

BACKGROUND NOTE ON ACTION PLANS

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

Action Plans are prepared by members and associates for their own use based on the national frameworks, priorities, processes and challenges specific to each jurisdiction. As such, they will vary in their objectives, content and level of detail, consistent with their differing national environments and stages of development, and will be subject to periodic review and update.

Refer to responses to the Part 1 Assessment of the Regulatory and Standard-Setting Framework Questionnaire and Part 2 SMO Self-Assessment Questionnaire provide background information on each member and associate their environment and existing processes. These responses may be viewed at: http://www.ifac.org/ComplianceAssessment/published_surveys.php

Use of Information

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

ACTION PLAN

IFAC Member:	Botswana Institute of Chartered Accountants
Original Publish Date:	July 2010
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GLOSSARY

ACCA	Association of Chartered Certified Accountants of the United Kingdom
BAC	Botswana Accountancy College
BIA	Botswana Institute of Accountants
BICA	Botswana Institute of Chartered Accountants
CEO	Chief Executive Officer
CIMA - UK	Chartered Institute of Management Accountants - United Kingdom
CPD	Continuing Professional Development
ECSAFA	East, Central and Southern African Federation of Accountants
FRA	Financial Reporting Act
IAASB	International Accounting and Auditing Standards Board
IAESB	International Accounting Education Standards Board
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICAEW	Institute of Chartered Accountants of England and Wales
IES	International Educational Standards
IESBA	International Ethics Standards Board of Accountants
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
IRBA	Independent Regulatory Board for Auditors
ISA	International Standard on Auditing
ISQC	International Standard on Quality Control
MFDPP	Ministry of Finance and Development Planning
PAFA	Pan African Federation of Accountants
SME	Small-and-Medium-sized Entities
SMO	Statement of Membership Obligations
SMP	Small and Medium-sized Practitioners
UB	University of Botswana

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<ul style="list-style-type: none"> ❖ Standards, codes and procedures ❖ Continuing Professional Development Completion June 2011 ❖ Governance and capacity building ❖ Deliver Botswana's own professional qualification. 			
6.		<p>The first three reports have already been delivered by ICAEW and approved by BICA and MFDP.</p> <p>The professional qualification has also been largely delivered –</p> <ul style="list-style-type: none"> ➤ The enabling legislation was passed in July/August 2010 and implemented on April 1, 2011 thus establishing the new Botswana Institute of Chartered Accountants (BICA). ➤ The Examination processes are almost complete with the BICA curriculum completed. ➤ Study material from ICAEW also completed. <p>Local variant study material half completed. This has been a big challenge as getting local experts to prepare study materials for Company Law and Taxation are difficult to find.</p>	October 2011	ICAEW, BICA Council	MFDP, World Bank and BICA

Action Plan Subject: SMO 1 - Quality Assurance

Action Plan Objective: To develop BICA's Quality Assurance Review System in line with SMO 1 requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource ¹
<p><i>Background:</i></p> <p>BICA has the responsibility for implementing a quality assurance system. BICA commenced its quality assurance review program through an arrangement with the Independent Regulatory Board for Auditors (IRBA) – IRBA has completed two review cycles. In 2007 a tripartite agreement was signed with ACCA and ECSAFA for ACCA to take over the practice review process begun by IRBA. In November 2007, the ACCA commenced the third cycle of reviews - performed in accordance with SMO 1 requirements. BICA is looking at ways in which it could possibly develop internal capacity in this area to enable it to perform QA reviews that meet SMO 1 specifications. BICA has adopted a new strategy that requires the review of the current audit quality review process and introduces steps and actions needed for improvement. It will also look at ways in which BICA could develop in-house audit quality monitoring or whether it should remain outsourced for the foreseeable future.</p> <p>ISQC1 was introduced into the review process. If one Partner in a firm fails the review, all the other Partners are reviewed again at the time of the re-review. The other Partners would naturally put pressure on those who do not pass the reviews and a three strike system where the practitioners would lose his practicing certificate on failing for the third time would be in place.</p> <p>An ICAEW expert made his first visit in 2009 and visited again for further review in April 2010. ECSAFA will be phased out by December this of year and replaced by PAFA.</p>					
<p><i>Actions to upgrade QA system to meet SMO 1 requirements</i></p>					
7.	July 2007	Sign a tripartite agreement with ACCA and ECSAFA	Completed	BICA CEO	President / Council With

¹ The Technical Committee is one of the richest Committees in terms of technical expertise. It comprises audit partners from Deloitte, PricewaterhouseCoopers, KPMG, Ernst and Young and also a high level representative from the Auditor General's office, amongst others. The KPMG audit partner is also the Vice President of the Institute. So this should be a very important resource for the Institute. The resource requirements of the Institute will increase significantly after the passing of the new Financial Reporting Act. However the World Bank has agreed to provide technical assistance to the Institute to ensure that it supports the Institute during the period that it is working on building internal capacity. The World Bank consultants are expected to come and discuss with BIA the details of the assistance in the near future.

