

## **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 adoption<sup>1</sup> and implementation<sup>2</sup> 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 IFAC Member Compliance Program website.

## **ACTION PLAN**

<b>IFAC Associate:</b>	Institute of Chartered Secretaries and Administrators in Zimbabwe (ICSAZ)
<b>Approved by Governing Body:</b>	ICSAZ Board or Council
<b>Original Draft Date:</b>	December 2018
<b>Last Updated:</b>	November 2020
<b>Next Update:</b>	November 2022

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<sup>1</sup> *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.

<sup>2</sup> *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**

<b>CPD</b>	Continuous Professional Development
<b>IAASB</b>	International Assurance and Auditing Standards Board
<b>ICSAZ</b>	The Institute of Chartered Secretaries and Administrators in Zimbabwe
<b>IESs</b>	International Education Standards
<b>IESBAs</b>	International Ethics Standards for Accountants
<b>IFRSs</b>	International Financial Reporting Standards
<b>IPSASs</b>	International Public Sector Accounting Standards
<b>IPSASB</b>	International Public Sector Accounting Standards Board
<b>ISQC 1</b>	International Standard on Quality Control 1
<b>ISA</b>	International Standards on Auditing
<b>PAAB</b>	Public Accountants and Auditors Board
<b>QA</b>	Quality Assurance
<b>SMEs</b>	Small and Medium Sized Entities
<b>SMOs</b>	Statement of Membership Obligations
<b>SMPs</b>	Small and Medium Practitioners

**Action Plan Subject:** SMO 1–Quality Assurance  
**Action Plan Objective:** To ensure members conduct themselves in a manner which does not bring the name of the profession into disrupt.

**Background:**

Effectively August 2012, Quality Assurance (QA) reviews are being conducted by the Public Accountants and Auditors Board (PAAB), which is the accounting and auditing profession’s regulatory body in Zimbabwe. Under the Public Accountants and Auditors Act 1996 (Chapter 27:12), as amended in 2016, the PAAB is authorized to carry out practice reviews and inspections to monitor audit quality. All audits are subject to mandatory QA reviews. The QA review system introduced/adopted by the PAAB meets the requirements of SMO 1.

The guiding standards for the quality reviews are the International Standards for Auditing (ISA), International Financial Reporting Standard (IFRS) and the ISQC1. Quality reviews being done by PAAB aim at ensuring the following: regulation of the audit profession; that audit quality is kept up to standard; that there is independence; that client continuous and acceptance procedures are being followed; ethics are being adhered to, auditors are remaining independent in thought and in appearance from their clients and that human resources are up to the required standard depending on the client they are auditing. The reviews are broken down between engagement reviews and firm reviews.

The Institute of Chartered Secretaries and Administrators in Zimbabwe intends to get its qualified members to be accredited to carry out external audits. PAAB intends to start an Auditor Development Program—a 1.5-year program to gain and demonstrate audit experience. ICSAZ indicates that its Associate and Fellow members would be eligible to pursue the program and subsequently be certified by the PAAB as RPAs. To prepare for this, ICSAZ reported that it was researching software to strengthen its monitoring of members’ quality control and quality of current work. It is in contact with two vendors, one of which supports the ICAZ with its internal quality assurance and control reviews.

Awareness programs to members shall be done through Continuous Professional Development (CPD) and bulletins. ICSAZ shall also to assist audit firms in performing their attest function according to quality control standards by providing relevant CPD for both professional accountants in business and practicing auditors. Internally ICSAZ shall carries out its own Quality Assurance programs in addition to the PAAB’s Quality reviews.

