

**RAPPORTEUR-GENERAL'S REPORT OF
PROCEEDINGS OF THE 44TH ANNUAL
ACCOUNTANTS' CONFERENCE HELD
AT THE INTERNATIONAL CONFERENCE
CENTRE AND SHERATON HOTEL AND
TOWERS ABUJA BETWEEN
SEPTEMBER 8-11, 2014**

by

Mr. Abel Aig. Asein

Deputy Registrar, Technical Services, ICAN

&

Rapporteur-General

On

Thursday, September 11, 2014

The 50TH and Golden Jubilee President of the Institute of Chartered Accountants of Nigeria,

Mr. Chidi Onyeukwu Ajaegbu, ACS, MBF, Dip (Polygraph), FCA

Your Excellencies, Executive Governors of States here present

Members of the Federal Executive Council here present.

The Vice President, Otunba Samuel Olufemi Deru, FCA

The 1ST Deputy Vice President, Deacon Titus Alao Soetan, FCA

The 2ND Dep. VP, Mallam Isma'ila Muhammadu Zakari, BSc, mni, FCA

Immediate Past President, Alh. Kabir Alkali Mohammed, mni, FCA,

Revered Past Presidents & especially the Chairman, Body of Past Presidents,

Balogun J.O.O.Omidiora, BSc, FCA

Members of ICAN Council

Chairman, 44TH Annual Accountants' Conference,

Mazi Nnamdi Anthony Okwuadigbo, BSc, FCA

The Registrar/Chief Executive, Mr. Rotimi Akanbi Omotoso, FCA

Presidents of Sister Professional Institutes here present

Eminent Resource Persons

Distinguished invited guests

Our Royal fathers here present

Professional Colleagues

Members of the Press

Distinguished Ladies and Gentlemen

Preamble

1. I consider it a very special privilege and honour for me to present the “REPORT OF THE PROCEEDINGS OF THE 44th ANNUAL ACCOUNTANTS’ CONFERENCE OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA” as compiled by the team of rapporteurs which I lead. In line with established tradition, I will also, at the end, present the draft communiqué for the consideration and adoption by this august gathering.

General Proceedings and Activities

2. The 44th Annual Accountants’ Conference of the Institute of Chartered Accountants of Nigeria was held at the International Conference Centre and the Sheraton Hotel and Towers, Abuja between September 8 and 11, 2014.

Theme of the Conference

3. The theme of this year’s conference, “***Protecting the Public Interest-Enhancing Professionalism***” was carefully chosen to drive home the prime role that professionals can and have been playing to achieve the society of our dream; that is, a society that cares and thrives on general will, rather than, narrow personal interest. The protection and defense of the public interest must continue to be at the heart of chartered accountants’ attestation and assurance mandate.

Participation

4. In spite of the massive publicity that attended the current health and security challenges in the country by the Western and local media, a total of 3,925 delegates including invited guests and resource persons from Canada, New Zealand, South Africa, United Kingdom, USA and host, Nigeria attended the Conference. This is very commendable in the circumstance.

5. Also, this is the second time in six years that the President of the International Federation of Accountants (IFAC) would be honoring ICAN's invitation to its annual conference. We recall that Mr. Richard Bunting graced the Institute's Conference in 2008 when ICAN hosted the Small and Medium-Practices Forum of IFAC in Abuja here.
6. A total of six countries were represented at this Conference. These are Canada, New Zealand, South Africa, UK, USA and the host country, Nigeria. The health challenge prevented ABWA member-bodies from attending the conference as flights were cancelled in most of the cases.

Goodwill Messages

7. Goodwill messages were received from
 - a. The President, Commander-In-Chief of the Armed Forces of the Federal Republic of Nigeria, His Excellency, Dr. Goodluck Ebele Jonathan, GCFR through the Minister of Finance and Coordinating Minister For the Economy, Dr. Ngozi Okonjo-Iweala;
 - b. The International Federation of Accountants;
 - c. Pan African Federation of Accountants;
 - d. Association of Accountancy Bodies in West Africa;
 - e. Minister of Education, Alhaji Ibrahim Shekarau, the Institute's supervising minister;
 - f. Minister of Trade and Investment, Dr. Olusegun Aganga, FCA;
 - g. Financial Reporting Council of Nigeria; and
 - h. Chartered Institute of Stockbrokers
8. In his good will message, the President, Commander-In-Chief warmly commended the giant strides the Institute has recorded and the immense contributions it has

made towards the development of the country over the years. Describing professionalism as an intangible asset, the President, who was ably represented by the Minister of Finance and Coordinating Minister for the Economy, Dr. Ngozi Okonjo-Iweala urged ICAN to avoid non-professional conducts and strive at all times to put the good of the whole before individual or sectional interests. While condemning those who just criticize public policies for its sake, she urged Nigerians not to forget some significant contributions that the present administration has made to the development of this great country.