#	Start Date	Actions	Completion Date	Responsibility	Resource ¹
		for ACCA to take over the practice review process from IRBA. The major emphasis of the review by ACCA will shift from the engagement review to the firm review and the principals will now be required to comply with ISQC1 and ISA 220 revised.			BICA CEO Support
8.	July 2007	Publicize these changes in the program in the media and conduct two seminars for practitioners in Francistown on July 24 and in Gaborone on July 26 2007.	Completed	BICA CEO	The cost of conducting these seminars is funded from revenues charged to people who attended. In fact the budget set aside for this expenditure was more than recouped from these proceeds. The resource person was Mr. Henk Heyman from South Africa, an expert in the field.
	Ongoing	The introduction of ISQC1 into the review process.	Ongoing		
9.	October 2007	Completion of the first cycle of review of practice reviews in Botswana with The ACCA through the tripartite agreement with ECSAFA and BICA.	Completed	BICA CEO, Council	BICA CEO, Council and Practicing members.
10.	October 2010	Identification of weaknesses during the reviews which prompted Council to approve the engagement of an expert from the UK to come and make a two day presentation on practice reviews highlighting the areas where problems normally occur and how they can be addressed. Organization of re-reviews.	October 2011		

#	Start Date	Actions	Completion Date	Responsibility	Resource ¹
11.	April 2010	An ICAEW expert made his first visit in 2009 and would be visiting again for further review in April 2010.	April 2010	ICAEW, BICA Council	MFDP, World Bank and BICA
12.	November 2007	Organization of the third cycle of practice reviews by ACCA. This is the start of the third cycle. The first and second cycles already completed by IRBA.	September 2010	BICA CEO	At the last AGM, a resolution was passed to the effect that practicing fees for practicing members should be increased from P3,300 to P11, 000 per year per member to cover for the costs of the practicing review. This coupled with the favorable cost of review from the tripartite agreement between BICA, ACCA and ECSAFA meant that the Institute had enough money to finance the project. The highly subsidized cost to BICA in 2007 was P214,528 and the expected cost for 2008 is P279,909.
13.	November 2010	ACCA Practicing Monitoring Department completed the third cycle of Quality Assurance Reviews with 30% of the firms being successful. So far the re-reviews are showing a much higher success rate due to the Interventions made by the Institute by bringing an expert from the UK and also carrying out CPD events	May 2011		BICA

#	Start Date	Actions	Completion Date	Responsibility	Resource ¹
		in this area by experts from South Africa.			
14.	November 2010	As part of the World Bank sponsored twinning arrangement, the ICAEW will be delivering an Audit Manual to assist SMPs and also send their experts from their Quality Assurance Department to assist the SMPs through the review process and the manual. The Manual will be delivered electronically to all the member firms involved in Quality Assurance Reviews by the issuing of a renewable license with a UK firm. The first years' licenses being funded by the ICAEW. Delivery expected by July 2011.	May 2011		BICA
<i>Future Review and Maintaining Ongoing Processes</i>					
15.	Ongoing	Consider future review of the QA system and possibly transfer of the responsibilities to BICA after building necessary capacities. This includes updating the Action Plan for future activities as necessary to ensure that BICA's QA system is operating effectively and in line with SMO 1 requirements.	Ongoing	BICA CEO	Technical Committee
<i>Review of BICA's Compliance Information</i>					
16.	Ongoing	Perform periodic review of BICA'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	BICA CEO	Technical Committee

