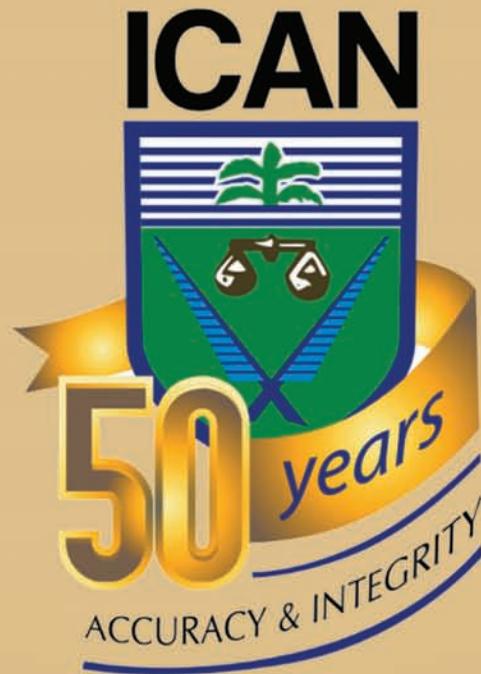


# The Nigerian ACCOUNTANT

THE OFFICIAL JOURNAL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

OCTOBER/DECEMBER, 2015

Vol.48, No.4



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**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA**

**HEAD OFFICE:**

Plot 16, Idowu Taylor Street,  
Victoria Island, Lagos.  
P.O. Box 1580, Lagos.  
Telephone: (01) 7642294, 7642295  
Fax: (01) 4627048  
E-mail: info.ican@ican.org.ng  
Website: www.ican-ngr.org

**ANNEXE OFFICE:**

82, Murtala Mohammed Way,  
Ebute Metta, Lagos.  
Telephone: (01) 7642297, 7642298

**ICAN CENTRE:**

Plot 12, Kofo Kasumu Street,  
Amuwo Odofin, Lagos.

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To produce world-class chartered accountants, regulate and continually enhance their ethical standards and technical competence in the public interest.

#### ICAN LIAISON OFFICES

##### *Abuja Liaison Office:*

Akintola Williams House  
Plot 2048, Michael Okpara Way,  
Zone 7, Wuse District, Abuja.  
Tel: 09 - 8722302, 08052601700  
E-mail: [icanabuja@ican.org.ng](mailto:icanabuja@ican.org.ng),  
[gaarinze@ican.org.ng](mailto:gaarinze@ican.org.ng)

Contact Person:

Mr. Yusuf Adamu

##### *Kaduna Liaison Office:*

3, Kanta Road, Ali Turaki House,  
Kaduna.  
Tel: 08036788275  
E-mail: [icankaduna@ican.org.ng](mailto:icankaduna@ican.org.ng),  
[adegoke\\_abiola@yahoo.com](mailto:adegoke_abiola@yahoo.com)

Contact Person:

Mrs. A.A. Adegoke

##### *Kano Liaison Office:*

Murtala Mohammed Library Complex  
Ahmadu Bello Way,  
P.O. Box 11283, Kano.  
Tel: 08035900399  
Email: [icankano@ican.org.ng](mailto:icankano@ican.org.ng),  
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Correspondence should be addressed to:-

### Corporate Communications and Marketing Directorate

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

Plot 16, Professional Centre Layout,  
Idowu Taylor Street, Victoria Island,  
P.O. Box 1580, Lagos.

Tel: (01) 7642294, 7642295

Fax: (01) 4627048

E-mail: [corporateaffairs@ican.org.ng](mailto:corporateaffairs@ican.org.ng)

ICAN Website: [www.ican-ng.org](http://www.ican-ng.org)

When the doyen of accountancy in Nigeria, Mr Akintola Williams, fifty years ago, mooted the idea of founding what is known today as The Institute of Chartered Accountants of Nigeria (ICAN), hardly did he and his colleagues believe it would germinate to become a factor to reckon with in accountancy profession all over the world today.

