
**Intergovernmental Working Group of Experts on
International
Standards of Accounting and Reporting
(ISAR)**

33rd SESSION

4 - 6 October 2016

Room XVIII, Palais des Nations, Geneva

Thursday, 6 October 2016

Morning Session

**Agenda item 5. Other business: Follow-up on the previous
sessions of ISAR**

(a) Accounting Development Tool implementation update

Presented by

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33rd session of the Intergovernmental Working Group of Experts
on International Standards of Accounting and Reporting (ISAR)
Geneva, Switzerland, 3-6 October 2016

Assessment of the corporate reporting in Kazakhstan

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Republic of Kazakhstan

A world map showing the Republic of Kazakhstan highlighted in orange. The map is centered on the Atlantic Ocean, with the Americas on the left and Europe and Asia on the right. Kazakhstan is located in Central Asia, bordered by Russia to the north and China to the east.

Kazakhstan is the world's largest landlocked country, and the ninth largest in the world with 17,5 mln. of population.

Kazakhstan is the largest and strongest performing economy in Central Asia, generating 60% of the region's GDP.

The main functions of the Ministry of Finance

- **Improvement of the legislation on accounting and auditing (many legal acts are brought into conformity with the requirements of IFRS and ISA);**
- **Contribution into development of highly qualified professionals (laws and regulations were developed in accordance with the requirements of the international standard of education 8);**
- **Monitoring and enforcing compliance with the legislation;**
- **IFRS, IPSAS and ISA implementation;**
- **Improvement of ranking in the Global Competitiveness Index of the World Economic Forum;**
- **Forum in terms of “Strength of auditing and reporting standards” (88th place in 2016);**
- **Participation in the development of international accounting and auditing framework**

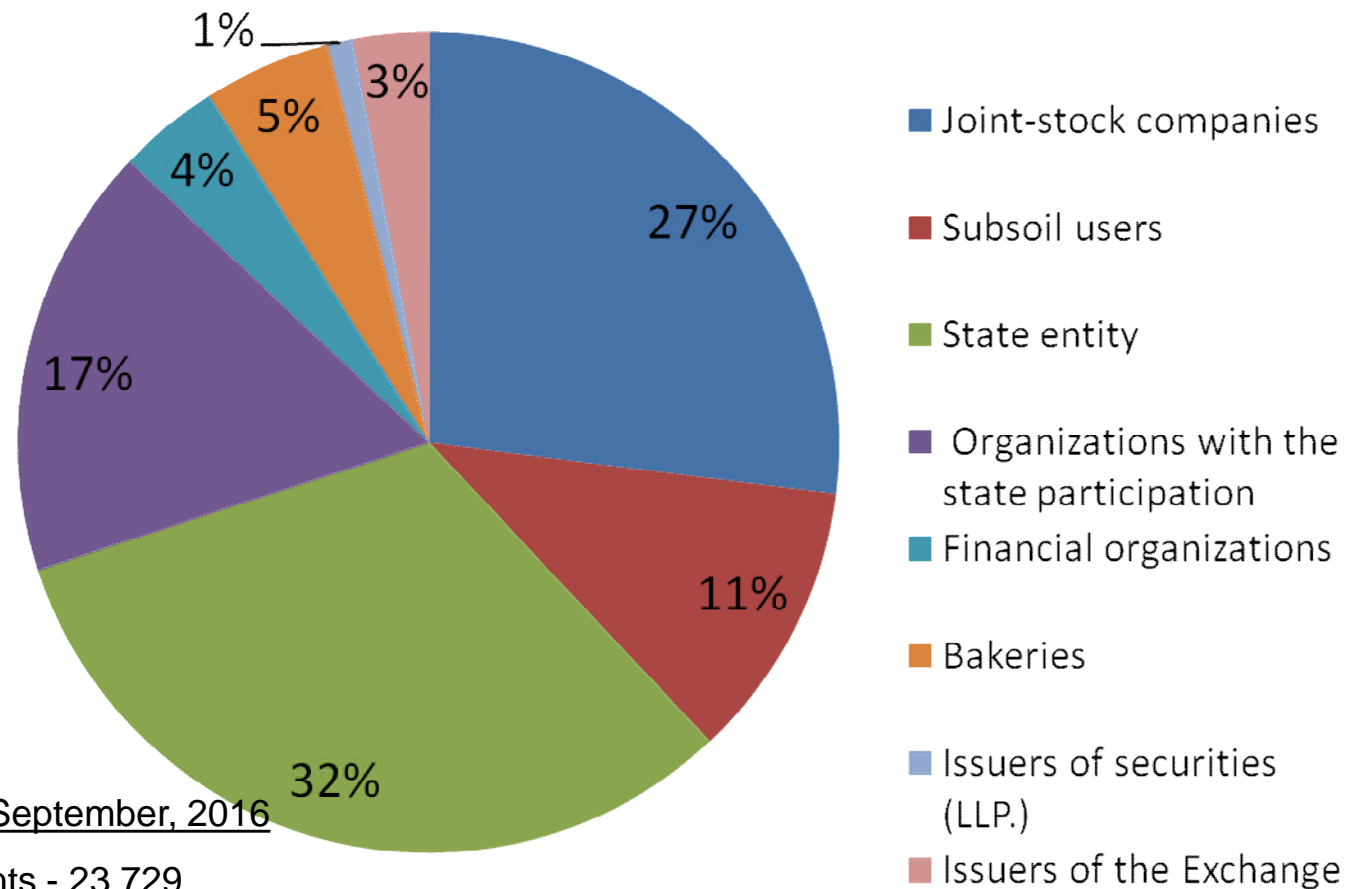
How Kazakhstan implements the accounting standards