**Action Steps:**

#	Start Date	Actions	Completion Date	Responsibility	Resources
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July 2020	Development of the Quality Assurance framework that meets the requirements of SMO 1 in liaison with the PAAB since the regulator has already the framework.  The practice review shall be reviewed on an ongoing basis in line with SMO1 requirements. This includes periodic review of the operation of the Practice review and updating the Action plan for the future activities.	December 2019	Legislation and Technical Committee	ICSAZ staff and committee members
July 2020	To come up with a system to track the members' activities and the services that they will be providing in both private and public practices	31 July 2020	Members and professional Competency committee	ICSAZ staff and committee members, computer software experts
January 2020	Shall intensify awareness programs to members done through Continuous Professional Development (CPD) and bulletins. The emphasis shall be on QA as this will something new to some members who are not in audit practice.	On going	Members and professional Competency committee	ICSAZ staff and committee members
January 2020	Purchase Handbooks from International Auditing and Assurance Standards Board (IAASB) for members in preparation of the audit practice,	On going	Library staff	Library/ Finance
	CPD sessions on the IFRS held during the period			
On going	Technical and members magazines are published quarterly in March, June September and December	On going	ICT and Marketing/ Technical departments	Marketing/ Technical staff

SMO 1 Best Practice	Yes	No	Partially	Comments
<b>(Para #) Scope of the System</b>	✓			A mandatory QA reviews are performed by PAAB for all firms that have audits of financial statements on a 3-year circle.

SMO 1 Best Practice	Yes	No	Partially	Comments
At a minimum, mandatory QA reviews are required for all audits of financial statements.				However, PAO are allowed to carry out their own internal assessment for their members.
<b>Quality Control Standards and Other Quality Control Guidance</b> Firms are required to implement a system of quality control in accordance with the quality control standards.	✓			QA reviews are done in accordance with ISQC 1- Quality Control Standards.
Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.	✓			Updated ISQC1 policies are as per the International Auditing Standard. The PAAB, which is the regulator has adopted all the International Accounting Standards, International Financial Reporting Standards (IFRS), International Standards on Auditing (ISAs) and other pronouncement by IAASB
Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	✓			PAAB performs the entire review process including assisting members in identifying weaknesses, reviewing remedial action overtime of the quality control and raising awareness of system of quality control.  ICSAZ conducts workshops and Continuous Professional Development (CPDs) to educate its members on new standards, regulation, national policies and to refresh the members on accountancy issues.
<b>Review Cycle</b> A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.	✓			PAAB reviews are performed on a 3-year cycle and all firms that perform audit of financial statements are reviewed within this 3year cycle at firm and engagement level reviews. Some firm reviews and engagements reviews are also based on risk-based approach, that is, based on client profile or existing risks.  Currently, ICSAZ members are not in audit practice.

SMO 1 Best Practice	Yes	No	Partially	Comments
For cycle-based approach, quality control reviews are required to take place at least every six years (and every three years for audits of public interest entities).	✓			PAAB reviews are performed on a 3-year cycle and all firms that perform audit of financial statements are reviewed within this 3year cycle at firm and engagement level reviews.
<b>QA Review Team</b> Independence of the QA Team is assessed and documented.	✓			PAAB Technical Team, currently the function is outsourced from both local and foreign. Each member has a cooling off period if they were recently recruited from a member firm before review of any related firm.
QA Team possesses appropriate levels of expertise.	✓			Qualified and experienced Chartered Accountants are mostly used in Audits of Financial Statements
<b>Reporting</b> Documentation of evidence supporting the quality control review report is required.	✓			Supporting documentations is filed and referenced to the final report that is issued to the respective firm or partner reviewed
A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	✓			Supporting documentations is filed and referenced to the final report that is issued to the respective firm or partner reviewed
<b>Corrective and Disciplinary Actions</b> Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.	✓			Each partner/firm with weaknesses noted are given timelines for response and remedial action whereupon there are re-reviewed where necessary.
QA review system is linked to the Investigation and Discipline system.	✓			Where extreme action is needed, reference is made to the PAAB and ICSAZ disciplinary rules and regulations.
<b>Consideration of Public Oversight</b> The body responsible for QA reviews cooperates with its oversight body and shares information on the functioning of the QA review system, as needed.	✓			Results of the QA reviews are shared with the PAAB Board.