Action Plan Subject: SMO 2 - International Education Standards

Action Plan Objective: Ensure that all IES requirements are incorporated into BICA's education requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>The Accountants Act 2010 clarifies that BICA membership and mutual recognition of other professional bodies should be based on obtaining a professional accountancy qualification and holding membership of IFAC Member or Associate.</p> <p>BICA endeavors to ensure that all its educational requirements incorporate the latest IESs in addition to which it works to ensure the syllabi of academic institutions also reflect the latest IES requirements. Implementation of the new Botswana qualification significantly assists in BICA's compliance with SMO 2 particularly with respect to practical experience requirements.</p> <p>The Minister of Finance and Development Planning has signed the two Bills, the Accountants and the Financial Reporting Bills. The Bills have been sent to the Attorney General's office for finalization before being published in the Government Gazette before being presented to Parliament in its July/August session.</p> <p>BICA has worked on developing Botswana's own professional qualification. The enabling legislation was passed in July/August 2010 and implemented on April 1, 2011 thus establishing the new Botswana Institute of Chartered Accountants (BICA). The Examination processes are almost complete with the BICA curriculum completed. Study material from ICAEW also completed. The study materials developed for the local qualification are almost complete. However, local experts find really difficult to prepare study materials based on the Company Law and Taxation. CPD falls under the Education and Training Committee chaired by a partner from Grant Thornton and also an elected member of Council. ACCA provides support to BICA staff for the recording and monitoring of CPD. ACCA has already conducted a three day training course for BICA staff and in fact the CPD monitoring system of the BICA is very similar to the ACCA's.</p> <p>The Financial Reporting Act passed in August 2010 and implemented in April 1, 2011 established an Oversight Authority that oversees the profession in Botswana. It should start operating but until it is fully operational, BICA will continue to regulate the profession in Botswana.</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
In 2009, BICA launched a drive to persuade the University of Botswana to include IFRSs, ISAs and the Code of Ethics in the accounting curriculum. The changes were reviewed and approved by IFAC. And they were adopted					
<i>Increase clarity regarding membership requirements and recognition of foreign qualifications².</i>					
17.	December 2006	A new Financial Reporting Act (FRA) is expected to be passed through Parliament that now clarifies that membership and mutual recognition of other professional bodies should be based on obtaining a professional accountancy qualification and holding membership of an IFAC recognized professional accountancy body.	Completed	BICA CEO	The Government through the ministry of Finance and development planning spearheads the promulgation of statutes but the Institute as the governing accountancy body has a pivotal role to play in such an endeavor. Council as the governing body coordinates the drafting of legislation affecting the profession by soliciting ideas and comments from its members and in particular from the Technical Committee.
<i>Work with universities to upgrade curricula</i>					

² The old Financial Reporting Act listed membership requirements and recognized foreign qualifications in schedule IV of the Act. The current situation, however, is that for a member to qualify, he or she has to be professionally qualified and also a member in good standing of a professional accountancy body recognized by IFAC. The discretionary schedule IV criteria no longer exist.

#	Start Date	Actions	Completion Date	Responsibility	Resource
18.	June 2007	<p>Approvals of the final draft of changes in the UB curriculum by the Faculty of Business Advisory Board and by the University Senate.</p> <p>Introduction of the academic year in August 2010.</p>	August 2009 First Meeting with the University	<p>President – BICA</p> <p>Education and Training Committee and CEO</p>	<p>President with CEO</p> <p>Education and Training Committee</p>
19.	June 2008	Work with ACCA to address updates to the Botswana Accountancy College curriculum (BAC) BAC conducts courses primarily for ACCA and CIMA UK.	Completed	President / CEO	Council is represented in the Botswana Accountancy College by three elected Council members. ACCA and BICA have a joint examination scheme where certain subject variants like Taxation and Law are to be based on the context of Botswana legislation. Through this representation Council can therefore significantly influence curricula at BAC.

#	Start Date	Actions	Completion Date	Responsibility	Resource
20.	August 2010	<p>The new curriculum was introduced in August 2010 incorporating in its curriculum IFRS, ISAs and Ethics.</p> <p>Steps taken to achieve this:</p> <ul style="list-style-type: none"> ❖ The Education and Training Committee and Council take the decision to engage the University to review its curriculum of the BA Accounting. ❖ The President and the CEO meet with the authorities from the University to discuss the short comings of the existing curriculum. ❖ University requested to include IFRS, ISA and Ethics in its curriculum. ❖ Draft curriculum prepared by University and sent to the Institute for review. ❖ The Institute sought assistance from IFAC and got a comprehensive review. ❖ IFAC recommendations incorporated a new curriculum passed by Senate and implemented with effect from August 2010. 	Completed	BICA and University of Botswana	University of Botswana

