BACKGROUND NOTE ON ACTION PLANS

The SMO Action Plan is intended to provide a summary of:

1. The legal and regulatory environment for the profession;

2. The status of adoption of international standards and best practices in the jurisdiction; and

3. The actions undertaken by IFAC Members and Associates to support adoption and implementation of international standards and best practices.

IFAC Statements of Membership Obligations (SMOs) require IFAC Members and Associates to support the adoption[1] and implementation[2] of international standards and other pronouncements issued by independent standard-setting boards (IAASB, IESBA, IPSASB), and the IES, 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. The SMOs are recognized as the international benchmarks for credible and high-quality PAOs that are focused on and have the necessary expertise to serve the public interest and meet the market demands of their respective jurisdictions.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where, if any, improvements are needed. Members and Associates should develop an 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. Action Plans are designed to be ever-green documents that take into consideration IFAC recommendations. Depending on the PAO's level of fulfillment (see *IFAC's Summary Assessment* – page 2), an Action Plan may not be necessary for each SMO section and instead the '*Attestation of Ongoing SMO Compliance*' is used to confirm their ongoing commitments. However, PAOs may wish and are welcome to utilize the Action Plan as a tool to demonstrate how they are using 'best endeavors' and going beyond their mandate with innovative approaches to fulfilling the SMOs and strengthening the national profession.

The specific details of each organization's actions will vary even where two PAOs are involved in the same SMO area. Each PAO operates in its own unique regulatory and standard-setting framework and has different operating, technical, and resource capacities. Moreover, in deciding when and how a particular SMO requirement is to be addressed, PAOs might have differing timeframes and objectives to achieve. Notwithstanding these inevitable differences, seeking the advice and assistance of other PAOs who have already faced and dealt with similar challenges can save significant time and resources. IFAC staff will offer assistance as needed.

Use of Information
Please refer to the *Disclaimer* published on the IFAC website.

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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 affect 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.

The regular updates of the SMO Action Plans are required as part of the IFAC Member Compliance Program. The SMO Action Plans are also essential to IFAC's reporting on the global status of international standards. The SMO Action Plans are a key source of information that IFAC utilizes as part of its process and methodology for assessing the status of adoption of international standards in each member jurisdiction in collaboration with the international independent standard-setting boards. IFAC also assesses the adoption, implementation support, and other best practices (also known as SMO Fulfillment) for each IFAC member organization utilizing information contained in the SMO Action Plans along with a plethora of third-party sources. This information is summarized in Dashboard Reports (DBRs) which are updated by IFAC alongside each SMO Action Plan submission. Therefore, it is important that the SMO Action Plan contains the most up-to-date, relevant information and actions related to the SMOs.

ACTION PLAN

IFAC Member: Institute of Chartered Accountants of Zimbabwe (ICAZ)
Approved by Governing Body: ICAZ Board
Original Publish Date: July 2010
Last Updated: September 2022
Next Update: September 2026

IFAC's Summary Assessment: IFAC staff will complete this section at the conclusion of each SMO Action Plan review and update process. PAOs are encouraged to take staff's recommendation into consideration as part of future strategic planning conversations at the PAO.

For more information on IFAC Member Compliance Program and the legends used to describe the status of adoption of international standards, best practices, and fulfillment of SMO requirements, please refer to the Status of Adoption methodology and SMO Fulfillment methodology.

FOR IFAC COMPLETION	PAO Level of Responsibility for Adoption	Adoption Status as of 2022	Level of SMO Fulfillment as of 2022
QA / SMO 1	No Direct	🟩 Adopted	🟩 Sustain
IES / SMO 2	Shared	🔺 Partially Adopted	🟩 Sustain
ISA / SMO 3	No Direct	🟩 Adopted	🟩 Sustain
IESBA / SMO 4	Shared	🟩 Adopted	🟩 Sustain

IPSAS / SMO 5	No Direct	🔺 Partially Adopted	🟩 Sustain
I&D / SMO 6	Shared	🔺 Partially Adopted	🟩 Review & Improve
IFRS / SMO 7	No Direct	🟩 Adopted	🟩 Sustain

Attestation of SMO Compliance

The **ICAZ** has developed an Action Plan to demonstrate how it fulfills the requirements of the SMOs. The abovementioned *Governing Body* has reviewed the information contained within the SMO Action Plan and affirms that the **ICAZ** continues to undertake these and other relevant actions to maintain ongoing compliance and fulfillment of the membership obligations where IFAC's assessments are at *Review & Improve* and/or *Sustain*. In areas where IFAC's assessments are at *Execute*, *Plan*, *Consider*, or *Not Active* the **ICAZ** has updated the Action Plan to reflect the specific actions to adopt or support adoption and support implementation that must be taken to achieve the improvement accompanied by a timeline.

On behalf of the **ICAZ**, the *Governing Body* endorses the information contained within the SMO Action Plan as of the publication date and its publication 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.