<b>SMO 1 Best Practice</b>	<b>Yes</b>	<b>No</b>	<b>Partially</b>	<b>Comments</b>
<b>Regular Review of Implementation and Effectiveness</b> Regular reviews of implementation and effectiveness of the system are performed.	✓			Each partner/firm with weaknesses noted are given timelines for response and remedial action whereupon there are re-reviewed where necessary.

**Action Plan Subject:** SMO 2–International Education Standards for Professional Accountants and Other Pronouncements Issued by the IAESB  
**Action Plan Objective:** **Ensure that all IES requirements are incorporated into ICSAZ’s education requirements**

**Background:**

The ICSAZ Education System is governed by rules in the Members and Student’ Handbook set by the ICSAZ Education Committee and approved by the ICSAZ Council. The ICSAZ education system is derived from the IAESB and covers the competence framework of both professional accountants in business, public sector and those in auditing.

The PAAB is however, charged with, among other things, the maintenance of standards of examinations offered by constituent bodies and to evaluate examinations and training courses of foreign institutions with a view to making recommendations to the constituent bodies. PAAB also issues Practicing Certificates to members. Other PAOs also review each other’s curriculums when considering reciprocity arrangements.

The ICSAZ education program is fully aligned with that of the ICSA International, although the examinations are set locally by external examiners. ICSAZ does not provide tuition to students but conduct Winter School and seminars to equip students with the required knowledge and expertise.

The education system is meeting the International Education standards (IESs) including IES 7 for Continuing Professional Development (CPD). ICSAZ requires candidates to acquire intellectual skills, ethical, technical and functional skills, personal skills, and interpersonal and business management skills, through education and work related training (for a minimum of six years), prior to becoming a member and passing its [examinations](#). ICSAZ maintains a list of [accredited colleges](#) for students interested in pursuing the CIS qualification. ICSAZ states that its education programming and requirements are derived from the IES requirements and oversees a competency framework of both professional accountants in business, public sector, and those in auditing. The PAAB is responsible for reviewing and approving ICSAZ’s syllabus to ensure alignment with the IES.

ICSAZ is considering an enhanced practical training program for 2021 that aligns with IES 5. ICSAZ explained it intends to arrange for practical experience in accounting and auditing firms as articulated clerks. Currently, supervisors are to write reports on what the prospective candidate has done and submit these to ICSAZ’s membership committee for review.

The minimum entrance qualifications are as follows:

Two subjects passed at GCE ‘A’ level, plus five subjects at GCE ‘O’ level or higher with A, B, or C symbols.

i) The 'O' Level subjects must include English Language (English Literature is not counted as a separate subject) and either Mathematics or Accounting.

The following educational certificates will also be accepted for this registration:

- i) A degree or approved diploma of a recognized university
- ii) A matriculation or matriculation exemption certificate.

The diploma of a recognized professional body

Admission into the Associateship requires a member to have 6 years working experience and 8 years for a Fellow. ICSAZ has now adopted the 120 CPD hours per year requirement for its members

Practical Exposure

The ICSAZ programme is intended to marry theory with practice. In this regard it is the Institute's intention to have all students go through a period of practical exposure during studentship. Students who are unemployed or those not employed in relevant areas will be required to undergo a period of at least one year of industrial or commercial attachment in relevant positions. This period of attachment must be undertaken before one is allowed to write the Professional Programme Part I examinations. Any waiver of this rule, where possible, will need to be obtained from the Students Services Department before one registers to write the Professional Programme I examinations.

