

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 and fulfill the membership requirements.

IFAC [Statements of Membership Obligations](#) (SMOs) require IFAC Members and Associates to support the adoption¹ and implementation² 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.

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. 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: Botswana Institute of Chartered Accountants
Approved by Governing Body: BICA Council
Original Publish Date: July 2008
Last Updated: October 2023

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 fulfilment of SMO requirements, please refer to the Status of Adoption [methodology](#) and SMO Fulfillment [methodology](#).

FOR IFAC COMPLETION	PAO Level of Responsibility for Adoption	Jurisdiction Adoption Status as of 2023	Level of SMO Fulfillment as of 2023
QA / SMO 1	No Direct	 Adopted	 Sustain
IES / SMO 2	Shared	 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	 Adopted	 Sustain
IFRS / SMO 7	No Direct	 Adopted	 Sustain

Attestation of SMO Compliance

The **BICA** 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 **BICA** 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 **BICA** 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 **BICA**, 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

ACCA	Association of Chartered Certified Accountants of the United Kingdom
AML	Anti Money Laundering
BAC	Botswana Accountancy College
BAOA	Botswana Accountancy Oversight Authority
BIA	Botswana Institute of Accountants
BICA	Botswana Institute of Chartered Accountants
CEO	Chief Executive Officer
CIMA - UK	Chartered Institute of Management Accountants - United Kingdom
CPD	Continuing Professional Development
ECSAFA	East, Central and Southern African Federation of Accountants
FIA	Financial Intelligence Act
FRA	Financial Reporting Act
IAASB	International Accounting and Auditing Standards Board
IAESB	International Accounting Education Standards Board
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICAEW	Institute of Chartered Accountants of England and Wales
IES	International Educational Standards
IESBA	International Ethics Standards Board of Accountants
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
IRBA	Independent Regulatory Board for Auditors
ISA	International Standard on Auditing
ISQC	International Standard on Quality Control
MFDP	Ministry of Finance and Development Planning
PAFA	Pan African Federation of Accountants
SME	Small-and-Medium-sized Entities
SMO	Statement of Membership Obligations
SMP	Small and Medium-sized Practitioners
UB	University of Botswana

General Actions

#	Start Date	Actions	Completion Date	Responsibility	Resource
1.	June 2007	Draft Policy Recommendations received from the IFAC Compliance Staff.	Completed	BICA CEO	The Technical Committee
2.	August 2007	Policy Recommendations are confirmed with the IFAC Compliance staff.	Completed	BICA CEO	The Technical Committee
3.	January 2008	Action Plan submitted to IFAC Compliance Staff for agreement and publication.	Completed	BICA CEO	Council
4.	October 2009	Through a project funded by the World Bank which aims to strengthen the BICA, a twinning arrangement was formed between the BICA and the ICAEW. The project commenced in October 2009, with one of its major goals being to create a professional qualification called the BICA. This will turn out to be, without doubt, one of the major developments in the accountancy profession in Botswana.	Completed	ICAEW, BICA Council	MFDP, World Bank and BICA
5.	April 2010	<p>As a starting point, the BICA strategy 2009 – 2011 had to go through a refresh to incorporate these new changes. The refresh began in October 2009 and the revised BICA Strategy 2010 – 2012 was approved by the BICA Council on March 10, 2010 and became operational with immediate effect.</p> <p>Implementation of the revised strategy which was intended to deliver comprehensive reports on:</p> <ul style="list-style-type: none"> ❖ Standards, codes and procedures ❖ Continuing Professional Development Completion June 2011 ❖ Governance and capacity building ❖ Deliver Botswana's own professional qualification. 	Completed	ICAEW, BICA Council	MFDP, World Bank and BICA

		The first three reports have already been delivered by ICAEW and approved by BICA and MFDP.			
6.		<p>The professional qualification has also been largely delivered –</p> <ul style="list-style-type: none"> ➤ The enabling legislation was passed in July/August 2010 and implemented on April 1, 2011 thus establishing the new Botswana Institute of Chartered Accountants (BICA). ➤ The Examination processes running smoothly and the BICA curriculum fully implemented. ➤ Study material from ICAEW also completed. ➤ Local variant study material completed. 	Completed	ICAEW, BICA Council	MFDP, World Bank and BICA
7.	July 2012	<p>The BICA Strategy 2013-2016</p> <p>The Institute identified four <i>Key Focus Areas(KFAs)</i> to concentrate on during the plan period and these are:</p> <ol style="list-style-type: none"> 1. Positioning the BICA qualification and brand 2. Increasing the number of BICA members and professional accountants in the country 3. Ensuring that BICA attains sustainability, and 4. Improving the services that BICA offers. 	Completed Implementation ongoing	BICA Council	BICA and independent consultant–Innolead Consulting

8.	July 2017	<p>The new BICA Strategy 2017-2021</p> <p>The Institute identified twelve <i>Key Focus Areas (KFAs)</i> to concentrate on during the plan period and these are:</p> <ol style="list-style-type: none">1. To increase revenue generation2. To increase registration of accountants in the country3. To enhance the BICA qualification4. To improve the CPD program5. To improve customer service6. To develop public sector support services7. To improve marketing and communication8. To strengthen partnership management9. To leverage technology10. To improve the monitoring of non- audit firms11. To improve management skills through coaching and mentoring12. To improve talent management	Completed Implementation ongoing	BICA Council	BICA and independent consultant–Innolead Consulting
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2023 Update															
9.	December 2021	<p>2017 - 2021 Strategy period came to an end. Overall results of performance are as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <tr><td style="padding-right: 20px;">2017</td><td>69%</td></tr> <tr><td>2018</td><td>75%</td></tr> <tr><td>2019</td><td>91%</td></tr> <tr><td>2020</td><td>89%</td></tr> <tr><td>2021</td><td>76%</td></tr> </table> <p>The strategy performance grew in the early years. 2020 and 2021 performance was affected by COVID-19 effects due to limited operations.</p>	2017	69%	2018	75%	2019	91%	2020	89%	2021	76%	Completed	BICA Council	BICA Secretariat
2017	69%														
2018	75%														
2019	91%														
2020	89%														
2021	76%														
10.	January 2022	<p>2022 – 2026 Strategy development completed and implemented. The strategy was officially launched in April 2022 by the BICA President. The following we identified as key strategic objectives:</p> <ul style="list-style-type: none"> • Improve Regulatory Compliance • Enhance Brand Reputation • Improve Stakeholder Satisfaction • Improve Student Experience • Improve Members Experience • Achieve Financial Sustainability • Improve service delivery • Promote strong regulatory and Governance processes • Strengthen quality of training • Leverage Strategic Partnership • Optimise and digitalise key processes • To improve Employee engagement • Improve leadership & management capacity • Attract and retain talent 	<p>Development completed</p> <p>Monitoring ongoing</p>	BICA Council	BICA Secretariat & Independent Consultant (Flow Cash)										

Action Plan Subject: SMO 1 and Quality Assurance

Action Plan Objective: To develop BICA's Quality Assurance Review System in line with SMO 1 requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Background</p> <p>The accountancy profession in Botswana is governed by two pieces of legislation; the Accountants Act 2010 and the Financial Reporting Act 2010. Prior to 2010, only one Act, the Accountants Act 1988 existed and it governed the Institute as a professional accountancy body, while the Institute also played the role of a regulator and oversight authority.</p> <p>The Financial Reporting Act 2010 established the Botswana Accountancy Oversight Authority as a body independent of the Institute to regulate the auditors of public interest entities, oversee the financial reporting and auditing of public interest entities and also oversee all professional accountancy bodies in Botswana, including BICA. BAOA is also the only standards Setter in the country in the areas of financial reporting and auditing.</p> <p>It should be noted that with the Botswana Accountancy Oversight Authority (BAOA) now in place, the reviews of all Certified Auditors are conducted by BAOA on behalf of BICA. BICA's Audit Practices Procedures require that such inspections be undertaken at least once every three years (three-year inspection cycle). If an audit firm or certified auditor passes an inspection, the next review will be carried out after three years. If an audit firm or certified auditor fails a review, that firm or certified auditor will be reviewed again after 18 months. If it fails the second review, a third review is performed after 12 months. If the third review the firm's quality control processes are still found unsatisfactory its practicing certificate is revoked by the BICA Council. The practitioner can reapply after meeting the criteria which includes completion of 240 hours of audit practice supervised by a certified auditor in good standing.</p> <p>The challenges that the two organizations are currently facing relate to the transitional arrangement of moving some responsibilities from BICA to BAOA as these cannot possibly be all transferred at the same time. A balance must be struck as to the extent, and the pace of the transition. A 2014 MoU signed by BICA and BAOA stipulates that BAOA will undertake reviews of non-PIE certified auditors on behalf of BICA. Accordingly, BAOA is now conducting QA reviews of all audits. Any work that BICA does regarding non-PIE certified auditors, such as investigation and discipline, is understood as being on behalf of BAOA. The MOU was renewed in 2018 for another 2-year period or revision of the two Acts, whichever comes first.</p> <p>Recommendations on the required changes to the two Acts were made to the Honourable Minister and after approval, the Attorney General considered and responded on the changes to be made. The Attorney General is currently considering the final changes proposed by BICA.</p> <p>The Financial Intelligence Act (FIA) was passed in 2009 and amended in 2018. This Act designates BICA as a supervisory Authority for Anti-Money</p>					

Laundering (AML), and Countering the Financing of Terrorism and Arms of War Proliferation (CFTP). As the supervisory authority for the accountancy profession, BICA has a responsibility to introduce a programme to monitor the compliance of Accountants with the Act. To discharge its responsibilities, BICA undertook a series of outreach programmes in 2016, 2017 and 2018 to raise awareness amongst members on what their AML and CFTP responsibilities are and how they are supposed to discharge them. In September 2018, BICA introduced AML/CFTP Inspection visits for member firms. These inspections are intended to identify areas of non-compliance with the Financial Intelligence Act and make recommendations and impose sanctions where there is serious non-compliance. These inspections are part of our broader quality assurance monitoring of member firms which meet the best practice requirements of SMO1 as outlined in the checklist attached below.

