of the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Oversight).</p> <p>The process included: preparation of a resolution (which replaced the communiqué previously adopted by the Council on the same matter), its adoption by the Council, submitting it to the AOC for approval, consideration by the Council of the AOC's reservations and adopting a new resolution taking into account the AOC's reservations, entry into force of the resolution on the date of its approval by the AOC, making the resolution available to statutory auditors and audit firms (by publishing on the PIBR website).</p>	December 2017 Completed	Council	Council, Council's Committee on standardization of services performed by statutory auditors, staff of PIBR
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Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants

236.	2011	Organizing a series of seminars on professional ethics for statutory auditors.	2014 Completed	President of the Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee, staff of PIBR
237.	2011	Organizing a series of seminars on ethical problems of statutory auditors..	2013-2015 Completed	President of the Council, Chair of the Council's Ethics Committee	Council, Council's Ethics Committee, staff of PIBR
238.	2012	Organizing meetings at the PIBR Regional Branches on the topics of the IESBA Code of Ethics, including practical problems related to compliance with the principles of professional ethics in order to ensure that its members are aware of new requirements.	2012-2014 Completed	President of the Council, Chair of the Council's Professional Training Committee, Chair of the Council's Ethics Committee, Presidents of the PIBR Regional Branches	Council, Council's Professional Training Committee, Council's Ethics Committee, staff of PIBR and staff of the PIBR Regional Branches

239.	February 2012	Inclusion into the 2013 CPD topics for statutory auditors a training course entitled „Selected problems of professional ethics for statutory auditors and ISQC 1”.	2013-2014 Completed	Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee, staff of PIBR
240.	Ongoing	The PIBR carries out activities aimed at popularization of standards of ethical conduct, resulting from the IESBA Code of Ethics, by: <ul style="list-style-type: none"> • annual provision of CPD courses on professional ethics in 2010-2021, • responses of the Ethics Committee to statutory auditors' questions on impartiality and independence, • responses provided by PIBR experts within helpline, including the Bank of Ethical Dilemmas created in November 2020, • making attempts to implement the principles of determining fees for audit activities. 	Ongoing	President of the Council, Chair of the Council's Ethics Committee	Council, Council's Ethics Committee, staff of PIBR
241.	2012	Organizing in cooperation with Wolters Kluwer Polska a series of seminars on ISAs and ISQC 1 combined with relevant ethical requirements.	2012 Completed	President of the Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee, staff of PIBR
242.	2010	Signing an agreement with AAP on the translation and publication (in electronic version) of the IESBA Code of Ethics for Professional Accountants.	2010 Completed	President of the Council	President of the Council
243.	2010	Translation of the IESBA Code of Ethics for Professional Accountants. <i>The IESBA Code of Ethics was translated in accordance with the IFAC Translation Policy.</i>	Q1 2011 Completed	President of the Council	Staff of AAP
244.	Q2 2011	Publishing the translated IESBA Code of Ethics for Professional Accountants on the PIBR website.	Q2 2011 Completed	President of the Council	Staff of PIBR

245.	July 2009	Preparation by the Council's Ethics Committee of a draft resolution on the principles of professional ethics for statutory auditors ¹⁷ .	February 2010 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
246.	June 2011	Approval by the Council of the resolution on the principles of professional ethics for statutory auditors.	June 2011 Completed	Council	Council
247.	June 2011	Submitting to the AOC of the resolution on the principles of professional ethics for statutory auditors.	June 2011 Completed	President of the Council	Staff of PIBR
248.	July 2011	Approval by the AOC of the resolution on the principles of professional ethics for statutory auditors.	July 2011 Completed	AOC	AOC
249.	July 2011	Publishing the resolution on the principles of professional ethics for statutory auditors on the PIBR website.	July 2011 Completed	President of the Council	Staff of PIBR
250.	November 2014	Organizing a conference on the theme <i>Ethics in processes of management, financial reporting and auditing</i> . The conference was addressed to entrepreneurs and statutory auditors.	November 2014 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR
251.	2013	Translation of the revisions to the IESBA Code of Ethics for Professional Accountants. Revisions to the IESBA Code of Ethics, effective since December 31, 2014, have been translated into Polish in accordance with IFAC procedures and are compliant with the IESBA Code of Ethics. The revisions were adopted by the Resolution No. 206/6/2015 of the National Council of Statutory Auditors of November 3, 2015 amending the resolution on the principles of professional ethics for statutory auditors. The revisions to the IESBA Code of Ethics entered into force on February 11, 2016.	2015 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR

