

## **BACKGROUND NOTE ON ACTION PLANS**

Action Plans are developed by IFAC members and associates and address policy matters as identified through responses to Compliance Self-Assessment Questionnaires. They form part of a continuous process under the IFAC Member Body Compliance Program to support ongoing development and improvement of the accountancy profession.

Action Plans are drafted by IFAC members and associates for their own use. They reflect national frameworks, priorities, processes and challenges specific to each jurisdiction and will be subject to periodic updates. Action Plans will vary in objectives, content and level of detail due to different national environments and stages of development.

Refer to responses to the Part 1 Assessment of the Regulatory and Standard-Setting Framework Questionnaire and Part 2 SMO Self-Assessment Questionnaire for background information on each member and associate their environment and existing processes. The responses may be viewed at: [http://www.ifac.org/ComplianceAssessment/published\\_surveys.php](http://www.ifac.org/ComplianceAssessment/published_surveys.php)

### **Use of Information**

Please refer to the Disclaimer published on the Compliance Program website.

## **ACTION PLAN**

<b>IFAC Member:</b>	Institute of Chartered Accountants of Zimbabwe (ICAZ)
<b>Original Publish Date:</b>	July 2010
<b>Last Updated:</b>	October 2011
<b>Next Update:</b>	October 2012

**GLOSSARY:**

<b>AGM</b>	Annual General Meeting
<b>APC</b>	Accounting Procedures Committee
<b>APSC</b>	Auditing and Professional Standards Committee
<b>CEO</b>	Chief Executive Officer of ICAZ
<b>CPD</b>	Continuous Professional Development
<b>DNC</b>	Developing Nations Committee
<b>EC</b>	Education Committee
<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>IAESB</b>	International Accounting Education Standards Board
<b>IASB</b>	International Accounting Standards Board
<b>ICAZ</b>	Institute of Chartered Accountants of Zimbabwe
<b>IES</b>	International Education Standard
<b>IESBA</b>	International Ethics Standards Board for Accountants
<b>IFAC</b>	International Federation of Accountants
<b>IFRS</b>	International Financial Reporting Standard
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>ISA</b>	International Standard on Auditing
<b>ISQC 1</b>	International Standards on Quality Control
<b>I&amp;D</b>	Investigation and Discipline
<b>PAAB</b>	Public Accountants & Auditors Board
<b>PR</b>	Public Relations
<b>PSC</b>	Public Sector Committee
<b>QA</b>	Quality Assurance
<b>SAICA</b>	South African Institute of Chartered Accountants
<b>SME</b>	Small and Medium Enterprises
<b>SMO</b>	Statement of Membership Obligations

## **RESTRUCTURING OF ICAZ**

The Institute of Chartered Accountants of Zimbabwe (ICAZ) now has a new Chief Executive Officer (CEO) since the departure of Sonny Mabheju in April 2010. Matts Kunaka joined ICAZ on May 1<sup>st</sup>, 2011. There has been a lag since the departure of Sonny on various IFAC matters mainly due to the fact that requests from IFAC were channeled through to Sonny's inbox. With the coming of Matts on board, we should see most requests being attended to timely. Matts is a Chartered Accountant by profession and has been the Past President and CEO of ICAZ.

ICAZ takes pride in being the only IFAC member body in Zimbabwe and endeavors to maintain this status.

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

**Action Plan Objective:** Establish and improve ICAZ’s Quality Assurance review system in accordance with SMO 1

#	Start date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>ICAZ has in place a Practice Review Committee. The Practice Review Committee has been working on procedures, documentation and recruiting reviewers to be deployed in the Practice Reviews which will be conducted in accordance with SMO 1 requirements and addressing the International Standards on Quality Control (ISQC 1). The first reviews will be carried out starting from October 2011. More awareness programs to members will be done through Continuous Professional Development (CPD) and bulletins. ICAZ will also continue to assist audit firms in performing their attest function according to quality control standards and offer in-house training to their staff.</p> <p>Quality reviews are also expected to be conducted by the Public Accountants and Auditors Board (PAAB), the accounting and auditing profession’s regulatory body in Zimbabwe. These quality reviews are expected to commence by February 2012. The PAAB Practice Review function is not yet up and running. PAAB is still in the process of building the capacity in order to commence the practice reviews. The process is, however, at an advanced stage.</p> <p>ICAZ took the decision to institute and carry out the practice reviews in respect of its members pending the establishment of a PAAB Practice Review function. When PAAB commences its Practice Review function, it will be taking into account what ICAZ’s Practice Review function covers and work together with same going forward.</p>					
<i>Starting ICAZ Practice Reviews</i>					
1.	October 2011	Practice reviews now in place and wide spread review issues arising will be dealt with through Continuing Professional Development (CPD) sessions.	Ongoing	CEO of ICAZ	CEO of ICAZ, Practice Review Committee Chair and CPD Chair