9. She made allusion to the country's current investment in mortgage-driven housing scheme, construction of over 32,000 km of roads across the country, on-going power sector reforms, the agricultural revolution designed to guarantee food security for all Nigerians, the provision of over N220b to support Micro, Small and Medium-sized enterprises, the ground work done with the laying of over 500km of fibre optic cables aimed at driving ICT revolution for the present and future generations of Nigerians. The Minister apprised the audience about the proposal to set up the Development Bank of Nigeria which will provide long term financing to the real sector at very low interest rates. She assured Nigerians that more jobs will be created through the various initiatives being implemented by the government. In conclusion, she commended the choice of the Conference theme which she philosophically described as ***"sharpening the axe"*** to fell the tree of anti-public interest.

Welcome Address

10. In his Welcome Address, the Chief Host and Golden Jubilee President of the Institute, Mr. Chidi Onyeukwu Ajaegbu, ACS, MBF, Dip in Polygraph, FCA expressed great delight about the huge attendance of participants in spite of the massive publicity of the health and security challenges confronting the country. He described this as evidence of uncommon commitment to the Profession and its flagship in Africa, the Institute of Chartered Accountants of Nigeria. One distinguishing hallmark of professionals, according to the 50th President, is their duty

to the society. Serving the public interest, he said, is inherent not only in the social contract between Professionals and the society where they derive their being, but also a moral obligation they must fulfill. By their training, professionals, he noted, relish in promoting and defending the public interest with their knowledge, skills, competence with great ethical disposition not only for their benefit but for the good of all.

11. While paying glowing tributes to many professionals who laid down their lives to promote the common good, he urged professionals and in particular, chartered accountants, as conscience of the nation, to consistently act, promote and defend the public interest no matter the odds. He invited them to continue to provide, to diverse stakeholders including the business community, sound financial and tax advice, credible and reliable financial and non-financial reporting, internal control measures and efficient resource management strategies such that wealth is created for the benefit of the larger society. Through the profession's attestation function, we must continue to lend not only credence to credible stewardship reports of persons in fiduciary positions but also raise red flags for observed improprieties.

12. In conclusion, he noted that the public interest will better be served if

- the allocation of resources is designed to promote the common good;
- adherence to rule of law is and remains the foundation of governance;
- constitutional provisions are allowed to freely operate to promote healthy labour relations, security, peace and progress;
- merit takes precedence over mediocrity in the employment and deployment of public officers;
- appointment to public office is driven by the philosophy of service rather than self enrichment;
- public officers take responsibilities for their actions or inactions;
- the nation derives value for money for all its recurrent and capital expenditure;

- the outcome of the electoral process reflects the will of the people rather than “stomach infrastructure”;
- the financial statements issued by professional accountants are true, fair, credible and devoid of material misstatements such that they can be relied upon by investors and other stakeholders;
- corporate entities take responsibilities for the externalities they cause in pursuit of profit;
- market regulators prevent insider trading and sanction infractions of market rules without fear or favour; and
- enduring institutions, rather than powerful leaders, become the legacies of our government.

13. TECHNICAL SESSIONS

In all, there were seven technical sessions which comprised, the Lead Paper, two plenary and four workshop sessions. The reports of the various sessions are as follows:

14. The Lead Paper

The Lead paper titled, “***Chartered Accountants and the Society, The Realities of Serving the Public interest***”, was presented by Mr. Warren Allen, the IFAC President while the session was chaired by the Minister of Trade and Investment, Dr. Olusegun Aganga, FCA. In his presentation, which set the tone for the Conference, Mr. Allen noted that IFAC activities were motivated by the realization that value-driven, high quality financial reporting by the Accountancy Profession was at the heart of economic growth and development of nations.

15. Using a hierarchical analysis, Mr. Allen argued persuasively that through the acquisition of accounting education, competences and expertise can be built. With such expertise, the professional can objectively generate credible information and continue to act ethically such that public trust is earned. Without the Accountancy Profession, societal growth will be stunted and no one desires this.