¹⁷ The resolution implementing the IESBA Code of Ethics for Professional Accountants into Polish legal regulations. However, the resolution contained a provision that in matters not regulated or regulated differently than in the Act, the provisions of the Act shall apply (the Act's priority over a lower-level act, i.e. the principles of professional ethics).

252.	November 2015	Approval by the Council of the resolution No. 206/6/2015 of the National Council of Statutory Auditors of November 3, 2015 amending the resolution on the principles of professional ethics for statutory auditors (adoption of the revisions to the IESBA Code of Ethics).	November 2015 Completed	Council	Council
253.	November 2015	Submitting to the AOC of the resolution No. 206/6/2015 of the National Council of Statutory Auditors of November 3, 2015 amending the resolution on the principles of professional ethics for statutory auditors.	November 2015 Completed	President of the Council	Staff of PIBR
254.	February 2016	Approval by the AOC of the resolution No. 206/6/2015 of the National Council of Statutory Auditors of November 3, 2015 amending the resolution on the principles of professional ethics for statutory auditors.	February 2016 Completed	AOC	AOC
255.	February 2016	Publishing the resolution No. 206/6/2015 of the National Council of Statutory Auditors dated November 3, 2015 amending the resolution on the principles of professional ethics for statutory auditors on the PIBR website.	February 2016 Completed	President of the Council	Staff of PIBR
256.	February 2016	Entry into force of the revisions to the IESBA Code of Ethics.	February 2016 Completed		
257.	November 30, 2016	Conducting a training at the PIBR Regional Branch in Lublin on the principles of determining fees for audit services.	November 30, 2016 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR, staff of the PIBR Regional Branch in Lublin
258.	December 13, 2016	At the request of the Ethics Committee, the Council adopted a position (together with a justification) on the implementation of the principles of determining fees for audit services provided by audit firms.	December 13, 2016 Completed	Chair of the Council's Ethics Committee	Council's Ethics Committee, staff of PIBR

Action Plan Subject: SMO 7–International Financial Reporting Standards (IFRS) and Other Pronouncements issued by the IASB

<i>Continuing to Promote IFRS Awareness</i>					
259.	2008	Continuing to support the Ministry of Finance in implementing IFRS in Poland by including training courses on IFRS Update in the CPD program.	Ongoing	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
260.	2011	"International Financial Reporting Standards" – a subject of the CPD training course organized under the project of the Swiss-Polish Cooperation Programme entitled: „Institutional and regulatory capacity building for corporate sector financial reporting and auditing at the national level”.	2015 Completed	Chair of the Council's Professional Training Committee	Council's Professional Training Committee, staff of PIBR
261.	Ongoing	Annual presentation by the Council's Professional Training Committee of the scope of the CPD subjects for statutory auditors (including topics on IFRS) to the Council for approval . Then, organizing training courses for statutory auditors on those subjects. Publication of the scope of the CPD subjects for statutory auditors on the PIBR website.	Ongoing	President of the Council, Chair of the Council's Professional Training Committee	Council, Council's Professional Training Committee, staff of PIBR

