

BACKGROUND NOTE ON ACTION PLANS

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

- The legal and regulatory environment for the profession;
- The status of adoption of international standards and best practices in the jurisdiction; and
- The level of a Member's or Associate's fulfillment of IFAC 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 under the auspices of IFAC as well as by the International Accounting Standards Board (IASB); and to establish a quality assurance (QA) review and investigation and disciplinary (I&D) systems. 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 (revised in 2012), 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.

Regular updates of the SMO Action Plans are required as part of the [IFAC Member Compliance Program](#).

Use of Information

Please refer to the [Disclaimer](#) published on the IFAC 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.

ACTION PLAN

IFAC Member: The Institute of Chartered Accountants of Jamaica (ICAJ)
Original Publish Date: August 2010
Last Updated: August 2023
Next Update: August 2027

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

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

FOR IFAC COMPLETION	PAO Level of Responsibility for Adoption	Adoption Status as of 2023	Level of SMO Fulfillment as of 2023
QA / SMO 1	Shared	 Adopted	 Sustain
IES / SMO 2	Shared	 Adopted	 Sustain
ISA / SMO 3	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	Direct	 Adopted	 Sustain

Attestation of SMO Compliance

The **Institute of Chartered Accountants of Jamaica (ICAJ)** has developed an Action Plan to demonstrate how it fulfills the requirements of the SMOs (revised in 2012). The abovementioned *Governing Body* has reviewed the information contained within the SMO Action Plan and affirms that the **ICAJ** 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 **ICAJ** 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 **ICAJ**, 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
AICPA	American Institute of Certified Public Accountants
APC	Audit Practice Committee
ASC	Accounting Standards Committee
CGA	Canadian Certified General Accounting
CMA	Certified Management Accountant
CPD	Continuing Professional Development
I & D	Investigation and Discipline
IAASB	International Assurance and Auditing Standards Board
IAESB	International Accounting Education Standards Board
IASB	International Accounting Standards Board
ICAC	Institute of Chartered Accountants of the Caribbean
ICAEW	Institute of Chartered Accountants in England and Wales
ICAJ	Institute of Chartered Accountants of Jamaica
IEIP	Information Papers from the International Accounting Education Standards Board
IEPS	International Education Practice Statements
IESs	International Education Standards
IESBAs	International Ethics Standards Board for Accountants
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IPSASs	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISAs	International Standards on Auditing
ISQC 1	International Standard on Quality Control 1
PAA	Public Accountancy Act
PAB	Public Accountancy Board
PSC	Public Sector Committee
QA	Quality Assurance
QMC	Quality Monitoring Committee
SMEs	Small and Medium Enterprises
SMOs	Statement of Membership Obligations
UWI	University of the West Indies

Action Plan Subject: General Description of Organization, Environment and Goals of the Action Plan
Action Plan Objective: Describe Regulatory and Standard-Setting Framework, Governance, Challenges and Success Factors

General Background:

The Institute of Chartered Accountants of Jamaica (ICAJ) was incorporated under the Public Accountancy Act (PAA) 1968. The PAA regulates the Accountancy profession in Jamaica as well as the use of Accountancy designations, Chartered Accountant (CA) and Fellow of the Institute of Chartered Accountants of Jamaica (FCA).

The ICAJ has two (2) main categories of members designated Chartered Accountants:

- Members in Public Practice;
- Members Not in Public Practice.

The ICAJ has responsibility for determining accounting and auditing standards for Jamaica. Its primary objectives are to:

- Promote and increase the professional knowledge, skill and proficiency of its members and students;
- Regulate the discipline and professional conduct of its members and students;
- Develop and set standards to ensure the integrity of the accounting profession;
- Make provision for the training, education and examination of persons engaging or intending to engage in the profession.

The objectives of the ICAJ as set out in its Articles of Association are within the scope of the IFAC Statements of Membership Obligations (SMOs). For a complete list of the ICAJ's objectives, please visit the ICAJ Website (www.icaaj.org). These objectives are achieved through the work of 16 standing committees, 14 of which are headed by members of Council. The other committees are headed by non-members of Council.

ICAJ currently has over 1,500 members, 167 of which are in public practice. To qualify for membership of ICAJ one of the requirements is that applicants must satisfactorily complete any of the qualifying examinations recognized by the ICAJ: Association of Chartered Certified Accountants (ACCA) professional examinations or a Master of Science Degree in Accounting from the University of the West Indies, Mona, American Institute of Certified Public Accountants (AICPA) examinations, or the Chartered Professional Accountants of Canada (CPA Canada) examinations.

The ICAJ Council, in its discretion may by resolution admit to membership any person who is a member of a professional accountancy organization listed below:

- The Institute of Chartered Accountants in England and Wales;
- The Institute of Chartered Accountants of Scotland;
- The Institute of Chartered Accountants in Ireland;

Applicants must also have obtained practical experience of not less than three years, by working in a professional firm or being engaged in accounting work in other acceptable organizations in senior positions. This experience must be attested to by the applicant signing a declaration that the information provided is true.

Applicants are also required to meet the following conditions:

- Be at least 21 years old.
- Be recommended by two members of the ICAJ who are in good standing.
- Be approved to membership by the Council of the ICAJ.

Regulatory and Standard Setting Framework

The PAA established a regulatory framework for the accountancy profession. The Act created the Public Accountancy Board, a statutory body to issue licences to registered public accountants and promote acceptable standards of professional conduct by registered public accountants. Decisions by the Public Accountancy Board (PAB) are subject to approval by the Minister of Finance who has legal authority to issue regulations relating to the profession.