The 50<sup>th</sup> anniversary of the Institute which was celebrated all year round with different activities like Anniversary Lecture, Health Walk, Book Launch (*Indelible Footprints*), Essay Competition among several others culminated in the 45<sup>th</sup> Annual Accountants' Conference held at the International Conference Centre and Abuja Sheraton Hotel and Towers in Abuja from August 30 to September 4, 2015. The week-long celebration was captured bit by bit for your reading delight.

Our editorial team went out to speak with the doyen himself (now 96 years old) on the birth of ICAN and his vision for the future. Apart from him, other prominent members of the Institute were interviewed and they all reeled out what has kept ICAN going and its future prospects.

Articles published in this edition are on various topics of interest. A review of the special publication on the Institute at 50, "*The Indelible Footprints*" is contained herein as well. Similarly, the full text of the Anniversary lecture on the Anniversary theme and several other activities of the Institute during the quarter are published for you in this edition.

On our health page, we publish a write-up on symptoms, causes and treatment of chronic back ache.

Your comments on this edition are welcome.

Please write to:

[corporateaffairs@ican.org.ng](mailto:corporateaffairs@ican.org.ng) or  
[aowolabi@ican.org.ng](mailto:aowolabi@ican.org.ng)

# Causes of Unexplained Chronic Back Pain

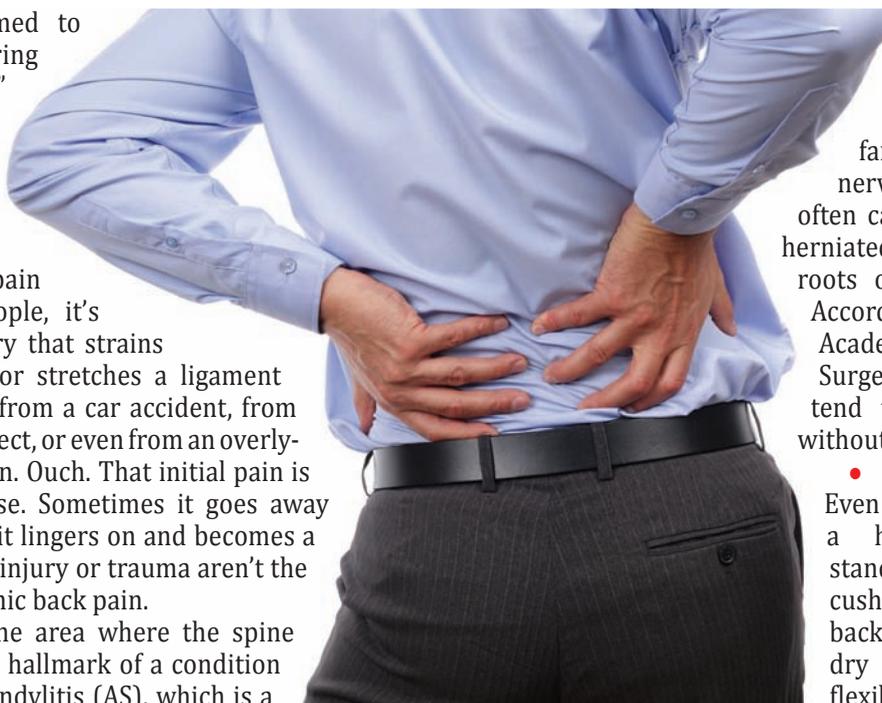
If you're accustomed to wincing and muttering "oh, my back," on a regular basis, then you know how annoying and frustrating chronic back pain can be.

How did the back pain start? For many people, it's the result of an injury that strains tendons or muscles or stretches a ligament in the back, perhaps from a car accident, from picking up a heavy object, or even from an overly-ambitious gym session. Ouch. That initial pain is called the acute phase. Sometimes it goes away but for some people, it lingers on and becomes a chronic problem. But injury or trauma aren't the only culprits for chronic back pain.