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Strengthen Practical Experience</i>					
21.	October 2007	Education and Training Committee to discuss and develop work program to consider: <ul style="list-style-type: none"> • How to upgrade practical experience requirements in terms of quality and length of time • Accreditation of approved practical experience providers 	Completed	Education & Training	Council
22.	Sept. 2007	Team up with ACCA for approving the relevant practical experience.	Completed	Education and Training	Education and Training and Council and ACCA
23.	October 2009	One of the major advantages of the new Botswana qualification is that it will address the area of Practical Experience Requirement through the introduction of a training contract scheme. ICAEW has been meeting with the World Bank, BICA Council, CEO of audit firms and selected employers, including public sector organizations to kick start the scheme. The first intake for the new professional qualification is expected to start in July 2011. Practical Experience requirements: <ul style="list-style-type: none"> ❖ Introduction of a Botswana's own professional qualification increase the ability to control membership and membership requirements. 	October 2011	ICAEW, BICA, MFDP	World Bank, BICA Council, CEO

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<ul style="list-style-type: none"> ❖ 450 days of technical training with Approved Training Employers (ATEs) before one could become a professional accountant. ❖ ATEs to be accredited by the Institute and should satisfy criteria including a well-articulated training program and an established training strategy and infrastructure. ❖ ATEs should have Qualified Persons Responsible for Training (QPRTs) who are professional accountants from IFAC recognized professional bodies. ❖ QPRTs to supervise and monitor students and submit periodic progress reports to the Institute. ❖ QPRTs and ATEs also monitored by the Institute on a continuous basis. 			

Introducing the BICA qualification

#	Start Date	Actions	Completion Date	Responsibility	Resource
24.	July 2011	<p>The new professional qualification was established on April 1, 2011 and the first intake of students will be in July 2011.</p> <ul style="list-style-type: none"> ➤ 450 days of practical experience are required. ➤ The Institute has started enrolling students. ➤ A number of Approved Training Employers have been accredited <p>The process involved in the development of the new professional qualification</p> <ul style="list-style-type: none"> ❖ The adoption of a legislation creating the new BICA institute also establishes the new qualification. Another related Act adopted establishing an Oversight Authority called the Botswana Accountancy Oversight Authority (BAOA) to oversee the profession in Botswana. ❖ A World Bank sponsored twinning arrangement was implemented with the Institute of Chartered Accountants in England and Wales (ICAEW), the deliverables included: <ul style="list-style-type: none"> ➤ The development of a three year 	October 2011	ICAEW, BICA, MFDP	World Bank, BICA Council, CEO

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<p style="text-align: center;">strategic plan.</p> <ul style="list-style-type: none"> ➤ Review compliance with standards, codes and procedure and come up with recommendations. ➤ Review the CPD program and come up with recommendations. ➤ Deliver Botswana's own professional qualification. ❖ The new qualification involved coming up with a new curriculum. ❖ Appointing examiners and moderators. ❖ Preparing the study materials and revision packs. ❖ Registering the new qualification with the regulatory authority, the Tertiary Education Council. ❖ Training the trainers with Tuition providers. ❖ Commencing classes in July 2011. 			
<i>Introduce CPD Monitoring</i>					
25.	June 2007	Signature of a memorandum of understanding with	Completed	BICA CEO	

#	Start Date	Actions	Completion Date	Responsibility	Resource
		ACCA. In the agreement ACCA agrees to assist BICA for the development of a system of monitoring in place by the end of the year.			
26.	September 2007	Training of BICA staff By ACCA in: Monitoring of members Submission and processing of CPD returns	Completed	BICA CEO / Education & Training	Council
27.	June 2007	<p>Conduct CPD awareness workshops in Francistown and in Gaborone to sensitize members on this issue and to prepare them for monitoring.</p> <ul style="list-style-type: none"> ❖ The number of CPD hours required per year is 40 hours, half of which should be verifiable i.e. providing on request evidence of actual attendance of CPD events. ❖ Making an annual CPD return and declaring that member had complied with the CPD requirement. ❖ Evidence is requested on a sample basis and reviewed by the Education and Training Committee for compliance in the following areas: <ul style="list-style-type: none"> ➤ Required CPD hours achieved ➤ Availability of acceptable evidence of attendance 	Completed	BICA CEO / ACCA	The President is personally involved in this one and as a former CEO of the Institute herself, she is quite familiar with most of these issues.