The PAB carries out its mandate by being the legal authority that issues licences to registered public accountants who must also hold a practicing certificate from the PAB. Only registered public accountants have the legal authority to sign audit reports on financial statements.

The Companies Act 2004 provides that all companies except very small companies as defined are required to prepare their financial statements in accordance with accounting standards promulgated by the ICAJ. The secondary legislation is the By-laws of the ICAJ. It is not mandatory for all registered public accountants or accountants in general to become members of the ICAJ.

The ICAJ and the PAB entered into an agreement to share responsibilities to ensure unified standards for the control, monitoring and discipline of all registered public accountants in Jamaica and to improve the effectiveness of the PAB as the legal authority for the oversight of registered practicing accountants in Jamaica.

The governing auditing standards are International Standards on Auditing (ISA). Financial services regulators rely significantly on external auditors of the regulated entities to ensure compliance with accounting and financial reporting requirements and to report compliance failures. These firms are the primary source of knowledge on International Financial Reporting Standards (IFRS) and ISA issues and share this knowledge with the regulators.

The ICAJ and the PAB have jointly established a practice monitoring system with responsibility for the evaluation and assessment of the quality of audit and other public practice work in Jamaica.

ICAJ Governance Framework

A Council is elected annually by the membership in accordance with the By-laws. One member of Council must be a Public Officer. Of the remainder one third must be members who are neither accountants in practice nor public officers.

The Council elects its President and Vice-President. A Treasurer and Honorary Secretary are appointed annually. Together these four officers constitute the body of Principal Officers. The Principal Officers monitor operational activities of the ICAJ Secretariat through its Executive Director.

The ICAJ is a member of the International Federation of Accountants (IFAC) and requires its members to comply with the ethical and other standards issued by the independent standard-setting bodies which have structures and processes that support their operations and are facilitated by IFAC. The ICAJ promulgates the standards issued by these independent standard-setting bodies and the International Accounting Standards Board (IASB).

Professional education requirements for becoming a member of the ICAJ are consistent with international standards and members must meet continuing professional development requirements of at least 120 hours of qualifying professional education in each rolling three-year period. In order to support this requirement, the ICAJ conducts professional education and learning programs. These programs are also made available to the

wider community to build capacity.

Challenges and Key Success Factors

One of the features of the ICAJ regulatory framework is its historical reliance on other Institutes where members qualified and remain members. As this source is an access route to membership of the ICAJ it is important that the system of certifying professionals by these Institutes is consistent with ICAJ's policy and the IFAC member body requirements. An important success factor to achieve this is the reliability of the IFAC Compliance Regime. This may include associate members of IFAC where adequate evidence of the compliance with the IFAC Statement of Member Obligations is available in order that an assessment may be undertaken as evidence to ensure that appropriate supervision of mutual members is attainable. ICAJ also collaborates with the PAB to ensure that an effective agreement is maintained to ensure that persons who qualify as members of the PAB meet membership requirements of ICAJ.

Another challenge is the creation of a regional database of member bodies approved by IFAC where reliance can be placed by the ICAJ that such member bodies are able to provide the continuing professional development and learning requirements of individual members to facilitate the transfer and movement within the region. This will be increasingly relevant as the process of integration within the region deepens and individuals migrate from one country to another. Member bodies within and outside the region currently do not have a system of mutual recognition of the qualifying requirements to become members of individual jurisdictions. The requirements vary from jurisdiction to jurisdiction. Due to small size of some member country, economies of scale could be achieved by members of ICAC if there was mutual recognition of the professional development and learning requirements of each ICAC member. The key success factors here are collaboration with other Institutes and equivalent bodies with mutual interests to share resources.

The effective implementation of the regional practice monitoring system is critical to the sustainable achievement of quality control assurance by practicing members and accordingly compliance with IFAC member body requirements. Another critical success area is the requirement for adequate training of practitioners at cost effective rates on a sustainable basis.

Priorities for 2023–2025

To ensure the continued effectiveness of the agreed quality control assurance review system and thereby strengthen the quality control capacity of practitioners.

To provide support to SMPs to assist them in achieving and maintaining required standards.

To enhance the Information Technology capacity of the Institute to meet future needs and improve member and student services and more effectively track their continuing professional development and other requirements.

To support the rollout strategy for the adoption of International Public Sector Accounting Standards (IPSAS).

To increase ICAJ membership and therefore ensure that a greater number of qualified accountants in Jamaica commit to upholding the high standards of integrity and professionalism required of members.

To improve the visibility of ICAJ and build awareness of the role and functions of IFAC.

To educate the public about the role and functions of chartered accountants and their contribution to national development.

To upgrade physical facilities to provide better and more favorable accommodation.

To update the ICAJ Bye-laws, particularly sections dealing with investigations and disciplinary matters

To implement initiatives with ACCA to improve students' pass rates.

Projects

Continue to collaborate with PAB on the practice monitoring program under contract with ACCA since 2012 and continue to facilitate practitioners' training through workshops and development and dissemination of practice workbooks and other learning material, especially for small and medium sized practitioners.

Continuing submission of changes to the Companies Act 2004 to improve its applicability and reduce conflicts.

Adopt the IFAC Action Plan as a standing order matter for review by Council.

