
INDEPENDENT REGULATORY BOARD FOR AUDITORS

Zimbabwean Public Accountants and Auditors Board Pronouncement 01/2019 on the Application of *International Accounting Standard 29, Financial Reporting in Hyperinflationary Economies*

Johannesburg / 5 November 2019

The Public Accountants and Auditors Board (PAAB) in Zimbabwe has issued [Pronouncement 01/2019 on the Application of International Accounting Standard 29, Financial Reporting in Hyperinflationary Economies \(IAS 29\), in Zimbabwe](#) (this pronouncement).

Following consultative work undertaken by the Zimbabwe Accounting Practices Board (ZAPB), the PAAB has advised that there is a broad market consensus within the accounting and auditing professions that the factors and characteristics to apply IAS 29 in Zimbabwe have been met. The ZAPB had consulted through its subcommittees, the Accounting Standards Committee and the Committee for Auditing Standards, which comprise representatives from preparers, auditors and users of financial statements, as well as representations from Professional Accountancy Organisations.

According to this pronouncement, it 'shall apply to all entities that report based on International Financial Reporting Standards (IFRSs) in Zimbabwe. Entities that report based on International Financial Reporting Standard for Small and Medium Enterprises (IFRS for SMEs) and International Public Sector Accounting Standards (IPSASs) financial reporting frameworks are expected to apply the equivalent standards in those frameworks.'

Effective Date

According to IAS 29, it is preferable that all entities that report in the currency of the same hyperinflationary economy apply this standard from the same date. Nevertheless, IAS 29 applies to the financial statements of an entity from the beginning of the reporting period in which it identifies the existence of hyperinflation in the country in whose currency it reports.

This pronouncement covers the preparation and presentation of financial statements of entities operating in Zimbabwe for the financial periods ended on or after 1 July 2019.

Should you have any further queries, please contact the PAAB directly at secretary@paab.org.zw.

Imran Vanker

Director: Standards

About the IRBA

The objectives of the IRBA are to endeavour to protect the financial interests of the South African public and international investors in South Africa through the effective and appropriate regulation of audits conducted by registered auditors, in accordance with internationally recognised standards and processes.