2023 Update

The Accountants Act, 2010 provided for registration and regulation of Certified Auditors of non-public interest entities in the Country by BICA. Registration and regulation of Certified Auditors of public interest entities (PIE) was provided for under the Financial Reporting Act, 2010. On the 01 April 2022, the Accountants (Amendment) Act, 2020 and the Financial Reporting (Amendment) Act, 2020 were effected. Through the Amendment Acts, registration and regulation of certified auditors was transferred wholly from the Accountants Act (therefore BICA) to the Financial Reporting Act (therefore Botswana Accountancy Oversight Authority).

This change meant that BICA ceased to be responsible for quality assurance of non-PIE auditors. The MoU that existed for BAOA to provide quality assurance on behalf of BICA for non-PIE auditors therefore ended on the 31 March 2022. A transitional working group was established between BICA and BAOA to deal with all transitional arrangements. Through the transitional plan, all certified auditors' files were handed to BAOA by the 31 March 2022. In addition, certified auditors were required to handover BICA audit practice certificates to BICA and collect new BAOA audit practice certificates from BAOA. All quality assurance reviews carried out under the old legislation by BAOA on behalf of BICA were allowed through the transitional arrangement to be finalised by BICA. In addition, all Disciplinary Enquiries relating to quality assurance that were ongoing or resulted from final report to be considered by BICA were allowed completion by BICA.

BICA continues to carry out quality assurance on non-audit firms using SMO 1 as best practice. Prior to 15 December 2022, non-audit firms were required to comply with ISQC 1 and subsequently firms are required to comply with ISQM 1 and where relevant ISQM 2. Quality assurance includes selection of engagement for inspections and evaluation against reporting framework or engagement performance framework.

A three (3) year practice review cycle has been applied and recently the cycle has been revised to five (5) years. This means every member firm shall be reviewed at least once in five (5) years. If found to be satisfactory the firm is reviewed in the following cycle. Where the firm is unsatisfactory it is reviewed after eighteen (18) to twenty-four (24) months. If the firm is satisfactory at second review, it is reviewed in the next cycle and if not it is reviewed in twelve (12) months. A firm which is unsatisfactory after the third review is referred for Disciplinary enquiry.

#	Start Date	Actions	Completion Date	Responsibility	Resource
Implementation of the Financial Reporting Act					
1.	October 2013	Signing of a MOU between BAOA and BICA.	Completed	BAOA Board/BICA Council	BAOA Board, BICA Council, and CEOs
2.	October 2013	Transfer of the Audit Quality function from BICA to BAOA.	Completed	BAOA and BICA CEOs	BAOA and BICA CEOs
3.	October 2013	Development of a proposed list of amendments to the Acts.	August 2016	BAOA and BICA CEOs	BAOA and BICA CEOs
4.	October 2018	Renewal of a MOU between BAOA and BICA.	Completed	BAOA Board/BICA Council	BAOA Board, BICA Council, and CEOs
5.	April 2019	BAOA and BICA are concerned about the significant delay in passing the revised Acts through Parliament. They are currently engaging the Ministry of Finance and the Attorney General's Office to facilitate speedy resolution of the process.	August 2020	BAOA Board/BICA Council	BAOA/BICA and Parliament
2023 Update					
6.	April 2022	Following enactment of Financial Reporting (Amendment) Act, regulation of all certified auditors was handed to BAOA	01 April 2022	BICA and BAOA	BICA Council and BAOA Board

		As a result. The MOU between BICA and BAOA ended.			
Actions to Upgrade QA System to Meet SMO 1 Requirements					
7.	July 2007	Sign a tripartite agreement with ACCA and ECSAFA for ACCA to take over the practice review process from IRBA. The major emphasis of the review by ACCA will shift from the engagement review to the firm review and the principals will now be required to comply with ISQC1 and ISA 220 revised.	Completed	BICA CEO	President / Council With BICA CEO Support
8.	July 2007	<p>Publicize these changes in the program in the media and conduct two seminars for practitioners in Francistown on July 24 and in Gaborone on July 26 2007</p> <ul style="list-style-type: none"> ❖ The introduction of ISQC1 into the review process. ❖ If one Partner in a firm fails the review, all the other Partners are reviewed again at the time of the re- review. The other Partners would naturally put pressure on those who do not pass the reviews. ❖ We introduced a three strike system where the practitioners would lose his practicing certificate on failing for the third time. ❖ We invited experts from the UK to hold workshops to address the weaknesses 	Completed	BICA CEO	<p>The cost of conducting these seminars is funded from revenues charged to people who attended. In fact the budget set aside for this expenditure was more than recouped from these proceeds.</p> <p>The resource person was Mr. Henk Heyman from South Africa, an expert in the field.</p>

		<p>identified by the reviews.</p> <ul style="list-style-type: none"> ❖ Two practitioners are currently on a warning to lose their practicing certificate should they fail the next re-review. 			
9.	October 2007	Completion of the first cycle of review of practice reviews in Botswana with The ACCA through the tripartite agreement with ECSAFA and BICA.	Completed	BICA CEO, Council	BICA CEO, Council and Practicing members.
10.	October 2010	<p>Identification of weaknesses during the reviews which prompted Council to approve the engagement of an expert from the UK to come and make a two day presentation on practice reviews highlighting the areas where problems normally occur and how they can be addressed.</p> <p>Organization of re-reviews.</p>	Completed		
11.	April 2010	An ICAEW expert made his first visit in 2009 and would be visited again for further review in April 2010.	Completed	ICAEW, BICA Council	MFDP, World Bank and BICA

12.	November 2007	Organization of the third cycle of practice reviews by ACCA. This was the start of the third cycle. The first and second cycles already completed by IRBA.	Completed	BICA CEO	<p>At the April 2007 AGM, a resolution was passed to the effect that practicing fees for practicing members should be increased from P3,300 to P11,000 per year per member to cover for the costs of the practicing review. This coupled with the favorable cost of review from the tripartite agreement between BICA, ACCA and</p> <p>ECSAFA meant that the Institute had enough money to finance the project. The highly subsidized cost to BICA in 2007 was P214,528 and the expected cost for 2008 is P279,909.</p>
13.	November 2010	ACCA Practicing Monitoring Department completed the third cycle of Quality Assurance Reviews with 30% of the firms being successful. The re-reviews showed a much higher success rate due to the Interventions made by the Institute by bringing an expert from the UK and also carrying out CPD events in this area by experts from South Africa.	Completed		BICA
14.	November 2010	As part of the World Bank sponsored twinning arrangement, the ICAEW will be delivering an Audit Manual to assist SMPs and also send their experts from their Quality Assurance Department to assist the SMPs through the review process and the manual. The Manual will be delivered electronically to all the member firms involved in Quality Assurance	Completed		BICA

		Reviews by the issuing of a renewable license with a UK firm. The first years' licenses being funded by the ICAEW. Delivery expected by July 2011.			
15.	June 2013	<p>Progress on re-review.</p> <p>A total of 12 members referred to the Disciplinary committee.</p> <p>After further scrutiny, hearings were held for only 4 members by the Disciplinary Committee. A recommendation was made to Council for their certificates to be revoked. Council upheld the decision.</p>	<p>Completed</p> <p>September 2014</p>	BICA Council	Disciplinary Committee
16.	April 2016	At the April 2016 AGM it was approved that fees should be increased by a standard rate of 5% annually.	Ongoing	BICA CEO	BICA Council
17.	June 2017	<p>ISQC1 training was provided to non-audit member firms of BICA as a prelude to introducing quality reviews for these firms. The quality reviews were started in November 2017</p> <p>and would be conducted over an appropriate cycle going forward.</p>	June 2017	BICA CEO	Practice Review Committee
18.	October 2017	ISQC1 training was provided to all audit firms of non-public interest entities. It was decided to introduce this as an annual event	October 2017	BICA CEO	Practice Review Committee

19.	September 2018	<p>Quality Assurance reviews were introduced for Non-Audit member firms and the reviews are currently ongoing on a three year cycle similar to the audit firms' review cycle.</p> <p>ISQC1 training was also provided to the firms in August 2018 and an annual refresher would be provided in August 2019.</p>	Ongoing	BICA CEO	Practice Review Committee
2023 Update					
20.	August 2023	<p>Non-PIE audit quality assurance continued up to March 2022 when the Accountants (Amendment) Act and the Financial Reporting (Amendment) Act came in force. These provided for audit regulation to be provided by BAOA. Therefore BICA does not have any responsibility on quality assurance of certified auditors.</p>	Complete	BICA CEO	Practice Review Committee
21.	August 2023	<p>Quality assurance on non-audit firms continue to be conducted. Council has made a decision to increase the review cycle from 3 year to 5 years recognizing low risk level of non-audits compared to audit engagements. Up to August 2023, a total of 224 reviews had been carries out. These included 162 first reviews, 53 second reviews and 9 third reviews. One (1) firm that was rated unsatisfactory from the first to third review has been referred for enforcement with the Disciplinary Committee.</p>	Ongoing	BICA CEO	Practice Review Committee
Future Review and Maintaining Ongoing Processes					

22.	Ongoing	Consider future review of the QA system and possibly transfer of the responsibilities to BICA after building necessary capacities. This includes updating the Action Plan for future activities as necessary to ensure that BICA's QA system is operating effectively and in line with SMO 1 requirements.	Ongoing	BICA CEO	Technical Committee
2023 Update					
23	Ongoing	Audit Quality Assurance has been transferred to BAOA effective 01 April 2022. BICA continues to provide non-audit quality assurance. Non-audit quality assurance is based on SMO 1.	Ongoing	BICA CEO	Practice Review Committee
Review of BICA's Compliance Information					
24.	Ongoing	Perform periodic review of BICA's response and update sections relevant to SMO 1 as necessary.	Ongoing	BICA CEO	Technical Committee
COMPLIANCE WITH FINANCIAL INTELLIGENCE ACT					
25.	November 2018	Training of BICA members on the responsibilities for AML/CFTP imposed on them by the FIA	05 December 2018	BICA CEO	Financial Intelligence Agency, BICA Technical Committee
26.	March 2019	Training of all BICA staff on AML/CFTP and supervisory activities	25 March 2019		
27.	April 2019	Development of a guidance manual for members to support them in developing compliance programmes in their organisations.	18 March 2019	BICA CEO	BICA Technical Committee

