

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:	Association of International Certified Professional Accountants–CIMA
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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.

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective: As a non-audit body, to highlight CIMA’s commitment to Quality Assurance in relation to its Members in Practice licensing and monitoring scheme.

Background:

The online [Licensing Platform](#) reinforces CIMA’s licensing regime and ensures confidence in the high standards of regulatory compliance and professional competence of CIMA members in practice. This is demonstrated through best practice and regulation in the public interest.

Since August 2012 a new [Quality Assurance](#) scheme has been in place involving quality checking mandatory requirement documents. Its purpose is to ensure compliance with the [Member in Practice rules](#) to ensure that members are meeting CIMA’s and IFAC’s quality checking criteria. The process and guidelines have been embedded into the regulatory and compliance framework.

CIMA have continued to highlight the importance of Quality Assurance, both through the revised Monitoring scheme and through continued work on the value of [Professionalism](#) which places an emphasis on the importance of maintaining professional standards through regulation and compliance.

For more information on the support CIMA provides for Members in Practice please visit the [Members Handbook](#).

#	Start Date	Actions	Completion Date	Responsibility	Resources
<i>Improvements to Process</i>					
1.	January 2013	An audit was carried out on members who had started but not completed all the stages of the online licensing platform and those that appeared as potentially in breach of the regulations were contacted. This was carried out as a one-off initiative but there is a scoping exercise underway to explore the possibility of conducting this on an annual basis in a less resource intensive way.	June 2013	Director of Professional Standards & Conduct	Professional Standards Team
2.	February 2013	CIMA member appointed on FEE SMP Forum.	Ongoing	Director of Professional Standards & Conduct	Professional Standards Team

#	Start Date	Actions	Completion Date	Responsibility	Resources
3.	July 2013	A robust content review of the Members Handbook was completed, using analytics data showing site usage and webpage statistics, in order to ensure improved content, navigation and accessibility. This also gave CIMA's Charter, Bylaws and regulations greater prominence and visibility to the membership.	September 2013	Vice President Professional Standards and Conduct	Professional Standards Team
4.	January 2014	Development of a downloadable and printable leaflet , promoting the benefits and outlining regulatory responsibilities for current and incoming Members in Practice.	July 2014	Vice President Professional Standards and Conduct	Professional Standards Team
5.	February 2014	Following the pilot scheme, a revised Quality Assurance scheme has been adopted with compliance checks carried out annually.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team, Professional Standards Committee, Member in Practice Management Panel, Chairman of the Practising Certificate Assessor Panel
6.	Jan 2015	Improvements to CIMA's AML/CTF annual return to enable CIMA to better understand and mitigate risks associated with its members' practice.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team
7.	Nov 2015	Robustness of Practising Certificates reviewed. Certificates no longer valid indefinitely, Now only valid for one year and issued electronically.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards team
8.	Jan 2016	Regulations around personal insolvency updated (Regulation 19) to allow for clearer reporting to CIMA and for a more robust process / protection of the public.	Dec 2016	Vice President Professional Standards and Conduct	Professional Standards Team
9.	July 2016	Introduce an onsite AML/CTF compliance programme for members in practice whereby those considered greater risk are visited by CIMA to offer them support and enable compliance. Improved support package to help members meet AML/CTF obligations.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards team / third party supplier to undertake visits

10.	May 2017	Clear communications and support to members in practice advising them of their obligations under the Money Laundering Regulations 2017	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team, Communications Team
11.	Oct 2017	Introduction of criminality check requirement to AML/CTF processes (Regulation 26, Money Laundering Regulations 2017). All new and current members working in practice (and relevant persons associated with the practice) must submit evidence (a basic disclosure certificate) that they hold no relevant convictions.	Ongoing	Vice President, Professional Standards and Conduct	Professional Standards team
<i>Maintaining Ongoing Processes</i>					
12.	Ongoing	Communicating Anti Money laundering compliance and disseminating information from the Treasury, National Crime Agency and the Home Office to members through articles and web guidance.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team
13.	Ongoing	Member of HMRCs Agent Strategy Group advising on the development of the online Tax filing system, with a view to deliver a fit for purpose tool that meets the needs of Tax agents.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team
14.	Ongoing	Attendance at Accountants Affinity Group (AAG) and the Anti-Money Laundering Supervisors Forum (AMLSF) to maintain involvement in regulatory and best practice issues.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team
15.	Ongoing	Disseminate information from the IFAC Small and Medium Practices Committee to Members in Practice.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team
16.	Ongoing	Upgrades to internal database and website carried out regularly to improve user experience and regular testing undertaken for Quality Assurance.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team, Operational Delivery Team
17.	Ongoing	CPD resources made available to members and output based scheme adopted and monitored.	Ongoing	Vice President Professional Standards and Conduct	Professional Standards Team
<i>Review of CIMA's Compliance Information</i>					

