

BACKGROUND NOTE ON ACTION PLANS

SMO Action Plans are developed by IFAC Members and Associates to demonstrate fulfillment of IFAC Statements of Membership Obligations (SMOs). SMOs require IFAC Members and Associates to support the adoption¹ and implementation² of international standards and other pronouncements issued by independent standard-setting boards under the auspices of IFAC as well as by the International Accounting Standards Board (IASB); and to establish a Quality Assurance (QA) review and Investigation and Disciplinary (I&D) systems.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where improvements are needed. Based on the results of the assessment, Members and Associates develop an SMO Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs and (b) where some requirements are not yet addressed, to present plans towards their fulfillment.

SMO Action Plans are designed to be ever-green documents that provide a comprehensive description of the accountancy profession and its legislative and regulatory environment in the jurisdiction as well as the actions undertaken by IFAC Members or Associates to support adoption and implementation of international standards and best practices.

Regular updates of the SMO Action Plans are required as part of the IFAC Member Compliance Program.

Use of Information

Please refer to the [Disclaimer](#) published on the Compliance Program website.

ACTION PLAN

IFAC Member:	The Institute of Certified Management Accountants of Sri Lanka (CMA Sri Lanka)
Approved by Governing Body:	The Council
Original Publish Date:	September 2011
Last Update:	April 2018
Next Update:	April 2020

¹ *Adoption* is concerned with the decision that international standards are appropriate for use in specific national financial reporting environments and with the actions necessary to effect those decisions, including incorporation into national requirements or requiring the use of international standards through law. Adoption may include a process to review draft international standards, translation, public exposure of proposed standards, approval, incorporation into national requirements as necessary, and promulgation of final standards, and, where applicable, a convergence process to eliminate or minimize differences between international and national standards.

² *Implementation* may include a process to build awareness of the adopted standards, provide relevant education and training, develop or disseminate implementation guidance and any other activities that promote proper understanding and use of the standards in practice.

GLOSSARY

BE I & II	Business English I & II
CMA	Institute of Certified Management Accountants of Sri Lanka
CPD	Continuing Professional Development
ED	Exposure Draft
IAASB	International Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IASB	International Accounting Standards Board
ICASL	The Institute of Chartered Accountants of Sri Lanka
IESs	International Education Standards
IEPSs	International Education Practice Statements
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
IMA	Association for Accountants and Financial Professionals in Business (IMA) of USA
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standards on Auditing
ITA	Information Technology Applications
PC	Professional Communication
SBE	Specified Business Enterprises
SLAASMB	Sri Lanka Accounting & Auditing Standards Monitoring Board
SLAS	Sri Lanka Accounting Standards

Action Plan Subject: SMO 1–Quality Assurance

Action Plan Objective: Assist the Relevant Authorities in Establishing SMO - 1 Compliant Quality Assurance Mechanism in Sri Lanka

Background:

In accordance with Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, only Members of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) are authorized to perform Audits of Specified Business Enterprises (SBEs), which include the majority of public interest entities. CA Sri Lanka is responsible for issuing Practicing Certificates to Members in Audit Practice. Under the same Act, the Sri Lanka Accounting and Auditing Standards Monitoring Board (SLAASMB), is the Regulator responsible for monitoring Auditor compliance with the Auditing Standards in performing Audits of SBEs.

CMA Sri Lanka has therefore no direct responsibility with respect to SMO - 1. CMA Sri Lanka uses best endeavors to encourage CA Sri Lanka and SLAASMB to implement the same.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Commenting on Exposure Drafts Issued by IFAC on Quality Assurance</i>					
1.	January 2014	Whenever a relevant ED is out for comments, appoint a working group to study it and to submit comments to IFAC through Council and Professional Technical Standards Committee.	Committee appointed - process ongoing	Secretary, Accounting & Cost Accounting Standards Committee	Accounting & Cost Accounting Standards Committee
<i>Maintaining Ongoing Processes</i>					
2.	January 2014	Communicating the importance of complying with SMO - 1 and CMA's commitment in assisting CA Sri Lanka in achieving the same to the President of CA Sri Lanka, who is also an Ex-officio Member of the CMA Council at the CMA Council Meetings and reviewing the progress at the CMA Council Meetings offering any support from CMA Sri Lanka as appropriate.	May 2018	President and the Council	Accounting & Cost Accounting Standards Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
3.	January 2014	<p>Official written Communication of the importance of complying with SMO - 1 to CEO/Secretary of the CA Sri Lanka with copies to the President, Vice President and Chairman and Alternate Chairman of the Quality Assurance Board addressing the following:</p> <p>a. Extending the fullest cooperation, support and the Commitment from CMA Sri Lanka to establish a Comprehensive Quality Assurance Mechanism as required by SMO -1 requesting them to take that up at both Council and Quality Assurance Board Level.</p> <p>b. A meeting to be requested with the key decision makers of CA Sri Lanka in this respect (Such as President, Vice President, Chairman and Alternate Chairman of Quality Assurance Board etc.).</p> <p>c. Requesting to appoint at least one CMA Sri Lanka Nominated Member or an invitee to the Quality Assurance Board.</p>	<p>May 2018</p> <p>May 2018</p>	<p>Secretary- Accounting & Cost Accounting Standards Committee</p>	<p>President & the Council</p>
4.	May 2013	<p>Official written communication to the relevant Ministry requesting to appoint CMA Nominated Members to the Board of SLASSMB from where CMA Sri Lanka can assist in this respect.</p> <p>Obtained approval from Cabinet of Ministers in September 2014.</p> <p>Amendment of SLASSMB Act to include member of CMA. (A reminder has been sent to the Ministry of Finance on 10th January 2017 to this effect).</p>	<p>Completed.</p> <p>Completed. November 09, 2015</p> <p>June 2018</p>	<p>Secretary- Accounting & Cost Accounting Standards Committee</p>	<p>President & the Council</p>
5.	February 2014	<p>Official written communication to SLASSMB (To DG with copy to the Chairman) on the requirements of SMO - 1 and offering the fullest cooperation of CMA Sri Lanka in implementing a system to monitor compliance with the Auditing Standards.</p>	<p>June 2018</p>	<p>Secretary- Accounting & Cost Accounting Standards Committee</p>	<p>President & the Council</p>
6.	March 2014	<p>Publishing the Technical materials on Quality Assurance Mechanism on CMA Journal with the courtesy of CA Sri Lanka to educate the Members on the same.</p> <p>CMA intends to include materials and CPD programmes on ISQC 1 & ISA 220 Quality Control during this year as a support for its members that perform audits.</p>	<p>Ongoing</p>	<p>Chairman, Journal Committee</p>	<p>President & the Council</p>