Inflammation of the area where the spine joins the pelvis is the hallmark of a condition called ankylosing spondylitis (AS), which is a progressive form of arthritis. It's not always a severe diagnosis, but people who develop ankylosing spondylitis may experience ongoing pain and even the loss of flexibility of their spines. In the most severe cases, two or more bones in the spine may fuse together as the result of long-term inflammation. People who suffer from AS often have inflammatory symptoms elsewhere in the body, including the eyes, skin, intestines and lungs.

It's also possible that your back pain is caused by a more serious underlying condition, such as an infection or tumor. But it's unlikely, statistically speaking. According to the National Institute of Neurological Disorders and Stroke, most low back pain is mechanical in nature. Here are some other possibilities:

- **Herniated or ruptured discs.** Discs are the rubbery cushions that occupy the spaces between each vertebrae that make up your backbone. If a disc tears or bulges out of its usual location, it can put painful pressure on your spine. This can happen as a result of injury or from the wear and tear that our bodies experience as we age.
- **Sciatica.** If you've ever experienced shooting pain



that radiates down your lower back and down one side of your buttocks, you're familiar with sciatic nerve pain. Sciatica is often caused by one of those herniated discs pressing on the roots of your sciatic nerve. According to the American Academy of Orthopedic Surgeons, 80 to 90% of cases tend to resolve over time without the need for surgery.

- **Disc degeneration.** Even if you don't experience a herniated disc, the standard aging of those cushions can still cause back pain. Discs tend to dry out and become less flexible as we get older. The discs shrink and weaken as part of the normal aging process.

- **Spinal stenosis.** This condition, which tends to affect people over 50, occurs when the open spaces in the spine begin to narrow and put pressure on the spinal cord and nerves. It causes back pain, but it can also cause numbness, weakness or tingling in your legs.

- **Scoliosis.** An s-shaped curve in your spine typically develops in childhood, but it can develop in adulthood too, often resulting from the combination of age and deterioration of the spine. The curve itself doesn't really cause the pain — it's the deterioration that makes your lower back ache or throb. That deterioration and the deformity in your spine can put enough pressure on your nerves to cause pain, weakness and numbness in your legs, too.

Consult your doctor about your back pain, especially if you're not sure about the cause. It might be time for some closer examination, which could lead to more targeted treatments — and hopefully, some relief. ●

\* Culled from [www.health.com](http://www.health.com)

Title:

# Indelible Footprints – *The ICAN Story*

Authors:

KOLA OLUTIMEHIN & EMMANUEL EMENYONU

Publisher:

The Institute of Chartered Accountants of Nigeria, Lagos

Year of Publication:

2015

No of Pages:

593 pages

A Review by Professor Abhulimen Anao

I wish to state from the very onset that in this book, we have a good product, an exceptionally good product, which needs very little promotion and marketing. Nevertheless, I must still go through the motion of assessing it critically, section by section and aspect by aspect, because that is what I have been charged to do.

Let us first of all remind ourselves of why this book was written. This will help us to establish its significance and also serve as basis for our verdict in the end.

It is not a coincidence that this book comes out at the very time when our noble Institute is commemorating its 50<sup>th</sup> year anniversary of its founding. The book therefore aims to mark this event by documenting the key incidents which occurred throughout the Institute's years of existence, and place on record for all time its successes, as well as the challenges which it faced during various phases of its development, and how these challenges were met. It is essentially a historical text; and history, as we all know, chronicles events of the past, which, aided by incisive interpretations, can give valuable insights into what the future may have in store, and what challenges it may present, so that one can begin to strategise ahead of time to meet such challenges. ICAN's history records successes of incredible magnitude as well as some difficulties which arose at one time or other in the course of its development during the past fifty years. The history imparts necessary and vital lessons which can guide the Institute's future development.

The book runs into some 593 pages; this makes it by all accounts a full volume book. It is presented in five (5) parts, comprised of 25 chapters. The five parts and their content are briskly summarised below:

Part I is titled '**The Foundations of a Great Institute**'. This part has 4 chapters. It starts with a brief historical sketch of how the practice of accounting evolved in the world through the millennia, from its cradle to the present pre-eminent place it has assumed in human society. It then goes on to set out the

initial critical steps that were taken by a few self-motivated individuals, which led to the founding in the first instance of the Association of Accountants of Nigeria (AAN), which association later metamorphosed into the Institute of Chartered Accountants of Nigeria (ICAN). It notes and duly eulogises the foresight and sacrifices made by those few (let us call them founders) in bringing the Institute into existence by obtaining an Act of Parliament in 1965 – The Institute of Chartered Accountants of Nigeria Act.