**Action Steps:**

#	Start Date	Actions	Completion Date	Responsibility	Resources
	March 2020	Formal adoption of the International Education standard by the education committee	31/03/2020	ICSAZ Education Committee	ICSAZ Council
	On going	Students on Professional 1 stage (or Part C) are required to complete a Professional Development Profile (PDP) as evidence for the work done. The PDP covers the work that would be done in Administration, taxation, accounting, finance, and auditing etc. The PDP is filed in the student's file.	On going	Members and Students department	ICSAZ staff

	On going	<p>In order for the ICSAZ curriculum to be inclusive, ICSAZ has revised its curriculum to include Public Sector Financial Management. ICSAZ also developed an accelerated program in consultation with CIPFA.</p> <p>The Institute revised its normal ICSA qualification route to include public sector financial management. The program has been designed for senior public sector employees in the finance department in order to professionalise the public sector. The accounting profession took cognisance that there were finance personnel already in the public sector who are already doing the job but not professionalised and those that need training or further training to qualify. Hence, ICSAZ was selected as one of the pilots PAOs to champion the accelerated Public Sector Capacity Building programme to capacitate the Public Sector with professional Accountants.</p> <p>The Accelerated Route shall have the following subjects and the program is expected to be completed in 18 months</p> <ul style="list-style-type: none"> <li>▪ Applied Governance, Risk and Compliance</li> <li>▪ Advanced Accounting and Financial Reporting</li> <li>▪ Corporate Secretarial Practice</li> <li>▪ Development of Strategy</li> <li>▪ Audit and Assurance</li> <li>▪ Public Financial Management</li> </ul>	On going	Members and Students department	ICSAZ staff
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		<ul style="list-style-type: none"> <li>▪ Corporate Law</li> </ul>			
June 2020	Students are required to attend at least 2 winter school before they are allowed to graduate. Thereafter, graduates and members in practicing are supposed to accumulate at least 120 hours CPDs hours and pay subscription fees to be in good standing.	On going	Members and Students Department	ICSAZ staff	
On going	Introduce stern measures to deter non-compliance of CPD as prescribed by IES 7. The members and Competency Committee has introduced the fining of non-compliant members.	On going	Members and Competency Committee	Committee and ICSAZ staff	
On going	Enforce standing rules and by-laws on the withdrawal of a Practicing certificate for those who are unable to complete the CPD hours on the 3-year cycle.	On going	Members and Competency Committee	Committee and ICSAZ staff	
On going	Enhance monitoring and verification to ensure full compliance by members with CPD requirements. An online system is available for members to submit their CPD hours	On going	Members and Competency Committee	Committee and ICSAZ staff	
Ongoing	Continuous evaluation & review of the ICSAZ qualification program to benchmark against all IES and International best practice.	On going	Education and Examination Committee	Committee members and ICSAZ staff	
On going	ICSAZ will continue to ensure new developments to the training of its members and post qualifications are consistent with all IESs. This is the responsibility of the Members and Competency Committee of ICSAZ. ICSAZ also participates	On going	Education and Examination Committee	Committee members and ICSAZ staff	

		in commenting in the exposure drafts and requests for comments as released by the IAESB.			
	On going	Review and update sections relevant to SMO 2 as necessary.	On going	Technical depart	Committee members and ICSAZ staff

**Action Plan Subject:** SMO 3–International Standards and other Pronouncements Issued by the IAASB

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

**Background:**

There are no local auditing standards in Zimbabwe and as such, in accordance with PAAB regulations, all ISAs and pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) are adopted as they are issued, without any amendments or revisions. The Zimbabwe Accounting Practices Board (ZAPB) is mandated with standard setting for Auditing and Accounting Standards. The Companies Act Chapter 24.03 section 149-154 and Zimbabwe Stock Exchange (ZSE) Listing rules section 8 state the regulations defining requirements for audit which requires application of all international standards as is. All Public interest organizations are required to be audited. All ISAs are fully adopted by PAAB and ICSAZ in turn is bound by these standards.

ICSAZ members comply with all Pronouncements from IAASB. ICSAZ also seeks to influence the development of ISAs by commenting on Exposure Drafts through the regulator, PAAB. In 2015 ICAZ technical committees were instrumental in assisting PAAB in rolling out the new and revised auditor reporting.

