

## **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 Questionnaires. 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 for 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](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/Associate:</b>	<i>Mauritius Institute of Professional Accountants</i>
<b>Approved by Governing Body:</b>	MIPA Council
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## **GLOSSARY**

<b>ACCA</b>	Association of Chartered Certified Accountants
<b>APRP</b>	Audit Practice Review Panel
<b>CIMA</b>	Chartered Institute of Management Accountants
<b>CPD</b>	Continuing Professional Development
<b>ECSAFA</b>	Eastern, Central and Southern African Federation of Accountants
<b>FRA</b>	Financial Reporting Act
<b>FRC</b>	Financial Reporting Council
<b>FRP</b>	Financial Reporting
<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>IAESB</b>	International Accounting Education Standards Board
<b>IESBA</b>	International Ethics Standards Board for Accountants
<b>IES</b>	International Education Standards
<b>IFAC</b>	International Federation of Accountants
<b>IFRS</b>	International Financial Reporting Standards
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>IPSASB</b>	International Public Sector Accounting Standards Board
<b>ISA</b>	International Standards on Auditing
<b>ISQC</b>	International Standard of Quality Control
<b>MIPA</b>	Mauritius Institute of Professional Accountants
<b>SMO</b>	Statements of Membership Obligations
<b>QA</b>	Quality Assurance
<b>ICAEW</b>	Institute of Chartered Accountants of England And Wales
<b>ICAS</b>	Institute of Chartered Accountants of Scotland
<b>ICAI</b>	Institute of Chartered Accountants of India
<b>ACCA</b>	Association of Chartered Certified Accountant
<b>SAICA</b>	South African Institute of Chartered Accountants
<b>SME</b>	Small and Medium Enterprises

**Action Plan Subject:** SMO 1 – Audit Quality Reviews

**Action Plan Objective:** *To develop a Quality Assurance Review System in line with SMO 1 requirements*

1	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Background</b>					
<p>The monitoring of firms registered to conduct audit work in Mauritius is the responsibility of the Financial Reporting Council (FRC) through the Audit Practice Review Panel (APRP) The Financial Reporting Act (FRA) of 2004 of Mauritius establishes the Financial Reporting Council. The Council is charged with the responsibility to establish among others the APRP which was set up in 2008. Policies and procedures have been established by the APRP for audit practice review. The APRP reviews focus on checking compliance with ISQC 1 and ISAs. It is a check list based observations but is well documented quality control procedures and processes The APRP is responsible of conducting practice reviews at the FRC.</p>					
<i>Initial steps in creating an effective System of quality assurance review program.</i>					
1.	1 <sup>st</sup> September 2011	<p>(1) MIPA has 2 representatives at FRC Board and will take up at FRC board level to ensure that the methodology actually employed is in accordance with ISQC 1 and ISAs.</p> <p>(2) An SMO Compliance Committee has been set up with representatives from FRC.</p> <p>(3) Provide FRC with ISQC 1 and ISAs documents to examine and review current practice.</p>	30 <sup>th</sup> September 2011	<u>MIPA CEO/ FRC/MIPA Board member on FRC Board.</u>	<u>MIPA Board, FRC</u>
2.	1 <sup>st</sup> September 2011	ACCA has given its commitment to assist MIPA in meeting IFAC requirements. The ACCA will be invited to review the actual system of QA at the FRC to ensure compliance with ISQC 1 and ISA.	30 October 2011	MIPA CEO /FRC/ACCA	ACCA/MIPA Board/FRC APRP
3.	1 <sup>st</sup> November 2011	Engage the FRC that they have incorporated the requirements of ISQC 1 and ISAs in their	Ongoing	MIPA CEO & Board	MIPA Board/FRC/ACCA