Part II of the book is titled '**The Workings of the Institute**'. This part explains the composition and functions of the Governing Council; it identifies (illustrated with pictures and short notes) the individuals who occupied the position of President during each of the past 50 years. The pivotal role of the Governing Council in formulating policies and guiding their execution and monitoring is spelt out here. Also featured in this part is a detailed enumeration of the functions of the respective organs through which the Institute's activities are prosecuted. In order to show the extent to which the Institute's operations have grown during the last 50 years, the authors present very elaborate statistics, which depict year by year, the number of staff, number of students, number of persons qualifying to become members of the Institute, number of persons who obtained the ATS certificate, etc. Also, included are statistics of the number of the Institute's District Societies and the year in which each was established, as well as the systematic growth in attendance at ICAN's annual conferences.

The workings of the various Departments and organs of the Institute are set out in quite substantial detail in this Part. Part II is the largest part of the book as it extends into 10 chapters spread over 246 pages. The chapter is remarkable in terms of the comprehensive information which it contains. We will allude to this point later in this review.

Part III of the book titled, '**Threats of Catastrophes**', relates the challenges which the Institute faced at different times, challenges which came from some associations and groups which



threatened the erstwhile hegemony of the Institute in the general area of accountancy and audit practice, as well as in management accounting and taxation; and how these threats were combated. It emerges from this part that the most formidable challenges came from the associations now known as the Association of National Accountants (ANAN) and the Chartered Institute of Taxation of Nigeria (CITN). These bodies eventually succeeded in obtaining their own charter.

Part IV titled, **Global Impact**, records the exploits of the Institute in the global arena, the contributions it made in the formation and activities of the International Federation of Accountants (IFAC), and the International Accounting Standards Committee (IASC) which later transformed into the International Accounting Standards Board (IASB), etc. It also presents the Institute's robust participation in the quadrennial World Congress of Accountants. This part also records the Institute's leadership role in the development of the accountancy profession within the continent of Africa, in particular, its role as the principal driver of the activities of Accountancy Bodies in West Africa (ABWA) and the Pan-African Federation of Accountants (PAFA). This part is presented in 4 chapters.

A book which chronicles the life and achievements of an organisation such as the Institute would not be complete without also assessing its impacts and those of its members on their various publics – their clientele who span all sectors of the economy (industry, commerce, finance and government); the nation, and the society as a whole. It should also note the impressions held of it by similar professional organisation with which it shares the common goal of serving public interest. After all, the measure of the impact and influence which the Institute and its members exert on these various strands of society should be the only logical basis for assessing whether or not the Institute has fulfilled its purpose.

To give some indication of such impacts and influences is the concern of Part V which is titled: **The Markings on the Sands of Time**. Here the authors have taken great pains to interview, and sometimes even reproduce written testimonies from, a wide variety of persons and institutions which represent a cross-section of society. Very many ICAN members who made their contributions in public service and education are enumerated. The Institute's activities in the area of corporate social responsibility are also documented in this Part. The sections also chronicle the numerous submissions which the Institute made to government year after year towards policy formulation in the areas of economics and finance, as well as its inputs towards important legislations. Goodwill messages from key members of the society and international organisations also feature in this Part.

The part closes with a chapter which poses the vital question '**What does the Future Hold?**' Responses to this weighty question from Past Presidents and some key members of the Institute are presented. It is reassuring to note that the sampled views were generally bold and positive. They all expressed great optimism about the future of the Institute. They project that this noble body that has played such significant roles in advancing the fortunes of this country, and impacted so creditably on the world scene, in the past, can again look forward to an even more successful career in the future; that the Institute can expect to acquire even greater stature both at home and in international circles in future

years. This Part in my view is the climax of the book.