28.	April 2019	AML risk assessment for the accountancy sector	Ongoing	BICA CEO	BICA Technical Committee
2023 Update					
29.	July 2020	Council appointed an independent AML/CFTP Supervisory Committee. The Chairperson of the Committee is a Council member who is not an Accountant. The purpose of the establishing the Committee was to enforce independence and transparency of AML.CFTP supervision by the Institute given that some Council members are part of members firms that are regulated in this regard. Decisions of the Committee including sanctions are final.	Ongoing	BICA Director TPSAS	AML/CFTP Supervisory Committee
30.	October 2021	Owing to efforts by various stakeholders including BICA and the accountancy sector to implement AML/CFTP legislation, Botswana was removed from FATF Greylisting.	Complete	BICA CEO	BICA Council
31.	May 2023	BICA shared their role in getting Botswana out of the FATF grey listing with various stakeholders during the PAFA leadership Forum at the 2023 Africa Congress of Accountants. Subsequently BICA shared their Supervisory Manual with PAFA for inclusion in their website technical resources.	Complete	BICA CEO	BICA Council
32.	August 2023	Since the last submission, BICA leads the accountancy sector risk assessment. Relevant stakeholders are invited to form a Committee for risk assessment. These include BAOA, local chapters of ACCA, CIMA, IIA	Ongoing	BICA Director TPSAS	AML/CFTP Supervisory Committee
33.	August 2023	Members Firms training is conducted on	Ongoing	BICA Director	AML/CFTP Supervisory

		various topics in a year. Topics covered include institutional risk assessment, specified party obligations, beneficial ownership, identification and reporting of suspicious transactions. While some trainings are conducted by BICA, in some, collaborations are held with various stakeholders like Financial Intelligence Agency.		TPSAS	Committee
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Main Requirements of SMO 1

Requirements	BAOA	BICA	Comments
	Yes No Partially	Yes No Partially	
<p>Scope of the system</p> <p>1. At a minimum, mandatory QA reviews are required for all audits of financial statements.</p>	Yes	No	<p>BICA has an MOU with BAOA which requires BAOA to perform quality assurance reviews for audit firms so BICA does not directly perform QA monitoring for audit firms. BAOA as the regulator for PIE audit firms, also monitors them directly by performing Quality Assurance Reviews on those firms.</p> <p>2023 Update</p> <p>On the 01 April 2022, the Accountants (Amendment) Act, 2022 and the Financial Reporting Act, 2022 were effected. These led to transfer of mandatory quality assurance reviews for all audits of financial statements to BAOA.</p>

			That notwithstanding, BICA maintains mandatory quality assurance reviews on non-audit firms.
<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>	Yes	Yes	<p>All firms are required to implement Quality control systems and BAOA reviews audit firms for compliance while BICA reviews non-audit firms</p> <p>2023 Update</p> <p>On the 01 April 2022, the Accountants (Amendment) Act, 2022 and the Financial Reporting Act, 2022 were effected. These led to transfer of mandatory quality assurance reviews for all audits of financial statements to BAOA.</p> <p>That notwithstanding, BICA maintains mandatory quality assurance reviews on non-audit firms.</p> <p>Effective 15 December 2022, all Firms are required to apply quality management standards.</p>
<p>3. Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.</p>	Yes	Yes	<p>BAOA as the standard setter adopts all ISAs and ISQC1 and their amendments immediately they are issued.</p>

			<p>2023 Update</p> <p>Effective 15 December 2022, all Firms are required to apply quality management 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>	Yes	Yes	<p>BICA assists member firms by providing free training sessions on the objectives and implementation of quality control standards.</p> <p>2023 Update</p> <p>Prior to 01 April 2023, BICA conducted quality control trainings for all member firms including audit firms. Subsequently the training is limited to non-audit who are required to apply ISQM 1 and where relevant ISQM 2.</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>	Yes	Yes	<p>As mentioned above, BAOA performs reviews for audit firms while BICA performs reviews for non-audit firms. They are both cycle-based.</p> <p>2023 Update</p> <p>Comment remains relevant.</p>
<p>6. For cycle-based approach, quality control reviews are required to take place at least every six years (and every three years for audits of public interest entities).</p>	Yes	Yes	<p>BAOA reviews for audit firms have a three year cycle while BICA reviews for non-audit firms have a six year cycle.</p> <p>2023 Update</p> <p>Non-audit firm's review cycles was three year and has since been revised to 5 years.</p>

<p>QA Review Team</p> <p>7. Independence of the QA Team is assessed and documented.</p>	<p>Yes</p>	<p>Yes</p>	<p>Confirmed by inspection of QA review files at BICA and BAOA</p> <p>2023 Update</p> <p>All BICA QA review team members complete independence declaration for all assignments prior to commencement.</p>
<p>8. QA Team possesses appropriate levels of expertise.</p>	<p>Yes</p>	<p>Yes</p>	<p>All members of both BICA and BAOA QA teams are experienced professional accountants.</p> <p>2023 Update</p> <p>Comment remains relevant.</p>
<p>Reporting</p> <p>9. Documentation of evidence supporting the quality control review report is required.</p>	<p>Yes</p>	<p>Yes</p>	<p>Confirmed by inspection of QA review files at BICA and BAOA</p> <p>2023 Update</p> <p>BICA maintains relevant documentation for procedures performed on non-audit reviews.</p>
<p>10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.</p>	<p>Yes</p>	<p>Yes</p>	<p>Confirmed by inspection of QA review files at BICA and BAOA</p> <p>2023 Update</p> <p>A review report is issued for each firm following Council approval.</p>
<p>Corrective and disciplinary actions</p>	<p>Yes</p>	<p>Yes</p>	<p>Confirmed by inspection of QA review files at BICA and BAOA</p>

<p>11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.</p>			<p>2023 Update</p> <p>BICA requires every member firm to be reviewed at least once in five (5) years. If found to be satisfactory the firm is reviewed in the following cycle. Where the firm is unsatisfactory it is reviewed after eighteen (18) to twenty-four (24) months. If the firm is satisfactory at second review, it is reviewed in the next cycle and if not it is reviewed in twelve (12) months. A firm which is unsatisfactory after the third review is referred for Disciplinary enquiry.</p>
<p>12. QA review system is linked to the Investigation and Discipline system.</p>	<p>Yes</p>	<p>Yes</p>	<p>QA review files are presented to the practice review committee which recommends action to the BICA Council, which includes disciplinary measures, referred to the Disciplinary committee. BAOA also has a practice review which recommends action to the enforcement committee for PIE auditors.</p> <p>2023 Update</p> <p>A firm which is unsatisfactory after three consecutive reviews is referred for Disciplinary enquiry. The enquiry process follows the same one as for investigation and disciplinary matters.</p>
<p>Consideration of Public Oversight</p> <p>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.</p>	<p>Yes</p>	<p>Yes</p>	<p>Cooperation is enforced through the MOU and requirements of Financial Reporting Act which requires the sharing of information.</p> <p>2023 Update</p> <p>MoU with BAOA ceased on 31 March 2022 due to</p>

			<p>enactment of the Financial Reporting (Amendment) Act and the Accountants (Amendment) Act.</p> <p>Per Financial Reporting Act, BAOA provides oversight over BICA and on annual basis receives reports from BICA on how its meets its obligations including quality assurance reviews.</p>
<p>Regular review of implementation and effectiveness</p> <p>14. Regular reviews of implementation and effectiveness of the system are performed.</p>	Yes	Yes	<p>reviews are performed through the practice review committees of both organizations.</p> <p>2023 Update</p> <p>Practice review Committee provides ongoing oversight of the QA processes.</p>

Action Plan Subject: SMO 2 and International Education Standards

Action Plan Objective: Ensure that all IES requirements are incorporated into BICA's education requirements

Background

The Accountants Act 2010 clarifies that BICA membership and mutual recognition of other professional bodies should be based on obtaining a professional accountancy qualification and holding membership of an IFAC recognized professional accountancy body.

BICA endeavors to ensure that all its educational requirements incorporate the latest IESs in addition to which it works to ensure the syllabi of academic institutions also reflect the latest IES requirements. Implementation of the new Botswana qualification significantly assists in BICA's compliance with SMO 2 particularly with respect to practical experience requirements.

BICA has worked on developing Botswana's own professional accountancy qualification. The enabling legislation, the Accountants Act 2010 and Financial Reporting Act 2010, were passed in July/August 2010 and implemented on April 1, 2011 thus establishing the new Botswana Institute of Chartered Accountants (BICA).

The BICA qualification has now been running since July 2011. Study material from ICAEW is used on all the modules except law and taxation which are local. The study materials developed locally for the qualification are reviewed annually to incorporate changes in legislation. Local experts are engaged to prepare study materials based on the Company Law and Taxation.

Student intakes and examinations are held at six months intervals in line with practices by other professional accountancy bodies running similar programmes. Initially challenges have been experienced in the area of the student pass rates. However, appropriate intervention measures such as the training of trainers and mentoring of students are being undertaken. For instance, two trainers from Kaplan Financial in UK came and conducted a training of trainers course for lecturers from the three accredited tuition providers from 2nd to 6th September 2013. Another Training of Trainers was conducted by Kaplan in July 2014. Officials have also come from the UK to train BICA staff responsible for students, the students themselves and the Authorised Training Employers through the whole system of maintaining information which will assist on student assessments online.

The South African Institute of Chartered Accountants (SAICA) through their Thuthuka wing has also come to teach our students on interview skills and a student who graduated from the programme has also come to motivate our students. The President of ICAEW also visited in July 2015 and had a session with students and a selected Authorised Training Employers to also get to understand the issues and do some motivation.

BICA planned to introduce its own accounting technician qualification by January 2015; however, after a series of discussions, Council decided that Management should concentrate on ensuring that the BICA qualification is stabilized first before they can start embarking on another demanding Project. It was agreed that for the time being, AAT and Accounting related programmes will be the feeders into the BICA Qualification.

BICA has continued to experience improvements in rate of CPD Returns submissions. Appropriate action is being taken on non-compliant members in line with the BICA Rules. CPD falls under the Education and Training Committee chaired by an elected member of Council

On an annual basis BICA engages tuition providers for qualifications that qualify students for entry into the BICA qualification to ensure that their **programs** are aligned to the BICA curriculum. There is constant engagement with these tuition providers to review curriculum against IES standards.