- **IFRS - for large companies and public interest entities* .**
- **IFRS for SMEs – for medium enterprises and state owned enterprises.**
- **The national financial reporting standard – for small enterprises**
- **IPSAS – for state companies.**

** Public interest entities — financial organizations, joint-stock companies (except for non-commercial), subsoil user organizations and organizations with state participation*



ENTITIES OF FINANCIAL REPORTING DEPOSITARY



The data as of 1st September, 2016

Financial Statements - 23 729

Audit reports - 11 547

Corporate events - 37,390

Source: www.dfo.kz

Action plan for improvement of infrastructure of the corporate reporting

Recommendations:	Action Plan:
1. Clear procedures and deadlines of IFRS, ISA, IFAC and ISE translation into Kazakh and Russian languages	<p>Signing the contract with IFAC on permission to translate Code of professional ethics and ISE into Kazakh and Russian languages;</p> <p>Providing translation and publishing on a Ministry of Finance website the actual versions of IFRS, IPSAS and ISA.</p>
2. Promotion and enhancement of the reporting on environmental, social and governance (ESG)	<p>Preparing sustainable development reports;</p> <p>Training among Board members;</p> <p>Developing of a code in corporate governance.</p>
3. Setting up of the Independent Supervisory Authority	Analyzing and implementing the best practices from other countries
4. Increase of the role and responsibility of Professional Organizations of Accountants and Auditors particularly in investigation on work and disciplining of the members.	Making amendments in Regulations.
5. Improvement of the professional accountants training program.	Enhancements requirements according to ISE

- SYSTEM CHANGES IN BUDGET PROCESSES:
- TRANSITION OF ALL PUBLIC INSTITUTIONS TO THE INTERNATIONAL STANDARDS OF ACCOUNTING IN 2013;
- ORIENTATION ON RESULT;
- PREPARATION OF THE NEW BUDGET CODE.



✓ ON NOVEMBER 12, 2015 "THE STATE AUDIT AND FINANCIAL CONTROL" REGULATION WAS SIGNED;