The content of the book as summarised briefly in the foregoing enables us to see that the publication gives quite an extensive coverage of what a book such as this ought to contain. This book basically tells a story, the story of how our noble Institute sprouted; how it was mid-wifed and nurtured in its nascent years through the selfless efforts of a few highly motivated and inspired pioneers (who incidentally also included some Britons) and who sacrificed their personal resources, time and energy; how the Institute grew gradually, gathering strength and stature along the way, through sheer grit and guts, and the unrelenting efforts of a few enthusiasts who moulded it into what it is today, a vibrant organisation that pervades all aspects of national life, which boasts of a membership of almost 40,000. This is an institution whose voice is heard across national borders because of its active affiliation or involvement with global institutions that prosecute accountancy matters. Its members also spread across the globe helping to shape national economies in different countries.

The story of the Institute is indeed one which fills all present generation of members with great satisfaction and pride, pride for belonging to a world class professional body, and therefore filled with gratitude for so much that has been bequeathed to them by that crop of early inspired, devoted and dedicated founders and pioneers. We note that one or two of those pioneers survive till the present day. We can only surmise how much it must please them to note that the mustard seed which they sowed has over time grown into a giant oak tree, whose boughs now serve as solid support for the present and many generations of accountants yet to be born.

The book has been written in very beautiful language that even a native Anglo-Saxon would be proud to lay claim to. The language is lucid, with interjections thrown in here and there in the form of idioms, proverbs and quotations. By the way, it is remarkable that each chapter commences with a famous quotation which aptly foreshadows the content of the ensuing pages. The quotes have been taken from a wide variety of sources – literature, philosophy (western and oriental), politics, classics, etc. These aptly attest to the authors' language proficiency and erudition.

The chapter arrangement is logical and sequential; the content of each chapter follows logically on a foundation already laid in preceding chapters. The segregation into Parts (Parts I to V) is also clearly justified. The tables and figures add quantitative and pictorial illustrations which support and elucidate the materials presented in prose. The views and submissions from key actors help the reader to gain a full understanding of the behind-scene events and manoeuvres that resulted in the final outcomes. The authors even went as far as reproducing tracks from Hansard reports which recorded the debates that took place in the National Assembly over applications made by various groups to obtain a charter. The effort made by the researchers to access all these materials is very commendable.

The inside cover of the book presents brief resumes of the authors. It reveals that both authors are well read, well exposed and also very experienced in their respective callings of teaching, researching and consulting; they are also widely travelled. I must state that the high quality of the book aptly reflects the calibre of its authors. It was for me an interesting and proud discovery to note that both authors are accountants who had their initial



schooling here in Nigerian universities, although they now reside in the UK and USA, respectively. In my view, the Institute should be commended for being able to seek out such eminently competent persons to undertake this book project.

I must not forget to mention that the Foreword to this book was written by a person we all cherish to refer to as the Father of Accountancy in Nigeria; no one else than the respectable Akintola Williams, FCA, CFR, CBE. It was quite thoughtful of the authors to have invited this patriarch to write the Foreword because of the pivotal roles he played in the founding of the Institute. We are singularly fortunate that this doyen is still with us today and has survived to see his brain child mature to the enviable age of 50. Hearty congratulations Sir!

Now let us remind ourselves that a book review is not necessarily a praise song. A review should also identify any weaknesses and omissions which the book contains. I have undertaken a thorough search to detect its defects or deficiencies. Honestly, I could not find any significant ones. One may only remark, however, that Part II which deals with the workings of the Institute appears rather detailed, rather loaded with exhaustive descriptions of job routines of the various sections of the Institute's Secretariat. The part runs into some 246 pages. A reader who is easily bored with facts can actually skip some of these details without losing the trail of the story. But then again, on reflection one can concede that such details may actually serve some purpose; that of gaining deeper insights which could perhaps form a basis for evaluating or benchmarking possible changes in the job routines that may take place in the Secretariat's work in future. A pertinent question here is: *in another 25 or 50 years, will the Secretariat still be performing its administrative and financial functions using the same procedures, facilities and technologies?* Such a question can only be answered in future by making references to the details of how work processes were undertaken in the past, during the Institute's first 50 years existence. That could be a possible justification for including such detailed material in this book.