<b>1</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
		methodology.			
4.	1 <sup>st</sup> October 2011	Update IFAC on the progress of the engagement with the FRC.	Ongoing	MIPA CEO	MIPA Board//FRC/ACCA
<i>Maintaining Ongoing Processes</i>					
5.	1 <sup>st</sup> October 2011	Engage with the APRP, through periodic reviews, that the quality review system currently being developed and designed is aligned with the requirements of the SMO 1.	Ongoing	MIPACEO/FRC	FRC/MIPA/ACCA
<i>Review of MIPA's Compliance Information</i>					
6.	Ongoing	Perform periodic review of MIPA's response to the IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 1, as necessary. Once updated, inform the IFAC compliance Staff about the updates in order for the compliance Staff to republish updated data: - Identify the person that will be assigned and responsible to track changes or modifications. - Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 1 as necessary.	Ongoing	MIPA CEO	MIPA Board/ ACCA

**Action Plan Subject:** SMO 2 – International Education Standards

**Action Plan Objective:** *To ensure that all IES requirements are incorporated into the MIPA education requirements*

2	Start Date	Actions	Completion Date	Responsibility	Resource
<b><i>Background</i></b>					
<p>Historically, the accountancy profession in Mauritius has grown through the inclusion of professional accountants qualified overseas. The Financial Reporting Act sets out a list holders of the following as eligible to apply for MIPA membership: ICAEW, ICAS, ICAI, ACCA, CIMA and SAICA. These accountancy bodies have confirmed that their circular meets the International Accounting Education Standards Board requirements. Membership is also open to persons who are members of professional accountancy bodies other than these who satisfy requirements relating to qualification in the field of accountancy and have a minimum of three years practical experience in the field of accountancy. The Act provides for MIPA to set such examinations or assessment as it may deem fit for the purpose of determining position of adequate professional accountancy knowledge and skills.</p> <p>Representations will be made to the government to amend the FRA 2004 to set up local tax and company law exams for new members registering with MIPA, as proposed by the World Bank.</p> <p>MIPA is an approved Training Institution with the Mauritius Qualifying Authority and organise conference, seminars and workshops for its members.</p>					
<b><i>Strengthen Continuous Professional Education Requirements</i></b>					
7.	1 <sup>st</sup> September 2011	MIPA Board to pass a resolution making CPD mandatory to members	30 September 2011	MIPA Board	MIPA Board
8.	1 <sup>st</sup> January – 31 Dec 2012	Make CPD requirement mandatory for MIPA membership.	Ongoing	MIPA Board	MIPA Board/ACCA
<b><i>Raise Awareness of the Requirements of final assessment</i></b>					
10.	September 2011	ACCA would assist MIPA to promote IES and to put the structure needed to ensure compliance with CPD.	March 2012	MIPA/ACCA	

2	Start Date	Actions	Completion Date	Responsibility	Resource
11.	Ongoing	Send updates issued by IFAC to MIPA members.	Ongoing	MIPA CEO	MIPA Board/ACCA
12.	1 <sup>st</sup> September 2011	MIPA will liaise with the University of Mauritius, the government, and a Professional Accountancy body to consider setting up local tax and company law exams to new members. ACCA has shown its commitments to assist MIPA.	31 December 2012	MIPA CEO/ Government of Mauritius	MIPA/Government/Professional Accountancy Body
<i>Maintaining Ongoing Processes</i>					
13.	Ongoing	Ensure through periodic reviews, that the Entry Requirements, Professional Education, Final Assessments, and Practical Experience, and Continuing Education currently developed and designed, are updated with the new requirements issued by IAESB.	Ongoing	MIPA CEO	MIPA BOARD
<i>Review of MIPA's Compliance Information</i>					
14.	Ongoing	Perform periodic review of MIPA's response to the IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 2, as necessary. Once updated, inform the IFAC compliance Staff about the updates in order for the compliance Staff to republish updated data: - Identify the person that will be assigned and responsible to track changes or modifications. - Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 2 as necessary.	Ongoing	MIPA CEO	MIPA Board/ ACCA

**Action Plan Subject:** SMO 3 – International Auditing and Assurance Standards  
**Action Plan Objective:** To adopt and implement IAASB pronouncements