A new development is that professional qualifications should be accredited on the National Credit and Qualifications Framework (NCQF) by the Botswana Qualifications Authority (BQA). In June 2018 BICA developed policies on withdrawal of qualification, recognition of prior learning, accreditation, qualification development and review, malpractice and maladministration, access and equity, assessment and moderation, complaints and appeals to meet the accreditation requirements of BQA. In August 2018 BICA was accredited as an Awarding Body for the BICA Qualification BQA. Currently BICA has submitted the documents for accreditation of the BICA Qualification and registration as an Education Training Provider.

2023 Update

BICA has acquired Education Training Provider – Consultancy with BQA. This status is awarded for provision of short term courses (CPD courses) and not long term courses. 30% CPD courses that are in the BICA annual calendar are registered with Human Resource Development Council (HRDC). The registration affords entities financing their employees to attend these courses to be able to claim from the national training levy fund.

In 2020 BQA made it a requirement for professional bodies to endorse any credit bearing qualifications prior to accreditation. BICA therefore provides endorsement for all finance and accounting qualifications in Botswana.

BICA has taken a deliberate step of reviewing undergraduate programmes at tertiary institutions in order for alignment to the Botswana Chartered Accountancy Qualification.

Increase Clarity Regarding Membership Requirements and Recognition of Foreign Qualifications³

#	Start Date	Actions	Completion Date	Responsibility	Resource
34.	December 2006	A new Financial Reporting Act (FRA) is expected to be passed through Parliament that now clarifies that membership and mutual recognition of other professional bodies should be based on obtaining a professional accountancy qualification and holding membership of an IFAC recognized professional accountancy body.	Completed	BICACEO	The Government through the ministry of Finance and development planning spearheads the promulgation of statutes but the Institute as the governing accountancy body has a pivotal role to play in such an endeavor. Council as the governing body coordinates the drafting of legislation affecting the profession by soliciting ideas and comments from its members and from the Technical Committee.
35.	August 2010	The Financial Reporting Act which establishes an Oversight Authority that oversees the profession in Botswana was passed in August 2010 and also implemented on April 1, 2011. It should start operating this year but until it is fully operational, BICA will continue to regulate the profession in Botswana.	Completed	MFDP and BICA	MFDP, BICA and World Bank
2023 Update					
36.	April 2022	The Accountants Act, 2010 which became effective on the 01 April 2011 mandate all providers of accountancy services in Botswana to be registered with BICA. The Act allowed registration for members of IFAC member bodies. The Accountants (Amendment) Act, 2020 which effected on the 01 April 2022 maintained the requirement.	Completed	BICA Council	Ministry of Finance

Work with Universities to Upgrade Curricula					
37.	June 2007	Launch a drive to persuade the UB to consider modifying its curriculum to accommodate exposure to IFRSs, ISAs, and Code of Ethics modules in their curriculum.	Completed	President – BICA	President with CEO Education and Training Committee
		The on-going drive to persuade the UB to change its Bachelor of Accounting curriculum to include IFRSs, ISAs and Code of Ethics modules is beginning to bear fruit. In 2009, the draft change of curriculum was sent to IFAC for comments. The comments were well received by the University and appropriate changes made. The final draft was approved by the Faculty of Business Advisory Board and subsequently by the University Senate and introduced for the first time in the academic year in August 2010.		Education and Training Committee and CEO	
38.	June 2008	Work with ACCA to address updates to the Botswana Accountancy College curriculum (BAC). BAC conducts courses primarily for ACCA and CIMA UK.	Completed	President / CEO	Council is represented in the Botswana Accountancy College by three elected Council members. ACCA and BICA have a joint examination scheme where certain subject variants like Taxation and Law are to be based on the context of Botswana legislation. Through this representation Council can therefore significantly influence curricula at BAC.

39.	August 2010	<p>The new curriculum was introduced in August 2010 incorporating in its curriculum IFRS, ISAs and Ethics</p> <ul style="list-style-type: none"> ❖ The Education and Training Committee and Council take the decision to engage the University to review its curriculum of the BA Accounting. ❖ The President and the CEO meet with the authorities from the University to discuss the short comings of the existing curriculum. ❖ University requested to include IFRS, ISA and Ethics in its curriculum. ❖ Draft curriculum prepared by University and sent to the Institute for review. ❖ The Institute sought assistance from IFAC and got a comprehensive review. ❖ IFAC recommendations incorporated a new curriculum passed by Senate and implemented with effect from August 2010. 	Completed	BICA and University of Botswana	University of Botswana
2023 Update					
40.	July 2023	BICA has taken a deliberate step of reviewing undergraduate programmes at tertiary institutions for alignment to the Botswana Chartered Accountancy Qualification	Ongoing	BICA CEO	Training and Professional Development Committee
Strengthen Practical Experience					
41.	October 2007	<p>Education and Training Committee to discuss and develop work program to consider:</p> <ul style="list-style-type: none"> • How to upgrade practical experience requirements in terms of quality and length of time • Accreditation of approved practical experience providers 	Completed	Education & Training	Council

42.	Sept. 2007	Team up with ACCA for approving the relevant practical experience.	Completed	Education and Training	Education and Training and Council and ACCA
43.	October 2009	<p>One of the major advantages of the new Botswana qualification is that it will address the area of Practical Experience Requirement through the introduction of a training contract scheme. ICAEW has been meeting with the World Bank, BICA Council, CEO of audit firms and selected employers, including public sector organizations to kick start the scheme. The first intake for the new professional qualification is expected to start in July 2011.</p> <ul style="list-style-type: none"> • Introduction of Botswana's own professional qualification. • The qualification to have 450 days of technical training with Approved Training Employers (ATEs). • ATEs to be accredited by the Institute and should satisfy laid down criteria including a well- articulated training program. • ATEs should have Qualified Persons Responsible for Training (QPRTs) who are professional accountants from IFAC recognized professional bodies. • QPRTs to supervise and monitor students and submit periodic progress reports to the Institute. • QPRTs and ATEs also monitored by the Institute on a continuous basis. 	Completed	ICAEW, BICA, MFDP	World Bank, BICA Council, CEO
44.	December 2017	MOU with Authorised Training Employers Implemented MOU with ATEs to facilitate annual review of ATEs.	Ongoing	BICA CEO	Membership and Examinations Committee
2023 Update					

45.	December 2023	ATE monitoring tool was reviewed and enhanced to ensure effective monitoring of training experience.	Completed	BICA CEO	Training and Professional Development Committee
Introducing the BICA Qualification					
46.	July 2011	<p>The new professional qualification was launched on April 1, 2011 and the first intake of students will be in July 2011.</p> <ul style="list-style-type: none"> ➤ The curriculum requires 450 days of technical work experience. ➤ The Institute has stated enrolling students. ➤ A number of Approved Training Employers have been accredited <ul style="list-style-type: none"> ❖ The passing of enabling legislation to create the new BICA institute and establish the new qualification. Another related Act was also passed to establish an Oversight Authority call the Botswana Accountancy Oversight Authority (BAOA) to oversee the profession in Botswana. ❖ Through a World Bank sponsored twinning arrangement with the Institute of Chartered Accountants in England and Wales (ICAEW), the deliverables included: <ul style="list-style-type: none"> ➤ Coming up with a three-year strategic plan. ➤ Review compliance with standards, codes and procedure and come up with recommendations. ➤ Review the CPD program and come up with recommendations. ➤ Deliver Botswana's own professional qualification. 	Completed	ICAEW, BICA, MFDP	World Bank, BICA Council, CEO
		<ul style="list-style-type: none"> ❖ The new qualification involved coming up with a new curriculum. ❖ Appointing examiners and moderators. ❖ Preparing the study materials and revision packs. ❖ Registering the new qualification with the regulatory authority, the Tertiary Education Council. 			

		<ul style="list-style-type: none"> ❖ Training the trainers with Tuition. ❖ Providers. ❖ Commencing classes in July 2011. <p>The active students studying the BICA qualification were four hundred and five (405) as at December 2018. The student performance in examinations requires some attention. A number of interventions to improve the examinations pass rate have been put in place, these include:</p> <ul style="list-style-type: none"> • Organising annual examiners feedback sessions for the local variant papers where lecturers from the Accredited Tuition Providers are invited. This acts as a forum for lecturers and examiners to discuss the teaching focus areas and to improve lecturer's knowledge on the teaching and assessment methods used. <p>The Institute will intensify its monitoring role by conducting regular monthly inspections of Tuition Providers as part of the quality control monitoring process as compared to the previous use of quarterly monitoring reviews. The aim of the exercise will be to assess if Tuition Providers are adhering to the set standards such as utilizing accredited lecturers and providing adequate IT facilities to the students, and recommending corrective prior to the students sitting for their examinations in each semester.</p>			
47.	September 2013	<p>Train the trainer for lecturers for the accredited education provider of the BICA qualification.</p> <p>Subsequent trainings were also completed and lecturers also have the opportunity of attending annual training in the UK.</p>	<p>Completed September 2013</p> <p>Ongoing</p>	<p>Kaplan Financial in UK</p>	<p>BICA Secretariat</p>

48.	September 2013	Restrict entry requirements to degree and AAT graduates.	October 2013	BICA CEO	BICA Council
49.	October 2013	Enhance support provided by the Authorized Trainers to the students.	December 2013	BICA CEO	BICA Secretariat and ICAEW
50.	October 2013	Enhance student website to provide more support to the students.	March 2014	BICA CEO / Education & Training	BICA Secretariat and ICAEW
51.	September 2013	<p>Work with the Association of Accounting Technicians of UK throughout 2014 to develop BICA`s own accounting technician qualification as a feeder into the BICA Qualification. The first intake of students to commence studies in January 2015.</p> <ul style="list-style-type: none"> <input type="checkbox"/> MOU to be signed between BICA and AAT <input type="checkbox"/> Curriculum to be developed <input type="checkbox"/> Learning materials to be developed <input type="checkbox"/> Marketing of the new programme <p>Council has decided that the current accounting degrees and AAT qualification are adequate feeders to the BICA Qualification.</p>	January 2015	BICA CEO / Education & Training and AAT	Council and AAT
52.	March 2017	BICA provides significant support to students. BICA provides students with updates on changes to the monitoring reviews. The aim of the exercise will be to assess if Tuition Providers are adhering to the set standards such as utilizing accredited lecturers and providing adequate IT facilities to the students, and recommending corrective prior to the students sitting for their examinations in each semester.	Ongoing	BICA CEO	Membership and Examinations Committee
47.	September 2013	Train the trainer for lecturers for the accredited education provider of the BICA qualification.	Completed September 2013	Kaplan Financial in UK	BICA Secretariat