At the end of this review, one would be obliged to answer the question, whether the book does achieve what it set out to do. Does the book **INDELIBLE FOOTPRINTS - THE ICAN STORY** actually tell the story as accurately, vividly and comprehensively, as one would expect? Does this publication appropriately capture the mood of the occasion, which is to mark or celebrate the Golden Jubilee of the Institute? Does this book warrant the efforts which went into writing it? Does it justify the reason for commissioning it in the first place? Is it a publication that every ICAN member would be proud to own? The answer to all of these questions is, emphatically and unequivocally 'YES'. There is no doubt in my mind that the book eminently fulfils its purpose.

In view of this, I would strongly recommend that every one, especially every member or student of the Institute, should read it and place a copy in his or her library. Indeed everyone who is interested in accounting and finance, even though not a member, including teachers, historians and financial journalists will find this book quite instructive.

**Abhulimen Anao, FCA** (Membership No. 629)

18 May, 2015



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## ICAN, Others Advise FG on Budget Implementation

The 51<sup>st</sup> President of the Institute of Chartered Accountants of Nigeria (ICAN), Otunba Olufemi Deru as well as other well meaning Nigerians have called on President Muhammadu Buhari to do a surgical and drastic reform on the nation's economy in order to reposition the nation on the path to sustaining growth and development.

This call was made at a symposium organised by ICAN to deliberate on the Federal Government's 2015 Budget with the theme "Come Back Nigeria: The Nation's Fiscal Challenges and Way Forward for the New Administration".

In his welcome address, Deru said that the Institute as a professional body believes that the nation's economy needs surgical and drastic reforms beyond cosmetic privatisation of government companies. He noted that it was imperative to begin this with the plugging of all revenue leakages, revisiting and redefining priorities as a nation, slashing of cost of governance, investing more in capital goods as well as enforcing fiscal discipline.

According to him, "to make progress as a nation, we must move away from paying lip service to diversification of the economy to real action. Indeed, diversification of the economy should no longer be a dream but an urgent imperative".

Similarly, the former Governor of Central Bank of Nigeria and Emir of Kano, Mallam Muhammadu Sanusi who was the special guest of honour at the occasion noted that the issue of review of budgetary process had been talked about over the years without any realistic approach to tackle it. He said "No matter how good your budget is, if you cannot do simple things like track your oil revenue, you cannot meet the basic government obligation to the citizens".

Sanusi also observed that the federal government needed to work on its revenue generation process.

## ICAN Fellow Becomes Head of Service of the Federation

President Muhammadu Buhari has appointed Ms Winifred Ekanem Oyo-Ita, as the Acting Head of the Civil Service of the Federation, with effect from October 21. Ms. Oyo-Ita, until her appointment, was the Permanent Secretary, Federal Ministry of Science and Technology. She hails from Adiabo in Odukpani Local



ICAN 2<sup>nd</sup> Deputy Vice President, Razak Jaiyeola (left); ICAN Past President, Senator Kolawole Bajomo; Lagos State Deputy Governor, Idiat Adebule; Emir of Kano, Lamido Sanusi Lamido; ICAN President, Otunba Olufemi Deru; ICAN 1<sup>st</sup> Deputy Vice President, Ismaila Zakari; ICAN Registrar/Chief Executive, Rotimi Omotoso; and ICAN Council Member, Oye Akinsulire at the Budget Symposium in Lagos



Winifred Ekanem Oyo-Ita

Government Area of Cross River State.

The 51 year old Oyo-Ita attended Queen's College, Yaba, Lagos from 1974 to 1979 and got her BSc at the University of Lagos in 1984. She bagged her MSc at the Nasarawa State University, Keffi.

She was the Director of Finance and Accounts at Office of the Head of the Civil Service of the Federation and also a Fellow of the Institute of Chartered Accountants of Nigeria.