18.	Ongoing	<p>Carry out periodic reviews of compliance with spirit of SMO in relation to quality assurance of Member in Practice licensing and monitoring process.</p> <p>Inform IFAC Compliance team of any updates to facilitate publication of revised details.</p>	Annually	Vice President Professional Standards and Conduct	Professional Standards Team
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Main requirements of SMO 1

Requirements	Y	N	Partially	Comments
<p>Scope of the system</p> <p>1. At a minimum, mandatory QA reviews are required for all audits of financial statements.</p>				
<p>Quality Control Standards and Other Quality Control Guidance</p> <p>2. Firms are required to implement a system of quality control in accordance with the quality control standards.</p>				
<p>3. Most up-to-date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.</p>				
<p>4. Member body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.</p>				
<p>Review cycle</p> <p>5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.</p>				

Requirements	Y	N	Partially	Comments
6. For the 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).				
QA Review Team				
7. Independence of the QA Team is assessed and documented.				
8. QA Team possesses appropriate levels of expertise.				
Reporting				
9. Documentation of evidence supporting the quality control review report is required.				
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.				
Corrective and disciplinary actions				
11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.				
12. QA review system is linked to the Investigation and Discipline system.				
Consideration of Public Oversight				
13. The body responsible for QA reviews cooperates with its oversight body and shares information on				

Requirements	Y	N	Partially	Comments
the functioning of the QA review system, as needed.				
<p>Regular review of implementation and effectiveness</p> <p>14. Regular reviews of implementation and effectiveness of the system are performed.</p>				

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

Action Plan Objective: To increase student opportunity to sit final examinations using technology enabled methods. To ensure members understand and embrace the CPD requirements for their personal and ongoing professional development.

Background:

CIMA is committed to providing students with greater flexibility in successfully progressing through their examinations. As a global organization we need to ensure that we can offer consistent student support for all papers in all markets.

[CIMA Professional Development](#) is the continuing professional development scheme for CIMA members. It is designed primarily to help CIMA members and their employers fulfil their career aspirations and enjoy the benefits of their development activities. It is an output based scheme and is applicable to all members. Unlike input based schemes - where there is a requirement to count hours or units – CIMA’s CPD allows members to focus on learning activities that directly relate to their role and future career aspirations.

CIMA has reviewed the revised IESs, and we believe that CIMA’s approach to the content, assessment and practical experience requirements meets (and in some cases exceeds) the standards required.

#	Start Date	Actions	Completion Date	Responsibility	Resources
<i>IES 6 Assessment of Prof Capabilities and Competence</i>					
1.	July 2009	Online Support added for students, including regular blogs posts, from students and staff. Additional discussion groups solely for students, including specific areas for various papers added to CIMAsphere .	Ongoing	Director, Learning Directorate	Learning Directorate
2.	March 2010	The T4 Part B Case Study examination offered four times a year. Four Part B Case Studies now provided every year, as part of exam service delivery to students. Guidance and support for students updated to reflect changes, including example question papers, model answers and post exam guides. This has been further expanded to include all professional papers. At the moment, all papers other than T4 part B case study are offered on a resit basis only, and in certain key markets (please see item 10 below).	Ongoing	Director, Learning Directorate	Learning Directorate
<i>IES 7 CPD – Requirement</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resources
3.	January 2006	All members must follow the CIMA Professional Development cycle which requires not only record keeping, but clear justification of the CPD undertaken. CIMA CPD requirements communicated to all members via email, website, magazine articles, social media, workshops/presentations (both online and face to face), and personal contact with staff.	Ongoing	Director of Professional Development = Management Accounting	Engagement and Learning Innovation Team
4.	January 2006	Resources to support lifelong learning communicated to CIMA members on an ongoing basis via email, website, magazine articles, social media, workshops/presentations (both online and face to face) and personal contact with staff.	Ongoing	Director of Professional Development = Management Accounting	Engagement and Learning Innovation Team
5.	January 2010	Business Source Corporate – an e-library resource providing access to thousands of full text business and academic journals - made available to all CIMA members free of charge.	Ongoing	Director of Professional Development = Management Accounting	Engagement and Learning Innovation Team
6.	November 2014	CPD animation developed to communicate CIMA's CPD requirements to all members.	Ongoing	Director of Professional Development = Management Accounting	Engagement and Learning Innovation Team
7.	April 2014	CGMA competency framework - designed to help management accountants and their employers understand the knowledge requirements and assess the skills needed for both current and desired roles. The framework is underpinned by the need for objectivity, integrity, and ethical behavior, and includes a commitment to continuously acquire new skills and knowledge. The framework will evolve in line with the profession. A review of the CGMA Competency Framework Competency Framework, is currently under review and will be relevant for the revised syllabus and CPD offerings. This framework previously comprised four areas-technical skills,	Ongoing Ongoing	EVP Academics EVP Research and Curricula	Academics Team Joint Venture Project team