<b>#</b>	<b>Start date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
2.	February 2012 – placing orders and Ongoing thereafter	To purchase Handbooks from the International Auditing and Assurance Standards Board (IAASB) for members	May 2012 – receipt of books	CEO, Technical Staff	CEO and Technical Staff
<i>Review of the ICAZ Practice Review System</i>					
3.	Ongoing	Continuously refine quality assurance system framework in accordance with SMO 1 requirements.	Now in place & ongoing	CEO of ICAZ & Practice Review Committee	ICAZ Staff & Practice Review Committee
4.	Ongoing	Review the practice review manual on an ongoing basis.	Now in place & ongoing	Practice Review Committee	CEO of ICAZ & Technical team
5.	Ongoing	Submit any changes to the Practice Review manual to council for consideration & adoption.	Now in place & ongoing	Practice Review Committee	Practice Review & CEO of ICAZ
6.	May 2012	Produce an Annual report on the Quality Assurance programme.	Now in place & ongoing	CEO of ICAZ	Technical Manager of ICAZ
7.	May 2012	Present the ICAZ annual quality review report to Council.	Annually starting May 2012	CEO of ICAZ	CEO of ICAZ, Practice Review Committee & Technical Department of ICAZ

#	Start date	Actions	Completion Date	Responsibility	Resource
8.	May 2012	ICAZ will publish the results of the practice reviews to members at the ICAZ Annual General Meeting starting from the 2012 Annual General Meeting (AGM).	Annually starting from July 2012	CEO of ICAZ	Practice Review Team
<i>Maintaining Ongoing Process</i>					
9.	January 2012	Practice Review system will be reviewed on an ongoing basis in line with SMO 1 requirements. This includes periodic review of the operation of the Practice Review system and updating the Action Plan for future activities where necessary. When PAAB starts conducting the Reviews ICAZ will offer support to ensure full compliance with IFAC requirements.	Ongoing	CEO of ICAZ, Practice Review Committee & Technical Manager	Practice Review Committee
<i>Review of ICAZ's Compliance Information</i>					
10.	Ongoing	Perform periodic review of ICAZ's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 1 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Technical Manager	ICAZ Members

**Action Plan Subject:** SMO 2 – International Education Standards and other IAESB Guidance  
**Action Plan Objective:** Ensure that all IES requirements are incorporated into ICAZ’s education requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background</i></p> <p>The ICAZ education program is fully aligned with that of the South African Institute of Chartered Accountants (SAICA) : Qualifying examinations are fully outsourced and are the same as the qualifying examinations for SAICA, except for a modification of tax aspects to suit the local environment.</p> <p>ICAZ provides administrative assistance to students studying towards qualifying as Chartered Accountants from undergraduate level to the Qualifying Examination stage. Since the qualifying examination is a common regional examination sat by students in Southern Africa, ICAZ's involvement is to adapt the examination for local tax and company legislation.</p> <p>The education system is meeting the International Education standards (IESs) including IES 7 for Continuing Professional Development (CPD). ICAZ has now adopted the following CPD requirement for new admissions into membership:</p> <ul style="list-style-type: none"> <li><i>i. An eligible applicant for membership of ICAZ should lodge his application for membership within 12 months from the latter of the date of completion of Articles of Clerkship or passing the FQE exams. If application is received within that period, the requirement for lodgement of formal CPD compliance will be waived;</i></li> <li><i>ii. Should application be received later than 12 months from the dates in (i), then application should be accompanied by proof of pro rata compliance with the CPD requirements noted above.</i></li> </ul> <p>To assist in maintaining professional competence amongst our members, ICAZ develops a CPD calendar of events for the whole year based on feedback from members and any IFAC pronouncements.</p>					
<p><i>Improving Pre- and Post-Qualification Education Programs</i></p>					

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
11.	Ongoing	Continuous improvements to CPD database to enhance user friendliness and integrity of data	Ongoing	I.T Manager	ICAZ Staff
12.	Ongoing	Introduce stern measures to deter non compliance of CPD as prescribed by IES 7.	Now in place and ongoing	ICAZ CEO & CPD Committee	Technical Staff
13.	2010	Ensure standing rules and by-laws are updated for the withdrawal of a practicing certificate for those who are unable to complete the CPD hours on the 3 year cycle.	Now in place	ICAZ Council, Registrar	ICAZ Staff
14.	2009	Enhance monitoring and verification to ensure full compliance by members with CPD requirements.	Ongoing	CPD Committee	Registrar
15.	2010	Promote to all the local universities the incorporation of International Financial Reporting Standard (IFRS), International Standards on Auditing (ISAs) & Code of Ethics in the educational material. There is already good exposure to IFRS. PAAB is also disseminating IFRSs to universities.	Ongoing	EC	Registrar & Technical Staff