GLOSSARY:

AGM	Annual General Meeting
APC	Accounting Procedures Committee
APSC	Auditing and Professional Standards Committee
CA	Chartered Accountant
CAA	Chartered Accountants Academy
CA(Z)	Chartered Accountant (Zimbabwe)
CEO	Chief Executive Officer
CPD	Continuous Professional Development Committee
DNC	Developing Nations Committee
EB	Examination Board
EC	Education Committee
I&D	Investigation and Discipline
IAASB	International Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IAS	International Accounting Standard
IASB	International Accounting Standards Board
ICAZ	Institute of Chartered Accountants of Zimbabwe (or the Institute)
ICT	Information and Communication Technology
IES	International Education Standard
IESBA	International Ethics Standards Board for Accountants
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standard
IPSAS	International Public Sector Accounting Standard
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standard on Auditing
ISQC	International Standards on Quality Control
ISQM	International Standard on Quality Management
PAAB	Public Accountants & Auditors Board (Zimbabwe)
PAFA	Pan African Federation of Accountants
PR	Public Relations
PSC	Public Sector Committee
QA	Quality Assurance
SAICA	South African Institute of Chartered Accountants
SME	Small and Medium Enterprises
SMO	Statement of Membership Obligations
TOLC	Tax and Other Legislation Committee

ABOUT ICAZ

The Institute of Chartered Accountants of Zimbabwe (ICAZ) is a statutory body incorporated under the Chartered Accountants Act (Chapter 27:02). Its members and students are governed by the following laws and instruments;

- Chartered Accountants Act Chapter 27:02
- Chartered Accountants By-Laws
- Public Accountants and Auditors Act Chapter 27:12
- International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants

The Roles of ICAZ

- Develops Chartered Accountants
- Administers students training records
- Supervises accredited training offices (ATOs).
- Monitors and regulates the conduct of its members.
- Maintains a register of members who are in public practice.
- Provides thought leadership engagement on economic and business matters.
- Leads on Accounting Technical Issues.
- Administers, conducts and controls the ICAZ examination structure through the Exam Board.
- Provides Continuous Professional Development opportunities to its members.
- Organises business events and conferences for the benefit of members and the public.
- Provides career guidance to prospective students
- Advocates for Government policy changes on behind of its members and stakeholders

Our Vision:

To be the pre-eminent professional body in the development and promotion of accountancy, assurance and advisory services, business and governance practices.

Our Mission:

To enhance the standing and recognition of the Chartered Accountant (Zimbabwe) qualification, locally and internationally, for the benefit of its members, and to support them in providing quality services in the public interest.

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

Background:

ICAZ took the decision to discontinue with their Practice Reviews as the PAAB Practice Reviews meet the SMO 1 objectives. Historically ICAZ had in place an active Practice Review Committee (PRC). The PRC's mandate was to review each practicing accountant at least once every three years. Awareness programs to members are being done through Continuous Professional Development (CPD) and bulletins. ICAZ will also continue 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. The relevant issues are identified by the APC, APSC and then CPD is administered by the CPD committee.

Quality reviews are being conducted by the Public Accountants and Auditors Board (PAAB), which is the accounting and auditing profession's regulatory body in Zimbabwe, the responsibility previously carried by ICAZ before the formation of PAAB. These quality reviews resumed in August 2012. Under the Public Accountants and Auditors Act 1996 (Chapter 27:12), as amended in 2016, the Public Accountants and Auditors Board (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 by the PAAB meets the requirements of SMO 1.

The guiding standards for the quality reviews are the ISAs, IFRS and the ISQC1. Following the issuance of ISQM1 and 2 as well as amendments to ISA220, the quality assurance processes are being reviewed to align with the new standards ahead of their effective date of 15 December 2022. ICAZ has also been learning on PAFA for technical resources around this topic including workshops and seminars. With the 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.

Internally ICAZ carries out its own Quality Assurance programs. The two areas ICAZ is now reviewing are Training Offices compliance to the ICAZ training regulations and Monitoring of Audit Reports through reviews done by the APC.

#	Start Date	Actions	Completion Date	Responsibility	Resource
Re-accreditation of Training Offices (Office Review Visits)					
1.	January 2014	It is now a requirement of the ICAZ Education Committee for all accredited training offices of ICAZ to be accredited at least once in three years. Reviewers appointed by the Education Committee visit the firms to assess compliance of the firm in terms of adhering to	Ongoing	Education Committee	ICAZ Staff and Committee members

		the education regulations as laid down by ICAZ which are in terms of the IESB Competence Framework. Offices are rated to indicate their level of compliance. The next office visit will depend on the level of compliance of the specific training office			
2.	January 2017	The Institute partnered with the Institute of Chartered Accountants England and Wales (ICAEW) to provide an online resource which allows members to access knowledge and thought leadership material. Under this online platform, members have access to premium technical resources on accounting, auditing and ethics via IAAE to help support the implementation of international standards. IAAE aims to assist members in doing business with confidence and complying with regulations. The resources enhance professional development and equip members with technical and practical resources to carry out their roles to the highest standard.	On-going	ICT Department	ICT/Library

Raising Awareness about the QA review System among ICAZ Members

In an effort to raise awareness about the QA review system, the following have been implemented by ICAZ:

Monitoring of Financial Statements

The APC and APSC review, every year, a third of financial statements for listed companies to check on compliance with IFRSs and ISAs. Summary of findings are communicated to preparers and auditors for them to note improvements in preparation of future financial statements. The auditors are given chance to address the identified non-compliances and if there are gross non-compliance matters, these are referred to the disciplinary committee.