	From Q3 2018	business skills, people skills and leadership skills, underpinned by ethics, integrity and professionalism. These will be retained with an additional focus on the impact of technology on the finance function, and the finance professional. This is in response to the extensive global research identifying the potential impact of digital technology on the profession		development	
8.	January 2015	Underpinned by the CGMA competency framework, the Competency and learning website helps members identify their learning needs, find resources and record their development activity. Use of this website for CPD monitoring purposes will be mandatory from 1 September 2018.	Ongoing	Director of Professional Development = Management Accounting	Engagement and Learning Innovation Team
9.	April 2017	CGMA Store – an online shop which allows members to explore an unprecedented range of resources to support their continuing professional development.	Ongoing	EVP Engagement and Learning Innovation	Engagement and Learning Innovation Team
10.	May 2018	Human Intelligence – new resources being developed to support the enhancement of members’ people and leadership skills. To include online courses, podcasts, videos and webcasts.	Ongoing	Director of Professional Development – Management Accounting	Engagement and Learning Innovation Team
<i>Maintaining Ongoing Processes</i>					
11.	2009	<p>A review of all examination processes has been ongoing since 2009 focusing on the opportunity to adopt technology driven solutions to improve efficiency and customer service. In addition to the introduction of the additional exam sessions (detailed in 10 below) there have been a number of other significant process improvements. The key process improvements include:</p> <ul style="list-style-type: none"> In October 2012, CIMA’s Certificate of Business Accounting (CBA) assessments were migrated from the existing provider to Pearson VUE. Doing so significantly increased the geographical reach of the CBA exams, together with offering more modern exams. 	Ongoing	Director, Examinations	Education Directorate Staff

		<ul style="list-style-type: none"> Exam marks by question are now routinely issued on examination results statements. New assessment products have been developed, offering qualifications in the Russian language and in Arabic. 			
12.	2010	An additional session of examinations on PC for all three strategic level papers and on paper for papers P1 & P2 was introduced in Sept 2010. A UK re-sit facility was included only for the purpose of the pilot. Due to the success of the pilot, this was extended to include papers E2 and F2 in the March 2011 examination session, and finally to include all papers (E1 and F1) at the September 2011 examination session. This will continue into 2012 and beyond. All ten professional papers are available for re-sitting at selected centres in the UK, Sri Lanka and the Republic of Ireland. (T4 Part B Case Study is also available for first time sittings and at a greater number of exam centres). There are plans to extend this pilot further to include more markets.	Pilot – September 2011 – Now Fully Operational	Director, Examinations	Education Directorate Staff
13.	January 2015	Certificate in Business Accounting (Cert BA). In keeping with CIMA's commitment to ensure the syllabus is relevant and keeps up to date with industry requirements, this qualification has been reviewed and updated with first exams in January 2017. Global research with employers, academics, tuition providers, and other stakeholders informed the move from five subjects to four and to a principles based approach to areas such as business law. The Ethics and Corporate Governance topics have been increased and the relevant mathematics content has been integrated into the three financial subjects and therefore taught in context. This has been received well and ensures a strong focus on the core competencies needed in a first level finance role, as defined by employers and builds on transferable employment skills. The Cert BA remains both an entry point to the Professional qualification and thereby removing any academic barriers to entry, and a standalone qualification.	Ongoing	Assessment – Director, Examinations Senior Director, Syllabus Development Learning Support – Director of Learning	Education Directorate Staff
	From July 2019	CIMA has developed a revised syllabus for first assessment in 2015. This has been designed following comprehensive global research with a significant number of different			