16. It is in pursuance of this that, IFAC, according to him, spends 65% of its budget to support standards development, improvement in quality and capacity, engage in advocacy, support and represent the profession globally. He further noted that over the years, IFAC has been in the vanguard for the development of professional accountancy bodies globally and in particular, in Africa, where many countries do not currently have accountancy bodies. Yet without professional accountancy bodies, good public financial management which can guarantee proper management of public resources will be non-existent. It was this failure of accountability in governance that led to the “Arab Spring”. Indeed, Mr. Allen noted that nations that emerged faster from the global economic meltdown of 2007/8 were those that embraced accountability and transparency, which politicians detest.
17. While noting that the global demand for professional accountants will continue to rise, he urged the Institute to continue to engage the government because of the attendant benefits, promote compliance to ethics and best practices by its members, encourage and attract women into the profession. Other areas he emphasized include the need to attract the best and brightest youths into the profession, correct the wrong perception about the profession as dull and geared only towards number crunching, rethink training and development, include strategic thinking and confidence building modules into its certification curricula. Since Accountancy is a global profession, he enjoined ICAN to continue to train chartered accountants to be global citizens who can work anywhere and add value to the global economy.
18. Finally, Mr. Allen advised professional accountants to be on top of their game and be familiar with current developments in the profession such as rapid technological changes, the emergence of Integrated Reporting and the increasing demand by market players for narrative corporate reporting. While stressing that trust and credibility will continue to be paramount in the relationship among professional accountants, employers and clients, Mr. Allen concluded that only professionals with the right skills, competences and ethical disposition, can change the world.

19. In response to a question on security of professional accountants, Mr. Allen informed the audience that IFAC was in the process of issuing an Exposure Draft on Accountants' Responsibility for Non-compliance with Laws and Regulations. He agreed that for a professional accountant to discharge his responsibility without fear or favour, he needs to be protected, for instance, through the enactment of a Whistleblower's Protection Act. He also assured that, contrary to views expressed that there were barriers to employment of professional accountants of Nigerian origin abroad, many of them were securing jobs and making waves in USA, UK, New Zealand, Australia, etc.
20. Earlier the Chairman of the Session, the Minister of Trade and Investment, Dr. Olusegun Aganga, FCA in his remarks commended ICAN for the choice of the conference theme which, he said, encapsulated the essence of professionalism. While noting that professional accountants, through their public interest mandate, have the opportunity to make a difference, he urged them to raise the quality of financial reporting in order to instill greater confidence in their work, restore honour and integrity to the profession. He also reiterated the need for more women to be attracted into the profession to complement the affirmative action of government. In response to a question on the non-appointment of an ICAN member to fill the position statutorily created by the ICPC Act since the expiration of the tenure of the incumbent in 2011, the Minister encouraged the Institute to formally write to his office in this regard.

Plenary Session 1

21. Plenary 1's paper titled, "***Professional Accountants: Adding Value Through Financial Reporting***" was presented by Mr. Ken Igbokwe, ACA while Dr. (Chief) R.U.Uche, FCA (PP) chaired the session. In his presentation, Mr. Igbokwe reminded participants that reliable financial statements play a key role in the financial market activities which contribute to the success and well-being of households, businesses, the economy, global participants and other stakeholders in the capital and money markets. The preparation of financial statements, according to him, are based on

universally accepted financial reporting framework and this serves as basis for statutory audit, accounting measurements, disclosures, etc.

22. He further opined that the main issues in financial statements revolve around public trust or lack of it; public awareness or lack of it; the public's lack of financial skills or literacy; fraud and human propensity for greed; advances in technology; the mismatch between the skills of accountants and users' of financial reports, etc. He also identified the quality of reporting, disclosure and assurance as further issues that affect the public's interest in financial statements.

23. In his view, professional accountants, as the bastion of the financial reporting process, are expected to bring their skills and experience to bear in the areas of internal controls, risk management, due diligence, assurance services, corporate governance & compliance, strategic management & planning, delivering business objectives, corporate finance and partnering with line managers to ensure that financial reports are credible, have integrity and meet the overall needs and expectations of stakeholders. He stressed that professional accountants will continue to be critical to the capital markets and the economy as they will be required to provide reliable financial reporting and independent credible audits.

24. Accordingly, the attributes expected of professional accountants include insightful and deep analytical skills, sound professional judgment, project management skills, integrity and ethics. They must also have leadership qualities, broad business perspective, functional expertise in the traditional technical skills, strong communication skills as well as be versed in IT and be committed to a life time of learning. Furthermore, they must also have the ability to combine technical skills with strategic vision, see themselves as professional advisors and business partners. Professional Accountants therefore need to constantly improve their knowledge and skills in order to be on top of their game.

25. In their various contributions, the discussants (Messrs. Babatunde Savage, FCA and Dayo Babatunde, FCA) were of the opinion that sound decisions depend on the availability of accurate, reliable and timely financial statements and reports. They believe that real growth in the global market depend to a large extent on the comparability of financial statements across nations. To achieve this, they advocated that key players in the financial reporting process/chain must be professionally qualified, possess relevant experience and technological skills. They also recommended that the systems and processes to be deployed must not only suit the particular industry but also meet international best practices.
26. In the view of the discussants, the services of the professional accountants in the areas of compilation, review and assurance must be properly segregated to ensure that the integrity of the process and the results therefrom are not compromised. They argued persuasively that the financial reporting risk is greater than the internal control risk and that a breakdown in the financial reporting risk can lead to credibility issues and the erosion of public confidence in the financial statements. In conclusion, they noted that the increasing complexity and Extensible Business Reporting Language (XBRL) demand that professional accountants remain proactive in order to take advantage of future developments.
27. In response to a question on the cost of training and the need for the Institute to organize more free capacity sessions, the discussants encouraged members to see training as investment in an asset and the accounting profession as business. In their view, a chartered accountant who cannot solve emerging problem due to knowledge gap would soon become irrelevant in the profession. While encouraging them to balance the burden of training with the expected benefits, they were urged to explore the window of consultation with peers as Consultation is a sign of strength not weakness.