**Action Steps:**

#	Start Date	Actions	Completion Date	Responsibility	Resource
	On going	Review pronouncements issued by the IAASB, on an ongoing basis, with a view to assist implementation and communicate any new development to members.	On going	Legislation and Technical Committee	Committee members and Technical department
	On going	Review all IAASB agenda materials and exposure drafts and submit comments thereon.	On going	Legislation and Technical Committee	Committee members and Technical department
	On going	Intensify communication initiatives to members and the public about the current IPSAs, IFRS and ISA that are in effect and to be applied.	On going	Legislation and Technical Committee	Committee members and Technical department

	On going	Incorporate all newly issued IFRS, IPSASs, ISAs and practice statements by the IAASB into the ICSAZ examinations and CPD program.	On going	Legislation and Technical Committee	Committee members and Technical department
	On going	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. ICSAZ monitors any revisions or updates from IAASB and advises its members through CPDs, e-mails and publications. ICSAZ also comments on any pronouncements, Exposure Drafts and advises members on the proposed Exposure Drafts. ICAZ supports members in the implementation through CPD seminars. ICSAZ works closely with the standard setter in adoption and implementation of the auditing standards.	On going	Legislation and Technical Committee	Committee members and Technical department

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

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

**Background:**

The Institute of Chartered Secretaries and Administrators was originally founded in England in October 1891 and was known as the Institute of Secretaries. In 1902 it was granted its Royal Charter and became the Chartered Institute of Secretaries. The name has since been changed to The Institute of Chartered Secretaries and Administrators to more fully describe the status and capabilities of the members. The Institute in Zimbabwe was incorporated on 1<sup>st</sup> January 1971 by an Act of Parliament through the Chartered Secretaries (Pvt) Act, [Chapter 27:03] which generally prescribes the operations of the Institute in Zimbabwe, status of its members, relationship with Government and world at large.

Through the Chartered Secretaries (Pvt) Act, ICSAZ has been given the power to set standards it expects its members to abide by, failure of which can result in disciplinary action or deregistration of the member. ICSAZ's primary objective in this area is to ensure effective implementation of the Code of Ethics

The PAAB has adopted the IEBSA Code of Ethics as issued by the IESBA including effective date. This was circulated in the government gazette.

PAAB explains that if more stringent requirements arise, the PAAB will issue a regulation. In sum, however, the PAAB states that all PAOs (ICSAZ included) must apply the most current IESBA Code of Ethics as the minimum benchmark.

ICSAZ requires its members to observe the highest standards of professional conduct and ethical behaviour in all their activities. By maintaining these standards, members enhance their reputation as corporate managers and increase confidence in the management and administration of private and public sector organisations. As the conduct of an individual member can reflect upon the wider profession of corporate management and the Institute's membership as a whole, the code sets out what are deemed to be appropriate standards of professional conduct and is contained in the Members and Students' Handbook. Members are required to uphold the Institute's Charter and comply with the Bye-laws.

ICSAZ students and members are training based on the latest International Code and relevant CPD are continuously run to emphasize ethical behavior by ICSAZ members and students. ICSAZ is also very active in the IESBA work and contributed into the "Professional Skepticism and Judgement" project in 2017. ICSAZ participates in the IESBA comment letters and exposure drafts as and when released.

All members of ICSAZ are required to adhere to the international and the Institute's Code of Ethics.

**Action Steps:**

#	Start Date	Actions	Completion Date	Responsibility	Resource
	On going	Continue efforts to advise members and the public on the revisions of the Code of Ethics. ICSAZ to continue organizing workshops on the expected ethical conduct of the members. The Corporate Governance workshop are held yearly the session is expected to cover ethical conduct of members	On going	Members and Competency Committee	Committee members and ICSAZ staff
	On going	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.	On going	ICSAZ Council	Technical Advisors
	On going	Review and update sections relevant to SMO 4 as necessary.	Annually	ICSAZ CEO	Technical Advisors

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

**Background:**

Public sector accounting in Zimbabwe is regulated by an Act of Parliament - The Public Finance Management Act [Chapter 22:19]. According to the Act, its purpose is to provide for the control and management of public resources and the protection and recovery thereof; to provide for the appointment, powers and duties of the Accountant-General and of his or her staff; to provide for the national budget; to provide for the preparation of financial statements; to provide for the regulation and control of public entities; to provide for the raising, administration and repayment of loans by the State and for the giving of guarantees in respect of certain loans; to provide for general treasury matters; to provide for the examination and audit of public accounts; to provide for matters pertaining to financial misconduct of public officials. Currently, public sector financial statements, other than for those entities that use IFRS by virtue of them being companies, are prepared using a customised cash accounting basis.