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
16.	2012	Commission an evaluation & review of the ICAZ qualification programme so as to benchmark against all IES and International best practice. The programme will continue to be fully aligned with that of SAICA	Ongoing	Council, EC & Other technical committees	International Consultants, Additional Funding
<i>Maintaining Ongoing Processes</i>					
17.	Ongoing	ICAZ will continue to ensure new developments to the training of chartered accountants and post qualifications are consistent with all IESs. This is the responsibility of the Examination Board Education and CPD committees of ICAZ.	Ongoing	Exam Board, Education Committee and CPD Committee	Technical Staff
<i>Review of ICAZ's Compliance Information</i>					
18.	Ongoing	Perform periodic review of ICAZ's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 2 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Technical Manager	ICAZ Members

**Action Plan Subject:** SMO 3 – IAASB Pronouncements

**Action Plan Objective:** Continue to Use Best Endeavors to Maintain an Ongoing Process to Adopt and Implement International Auditing and Assurance Standards Board (IAASB) Pronouncements

#	Start date	Actions	Completion date	Responsibility	Resource
<i>Background:</i>					
<p>There are no local auditing standards in Zimbabwe and as such, in accordance with PAAB regulations, all ISAs and pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) are adopted as they are issued, without any amendments or revisions. Clarified ISAs effective December 15, 2009 became effective on the same date in Zimbabwe. There are continuous Improvements to program for Adoption and Implementation of IAASB Pronouncements. ICAZ complies with all Pronouncements from IAASB. ICAZ seeks to influence the development of ISAs by commenting on Exposure Drafts.</p>					
<i>Continuous Improvements to Program for Adoption and Implementation of IAASB Pronouncements</i>					
19.	Ongoing	Review pronouncements issued by the IAASB, on an ongoing basis, with a view to assist implementation and communicate any new development to members.	Ongoing	Auditing and Professional Standards Committee (APSC) & Technical Staff	ICAZ Technical staff
20.	Ongoing	Review all IAASB agenda materials and exposure drafts.	Ongoing	ICAZ Technical team.	APSC

<b>#</b>	<b>Start date</b>	<b>Actions</b>	<b>Completion date</b>	<b>Responsibility</b>	<b>Resource</b>
21.	Ongoing	Incorporate all newly issued ISAs and practice statements by the IAASB into the ICAZ CPD program.	Ongoing	APSC & CPD Department	Technical staff & ICAZ Website
22.	Ongoing	Intensify communication initiatives to members and the public about the current ISAs that are in effect and to be used. This includes clarified ISAs that are effective in December 2010/11.	Ongoing	APSC	Technical staff, Public Relations (PR) and Marketing Officer & ICAZ Website
23.	Ongoing	Ensure new developments to the training of chartered accountants and post qualifications are consistent with all IESs.	Ongoing	Education and CPD committees Examination Board	Education and CPD Committees Examination Board
<i>Maintaining Ongoing Processes</i>					
24.	Ongoing	Support ongoing adoption and implementation of IAASB pronouncements. This includes review of the implementation of the Action Plan to date and updating the Action Plan for future activities as necessary.	Ongoing	Technical staff, CEO & Council	Technical staff & CEO
<i>Review of ICAZ's Compliance Information</i>					
25.	Ongoing	Perform periodic review of ICAZ's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 3 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Technical staff & CEO	Technical staff & CEO

**Action Plan Subject:** SMO 4 – IESBA Code of Ethics

**Action Plan Objective:** Maintain an Ongoing Process to Adopt and Implement the Requirements of the IESBA Code of Ethics

#	Start date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
Ensure Effective Implementation of the Code of Ethics. ICAZ adopted the Code of Ethics of the International Ethics Standards Board for Accountants as issued in June 2005 and revised July 2006, and is now in the process of adopting the new code effective January 1, 2011.					
<i>Ensure effective implementation of the IESBA Code of Ethics</i>					
26.	Ongoing	Continuously review and amend ICAZ Code of conduct in line with any changes that may be made to the IESBA code of Ethics.	Ongoing	APSC, Technical Staff & Registrar	CEO of ICAZ & Technical Staff
27.	July 2010	Continue efforts to advise members and the public on the revised Code of Ethics effective, 1 January 2011.	Ongoing	Registrar & Technical Staff	ICAZ Registrar & Technical Staff
28.	Ongoing	Code included in our members' handbook to act as a reference point. The updated handbook will be posted on the ICAZ Website.	Ongoing	ICAZ Council	APSC & Technical Staff
29.	2010	Organized workshop on the expected ethical conduct of the members.	Completed	Registrar & Technical Staff	ICAZ Registrar & Technical Staff