	<p>organisations. A competency framework has been developed which shows the skills, abilities and competencies that finance professionals require to drive the success of their organisations. This revised syllabus is based on this CGMA competency framework, which comprises four key areas: technical skills, business skills, people skills and leadership skills. This competency framework provides the foundation for CIMA's 2015 syllabus and assessment strategy and methods. Significant changes have been made to the assessment of candidates so that there will be a move away from paper-based examinations to reflect the wider use of technology, both in education and in the workplace. The structure, type, technology and frequency of assessments have changed. A two-tier structure has been introduced, comprising objective tests for each of the nine subjects, and an integrated case study exam at each of the three levels. Both types of assessments are computer-based, and can be taken on demand (for objective tests) and four times per year (for the integrated case study exams).</p> <p>The focus for tuition partners moved towards ensuring students are competent in the tasks they need to perform in the work place, in addition to having the technical knowledge. Student and tutor support and advise is ongoing to ensure the necessary changes in teaching and learning are in place.</p> <p>Further details on the 2015 CIMA Professional Qualification Syllabus can be found at: http://www.cimaglobal.com/2015-syllabus/</p> <p>In line with CIMA's commitment to ensuring the Professional Qualification remains relevant and up-to-date, we are currently completing the final stage of research for the next syllabus update. The Research and Syllabus teams are currently completing employer related research to develop thought leadership around the role of the finance in organisations and the role of the finance professional, taking into account drivers of change, and technology</p>			
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		<p>advancements in particular. The research analysis will again inform the new and/or additional knowledge, skills and competencies required by employers, and the qualification that will ensure these are met. The structure of the qualification will retain the three learning pillars and three level as the current (2015) syllabus and will continue to be assessed by Objective tests and an integrated case study. This will ensure the technical knowledge is learnt, and the integrated, task based case study, will test application as well as the skills, behaviours and competencies required in the work place, at different job levels. These can include the ability to problem solve, recommend solutions, and communicate messages across the business, consideration of any ethical issues, and leadership capabilities, amongst others.</p> <p>The syllabus is closely linked to the Competency Framework, which highlights the skills, abilities and competencies that finance professionals require now and in the future. This is described above in section 9 as it relates to both the syllabus and CPD activity.</p>			
<i>Review of Organisation's Compliance Information</i>					
14.	Ongoing	<p>In accordance with the regulations, CIMA Members are required to undertake CPD and must maintain a record, whether or not they are requested for information in one particular year.</p> <p>Annual monitoring cycle runs from October – September; reporting to and review by Panel of CPD assessors and Professional Standards Committee.</p>	Ongoing Mandatory Requirement	Director, Professional Standards & Conduct	Professional Standards Team

Action Plan Subject: SMO 3–International Standards and other Pronouncements Issued by the IAASB
Action Plan Objective: To notify CIMA Members of all International Standards, related Practice Statements and other papers issued by the IAASB.

Background:					
CIMA, as a non-audit body, aims to highlight key pronouncements of the IAASB to the extent that they might impact on the work of our members. The joining of CIMA and the AICPA into an overarching body has provided an opportunity to provide more information to members of the new “Association” about the pronouncements of the IAASB.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Innovation in Discussion & Debate</i>					
1.	Ongoing	Monthly summary of financial reporting news in online journals and newsletters containing information about relevant pronouncements.	Ongoing	Technical Committee (Oversight)	Education Directorate
2.	Ongoing	Ad hoc specific articles in the online online journals and newsletters and the CIMA magazine ‘Financial Management’ .	Ongoing	Technical Committee (Oversight)	Education Directorate
3.	Ongoing	Social media and online communities – report on and provide discussion facilities on relevant issues.	Ongoing	Technical Committee (Oversight)	Education Directorate
<i>Review of Organisation’s Compliance Information</i>					
4.		CIMA complies with the requirements of the UK Financial Reporting Council.	Ongoing	Technical Committee (Oversight)	Education Directorate and Professional Standards Department

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: To ensure members and registered student are fully aware of the provisions of the IFAC Code of Ethics; and, to facilitate and support their compliance with them.