#	Start Date	Actions	Completion Date	Responsibility	Resource
		➤ Checking that the CPD is relevant to position of the member at his /her work place.			
28.	October 2010	Publication of the ICAEW report which highlighted one major concern of enforcing CPD compliance. Sanctions have been passed at the AGM which include a warning, a fine, suspension and exclusion. We are currently issuing fines to members at the first warning stage.	June 2012	BICA	MFDP and World Bank
<i>Maintaining Ongoing Processes</i>					
29.	Ongoing	Ensure BICA education requirements continue to incorporate all IES requirements. This includes review of the existing requirements and preparation of the Action Plan for the future activities where necessary.	Ongoing		
30.	June 2010	Signing and publishing of Bills in the Government Gazette Acts passed in August 2010 and implemented in April 2011	July 2010	MFDP	MFDP
<i>Review of BICA's Compliance Information</i>					
31.	Ongoing	Perform periodic review of BICA's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 2 as	Ongoing		

#	Start Date	Actions	Completion Date	Responsibility	Resource
		necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.			

Action Plan Subject: SMO 3 - International Auditing and Assurance Standards
Action Plan Objective: To establish and maintain processes for ongoing adoption and implementation of IAASB Pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
<p>Under the Accountants Act 2010, the Botswana Accountancy Oversight Authority (BAOA) has the responsibility for promulgating auditing standards. As such, since September 2007 ISAs have been adopted by the BICA without amendment - including all subsequent revisions. Prior to this the BICA has always recommended compliance with ISAs as a matter of practice. As the national professional accountancy body, BICA continues progressing full adoption and implementation of ISAs including promotion and providing related training. The Companies Act 2003 requires that all audits of companies in Botswana must be done in accordance with the BICA's standards - which are the ISAs. BICA has developed a new strategy that strengthens the technical compliance capacity. The new Act introduces new posts of Technical Director and Director of Training and Professional Development in order to enforce the new requirements.</p>					
<i>Process for ongoing adoption and implementation of ISAs</i>					
32.	June 2007	BICA Technical Committee to consider and make recommendation on processes for: <ul style="list-style-type: none"> • Official adoption of ISA • Dissemination of exposure drafts and final standards 	Completed	BICA CEO	Technical Committee & Council
33.	June 2007	Technical Committee to approve adoption of all existing ISAs.	Completed	BICA CEO	Technical Committee & Council

#	Start Date	Actions	Completion Date	Responsibility	Resource
34.	Ongoing	Consider details on ongoing process to adopt new and amended ISAs, comment on EDs, implementation support, education and awareness building, etc.	Ongoing	BICA CEO	The Technical Committee is aware that more work needs to be done in this area in the form of due process before adopting standards. This is one of the areas that the resources from the World Bank would be directed to.
35.	October 2009	Botswana Audit firms now audit in accordance with ISAs and auditors are reviewed for compliance with ISQC 1. The Technical Committee Terms of Reference and its composition have been revised to have the optional mix of members from audit firms, academia, commerce and industry. This has strengthened the Committee to have the capacity to review EDs and assist the members with the implementation of the standards.	December 2010	BICA Council	Technical Committee
<i>Promotion of the use of ISAs</i>					
36.	Ongoing	Review of the new standards and issue implementation guidance to members.	Ongoing		Technical Committee
37.	Ongoing	Adoption of the new standards	Ongoing		Technical Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
38.	Ongoing	Organize regular audit workshops on audit updates	Ongoing		Technical Committee
39.	Ongoing	Audit of quality assurance review to check compliance with ISAs and report noncompliance to the Institute	Ongoing		Technical Committee
40.	Ongoing	The Botswana Accountancy Oversight Authority (BAOA) established on April 1, 2011 through the Financial Reporting Act is the Standard Setter in Botswana for IFRS, ISAs and other related IFAC standards. The Authority will carry out due process, adopt, adapt and issue new standards. The BICA will be part of the standard setting process as a member	Ongoing	BICA Council, BAOA	MFDP and BICA, BAOA
<i>Maintaining Ongoing Processes</i>					
41.	Ongoing	Continue to 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	BICA CEO	Technical Committee & Council
<i>Review of BICA's Compliance Information</i>					
42.	Ongoing	Perform periodic review of BICA's response to the IFAC Compliance Self-	Ongoing	BICA CEO	Technical Committee & Council

#	Start Date	Actions	Completion Date	Responsibility	Resource
		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.			

Action Plan Subject: SMO 4 - IESBA Code of Ethics

Action Plan Objective: Continue to use best endeavors to maintain ongoing process to adopt and implement of the IESBA Code of Ethics