Strengthen the institutional capacity of the ICAJ to conduct technical research and analysis and effectively comply with the revised IFAC Statements of Membership Obligations (SMOs).

Continue periodic reviews of published and other selected financial statements by the Accounting Standards Committee (ASC) to ensure compliance with IFRS and ISA.

Conduct an HR Review of the ICAJ Secretariat to develop a structure at the Secretariat that meets the current and future needs of ICAJ members.

Host a successful annual Business Conference.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Updating IFAC Action Plan</i>					
1.	January 2012	Continue practice monitoring and quality assurance review system.	Ongoing	Chairman, Audit Practice Committee	ICAJ Council
2.	October 2011	Practitioners' training.	Ongoing	Chairman, Continuing Professional Development	ICAJ Secretariat
3.	July 2016	Assist in the implementation of IPSAS.	Deferred until GOJ formal adoption of IPSAS	Chairman, Public Sector Committee	ICAJ Council
4.	April 2017	Implementation of new membership database.	Jan 2021	Chairman, Information Communications & Technology (ICT) Committee	ICAJ Council

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective: Ensure mandatory Quality Assurance review system in place for ICAJ members, preparing audits of financial statements, including listed companies.

Background:

The Public Accountancy Act states that one of the functions of the Public Accountancy Board is to “implement, regulate and monitor a system of quality control reviews.” The ICAJ and PAB have regulatory powers/authority over practitioners and the practice of accountancy respectively.

In 2007 the ICAJ in conjunction with PAB and ICAC contracted with ACCA to assist in implementing a practice monitoring and Quality Assurance review system, including designing policies and procedures. The program commenced in January 2012. Practitioners continue to benefit under this project through training and other quality improvement support and assistance in building capacity to meet the requirements of International Standard on Quality Control (ISQC) 1. All practitioners who perform statutory audits of financial statements are subject to practice monitoring and the review system is consistent with the requirements of SMO 1.

ISQC 1 was adopted by ICAJ as issued. As part of the continuous professional development program for members, the CPD Committee organizes training courses and workshops covering the requirements of ISQC 1. The Committee has also conducted a series of tailored courses for small and medium-sized practitioners (SMPs) to assist them in meeting quality assurance gaps. In 2014, a seminar was conducted by an IFAC SMP team. In addition, a series of at least two (2) workshops are organized annually to address the needs identified in the practice monitoring exercise. IFAC publications on Quality Control issues, such as the “Guide to International Standards on Auditing for use in the Audits of Small- and Medium-sized Entities” and the “Guide to Quality Control for Use by Small- and Medium-sized Practices”, are communicated to ICAJ members.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Development and Implementation of Quality Assurance Review System</i>					
1.	April 2007	Conduct training sessions for practitioners, specifically targeted to small and medium-sized practitioners to ensure that the practitioners address the deficiencies identified in the reviews.	Ongoing	Chairman CPD Committee	ICAJ Council CPD Committee
2.	October 2011	The Quality Monitoring Committee (QMC) continues to work with ACCA and ensures effective performance of the Contract with ACCA and that assessments of the quality control standards requirements are effected in accordance with ISQC1.	Ongoing	President	ICAJ Council

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
3.	Ongoing	Continue to ensure that ICAJ's Quality Assurance review system is operating effectively and in line with SMO 1 requirements. This includes periodic review of the operations of the Quality assurance review system and the ongoing updating of the Action Plan for future activities, where necessary.	Ongoing	Executive Director	ICAJ Secretariat.
<i>Revising the Existing Review Program to Ensure SMO 1 Requirements Are Addressed</i>					
4.	September 2011	Incorporate long term plan for reviews of firms auditing public interest entities to ensure three-year review cycle carried out by PAB.	Ongoing	Chairman, Accounting Standards Committee	Accounting Standards Committee
5.	September 2011	Establish working group to develop review program/checklist.	Completed	President	ICAJ Council
6.	December 2010	Develop review program/checklist, covering auditors' (audit firms') compliance with: Relevant Act and Regulations governing auditors. Internal rules of ICAJ (e.g. continuing professional development, subscription fees). - ISQC 1 - ISAs and Clarified ISAs	Ongoing	President/ Practice Monitoring Reviewer	ICAJ Council
7.	March 2011	Review comments and recommendations for finalization of the review program developed. Approve review program with PAB.	Ongoing	Chairman of CPD Committee, President	ICAJ Council
8.	July 2012	Implement revised review program.	Ongoing	Practice Monitoring Reviewer	ICAJ Council
<i>Education and Awareness Building</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
9.	September 2012	Prepare and publish an explanatory article on the changes to the Quality Assurance review system.	June 2016 and ongoing for any new updates	Practice Monitoring Reviewer	ICAJ Council
10.	October 2012	PAB to update the template report to reflect the scope of Quality Assurance review system and conclusion regarding quality control system.	Ongoing	Practice Monitoring Reviewer	ICAJ Council
11.	Ongoing	PAB to prepare and make presentations to ICAJ members on the main issues identified during reviews of auditors and audit firms.	Ongoing	Practice Monitoring Reviewer	ICAJ Council
12.	Ongoing	Work with PAB to conduct training on the most significant and the most frequent issues identified during reviews of auditors and audit firms.	Ongoing	Chairman, CPD & APC Committee	ICAJ Council
<i>Maintaining Ongoing Processes</i>					
13.	Ongoing	<p>Continue to ensure that ICAJ's review program is operating effectively and continues to be in line with SMO 1 requirements and the new requirements under SMO 1 (Revised). This includes routine review of the operation of the Quality Assurance review system and as required updating of the Action Plan for future activities, where necessary. The requirements also include the implementation of disciplinary action for continuing violations.</p> <p>Build awareness of the changes included in SMO 1(Revised) and consider the update necessary to the Quality Assurance review program to ensure the requirements are adequately covered and effective for the 2023-2025 period.</p>	Ongoing	Executive Director	ICAJ Council
<i>Review of ICAJ's Compliance Information</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
14.	March 2013	Perform review of revised SMOs and ICAJ's SMO Action Plan and update relevant sections as necessary. Once updated inform IFAC compliance staff about the update in order for the compliance staff to republish updated info.	September 2019 and as required by IFAC	Executive Director	ICAJ Council