Plenary Session 2

28. The title of the paper for this session was, “**Whistle-blowing: Inspiring Chartered Accountants**” and was presented by Dr. Vincent Onodugo of the University of Nigeria, Enugu Campus while Mr. M.S.C Aviomoh, FCA and Barrister Godwin Iyimbor (who represented Chief Mike Ozekhome, SAN) were discussants. The session was chaired by Mrs. M.O. Onasanya, FCA a former Council member, banker and an industrialist.

29. In the lead presentation by Dr. Onodugo, whistle-blowing was defined, “as the making of disclosures, by individuals, of illegal, corrupt, fraudulent or illegitimate practices to those persons or agencies that may be able to effect an action”. Often driven by corruption, wrongdoings and unethical behaviours, whistle-blowing may take various forms:

- a. formal versus informal;
- b. identified or anonymous; and
- c. internal or external.

30. Notwithstanding its form, the objective of whistleblowing is usually the exposure of wrong-doings. According to the presenter, there are four elements of whistle blowing: (i) the whistle-blower; (ii) the whistle-blowing act or complaint; (iii) the party to whom the complaint is made and (iv) the organisation or persons against which or whom the complaint is lodged. The university don quoted the following passage from the **Holy Writ** to lend credence to whistle-blowing as a justified strategy for fighting evil: “**When a crime is not exposed and punished quickly, people feel it is safe to do evil**” (**Ecc 8v. 11**) .

31. While striving to establish the relationship between whistle-blowing and the work of Accountants, the don observed that whistle blowing supports auditing in two ways:

- First, it provides information to auditors on areas where there are possible malpractices for close scrutiny; and

- Second, where the auditor is perceived to have colluded with the Management and Board to deceive the public, whistle blowing can save other stakeholders by disclosing factual information to the public and regulatory agencies

Therefore, auditing like policing requires intelligence gathering.

32. To ensure that the whistleblowing intention is driven by altruistic reasons, the presenter recommended the following five tests:

- ❖ Public interest test
- ❖ Good faith test
- ❖ Benefit of the doubt test
- ❖ Impact test
- ❖ Proportionality test

33. Describing whistle-blowing as a strategy to serve the public interest, Dr Onodugo identified the following benefits:

- stoppage of unethical businesses with all the harm it poses to the society;
- proactive prevention of corruption and unethical practices;
- promotion of public good and saving society from all sorts of diverse malpractices; and
- facilitation of the work of an auditor by making him pay closer attention to the facts behind the figures and unravel malpractices.

34. In spite of its inviting attributes, it was observed that the strategy has the following downsides: threat to personal life and property; denial of pay increases and incentives; unfair performance appraisal, lack of peer support, transfers to undesirable posts or career dead-end jobs, possible loss of job and loss of

reputation. In view of these, people were advised to handle cases of whistleblowing with care and caution.

35. One of the discussants brought a very rich historical perspective to bear on the issue of whistleblowing which dated back to 1777, a year after USA got its independence from United Kingdom. The passage of the Whistleblowers Act in 1778, according to him, was not only the first such law in the world but also, ensured that violators of law are punished. In his treatise which he tagged “Whistleblowing: Ancient and Modern”, he graphically showed the transition from animal horns in ancient times to the use of whistle on the football pitch to the use of internet.

36. He therefore recommended the following:

- Quick passage of the Whistle Blower Protection bill which has been with the National Assembly since 2011 in order to give legal teeth to whistle blowing protection in Nigeria. For this bill to be effective, it should contain the provision that whistleblowers should be motivated through incentives;
- Similarly, given the sensitivity of whistle-blowing and to protect the innocent against false accusations, it was also recommended that there should be sanctions for false alarms in order to deter frivolous whistleblowing
- It was also recommended that chartered accountants should be courageous, defend the public interest and blow the whistle where necessary.

37. Workshop Sessions

A total of four workshop sessions were held. Their reports are as follows:

38. **Workshop 1:** The title of the paper was, “***Standards for protection of Public Interest and the Performance of Supervisory Institutions***” by Mr. Seyi Bickersteth, FCA ably presented by Mr. Tola Adeyemi, Head, Audit Services, KPMG.