#	Start date	Actions	Completion Date	Responsibility	Resource
30.	2011	Incorporate ethics presentations in CPD programs for ICAZ members to raise awareness about the new IESBA Code of ethics	2012	Registrar & Technical Staff	ICAZ Registrar & Technical Staff
<i>Maintaining Ongoing Process</i>					
31.	Ongoing	Support ongoing adoption and implementation of the IESBA Code of Ethics. This includes review of the implementation of the Action Plan to date and updating the Action Plan for future activities as necessary.	Ongoing	ICAZ Council	APSC & Technical Staff
<i>Review of ICAZ's Compliance Information</i>					
32.	Ongoing	Perform periodic review of ICAZ's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 4 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Annually	ICAZ CEO & Technical Staff	ICAZ CEO & Technical Staff

**Action Plan Subject:** SMO 5 – International Public Sector Accounting Standards and Other IPSASB guidance  
**Action Plan Objective:** Use Best Endeavors to Assist in the Adoption and Implementation of International Public Sector Accounting Standards (IPSASs) in Zimbabwe

#	Start date	Actions	Completion date	Responsibility	Resource
<i>Background:</i>					
Promote the Adoption and Implementation of International Public Sector Accounting Standards (IPSAs) in Zimbabwe. The Public Sector committee of ICAZ was established two years ago. Its objective is to address issues related to Public Sector Reporting . This Committee works closely with the Government and the Auditor and Accountant General’s Offices to ensure implementation and adoption of IPSAS. ICAZ through CA Audit firms is seconding staff to assist with training and enhancing Public Sector Financial Reporting. Some of the firms are also involved with training of the two offices named above in respect of IPSAS and the conversion to same.					
<i>Promote the Adoption and Implementation of IPSASs in Zimbabwe</i>					
33.	August 2011	Establish a taskforce whose objectives are to communicate IPSASs to the relevant stakeholders and spell out the benefits of implementing IPSASs.	Ongoing	ICAZ CEO & Technical Staff	Public Sector Committee (PSC) & the ICAZ Technical Team
34.	August 2011	Develop a work plan with the key stakeholders in the public sector for capacitating government departments. Legislation in place which prescribes IPSASs as an accounting framework.	Ongoing	CEO, PSC & Technical Staff	Audit Firms & Technical staff.

<b>#</b>	<b>Start date</b>	<b>Actions</b>	<b>Completion date</b>	<b>Responsibility</b>	<b>Resource</b>
35.	Ongoing	Enhance the program for responding to IPSASs exposure drafts- the Public Sector Committee is now in place.	Ongoing	Technical staff & PSC	Technical Staff
<i>Maintaining Ongoing Processes</i>					
36.	Ongoing	Continue to identify opportunities to further assist with the implementation of IPSASs. This includes review of the existing activities and preparation of the Action Plan for future activities where necessary.	Ongoing	Technical staff & the CEO	Technical Staff
<i>Review of ICAZ's Compliance Information</i>					
37.	Ongoing	Perform periodic review of ICAZ's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 5 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Annually	ICAZ CEO & Technical Staff	Technical Staff

**Action Plan Subject:** SMO 6 – Investigation and Discipline  
**Action Plan Objective:** Further Develop ICAZ’s Investigation and Disciplinary (I&D) System

#	Start date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Review of the Investigation and Disciplinary (I&amp;D) system. The Council of ICAZ appoints an Investigation Committee which is tasked with investigating allegations of misconduct made against a member or a student accountant and if a prima facie case is established the cases are referred to the Disciplinary Committee. The Disciplinary committee, which is chaired by a member of the legal profession, includes appointed members of Council and can co-opt a legal practitioner and senior counsel as advisors. The Committee has full delegated powers to investigate and finalize cases for which appointed.</p> <p>There have been about four cases in the last year to date considered at the investigations stage with a possibility that two may progress to the disciplinary process.</p> <p>ICAZ is in the process of developing procedures to monitor developments and trends in the nature of complaints and engage the Investigations Committee on same.</p>					
<i>Review of the Investigation and Disciplinary (I&amp;D) System</i>					
38.	Ongoing	Ongoing evaluation & review of the I&D system to ensure it is operating effectively and conforms to SMO 6 requirements.	Ongoing	ICAZ CEO & Registrar	ICAZ Registrar & Disciplinary Committee