The Government of Zimbabwe, through the Ministry of Finance (Office of the Accountant General) administration has begun implementing the accrual based International Public Sector Accounting Standards (IPSAS) on a phased basis as of January 2018. However, the IPSASs are still to be implemented and have not been formally incorporated in the existing legal framework. The IMF has been working with the PAAB and the Government in a bid to expedite the IPSASs adoption in the country. A number of awareness workshops have been organised to map the way forward with regard to adopting IPSASs. The Government is expecting have fully migrated to Accrual based Accounting by 2025. PAAB has developed roadmaps that are tailor made to each applicable sector e.g. Local Authorities and Parastatals.

ICSAZ was selected as one of the pilot Profession Accountancy Organisations (PAOs) to champion the accelerated Public Sector Capacity Building programme in order to capacitate the Public Sector with professional Accountants. ICSAZ worked with Chartered Institute of Public Finance and Accountancy (CIPFA) to come up with the program that was launched by the Minister of Finance and Economic Development of the 1<sup>st</sup> of April 2019.

ICSAZ's primary objective in this area is to promote the adoption and implementation of the International Public Sector Accounting Standards (IPSASs) in Zimbabwe. Its objective is to address issues related to Public Sector Reporting. ICSAZ is working closely with the Government through the Auditor General and Accountant General's Offices to ensure implementation and adoption of IPSASs

This will be the pillar for public-sector accountability. ICSAZ has been partnered with CIPFA with regards to implementation of the public-sector qualification which shall be the back-bone of adoption, education and compliance with IPSASs and ISSAIs.

ICSAZ has already started training on the IPSAS programme, the Accelerated route. The first class is expected to start in June 2019.

The audit general office has already been trained in both IPSAS and ISSAIs. Some of the public-sector entities have been already using accrual basis IPSAS i.e. estimated 40% of Local Authorities.

**Action Steps:**

#	Start Date	Actions	Completion Date	Responsibility	Resource
	January 2017	ICSAZ is one of the Pilot PAO on the implementation of IPSAS and launched the IPSAS accelerated programme on 1 <sup>st</sup> of April 2019. ICSAZ was selected as the implementing partner in Zimbabwe because of the skills resident in it. The first class commenced on the 17 <sup>th</sup> of June 2019	On going	CEO, Marketing & Technical Staff	ICSAZ Staff
	April 2019	ICSAZ is involved in organizing of Public Sector CPDs and awareness. So far, ICSAZ has met with Government Training Centres in Harare, Bulawayo, Gweru and Bulawayo to make arrangement for training of IPSAS. ICSAZ has made a presentation to City of Bulawayo on how the Institute would assist them in the implementation of the IPSAS and migration of Cash based accounting to Accrual Based Accounting. Some of the topic that will be included in the CPDs include <ul style="list-style-type: none"> <li>▪ Importance of Transparency and Accountability for</li> <li>▪ IPSAS Technical Update</li> </ul>	On going	CEO, Marketing & Technical Staff	ICSAZ Staff
	On going	Enhance the program for responding to IPSASs exposure Drafts - Technical articles to be done and circulated to members in the Technical Bulletin	On going	Marketing & Technical Staff	Committee members, CIPFA, Technical Team