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of CMA SL's Compliance Information</i>					
7.	Ongoing	Periodic Review of responses to IFAC SMO Action Plan, updating and communicating to the IFAC Compliance Staff accordingly.	Ongoing	Senior Manager - Member Services	President & the Council

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements issued by the IAESB

Action Plan Objective: Further strengthen the CMA qualification by adhering to International Education Standards and other Guidance Issued by IAESB

Background:

CMA has shared responsibility of adopting & implementing IESs.

CMA carried out a comprehensive syllabus revision in 2016 and launched the new syllabus in January 2017. This was done according to the revised International Education Standards (IESs). The syllabus revision process was carried out by an eminent panel of academics and practitioners in Sri Lanka and Singapore.

At present we are in the process of preparing study packs for the new syllabus and an eminent panel of academics & practitioners are involved in this process.

Further, with effect from March 2018, CMA is going to conduct its Foundation Level exams on line in collaboration with Pearson VUE. This is the first time a Sri Lankan local accounting education body is conducting exams on line.

CMA Sri Lanka has introduced a new CMA Practical Experience Requirement for trainees based on IES - 5 which includes requirements to fulfill a range of Technical, Business, Interpersonal and Communication Skills as well as Personal Skills. This new scheme is currently in practice.

CMA requires its students to complete the Professional Management Accounting Programme and have three (3) years of practical experience in order to become an ACMA.

CMA is continuing to increase the number of Accredited Training Providers. Also a set of new guide lines have been issued to them to improve the quality of their service.

Continuing Professional Development (CPD) has been introduced for Members in line with IES - 7 and is currently assessed on a self-assessment basis. CMA Sri Lanka continues to introduce various new CPD activities to enable members to obtain CPD hours on diverse topics. Steps are being taken to strengthen the CPD monitoring process with new guidelines and a database of hours.

To be in line with this requirement, CMA has conducted seminars & workshops on topics such as New developments in SLASs, workshop on Integrated Reporting, and CMA National Management Accounting Conference.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Revision to the CMA Sri Lanka Qualification in Line with Revised SMO 2 Requirements</i>					
8.	January 2016	Commenced review of the current syllabus, with the assistance and guidance from the Educating & Training Committee and a panel of consultants and discuss revision of syllabus with stakeholders.	Completed & launched the syllabus in January 2017.	President & the Council	Director – Examination & Education , Education & Training Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
9.	May 2015	Appoint a Taskforce/Working Group representing all the relevant stakeholders under the Guidance of the Education and Training Committee to review the requirements of SMO - 2, IESs & Other IAESB guidelines and to identify the gaps between the existing practices and such guidelines.	Completed. November 19, 2015.	President & the Council	Director – Examination & Education , Education & Training Committee
10.	January 2017	Review SMO - 2, Current International Education Standards 1 to 8 & International Education Practice Statements 1 to 3 (From 2010 Edition) and submit a GAP Analysis with recommendations to the Council through Education & Training Committee.	Completed. February 2016.	Director – Examination & Education	Director - Examination & Education , Education & Training Committee
11.	June 2016	Council reviews the above Final Report and approves implementation.	Completed. February 2016.	President & the Council	Education & Training Committee, Director – Examination & Education
12.	December 2014	Implementing new stream to the CMA Curriculum on Public Sector Accounting Standards. Arrangements are now being finalized with CIPFA – UK for CMA Passed Finalists & Members to obtain a qualification in Public Sector Accounting by sitting certain subjects in the CIPFA programme.	December 2018	Director- Education & Examination	President & the Council
13.	December 2014	Evaluation of requirements in IES - 2, 3 and 4 against revised IES - 6 and prepare a discussion paper to present to the Education & Training Committee.	Completed. February 2016.	Manager- Education & Training	Education & Training Committee
14.	On going	Organize Annual Feedback sessions for Tuition Providers and Lecturers.	Ongoing	Director- Education & Examination.	President & the Council
Accreditation of Tuition Colleges					
15.	Ongoing	Organize a Seminar to educate Tuition Providers & Lecturers on the requirements of SMO - 2 (Revised IESs) that are relevant to them.	Ongoing	Senior Manager –Member Services	Education & Training Committee, Director – Examination & Education

