

MINISTER OF FINANCE AND ECONOMY OF THE REPUBLIC OF ARMENIA

13 November 2007

N 805-I

ORDER

ON ESTABLISHING A COMMISSION CONSIDERING APPEALS FILED AGAINST THE RESULTS OF EXAMINATIONS FOR AUDITORS IN THE REPUBLIC OF ARMENIA, AND APPROVING THE RULES OF PROCEDURE AND COMPOSITION THEREOF

Having regard to point 23 of the Procedure for conducting qualification examinations for auditors by the authorised body, approved upon the decision of the Government of the Republic of Armenia No. 123-N of 3 February 2005 on Approving the procedure for conducting qualification examinations for auditors and the examination programme, with a view to regulate relations pertaining to consideration of appeals filed with the Ministry of Finance and Economy of the Republic of Armenia against the results of qualification examinations in the Republic of Armenia, and pursuant to point 12(p) of the Charter of the Ministry of Finance and Economy of the Republic of Armenia approved upon the decision of the Government of the Republic of Armenia No. 1460-N of 11 July 2002:

I HEREBY ORDER:

1. To establish a commission considering the appeals filed against the results of qualification examinations in the Republic of Armenia;
2. To approve the composition of the commission considering the appeals filed against the results of qualification examinations in the Republic of Armenia pursuant to Annex 1;
3. To approve the rules of procedure of the commission considering the appeals filed against the results of qualification examinations in the Republic of Armenia pursuant to Annex 2.

MINISTER

V. KHACHATRYAN

Annex 1

**to the order of the Minister of Finance
and Economy of the Republic of Armenia**

No. 805-I of November 2007

COMPOSITION

**OF THE COMMISSION CONSIDERING THE APPEALS FILED AGAINST THE
DECISIONS OF THE QUALIFICATION COMMISSION OF ACCOUNTANTS IN
THE REPUBLIC OF ARMENIA**

S. Karayan	Deputy Minister of the Ministry of Finance and Economy of the Republic of Armenia (Chairperson of the Commission)
G. Hakobyan	Head of Internal Audit Assessment and Financial Supervision Department of the Staff of the Ministry of Finance and Economy of the Republic of Armenia
A. Mnatsakanyan	Head of Legal Department of the Staff of the Ministry of Finance and Economy of the Republic of Armenia
H. Melikyan	Chief Specialist of Financial Statements Methodology Division of Accounting and Auditing Methodology Department of the Staff of the Ministry of Finance and Economy of the Republic of Armenia (Secretary of the Commission)

**to the order of the Minister of Finance and
Economy of the Republic of Armenia**

No. 805-I of November 2007

**RULES OF PROCEDURE
OF THE COMMISSION CONSIDERING THE APPEALS FILED AGAINST THE
RESULTS OF QUALIFICATION EXAMINATIONS FOR AUDITORS IN THE
REPUBLIC OF ARMENIA**

I. General Provisions

1. The commission considering appeals filed with the Ministry of Finance and Economy of the Republic of Armenia against the results of qualification examinations for auditors in the Republic of Armenia (hereinafter referred to as “the Commission”) shall be guided by the legislation of the Republic of Armenia and this Rules of Procedure in the course of its work.

2. The Commission shall be formed from among the employees of the Ministry of Finance and Economy of the Republic of Armenia who are not members of the qualification commission of auditors of the Republic of Armenia.

II. The Task and Functions of the Commission

3. The main task of the Commission shall be the consideration of the appeals filed with the Ministry of Finance and Economy of the Republic of Armenia against the results of qualification examinations for auditors in the Republic of Armenia and the adoption of decisions thereon.

4. The Commission shall, in line with its main tasks, consider the appeals filed with the Ministry of Finance and Economy of the Republic of Armenia against the results of qualification examinations for auditors in the Republic of Armenia and adopt decisions on complete or partial admission or rejection thereof.

III. Organisation of Activities of the Commission

5. The Commission shall consider the appeals during its sittings which are convened when appropriate, but not later than within ten working days after receipt of appeals filed with the Ministry of Finance and Economy of the Republic of Armenia (upon entry of the written appeal with the Ministry) against the results of qualification examinations for auditors in the Republic of Armenia.

Where additional problems arise while considering appeals during the sitting, the solution of which require relevant clarifications, the next sitting shall be convened not later than within 30 calendar days after the receipt of appeals (upon entry of the written appeal in the Ministry).

6. The sittings of the Commission shall have a quorum if attended by more than half of the members of the Commission.

7. The Commission shall adopt decisions by simple majority of votes of the members participating in the session.

In case of a tie of votes, the decision shall be deemed adopted in favour of the appellant.