		Subsequent trainings were also completed and lecturers also have the opportunity of attending annual training in the UK.	Ongoing		
52.	March 2017	<p>BICA provides significant support to students. BICA provides students with updates on changes to the qualification, facilitates motivational talks, and discussions on interview skills.</p> <p>Progress - There are now 17 students who have graduated from the BICA Qualification programme as at 30th June 2019. The Institute has 10 students that have potential to qualify as Chartered Accountants in the year 2019, as these are sitting their final one subject in July 2019 and November 2019 examination sessions. These students have, as at 30 June 2019 acquired the minimum practical working experience required to qualify as BICA Chartered Accountants.</p>	Ongoing	BICA CEO	Membership and Examinations Committee
2023 Update					
53	April 2022	With the enactment of the Accountants (Amendment) Act, the qualification name was changed from Botswana Professional Accountancy Qualification to Botswana Chartered Accountancy Qualification.	Completed	BICA Council	Ministry of Finance
54	August 2023	<p>To date there are 44 qualifiers of the Chartered Accountancy Qualification.</p> <p>The Institute provides close support to students through collaboration with ICAEW to improve student pass rates.</p>	Ongoing	BICA CEO	<p>Training and Professional Development Committee</p> <p>ICAEW</p> <p>Tuition Providers</p> <p>ETPs</p>
Introduce CPD Monitoring					
55.	June 2007	Signing of a memorandum of understanding with ACCA. In the agreement ACCA agrees to assist BICA for the development of a system of monitoring in place by the end of the year.	Completed	BICACEO	

56.	September, 2007	<p>Training of BICA staff by ACCA in:</p> <ul style="list-style-type: none"> • Monitoring of members. • Submission and processing of CPD returns. 	Completed	BICA CEO / Education & Training	Council
57.	June 2007	<p>Conduct CPD awareness workshops in Francistown and in Gaborone to sensitize members on this issue and to prepare them for monitoring.</p> <ul style="list-style-type: none"> ❖ The number of CPD hours required by year is 40 hrs, half of which should be verifiable i.e. providing request evidence of actual attendance. ❖ Making an annual CPD return and declaring that member had complied with the CPD requirement. ❖ Evidence is requested on a sample basis and reviewed by the Education and Training Committee for compliance in the following areas: <ul style="list-style-type: none"> ➤ Required CPD hours achieved ➤ Availability of acceptable evidence of attendance ❖ Checking that the CPD is relevant to position of the member. 	Completed	BICA CEO / ACCA	The President is personally involved in this one and as a former CEO of the Institute herself, she is quite familiar with most of these issues.
58.	October 2010	<p>Publication of the ICAEW report which highlighted one major concern of enforcing CPD compliance. Sanctions have been passed at the AGM which include a warning, a fine, suspension and exclusion. We are currently issuing fines to members at the first warning stage.</p> <p>Progress – Compliance statistics referred to Disciplinary Committee for action.</p>	Completed	BICA	MFDP and World Bank
59.	Dec 2016	Technicians were educated on the CPD process and its importance, and from 2017, they have been required to submit CPD returns	Ongoing	BICA CEO	Membership and Examinations Committee

2023 Update					
60.	August 2023	The Institute conduct training sessions to onboard new members and explain CPD requirements. In additions on an annual basis ethics trainings are held for general membership which trainings include CPD requirements.	Ongoing	BICA CEO	Membership and Examinations Committee
61.	August 2023	Annually, members are required to submit CPD returns indicating their compliance to CPD requirements. Members are selected on three year cycles to submit CPD evidence supporting hours of their CPD returns.	Ongoing	BICA CEO	Membership and Examinations Committee
Maintaining Ongoing Processes					
62.	Ongoing	Continue to use best endeavors to ensure BICA education requirements continue to incorporate all IES requirements. This includes review of the existing requirements and preparation of the Action Plan for the future activities where necessary. To conduct review to determine whether the requirements of the revised IES were reviewed.	December 2013	BICA CEO	BICA Secretariat and Training & Professional Development Committee
63.	June 2010	Signing and publishing of Bills in the Government Gazette. Acts passed in August 2010 and implemented in April 2011.	Completed	MFDP	MFDP
2023 Update					
64	April 2022	Accountants (Amendment) Act, 2020 was effected on the 01 April 2022. The introduced various changes including: <ul style="list-style-type: none"> • Employers and contractors to engage only BICA registered accountants • At least 50% of elected Council membership to be citizens • Extending Council tenure from 2 years to 3 years 	Completed	BICA Council	Ministry of Finance

		limited to 2 terms renewal.			
Review of BICA's Compliance Information					
65.	Ongoing	Perform periodic review of BICA's responses and update sections relevant to SMO 2 as necessary.	Ongoing		

³The old Financial Reporting Act listed membership requirements and recognized foreign qualifications in schedule IV of the Act. The current situation, however, is that for a member to qualify, he or she has to be professionally qualified and also a member in good standing of a professional accountancy body recognized by IFAC. The discretionary schedule IV criteria no longer exist.

Action Plan Subject: SMO 3 and International Auditing and Assurance Standards

Action Plan Objective: To establish and maintain processes for ongoing adoption and implementation of IAASB Pronouncements

Background

Under the Accountants Act 2010, the Botswana Accountancy Oversight Authority (BAOA) has the responsibility for promulgating auditing standards. As such, since September 2007 ISAs have been adopted by the BICA without amendment - including all subsequent revisions. ISA 250 and 540 which are a part of the 2018 Handbook with ISA 250 R applicable as of December 2017 and ISA 540 R applicable as of December 2019 were thus adopted automatically upon their issue. BICA raises awareness of all new standards through its monthly technical bulletin and annual free CPD events which focus on new developments. Prior to this the BICA has always recommended compliance with ISAs as a matter of practice. As the national professional accountancy body, BICA continues progressing full adoption and implementation of ISAs including promotion and providing related training. The Companies Act 2003 requires that all audits of companies in Botswana must be done in accordance with the BICA's standards - which are the ISAs. BICA has developed a new strategy that strengthens the technical compliance capacity. The new Act introduced new posts of Technical Director and Director of Training and Professional Development to enforce the new requirements. The Director of Training and Professional Development is in post and is assisting with the implementation of the BICA qualification.

2023 Update

The Financial Reporting Act identifies BAOA as a standard setter in Botswana. The Act provides for BAOA to enforce compliance with all standards issued by IAASB. The Accountants Act requires BICA to promote high quality accounting, auditing and financial reporting standards and practices, in line with internationally accepted standards. In this regard BICA Technical Director is a member of the BAOA Standard Setting Board Committee where they participate in providing guidance on auditing standards including commentaries to IAASB projects.

The BICA Technical Committee membership includes professional accountants in business and professional accountants in public practice. The Committee through the members participates in issuing commentaries to IAASB projects.

Process for Ongoing Adoption and Implementation of ISAs

#	Start Date	Actions	Completion Date	Responsibility	Resource
66.	June 2007	BICA Technical Committee to consider and make recommendation on processes for: <ul style="list-style-type: none"> • Official adoption of ISA • Dissemination of' exposure drafts and final standards 	Completed	BICACEO	Technical Committee & Council
67.	June 2007	Technical Committee to approve adoption of all existing ISAs.	Completed	BICA CEO	Technical Committee & Council
68.	Ongoing	Consider details on ongoing process to adopt new and amended ISAs, comment on EDs, implementation support, education and awareness building, etc.	Ongoing	BICA CEO	The Technical Committee is aware that more work needs to be done in this area in the form of due process before adopting standards. This is one of the areas that the resources from the World Bank would be directed to.

69.	October 2009	<p>Botswana Audit firms now audit in accordance with ISAs and auditors are reviewed for compliance with ISQC 1. The Technical Committee Terms of Reference and its composition have been revised to have the optional mix of members from audit firms, academia, commerce and industry. This has strengthened the Committee to have the capacity to review EDs and assist the members with the implementation of the standards.</p> <ul style="list-style-type: none"> ❖ The Companies Act requires that financial statements are audited in accordance with ISAs, and the fact stated in the Audit Report. ❖ The Technical Committee reviews new standards and issue implementation guidance to members. ❖ The Technical Committee reviews standards and adopts them officially. ❖ Regular Audit Workshops carried out by experts on audit updates. <ul style="list-style-type: none"> ❖ Audit quality assurance reviews check compliance with ISAs and report noncompliance to the Institute for the appropriate intervention to be taken. 	Completed	BICA Council	Technical Committee
70.	Ongoing	The Botswana Accountancy Oversight Authority (BAOA) established on April 1, 2011 through the Financial Reporting Act is the Standard Setter in Botswana for IFRS, ISAs and other related IFAC standards. The	Ongoing	BICA Council, BAOA	MFDP and BICA, BAOA

		Authority will carry out due process, adopt, adapt and issue new standards. The BICA will be part of the standard setting process as a member.			
71.	Ongoing	Annual Update Workshops on ISAs to members. The other dissemination mechanisms include email, website, social media, and a BICA member's portal	Ongoing	BICA CEO	Technical Committee & Council
2023 Update					
72.	August 2023	BICA as a members of the BAOA Standard Setting Committee chairs the Ethics and Auditing working group. Through the working group technical articles related to ISAs and IAASB projects are issued to certified auditors.	Ongoing	BICA Director TPSAS	BAOA Secretariat BAOA Standard Setting Committee
73.	August 2023	BICA Technical Committee members issue comments on IAASB projects	Ongoing	BICA CEO	Technical Committee
Maintaining Ongoing Processes					
74.	Ongoing	Continue to support ongoing adoption and implementation of IAASB pronouncements. This includes review of the implementation of the Action Plan to date and updating the Action Plan for future activities as necessary.	Ongoing	BICA CEO	Technical Committee & Council
75.	June 2017	Technical Director was appointed in May 2017 and is a member of the BAOA Standard Setters Committee	Ongoing	BICA CEO	Technical Committee
Review of BICA's Compliance Information					