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Enhancing Training Opportunities</i>					
16.	Ongoing	Promote CMA qualification among prospective employers and look into increase the training partners, especially where the Members of CMA are working, who could provide required training for our students to ensure our growing student base has sufficient opportunities to fulfill their training requirement.	Ongoing	President & the Council	Growing Member Base, Audit Firms, industries, Services, Government and State Sector
<i>Assessing Suitability & Granting Approval for Practical Training Partners</i>					
17.	Ongoing	Assess the suitability of providers that are providing practical training to CMA students and grant approval to those meeting criteria.	Ongoing	President & the Council	Education & Training Committee
18.	January 2012	Review the Guidelines provided in IES - 5 "Practical Experience Requirements" and International Education Practice Statements (IEPS-3) "Practical Experience Requirements – Initial Professional Development for Professional Accountants", analyzing any gaps with the existing system and develop and implement a compliant system.	June 2012 Completed	President & the Council	Education & Training Committee
19.	July 2012	Adopt the Practical Training System on a voluntary basis, with the option of continuing with the existing system during the transitional period.	May 2013 Completed	President & the Council	Education & Training Committee
20.	January 2014	Educate and make awareness among Training Organizations and Trainees about new CMA Practical Training Requirement.	On going	Manager-Education & Training	Director-Education & Examination
21.	August 2014	Review the current Practical Experience Requirement against revised IES - 5 and IES - 6. Provide an evaluation paper to discuss in the Education & Training Committee.	Completed. November 19, 2015	Manager-Education & Training	Education & Training Committee
22.	February 2015	Propose new changes required against IES - 5 & IES - 6 to the CMA Sri Lanka Practical Experience Requirement for approval.	Completed. February 2016.	Manager-Education & Training	Education & Training Committee
23.	April 2015	Adopt the revised Practical Training System on a voluntary basis, with the option of continuing with the existing system during the transitional period of one year.	June 2018	Manager-Education & Training	Education & Training Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Continuing Professional Development – CPD</i>					
24.	Ongoing	Communicate to Members the importance of CPD & the sanctions for non-compliance.	Ongoing	President & the Council	Senior Manager – Student & Member Services
25.	February 2016	Carry out a CPD survey to identify members' preferences on CPD activities.	Ongoing	Senior Manager-Member Services	Seminars, Workshop and Conferences Committee
26.	April 2016	Based on the CPD survey, deliver the most demanding CPD activities in collaboration with local and international experts.	Ongoing	Senior Manager-Member Services	Seminars, Workshop and Conferences Committee
27.	January 2016	Review the feedback received from members on CPD activities and continuously improve the quality of such CPD programmes.	Ongoing	Senior Manager-Member Services	Seminars, Workshop and Conferences Committee
28.	January 2016	Prepare an annual calendar to incorporate all the CPD activities for the year and communicate it to members via CMA website and social media networks.	Ongoing	Senior Manager-Member Services	Seminars, Workshop and Conferences Committee
29.	December 2014	Design and implement web based CPD modules facilitating Members with restricted physical access to assist in earning CPD hours. Arrangements are now being carried out to introduce a new IT system to CMA & along with that this action will be implemented.	December 2018	Senior Manager-Member Services	President & the Council
30.	January 2014	Requesting comments/suggestions of members in order to make sure the smooth functioning of activities to achieve mandatory CPD.	Ongoing	Senior Manager-Member Services	Seminars, Workshop and Conferences Committee
31.	December 2014	Introduce an online CPD recording system with the CPD hours for the Institute's activities getting automatically activated.	December 2018	Senior Manager-Member Services	President & the Council
32.	December 2014	Create Member Discussion Groups using blogs into our website.	April 2018	Manager-Education & Training	President & the Council, Committee-Chairmen