Background:					
<p>The CIMA code of Ethics is based primarily on the IESBA code - which CIMA adopted in 2005, applied from 2006 and revised in 2015. CIMA's code has been widely publicised to both members and students to reflect its status at the core of CIMA's strategic positioning. CIMA members and students are engaged in ongoing and lively debates around ethics. CIMA encourages a two way conversation to ensure its messaging in support of the code is received, as well as observed and relayed to others within the organisation.</p> <p>For more information about ethics at CIMA, please visit: www.cimaglobal.com/ethics.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adopting the IFAC Code of Ethics</i>					
1.	January 2015	Promotion of Code of Ethics, with feedback from key stakeholders encouraged using social network sites, CIMA publications, ethics events and social media outputs.	Ongoing		
<i>Promoting and Applying the CIMA Code of Ethics to Members and Students</i>					
2.	Current	Regularly consult the IFAC website and review communications to keep up to date on any ongoing regulatory or compliance work.	Ongoing		
3.	Current	All resources and outputs relevant to ethics made available to members and students online and are regularly updated to ensure ongoing relevance.	Ongoing		
4.	To March 2018	Thought leadership outputs produced in partnership with external organizations such as a report produced with Transparency International with globally relevant content, distributed via online media, website, e-magazines and CIMA's Financial Management magazine. This includes but is not exclusive to a report.	Ongoing	Associate Director, Ethics	Governance & Professional Standards Directorate

#	Start Date	Actions	Completion Date	Responsibility	Resource
5.	Current	Ongoing communication of importance of UK Bribery Act and related anti-corruption legislation and initiatives. Member/Student support on Bribery Act and guidance produced in various formats and some in partnership with other organisations. www.cimaglobal.com/bribery	Ongoing		
6.	January 2017	Phase 2 consultation response to – <i>IESBA Improving the Structure of the Code of Ethics for Professional Accountants</i> .	July 2017	Vice President Professional Standards and Conduct	Governance & Professional Standards Directorate
7.	July 2016	Updated the student ethics support tool to align with the 2017 Certificate in Business Accounting Syllabus. The interactive e-learning tool provides an overview of the CIMA Code of Ethics, the importance of ethics in the workplace, and how ethical considerations may appear in CIMA exams. The update included more relevant case study exam questions, based closer to wider business and the syllabus. www.cimaglobal.com/studentethicstool	December 2016	Associate Director, Ethics	Governance & Professional Standards Directorate
<i>Ethics Support Services</i>					
8.	Current	Ethics support in place, including an ethics helpline, UK & European Legal advice line (incl. whistle-blowing law), global guidance line (till May 2017) alongside a number of other support services.	Ongoing		
9.	Current	Helpline and guidance on resolving ethical conflicts on ethics micro-site, including an Ethics Checklist , Ethical Lens e-newsletter and in institute newsletters and magazines.	Ongoing		

10.	Current	CPD and research/roundtable events (globally) with related press and platforming such as regular surveys of members and students to understand needs.	Ongoing		
11.	Current	Publications, Webcasts and Videos including global research on ethics and management accountants with AICPA. CGMA guidance includes: Business and Human Rights: Evolution and Acceptance , Internal Trust: Building Alliances from Within , Ethical Due Diligence in Hiring and Assessing Professional Accountants , Keeping Business Clean: A CGMA guide to countering fraud and corruption , Anti-Corruption Landscape 2017	Ongoing		
12.	Current	Case studies and ethics tools revised to the updated syllabus and made available to members, students and tutors online and via publications.	Ongoing		
13.	January 2018	Set up a mentoring scheme with Members in Practice to help provide technical guidance to Ethics helpline callers where needed. The perceived uptake of this scheme is about 4/5 calls per year, but allows members access to greater technical advice where needed.	Ongoing		
<i>Review of Organisations' Compliance Information</i>					
14.	Current	Review of IFAC Code of Ethics as changed to ensure compatibility of CIMA Code of Ethics. This includes the updated changes published in April by IESBA on the Code of Ethics for Professional Accountants.	Ongoing	Professional Standards Committee	Governance & Professional Standards Directorate
15.	Current	[NOCLAR]	Ongoing	Vice President Professional Standards and Conduct	Governance & Professional Standards Directorate
16.	January 2017	Publication of CIMA's Communication on Engagement for the United Nation Global Compact. https://www.unglobalcompact.org/participation/report/cop/cr	June 2017	Associate Director, Ethics	Governance & Professional Standards Directorate

		eate-and-submit/detail/347251			
17.	January 2017	Review of the internal ethical council governance spending, travel and subsistence policy.	June 2017	General Secretary, Professional Standards and Conduct	Governance & Professional Standards Directorate

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: To facilitate CIMA engagement with issues raised via IPSAS and other guidance issued by the Public Sector Committee (PSC) of IFAC.