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

Action Plan Objective: Continue to Use Best Endeavors to Ensure that all IES, IEPSs and IEIPs Requirements as Issued by the International Accounting Education Standards Board (IAESB) are incorporated into Jamaican Professional Accountancy Education System

Background:

The objects of the ICAJ, as outlined in the Public Accountancy Act, include the following:

“To promote and increase the knowledge, skill and proficiency of its members and students;

“To make provision for the training, education and examination of persons engaging in or intending to engage in the said profession.”

The educational requirements for professional accountants in Jamaica are consistent with equivalent educational standards of bodies such as the ACCA.

The ICAJ has instituted a program of communicating IES, International Education Practice Statements (IEPSs) and IEIP requirements as issued by the IAESB to its membership on a timely basis. The ICAJ requires implementation of the standards prescribed under the IESs in the education and development of its members and has a program of commenting on exposure drafts issued by IAESB.

Under the practice monitoring and Quality Assurance (QA) review system implemented with ACCA and PAB, practitioners benefit through training and practice development and other quality improvement support and assistance in building capacity to meet the requirements of ISQC 1.

In order to support this requirement, the ICAJ conducts professional education and learning programs. These programs are also made available to the wider community to build capacity.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Implementing Program to Incorporate Jamaica Law, Business Environment and Jamaica Taxation into the Qualifying Examinations for Professional Qualification</i>					
15.	30 September 2010	Form a task force to review and prepare framework for developing the educational requirements that incorporate Jamaican Law, Business Environment and Jamaican taxation examination papers.	To be Determined	President, Future of the Profession Committee	ICAJ Council and representatives of the approved overseas examination bodies and University of the West Indies
16.	30 June 2012	Develop framework to implement five-year program to expand professional accountancy education requirements in line with SMO 2, <i>International Education Standards</i> .	To be Determined	ICAJ Council	ICAJ Council and representatives of the approved overseas examination bodies and University of the West Indies

#	Start Date	Actions	Completion Date	Responsibility	Resource
17.	Ongoing	Carry out policy dialogues on SMO 2 requirements with the examination setting bodies (ACCA, AICPA, the Institute of Chartered Accountants in England and Wales (ICAEW), CPA Canada and UWI).	Ongoing	ICAJ Council	ICAJ Council and representatives of the approved overseas examination bodies and University of the West Indies
18.	2 October 2012	Hold meetings with PAB on the policy change based on the SMO 2 requirements.	Ongoing	President and Chairman of Students Affairs Committee	Members of the ICAJ Council and Students Affairs Committee
19.	Ongoing	Carry out policy dialogues on SMO 2 requirements with student groups, training institutions, employer groups, etc.	Ongoing	President, Chairman of Students Affairs Committee and representatives of responsible Committees	Members of the ICAJ Council, representatives of examination setting bodies, UWI and responsible Committees
	October 2015	Conduct periodic reviews of UWI M.Sc. Accounting Programme as required under the joint Co-operation Agreement with UWI.	Ongoing	Future of the Profession Committee/CPD Committee	
<i>Strengthening CPD Requirements</i>					
20.	February 2009	Incorporate requirements of IES 8 in the ICAJ's policy framework and implement a program of sanction for continued violation.	Ongoing	President, Chairman CPD Committee	CPD Committee and ICAJ Council
<i>Maintaining Ongoing Processes</i>					

21.	Ongoing	<p>Continue to apply best endeavors to ensure ICAJ's education requirements continue to incorporate all the IES requirements. This includes creation and updating of membership database and effective tracking of professional development, periodic review of the system and updating the Action Plan for future activities where necessary.</p> <p>Build awareness of the changes included in SMO 2(Revised) and implement the update necessary to the IES requirements and strengthen the process to ensure the requirements are adequately covered and effective for the 2023-2025 period.</p>	Ongoing	President, Chairman CPD Committee	CPD Committee and ICAJ Council
<i>Review of ICAJ's Compliance Information</i>					
22.	March 2013	<p>Perform review of revised SMOs and ICAJ's SMO Action Plan and update relevant sections as necessary. Once updated inform IFAC compliance staff about the update in order for the compliance staff to republish updated info.</p>	October 2015 and as needed	Executive Director and President	Executive Director and ICAJ Council

Action Plan Subject: SMO 3—International Standards and Other Pronouncements Issued by the IAASB
Action Plan Objective: Continue to Use Best Endeavors to Maintain Ongoing Process to Adopt and Implement IAASB

Background:

ICAJ adopts in full the International Standards or other related pronouncements issued by the IAASB as the national standards or guidance for application in Jamaica. This includes promoting the application of related Practice Statements and pronouncements and corresponding implementation guidance.