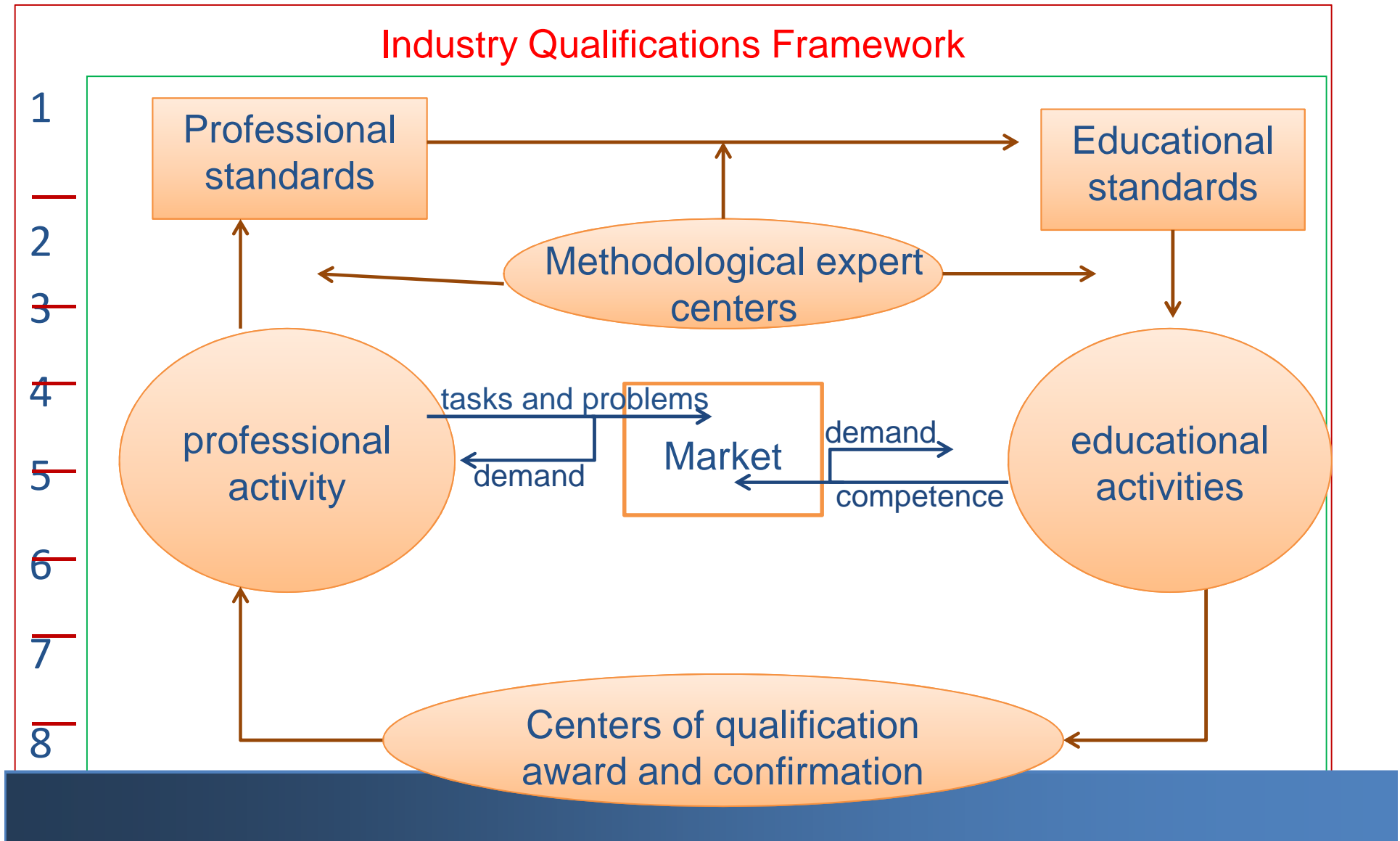
✓ THE REGULATION WAS DEVELOPED TO EXCEPT DUPLICATION AND TO ENABLE MUTUAL RECOGNITION OF AUDIT RESULTS AMONG FINACIAL CONTROL AUTHORITITES.