#	Start date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
Since 1990, BICA has adopted the Code of Ethics of the IESBA without modification including all subsequent amendments. The Technical Committee is in process of adopting the latest revised version of the Code, effective January 1, 2011 - appropriate training and communication to members is being undertaken.					
<i>Adoption of Revised Code of Ethics</i>					
43.	October 2009	BICA has studied the new IESBA Code of Ethics and discussions are at an advanced stage with Grant Thornton (South Africa) to come and train our members in the new Code of Ethics and other related areas. This is expected to take place during the first half of 2010.	June 2010	BICA Council and CEO	Education and Training Committee
<i>Maintaining Ongoing Processes</i>					
44.	Ongoing	Continue to use best endeavors to 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	BICA CEO	Technical Committee & Council
<i>Review of BICA's Compliance Information</i>					

#	Start date	Actions	Completion Date	Responsibility	Resource
45.	Ongoing	Perform periodic review of BICA'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.	Ongoing	BICA CEO	Technical Committee & Council

Action Plan Subject: SMO 5 - International Public Sector Accounting Standards

Action Plan Objective: Continue to use best endeavors to assist in the adoption and implementation of IPSASs in Botswana

#	Start date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Accounting standards for the public sector are established by the national Government. The national Government has shown a keen interest in improving public sector financial reporting by inviting tenders for a feasibility study on the possibility of adopting accrual accounting in Government – BICA is using best endeavors to ensure that the standards adopted for accrual accounting are those issued by the IPSASB (without amendment). More generally, the BICA is assisting where it can in the broader promotion of adoption and implementation of IPSASs.</p> <p>A new Public Sector Committee was formed by the new BICA Council in April 2011. This Committee is intended to drive public sector financial reporting and financial management reforms in Botswana. Its membership comprises key stakeholders from Central Government, Local Authorities, the Accountant General and the Auditor General amongst others. The Committee will also drive the implementation of IPSAS and the migration from cash basis to accruals basis of accounting in the public sector. It will also work in conjunction with BICA to come up with a public sector examination linked to the BICA qualification.</p>					
<p><i>Promote the Use of IPSASs</i></p>					
46.	June 2009	BICA has invited a World Bank Expert based in South Africa to come and make a presentation at its International Conference in June 2010 on Public Sector Accounting Standards on the best approach to adopt in implementing them.	Completed	MFDP, BICA Council, CEO	MFDP, BICA Council, CEO
47.	April 2011	Establishment of the new BICA Council called the Public Sector Committee.	October 2012	MFDP, BICA Council, CEO	MFDP, BICA Council, CEO

#	Start date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
48.	Ongoing	Continue to identify opportunities to assist relevant authorities in implementation of ISPASs. This includes review of the existing activities and preparation of the Action Plan for future activities where necessary.	Ongoing	BICA CEO	Technical Committee & Council
<i>Review of BICA's Compliance Information</i>					
49.	Ongoing	Perform periodic review of BICA'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.	Ongoing	BICA CEO	Technical Committee & Council

Action Plan Subject: SMO 6 - Investigation and Discipline

Action Plan Objective: To further improve and maintain investigation and disciplinary mechanism that addresses all SMO 6 requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
<p>The BICA has implemented mechanisms for investigating and disciplining their members against the local codes and failure to meet professional standards. It continues to further strengthen these mechanisms in order to closer align with SMO 6. Proposed revisions to both the Accountants Act of 2010 and the Financial Reporting Act of 2010 will significantly assist in this respect The draft Bill has incorporated a major change in the composition of the Disciplinary Committee i.e. removing the dominance of Council and introducing an independent chairperson preferably a person with a legal background.</p>					
<i>Consider further developments in Investigation and Disciplinary programs</i>					
50.	June 2007	Disciplinary Committee to consider and make recommendations on: <ul style="list-style-type: none"> • Sanctions • Reporting to Outside Bodies • Independent Review • Appeals Process 	Completed	BICA CEO These will be included in the rules and regulations of the proposed Financial Reporting Act	Disciplinary Committee and Council
51.	June 2007	Disciplinary Committee to make recommendations to BICA Council	Completed	BICA CEO	Disciplinary Committee and Council
52.	June 2007	Reform the Disciplinary Procedures in order to enable Committee's Independence and allow Open Hearings If passed, implementation	Completed	BICA CEO	CEO & Council Linked to the passing of the new Act The new Act will be passed in Parliament in July this year.