Background:					
<p>The UK public sector applies accounting guidance which is broadly consistent with IPSAS though accounts are produced using International Financial Reporting Standards as adopted by the EU. IPSAS, which are relied on where they address issues not covered by the IFRS or IAS, or where they offer guidance on interpretations for the public sector context.</p> <p>This action plan is designed to facilitate CIMA’s contribution to the development of the profession (non audit related) in the international public sector arena through the articulation and dissemination of best practice; and to help address the accounting needs of public sector entities by facilitating an ongoing dialogue and debate.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
1.	Ongoing	Financial reporting news in online newsletter CGMA Advantage (members) Connected (students) and CGMA.org contains information about new and amended public sector standards.	Ongoing	Technical Committee (Oversight)	Communications, PR & Brand Directorate
2.	Ongoing	Ad hoc specific articles in the online journal CGMA Advantage and the CIMA magazine ‘Financial Management’.	Ongoing	Technical Committee (Oversight)	Communications, PR & Brand Directorate
3.	Ongoing	Social media reporting and discussion on new public sector reporting issues.	Ongoing	Technical Committee (Oversight)	Communications, PR & Brand and Education Directorates
4.	Ongoing	Extensive work with the UK public sector to embed performance management and finance professionalism.	Ongoing	Technical Committee (Oversight)	Education & Advocacy Directorates
<i>Review of Organisation’s Compliance Information</i>					
5.	Ongoing	CIMA complies with the requirements of the UK Financial Reporting Council.	Ongoing	Technical Committee	Professional Standards, Technical and Research & Development teams

Action Plan Subject: SMO 6–Investigation and Discipline
Action Plan Objective: To continue to use CIMA’s best endeavours to facilitate compliance with the requirements of IFAC SMO 6 towards the maintenance of high professional standards and an effective conduct regime.

Background:					
<p>CIMA is committed to a regulatory system which is open and accountable, with procedures and processes which are fair, timely and effective, and demonstrably so to stakeholders worldwide. We ensure that CIMA’s conduct processes are effective in dealing with complaints of professional misconduct, in the interests of the public and all stakeholders, we are dedicated to advancing our regulatory system in line with best practice developments, innovating appropriately without any compromise to transparent decision making.</p> <p>CIMA has reviewed the revised SMO 6 (2012) requirements. CIMA’s I&D system fulfills all of the main SMO 6 requirements.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Incorporation of SMO / Regulatory Recommendations in CIMA Constitution & Rules</i>					
1.	Ongoing	<p>Review and modify byelaws and regulations in accordance with regulators’ recommendations and best practice (Professional Standards Committee, Council and/or Membership at AGM).</p> <p>To insert Byelaws changed since 2016</p>	AGM Annually in June - Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team
<i>Review & Maintain CIMA’s Investigation & Disciplinary Processes in line with SMO 6</i>					
2.	Ongoing	<p><u>Misconduct:</u> Byelaw reviewed annually to consider amending if appropriate</p>	AGM Annually-in June - Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team
3.	Ongoing	<p><u>Sanctions:</u> Continue monitoring of sanctions imposed by conduct committees, ref: fairness, proportionality and consistency of decision making.</p> <p>Annexe 1 to the Indicative Sanctions Guidance produced to detail sanctions imposed in cases since Indicative Sanctions Guidance was produced.</p>	Ongoing and 2018	Governance & Professional Standards Directorate	Professional Conduct Team

		Further review of Indicative Sanctions Guidance to be carried out to consider an approach which, rather than detailing previous decisions, provides a framework for considering sanctions in any case (2018).			
4.	Ongoing	<p>Provision of Information & Guidance to Members: Ongoing regular review of conduct related content on CIMA website; augmenting information and guidance on disciplinary processes and protocols to secure greater transparency and accessibility.</p> <p>A full review of the website is ongoing and is due to be completed in 2018.</p>	Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team
5.	Ongoing	<p>Conduct committee procedures and indicative sanctions guidance posted on website which includes:</p> <ul style="list-style-type: none"> • Information for CIMA respondents - members and registered students; • CIMA conduct committees guidance notes and rules; • Public hearing and upheld decisions details added to the website regularly. • A full review of these documents will be completed in 2018. 	Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team
6.	Ongoing	<p>Liaison with External & Regulatory Authorities: Maintain liaison and information exchange with regulatory bodies and other external authorities during the course of conduct work.</p> <p>Revise regulations to reflect changes in the wider regulatory environment in which CIMA operates and in direct response to recommendations of national/International regulators.</p> <p>Irish Auditing and Accounting Supervisory Authority (IAASA) review carried out in 2017 and recommendations to be considered as part of 2018 review of processes.</p>	Ongoing and 2018	Governance & Professional Standards Directorate	Professional Conduct Team

