



Public Accountants' and Auditors' Board

Accountants and Tax Practitioners to be regulated

As Audit Regulator reviews law

The Public Accountants' and Auditors' Board (PAAB) is a statutory body established by the Public Accountants and Auditors Act 51 of 1951 (as amended) (the PAA Act) and is mandated with the regulation of the accounting and audit profession in Namibia.

This regulation comprises setting accounting and auditing standards, monitoring compliance with these standards (quality control) and training, investigation and discipline of registered members.

Since its inception in 2014, the PAAB has been administering the PAA Act, which currently focuses only on the regulation of (external) auditors. In its effort to improve and enhance its regulatory role, while protecting the Namibian public and the interest of investors, the PAAB has embarked on amending the PAA Act. This process commenced in 2016 and included an initial round of stakeholder engagement, and was finalized mid-2019. The PAAB is now calling for a second round of stakeholder engagement on this Bill, hence an invitation has been extended to all interested parties to submit substantive comments to the PAAB, with a deadline of 30 November 2020. All information regarding this process is available on the PAAB website, www.paab.com.na. Once all comments have been considered, a final draft Bill will be submitted to the Minister of Finance for tabling.

The AA Bill 2019 will, among other matters, see individuals who offer accounting and tax services to the public for a fee, falling under the regulatory jurisdiction of the PAAB. This will call for formalization of this sector of the accounting profession, with accountants and tax practitioners who are not already affiliated with any professional membership bodies, being required to organize themselves into such membership bodies. These membership bodies will have to apply for accreditation with the PAAB. The wider implication of this will be that any individual who offers any of these services to the public for a fee, without being registered with the PAAB, will commit a punishable criminal offence.

What this will mean for the general public is that any person who has a complaint against an accountant/accounting officer or tax practitioner registered with the PAAB, may lodge such complaint with the PAAB for investigation and if necessary, disciplinary action.

The intention of this is to strengthen the PAAB's protection of public and investor interest, and to increase the level reliance placed on the work of these accountants/accounting officers and tax practitioners.

An explanatory memorandum which highlights the significant changes accompanies the AA Bill 2019. This memorandum and the current draft of the AA Bill are available on the PAAB website

TO PROTECT THE INTEREST OF THE PUBLIC AND ENHANCE INVESTOR CONFIDENCE IN NAMIBIA
THROUGH THE PROVISION OF REGULATORY OVERSIGHT OF THE PUBLIC ACCOUNTING AND AUDITING
PROFESSION IN ACCORDANCE WITH INTERNATIONALLY RECOGNISED STANDARDS AND PROCESSES