76.	Ongoing	Perform periodic review of BICA's response and update sections relevant to SMO 3 as necessary.	Ongoing	BICA CEO	Technical Committee & Council
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Action Plan Subject: SMO 4 and IESBA Code of Ethics

Action Plan Objective: Continue to use best endeavors to maintain ongoing process to adopt and implement of the IESBA Code of Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background					
Since 1990, BICA has adopted the Code of Ethics of the IESBA without modification including all subsequent amendments. BICA uses IESBA 2016 Code of Ethics for Professional Accountants which has been effective from July 2017.					
2023 Update					
The latest IESBA Code of Ethics for Professional Accountants and its Pronouncements have been fully adopted.					
Adoption of Revised Code of Ethics					
78.	October 2009	BICA has studied the new IESBA Code of Ethics and discussions are at an advanced stage with Grant Thornton (South Africa) to come and train our members in the new Code of Ethics and other related areas. This is expected to take place during the first half of 2010.	Completed	BICA Council and CEO	Education and Training Committee
79.	Ongoing	Ethics training for students is conducted through the Structured Training in Ethics (STE) component of the BICA qualification. There are three levels of Ethics training within the STE programme.	Ongoing	BICA Council and CEO	Education and Training Committee

80.	Ongoing	Ethics for Members – members are expected to update themselves on the issue of ethics by being constantly aware of the BICA Code of Ethics. This is reinforced through CPD events that are conducted from time to time. Members are required to confirm in their CPD returns that they have gone through the code of ethics and understood it.	Ongoing	BICA Council and CEO	Education and Training Committee
81.	April 2018	BICA early adopted the revised 2018 IESBA Code of Ethics once it was issued in April 2018. Workshops were conducted across the country to educate technician members on the Revised Code of Ethics and its requirements.	Ongoing	BICA CEO	Technical Committee
82.	April 2018	Guidance notes were circulated to members on compliance with the NOCLAR standard and training seminars were conducted in August, November and December 2018 to educate members on compliance with the standard	August 2018	BICA CEO	Technical Committee
2023 Update					
83.	August 2023	On an annual basis members are trained on the Code. Technical articles on the requirements of the Code are issued in the monthly BICA Technical Bulletin	Ongoing	BICA CEO	Technical Committee
Maintaining Ongoing Processes					
84.	Ongoing	Continue to use best endeavors to support ongoing adoption and implementation of the IESBA Code of Ethics. This includes review of the implementation of the Action Plan to date and updating the Action Plan for future activities as necessary.	Ongoing	BICA CEO	Technical Committee & Council
85.	Ongoing	Members are sent the code of conduct and all revised requirements electronically via email. It is also uploaded to the BICA website where they can access it.	Ongoing	BICA CEO	Technical Committee & Council
86.	Ongoing	BICA submits responses to IESBA-issued exposure drafts as part of providing input to the global standard-setting process.	Ongoing	BICA CEO	Technical Committee & Council

Review of BICA's Compliance Information					
87.	Ongoing	Perform periodic review of BICA's response and update sections relevant to SMO 4 as necessary.	Ongoing	BICA CEO	Technical Committee & Council
BICA Ethics Hotline					
88.	February 2019	<p>BICA launched an Ethics Hotline for use by members and the public to report individuals and firms offering accounting services without registering with BICA as per Section 30 of the Accountants Act 2010. The Ethics Hotline can also be used by the public, BICA members, to report any cases of misconduct by accountants. BICA outsources the management of the BICA Ethics Hotline to an independent specialist external provider namely, Deloitte Tip-offs Anonymous. Calls received and processed by Deloitte Tip- offs Anonymous call centre are managed by Deloitte South Africa staff, who are not members of BICA.</p> <p>The Institute addresses and responds to matters reported to the Deloitte Tip-offs Anonymous who will then provide feedback to the reporter.</p>	Ongoing	BICA CEO	BICA Council
2023 Update					
89.	August 2023	<p>Following the launch of the Ethics hotlines, Cases are still reported anonymously to the platform and there has been a steady increase in uptake of this initiative due to the awareness generated by the Institute. The platform is still active, and a thorough investigative process is followed through.</p> <p>No cases have been referred to the Disciplinary Committee from the Ethics Hotline. However, unregistered members are identified through the platform and action taken for them to regularize.</p>	Ongoing	BICA CEO	BICA Council

Action Plan Subject: SMO 5 and International Public Sector Accounting Standards

Action Plan Objective: Continue to use best endeavors to assist in the adoption and implementation of IPSASs in Botswana

Background

Accounting standards for the public sector are established by the national Government. The national Government has shown a keen interest in improving public sector financial reporting by inviting tenders for a feasibility study on the possibility of adopting accrual accounting in Government.

– BICA is using best endeavors to ensure that the standards adopted for accrual accounting are those issued by the IPSASB (without amendment). More generally, the BICA is assisting where it can in the broader promotion of adoption and implementation of IPSASs.

Public Sector Committee was formed by the BICA Council in April 2011. This Committee is intended to drive public sector financial reporting and financial management reforms in Botswana. Its membership comprises key stakeholders from Central Government, Local Authorities, the Accountant General and the Auditor General amongst others. The Committee will also drive the implementation of IPSAS and the migration from cash basis to accruals basis of accounting in the public sector. The Committee has developed a Public Sector Curriculum which would be used to develop short term training needs for the Accountant General's office. Tuition providers are also being engaged to ensure their public sector offerings are aligned to the BICA Public Sector Curriculum. The Institute of Development Management (IDM) and Baisago University have both recently launched degree programmes in Public Sector Accounting after engaging BICA to review their curricula and ensure that their content was aligned to the BICA Public Sector Curriculum.

With the support of the World Bank, BAOA has arranged training in IPSASs and officers from the Offices of Auditor General and Accountant General will be part of this training before the end of October 2013.

The Government of Botswana has, in principle, taken a decision that Botswana should migrate from the modified cash basis of accounting to accruals accounting. It is envisaged that full migration would be achieved by 2021. The Government is working very closely with BAOA and BICA to ensure that migration is achieved as planned. BICA has a Public Sector Committee that is to drive this project with other stakeholders.

As the standard setter in Botswana under the Financial Reporting Act 2010, BAOA will take the lead in driving the public sector agenda and BICA will also play a prominent role in the process through the Public Sector Committee.

BICA developed a Public Sector Curriculum which was reviewed by the IMF. After the review, the curriculum was improved and finalized with the assistance of PAFA and the AFROSAI-E. Tertiary institutions providing public sector finance degrees in Botswana have been encouraged to align their programme content with the BICA Public Sector Curriculum. The curriculum will also be used as a basis for developing short breakthrough programmes to build capacity in government and support the rollout of accrual IPSAS in the public sector.

2023 Update

Public Sector qualification was halted to direct resources towards the Chartered Accountancy Qualification which was struggling with pass rates. Subsequently BICA expressed interest to participate in adopting the public sector programme developed by AFROSAI-E, PAFA and ESAAG (the African Professionalisation Initiative). An MoU has therefore been signed between BICA and the API Secretariat for the programme to be administered in Botswana. The programme has been registered with BQA and the Institute is currently facilitating for accreditation of the qualification with BQA. Accreditation has to be completed before learners are enrolled.

BICA continues to support the Government Accrual project through the Public Sector Committee. In addition, the CEO, Director TPSAS and Manager TPSAS are members of the Project Advisory Committee, Project Steering Committee and the Project Implementation Committee respectively.

Promote the Use of IPSASs

#	Start Date	Actions	Completion Date	Responsibility	Resource
90.	June 2009	BICA has invited a World Bank Expert based in South Africa to come and make a presentation at its International Conference in June 2010 on Public Sector Accounting Standards on the best approach to adopt in implementing them.	Completed	MFDP, BICA Council, CEO	MFDP, BICA Council, CEO
91.	April 2011	Establishment of the new BICA Council Committee called the Public Sector Committee. <ul style="list-style-type: none"> - Workshop for committee members held. - Dissemination through articles - Draft curriculum is being worked on and will be registered with TEC. - BAOA – dealing with standard setting. - BAOA/BICA – assisting Ministry to work towards migration from Cash accounting to accrual basis. 	Ongoing	MFDP, BICA Council, CEO	MFDP, BICA Council, CEO

92.	October 2013	Training for officers from the Offices of auditor General and Accountant general	Ongoing	BAOA BICA	World Bank
93.	June 2013	Public Sector Accounting curriculum.	December 2015	BICA Public Sector Committee	BICA Council and BAOA
94.	March 2014	Registration of the curriculum with the Tertiary Education Council.	April 2016	BICA	BICA Council
95.	January 2015	First intake of students in Public Sector Accounting to commence studies.	July 2016	BICA Council and CEO	BICA Secretariat and tuition providers
96.	August 2014	Public Sector workshop done for all stake holders	September 2014	BICA CEO and Public Sector Committee	Dr Williams Atuilik
97.	August 2015	Memorandum of Understanding with the Accountant General's Office for BICA to assist in the Public Sector Drive	December 2015	BICA CEO, Council and Accountant General's office	BICA and Accountant General's Office
98.	August 2017	Memorandum of Understanding with the Accountant General's Office to support the adoption of Accrual IPSAS throughout the Public Sector in Botswana was finally signed.	Completed August 2017	BICA CEO, Council and Accountant General's office	BICA and Accountant General's Office
99.	October 2017	A training seminar was provided to the BICA Public Sector Committee to clearly explain the Committee's mandate to its members and discuss how the Committee was expected to support government in its conversion to Accrual IPSAS	Completed October 2017	BICA CEO	Public Sector Committee
100.	December 2017	A curriculum was developed for Public Sector Accounting and a short focused training is currently being developed in order to capacitate accountants in the public sector	December 2018	BICA CEO	Public Sector Committee