ICAJ has adopted ISAs as a national standard for use in Jamaica. ISAs are adopted without amendments. IAASB pronouncements are published in the ICAJ's quarterly newsletter and access thereto linked via the website.

The ICAJ supports the implementation of ISAs by training its members, and timely communicating ISAs, proposed ISAs and related pronouncements, by presentation at conferences and workshops for practitioners and delivering guidance on implementation, such as the Procedures for Quality Audit.

The Audit Practice Committee has been appointed responsibility for reviewing proposed standards and final standards when these are issued and disseminating them to the wider membership for comments. More complex standards and related issues are addressed at seminars and workshops to facilitate direct interaction and real time response.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Improvements to Program of Adoption and Implementation of IAASB Pronouncements</i>					
23.	1 March 2010	Enhance CPD program by expanding agenda of training seminars and workshops to incorporate ISAs and other IAASB pronouncements.	Ongoing	Chairmen of CPD and Audit Practice Committees	CPD Committee and Audit Practice Committee
24.	1 April 2010	Strengthen capacity by developing a work plan and involving Audit Practice Committee (APC) membership to respond to IAASB Discussion documents and Exposure Drafts.	Ongoing	Chairman Audit Practice Committee	Audit Practice Committee ICAJ Council
25.	10 April 2010	Improve current communication plan for informing members and other publics about the issued ISAs and Clarified ISAs that are in effect and reminding members of their requirement to adopt and utilize them in their work practices based on the IAASB timetable.	Ongoing	Chairman Audit Practice Committee and Executive Director	Audit Practice Committee and ICAJ Secretariat

#	Start Date	Actions	Completion Date	Responsibility	Resource
26.	Ongoing	Review and disseminate relevant IAASB pronouncements including ISAs and Clarified ISAs to members. Implement a process that provides for the timely, accurate and complete dissemination of International Standards.	Ongoing	Secretariat and Chairman Audit Practice Committee	ICAJ Staff and Audit Practice Committee
27.	July 2011	Develop practice guidance and provide training to small and medium sized practice members. Organize training seminars.	Ongoing	Chairman Audit Practice Committee and Executive Director	Audit Practice Committee
28.	Ongoing	Respond to issued relevant IAASB proposals. Alert ICAJ members to IAASB proposals through quarterly newsletters, routine circular bulletins and ICAJ website and seek feedback where necessary.	Ongoing	Chairman Audit Practice Committee	Audit Practice Committee ICAJ Secretariat
29.	2006	Support program for implementation of enhanced Quality Assurance (QA) for all members, especially members in public practice.	Ongoing	Chairman Audit Practice Committee President	Audit Practice Committee ICAJ Secretariat
30.	2008	Involve the international auditing firms to assist and offer guidance on their implementation of IAASB standards and other pronouncements, in particular ISQC1.	Ongoing	President ICAJ Secretariat	Audit Practice Committee ICAJ Secretariat ICAJ Council
<i>Education and Awareness</i>					
31.	Ongoing	Publish updates regarding IAASB standards and pronouncements in ICAJ newsletters and reference to links to IAASB website on the ICAJ website.	Ongoing	Chairman Audit Practice Committee	Audit Practice Committee ICAJ Secretariat
32.	Ongoing	Meet with relevant government representatives to discuss audit and ethical issues from time to time. Introduce mandatory Ethics CPD requirements for members.	Ongoing	Chairman Audit Practice Committee	Audit Practice Committee ICAJ Secretariat

#	Start Date	Actions	Completion Date	Responsibility	Resource
33.	Ongoing	Issue information on the latest ISA and ISA developments through ICAJ newsletter, training seminars, circulars and website.	Ongoing	Chairmen, Audit Practice and Public Relations Committees	Audit Practice Committee and CPD Committee
<i>Maintaining Ongoing Processes</i>					
34.	Ongoing	Continue to support ongoing adoption and implementation of IAASB pronouncements once these are made available.	Ongoing	Chairman Audit Practice Committee	Audit Practice Committee and CPD Committee
35.	Ongoing	<p>Audit Practice Committee meets monthly to review IAASB pronouncements and exchange views on upcoming proposals, particularly as they relate to audit and assurance issues and to share information on local issues and developments.</p> <p>APC also updates ICAJ Council on any new and relevant issues for guidance and support.</p> <p>The APC will build awareness of the changes included in SMO 3 (Revised) and strengthen the process to ensure the requirements are adequately covered and effective for the 2023-2025 period.</p>	Ongoing	Chairman Audit Practice Committee	Audit Practice Committee ICAJ Council
<i>Review of ICAJ's Compliance Information</i>					
36.	March 2013	Perform review of revised SMOs and ICAJ's SMO Action Plan and update relevant sections as necessary. Once updated inform IFAC compliance staff about the update in order for the compliance staff to republish updated info.	September 2019 and as needed by IFAC	Chairman Audit Practice Committee	ICAJ Council and Audit Practice Committee

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: Ensure alignment of ICAJ Code of Ethics with IESBA Code