<b>#</b>	<b>Start date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
39.	Ongoing	Advise members on any changes to the ICAZ I&D procedures and systems. ICAZ will also continue to draw members' attention to the by-laws on investigations and disciplinary requirements.	Ongoing	Registrar	ICAZ membership secretary
<i>Maintaining Ongoing Processes</i>					
40.	Ongoing	Ensure ICAZ's investigation and disciplinary mechanism continues to address all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	CEO of ICAZ & Disciplinary Committee	ICAZ Registrar & CEO
41.	Ongoing	At the beginning of each Presidential year, the Terms of Reference of the Investigation and Discipline Committee are circulated to all members for their information together with Terms of Reference for various ICAZ Committees.	Ongoing	Investigations and Disciplinary Committee	Registrar & CEO
<i>Review of ICAZ's Compliance Information</i>					
42.	Ongoing	Perform periodic review of ICAZ's response to IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 6 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information	Ongoing	CEO of ICAZ & Disciplinary Committee	ICAZ Registrar & CEO

**Action Plan Subject:** SMO 7 – International Financial Reporting Standards  
**Action Plan Objective:** Continue to Use Best Endeavors to Maintain and Improve an Ongoing program for Adoption and Implementation of IFRS

#	Start date	Actions	Completion date	Responsibility	Resource
<i>Background:</i>					
<p>The PAAB through its sub-committee the Zimbabwe Accounting Practices Board has adopted all International Financial Reporting Standards (IFRSs) and other pronouncements issued by the International Accounting Standards Board (IASB) as the financial reporting framework applicable in the country. ICAZ also prescribes that its members adhere to all IFRS requirements for financial reporting purposes. Zimbabwe returned to full IFRS compliance with the revision of IFRS 1 after severe hyperinflation experienced in 2008. IFRS 1 was revised after successful motivations to IASB by ICAZ in conjunction with SAICA.</p> <p>PAAB adopted IFRS for Small and Medium Enterprises (SMEs) in January 2010, but effective for periods commencing on or after 1 January 2011. PAAB decided that any entity that meets the scope requirements of IFRS for SMEs may use the standard in Zimbabwe. PAAB conducted several consultative meetings with various stakeholders to obtain their views on the standard. Our Tax services department in particular, supported the adoption of the standard subject to more guidance by PAAB. ICAZ held awareness programmes to alert the market of the developments through CPD programmes and bulletins.</p>					
<i>Ongoing Program for Implementation of IFRS</i>					
43.	Ongoing	Continue to support the implementation of IFRS in Zimbabwe on an ongoing basis.	Ongoing	ICAZ CEO and Technical Staff	Technical Staff & Technical Committees
44.	Ongoing	Provide training and education on IFRS and active participation in the IASB work programme.	Ongoing	Accounting Procedures Committee (APC) and CPD Committee	Technical Staff

<b>#</b>	<b>Start date</b>	<b>Actions</b>	<b>Completion date</b>	<b>Responsibility</b>	<b>Resource</b>
<i>IFRS for SMEs</i>					
45.	Ongoing	Organization of seminars and workshops for the entire country on the IFRS For SME	Ongoing	CEO	Technical Staff
46.	Ongoing	Evaluate and Assess the adoption of IFRS For SMEs in Zimbabwe.	Ongoing	CEO	Technical Staff
47.	Ongoing	Engage Government, PAAB & other relevant stakeholders so that IFRS for SMEs becomes the recommended reporting framework amongst Non-Public entities in Zimbabwe – Consultative meetings have already been held with relevant stakeholders.	Ongoing	Council & ICAZ President	CEO & Technical Staff of ICAZ
<i>Maintaining Ongoing Processes</i>					
48.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of IFRS. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.	Ongoing	APC & APSC	Technical Staff

<b>#</b>	<b>Start date</b>	<b>Actions</b>	<b>Completion date</b>	<b>Responsibility</b>	<b>Resource</b>
49.	Ongoing	Submit comments to IASB on any areas or improvements that ICAZ may want considered in IFRS for Small and Medium Enterprises (SME) as and when the IASB invites for comments to update, amend or revise IFRS for SME.	Ongoing	Accounting Procedures Committee (APC) & APSC	Technical Staff
<i>Review of ICAZ's Compliance Information</i>					
50.	Annually	Perform periodic review of ICAZ's response to IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 7 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated.	Annually	Technical Staff & CEO	Technical Staff