The session, which was attended by 1337 delegates was chaired by Senator (Chief) F.K.Bajomo, mni, FCA while the discussants were Alhaji Umaru Ibrahim and Ms. Arunma Oteh, DG, Securities and Exchange Commission represented by Mr. Abacha Ulama.

39. Mr. Tola Adeyemi, using the IFAC framework defined the “Public Interest as the net benefits derived for, and procedural rigour employed on behalf of all society in relation to any action, decision or policy”. In other words, it is the welfare of the general public (in contrast to the selfish interest of a person, group, or firm) in which the whole society has a stake and which warrants recognition, promotion, and protection by the government and its agencies.
40. Although the protection of public interests may be expected to happen naturally, it is necessary, according to the presenter, to discipline organisations in such a way as to safeguard the promotion of the public interest. This is to preclude the few dominant players from supplanting the public interest with their personal interest. Accordingly, the government has the responsibility to enact relevant laws, set rules and policies, promote competition and establish regulatory institutions.
41. In spite of the good intentions of government, the resource person noted that things could go wrong on account of regulatory complexity occasioned by multiplicity of regulatory institutions. Additionally, appointment of unskilled regulators, poor responsiveness and having a powerful leader rather than strong Institution, tend to lead to “regulatory capture” which is a form of political corruption.
42. As a solution, Mr. Adeyemi recommended the adoption of OECD principles for the governance of regulators. These include:
 - role clarity i.e. the legislation establishing a regulatory scheme should unambiguously specify the purpose and objectives of the regulatory scheme;
 - specifying the entities and citizens to be regulated;

- setting clear standards for performance evaluation;
- preventing undue influence and maintenance of trust;
- independence of regulatory institutions;
- accountability and transparency; and
- specifying regulator’s sources and levels of funding in order to guarantee its independence and objectivity.

43. In summary, the presenter called for well-designed rules and regulations that are efficient and effective with appropriate institutional frameworks. In his view, the achievement of good regulatory outcomes requires co-operative efforts of the government, regulators, the regulated and the public.

Workshop 2

44. The paper for Workshop 2 titled, “***The Imperative of Corporate Governance in the Protection of Public Interest***”, by Dr. Ed. Olowookere, FCA was presented by Mr. Ismaila B. Ceesay under the chairmanship of Ambassador Joe Keshi, OON, FPS, former Chairman, UBA PLC.

45. In his presentation, Mr. Ismaila Ceesay identified Corporate Governance as, “that blend of law, regulation and appropriate voluntary private sector practices which enable the corporation to attract financial and human capital, perform efficiently, and thereby perpetuate itself by generating long-term economic value for its shareholders, while respecting the interests of stakeholders and society as a whole”.

The existence of good corporate governance is usually assessed through:

- a. Board Structure and Organisation;
- b. Board Operation and Effectiveness;
- c. Strategy, Planning and Monitoring;
- d. Robust Risk Management and Compliance Processes;
- e. Transparency and Disclosures; and

f. Corporate Citizenship

46. The paper also identified Corporate Social Responsibility (CSR) as key to the effectiveness of a Corporate Governance regime. This involves the establishment of a defined code of conduct, business ethics, healthy employee relationship and responsive social obligations.
47. The key issues in CSR center on labour rights, the environment, human rights, social safety nets and poverty alleviation. CSR arises because of the substantial externalities resulting from corporate exploitation of its environment. There is, therefore, a need to mitigate the negative impact of productive activities.
48. Mr. Ceesay was of the opinion that as providers of integrated information, the role of accountants is critical and crucial. He urged Accountants to see themselves not only as custodians of private sector corporate finances and financial information but also of all public interest entities including governments. Increasingly, accountants and auditors are focusing on performance reporting – environment, social etc. whether in the private or public sectors.
49. The discussant, Dr. Etofolam Osuji was of the view that Corporate Governance is ineffective without a well-defined CSR because CSR addresses the impact of the actions of the corporate entity on its immediate environment. He decried the absence of organs for the effective enforcement of corporate governance rules. According to him, transparency enhances an effective corporate governance environment and should start at the top with the Board of Directors who must also have the relevant experience to drive the entity's sustainability programmes.
50. Participants were concerned with entities being able to marry their CSR objectives with the stakeholder's interest in achieving profitability. It was however agreed that the long term sustainability of an entity depends, to a large extent, on how it

manages its social responsibilities. Entities must therefore be proactive and responsive to the needs of their environment as a survival strategy.

51. It was also agreed that the same underlying principles that apply to entities in the private sector apply to those in the public sector. Therefore, professional Accountants are well positioned to act as catalysts to drive the institution of good corporate governance, including but not limited to, corporate social responsibility since they are the collators of results of operations. However, as is usual in the public sector, accountants should not become scape goats where there are failures in the system. In defining the frameworks for Good Corporate Governance, there is need for Nigeria to benchmark on International Good Practice Initiatives. A total of 374 attended the workshop.