101.	December 2017	BICA developed a roadmap for supporting the government's Conversion to Accrual IPSAS project and aligned it to the government's own roadmap. The roadmap includes the activities to be undertaken by BICA to support the government's project.	December 2017	BICA CEO	Public Sector Committee
102.	November 2018	BICA CEO and Technical Director joined the newly created Project Advisory Committee and Project Implementation Committee respectively for government's Accruals Accounting Conversion Project. These Committees provide technical support to the project and drive the adoption of accrual IPSAS in government.	Ongoing	BICA CEO	BICA Council
103.		BICA circulates information issued by the IPSASB to members and stakeholders such as the AG's office, who are represented on BICA's Public Sector Committee to keep key stakeholders informed and up-to-date.	Ongoing	BICA CEO	BICA Council
104.		BICA Public Sector Committee submit comments to IPSASB exposure drafts and BICA also has a representative who sits on the IPSASB	Ongoing	BICA CEO	BICA Council
2023 Update					
105.	June 2023	BICA signed an MoU with API Secretariat for administration of the API qualification in Botswana. The qualification is currently undergoing regulatory registration and accreditation prior to commencement.	Ongoing	BICA CEO	BICA Council
Maintaining Ongoing Processes					
106.	Ongoing	Continue to identify opportunities to assist relevant authorities in implementation of IPSASs. This includes review of the existing activities and preparation of the Action Plan for future activities where necessary.	Ongoing	BICA CEO	Technical Committee & Council

107.	Ongoing	Perform periodic review of BICA's response and update sections relevant to SMO 5 as necessary.	Ongoing	BICA CEO	Technical Committee & Council
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Action Plan Subject: SMO 6 and Investigation and Discipline

Action Plan Objective: To further improve and maintain investigation and disciplinary mechanism that addresses all SMO 6 requirements

Background

The BICA has implemented mechanisms for investigating and disciplining their members against the local codes and failure to meet professional standards. It continues to further strengthen these mechanisms to closer align with SMO 6. Proposed revisions to both the Accountants Act of 2010 and the Financial Reporting Act of 2010 will significantly assist in this respect. The draft Bill has incorporated a major change in the composition of the Disciplinary Committee i.e. removing the dominance of Council and introducing an independent chairperson preferably a person with a legal background.

Additionally, BICA has linked its I&D system with BAOA's QA reviews. Since BAOA does the reviews on behalf of BICA for certified auditors who are non-PIEs, if they pick anything during their work which points to disciplinary issues, they alert BICA and the council decides whether there is prima facie evidence to take the matter to the disciplinary committee. If they believe so the matter is escalated to the disciplinary committee. There has been one case that went to disciplinary committee through this link. BAOA has its own disciplinary structures for PIE auditors which are also aligned to SMO 6 best practices.

The updated I&D scheme is contained in the BICA Rule. The steps for investigating and the sanctions that could be meted on members that are found guilty are clearly laid down in the BICA Rules.

The Disciplinary Committee dealt with cases of 16 members who did not meet the CPD Returns requirements. There was no further progression with these cases as it was noted that without the Appeals Committee in place there might be a challenge if these cases are progressed. The Institute in the meantime embarked on making Members aware on doing and submitting CPD.

The names of the people to sit on the Appeals Committee were submitted to the Minister of Finance and Development Planning for approval and the Appeals Committee was finally appointed in May 2014.

The BICA Rules are posted on the Institute's website and members are reminded from time to time to appraise themselves of the requirements of the Institute through emails.

Recommendations were made to the Honourable Minister and the two Acts, Accountants Act 2010 and Financial Reporting Act are currently being reviewed. The Attorney General has received the necessary recommendations from the Accountant General for inclusion in the revised Acts. Thereafter it would be sent to Parliament for adoption.

The BICA disciplinary process

From 2016 to date of submission of this Action Plan in April 2019, Council has referred 17 Members to the Disciplinary Committee for enquiries for various offenses such as noncompliance to CPD, and non-adherence to the code of conduct. One (1) member requested that he be removed from the register as he was no longer providing accounting services. The Committee agreed and did not go on with his hearing. Three (3) cases are still with the Committee. One (1) case referred to Council to reconsider. One (1) member was not found guilty. One (1) case is yet to be concluded by the Disciplinary Committee. The other 11 members were found guilty of the offenses and sanctions meted depending on the severity of the offence were cautions, suspensions for certain periods, withdrawals of practicing certificates for certain periods. Two members appealed their sanctions. Depending on the reasons which were given, the Appeals Committee stayed one and reduced the other one from a suspension to a reprimand.

The BICA RULES have since been revised to make sure that they are fully aligned to the Accountants Act 2010 and have also addressed areas which were not clear when it came to implementation. These were approved at the AGM of 26th April 2018 and have now been posted on the BICA website. BICA's I&D processes are also aligned to SMO 6 best practices.

2023 Update

From July 2019 to August 2023, Council has referred 20 members to the Disciplinary Committee for enquiries on various ethics enquiries. As at the date of the report, ten (10) enquiries remained outstanding before the Committee. Sanctions applied among those found guilty included revocation of audit practice certificates and registration certificates, reprimands and monetary fines.

The Accountants (Amendment) Act, 2020 revised the Appeals' Committee to be an Independent Accounting Appeals Committee which is entirely appointed by the Minister of Finance with an independent secretary.

In April 2023, the BICA AGM approved revision to the BICA Rules. The Rules introduced an alternative process to the disciplinary enquiry process. Prior to the revision members were required to physically appear before the Committee. This proved to have administrative challenges where a significant number of members were presented before the Committee e.g. CPD non-compliance. With the new changes, the Committee can allow where it sees fit, for a members brought before the Committee to respond in writing with all relevant evidence and for the Committee to consider the response and evidence and make a ruling without the member appearing before the Committee. This revised process is expected to improve efficiency of the Committee.

#	Start Date	Actions	Completion Date	Responsibility	Resource
Consider Further Developments in Investigation and Disciplinary Programs					
108.	June 2007	Disciplinary Committee to consider and make recommendations on: <ul style="list-style-type: none"> • Sanctions • Reporting to Outside Bodies • Independent Review • Appeals Process 	Completed	BICA CEO These will be included in the rules and regulations of the proposed Financial Reporting Act	Disciplinary Committee and Council
109.	June 2007	Disciplinary Committee to make recommendations to BICA Council.	Completed	BICA CEO	Disciplinary Committee and Council
110.	June 2007	Changes to the Disciplinary Procedures to reflect Committee's Independence and adoption of Open Hearings. If passed, implementation.	Completed	BICA CEO	CEO & Council Linked to the passing of the new Act The new Act will be passed in Parliament in July this year. The Minister of Finance and Development Planning committed to this in his budget speech in February 2008.
2023 Update					
111.	April 2022	Accountants (Amendment) Act, 2020 effected on the 01 April 2022. The Act revised the Appeals Committee to be an Independent Appeals Committee. The Committee is fully appointed by the Minister of Finance	Completed	BICA Council	Ministry of Finance

Creation of the New Rules and Regulations					
112.	March 2010	The MFDP in conjunction with the World Bank has requested the BICA to submit names of experts, preferably, retired professional accountants, for consideration of the drafting of the Rules and Regulations of both the Accountants Act and the Financial Reporting Act.	Completed	MFDP, BICA Council and CEO	MFDP, BICA Council and CEO
113.	April 2011	Formation of the Disciplinary Committee in accordance with the new Act and its Chairperson is a Lawyer from one of the top firms in the country (Collins and Newman). Council is represented by only one member as opposed to four previously.	Completed	MFDP, BICA Council and CEO	MFDP, BICA Council and CEO
114.	November 2013	Appointment of Appeals Committee chaired by a lawyer, three Members are from the profession and from Industry	Completed in May 2014	BICA Council	Minister of Finance and Development Planning.
2023 Update					
115.	April 2023	The BICA Rules were updated to introduce an alternative process which allows written submissions from members and for the Committee to finalize enquiries based on written submission.	Completed	BICA Council	BICA AGM
Maintaining Ongoing Processes					
116.	Ongoing	Continue to ensure that BICA's investigation and disciplinary mechanism continues to address all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	BICA CEO	Disciplinary Committee and Council
Review of BICA's Compliance Information					
117.	Ongoing	Perform periodic review of BICA's response and update sections relevant to SMO 6 as necessary.	Ongoing	BICA CEO	Disciplinary Committee and Council

Main Requirements of SMO 6

Requirements	BAOA	BICA	Comments
	Yes No Partially	Yes No Partially	
<p>Scope of the system</p> <p>1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.</p>	Yes	Yes	<p>BAOA maintains a system for PIE auditors and BICA maintains a system for all other accountants and non-PIE auditors.</p> <p>2023 Update</p> <p>The Accountants Act and the BICA Rules provide to establishment and operations of the Disciplinary Committee and Appeals Committees.</p>
<p>2. Information about the types of misconduct which may bring about investigative actions is publicly available.</p>	Yes	Yes	<p>It is included the Accountants' Act and Financial Reporting Act for all accountants and for PIE auditors respectively, and IESBA Code of Ethics which both BICA and BAOA have adopted. The Acts and IESBA Code of Ethics are available on both organizations' websites</p> <p>2023 Update</p> <p>The IESBA Code of Ethics and the Accountants Act which also includes schedule of misconducts is provided in the BICA Website. On an annual basis, ethics training is carried out to all members.</p>
<p>Initiation of Proceedings</p> <p>3. Both a "complaints-based" and an "information-based" approach are adopted.</p>	Yes	Yes	<p>Proceedings are initiated if a complaint is raised or BICA/BAOA become aware of the need for proceedings through media and other reports.</p> <p>2023 Update</p> <p>Enquiry process is initiated upon receipt of complaints and other enquiries are initiated on information becoming available to the Institute.</p>

<p>4. Link with the results of QA reviews has been established.</p>	<p>Yes</p>	<p>Yes</p>	<p>Established by both BAOA for PIE auditors and BICA for all other firms, audit and non-audit.</p> <p>2023 Update</p> <p>A firm which is unsatisfactory after three consecutive reviews is referred for Disciplinary enquiry. The enquiry process follows the same one as for investigation and disciplinary matters.</p>
<p>Investigative process</p> <p>5. A committee or similar body exists for performing investigations.</p>	<p>Yes</p>	<p>Yes</p>	<p>BICA Secretariat (Technical Department) carries out all investigations, and provides findings to Council which approves or disapproves, where there is a recommendation for the matter to be referred to Disciplinary Committee, similar for BAOA Secretariat (Technical Department).</p> <p>2023 Update</p> <p>BICA Technical department is responsible for carrying out investigations. Recommendations for enquiry are referred to Council through office of the CEO. Council refers matters for enquiry to the Disciplinary Committee.</p>
<p>6. Members of a committee are independent of the subject of the investigation and other related parties.</p>	<p>Yes</p>	<p>Yes</p>	<p>Independence of members are confirmed at every sitting of the committee</p> <p>2023 Update</p> <p>For each enquiry matter presented before the Committee, members declare their independence prior to commencement of the enquiry. Members who are conflicted are recused from the respective enquiries.</p>
<p>Disciplinary process</p> <p>A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.</p>	<p>Yes</p>	<p>Yes</p>	<p>BICA Disciplinary Committee and BAOA Enforcement Committee</p> <p>2023 Update</p> <p>The Accountants Act as amended establishes an independent disciplinary Committee which is composed of 6 members as</p>