8. The appellant shall be given notice about the discussion of problems through registered letter or telephone message not later than one day prior to the discussion, by informing the appellant about the venue (address), date and time of the consideration.

9. Upon the invitation of the Chairperson of the Commission, members of the qualification commission of auditors in the Republic of Armenia may participate in the sitting.

10. When considering the appeals, the chair of the sitting of the Commission shall announce the appeal to be considered, the list of participants invited to the consideration of appeals, and explain to the persons participating in the consideration of appeals their rights and duties, as well as disclose the content of the appeal and of other documents.

11. After the announcement made by the chair of the sitting of the Commission, the Commission shall hear the arguments and justifications reflected in the appeal of the appellant, following which the members of the Commission and the members of the qualification commission of auditors in the Republic of Armenia may ask questions to the appellant.

12. After hearing the appellant, the Commission shall hear the opinion of the members of the qualification commission of auditors in the Republic of Armenia on the appeal, following which the members of the Commission and the appellant may ask questions to the members of the qualification commission of auditors in the Republic of Armenia.

13. Failure of appellants to participate in the consideration of appeals shall not serve as a basis for not considering the appeals or for rejecting them, unless other time period for consideration has been requested by the appellant. Such request of the appellant may be satisfied if the latter can not participate in the consideration for good reason, and unless the time periods for consideration - provided for by law - are not breached due to postponing the consideration.

14. The appellant shall be entitled to invite a specialist, an expert, an auditor, a lawyer or a translator to participate in the consideration. The appellant or the defender of his/her interests shall be entitled to deliver speeches, answer the questions of the members of the Commission, bring motions, and submit additional documents.

15. Consideration of appeals shall be open to the public.

Journalists, specialists, officials and other persons may participate in consideration of appeals.

16. After completing the consideration of the appeal, the Commission shall, in a separate room, behind the closed doors, make a decision on:

- (a) leaving the evaluated points unaltered;
- (b) raising the evaluated points (indicating the score);
- (c) reducing the evaluated points (indicating the score).

In case of raising or reducing the points, the number and the score of the problem (test) should be indicated.

Only members of the Commission may be present in the room, when the Commission makes its decision.

17. The final part of the decision of the Commission shall be submitted or sent to the appellant and to the qualification commission of auditors in the Republic of Armenia within three working days following the day of making such decision.

In the final part of the decision of the Commission:

- (a) where the evaluated points are altered, the points evaluated by the qualification commission of auditors in the Republic of Armenia shall be revoked in respect of the object of the appeal concerned;
- (b) where the evaluated points are left unaltered, points evaluated by the qualification commission of auditors in the Republic of Armenia shall remain unaltered.

18. Minutes shall be drawn up within five working days after consideration of appeals in the Commission indicating the following:

- (a) the date and venue of the sitting of the Commission;

- (b) the type and composition of the Commission;
- (c) the subject matter of the appeal in question;
- (d) particulars of the participants to the discussion;
- (e) explanations of participants to the consideration of appeals, their motions and results of discussions thereof;
- (f) the documents examined during the consideration of the appeal and other evidence;
- (g) the content of the decision of the Commission;
- (h) other essential circumstances discussed during the consideration of the appeal.

19. The Chairperson of the Commission shall:

- (a) convene and chair the sittings of the Commission;
- (b) organise the activities of the Commission;
- (c) sign the minutes of the sittings and the decisions of the Commission;
- (d) exercise other powers reserved to the Chairperson by the legislation of the Republic of Armenia and this Rules of Procedure.

20. The Secretary of the Commission shall:

- (a) prepare the sittings of the Commission;
- (b) sign the minutes of the sittings of the Commission as well as other documents and correspondence related to the sittings;
- (c) draw up the minutes of the sittings and decisions of the Commission, as well as excerpts therefrom and arrange the distribution thereof;
- d) elaborate materials and current information pertaining to the field of activity of the Commission and submit thereto for consideration as well as prepare proposals thereon.

21. The members of the Commission shall:

- (a) participate in the sittings of the Commission and perform other activities related to the activity of the Commission;
- (b) sign the minutes of the sittings of the Commission, attaching their special opinions thereto where appropriate;

(c) give a prior notice to the Chairperson or the Secretary of the Commission in case of having good reason not to participate in the sittings of the Commission.

IV. Legal Effects of the Decisions of the Commission

22. Where the Commission makes decisions envisaged in point 16 of this Rules of Procedure, the Minister of Finance and Economy of the Republic of Armenia shall adopt relevant decisions.

V. Winding up of the Commission

23. The winding up of the Commission shall be effected upon the order of the Minister of Finance and Economy of the Republic of Armenia.

24. Following the winding up of the Commission, the documents and other materials related to the activity of the Commission shall be maintained in the manner prescribed by the legislation of the Republic of Armenia.