NATIONAL SYSTEM OF QUALIFICATION

National Qualifications Framework

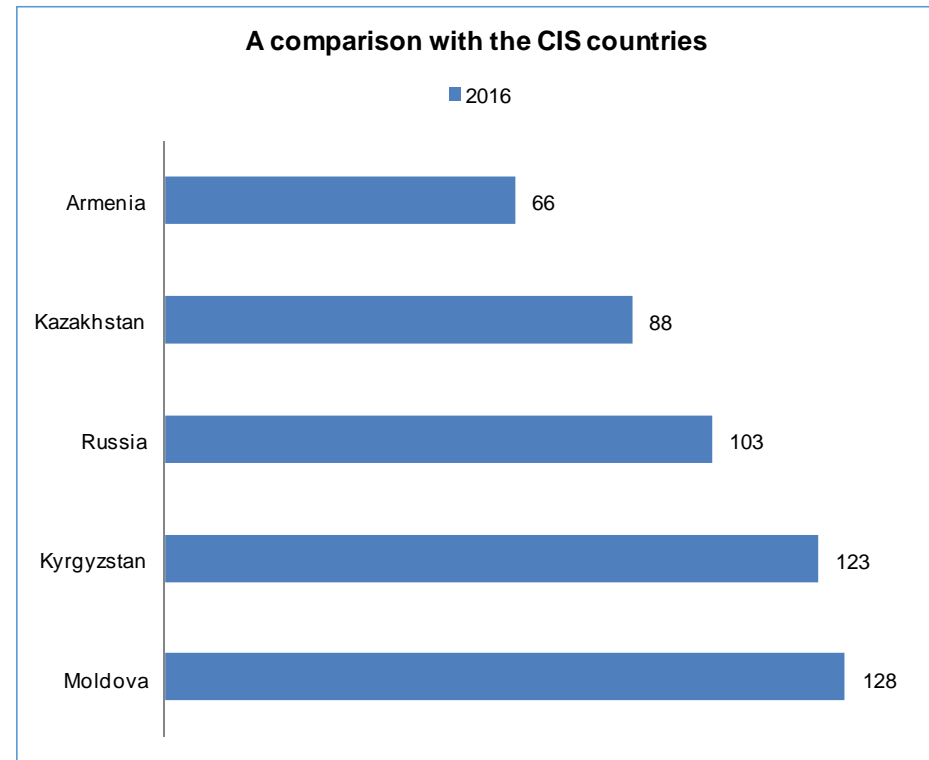
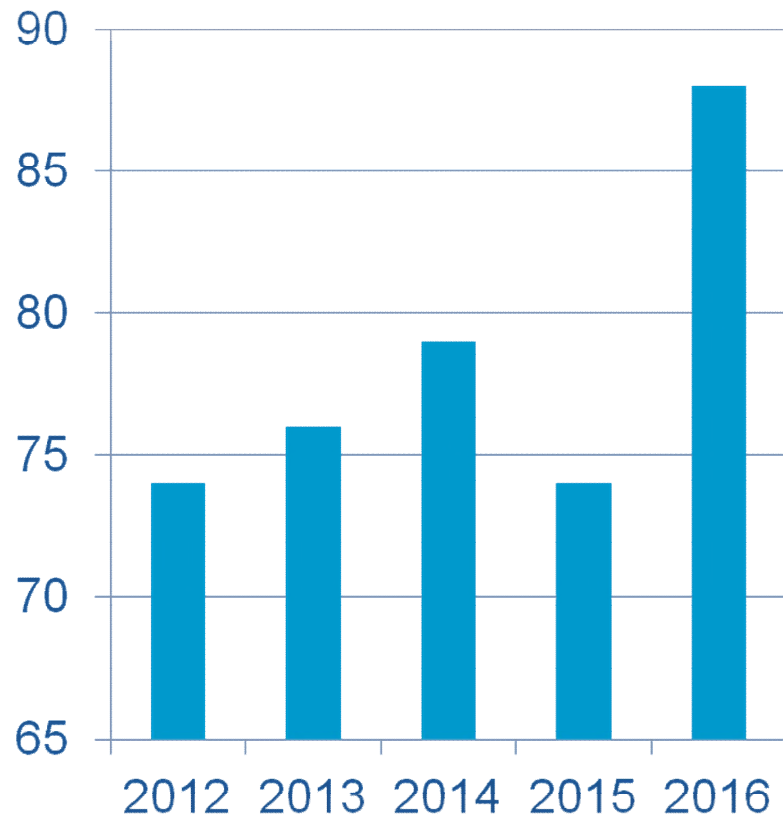
Industry Qualifications Framework



GLOBAL INDEX OF COMPETITIVENESS OF THE WORLD ECONOMIC FORUM "PERFECTION OF STANDARDS OF ACCOUNTING AND AUDIT" (MoF)

Technique:

- Standards of financial audit and the reporting in your country are how strong.
- The indicator is determined only by polling. Selection of the entities respondents of VEF shall correspond to industry structure of economy (to GDP weight).





Thank you for your attention!

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