Workshop 3

52. The topic of Workshop 3, ***“Value Re-Orientation: A Key Issue for National Development and the Role of the Accountancy Profession”*** was presented by Mr. Toine Knipping, the CEO/Co-founder, Amicorp Group. The session was chaired by Mr. Emmanuel Itoya Ijewere, FCA (PP) while the discussants were Mr. Mike Omeri, DG, National Orientation Agency and Mr. Victor Eromosele, FCA

53. In his presentation, Mr. Knipping stressed the importance of professional and value-driven preparation and auditing of financial statements to stakeholders and in particular, investors and resource owners. According to him, the moral basis of disclosure and discretion was driven by the desire to promote honesty over inordinate pursuit of the profitability objective. He cited the involvement of professional accountants in Tax evasion and tax avoidance activities all in the name of tax planning. Such issues pose, according to him, not only the greatest challenge to Tax Revenue Administration worldwide, but also, erode profits from national tax bases. He was at pains to observe that African economies, according to a 2013 Report by Global Financial Integrity and the African Development Bank, lost

between US\$597 billion and US\$1.4 trillion between 1980-2009 in net resources transferred away from the continent primarily through transfer mispricing and other tax evasion schemes. He added that Nigeria lost as much as US\$89.5bn between 1970 and 2008 to illicit financial outflows!

54. These outflows, according to him, increase not only the burden on tax paying residents but also, represent monies and resources that would have been used for the provision of infrastructure. While acknowledging the fact that the problem was a global, rather than, a Nigerian one, he noted that professional Accountants have a duty to play to stop the ugly tide as part of their public interest mandate.
55. While admitting that corruption destroys trust, hurts investments, bleeds the budget of the nation and therefore, stalls growth and national development, one of the discussants found it difficult to exonerate the professional accountants who have the training and skills to secure corporate assets from the decadence in the system. In order to draw attention to the evils of corruption, he called for massive value re-orientation, monitoring and enforcement of the profession's Code of Ethics such that deviant behaviours are sanctioned.
56. It was recommended that the enthronement of a culture of accountability, trust and more openness in government business should be promoted. Finally, professional accountants were enjoined, in the words of Albert Einstein to, ***“always endeavour not only to become men of success, but rather, try to become men of value”*** by protecting the public interest.
57. Interestingly, Mr. Knipping took a radically different approach to the topic of value re-orientation, in some sections of the paper, by treating the issue as a call to advise on international taxation. He used the opportunity to market the consultancy services rendered by his organisation, the Amicorp Group. Although Nigeria, as a country, did not appear to have problems with international tax treaty compliance and

implementation, he advised on the need to ensure global tax transparency in Nigeria.

58. In his contribution one of the discussants highlighted the challenges faced by accountants in trying to defend public interest in the midst of demented value system. He wondered why, in spite of the triple(AAA) credit rating agencies gave to corporate entities, and clean audit reports, companies still ran into financial crises and even collapsed soon after their audit. He therefore recommended that a culture of accountability should be enthroned because without accountability there can be no progress. He concluded by further recommending rapid improvement in ethics and integrity, learning and empowerment of accountants.

59. While describing ICAN as a critical professional body in the economic growth and development of Nigeria, the other discussant enjoined members of the Institute to rise to their responsibility by speaking out when government institutions and government officers are falsely accused of corruption over accounts that have been properly audited and certified okay by professional accountants. ICAN should also sanction members who collude with public and private institutions and officers to render false accounts thereby facilitating corruption which is detrimental to national development. The discussant also informed the audience that the National Orientation Agency is finalizing a proposal to the Nigerian President to bring about the declaration of a “National Emergency on value system”. The participants called for a new era of improvement in public service.

60. In their contributions, participants wanted to know what the National Orientation Agency was doing to improve the attitude of an average civil servant to embrace technology. They also sought to know why in Nigeria, the value system is only money centred rather than leadership. They advised that the remuneration of an average chartered accountant should be commensurate with the work he was doing to motivate him to perform to expectation. **A total of 759 attended the Workshop**

WORKSHOP 4:

61. The paper for workshop 4 titled ***Sustaining Ethical Standards in the Accountancy Profession*** by Professor Kwame B. Omane-Antwi, President, Institute of Chartered Accountants, Ghana, was ably presented by Alhaji Isma'ila Muhammadu Zakari, mni, FCA, 2nd Deputy Vice President of ICAN. The session was chaired by Otunba(Alh.) Abdulateef Owoyemi, FCA(PP). The discussants were Mr. Femi Abegunde, FCA, Country Chairman, Akintola Williams Deloitte and Mr. Uyi Akpata, FCA, Country Senior Partner, PricewaterhouseCoopers.