3	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Background</b>					
<p>The FRA Part II Section 5 has been amended as follows “the function of the council (FRC) shall be to ensure, where applicable the adoption of IFRS and the International Auditing and Assurance standards”. The Act was further amended requiring the FRC to set up a Standards Review Panel instead of a Standards Setting Panel. The FRC is the responsible organization through its Standard Review Panel. The standards are adopted without any amendments. The Panel includes representatives of audit firms, Registrar of Companies/PIEs &amp; Universities.</p> <p>The FRC has adopted full IFRS and International Auditing Standards (ISA). All changes in IFRS and ISA are automatically adopted by FRC.</p> <p>Both the FRC and MIPA email all updates in accounting and auditing standards to their members as issued by IFAC and the FRC on a monthly basis publish IFAC updates.</p>					
<i>Promotion of Implementation of ISA’s</i>					
15.	Ongoing	IAASB pronouncements are sent by email to members by the FRC and also by MIPA. On a monthly basis FRC publishes the updates and changes.	Ongoing	FRC/MIPA CEO	FRC/MIPA
16.	1 <sup>st</sup> September 2011	A Memorandum of Understanding has already been drafted. The FRC would specify the courses/seminars that need to be organized and MIPA would be responsible to organize the event.	30 September 2011	FRC/MIPA CEO	FRC/MIPA Board
<i>Maintaining ongoing process</i>					
17.	Ongoing	Updates in IFRS and ISAs are disseminated to members by organizing seminars and workshops	Ongoing	FRC/MIPA CEO	FRC/ MIPA Board

<b>3</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
18.	Ongoing	Half yearly the FRC issue bulletins on audit review based on the observance & findings of Audit Practice Review.	Ongoing	MIPA /Government of Mauritius	MIPA Board /FRC
<i>Review of MIPA's Compliance Information</i>					
19.	1 September 2011	Perform periodic review of MIPA's response to the IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 3, as necessary. Once updated, inform the IFAC compliance Staff about the updates in order for the compliance Staff to republish updated data: - Identify the person that will be assigned and responsible to track changes or modifications. - Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 3 as necessary.	Ongoing	MIPA CEO/FRC	MIPA Board/FRC

**Action Plan Subject:** SMO 4 – IESBA Code of Ethics  
**Action Plan Objective:** To adopt and implement IESBA Code of Ethics

4	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Background</b>					
The FRA makes it a duty for MIPA to establish and review a Code of Professional Conduct and Ethics for professional accountants, which shall be consistent with and contain all the principles of International Ethics Standards Board for Accountants Code of Ethics (IESBA). MIPA has adopted in whole the IESBA Code of Ethics and requires its members to follow the IESBA Code of Ethics.					
<i>Adoption of IESBA Code of Ethics</i>					
20.	Ongoing	MIPA has adopted the IESBA Code of Ethics in its entity. MIPA members are required to make an annual declaration that they have followed the IESBA Code of Ethics.	Ongoing	MIPA CEO	MIPA Board
<b>Maintaining Ongoing Processes</b>					
21.	1 <sup>st</sup> September 2011	Monitor the changes in IESBA Code of Ethics and when there are changes ensure that the changes are communicated to the MIPA members.	Ongoing	MIPA CEO	MIPA Board
22.	1 <sup>st</sup> September 2011	Monitor pronouncements by IESBA and ensure that MIPA organize training programs to disseminate changes to members. Moreover members receive emails on updates on Code of Ethics.	Ongoing	MIPA CEO	MIPA Board
<b>Review of MIPA's Compliance Information</b>					
23.	Ongoing	Perform periodic review of MIPA's response to the IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 4, as necessary. Once updated, inform the IFAC	Ongoing	MIPA CEO	MIPA

<b>4</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
		compliance Staff about the updates in order for the compliance Staff to republish updated data: - Identify the person that will be assigned and responsible to track changes or modifications. - Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 4 as necessary.			