CPD IFRS Sessions on IFRS held during the period:

- 22 June 2022 – a webinar on Introduction to IFRS for SMEs was held.
- 23 July 2022 – During the annual conference (Winter School) as part of the IFRS Update a topic on was presented. IAS21 Financial Reporting

Publications in ICAZ Newsletter and Magazines

Technical guidance papers are published to assist members with reporting issues. A quarterly technical bulletin was introduced in September 2016. To date four bulletins have been published.

Assessor Training Sessions

Assessor training sessions are held at least twice a year. The main outcomes of the sessions are for participants to be able to: understand the background of the assessments based on the competence framework; understand the accreditation and monitoring criteria for offices to be accredited to train ICAZ trainees; understand the structure of the ICAZ Training Program; understand the prescribed competencies under the Training Program and understand the differences between "basic" and advanced" contexts of evidence.

Maintaining Ongoing Processes

| 3. | Ongoing | Practice Review system will be reviewed on an ongoing basis in line with SMO 1 requirements. This includes periodic review of the operation of the Practice Review system and updating the Action Plan for future activities where necessary. ICAZ will offer support to the PAAB Reviews to ensure full compliance with IFAC requirements. | Ongoing | CEO of ICAZ, PAAB Practice Review Committee & Technical Staff | PAAB Practice Review Committee |

Review of ICAZ's Compliance Information

| 4. | Ongoing | Review and update sections relevant to SMO 1 as necessary. | Ongoing | Registrar/Technical Staff | ICAZ Members |

Main Requirements of SMO 1

Requirements	Y	N	Partially	Comments
Scope of the system 1. At a minimum, mandatory QA reviews are required for all audits of financial statements.	✓			Mandatory QA reviews are performed for all firms that have audits of financial statements on a 3-year circle.
Quality Control Standards and Other Quality Control Guidance 2. Firms are required to implement a system of quality control in accordance with the quality control standards.	✓			QA reviews are performed in accordance with ISQC 1 quality control standards.
3. Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.	✓			Updated ISQC 1 policies as per the International Auditing Standards
4. 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 2nd action plan on raising awareness of system of quality control. ICAZ provides CPD on relevant standards and will review a third of financial statements for listed companies to check on compliance with IFRS and ISA. Summary of findings are communicated to preparers and auditors for them to note improvements in preparation of future financial statements.
Review cycle 5. 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 3-year cycle at firm and engagement level reviews. Some firm reviews and engagements reviews are also based on risk-based approach i.e. e.g. based on client profile or existing risks.
6. For cycle-based approach, quality control reviews are required to take place at least every six years	✓			Refer above

Requirements	Y	N	Partially	Comments
(and every three years for audits of public interest entities).				
QA Review Team 7. Independence of the QA Team is assessed and documented.	✓			PAAB Technical Team—both local and foreign is used for reviews and each member has a cooling off period if they were recently recruited from a member firm before review of any related firm.
8. QA Team possesses appropriate levels of expertise.	✓			Qualified Chartered Accountants are used with experience in Audits of Financial Statements
Reporting 9. Documentation of evidence supporting the quality control review report is required.	✓			All documentation supporting the review is filed and referenced to the final report that is issued to the respective firm/ partner reviewed.
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	✓			Refer above
Corrective and disciplinary actions 11. 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.
12. QA review system is linked to the Investigation and Discipline system.	✓			Where extreme action is needed, reference is made to the PAAB and ICAZ disciplinary rules and regulations.
Consideration of Public Oversight 13. 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.
Regular review of implementation and effectiveness 14. Regular reviews of implementation and effectiveness of the system are performed.	✓			Refer to 11 above

Action Plan Subject: SMO 2 – International Education Standards and other IAESB Guidance
Action Plan Objective: Ensure that all IES requirements are incorporated into ICAZ's education requirements

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Background:

The ICAZ Education System is governed by rules set by the ICAZ Education Committee and Examination Board and approved by the ICAZ Council. The ICAZ education system is derived from the IAESB and covers the competence framework of both professional accountants in business and those in audit practice. 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 Institutes also review ICAZ's practice when considering reciprocity arrangements.

The ICAZ education program is fully aligned with that of the South African Institute of Chartered Accountants (SAICA). Qualifying examinations are fully outsourced from SAICA, except for modification of tax and law aspects to suit the local environment.

