



# IPSAS

Big step towards accountability and  
transparency in the public sector

For many Zimbabweans who take time to go through the reports of the Auditor General, it is common knowledge that accountability has been an issue within the Public Sector. This has been worrying considering that Public sector accountants oversee billions of dollars of tax payer's money. As you read this article, probably a dozen public sector corruption cases and scandals come to your mind. One of the biggest causes to this poor accountability predicament has been the lack of sufficient Professional Accountants within the public sector. Get me right on this point, the sector has not been short of accountants, rather they have plenty of them. Most of which have academic qualifications, e.g. masters and doctoral degrees, which are not professional qualifications. Thus, many are not members of professional association bodies and are also not registered members of the Public Accountants and Auditors' Board (PAAB), the regulatory body of all practicing professional accountants. This creates a huge challenge as their conduct will not be regulated and they don't have to abide by any codes of ethics issued by the International Federations of Accountants (IFAC). A professional accountant is one who would have passed professional examinations, demonstrated practical work experience and is a member of a Professional Accountancy Organisation (PAO) and registered as a public accountant or auditor with PAAB. Their key role and mandate are the protection of public interest. At this point, it's probably making sense to you now, why most comfortably claim ignorance to transactions on which they had oversight.

The PAAB, in 2015, embarked on Public Sector Professionalisation Initiative, in partnership with the Ministry of Finance and Economic Development (MOFED) and Public Service Commission (PSC). In 2019, PAAB pronounced the adoption of International Public Sector Accounting Standards (IPSAS) as the best practice in public sector accounting, ending many years of varied accounting practices in the sector. This was a big move from the cash

basis and semi accrual systems which were being used by the sector.

These initiatives could, however, only see the dawn of light if properly supported. The PAAB, therefore, took a further step to capacitate and skill accountants within the public sector by creating a Public Sector Accountancy course which public sector accountants can undertake to professionalise. This project was facilitated by the PAAB directly working with IFAC who had oversight over the quality of the project. The project was funded by the Department for International Development (DFID). This project was done to support the PSC to have the right skills within the accounting offices of the government. Further, PAAB also worked with two PAOs being the Institute of Chartered Accountants Zimbabwe (ICAZ) and the Chartered Governance and Accountancy Institute (CGI) to recognize the course in their qualification structures. All these efforts reaped their first fruits last Friday on the 7<sup>th</sup> of October 2022, when 39 senior public sector accountants graduated after sitting and successfully completing the Public Sector Accountancy course. We have to put our hats off to the PAAB and government for taking this step.

The graduation ceremony was conducted in Harare and was graced by the PAAB Secretary himself, Mr Admire Ndurunduru, who spear headed the project, the African Professionalisation Initiative CEO coming all the way from Kenya, the World Bank, the IPSAS Board chairman from the United Kingdom (UK), the UK Deputy Ambassador to Zimbabwe, the PSC Acting Secretary, the PSC Chairman, the Auditor General of Zimbabwe, the Accountant General (AG) of Zimbabwe, the Zimbabwe Revenue Authority (ZIMRA) Commissioner General, the CEOs ICAZ and CGI, and other senior government officials. The former AG of Zimbabwe, Mr Jerry Gutu, also sent through his celebratory message in support of the initiative.

This ceremony was indeed a historic event as Zimbabwe is leading in the professionalisation journey within the continent. Mr Ndurunduru emphasized that the days of public finance mismanagement and poor accounting for public funds were over and that PAAB will take swift action to discipline its members who do not abide by the board's professional conduct and values. This, definitely, is sweet news to Zimbabweans and would greatly aid the efforts of taming the endemic corruption.

During the ceremony, PAAB handed over to PSC, the Public Sector Accountancy qualification course. This means PSC Academy will now be administering the course in future. To ensure continuity, PAAB handed over to PSC:

- Course syllabus
- Learning modules
- Practice questions

among other tools to ensure the program continues to run. If this program is successfully administered, which we are highly optimistic of, this will see a fresh development of public sector accounting skills within our accountants in government. This game changer move will result in our Public Sector entities producing better financial reports complying to international standards and giving more useful information about the stewardship of our public sector entities. Some of the expected benefits include:

- Clear and transparent information on all resources the entity controls and how those resources were deployed:
- Clear and transparent information on the entity's efficiency level in utilising resources allocated and whether measures taken were effective (thus resources were put to good use)
- Successful management of government resources.
- Informed decisions on further provision of resources to government departments

- Ability of government to measure and consolidate all its resources and know how they were utilised.

This initiative has also been done at the right time as government migrates to IPSAS accrual accounting. These skills will come in handy as the migration process is not easy. One of the critical and major areas to focus on is a clear understanding of the IPSAS framework, and this is comprehensively covered in the course handed over. Other important areas also covered by the course include Public Finance Management Act (PFMA), Governance and Audit, Ethics and financial management etcetera. These also come in handy as IPSAS compliant reporting must be backed up by solid internal controls and risk management processes to substantiate the integrity of data produced.

Further, given that the 2025 deadline is fast approaching, first time implementors must also think about factors that influence the nature and speed of the transitioning process, options available in respect of the transition paths, and the management of the transition process. It is therefore critical that an entity has the right skilled team to drive the transitioning process.

As a consultant who works with public sector entities, this initiative by PAAB brings a fresh breath within accounting in public sector. Training and Advisory Services Chartered Accountants (TAS) has assisted several entities in applying IPSAS. Our vast experience in the field of financial reporting, including participating in standards writing processes, has enabled us to deliver the right level of support to entities and practitioners to implement new standards.

If you liked this article and would like to learn more about IPSAS, do not hesitate to contact us on: [marketing@tas.co.zw](mailto:marketing@tas.co.zw) or **+263 8688007098**



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