**Action Plan Subject:** SMO 5 – Promoting Ongoing Convergence with IPSASs  
**Action Plan Objective:** *To continue to use best endeavors for the implementation of IPSASs*

5	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Background</b>					
It is the responsibility of the Government of Mauritius to establish and implement public sector accounting standards in the country. The Finance Act was amended in 2011 and all ministries and government bodies obtaining funding from the government to operate are required to follow IPSAS as from January 2011.					
<b>Implementation of IPSAS</b>					
24.	1 <sup>st</sup> September 2011	Engage the government through the Ministry of Finance on the proper implementation of IPSASs.	30 <sup>th</sup> September 2011	MIPA CEO	MIPA Board
25.	1 <sup>st</sup> September 2011	Establish a communication plan for informing members, key stakeholders in the public sector and the public about the current IPSAS that are in effect and to be used.	30 <sup>th</sup> September 2011	MIPA CEO	MIPA Board
26.	1 <sup>st</sup> September 2011	Assist the Government by providing a training program targeting senior Local authorities' officers throughout the country.	Ongoing	MIPA CEO	MIPA Board
27.	1 <sup>st</sup> September 2011	Set up an IPSAS Committee to review IPSASB/IFAC updates and members' feedback.	Ongoing	MIPA CEO	MIPA Board
<b>Maintaining Ongoing Processes</b>					
28.	Ongoing	Monitor issuance of new and amended IPSASB pronouncements and update MIPA continuing professional education program in accordance with these pronouncements by sending emails and	Ongoing	MIPA CEO	MIPA Board

5	Start Date	Actions	Completion Date	Responsibility	Resource
		organizing seminar and conference.			
29.	Ongoing	Incorporate specific standing order agenda item for MIPA committees to review and respond to IPSASB/IFAC requests for feedback (including exposure drafts) , including procedure for disseminating and obtaining feedback to Committee from MIPA members.	Ongoing	MIPA CEO	MIPA Board
30.	Ongoing	Identifying opportunities to further assist in the adoption of the IPSAS. This includes review of the existing activities and updating action plans for the future activities where necessary.	Ongoing	MIPA CEO	MIPA Board/MIPA Sub ctee
<i>Review of MIPA's Compliance Information</i>					
31.	Ongoing	Perform periodic review of MIPA's response to the IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 5, as necessary. Once updated, inform the IFAC compliance Staff about the updates in order for the compliance Staff to republish updated data: - Identify the person that will be assigned and responsible to track changes or modifications. - Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 5 as necessary.	Ongoing	MIPA	MIPA Board/ MIPA Sub Ctee

**Action Plan Subject:** SMO 6 – Strengthening the Investigation and Discipline Framework  
**Action Plan Objective:** To improve Investigation and Disciplinary system in line with SMO 6

6	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Background</b>					
<p>The FRA requires the FRC to set up an Enforcement Panel whose responsibility shall be to consider any findings and recommendations referred to it by the FPP, APRP or FRC and shall, on the basis of the findings and recommendations determine the appropriate action to be taken. The responsibility of investigation and disciplinary frameworks is that of FRC. The FRC has not yet set up the Enforcement Panel (EP).  MIPA is going to use its best endeavor to help in the establishment of the Standards Setting Panel by the Financial Reporting Council. .</p>					
<i>Promote the establishment of an Enforcement panel at the FRC</i>					
32.	1 <sup>st</sup> September 2011	Engage The FRC in the establishment of an Enforcement Panel as required by the FRA 2004. 1) MIPA representatives in the board of FRC will consider this at board level. 2) SMO Compliance Committee to discuss on EP	30 September 2011	MIPA CEO/MIPA Rep/FRC	MIPA Board/FRC
33.	1 <sup>st</sup> November 2011	Engage the Enforcement Panel so that they may develop and implement an investigation and disciplinary framework.  Carry out a review of existing procedures using SMO 6 as a benchmark. ACCA assistance may be required.	31 December 2011	MIPA CEO/FRC	MIPA Board/FRC/ACCA
34.	1st November 2011	Develop a report that shows the areas where the existing I&D mechanism is not in compliance with SMO6 requirements. Include recommended actions	31 December 2011	MIPA CEO/FRC	MIPA Board/FRC/ACCA