Background:					
<p>The ICAJ has adopted the IESBA Code of Ethics and approval was granted for members to access the latest standards via a link from our members' database to the IESBA website. The ICAJ communicates the code of ethics through its newsletter and website. The communication program is designed to make individual members aware of all ethical requirements, and the consequences of non-compliance.</p> <p>The PAB, as the licensing authority requires practicing members to observe the "PAB Rules and Code of Conduct" which was implemented in 2017. This includes the IESBA Code of Ethics and other ethical matters relevant to local practitioners. Monitoring compliance is maintained substantially through the practice monitoring programme.</p> <p>All members of the ICAJ are required to comply with the IESBA Code of Ethics. Continuing professional development training in ethics became mandatory in 2022.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Application of the Code of Ethics Standards</i>					
37.	2004	The Audit Practice Committee has delegated responsibility for the establishment of a program of ongoing review and the ICAJ has adopted the IESBA Code of Ethics as its standard of professional practice.	Ongoing	Chairman, Audit Practice Committee	Audit Practice Committee
38.	2006	Continue to provide communication and training guidance on the Code of Ethics to all members.	Ongoing	Chairman Audit Practice Committee	Audit Practice Committee CPD Committee ICAJ Secretariat
39.	January 2010	Develop monitoring activities to ensure compliance with new and revised IESBA Code of Ethics, including Clarity Code of Ethics and additional ethical standards.	Ongoing	Chairman Audit Practice Committee	Audit Practice Committee CPD Committee ICAJ Secretariat
<i>Member Notification Education and Promotion Activities</i>					
40.	2011	Provide links on ICAJ website to IESBA for information on its developments, including exposure drafts and new standards.	Ongoing	Chairman, Audit Practice Committee	Audit Practice Committee ICAJ Secretariat
41.	Ongoing	Monitor activities of the IESBA and review work output and disseminate Ethics Policy and Explanatory material.	Ongoing	Chairman – Audit Practice Committee	Audit Practice Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
42.	Ongoing	Provide guidance to ICAJ members on application of Code of Ethics, including the Clarity Code of Ethics to enhance understanding and compliance with the requirements.	Ongoing	President, Chairman Audit Practice Committee and By-Laws Committee	Audit Practice Committee By-Laws Committee
43.	June 2010	Establish communication plan to request universities and other training institutions to include ethical standards in the training syllabus for accounting education.	Ongoing	Chairman – Audit Practice Committee Chairman – Disciplinary Committee	Audit Practice Committee Disciplinary Committee
44.	Ongoing	Monitor developments and amendments to the IESBA Code through periodic reviews of IAASB developments and at monthly meetings of relevant committee.	Ongoing	Chairman – Audit Practice Committee	Audit Practice Committee
45.	2008	Adopt and communicate revisions to the Code of Ethics and the Clarity Code of Ethics. APC considers at its regular meetings and communicates updates and changes to the Code of Ethics of the International Ethics Standards Board for Accountants (IESBA).	Ongoing	Chairman – Audit Practice Committee	Audit Practice Committee
<i>Maintaining Ongoing Resources</i>					
46.	Ongoing	<p>Institute program of consultation for the benefit of members in small and medium sized practices. These members are able to consult with other members with specialized skill and learning for guidance on specific technical issues. Also, provide in certain instances counseling and advice to members to help resolve ethical conflicts.</p> <p>APC will build awareness of the changes included in SMO 4 (Revised) and strengthen the process to ensure the requirements are adequately covered and effective for the 2023-2025 period.</p>	Ongoing	President, Chairman Audit Practice Committee	Audit Practice Committee ICAJ Council

#	Start Date	Actions	Completion Date	Responsibility	Resource
47.	Ongoing	Continue to support ongoing adoption and implementation of Ethical Standards and IESBA guidelines. Ensure ongoing strengthening of Investigation and Disciplinary Committees to deal with ethical violations by members.	Ongoing	Chairman – Audit Practice Committee President	Audit Practice Committee
<i>Review of ICAJ's Compliance Information</i>					
48.	March 2013	Perform review of revised SMOs and ICAJ's SMO Action Plan and update relevant sections as necessary. Once updated inform IFAC compliance staff about the update in order for the compliance staff to republish updated info.	September 2023 and as needed	Chairman – Audit Practice Committee	Audit Practice Committee

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Improve and Maintain Processes for Ongoing Compliance with IPSASs

Background:

The Ministry of Finance and the Public Service is responsible for adoption and implementation of international accounting standards in the public sector.

Currently, financial reporting by Central Government entities is done on a cash accounting basis. However, Government has amended its financial laws to mandate:

1. Central Government entities to prepare financial accounts on a Cash basis to comply with international standards; and
2. Local Government entities to prepare financial accounts on an Accrual IPSAS basis.

The Government of Jamaica based on Ministry Paper 56 dated September 11, 2002, plans to implement full accrual accounting in the entire Public Sector in the near future.

The ICAJ has undertaken to assist Government's effort to develop and implement an action plan as well as provide support with necessary training. The ICAJ is committed to promoting the work of the International Public Sector Accounting Standards Board (IPSASB) in a variety of forums.