#	Start Date	Actions	Completion Date	Responsibility	Resource
33.	Ongoing	Send an annual reminder to all non-compliant members regarding the importance of fulfilling the CPD requirement.	Ongoing	Director– Student & Member Services	Staff of Student & Members Services.
34.	October 2012	Appoint an independent CPD Compliance Committee to review the requirements of IES7, identify gaps in CMA SL compliance and suggest how these can be addressed.	January 2013 Completed	President & the Council	Education & Training Committee
35.	January 2015	Conduct seminars or presentations covering Taxation and Law areas in the months of March, June, September, and December. <ul style="list-style-type: none"> ▪ New Inland Revenue Act 20th September 2017 ▪ Budget Highlights 2018 : Tax Proposals & Impact on Business & Economy – 14th November 2017 ▪ Understanding New Foreign Exchange Act No. 12 of 2017 ▪ Central Bank of Sri Lanka Annual Report 2016 – 14th June 2017 	Completed.	Workshops, Seminars, Conference Committee	Taxation & Law Committee
36.	January 2015	Conduct seminars on Business Leaders Discussion on Governance for Sustainable Success. <ul style="list-style-type: none"> ▪ Corporate Governance & Risk Management – 8th September 2017 	Completed.	Workshops, Seminars, Conference Committee	Professional Accountants In Business Committee
37.	May 2015	Conduct seminars on topics that are relevant to Professional Accountants in Business during the months of May & August. <ul style="list-style-type: none"> ▪ Integrated Reporting: Practical Aspects – 28th February 2017 ▪ Capital Market as a Source of Corporate Finance – 30th March 2017 ▪ Big Data Analytics for Accounting – 3rd May 2017 ▪ Manage Your Emotions: Lift Your Life – 15th May 2017 ▪ Setting the Tone in a Changing Landscape – 21st August 2017 ▪ Executive Education Programme, IIM Ahmadabad “Transforming Business Organizations to Achieve Growth” in Collaboration with CMA & CPM – 27th – 29th of November 2017. 	Completed.	Workshops, Seminars, Conference Committee	Professional Accountants In Business Committee
38.	June 2017	Conduct annual CMA - SAFA International Management Accounting Conference or Global Management Accounting Conference. CMA National Management Accounting Conference on “Digital Transformation – A New Strategic Imperative”	Completed. 17th - 19th July 2017	Workshops, Seminars, Conference Committee	President & the Council
39.	November 2017	Conduct a Seminar on Budget Proposal 2017. <ul style="list-style-type: none"> ▪ Budget Highlights 2018: Tax Proposals & Impact on Business & Economy – November 14, 2017). 	Completed.	Workshops, Seminars, Conference Committee	Taxation & Law Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Submission of CMA Comments on SMO 2 Related IFAC Exposure Drafts</i>					
40.	Ongoing	Forward CMA Comments on SMO - 2 related IFAC Exposure Drafts including the current EDs issuing under clarity redrafting project.	Ongoing	Director - Examination & Education	Education & Training Committee
<i>Communicating the Developments in SMO 2, IESs & IEPs</i>					
41.	Ongoing	Communicating any developments in SMO - 2, IESs & IEPs to Members, Tuition Colleges, Training Partners and any other relevant stakeholders via e-circulars, web and journal etc.	Ongoing	Manager-Education & Training	Education & Training Committee
<i>Maintaining Ongoing Processes</i>					
42.	Ongoing	Review the latest SMO - 2 and IES related developments (such as the clarity redrafting project) and report to the Council through Education and Training, Examinations or CPD Committee with recommendations on Regular Basis for necessary actions and follow-up process.	Ongoing	Manager-Education & Training	Director-Examination & Education , Education & Training Committee
<i>Review of CMA SL's Compliance Information</i>					
43.	Ongoing	Periodic Review of responses to IFAC SMO Action Plan, updating and communicating to the IFAC Compliance Staff accordingly.	Ongoing	Senior Manager-Member Services	President and the Council

Action Plan Subject: SMO 3–International Standards and other Pronouncements Issued by the IAASB
Action Plan Objective: Best Endeavors around Implementation of the ISAs