ICAZ provides administrative assistance to students studying towards qualifying as Chartered Accountants from undergraduate level to the Qualifying Examination stage. Since the qualifying examination is a common regional examination sat by students in Southern Africa (South Africa, Namibia and Zimbabwe), ICAZ's involvement is to adapt the examination for local tax and company legislation.

The education system meets the International Education Standards (IESs) including IES 7 for Continuing Professional Development (CPD). ICAZ has now adopted the following CPD requirement for new admissions into membership:
  i.   *An eligible applicant for membership of ICAZ should lodge his application for membership within 12 months from the latter of the date of completion of Articles of Clerkship or passing the Assessment of Professional Competence (APC) exams. If application is received within that period, the requirement for lodgement of formal CPD compliance will be waived;*
  ii. *Should application be received later than 12 months from the dates in (i), then application should be accompanied by proof of pro rata compliance with the CPD requirements noted above.*

To assist in maintaining professional competence amongst our members, ICAZ makes use of the following:
1. Development of a CPD calendar of events for the whole year based on feedback from members, findings of technical committees and any IFAC and standard setting bodies pronouncements and developments. Refer to page 90 to 95 2021 Annual Integrated Report
2. Accreditation of Training offices and Training of Qualified Chartered Accountants to be registered assessors for each applicable training office based on the updated ICAZ Competency Framework. Refer to link to the website on the training office accreditation process.
3. ICAZ has implemented online assessments such as the student training courses on the ICAZ Competency Training Model; CA Masterclass, Applied Taxation Course, IPSAS and Corporate Finance Courses. All these are offered on the ICAZ Learner Management Platform. .
4. The Institute through the ICT Committee has partnered with ICAEW to provide an online resource that allows ICAZ members to access high quality technical factsheets, guidance and webinars plus a regular e-bulletin, all designed for easy access on all devices.

#	Start Date	Actions	Completion Date	Responsibility	Resource
		New Developments			
5.	November 2017 2016	**Introduction of APC E-Writing** The e-writing pilot run for ICAZ students was introduced in 2017 where students were required to submit their answer scripts using their laptops as opposed to writing their answers on papers as had been the normal practice. As of now all students are now E-writing their examinations.= The competencies in technical, analytical, contextual and communication skills are assessed for each task. The number of tasks may differ in each year. Assessment per students in each of the tasks is done by grading them in the six levels of competency and then by an overall assessment. **The CA 2025 Project** ICAZ has an ongoing project to relook at the Competence Framework (CF) of a Chartered Accountant. The CF is the minimum expected attributes of a just qualified CA. Due to the dynamic global market pace driven by: internet of things (virtual economy), big data, crypto-currencies, social media, corporate failures and a host of other disruptions, ICAZ and the accounting profession realizes that the role of the CA has to be dynamic. Hence, the project CA2025 which aims at relooking at the CF of the CA and reconsidering these in order for CAs to stay relevant. This will in-turn have an effect on the structure of the exam and on the job training. The revised framework aims to inculcate four critical acumens in the student accountant i.e. Digital, Relational, Business and Decision Making. **Local Exam Setters and Markers** ICAZ is presently sourcing for local exam setters and markers. It is envisioned that potential markers would undergo	Ongoing Ongoing	Education Committee Exam Board	Education Manager Education Manager

#	Start Date	Actions	Completion Date	Responsibility	Resource
		training to be certified and recognized as ICAZ markers. Similarly, exam setters would be requested to meet minimum stated requirements and submit sample exams which would be evaluated by a team of experts in South Africa A pilot project is being run in collaboration with the CAA (ICAZ local technical consultant) and has so far achieved the following competences: • Thorough understanding of the IAESB competence framework; • Providing of tuition based on the competence framework • Practical training and training assessors • Setting and marking professional exams at all levels Thus, ICAZ (through CAA, its local service provider) is now involved in setting professional exams and marking exams under the mentorship of SAICA. The view is to continue to develop local capacity. Progress on localization of the marking and setting of the examinations is as follows: • Currently ICAZ has been represented by a number of markers who participate in the marking process at SAICA; • Taxation is already being marked locally; Plans are that ICAZ should be able to stand on its own to set and mark examination and the estimated/goal timeline is expected to be in about 5 years. ICAZ realizes the importance of accelerating this process but is hamstrung by necessary resources.			
		Improving Pre- and Post-Qualification Education Programs			
6.	January 2017	Revision to Training Competencies: As a result of a consultation process involving various stakeholder ICAZ revised the competencies that trainees are required to attain so that that their articles can be discharged	Ongoing	Education Committee	ICAZ Staff

#	Start Date	Actions	Completion Date	Responsibility	Resource

		i.e. technical and professional competencies. The 6 technical and 4 professional competencies are focused on completion of certain tasks in order to achieve proficiency in the skill where applicable. Refer below for the different competencies
		
		Professional Competency
		    1. Professional conduct
		    2. - Management and Leadership
		    3. - Professional Attributes
		    4. - Information Technology
		
		Technical Competency
		    1. Accounting & External Reporting
		    2. Financial Management
		    3. Auditing & Assurance
		    4. Risk Management & Governance
		    5. Taxation
		    6. Management Decision-making
		
		Updated Training Programme requirements major changes noted were:
		• Clarification of verbs in the tasks for understandability
		• Amendments to make tasks more practical
		• Addition of other tasks not previously included
		• Big change to Business Ethics i.e., alignment to the Code of Professional Conduct and new process of assessment (values versus skills)
		
		For ICAZ students, the new competence framework applies to all trainees effective whose contract are on or after 1 January 2017.
		