#	Start Date	Actions	Completion Date	Responsibility	Resource
	On going	ICSAZ is now in the Implementation of Phase of IPSAS programme and is engaging all stakeholder to ensure that the Public sector id professionalized and the its members receive the necessary training and knowledge of IPSAS	On going	CEO, Marketing & Technical Staff	Committee members, CIPFA, Technical Team
	On going	Continue to identify opportunities to further assist with the implementation of IPSASs. This includes review of the existing activities and preparation of the Action Plan for future activities where necessary.	On going	CEO, Marketing & Technical Staff	Committee members, CIPFA, Technical Team
	On going	Review and update sections relevant to SMO 5 as necessary.	On going	Technical team	ICSAZ staff
	On going	Support ongoing adoption and implementation of the IPSAS. This includes review and comment on the Exposure Draft on IPSAS	On going	Technical team	ICSAZ staff

**Action Plan Subject:** SMO 6—Investigation and Discipline

**Action Plan Objective:** Review and Further Develop ICAZ’s Investigation and Disciplinary (I&D) System

**Background:**

The Investigations, Disciplinary Committees and Appeal Tribunal of ICSAZ all operate in line with the Terms of Reference which have been adopted as standing orders by the ICSAZ Council. The Investigations Committee is tasked with investigating allegations of misconduct made against a member or a student. If investigations done by the Committees show that a prima facie case exists, the case is referred to the Disciplinary Committee. This Committee then organizes for a hearing at which the accused is given an opportunity to be heard before a ruling is made. In terms of section 34 of the PAAB Act each constituent body shall be responsible, in the first instance, for the professional conduct of its members and shall have the power to undertake disciplinary proceedings against such members and to punish them for breaches of the rules. Section 34 of the PAAB Act states that where a member has contravened any rule, the constituent body shall provide the PAAB with such information. A member is given 30 days in which to make an appeal to the PAAB for review of the decision of the constituent body.

The PAAB may in its By-laws prescribe rules of professional conduct to be observed by registered members. Each constituent body has been empowered to make rules in accordance with the enactment under which it is established. Such rules should not be inconsistent with the rules made by the PAAB. (Section 33 of the PAAB Act).

ICSAZ has an Investigation Committee (IC) which is tasked with investigating allegations of misconduct made against a member or a student and if a prima facie case is established the cases are referred to the Disciplinary Committee (DC). The Disciplinary committee can co-opt a legal practitioner and senior counsel as advisors. The Committee has full delegated powers to investigate and finalize cases for which it is appointed. Where a member is not satisfied with the outcome of the Disciplinary committee, the member can appeal to the Appeal Tribunal before going to the PAAB for appeal or High Court

In response to the need to comply with the requirement that the IC should have members of the committee include professional accountants as well as non-accountants. These 3 committees have non-accountants in the Committee.

During the year 2018, no issues were investigated. In 2019, 3 significant cases were investigated.

**Action Steps:**

#	Start Date	Actions	Completion Date	Responsibility	Resource
	On going	Ongoing evaluation and review of the I&D system to ensure it is operating effectively and conforms to SMO 6 requirements.	On going	Technical team	ICSAZ staff
	On going	Advise members on any changes to the ICSAZ I&D procedures and systems. ICSAZ will also continue to draw members' attention to the by-laws on investigations and disciplinary requirements. Presently this is done through a section in the Members and Student Hand Book and Annual Report that reports on the activities of the Committee.	On going	I&D Committees and Technical	Committee members and ICSAZ staff
	On going	Ensure ICSAZ's investigation and disciplinary mechanism continues to address all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	On going	CEO; I&D Committee; Registrar; Technical Staff	ICSAZ staff and Committee members
	On going	At the beginning of each Presidential year, the Terms of Reference of the Investigation and Discipline Committee are circulated to all members for their information together with Terms of Reference for various ICSAZ Committees.	On going	Registrar	ICSAZ staff
	On going	Review and update sections relevant to SMO 6 as necessary.	On going	CEO; I&D Committee; Registrar; Technical Staff	ICSAZ staff and Committee members