<i>Background:</i>					
Under the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, CA Sri Lanka is the sole Authority to issue the Auditing Standards and only Members of CA Sri Lanka that hold a Practicing Certificate are authorized to perform Audits of SBEs. SLAASMB is responsible for monitoring compliance with the Auditing Standards of SBEs under the same Act.					
CMA Sri Lanka has no direct responsibility in this area and uses best endeavors to support implementation of the ISAs. Further, CMA is committed to provide comments to exposure drafts, questionnaires & other developments on this area.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of CMA SL's Compliance Information</i>					
44.	Ongoing	Periodic Review of responses to IFAC self-assessment review questionnaires, updating and communicating to the IFAC Compliance Staff accordingly.	Ongoing	President and the Council	Secretary, Accounting & Cost Accounting Standards Committee
<i>Promoting Auditing Standards and other Pronouncements Issued by IAASB & ICASL</i>					
45.	Ongoing	Providing access to those Standards, Other Pronouncements and any other Technical Resources via CMA website with the consent of IFAC, ICASL and any other relevant authorities.	Ongoing	President & the Council	Accounting & Cost Accounting Standards Committee
46.	Ongoing	Communicating and encouraging (By granting CPD Hours etc.) Members and Students to participate in the Auditing Standards and related Seminars.	Ongoing	Senior Manager-Member Services	Accounting & Cost Accounting Standards Committee
47.	January 2014	Communicating the importance of complying with SMO - 3 (Especially importance of continuously keeping SLAuSs up-to-date in line with revising ISAs) and CMA's commitment in assisting CA Sri Lanka in achieving the same to the President of CA Sri Lanka, who is also an Ex-officio Member of the CMA Council at the CMA Council Meeting and reviewing the progress at the CMA Council Meetings offering any support from CMA as appropriate. (CMA is to send a fresh letter to CASL to this effect & follow up on the implementation).	July 2018	President & the Council	Accounting & Cost Accounting Standards Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
48.	March 2014	<p>Official written Communication to CEO / Secretary of the CA Sri Lanka with copies to the President, Vice President and Chairman and Alternate Chairman of the Statutory Auditing Standards Committee addressing the following:</p> <p>a. Extending the fullest cooperation of CMA to CA Sri Lanka in complying with SMO - 3.</p> <p>b. Requesting to appoint at least one CMA Nominee as an Invitee to the Statutory Auditing Standards Committee through which CMA can keep a constant eye on compliance with this SMO.</p> <p>(CMA is to send a fresh letter to CASL to this effect & follow up on the implementation).</p>	July 2018	Consultant - Examinations	President & the Council, Accounting & Cost Accounting Standards Committee
49.	May 2013	<p>Official written communication to the relevant Ministry requesting to appoint CMA Nominated Members to the Board of SLASSMB. Amendment of SLASSMB Act to include member of CMA.</p> <p>Obtained approval from Cabinet of Ministers in September 2014.</p> <p>Amendment of SLASSMB Act to include member of CMA.</p> <p>(CMA has sent a reminder to the Ministry of Finance on 10th January to change the Act).</p>	<p>Completed.</p> <p>Completed.</p> <p>June 18, 2018.</p>	Consultant - Examinations	President & the Council
50.	Ongoing	Educating CMA Students prior to becoming members with regard to summarized important key elements of the Auditing Standards & other relevant topics to be aware of the perspective of the client - This educational program will be conducted at Passed Finalists' orientation programme at the end of each examinations sessions.	Ongoing	Director – Education & Examination	Accounting & Cost Accounting Standards Committee
<i>Maintaining Ongoing Processes</i>					
51.	Ongoing	Regular review of the progress according to the action plan and any new developments from IFAC and taking required corrective actions.	Ongoing	President and the Council	Manager-Education & Training
<i>Review of CMA SL's Compliance Information</i>					
52.	Ongoing	Periodic Review of responses to IFAC self-assessment review questionnaires, updating and communicating to the IFAC Compliance Staff accordingly.	Ongoing	Senior Manager-Member Services	President and the Council

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: Enhance Alignment of CMA Sri Lanka Code of Ethics with IESBA Code of Ethics

Background:

CMA has shared responsibility in adopting implementing ethical standards for its members.

CMA Sri Lanka adopted the new CMA Code of Ethics for Professional Accountants based on the 2010 IESBA Code. Accordingly CMA Sri Lanka amended its Curriculum in 2012 and made available the Revised Code of Ethics for members and for the relevant stakeholders via website and hard copies as well as soft copies to purchase from the Institute at a nominal price.

The CMA Code of Ethics for Professional Accountants is mandatory for all CMA members and for students in respect of professional services in Sri Lanka. Failure of members to comply with ethical requirements shall be subject to an investigation by the Investigation Committee and the Council of the institute and actions will be taken accordingly.

CMA Sri Lanka organizes regular seminars & workshops as well as articles through CMA journal for students and for members to educate the important ethics as well as on new, proposed, and revised provisions of ‘the Code’.

At present CMA is contemplating on adopting the 2016 Code of Ethics issued by IESBA.

CMA conducted a seminar on “Setting the Tone in a Changing Landscape”. This was mainly on NOCLAR Standard.

(More details on CMA Code of Ethics are available on www.cma-srilanka.org).

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Introduction of a Code of Ethics for Members aligned with the IESBA Code of Ethics</i>					
53.	Ongoing.	Make available hard copies of the code of Ethics at a nominal price at the sales outlet and arranging sufficient number of reference copies at the CMA library.	Ongoing.	Consultant - Examinations	CMA Library and the Sales Outlet
54.	Ongoing.	Organize seminars & workshops, possibly with developed illustrative case studies to educate the Members of the requirements. <ul style="list-style-type: none"> ▪ Seminar on “Setting the Tone in a Changing Landscape”. This was mainly on NOCLAR Standard. – 21st August 2017 	Ongoing.	Senior Manager- Member Services	Workshops, Seminars, Conference Committee
55.	Ongoing.	Publish illustrative case studies and other ethics educational materials in the Member’s section of the website.	Ongoing.	Chairman, Journal Committee	Ethics & Disciplinary Committee
56.	July 2012	Amend the existing curriculum to incorporate the revised Code and communicating to the students.	March 2013 Completed.	Director – Examination & Education	Education & Training Committee
57.	January 2017	Carry out a gap analysis to identify gaps relating to the 2016 Code of Ethics issued by IAESB.	April 2018	Manager- Education & Training	Ethics & Disciplinary Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
58.	March 2017	Revise the CMA Code of Ethics according to the 2016 Code of Ethics issued by IAESB and submit for approval to the Council & Ministry of Internal Trade.	May 2018		
59.	April 2017	Gazette the New Code of Ethics.	July 2018		
60.	June 2018	Publish the Revised Code of Ethics in the CMA website.	August 2018		
61.	June 2018	Communicate to the members and students via circulars, e-mails & the journal on the revised Code and the access modes to the Code.	August 2018	Senior Manager- Member Services	Ethics & Disciplinary Committee, Manager-Education & Training
<i>Ethical Conflict Resolution</i>					
62.	July 2017	Develop and circulate a set of ethical conflict resolution guidelines based on the Code to assist the members in resolving any ethical conflicts.	August 2018	Chairman, Ethics & Disciplinary Committee	Ethics & Disciplinary Committee
63.	December 2012	Appoint a committee comprising Senior Fellow Members to provide necessary counseling to the Members facing serious ethical conflict dilemmas.	July 2013 Completed	President & the Council	Ethics & Disciplinary Committee
<i>Maintaining Ongoing Processes</i>					
64.	Ongoing	Regular review of the progress according to the action plan and any new developments from IFAC and taking required corrective actions.	Ongoing	President and the Council	Manager-Education & Training
65.	Ongoing.	Ongoing review and awareness-raising around EDs. Whenever, an ED is out for comment, appoint a working group to study it and to submit the CMA comments to IESBA through the Council and Ethics & Disciplinary Committee.	Ongoing	Consultant - Examinations	Ethics & Disciplinary Committee
<i>Review of CMA SL's Compliance Information</i>					
66.	Ongoing	Periodic Review of responses to IFAC self-assessment review questionnaires, updating and communicating to the IFAC Compliance Staff accordingly.	Ongoing	Senior Manager - Member Services	President and the Council