		2012 Byelaw revisions provide for CIMA’s adherence to the processes of the current Article 4 (d) public interest organisation by (i) adding to the definition of “complaint”, (ii) explicitly stating that an expulsion recommendation by the Article 4 (d) public interest organisation will result in termination of CIMA membership and (iii) the same for registered student cancellations.			
7.	Ongoing	Revise regulations to reflect changes in the wider regulatory environment in which CIMA operates and in direct response to recommendations of national/International regulators.	Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team
8.	Ongoing	Initiation of Proceedings: Maintain complaints based approach as primary driver of proceedings in line with current regulations. CIMA also raises complaints.	Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team
9.	Ongoing	Investigative Powers & Processes: Maintain adherence to relevant provisions of the Royal Charter and Byelaws to ensure ongoing cooperation with external organisations in respect of public interest issues, and require cooperation from members and registered students in the investigation of complaints. Maintain appropriate expertise plus adequate financial and other resources to ensure effective and efficient management of the conduct process.	Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team
10.	Ongoing	<u>Disciplinary Process:</u> Continue to improve clarity of existing process, for example by revisions to regulations and procedures and by making information available to stakeholders. A complete review of all standard letters (to complainants, respondents and committee/panel members) was carried out in 2017 to ensure clarity of communications. The process for hearings on the papers was enhanced to ensure greater clarity and guidance.	Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team

11.	Ongoing	<p>Rights of Representation & Appeal: Continue to ensure relevant regulations and procedures are maintained which permit respondents' rights of representation at Disciplinary Committee hearings and rights of appeal to the Appeal Committee.</p>	Ongoing	Governance & Professional Standards Directorate	Professional Conduct Team
12.	Ongoing	<p>Administrative Process: Continue to apply benchmarking measures to CIMA case management process.</p> <p>Continue to produce regular benchmark reports tracking case progression; continue to review progress & exceptions.</p> <p>Review benchmarking trends and criteria annually to ensure ongoing efficiency of process.</p> <p>Continue to provide regular statistical reports to CIMA committees and Council.</p> <p>Continue to apply confidentiality measures appropriate to conduct process and in relation to the handling, recording and use of conduct data.</p>	Ongoing	Professional Conduct Department	Professional Conduct Team
<i>Review of CIMA's Compliance Information</i>					
13.	Ongoing	Perform periodic review of CIMA's response to the IFAC Compliance Self-Assessment questionnaires; update sections relevant to SMO 6 as necessary.	Annually	Governance & Professional Standards Directorate	Professional Conduct Team

Main Requirements of SMO 6

Requirements	Y	N	Partially	Comments
Scope of the System				See answers generally below.
1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	Y			
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	Y			For example on our website: https://www.cimaglobal.com/Professionalism/Conduct/What-is-misconduct/Examples-of-misconduct/
Initiation of Proceedings				
3. Both a “complaints-based” and an “information-based” approach are adopted.	Y			A complaint may be made for example by a member of the public, or by the Institute where information is received as to a concern about a CIMA member.
4. Link with the results of QA reviews has been established.	Y			If documentation submitted during the QA process does not reach the standard required, the first step is remediation. In the event that this fails, or that documentation is not submitted at all, disciplinary proceedings are possible.
Investigative Process				
5. A committee or similar body exists for performing investigations.	Y			The Investigation Committee considers complaints and determines whether there is a prima facie case to answer, and if so whether to refer a case to the Disciplinary Committee. While there is no formal investigation activity prior to the IC, with the more cogent evidence gathering beginning post referral to the DC, in reaching its determination the IC may require the Institute to obtain further information or undertake inquiries on its behalf.
6. Members of a committee are independent of the subject of the investigation and other related parties.	Y			Committee members are independently appointed and may not be members of CIMA’s governance structure. Conflict checks are also undertaken in relation to each case which is considered.
Disciplinary Process				
7. A separate disciplinary committee/entity exists	Y			It is the role of the Disciplinary Committee to decide whether a complaint which has been referred to it is upheld and if so