			<p>follows:</p> <ul style="list-style-type: none"> - Attorney (1) - Council member (1) - Members of the profession (3)
Members of the committee/entity include professional accountants as well as non-accountants.	Yes	Yes	<p>BICA Disciplinary Committee and BAOA Enforcement Committee are both headed by lawyers and include professional accountants.</p> <p>2023 Update</p> <p>The Accountants Act as amended establishes an independent disciplinary Committee which is composed of 6 members as follows:</p> <ul style="list-style-type: none"> - Attorney (1) - Council member (1) - Members of the profession (3)
7. The tribunal exhibits independence of the subject of the investigation and other related parties.	Yes	Yes	<p>Independence is confirmed at each seating of the committee</p> <p>2023 Update</p> <p>For each enquiry matter presented before the Committee, members declare their independence prior to commencement of the enquiry. Members who are conflicted are recused from the respective enquiries.</p>
<p>Sanctions</p> <p>8. 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.</p>	Yes	Yes	<p>Range of sanctions are specified in the Accountants Act and Financial Reporting Act and include (a) loss of professional designation; (b) restriction and removal of practicing rights; and (c) exclusion from membership. Cautions and reprimands are also included.</p> <p>2023 Update</p> <p>The Accountants Act as amended provides for the Committee to apply sanctions as follows:</p> <ul style="list-style-type: none"> - Reprimands and cautions - Suspension from membership for a specific period - Withdrawal of certificate of registration

			- Name removal from register
<p>Rights of representation and appeal</p> <p>9. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.</p>	Yes	Yes	<p>Both bodies have an Appeals Committee 2023 Update</p> <p>Accountants (Amendment) Act, 2020 effected on the 01 April 2022. The Act revised the Appeals Committee to be an Independent Appeals Committee. The Committee is fully appointed by the Minister of Finance.</p> <p>Members who are not satisfied with the sanctions issued by the Disciplinary Committee are allowed to appeal to the Independent Accounting Appeals Committee within 14 days of ruling. Where a member is not satisfied with ruling of the Independent Appeals Committee, they are allowed to appeal to the Minister of Finance within 14 days of the ruling. A member not satisfied with the Minister's decision is allowed to approach the High Court.</p> <p>The Disciplinary process allows for legal representation of the members before the Committee.</p>
<p>Administrative Processes</p> <p>10. Timeframe targets for disposal of all cases are set.</p>	Partially	Partially	<p>Timeframe targets are set for the investigation of cases at BICA but no targets are set for Disciplinary Committee to resolve the matter. Similar for BAOA's Enforcement Committee. 2023 Update</p> <p>Comment remains relevant.</p>

11. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	Yes	Yes	Technical Departments of both BICA and BAOA are responsible for monitoring progress in their respective organisations 2023 Update Comment remains relevant
12. Records of investigations and disciplinary processes are established.	Yes	Yes	Records are maintained by technical department in each organisation 2023 Update Comment remains relevant
Public Interest Considerations 13. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	Yes	Yes	BICA and BAOA do events like roadshows and media outings throughout the year to keep the public informed of the I&D systems 2023 Update Investigation and disciplinary mandate and process is shared at stakeholder engagements, in the website and through social media platforms.
14. A process for the independent review of complaints on which there was no follow-up is established.	No	No	Process has not been established yet. BICA Council however made the decision to review all complaints as from 11 July 2019. 2023 Update The technical department led by the Director carry out investigations and where a recommendation is reached to refer the matter for enquiry, it is referred to the CEO. Where the investigation team concludes that the complaint received does not bear breach of ethics, a response is issued to the complainant. Where the complainant is unsatisfied they direct their follow-up to the CEO who independently assesses the complaint
17. The results of the investigative and disciplinary proceedings are made available to the public.	Partially	Partially	Where the decision finds no wrongdoing on the part of the member then the public is not notified, except for the complainant. I&D decisions are circulated in the media by both organisations where the member is found guilty of misconduct. 2023 Update

			Where the Disciplinary Committee resolves to withdraw certificate of registration of a member or member firm, the result is made public with approval of Council.
<p>Liaison with Outside Bodies</p> <p>18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.</p>	Yes	Yes	<p>Both organisations have processes for liaising with Botswana Police Services, the Financial Intelligence Agency and the Department of Public Prosecutions</p> <p>2023 Update</p> <p>As a State Owned Entity, BICA is collaborate with other government departments for knowledge sharing as the case may be.</p>
<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>	Yes	Yes	<p>Council of both organisations regularly review the system for improvement</p> <p>2023 Update</p> <p>With feedback from the Disciplinary Committee, Council and based on investigation experience, the enquiry process is reviewed on an ongoing basis and where Rules are revised, they are approved by members at the AGM.</p>

Action Plan Subject: SMO 7 and International Financial Reporting Standards

Action Plan Objective: To establish and maintain processes for ongoing adoption and implementation of IFRS

Background

BAOA took over the standards setting responsibility from BICA. However, BICA will participate in the standards setting processes that BAOA will put in place.

Prior to the adoption of the Financial Reporting Act 2010, the Botswana Institute of Chartered Accountants (BICA) was responsible for setting the accounting and auditing standards. As such, since September 2007 IFRS have been adopted by the BICA without amendment - including all subsequent revisions. Prior to this BICA has always recommended compliance with IFRS as a matter of practice. From a companies' perspective, Botswana has legislated compliance with full IFRS through the Companies Act 2003 though of more relevance to Botswana is the IFRS for SMEs where through the same Act it is expected that some 90% of companies in Botswana will be required to follow IFRS for SMEs. As the national professional accountancy body, BICA continues progressing full adoption and implementation of IFRS including promotion and providing related training (IFRS for SMEs). The Institute has always recommended Compliance with IFRS and ISA as a matter of practice but recently, the Companies Act 2003 section 42:01 made it a legal requirement. The first step after the legislation was passed was to adopt, as an Institute, all existing standards and pronouncements.

BICA has also adopted the IFRS for SMEs. Botswana has finalized the GAAP in Botswana for Entities not applying IFRS and this will be officially launched on 19th September 2013. The GAAP was indeed launched in September 2013 and a workshop was run in May 2014.

BICA is currently in the process of recruiting a Technical resource because since the departure of the Technical Director in 2013, it has been difficult to get an individual with the relevant experience. Talks are ongoing with the South African Institute of Chartered Accountants (SAICA) that we should recruit a mid-career entrant whom we can second to them for capacity building.

A Technical Director was recruited by BICA in June 2017 and this has helped to ensure that members are regularly updated through a technical bulletin on changes in the standards and regular CPD workshops are provided throughout the year to ensure members stay up to date. The Technical bulletin is published monthly and includes technical news items and updates on International accounting and auditing standards. It is circulated to all BICA members.

BICA chairs the Botswana Integrated Reporting Committee that was launched in August 2018 to promote the adoption of Integrated Reporting by organisations in Botswana. The BIRC includes all regulators related to the accounting profession and the Botswana Stock Exchange. BICA also sits on the African Integrated Reporting Council.

2023 Update

There has been no change in reporting landscape in the country. Following launch of International Sustainability Standards, the Institute encourages its members to

adopt the standards when they become effective. As a member of the BAOA Standard Setting Committee, BICA encourages revision of legislation for mandatory application of the standards.

Process for Ongoing Adoption and Implementation of IFRSs

#	Start Date	Actions	Completion Date	Responsibility	Resource
118.	June 2007	BICA Technical Committee to consider and make recommendation on processes for: <ul style="list-style-type: none"> • Official adoption of IFRS • Dissemination of exposure drafts and final standards 	Completed	BICA CEO	Technical Committee & Council
117.	June 2007	Technical Committee to approve adoption.	Completed	BICA CEO	Technical Committee & Council
118.	Ongoing	Consider details on ongoing process to adopt new and amended ISAs, comment on EDs, implementation support, education and awareness building etc.	Ongoing	BICA CEO	
119.	Ongoing	Diffusion of all the new standards, exposure drafts and interpretation by the Technical committee to all BICA members soliciting comments and ideas.	Ongoing	BICA Technical Committee	BICA Technical Committee
120.	Ongoing	Organization of a workshop during which all the comments are consolidated into a recommendation then sent to the Council	Ongoing	BICA Council, Technical Committee	BICA Council, Technical Committee
121.	July 2015	Prepare proforma Financial Statements for entities not applying IFRS	October 2015	BICA Technical Committee, CEO	Use one of the Practitioners to prepare these proforma financial statements.

2023 Update

122.	June 2020	BAOA as the standard setting body in Botswana reviewed the Botswana GAAP and reissued them. In addition, BAOA issued Botswana GAAP Financial Statements illustration	Complete	BICA Technical Committee	BAOA Board
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Strengthening Technical Capacity

123.	March 2010	Increase the capacity of the Committee to allow them to review EDs and assist the members in implementation of standards. The new Acts introduces new posts of Technical Director and Director of Training and Professional Development.	Completed	BICA Council, Technical Committee, CEO	BICA Council World Bank, MFDP, and BICA Council.
2023 Update					
124.	August 2023	The Technical department is fully composed with Director, 2 managers and 2 officers. The personnel support Technical Committee for commentaries to all technical projects	Complete	BICA CEO	Technical Committee
Maintaining Ongoing Processes					
125.	Ongoing	Continue to use best endeavors by identifying opportunities to further assist in implementation of IFRS. This includes review of the existing activities and updating the Action Plan for the future activities where necessary.	Ongoing	BICA CEO	Technical Committee & Council
Review of BICA's Compliance Information					
126.	Ongoing	Perform periodic review of BICA's response and update sections relevant to SMO 7 as necessary.	Ongoing	BICA CEO	Technical Committee & Council