The Government of Jamaica commenced implementation of cash basis IPSAS in the financial year 2022/23 at the Accountant General's Department, with the modification to its accounting software to allow it to produce cash IPSAS reports.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Promoting the Adoption of IPSAS by the Government of Jamaica</i>					
49.	March 2012	Review the requirements of IPSAS and develop a system of notifying all members of all IPSASs, guidelines, studies and occasional papers developed by the IPSASB.	Deferred until GOJ's formal adoption of IPSAS	Chairman Public Sector (PSC) Committee	ICAJ Public Sector & Audit Practice Committees
50.	June 2012	Carry out research to determine how other IFAC members have supported implementation of IPSAS in their territories if needed by Jamaican Government	Ongoing	Chairman Public Sector Committee	Public Sector Committee

51.	January 2013	Seek technical cooperation and support from other IFAC member countries that have successfully supported implementation of IPSAS, if needed by Jamaican government	Ongoing	Chairman, PSC & Public Sector Designate	ICAJ Council Chairman, PSC
52.	2008	Review work done by Task Force on development of road map for rollout for adoption of the Standard and provide as assistance where required.	Completed	Chairman, Public Sector Committee & MOFPS Representative	Public Sector Committee
53.	2008	Provide guidance on appointment and terms of agreement for Project Consultant if needed by the government.	Completed	PSC & Public Sector Designate	ICAJ PSC
<i>Continuing to Work with Government to Develop and Maintain an Active Program for Adoption and Implementation of IPSAS</i>					
54.	Ongoing	Convene sessions with Government project leaders on potential impact of IPSAS and requirements for adoption.	Ongoing	Public Sector Designate	ICAJ PSC
55.	September 2012	Conduct additional training for project leaders and accounting and auditing personnel on accrual concept and financial accounting under this concept if needed by Jamaican government.	Ongoing	Public Sector Designate	ICAJ PSC
56.	June 2012	Build awareness with ICAJ membership on IPSAS and program of adoption.	Ongoing	President, Chairman, Public Sector Committee	ICAJ Council, PSC, Public Relations Committee
<i>Maintaining Ongoing Process</i>					
57.	Ongoing	Continue to identify opportunities to further assist in implementation of IPSAS. This effort includes review of existing activities and preparation of the Action Plan for future activities where necessary.	Ongoing	President, Chairman, PSC	ICAJ Council, PSC
<i>Review of ICAJ's Compliance Information</i>					
58.	March 2013	Perform review of revised SMOs and ICAJ's SMO Action Plan and update relevant sections as necessary. Once updated inform IFAC compliance staff about the update in order for the compliance staff to republish updated info.	Ongoing	President, Chairman, PSC & ICAJ Secretariat	ICAJ Council, PSC

Action Plan Subject: SMO 6–Investigation and Discipline
Action Plan Objective: Improve and Ensure Ongoing Maintenance of ICAJ Investigation and Discipline System

Background:

ICAJ has implemented mechanisms aimed at promoting a just and effective investigative and disciplinary regime that provides a generally accepted means of bringing to account those members who fail to maintain high professional standards. The process of investigating and disciplining (I&D) members for misconduct and failure to meet professional standards and rules is designed to preserve the integrity of the ICAJ standards. It is also designed to protect clients and other stakeholders by demonstrating that the ICAJ is playing its part in maintaining and enhancing professional standards. The By-laws of the ICAJ contain clear guidelines and rules for the investigation and discipline for misconduct, including breaches of professional standards and rules by individual members.

In general, the I&D mechanism incorporates the requirements set out in SMO 6. The regime provides for the imposition of a range of penalties by the Disciplinary Committee. Such penalties may include loss of professional designation, restriction and removal of practicing rights.

The ICAJ has established appropriate and acceptable time target for closure to I&D cases. In negotiation with ACCA, PAB and ICAC, the ICAJ has indicated that as part of the practice monitoring system it is seeking to establish a time target of 90 days for the disposal of cases. The Institute also collaborates with the PAB on investigations and disciplinary matters relating to practitioners.

The ICAJ is currently updating sections of the Bye-Laws dealing with I&D and regulations have been drafted for approval.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Enhancing Investigation & Disciplinary Mechanisms</i>					
59.	June 2010	Issue article in ICAJ's newsletter, website and/or national newspaper on results of disciplinary actions.	Ongoing	President Chairman Disciplinary Committee	ICAJ Council Discipline Committee
60.	Ongoing	Monitor results of investigations and disciplinary actions conducted by the Investigations and Disciplinary Committees. Update By-laws to ensure investigation and disciplinary processes are relevant, transparent and fair.	Ongoing	Chairman, By-Laws Committee	By-Laws Committee Disciplinary Committee
61.	March 2010	Institute suitable system of document retention to ensure that documents are retained during the lifetime of cases and throughout prescribed retention period.	Ongoing	Chairman, By-Laws Committee	By-Laws Committee Investigations Committee Disciplinary Committee

62.	July 2005	Monitor on a regular basis elapsed times of cases both in investigation and where formal complaints have been settled.	Ongoing	President, Chairman By-Laws Committee	By-Laws Committee Investigations Committee Disciplinary Committee
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#	Start Date	Actions	Completion Date	Responsibility	Resource
63.	March 2013	Establish public awareness program of Investigation and Disciplinary processes and encourage accountability and high standard of professionalism among members of ICAJ. This program will incorporate reportable breaches and the likely consequences for the ICAJ member.	Ongoing	President Chairman of Investigations Committee Disciplinary Committees	ICAJ Council CPD Committee Investigations Committee Disciplinary Committee
64.	Ongoing	Conduct annual review of the membership of the Investigation and Disciplinary Committees to ensure terms of office adhered to and appropriate levels and range of skills maintained.	Ongoing	President	ICAJ Council
<i>Maintaining Ongoing Processes</i>					
65.	Ongoing	Continue to use best endeavors to ensure ICAJ's investigation and disciplinary systems continue to address SMO 6 requirements. This includes review of the existing structure and updating the Action Plan for future activities where necessary. The Investigation and Disciplinary Committees will build awareness of the changes included in SMO 6 (Revised) and strengthen the process to ensure the amended requirements are adequately covered and effective for the 2023-25 period.	Ongoing	Chairman of Investigations & Disciplinary Committees	Investigations Committee Disciplinary Committees
<i>Review of ICAJ's Compliance Information</i>					
66.	March 2013	Perform review of revised SMOs and ICAJ's SMO Action Plan and update relevant sections as necessary. Once updated inform IFAC compliance staff about the update in order for the compliance staff to republish updated info.	Ongoing	Executive Director Chairman of Investigations Committee Disciplinary Committees	ICAJ Council Investigations Committee Disciplinary Committee