6	Start Date	Actions	Completion Date	Responsibility	Resource
		needed to attain compliance with the requirements of SMO6.			
<i>Strengthen the Investigation and Disciplinary System (I&amp;D)</i>					
35.	1st November 2011	Review current sanctions utilized by FRC and assess whether or not these sanctions operate to adequately deter non-compliance.	31 December 2011	MIPA CEO/FRC	FRC/EP
36.	1st November 2011	Develop a report that shows the ability/inability of current sanctions to deter non-compliance. Provide recommendations for how sanctions can be improved or strengthened.	31 December 2011	MIPA CEO/FRC	FRC/EP
37.	1st November 2011	Apply recommendations to sanctions used.	31 December 2011	MIPA CEO/FRC	FRCEP
<i>Maintaining Ongoing Processes</i>					
38.	Ongoing	Ensure the FRC's investigation and disciplinary mechanism encompasses addressing all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	<del>MIPA/EP</del> -JTC	MIPA/EP
<i>Review of MIPA's Compliance Information</i>					
39.	Ongoing	Perform periodic review of MIPA's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 6 as necessary. Once updated, inform the IFAC	Ongoing	MIPA/EP	MIPA/EP

<b>6</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
		compliance Staff about the updates in order for the compliance Staff to republish updated data.			

**Action Plan Subject:** SMO 7 – Implementation of IFRS and IASB Pronouncements  
**Action Plan Objective:** To maintain ongoing process of adopting and implementing IASB Pronouncements

7	Start Date	Actions	Completion Date	Responsibility	Resource
<b>Background</b>					
<p>The FRA Part II Section 5 (a) lists among the functions of the FRC “to lay down financial reporting, accounting and auditing standards”. The Act further requires the FRC to set up a Standards Review Panel whose responsibility shall be “developing, renewing, improving and adopting” financial reporting and accounting standards and auditing standards for making appropriate recommendations to the Council on the standards. Mauritius has adopted IFRS, IPSASs and IFRS for SMEs without amendments. MIPA is going to use its best endeavor to help in the establishment of the Standards Setting Panel by the Financial Reporting Council.</p>					
<i>Promoting IASB standards, guidance and pronouncements in Mauritius</i>					
40.	1 <sup>st</sup> September 2011	Engage FRC in the establishment of the Standard Setting Panel.	31 October 2011	MIPA CEO/FRC	MIPA Board/FRC
41.	September 2011	Updates are properly disseminated to members by organizing seminars and workshops. Emails are also sent to members by both FRC and MIPA updates. Members are provided with IFRS CD every year	Ongoing	MIPA CEO/FRC	MIPA Board/FRC
42.	September 2011	It may be necessary to change the FRA so that the responsibility of Standard Setter is transferred to MIPA while the FRC will be responsible for adopting the Standards. Representations will be made to the government to amend the Act.	30 September 2011	MIPA CEO	MIPA Board/ Government of Mauritius
<i>Maintaining Ongoing Processes</i>					

<b>7</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
43.	Ongoing	Continue efforts to ensure coverage of training and IFRS and IFRS for SMEs information dissemination not only in Port Louis, but in all departments throughout the country Monitor the changes in IASB standards and when there are changes ensure that the changes are communicated to the MIPA Members and that training programs are updated to reflect these changes.	Ongoing	MIPA CEO/FRC	MIPA Board/ FRC
44.	Ongoing	Continue to use 'best endeavors' by identifying opportunities to further assist in implementation of IFRS and IFRS for SMEs. This includes review of the existing activities and updating action plans for the future activities where necessary.	Ongoing	MIPA CEO/FRC	MIPA Board/ FRC
<i>Review of MIPA's Compliance Information</i>					
45.	Ongoing	Perform periodic review of CMIPA's response to the IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 7, as necessary. Once updated, inform the IFAC compliance Staff about the updates in order for the compliance Staff to republish updated data: - Identify the person that will be assigned and responsible to track changes or modifications. - Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 7 as necessary	Ongoing	MIPA CEO/FRC	MIPA BOARD/ FRC