#	Start Date	Actions	Completion Date	Responsibility	Resource
					The Minister of Finance and Development Planning committed to this in his budget speech in February 2008.
<i>Creation of the new Rules and Regulations</i>					
53.	March 2010	The MFDP in conjunction with the World Bank has requested the BICA to submit names of experts, preferably, retired professional accountants, for consideration of the drafting of the Rules and Regulations of both the Accountants Act and the Financial Reporting Act.	December 2010	MFDP, BICA Council and CEO	MFDP, BICA Council and CEO
54.	April 2011	Formation of the Disciplinary Committee in accordance with the new Act and its Chairperson is a Lawyer from one of the top firms in the country (Collins and Newman). Council is represented by only one member as opposed to four previously.	Ongoing	MFDP, BICA Council and CEO	MFDP, BICA Council and CEO
<i>Maintaining Ongoing Processes</i>					
55.	Ongoing	Ensure that BICA's investigation and disciplinary mechanism continues to addresses all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	BICA CEO	Disciplinary Committee and Council

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of BICA's Compliance Information</i>					
56.	Ongoing	Perform periodic review of BICA's response to the 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	BICA CEO	Disciplinary Committee and Council

Action Plan Subject: SMO 7 - International Financial Reporting Standards
Action Plan Objective: To establish and maintain processes for ongoing adoption and implementation of IFRS

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Under the Accountants Act 2010, BICA has the responsibility for promulgating accounting standards. As such, since September 2007 IFRS have been adopted by the BICA without amendment - including all subsequent revisions. Prior to this the BICA has always recommended compliance with IFRS as a matter of practice. From a companies' perspective, Botswana has legislated compliance with full IFRS through the Companies Act 2003 though of more relevance to Botswana is the IFRS for SMEs where through the same Act it is expected that some 90% of companies in Botswana will be required to follow IFRS for SMEs. As the national professional accountancy body, BICA continues progressing full adoption and implementation of IFRS including promotion and providing related training (in particular IFRS for SMEs). The Institute has always recommended Compliance with IFRS and ISA as a matter of practice but recently, the new Companies Act made it a legal requirement. The first step after the legislation was passed was to adopt, as an Institute, all existing standards and pronouncements. As a member of the ESCAFA Standard Setters Forum, the Institute liaises with ECSAFA with respect to new standards and exposure drafts as well.</p> <p>BICA has also adopted the IFRS for SMEs. Botswana, along with ECSAFA are also working on the introduction of a Micro GAAP for smaller enterprises. The Technical Committee Terms of Reference and its composition have been revised to have the optional mix of members from audit firms, academia, commerce and industry.</p>					
<p><i>Process for ongoing adoption and implementation of IFRSs</i></p>					
57.	June 2007	BICA Technical Committee to consider and make recommendation on processes for: <ul style="list-style-type: none"> • Official adoption of IFRS • Dissemination of exposure drafts and final standards 	Completed	BICA CEO	Technical Committee & Council
58.	June 2007	Technical Committee to approve adoption	Completed	BICA CEO	Technical Committee & Council

#	Start Date	Actions	Completion Date	Responsibility	Resource
59.	Ongoing	Consider details on ongoing process to adopt new and amended ISAs, comment on EDs, implementation support, education and awareness building etc.	Ongoing	BICA CEO	
60.	Ongoing	Diffusion of all the new standards, exposure drafts and interpretation by the Technical committee to all BICA members soliciting comments and ideas	Ongoing	BICA Technical Committee	BICA Technical Committee
61.	Ongoing	Organization of a workshop during which all the comments are consolidated into a recommendation then sent to the Council	Ongoing	BICA Council, Technical Committee	BICA Council, Technical Committee
<i>Strengthening technical capacity</i>					
62.	March 2010	Increase the capacity of the Committee to in order to allow them to review EDs and assist the members in implementation of standards. The new Acts introduces new posts of Technical Director and Director of Training and Professional Development.	January 2011	BICA Council, Technical Committee, CEO	BICA Council World Bank, MFDP, and BICA Council.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
63.	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	BICA CEO	Technical Committee & Council
<i>Review of BICA's Compliance Information</i>					
64.	Ongoing	Perform periodic review of BICA's response to the 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 information.	Ongoing	BICA CEO	Technical Committee & Council