SMO 6 Best Practices	Yes	No	Partially	Comments
<b>(Para #) Scope of the system</b> A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	X			
Information about the types of misconduct which may bring about investigative actions is publicly available.	X			
<b>Initiation of Proceedings</b> Both a “complaints-based” and an “information-based” approach are adopted.	X			
Link with the results of QA reviews has been established.	X			
<b>Investigative process</b> A committee or similar body exists for performing investigations.	X			
Members of a committee are independent of the subject of the investigation and other related parties.	X			
<b>Disciplinary process</b> A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.	X			
Members of the committee/entity include professional accountants as well as non-accountants.	X			
The tribunal exhibits independence of the subject of the investigation and other related parties.	X			
<b>Sanctions</b> The disciplinary system allows imposing an extensive range of penalties. It is particularly important to include	X			

SMO 6 Best Practices	Yes	No	Partially	Comments
(a) loss of professional designation; (b) restriction and removal of practicing rights; and (c) exclusion from membership.				
<b>Rights of representation and appeal</b> A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	X			
<b>Administrative Processes</b> Timeframe targets for disposal of all cases are set.	X			
Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	X			
Records of investigations and disciplinary processes are established.	X			
<b>Public Interest Considerations</b> Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	X			
A process for the independent review of complaints on which there was no follow-up is established.		X		
The results of the investigative and disciplinary proceedings are made available to the public.		X		
<b>Liaison with Outside Bodies</b> There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	X			

SMO 6 Best Practices	Yes	No	Partially	Comments
<p><b>Regular review of implementation and effectiveness</b></p> <p>Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.</p>		X		

**Action Plan Subject:** SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB

**Action Plan Objective:** Continue to Use Best Endeavors to Maintain and Improve an Ongoing program for Adoption and Implementation of IFRS

**Background:**

The PAAB is governed by the Public Accountants and Auditors Act Chapter 27:12 of 1995. Through this Act and other Acts such as the Companies Act Chapter 24:03 and the Banking Act Chapter 24:20 of 1999, enforcement of compliance with the legal reporting framework is made possible. The PAAB through its sub-committee, the Zimbabwe Accounting Practices Board (ZAPB) has adopted all International Financial Reporting Standards (IFRSs) and other pronouncements issued by the International Accounting Standards Board (IASB) as the financial reporting framework applicable in Zimbabwe. All listed companies and all financial institutions are required to prepare their financial statements under IFRSs. Private companies may also elect to comply or opt for the IFRS for SMEs. ICSAZ also prescribes that its members adhere to all IFRS requirements for financial reporting purposes. All Zimbabwe companies returned to full IFRS compliance in 2011 – post the hyperinflationary period which had made it impractical to adhere to IFRSs

PAAB adopted IFRS for Small and Medium Enterprises (SMEs) in June 2012 via the PAAB BOARD approval and a communique was sent to PAAB member bodies on the adoption. PAAB issued implementation guidelines and continue to encourage entities that meet the scope of IFRS for SME to adopt the standard.

ICSAZ continues to hold awareness programs to alert the market of the developments through CPD programs and bulletins. ICSAZ through the Technical department is very active in the IFRS developments and comments on all relevant requests for comment letters.

**Action Steps:**

#	Start Date	Actions	Completion Date	Responsibility	Resource
	On going	Continue to support the implementation of IFRSs in Zimbabwe on an ongoing basis. Seminars are held at regular intervals to update members on any improvement projects by IASB. Up-dates shall continue to be done through the ICAZ magazine, Techmail and e-mails.	On going	CEO and Technical staff	ICSAZ Staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
	On going	Continue to use best endeavors by identifying opportunities to further assist in implementation of IFRSs. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.	On going	CEO and Technical staff	ICSAZ Staff
	On going	Provide training and education on IFRSs and actively participate in the IASB work programme.	On going	CEO and Technical staff	ICSAZ Staff
	On going	Review and update sections relevant to SMO 7 as necessary.	On going	CEO and Technical staff	ICSAZ Staff
	On going	ICSAZ will continue to review and submit comments on Exposure Draft to IASB	On going	CEO and Technical staff	ICSAZ Staff