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: CMA Sri Lanka will Support the Government Regulators in Improving the Financial Reporting of the Public Sector and Enhancing Compliance with SMO 5.

Background:

In Sri Lanka, Public Sector Financial Reporting is largely governed by the incorporation Statutes relating to government and state Corporations, Financial Regulations, Guidelines and Circulars issued by the General Treasury, Ministry of Finance & Planning and line ministries. Government institutions and state corporations are guided mainly by the Ministry of Finance and Auditor General in use of these standards.

CMA has no direct responsibility in adopting & implementing this SMO. However, CMA Sri Lanka recognizes the importance of the IPSASs and commits to extend its fullest cooperation in successfully adopting these Standards. The Institute believes that a joint effort by the two leading national accountancy bodies will help convincing the Public Sector to use these standards for their own benefit.

Institute of Chartered Accountants of Sri Lanka (CASL) has issued Sri Lanka Public Sector Accounting Standards in two volumes and CMA Sri Lanka has provided the link to these standards on institute's website.

At present CMA is contemplating on introducing a new certificate course in "Public Sector Accounting" and currently CMA is in the process of designing the syllabus.

Further to this, CMA is in the process of arranging an MoU with CIPFA – UK to obtain exemptions from their professional programme and this will be applicable for candidates who are employed in the Public Sector.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>CMA Representation on Government Appointed Public Sector Accounting Standards Committee</i>					
67.	August 2011	Send a formal communication requesting The Finance Ministry and Auditor General to appoint a CMA nominated representative to the Public Sector Accounting Standards Committee and also extending CMA Institute's fullest cooperation in adoption of the Public Sector Accounting Standards effectively.	December 2011 Completed	President & Secretary of the Council	Secretary to the Council
68.	August 2011	Appoint Senior CMA Members in Public Sector to the Professional Technical Standards Committee. (CMA has sent a letter to the Ministry of Finance and awaiting the reply)	July 2018.	President & the Council	Members of CMA
<i>Communicating the Public Sector Accounting Standards to the CMA Members, Students & any other Interested Stakeholders</i>					
69.	Ongoing	Provide access to the Public Sector Accounting Standards, Other Pronouncements and any other Technical Resources via CMA website with the consent of IFAC, Finance Ministry, Auditor General CA Sri Lanka and any other relevant authorities.	Ongoing	President & the Council	Committee on Public Sector Accounting Standards, Banking, Insurance & SMEs

#	Start Date	Actions	Completion Date	Responsibility	Resource
70.	Ongoing	Communicate to members & students the latest developments (Including EDs) in CA Sri Lanka, Finance Ministry, Auditor General & IPSASB in respect of Public Sector Accounting Standards and related pronouncements via Web, E-circulars and Journals etc.	Ongoing	Director- Education & Examination	Committee on Public Sector Accounting Standards, Banking, Insurance & SMEs
71.	December 2014	Provide the web link on Sri Lanka Public Sector Accounting Standards to the members, students and relevant Stakeholders from approval of CA Sri Lanka.	Completed.	Manager- Education & Training	President & the Council
<i>Revision to the CMA Curriculum</i>					
72.	December 2017	Designing of new certificate course on Public Sector Accounting. Arrangements are now being finalized with CIPFA – UK for CMA Passed Finalists & Members to obtain a qualification in Public Sector Accounting by sitting certain subjects in the CIPFA programme.	December 2018	Consultant - Examinations	Committee on Public Sector Accounting Standards, Banking, Insurance & SMEs
<i>Responding to the Exposure Drafts Issued by IPSASB</i>					
73.	Ongoing	When a relevant ED is out for comment, appoint a working group to study it and to submit the CMA comments to IPSASB through the Council and Professional Technical Standards Committee.	Ongoing	Director- Education & Examination	Committee on Public Sector Accounting Standards, Banking, Insurance & SMEs
<i>Maintaining Ongoing Processes</i>					
74.	Ongoing	Regular review of the progress according to the action plan and any new developments from IFAC and taking required corrective actions.	Ongoing	President and the Council	Director- Education & Examination
<i>Review of CMA SL's Compliance Information</i>					
75.	Ongoing	Periodic Review of responses to IFAC self -assessment review questionnaires, updating and communicating to the IFAC Compliance Staff accordingly.	Ongoing	President and the Council	Senior Manager - Member Services