		The new competence framework does not apply to existing trainees whose training contracts will be discharged up to 31 December 2017.
		
		For all other existing trainees, it is recommended that the competencies would apply effective 1 January 2017, however			

#	Start Date	Actions	Completion Date	Responsibility	Resource
		training offices have the discretion to complete all such running contracts under the old competences. However, these will be updated after the CA2025 project has been completed.			
7.	2016	Introduce stern measures to deter non-compliance of CPD as prescribed by IES 7. The CPD committee has introduced the fining of non-compliant members.	Ongoing	CPD Manager & CPD Committee	CPD Manager
8.	Ongoing	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.	Ongoing	ICAZ Council,	Registrar
9.	Ongoing	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.	Ongoing	CPD Committee	CPD Manager
10.	Ongoing	Promote and advocate for all the local universities to incorporate IFRSs, IPSASs, ISAs, ISSAIs & Code of Ethics in their educational material. There is already good exposure to IFRS for local accounting students. PAAB is also disseminating IFRS based syllabi framework to local to universities for adoption.	Ongoing	EC; PAAB	Education Manager & Technical Staff
11.	Ongoing	Continuous evaluation & review of the ICAZ qualification program to benchmark against all IES and International best practice.	Ongoing	Council, EC; APC; TOLC and EB	Education Manager & Technical Staff
Maintaining Ongoing Processes					
12.	Ongoing	ICAZ will continue to ensure new developments to the training of chartered accountants and post qualifications are consistent with all IESs. This is the responsibility of the Examination Board, Education and CPD committees of ICAZ. ICAZ also participates in commenting in the exposure drafts and requests for comments as released by the IAESB.	Ongoing	Exam Board, Education Committee and CPD Committee	Technical Staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
Review of ICAZ's Compliance Information					
13.	Ongoing	Review and update sections relevant to SMO 2 as necessary.	Ongoing	Registrar/Technical Staff	ICAZ Members

Action Plan Subject: SMO 3 – IAASB Pronouncements
Action Plan Objective: Continue to Use Best Endeavours to Maintain an Ongoing Process to Adopt and Implement International Auditing and Assurance Standards Board (IAASB) Pronouncements

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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 and other Businesses Act Chapter 24.31 section 190-194 and ZSE Listing requirements section 240-250 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 ICAZ.

The APSC committee of ICAZ is ceased with matters relating to IAASB activities and its impact in audit practice. The APSC works closely with the ZAPB on any matters relating to auditing standard setting and implementation.

#	Start Date	Actions	Completion Date	Responsibility	Resource
		Continuous Improvements to Program for Adoption and Implementation of IAASB Pronouncements			
		Monitoring the IAASB Activities and Contributing to the International Standard-Setting			
14.	Ongoing	Review pronouncements issued by the IAASB, on an ongoing basis, with a view to assist implementation and communicate any new development to members.	Ongoing	APSC & Technical Staff	ICAZ Technical staff
15.	Ongoing	Review all IAASB agenda materials and exposure drafts and submit comments thereon.	Ongoing	ICAZ Technical team	APSC
16.	Ongoing	Intensify communication initiatives to members and the public about the current ISAs that are in effect and to be applied.	Ongoing	APSC	Technical staff, PR & CPD Officer and ICAZ Website

	Start Date	Actions	Completion Date	Responsibility	Resource
17.	Ongoing	Ensure new developments to the training of chartered accountants and post qualifications are consistent with all IES 4. *The new standards have been incorporated into the IPD education from the Undergraduate level till the Certificate of Theory in Accounting level. Refer to attached document.* ICAZ%20-%20Comp etence%20Framewo	Ongoing	EC; CPD Committee and Examination Board	EC; CPD Committee and Examination Board
	Supporting ICAZ Members with the Implementation of the Auditing Standards				
18.	Ongoing	ICAZ monitors any revisions or updates from IAASB and advises its members through CPDs, e-mails and publications. The most recent publication shared in June 2021 was related to the first-time implementation of International Standards on Quality Management ICAZ also comments on any pronouncements, Exposure Drafts and advises members on the proposed Exposure Drafts. ICAZ supports members in the implementation through CPD seminars. ICAZ works closely with the standard setter in adoption and implementation of the auditing standards. ICAZ conducted CPD webinars which gave an overview of the implications of 2018 qualified opinions. It also focused on both the impact of Covid-19 on audit reports and the key issues to consider on IAS29. Refer to page 92 of 2021 ICAZ Annual Report. Click here to view the 2021 Annual Integrated Report for the CPD seminars.	Ongoing	Technical staff, APSC & Council	Technical staff & APSC