62. In his presentation, Mallam Zakari drew the participants' attention to the far-reaching unsavoury consequences of Ethical challenges which include deception in creative accounting as was witnessed in the Enron debacle and other local companies. The development led to the demise of Arthur Anderson a renowned firm of chartered accountants with over 95,000 staff spread all over the world. It also created mistrust for the auditor.

63. As part of the recipe and to enable accountants discharge their responsibilities effectively, he advocated for improved academic and professional accountancy education for accountants which will be reinforced by Continuing Professional Development programmes in line with International Education Standards issued by the International Accountancy Education Standard Board (IAESB).

64. He also recommended that the following measures should be put in place:

- Establishment of stringent disciplinary procedures;
- Review of Companies' Codes e.g. CAMA 1990 (ROSC 2011, Nigeria);
- Upgrading the procedure for licensing practicing auditors;
- Whistle-blowers' protection as the simple most effective technique for detecting all types of fraud;

- Monitoring of Auditors' compliance, making ethical standards subject of legislation, peer reviews and rotating audit appointments;
- Establishing an independent body to administer the appointment, removal and remuneration of auditors; and

65. At the end of the workshop, the following key observations and recommendations emerged:

- ICAN should set up a trust fund for whistle-blowers and increase awareness of members about ethical standards and publicise the available avenues for lodging complaints about sharp practices.
- There must be Zero tolerance of unethical practices.
- The sustenance of standards must be a collective responsibility of all players;
- The Institute should evolve a robust system for handling cases of unethical practices;
- Members must make efforts to familiarize themselves with the Institute's Code of Ethics which is on the ICAN website;
- In addition to professional competence and adherence to ethical standards, members should also build spiritual and moral strength through their faith;
- The issue of confidentiality should be taken very seriously as it is an ethical misconduct to disclose matters that are supposed to be confidential.

A total of 206 participants attended the workshop session.

OTHER UNSCHEDULED PRESENTATIONS

66. Presentation by Jim Obazee of the Financial Reporting Council(FRC)

The Executive Secretary/Chief Executive of the FRCN, Mr. Jim Obazee made a presentation in which he apprised the audience of current initiatives of the regulatory body and the need for players in the financial reporting chain to be on top of their game. In particular, he informed the audience that FRC will

- Soon release the Template for the preparation of Auditor's report on Internal Control System of their clients in line with Section 7 of the FRC Act no 6 of 2011.
- Commence Practice Monitoring of practicing firms in 2015.
- Make Joint Audit Engagement compulsory for Public Interest Entities from 2015
- The harmonized Code of Corporate Governance for the nation will be launched very soon

67. As part of the regulatory body's strategies to raise the quality of financial reporting in the country and sustain the confidence of users, Mr. Obazee highlighted the following steps so far taken:

- ❖ Only professional accountants are now allowed to chair audit committees of listed and public interest entities.
- ❖ The Chairman, Chief Executive and Chief Finance Officer are now required to sign all audited financial statements. They can only sign if they meet the registration requirements of the Financial Reporting Council and are duly registered.
- ❖ Where audit reports are qualified, the financial statements must reach the FRC within 30 days.
- ❖ Entities whose reports are not qualified **should** submit their audited financial statements to the FRC within 60 days in compliance with Sect 80 of the FRC Act.

- ❖ FRC in collaboration with IASB will run a train-the-trainers programme in Lagos on IPSAS.

68. In response to a question on the basis for the organisation's charges, he intoned that charges were both for consultancy and to deter entities from wasting the Council's valuable time. More importantly, he said that it was to encourage specialization and decongest the traffic. For those who desire multiple registration to enable them do all types of businesses, they would need to heavily pay more.

69. Presentation by the Office of the Accountant-General of Federation(OAGF)

This presentation, which was made on behalf of the Federal Accounts Allocation Committee's Subcommittee by Mr. Salawu Adeku Zubieru (Director, Consolidated Accounts Dept, OAGF), was designed to give the audience and insight into the various initiatives which the government has undertaken to ensure the smooth transition of the public sector from cash accounting to accrual accounting in 2016. The vehicle for accomplishing the dream is the adoption of International Public Sector Accounting Standards (IPSAS). In the main, he stressed the fact that the government had

- ❖ Commenced nation-wide sensitization programme on IPSAS
- ❖ Adopted Cash-based IPSAS with effect from January 1,2014 while accrual-based IPSAS will be adopted in January 2016;
- ❖ Embarked on capacity building
- ❖ Developed a new chart of accounts for use in the Public Sector
- ❖ Issued a national circular to ensure compliance
- ❖ Commenced the harmonization of laws for effective public finance management regulations

70. Presentation by Professor Emmanuel Emenyonu, FCA

This presentation was on the topic Accountability in Governance, the Chartered Accountant and the Public Interest. Using an interactive question and answer methodology, the Professor established from the responses received that

- God-fatherism, Ghana must go and stomach infrastructure are critical determinants of electoral victory in Nigeria
- Come 2015 elections, the philosophy of do or die will hold sway because electoral victory will provide winners opportunity for egunje or corruption
- Democratic era is synonymous with giving of bribe rather than service
- Police mount road blocks not to protect the citizenry but for self enrichment through bribery.

