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

**37<sup>th</sup> SESSION  
2 – 6 November 2020**

Friday, 6 November 2020

**Agenda item 5(b). UNCTAD–ISAR Accounting Development  
Tool and Guidance on Core Indicators implementation  
experiences from member States**

Presented by

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# State of Kazakhstan's corporate reporting infrastructure prior to assessment

## In the field:

## Achievement

### CORPORATE SECTOR



INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) HAVE BEEN MANDATORY SINCE 2008) AND AUDIT (ISA)

THE FINANCIAL REPORTING DEPOSITORY HAS BEEN OPERATING SINCE 2009 ([WWW.DFO.KZ](http://WWW.DFO.KZ))

### PUBLIC SECTOR



SINCE 2013, REGULATORY LEGAL ACTS HAVE BEEN DEVELOPED IN ACCORDANCE WITH INTERNATIONAL PUBLIC SECTOR FINANCIAL REPORTING STANDARDS (IPSAS)

SINCE 2015, NATIONAL STANDARDS OF STATE AUDIT HAVE BEEN ADOPTED, WHICH CORRESPOND TO THE INTERNATIONAL STANDARDS OF THE SUPREME FINANCIAL CONTROL BODIES (ISSAI)

# Kazakhstan corporate reporting infrastructure assessment project (2015-1016)

## EXTERNAL PROJECT PARTICIPANTS



PROJECT TEAM FROM UNCTAD

THE PROJECT TEAM FROM ACCA

NATIONAL CONSULTANT

## INTERNAL PROJECT PARTICIPANTS



ABOUT 40 EXPERTS IN ACCOUNTING AND AUDITING

REPRESENTATIVES OF INTERESTED STATE BODIES

REPRESENTATIVES OF THE KAZAKHSTAN STOCK EXCHANGE, JSC "NATIONAL WELFARE FUND "SAMRUK – KAZYNA", THE NATIONAL CHAMBER OF ENTREPRENEURS "ATAMEKEN"

# Recommendations for evaluating the corporate reporting infrastructure

## In the field

## Measures

### FINANCIAL STATEMENTS



ESTABLISHMENT OF A SUPERVISORY BODY INDEPENDENT OF THE PROFESSION;

BRINGING THE CERTIFICATION SYSTEM FOR ACCOUNTANTS AND AUDITORS IN LINE WITH THE REQUIREMENTS OF THE IES

### NON-FINANCIAL REPORTING



COMBINE THE AUTHORITY OF CONTROL FUNCTIONS AND DETERMINE THE FULL BODY

### TRANSLATIONS OF STANDARDS



ENSURING TRANSLATION OF AUDIT AND ACCOUNTING STANDARDS, THE CODE OF PROFESSIONAL ETHICS AND THE IAS

### PROFESSIONAL ORGANIZATION



DEVELOPMENT OF DISCIPLINARY CODES, APPLICATION OF VARIOUS DISCIPLINARY MEASURES, INCLUDING WITHDRAWAL OF THE PROFESSIONAL ACCOUNTANT CERTIFICATE

# The law on auditing

## In the field

## Effect

1

### THE CREATION OF A PROFESSIONAL COUNCIL FOR AUDITING ACTIVITIES

2 LAWS WERE ADOPTED:

- MAY13, 2020 325-VI ZRK
- JULY3, 2020 No. 358-VI ZRK



PROVIDE INDEPENDENT OVERSIGHT OF 6 PROFESSIONAL AUDIT ORGANIZATIONS AND 347 AUDIT COMPANIES

2

### OUTSOURCING OF THE COMMITTEE FOR INTERNAL PUBLIC AUDIT INSPECTIONS AT THE REQUEST OF LAW ENFORCEMENT AGENCIES



OUTSOURCING WILL ALLOW TO FREE UP 30% OF UNCHARACTERISTIC FUNCTIONS AND FOCUS ON AUDIT

3

### REGULATION OF THE WORK OF THE APPEAL COMMISSION UNDER THE MINISTRY OF FINANCE OF THE REPUBLIC OF KAZAKHSTAN



THE DECISION OF THE APPEAL COMMISSION WILL BECOME MANDATORY FOR EXECUTION BY THE STATE AUDIT OBJECT (PREVIOUSLY THERE WAS A RECOMMENDATION DECISION)

4

### DETERMINATION OF THE PROCEDURE FOR DISCUSSION OF PERFORMANCE CRITERIA BY THE AUDIT COMMITTEE WITH THE OBJECTS OF AUDIT



ESTABLISHING A UNIFIED APPROACH TO PERFORMANCE CRITERIA

5

### ENGAGING INTERNAL AUDIT SERVICE TO CONDUCT AN ANNUAL AUDIT OF FINANCIAL STATEMENTS



WILL EXPAND THE ANNUAL AUDIT COVERAGE OF FINANCIAL STATEMENTS

**THANK YOU FOR YOUR ATTENTION**