19.	Ongoing	Issue out Technical Bulletins which highlight key developments in newly issued ISAs and practice statements as issued by the IAASB.	Ongoing	APSC & Technical Department	Technical staff & ICAZ Website

Review of ICAZ's Compliance Information					
20.	Ongoing	Review and update sections relevant to SMO 3 as necessary.	Ongoing	Technical Staff & Registrar	Technical staff & Registrar

Action Plan Subject: SMO 4 – IESBA Code of Ethics
Action Plan Objective: Maintain an Ongoing Process to Adopt and Implement the Requirements of the IESBA Code of Ethics

Background:

ICAZ was incorporated in 1918 under the Chartered Accountants Act, Chapter 27:02. As a body corporate, ICAZ can sue and be sued in its corporate capacity. Through the Chartered Accountants Act, ICAZ 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.

ICAZ's primary objective in this area is to ensure effective implementation of the Code of Ethics. In 2009 ICAZ resolved to adopt the IFAC Code of Ethics of the International Ethics Standards Board for Accountants (IESBA) with no amendments. After this, any revisions are adopted as and when published by IFAC and after getting the necessary approvals. Permission has been granted for ICAZ to use the 2020 Handbook of the International Code of Ethics for Professional Accountants.

All ICAZ students and members are expected to adhere to the IESBA Code of Ethics for Professional Accountants as non-compliance may lead to disciplinary action. Relevant CPD are continuously run to emphasize ethical behaviour by ICAZ members and students. ICAZ participates in the IESBA comment letters and exposure drafts as and when released.

Relevance to Zimbabwe

The Zimbabwe Public Accountants and Auditors Board (PAAB) approved and issued the IESBA International Code of Ethics Professional Accountants, including International Independence Standards (prescribed under Statutory Instrument 41 of 2019, with effect from 2019. It also adopted the amendments made to the IESBA Code, issued during 2018. The IESBA International Code of Ethics therefore applies to all registered public auditors, public accountants, general accountants and tax accountants (firms and individuals), regardless of whether their status is recorded in the PAABs register as practising or non-practising.

#	Start Date	Actions	Completion Date	Responsibility	Resource
Supporting the Implementation of the IESBA Code of Ethics by ICAZ Members					
21.	Ongoing	Continue efforts to advise members and the public on the revisions of the Code of Ethics. Organize workshops on the expected ethical conduct of the members. The New Members event was held on 07 September 2022 where the President emphasized the ethical conduct expected of members. This was also included in the Leadership Master Class Series held in March 2022 and in September 2022.	Ongoing	CPD Committee, Registrar & Technical Staff	ICAZ Registrar & CPD
Monitoring the IESBA Activities and Contributing to the International Standard-Setting					
22.		Review pronouncements issued by the IESBA, on an ongoing basis, with a view to assist implementation and communicate any new development to members. The immediate past CEO of ICAZ is a member of the IFAC Professional Accountants in Business (PAIB) Advisory Group Committee. The PAIB Advisory Group focuses on ensuring that accountants in business meet the future needs of business and the public sector.	Ongoing	APSC, Technical Staff	ICAZ CEO and Technical Advisor
Maintaining Ongoing Processes					
23.	Ongoing	The Institute will continue to ensure adherence to the Code of Conduct by regularly reviewing and updating the Action Plan. This will be done through regular CPD and Technical Bulletins	Ongoing	ICAZ Council	APSC & Technical Staff
Review of ICAZ's Compliance Information					
24.	Ongoing	Review and update sections relevant to SMO 4 as necessary.	Annually	ICAZ CEO & Technical Staff	ICAZ CEO & Technical Staff

Action Plan Subject: SMO 5 – International Public Sector Accounting Standards and Other IPSASB guidance

Action Plan Objective: Use Best Endeavours to Assist in the Adoption and Implementation of International Public Sector Accounting Standards (IPSASs) in Zimbabwe

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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 customized 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

Full implementation by all departments is targeted for December 2026. ICAZ aims to promote the adoption and implementation of the IPSAS in Zimbabwe through the Public Sector Task Force (PSTF) originally named the Public Sector Committee on creation in 2009. The committee's main objective is to address issues related to Public Sector Reporting, working closely with the Accountant General and Auditor General's Offices. ICAZ is currently offering an IPSAS Certification Course, whose main objective is to appraise public sector accountants on the interpretation and application of IPSAS. 188 students have been certified since its commencement in 2019.

In 2016, ICAZ was awarded a public-sector professionalization grant by IFAC and DFID. The Institute has made significant strides in the development of a second-tier public-sector focused qualification named the "Public Sector Professional Accountant of Zimbabwe". The first 10 members, who underwent an accelerated version of the course, were admitted into membership in June 2022.These first 10 members include the Auditor General and Accountant General of Zimbabwe. The Institute is also in the process of accrediting the first five public training offices in order to provide practical on the job training for fully fledged students. In December 2021 the Office of the Auditor General and Bulawayo City Council were accredited and 11 students have been enrolled.