71. He concluded that if the nation has a good public accountability framework, good people and in particular, seasoned professionals can be attracted to the public sector. He urged ICAN to take advantage of the IFAC/CIPFA developed framework to drive accountability in public governance. According to him, this framework has five good principles which are germane to accountability. In conclusion, he urged ICAN to start a monthly accountability forum to which labour unions, human right activists, lawyers, NGOs will be invited to ask questions about government receipts and expenditure. According to him, we can do more by engaging in pervasive and massive sensitization to raise the flag of accountability. We have a unique calling to take on the gauntlet, he said.

72. SOCIAL ACTIVITIES

The Conference was not all about professional and technical presentations. Opportunities were also provided for sports and district societies' competition which brought to the fore not only the rich cultural heritage of Nigerians but also the fact

that chartered accountants are multitalented professionals. Many of them regaled in their traditional costumes with gaiety. The Abuja & District Society emerged first both in overall performance and size of contingent in the District Societies' Competition. The Ibadan & District Society won first Prize in Best Attire, 2nd in Performance and 3rd in Contingent. A total of 15 District Societies competed for honours during the event. In the same vein, various sports activities were held and winners given their trophies.

73. President's birthday

The birthday anniversary of the Golden Jubilee President, Mr. Chidi Onyeukwu Ajaegbu, ACS,MBF, Dip Polygraph, FCA, a man destined for greatness was celebrated on September 9, 2014 in style. He spent the day in the ICC auditorium conducting the business of ICAN and protecting the public interest. On behalf of the team of Rapporteurs, we congratulate you once again sir and wish you many glorious returns.

74. Reception For Golden Jubilee President

The tradition Sheraton reception which usually heralds the arrival of the ICAN President into the city of Abuja was uniquely organized this year. The Golden Jubilee President was treated to a well-organised and rich red carpet reception in one of the ball rooms of Sheraton. Laced with different small chops, delicacies and choice wine, the reception was witnessed by a huge audience which comprised the IFAC President, Mr. Warren Allen, the ABWA Executive Secretary, Mrs. Margaret Unubun and twelve Council members including the Vice President and Honorary Treasurer. The Atilogu dancers were at their best with unimaginable, breathe-taking aerobics or acrobatic dance steps. An elated President, commended Sheraton for its hospitality and very warm reception.

Cocktails and Religious programmes

75. To flag off the Conference activities, a cocktail ceremony was organized by the President for invited guests and major players in the economy. Sponsored by the

Dangote Group, the well attended Cocktail was graced by the IFAC President, many revered past presidents of ICAN including the chairman, BOPP, Presidents of CIS, Council members, past registrars, captains of Industry and gentlemen of the press. At the end of the day, religious programmes were held to commit the entire Conference unto the hands of the Almighty God. The event took place on Monday, September 8, 2014 at the Ladi Kwali Hall, Sheraton Hotel and Towers. This closing ceremony is a testimony that He answered our prayers.

76. Business Exhibition

A total of sixteen (16) entities paid to exhibit their goods and services during the 3-day conference both at the ICC and Sheraton Hotel and Towers venues. The exhibition was declared open by the Special Guest of Honour, His Excellency, Dr. Goodluck Ebele Jonathan, GCFR, President, Commander-In-Chief, Armed Forces of the Federal Republic of Nigeria, who was ably represented by the Minister of Finance and Coordinating Minister for the Economy, Dr. Ngozi Okonjo-Iweala.

77. SPONSORSHIP

As a measure of its towering image and goodwill, the Institute received the immense support of its partners drawn from various sectors of the economy. A total of 22 corporate entities donated to support the conference thereby making the task of organizing this huge conference less financially demanding on the Institute's resources. We thank them all.

CONCLUSION

78. It is from this comprehensive report of proceedings that we, the Rapporteurs' Team, prepared the following draft Communiqué which I will now present for your comments and possible adoption. The final communiqué would subsequently be considered, approved by the Council and released by the President.

On behalf of all the members of the Rapporteur Team, I thank you for listening.

Abel Aig. Asein,

Rapporteur-General

TEAM OF RAPPORTEURS

Chief Tom Onyeagwa, FCA

Mr. John I. Evbodaghe, FCA

Sir Jerry Nwanne, FCA

Mr. Jude Sunny Egbo, ACA

Mrs Hilda Ozoh, FCA

Dr. Semiu b. Adeyemi, FCA

Dr. Ben Ukaegbu, ACA

Mr. Kayode Abe

Mr Dayo Ajiogbotoso