According to the Director of Press, Office of the Secretary

to the Government of the Federation, Mr. Bolaji Adebisi, the appointment is "a testimony of Mr. President's implicit confidence and trust in her ability to discharge the responsibilities of the office of Head of the Civil Service of the Federation."

The appointment of Oyo-Ita was sequel to former Head of Service of the Federation, Danladi Kifasi's retirement from the service.

## ICAN Commences High School Residency/Awareness Programme

In its bid to create more awareness to students of tertiary institutions about its examinations, the Institute has introduced a new approach which it tagged "High School Residency/Awareness Programme". The programme, organised by the Students' Affairs



Directorate of the Institute, was held at the Bells University of Technology, Ota, Ogun State with 214 students from 8 tertiary institutions.

Speaking at the occasion, the 51<sup>st</sup> President of the Institute, Otunba Samuel Olufemi Deru, represented by the 2<sup>nd</sup> Deputy Vice President, Alhaji Rasak Jaiyeola said the programme has been designed for young men and women to take advantage of a unique opportunity for a prosperous career in accountancy. He noted that it would also serve as part of the agent for modeling the youths who are the future hope of the nation.

“Having met the requirements set out by the technical committee

for this programme, it is heartening to state that Bells University of Technology is the first tertiary institution to host ICAN on this programme and as we go round the six geo-political zones of the country, I am optimistic more tertiary institutions would take the advantage,” he stated.

The Vice Chancellor of the University, Professor Isaac Adeyemi, who was represented by the Deputy Vice Chancellor, Professor Olusegun Oreola extolled the virtues of ICAN for its initiative in meeting up with its social responsibility in setting a path for youths in this crucial times.

He praised the Institute for opening its doors to people from

other disciplines to be introduced to accounting profession. He assured the Institute that Bells University would uphold the confidence reposed in it and continue to partner with ICAN.

## PwC Endows N10m Prize for ICAN Best Student in Management Government and Ethics

In furtherance of ICAN’s cause to elicit the interest of Nigerian youths in the Accountancy profession and attract the best brains into the profession, PriceWaterhouseCoopers, a firm of Chartered Accountants has committed the sum of N10million into ICAN Prize Fund.

The Institute has requested the firm to sponsor an award to the best student in Management Governance and Ethics on behalf of the firms retired partners, which it gladly agreed to do.

Receiving the first installment of payment from the company’s Country Senior Partner, Mr. Uyi Akpata, the Registrar/Chief Executive of ICAN, Mr. Rotimi Omotoso expressed the Institute’s gratitude to the firm.

He said: “On behalf of all of us at ICAN, I wish to express our profound gratitude for your generous contribution to sponsor the award for the best student prize in Management Governance and Ethics. Your financial commitment to our prize fund to the tune of N10million would go a long way in furtherance of our cause to elicit the interest of Nigerian youths in the Accountancy profession.” ●



Deputy Vice Chancellor, Bells University, Prof. Olusegun Areola (left); 2<sup>nd</sup> Deputy Vice President of ICAN, Alh. Razak Jaiyeola; and member of the governing Council of ICAN, Mr. Sunday Bammeke at the Residency/Awareness programme for students organised by ICAN at the Bells University, Ota



Past President Balogun Bisi Omidiora being honoured with the APBN award recently at Golden Gates Restaurant, Lagos

## 53<sup>rd</sup> District Society of ICAN Inaugurated in Gombe

The number of district societies of the Institute increased recently as the 53<sup>rd</sup> in the series, Gombe and District Society was inaugurated on Tuesday, October 27, 2015.

Swearing in the pioneer Chairman of the District, Mr. Sergius Kadiri, FCA, the ICAN President, Otunba Olufemi Deru, FCA, enjoined the Chairman and other members of the executive to be good ambassadors of the district and the Institute by using their goodwill to better the lot of ICAN students and members in their state.

In his acceptance speech, Mr. Kadiri expressed gratitude to the Institute for making the inauguration of the district a reality. He promised not to disappoint the Institute and his district members, adding that the district would strive to put the name of ICAN on the map of development in Gombe State.