Action Plan Subject: SMO 6–Investigation and Discipline
Action Plan Objective: Introduction of an Investigatory and Discipline System Compliant with SMO 6

<i>Background:</i>					
CMA has shared responsibility in adopting and implementing this SMO.					
CMA Sri Lanka has an Investigation and Discipline System in place which was set up by considering SMO - 6 and various activities were undertaken throughout 2015 to bring the system further in line with SMO - 6.					
The CMA Sri Lanka rules & regulations, as well as the CMA Code of Ethics for Professional Accountants are mandatory for members by government gazette notification.					
CMA Sri Lanka conducted a further review of the Investigation and Discipline procedures according to the revised SMO - 6 and obtained Council approval for introduction of a revised system. The recommendations are included in the CMA Rules & Regulations and gazette on March 15, 2014.					
(More details on CMA Rules and Gazette on March 15, 2014 are available on www.cma-srilanka.org).					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Appointment of an Ethics Committee</i>					
76.	Ongoing	Define the terms of reference of the Ethics Committee.	December 2012 Completed	President & the Council	Ethics & Disciplinary Committee
<i>Review the Existing Procedure Against the Requirements of SMO 6</i>					
77.	January 2015	Appoint a Taskforce to review the existing Investigation & Disciplinary procedure against the requirements stipulated in Revised SMO - 6.	Completed. June 08, 2015.	President & the Council	Ethics & Disciplinary Committee
78.	February 2015	Review the existing Investigation and Disciplinary procedure against Revised SMO - 6 requirements and submit a report on findings with recommendations to the Council by the appointed Taskforce through Ethics Committee.	Completed. October 10, 2015.	Chairman, Ethics & Disciplinary Committee	Ethics & Disciplinary Committee
<i>Implementation of a Full SMO 6 Compliant Investigation & Disciplinary Procedure</i>					
79.	June 2014	Gain Council approval for revised SMO - 6 compliant procedures based on the review.	Mach 2016	Chairman, Ethics & Disciplinary	Ethics & Disciplinary Committee
80.	July 2012	Gazette the new rules & procedures in respect of the Investigation & Discipline.	August 2016	Secretary to the Council	Ethics & Disciplinary Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
81.	August 2014	Inform the members on revision to the existing Disciplinary Rules & Procedures and the Sanctions for Non-compliance.	September 2016	Senior Manager-Member Services	President & the Council
82.	January 2013	Obtain the services of a Legal Counsel on the Ethics & Disciplinary Committee.	Ongoing	President & the Council	Hired Legal Counsel
<i>Adoption of a Proactive Approach in Addition to the Complaint Based Approaches</i>					
83.	January 2013	Introduce a procedure to collect the information from Newspapers and review other sources for indication of misconduct by Members.	Ongoing	Consultant - Examinations	Ethics & Disciplinary Committee
84.	January 2013	Publish the Complaint Procedure on the website.	2013 Completed	Consultant - Examinations	Ethics & Disciplinary Committee
<i>Introducing an Appeals Procedure</i>					
85.	October 2012	Appoint an Independent Disciplinary Appeal Board comprising Senior Fellow Members, providing members with the rights to appeal against the decisions of the Disciplinary Board.	June 2015 Completed	President & the Council	Retired Fellow Members/Council Members of the Institute
86.	June 2013	Implement the Appeals Procedure of the Independent Disciplinary Appeals Board.	Ongoing	President & the Council	Retired Fellow Members/Council Members of the Institute
<i>Maintaining Ongoing Processes</i>					
87.	Ongoing	Regularly review the progress according to the action plan and any new developments from IFAC and take required corrective actions.	Ongoing	President and the Council	Executive Director
<i>Review of CMA SL's Compliance Information</i>					
88.	Ongoing	Periodic Review of responses to IFAC self-assessment review questionnaires, updating and communicating to the IFAC Compliance Staff accordingly.	Ongoing	Senior Manager - Member Services	President and the Council

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective: Best Endeavors in Adoption and Implementation of IFRS in Sri Lanka

Background:

As per the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, the sole power of adopting Sri Lanka Accounting Standards (SLASs) rests with the Council of CA Sri Lanka, which adopts Sri Lanka Accounting Standards based on IFRSs and has set goals for full convergence of LKASs with IFRSs.

Even though it is not directly responsible for Accounting Standards adoption, CMA Sri Lanka recognizes the importance of IFRS to the entire Accountancy Profession and its members. Further, a significant number of CMA Sri Lanka Members and students are also engaged in Financial Reporting related Careers. This is covered in the syllabuses of students and seminars are also held for Members. During the year 2015 CMA has conducted seminars/workshops on New Developments in SLASs (LKASs / SLFRSs) & Derivative and Hedge Accounting.

In year 2018 CMA plans to hold seminars on any new standards which will come into force.