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
262.	Ongoing	<p>Continuing to use best endeavors by identifying opportunities to further support the Ministry of Finance in implementing IFRS. This includes reviewing current activities and updating the Action Plan for the future activities where necessary.</p> <p>Examples of the PIBR activities:</p> <ul style="list-style-type: none"> ➤ Workshops on IFRS for candidates for statutory auditors organized within the Swiss-Polish Cooperation Programme in April-June 2016 in ten (10) Polish cities; <ul style="list-style-type: none"> ➤ CPD Workshop for statutory auditors on <i>IFRS 16 – change in the recognition, measurement and presentation of lease agreements</i> organized by KIBR, ACCA Polska and EY Academy of Business on March 17, 2016 in Warsaw; ➤ Training courses within CPD in 2017: <ul style="list-style-type: none"> • <i>Fair value under IFRS and Polish Accounting Act,</i> • <i>Divisions, mergers and business combination under IFRS and Polish Accounting Act in terms of balance sheet and tax;</i> ➤ Training courses on IFRS 15 and IFRS 2016 within CPD held in 2018; ➤ Participation of PIBR representatives in the meetings with the Polish Financial Supervision Authority – promoting this type of meeting among statutory auditors in order to improve the quality of the application of IFRS; ➤ Cooperation of PIBR with the Polish Association of Listed Companies, ACCA and other professional bodies/institutes in order to promote IFRS; ➤ Consultations of the International Accounting Standards Board (IASB) related to the work on the IFRS standard for SMEs. The second comprehensive review of IFRS for SMEs that is International Financial Reporting Standards (IFRS) proportionally adjusted for use by small and medium-sized enterprises (SMEs). 	Ongoing	President of the Council	Council, staff of PIBR

#	Start Date	Actions	Completion Date	Responsibility	Resource
263.	January 2002	<p>Participation of PIBR representatives in the work of the Accounting Standards Committee (ASC), a body operating at the Ministry of Finance – pursuant to the Accounting Act of September 29, 1994 (O. J. of 2018, item 395, as amended) and the regulation of the Minister of Finance of November 28, 2001 on the scope of operation and organization of the Accounting Standards Committee (consolidated text, O. J. of 2018, item 749).</p> <p>Main tasks of ASC:</p> <ol style="list-style-type: none"> 1) issuing national accounting standards and an overview and updating of existing standards, 2) issuing positions on problematic issues in the field of accounting, 3) giving opinions on draft legal acts in the field of accounting, 4) analysis and opinions on draft International Accounting Standards and draft changes to IASs, 5) cooperation with international accounting organizations, 6) undertaking other activities aimed at harmonizing and standardizing accounting principles. <p>Moreover, the Committee cooperates with the European Financial Reporting Advisory Group (EFRAG). Members of the Committee shall participate in the work of EFRAG working groups. Members of the Committee, on an ongoing basis, analyze and issue opinions on international documents, in particular draft changes to IFRS on matters relevant from the point of view of Polish entities applying IFRS.</p>	Ongoing	Council	Recommended PIBR representatives
264.	October 2001	Participation of a PIBR representative in the works of Accountancy Europe (formerly Federation of European Accountants – FEE) Accounting Working Party.	October 2011 Completed	Council	Nominated PIBR delegate
265.	October 2016	Translation into Polish of the IFAC publication, <i>First Time Adoption of International Financial Reporting Standards - Guidance for Auditors on Reporting Issues. Questions and Answers.</i>	November 2017 Completed	President of the Council	President of the Council, staff of PIBR

#	Start Date	Actions	Completion Date	Responsibility	Resource
266.	October 2016	Free of charge, three-day training in International Financial Reporting Standards (IFRS) for candidates for statutory auditors.	October 2016 Completed	President of the Council	President of the Council, staff of PIBR
267.	December 2016	Conference "IFRS: Challenges for Practice – Assessment of the Present State and Next Steps". The participants heard about the new standards and the planned further changes to the International Financial Reporting Standards.	December 8, 2016 Completed	President of the Council	President of the Council, staff of PIBR
268.	2017-2020	Inclusion of IFRS training in the CPD subjects for statutory auditors: – Leasing revolution in IFRS 16 "Leasing" and differences to the Polish accounting law, – A new model of revenue recognition according to IFRS 15 "Revenue from Contracts with Customers".	2017-2020	Council's Professional Training Committee	Council's Professional Training Committee
269.	Ongoing	Continuing activities of the Council's Committees which support statutory auditors and audit firms in cases of doubts raised by them regarding specific situations.	Ongoing	Chairs of the Council's Committees	Council's Committees, staff of PIBR