#	Start Date	Actions	Completion Date	Responsibility	Resource
Promote the Adoption and Implementation of IPSASs in Zimbabwe					
25.	Ongoing	A Public Sector Task Force was set up by the Institute in 2009. The main role of this task force is to promote better communication between the profession and the public sector. The task force acts as an advisor to the public sector on public sector accounting, auditing standards, governance and other matter relating to the	Ongoing	ICAZ CEO & Technical Staff	PSTF & the ICAZ Technical Team

		public sector.			
26.	Ongoing	The Public Sector Task Force is involved in organizing of Public Sector CPDs. The annual ICAZ Public Sector Convention was held in October 2021 under the theme *Enhancing Public Sector Sustainability in the Covid-19 era and beyond*, with the following topics; • Sustainability in the Public Sector • Public Sector Accountants: Ethics during and post pandemic times • The role of Accountants in Building Back Better • Alternative means of raising capital and listing as a Public sector Reform tool	Ongoing	CEO, PSC & Technical Staff	PSTF & Technical staff.
27.	Ongoing	Enhance the program for responding to IPSASs exposure drafts- the Public Sector Task Force is now in place at ICAZ. Technical articles are done and circulated to members in the Technical Bulletin - with the most recent having been done at the end of 2021 and available of the IFAC Knowledge Gateway – *Strengthening a transparent and accountable Public Sector in Zimbabwe: How do PAOs fit in?*	Ongoing	Technical Staff; PSTF	Technical Staff
28.	Ongoing	ICAZ has made significant strides in the development of the Public Sector Professional Accountant Zimbabwe, through funding from CIPFA, DFID and IFAC. The First 10 members were accepted into membership in July 2022. Accreditation of Training Offices to provide on the job training is also ongoing with 2 Offices having been accredited. 11 student accountants have been registered as of now.	2021	Project Coordinator, ICAZ CEO; PSTF	Technical Staff

| 29. | 2019 | ICAZ has launched a 3-month short course which serves as an introduction to IPSAS standards, targeting public sector accountants, auditor and other professionals. This is meant to ensure there is increased knowledge of IPSAS standards ahead of the government's targeted adoption date for accrual accounting. | Ongoing | Technical Staff | Technical Advisory Services |

Maintaining Ongoing Processes

| 30. | Ongoing | 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. | Ongoing | Technical staff; CEO; PSTF | Technical Staff |

Review of ICAZ's Compliance Information

| 31. | Ongoing | Review and update sections relevant to SMO 5 as necessary. | Annually | ICAZ CEO & Technical Staff | Technical Staff |

Main Requirements of SMO 6

Requirements	Y	N	Partially	Comments
Scope of the system 1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	✓			
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	✓			
Initiation of Proceedings 3. Both a "complaints-based" and an "information-based" approach are adopted.	✓			
4. Link with the results of QA reviews has been established.	✓			
Investigative process 5. A committee or similar body exists for performing investigations.	✓			
6. Members of a committee are independent of the subject of the investigation and other related parties.	✓			
Disciplinary process 7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.	✓			The CEO is no longer a member of the Disciplinary Committee as he sits on the Investigations Committee.

8. Members of the committee/entity include professional accountants as well as non-accountants.	✓			3 legal advisors and a non-accountant have now been co-opted on to the committee. A retired judge has been engaged as the chairperson of the Disciplinary Committee and a legal practitioner engaged to assist with all issues referred from the IC.
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	✓			Members of the Committee who may be conflicted in any case are asked to recuse themselves from the case and the meetings discussing the same
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; and (c) exclusion from membership.	✓			
Rights of representation and appeal 11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	✓			
Administrative Processes 12. Timeframe targets for disposal of all cases are set.	✓			Targets are being set though some cases are still not being disposed of timeously due to late turnaround times when it comes to collecting additional evidence/statements from complainants.
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	✓			
14. Records of investigations and disciplinary processes are established.	✓			

Public Interest Considerations 15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	✓			The Institute has now posted on its website the steps that members of the public should take should there have a complaint against an ICAZ member or student.
16. A process for the independent review of complaints on which there was no follow-up is established.		X		
17. The results of the investigative and disciplinary proceedings are made available to the public.			X	Results of the investigations proceedings are shared in a summarized form in the ICAZ Annual Report.
Liaison with Outside Bodies 18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	✓			
Regular review of implementation and effectiveness 19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.			X	

Action Plan Subject: SMO 6 – Investigation and Discipline
Action Plan Objective: Further Develop ICAZ's Investigation and Disciplinary (I&D) System

Background:

The Investigations and Disciplinary Committees of ICAZ both operate in line with the Terms of Reference which have been adopted as standing orders by the ICAZ Council. The Investigations Committee (IC) is tasked with investigating allegations of misconduct made against a member or a student accountant. If investigations done by the Committee show that a prima facie case exists, the case is referred to the Disciplinary Committee (DC). 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).*

The Disciplinary Committee is now chaired by a retired Judge. The other committee members include the ICAZ President and the two vice presidents. Members from Council can be co-opted for any case and also legal counsel. The Committee has full delegated powers to investigate and finalize cases for which it is appointed.