Requirements	Y	N	Partially	Comments
to make disciplinary decisions on referrals from the investigation committee.				what sanction (if any) should be applied.
8. Members of the committee/entity include professional accountants as well as non-accountants.	Y			Each panel which hears a case comprises a lay chair, a further lay member and a member of the profession.
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	Y			Committee members are independently appointed and may not be members of CIMA's Council. Conflict checks are also undertaken in relation to each case which is considered.
Sanctions				
10. The disciplinary system allows imposing an extensive range of penalties. It is particularly important to include (a) loss of professional designation; (b) restriction and removal of practicing rights (c) suspension; and (d) exclusion from membership.	Y			The DC may admonish, reprimand or severely reprimand a member. It may also cancel the registration of a member in practice and order his practicing certificate to be withdrawn. The DC may in addition impose a fine on a respondent, order his suspension from membership, or expel him from membership. It may also make a respondent's membership subject to conditions. In relation to registered students, the DC may cancel their registration or make it subject to conditions.
Rights of Representation and Appeal				
11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	Y			The Appeal Committee considers whether a complaint has been properly heard and whether the rules of natural justice and relevant principles of human rights have been observed. The AC comprises different members from those on the IC and DC.
Administrative Processes				
12. Timeframe targets for disposal of all cases are set.	Y			Targets are in place for disposal of cases at both IC and DC stage.
13. Tracking mechanisms to monitor progress in investigation and discipline and related	Y			New complaints are logged and their progress through the system is monitored regularly and recorded on a tracker used to record all cases being dealt with by the Professional

Requirements	Y	N	Partially	Comments
procedures are established.				conduct team.
14. Records of investigations and disciplinary processes are established.	Y			Correspondence, decisions of committees, transcripts of meetings and hearings are held electronically
Public Interest Considerations				
15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	Y			Full information on the conduct process is available via the CIMAGlobal website. https://www.cimaglobal.com/Professionalism/Conduct/
16. A process for the independent review of complaints on which there was no follow-up is established.				Any pre-IC decision not to proceed with a complaint is reviewed by the Lead Manager, Professional Conduct. CIMA has regarded it as adequate up to now for staff to monitor the work of the IC (without having power to overturn any IC decision). Parties also have recourse to the Financial Reporting Council though they do not have appellate authority. The parties do also have the opportunity to independently apply for a judicial review of the decision.
17. The results of the investigative and disciplinary proceedings are made available to the public.	Y			Decisions made are posted on CIMA's website in accordance with the publications policy. They are maintained on the website for a period of time which varies according to the seriousness of the sanction. All decisions are available upon request for a period of five years.
Liaison with Outside Bodies				
18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	Y			Information is regularly provided to the police upon request and we fully cooperate with police investigations. We further cooperate with other bodies on investigations where appropriate.

Requirements	Y	N	Partially	Comments
<p>Regular Review of Implementation and Effectiveness</p> <p>19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.</p>	Y			<p>Reviews can and do take place in a number of ways. The system as a whole is under continuous review for improvement by staff to ensure that processes remain up to date and in line with good practice.</p> <p>The conduct process is also reviewed formally under the authority of CIMA's Professional Standards Committee.</p> <p>External oversight bodies such as the Financial Reporting Council and Irish Auditing and Accounting Supervisory Authority (IAASA) also scrutinize processes and the FRC may review particular cases.</p>

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective: To ensure maximum compliance by CIMA with SMO 7.

Background:					
CIMA, as a non-audit body, aims to highlight awareness of the IFRS regulatory environment to its members and students particularly those management accountants working in multinational firms; and, to facilitate discussion and debate around the content and requirements of key IFRS along with other commonly encountered issues.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
1.	Ongoing	SM07 All IFRSs are logged on the CIMA website. Material standards are reported through articles in online communications and the CIMA magazine ' Financial Management '.	Ongoing	Technical Committee (Oversight)	Brand, Profile & Marketing Directorate
2.	Ongoing	CIMA's Financial Reporting Development Panel consists of a number of senior preparers of corporate reports who meet as required to discuss relevant corporate reporting issues including IASB and IIRC proposals.	Ongoing	Technical Committee (Oversight)	Brand, Profile & Marketing Directorate
<i>Review of Organisation's Compliance Information</i>					
4.		CIMA complies with the requirements of the UK Financial Reporting Council.	Ongoing	Technical Committee	Brand, Profile & Marketing Directorate



The Chartered
Institute of
Management
Accountants®

19th March 2019

Ms Alta Prinsloo
Executive Director, Quality & Development
IFAC
529 5th Avenue
New York
New York 10017
United States

Dear Ms. Prinsloo,

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

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

On behalf of the leadership of CIMA, I 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,

Gail Stirling

Secretary General and Executive Vice-President, Professional Standards and Conduct
The Chartered Institute of Management Accountants

19/3/2019