Action Plan Subject: SMO 7 and International Financial Reporting Standards (IFRSs)
Action Plan Objective: Continue to Use Best Endeavour to Maintain and Continuously Improve Ongoing Program for Adoption and Implementation of IFRS

Background:

The ICAJ adopted the IASB Framework and IFRS as the national financial reporting standards in Jamaica for accounting periods beginning on or after 1 July 2002. International Financial Reporting Standards (IFRS) are mandatory for the preparation of financial statements of all entities that do not satisfy the criteria of being a very small company, as defined under the Companies Act, 2004.

Through the Accounting Standards Committee (ASC) the ICAJ reviews and monitors the publication of all IFRS, IFRIC's, Exposure Drafts and Discussion Papers. These are disseminated to the membership for information, feedback or adoption through an established program of training and communication. The ASC in conjunction with the CPD committee hosts regular workshops, seminars and forums to educate the public on new accounting standards and developments. The program includes an annual two-day workshop. Members of the ICAJ are obligated to attend structured training courses.

The Accounting Standards Committee monitors the application of the standards through a system of routine reviews of published and other audited financial statements. The monitoring process has been strengthened with the institution of the monitoring compliance contract by the ICAJ with ACCA and PAB.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of the Financial Reporting Environment</i>					
67.	2008	Review financial reporting environment to identify hindrances to effective implementation of IFRS. Prepare reports and implement recommendations arising from review.	Ongoing	Chairman Accounting Standards Committee	ICAJ Council CPD Committee Audit Practice Committee Accounting Standards Committee
68.	2004	Review published financial statements and monitor compliance with standards under program of review. Identify compliance gaps and initiate actions to address them, including disciplinary procedures.	Ongoing	Chairman Accounting Standards Committee ICAJ Council	Accounting Standards Committee ICAJ Council

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of Education Needs and Strategies</i>					
69.	July 2006	Continuously build awareness and training strategies to deepen understanding of new and existing IFRS.	Ongoing	Chairman, Accounting Standards Committee	ICAJ Council Accounting Standards Committee
70.	January 2005	Continue to create a training plan with CPD to hold training seminars/workshops and at least two IFRS seminars each year.	Ongoing	Chairman ASC Committee	ICAJ Council ASC Committee CPD Committee
71.	Ongoing	Enhance program of IFRS training to membership and wider public in the form of in-person seminars, webinars and on demand training in order to deepen members' understanding and application of new and existing IFRS.	Ongoing	Chairman Accounting Standards Committee	Accounting Standards Committee Public Relations Committee
72.	2003	Organize a minimum of two full day workshops or seminars to explain or provide tutorial guidance on the application of the new IFRS or reinforcements of understanding of complex standards. Maintain a program of rebroadcast of seminars to facilitate wider participation.	Ongoing	Chairman Accounting Standards Committee	Accounting Standards Committee CPD Committee ICAJ Secretariat
73.	January 2005	Issue technical advisories/publications and guidance communication to support clarification of identified issues and to inform members of IASB developments on projects, including direct emails and postings on websites.	Ongoing	Chairman Accounting Standards Committee	ICAJ Council Accounting Standards Committee
74.	October 2013	Consider engagement of a consultant to support process of financial statement review to monitor compliance with IFRS.	Ongoing	Chairman Accounting Standards Committee	ICAJ Council Accounting Standards Committee
75.	October 2013	Develop a framework for publication of interim financial statements by public listed entities and monitor compliance with IFRS.	Ongoing	Chairman Accounting Standards Committee	ICAJ Council Accounting Standards Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of the Due Process</i>					
76.	July 2007	<p>Review existing participation strategies in the standard setting process:</p> <ul style="list-style-type: none"> – Identification of Discussion and Exposure Drafts. – Communication plan to members and other stakeholders. – Response process. – Review and comments. – Analyze and implement recommendation on participation in the process. 	Ongoing	Chairman Accounting Standards Committee	Accounting Standards Committee
<i>Maintaining Ongoing Processes</i>					
77.	Ongoing	<p>Continue to use best endeavors by identifying opportunities to further assist in implementation of IFRS. This includes review of existing activities and updating Action Plan for future activities where necessary.</p> <p>The ASC will build awareness of the changes included in SMO 7 (Revised) and strengthen the process to ensure the amended requirements are adequately covered and effective for the 2023-25 period.</p>	Ongoing	Chairman Accounting Standards Committee	Accounting Standards Committee
78.	March 2014	Perform review of revised SMOs and ICAJ's SMO Action Plan and update relevant sections as necessary. Once updated inform IFAC compliance staff about the update in order for the compliance staff to republish updated info.	Ongoing	Chairman, Accounting Standards Committee	Accounting Standards Committee