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. The IC now consists of 3 legal representatives, 1 layman and 5 members of ICAZ.
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#	Start Date	Actions	Completion Date	Responsibility	Resource
Review of the Investigation and Disciplinary (I&D) System					
32.	Ongoing	Ongoing evaluation and review of the I&D system to ensure it is operating effectively and conforms to SMO 6 requirements.	Ongoing	ICAZ CEO & Registrar	ICAZ Registrar & Disciplinary Committee
33.	Ongoing	Advise members on any changes to the ICAZ I&D procedures and systems. ICAZ will also continue to draw members' attention to the by-laws on investigations and disciplinary requirements.	Ongoing	Registrar; Technical Staff	ICAZ membership Secretary; Technical Staff

		Presently this is done through a section in the Annual Report that reports on the activities of the Committee.			
Maintaining Ongoing Processes					
34.	Ongoing	Ensure ICAZ'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 necessarv.	Ongoing	CEO; DC; Registrar; Technical Staff	Technical Staff; Registrar & CEO
35.	Ongoing	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 ICAZ Committees.	Ongoing	Registrar	Investigations Committee and Disciplinary Committee
Review of ICAZ's Compliance Information					
36.	Ongoing	Review and update sections relevant to SMO 6 as necessary.	Ongoing	CEO of ICAZ IC & DC	ICAZ Registrar & CEO

Action Plan Subject: SMO 7 – International Financial Reporting Standards
Action Plan Objective: Continue to Use Best Endeavours 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 and other Businesses Act Chapter 24:31 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. ICAZ also prescribes that its members adhere to all IFRS requirements for financial reporting purposes.   Since 2011 were all entities managed to fully comply with IFRS, most entities could not fully comply with IFRS since 2019. This was largely due to the introduction of the new Zimbabwean currency which led to issues relating to long term exchangeability. In an endeavour to return to full compliance ICAZ has been actively contributing towards the amendments to IAS 21, by commenting on the Lack of exchangeability exposure draft. Which is being discussed at the IASB.

ICAZ through the APC is very active in the IFRS developments and comments on all relevant requests for comment letters. The APC committee works closely with PAAB and other regulators in the implementation of IFRS.   In 2016 the APC constituted an IFRS 9 implementation committee which assisted the banking sector in the implementation of IFRS 9. APC also has an Insurance Sector committee from which it is assisting Insurance companies in the implementation of IFRS 17, Holding CPDs and trainings which commenced in January 2022.

#	Start Date	Actions	Completion Date	Responsibility	Resource
Ongoing Program for Implementation of IFRS					

37.	Ongoing	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 are also done through the ICAZ magazine, newsletters and e-mails. The following CPDs on IFRS were held in 2021 and 2022: • 22 June 2022 – a webinar on Introduction to IFRS for SMEs was held. • 23 July 2022 – During the annual conference (Winter School) as part of the IFRS Update a topic on was presented IAS21 Financial Reporting	Ongoing	APC and CPD Technical Staff	Technical Staff & Technical Committees
38.	Ongoing	Provide training and education on IFRSs and actively participate in the IASB work programme.	Ongoing	APC and CPD Committee	Technical Staff

IFRS for SMEs					
39.	Ongoing	ICAZ continued to conduct webinars throughout the year. On 22 June 2022 – a webinar on Introduction to IFRS for SMEs was held.. The *IFAC Small Business Continuity Checklist* was shared with all members as a guidance.	Ongoing	CPD Committee	Technical Staff
40.	Ongoing	Engage Government (mainly tax authorities), PAAB & other relevant stakeholders so that IFRS for SMEs becomes the recommended reporting framework amongst Non-Public Interest entities in Zimbabwe and for public awareness campaigns to be held on the IFRS. –	Ongoing	TOLC, Council & ICAZ President	CEO & Technical Staff of ICAZ

Maintaining Ongoing Processes					

41.	Ongoing	Continue to use best endeavours 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.	Ongoing	APC & APSC	Technical Staff
42.	Ongoing	Submit comments to IASB on any Exposure Drafts. The following are the recent comments to IASB: • Exposure Draft Lack of Exchangeability • Submitted to the IAASB concerns between IAS 21 and IAS 29 in terms of the consolidation of a subsidiary from a non-hyperinflationary environment.	Ongoing	APC & APSC	Technical Staff
Review of ICAZ's Compliance Information					
43.	Annually	Review and update sections relevant to SMO 7 as necessary.	Annually	Technical Staff & CEO	Technical Staff