In year 2015 CMA launched its flagship event “CMA Excellence in Integrated Reporting Awards” & to date three successful events have been carried out annually.

Further, being the National Management Accounting Body of Sri Lanka, CMA is working towards developing Management Accounting Principles & Guidelines applicable to Sri Lanka.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>CMA Representation at the Statutory Accounting Standards Committee</i>					
89.	August 2011	Send a formal communication requesting Ministry of Finance through Ministry of Internal Trade to appoint a CMA nominated representative as a Member to the Statutory Accounting Standards committee. CMA to send a fresh letter to this effect and follow up on the implementation on the same.	June 2018	President & Secretary of the Council	Secretary to the Council
90.	August 2011	Appoint a Professional Technical Standards Committee covering Financial Reporting and Auditing Standards.	September 2011 Completed	President & the Council	Accounting & Cost Accounting Standards Committee
<i>Introducing IFRSs & Other Pronouncements to the Curriculum</i>					
91.	Ongoing	Delivery of regular Accounting Standards Seminar Series for Passed Finalists on Accounting Standards, prior to admission to the Membership.	Ongoing	Workshops, Seminars, Conference Committee	Accounting & Cost Accounting Standards Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Promoting Financial Reporting Standards and other Pronouncements Issued by IASB & ICASL</i>					
92.	Ongoing	Providing access to those Financial Reporting Standards, Other Pronouncements and any other Technical Resources via CMA website with the consent of ICASL, IFAC and any other relevant authorities.	Ongoing	President	Accounting & Cost Accounting Standards Committee
93.	Ongoing	Organize regular Financial Reporting Standards Seminar Series to educate the Members, Students and interested stakeholders on IFRS.	Ongoing	Workshops, Seminars, Conference Committee	Accounting & Cost Accounting Standards Committee
94.	March 2014	Organize seminar series for SMEs related Financial Reporting Standards to Members, Students and interested stakeholders.	Ongoing	Workshops, Seminars, Conference Committee	Accounting & Cost Accounting Standards Committee
95.	July 2015	Annual "CMA Excellence in Integrated Reporting Awards" competition.	October 2018	President & the Integrated Reporting Committee.	Integrated Reporting Committee
96.	Ongoing	Compile Briefing Notes on selected Financial Reporting Standards and disseminating to the members & students.	Ongoing	Chairman, Accounting & Cost Accounting Standards Committee	Accounting & Cost Accounting Standards Committee
97.	Ongoing	Regular column in a prominent page in the Institute's Journal for Technical Updates.	Ongoing	Journal Committee	Accounting & Cost Accounting Standards Committee
98.	Ongoing	Communicate to the members & students of latest developments (Including EDs) in IASB in respect of Auditing Standards and related pronouncements via Web, E-circulars and Journals etc.	Ongoing	Senior Manager-Member Services	Accounting & Cost Accounting Standards Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
99.	May 2013	Send a formal communication requesting Ministry of Finance & Planning to appoint a CMA nominated representative as a Member to the Sri Lanka Accounting & Auditing Standards Monitoring Board (SLAASMB). Obtained approval from Cabinet of Ministers in September 2014. Amendment of SLASSMB Act to include member of CMA. CMA has sent a reminder to the Ministry of Finance on 10 th January to change the Act).	Completed. Completed. June 2018	Consultant - Examinations	President & the Council
<i>Responding to the Exposure Drafts Issued by IASB & ICASL</i>					
100.	Ongoing	Ongoing review and awareness-raising around EDs. Whenever, an ED is out for comment, appoint a working group to study it and to submit the CMA comments to IASB through the Council and Professional Technical Standards Committee.	Ongoing	Chairman, Accounting & Cost Accounting Standards Committee	Accounting & Cost Accounting Standards Committee
<i>Maintaining Ongoing Processes</i>					
101.	Ongoing	Regular review of the progress according to the action plan and any new developments from IFAC and taking required corrective actions.	Ongoing	President and the Council	Manger-Education & Training
<i>Review of CMA SL's Compliance Information</i>					
102.	Ongoing	Periodic Review of responses to IFAC self-assessment review questionnaires, updating and communicating to the IFAC Compliance Staff accordingly.	Ongoing	Senior Manager - Member Services	President and the Council



INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
Incorporated by Parliament Act, No. 23 of 2009

March 08, 2018

Alta Prinsloo
Executive Director, Quality & Development,
International Federation of Accountants.

Dear Ms. Prinsloo,

Subject: Letter to Confirm Institutional Support for the SMO Action Plan

This letter is to confirm that the leadership of the Institute of Certified Management Accountants of Sri Lanka has reviewed the information contained in the SMO Action Plan prepared by the Institute of Certified Management Accountants of Sri Lanka as part of the IFAC Member Compliance Program and will provide institutional support for its implementation.

On behalf of the leadership of the Institute of Certified Management Accountants of Sri Lanka endorse publication of the SMO Action Plan on the IFAC website in the interests of transparency and to demonstrate our commitment to enhancing the quality and credibility of the accountancy profession worldwide.

Sincerely,

Prof: Lakshman R. Watawala,

President - The Institute of Certified Management Accountants of Sri Lanka
(CMA Sri Lanka)

March 08, 2018