

**LIA
INVESTIGATION
AND DISCIPLINE
POLICY AND
PROCEDURES**





What We Stand For:

Lesotho Institute of Accountants is dedicated to safeguarding of the public interest through timely, fair and proactive investigation and discipline. We stand as guardians of integrity, ensuring that our members uphold the highest standards of ethical conduct and accountability.

Every member must abide by LIA Code of Ethics for Professional Accountants and thereby demonstrate Integrity, Objectivity, Professional competence & due care, confidentiality and Professional Behavior. Where there are allegations of misconduct by those whom LIA has a professional Responsibility [1]over, the Institute aims to investigate and, if necessary, take disciplinary action for the public interest.

All allegations, facts or circumstances of improper conduct are laid before the Disciplinary Committee (DC).

Definition:

Improper conduct is any contravention of the Institute's Code of Ethics for Professional Accountants, Accountants Act of 1977 as Amended (hereafter referred to as the Act), Rules[1] and any other laws and regulations that govern accountancy profession in Lesotho.

Purpose:

These Procedures are designed to empower the public, including members and the employees of the Institute to report concerns related to unethical behavior, misconduct, or any violation of laws and regulations as well as the policies of the Institute.

Key Responsibilities:

Protect the Whistleblower's identity.



Engage law enforcement agencies to protect whistleblowers against those who retaliate



Lesotho Institute of Accountants

Treat received information confidentially; ensure security



Handle complaints within reasonable time.



Raise concerns of improper conduct, in good faith with the Institute.

A Complainant/ Whistleblower:

Provide relevant information on a timely basis to support the allegation

Follow the procedures set out by the Institute or to maintain confidentiality

Only members of LIA are legible to perform accounting and auditing work in Lesotho.

Who can you complain about?

Any person, including members, employees of the Institute can lodge a complaint against members of the Institute, trainees or persons holding out as Accountant but in fact are not.

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- Chartered Accountants Lesotho – CA (L)
- General Accountants Lesotho – GA (L)
- Technician Accountants – TA (L)

- Chartered Registered Auditor
- Chartered Public Auditor
- General Public Accountant
- Technician Public Accountant

What can you Complain About?

Members are required to adhere to the standard of behavior expected of a professional accountant. Any person, who has reason to believe that a member’s conduct is improper is entitled and encouraged to lodge a complaint with or whistleblow to the Institute.

Sec 23 of the Act, under Holding Out stipulates that “No person shall, unless registered under the Act as a
a)a chartered accountant in practice, practise or hold himself out as a chartered accountant, auditor, tax consultant, tax advisor, or any other like description,
b)a Registered Accountant in Practice, practise or hold himself out as a Registered Accountant, and
c)a licensed accountant in practice, practice or hold himself out as a Licensed Accountant”.

Any person who contravenes the above should be reported to the Institute.

a) Criminal activity b) money laundering c) acts of omissions likely to bring the accountancy profession into disrepute d) breaches of professional and ethical standards e) gross professional negligence, f) number of less serious instances of professional negligence that, cumulatively, may indicate unfitness to exercise practicing rights g) and unsatisfactory work. The aforementioned is not exhaustive

Who are eligible to call themselves Accountants

Only Accountants registered with LIA under Accountants Act of 1977 are legible to perform accounting and auditing work in Lesotho. To this end, any person who performs accounting and auditing work without relevant registration with the Institute are guilty of an offence and may be reported to the Institute or the Police Services.

How to whistleblow or lodge a complaint

Any person can report the incident in person, at the Institute's offices or via email. The report can be made the Technical Officer: Compliance, Chief Executive, the Council President at:

Our offices: Accountants House,
5 Orpen road, Old Europa,
Maseru 100, Lesotho

Email Address:
Whistleblowing@lia.org.ls

The Complaint has to be made in a form of a written statement and wherever possible of an affidavit detailing in precise terms the specific acts or failure being complaint of.

Complaints Handling Process

The Complaints handling process of the Institute has been summarized in the diagram below. Reports relating to piracy are handled in line with the laws & regulations of Lesotho.

1
A. When a whistleblower report/complaint is received at LIA, it is acknowledged by the recipient and logged into the Register within 5 days.

B. The Compliance Unit then carries out a preliminary assessment process, and if there is sufficient evidence...

2
The Institute may advise the accused in writing of the nature of the conduct imputed to him and afford him an opportunity of giving a response in writing, within 30 (thirty) days after the date of such notice, The accused is warned that such response may be used in evidence

3
The allegation is laid to the Disciplinary Committee (DC), which considers the matter.

3A
The DC may be of the opinion that the conduct is not improper, and decide not to proceed further in the matter and advise the complainant if any, accordingly.

4
If, upon receipt of the response from the accused

4B
The accused admits that he has been guilty of the improper conduct, DC invites the accused to make representations in regard to the punishment to be imposed..Thereafter, the Committee may impose upon the accused any punishment which it may be competent to impose

4A
The DC is satisfied that –
a)The accused has given an acceptable response; or
b)The conduct does not constitute improper conduct; or
c)There is no reasonable prospect of proving that the accused has been guilty.The DC may be of the opinion that the conduct is not improper, decide not to proceed further in the matter and advise the complainant if any, accordingly.

3B
If DC believes that the accused is guilty, the Committee informs the accused in writing of alleged improper conduct, unless the Secretary has already done so, allowing 30 days for a written response.

5
Where the allegation is not dealt with as per 3A and 4, a Hearing is held following the Hearing procedures. The accused is notified of the nature of the charge preferred against him

6
The hearing is conducted in response to each circumstance or the case, and in line with the Rules of the Institute(<https://lia.org.ls/wp-content/uploads/2024/05/Rules.pdf>)

7
Upon conclusion of the hearing, DC deliberates upon the case in camera, and the findings and sentence, if any, are communicated to the parties by Chief Executive

Where a Member is Found Guilty

A member shall be liable on conviction on a charge of improper conduct to one or more of the following punishments: (a) a caution; (b) a reprimand; (c) a fine not exceeding M1000; (d) suspension from practice for a period specified by the Council or the appropriate committee; (e) removal of his name from the register of members; (f) qualified, temporary or permanent disqualification from membership of the Institute.



Appealing Process

In accordance with section 22 of the Act, any member aggrieved by any decision of the Disciplinary Committee may, within twenty-one (21) days after such decision has been communicated to him, appeal to the High Court.



The Disciplinary Committee

The Disciplinary Committee is a statutory Committee established by section 19 of the Accountants Act 1977. It consists of 5 members of the Council whom majority are public accountants. The Council has assigned all the powers to the Committee to enquire into cases of alleged improper conduct and impose punishments in respect thereof.

On this account, all allegations of improper conduct are laid before the Disciplinary Committee. The Rules allow the Disciplinary Committee to depart from the Procedures laid in the Rules when in its opinion, it is expedient and reasonable to do so provided the accused or his representative duly authorised in writing agrees thereto, and where the matter arises for which, no provision is made in the Rules, the Committee shall at its discretion determine what procedures shall be followed.



Appealing Process

The accused has the right to be represented, duly authorized in writing at a Disciplinary Hearing.