## ICAN Inaugurates Gombe Study Centre

In fulfilling its mandate of producing world-class chartered accountants, the Institute of Chartered Accountants of Nigeria (ICAN) in partnership with New Nigeria Development Company (NNDC) on Tuesday, October 27, 2015 inaugurated the NNDC-ICAN study centre in Gombe, the capital of Gombe State.

Performing the inauguration of the Centre, the 51<sup>st</sup> President of ICAN, Otunba Samuel Olufemi Deru, FCA urged members of the Institute in Gombe State to make use of the Centre to raise the bar of producing world-class chartered accountants that would drive the development of the state and by extension, the nation.

He said: "The initiative would provide an avenue to attract the best and brightest into the accountancy profession, training facility aim at motivating tuition houses, produce competent and employable chartered accountants, and provide high quality human capital for the development of Nigeria."

Otunba Deru further expressed his appreciation to the executive governor of Gombe State, Alhaji Ibrahim Hassan Dankwanbo, FCA who graciously approved that Gombe State should join other states to leverage on the benefits of this laudable initiative. The New Nigeria Development Company (NNDC) recently renewed its



Gombe State Governor, Alhaji Ibrahim Dankwabo, FCA, cutting the tape to formally open the NNDC-ICAN Study Centre in Gombe, assisted by ICAN President, Otunba Olufemi Deru, FCA and other dignitaries at the event

partnership agreement with ICAN to implement the initiative in many states in the northern part of the country.

It would be recalled that the NNDC-ICAN Study Centre was part of the Students Special Project (SSP) initiative of ICAN to



ICAN President, Otunba Olufemi Deru, decorating the pioneer Chairman of Gombe & District Society of ICAN, Mr. Sergius Kadiri, during his investiture in Gombe

assist regions with low number of chartered accountants, so that candidates would have access to study materials and conducive atmosphere to study and pass their examinations in order to qualify as chartered accountant. Ilorin, Kaduna, Kano, Bayelsa, Calabar have been benefitting from the initiative since inception in 2007.



ICAN 2<sup>nd</sup> Deputy Vice President, Razak Jaiyeola; ICAN Honorary Treasurer, Tayo Phillips; Council member, Abayomi Bammeke; 1<sup>st</sup> Deputy Vice President, Mohammed Zakari; ICAN President, Otunba Olufemi Deru; Nigeria's Vice President, Professor Yemi Osinbajo; ICAN Vice President, Titus Soetan; Mrs. Comfort Eytayo; Mr. Kayode Omoregie; and Registrar/Chief Executive of ICAN, Rotimi Omotoso, during ICAN's visit to Osinbajo in his office

**FROM OTHER BODIES**

**Kathryn A. Byrne  
Appointed New Chair  
of the IFAC Compliance  
Advisory Panel**



Kathryn A. Byrne

Following a global nominations process, the International Federation of Accountants (IFAC), the global organisation representing the accountancy profession with more than 175 members and associates in 130 countries, today announced the appointment of Kathryn A. Byrne, CPA, as the new chair of the Compliance Advisory Panel (CAP). The appointment was approved by the Public Interest Oversight Board. Ms. Byrne will serve a three-year term beginning January 1, 2016.

In this role, Ms. Byrne will lead the CAP as it oversees the implementation of the IFAC Member Compliance Program (the Program). The CAP is a critical component of the Program, which serves the public interest by promoting the adoption and support of implementation of international standards on private and public sector accounting, auditing, ethics, education as well as the establishment of related quality assurance and enforcement mechanisms. It does this through the Statements of Membership Obligations (SMOs), a recognised international framework for credible and high-quality professional

accountancy organisations (PAOs) and the role these organisations play in the global financial system. The CAP also provides expert advice to IFAC staff on membership and enforcement issues, setting strategy in relation to membership, and developing assessment methodology, tools, and guidance in support of the Program.

Ms. Byrne comes to her new role having worked with IFAC and the accountancy profession for a number of years. She has served as the Deputy Chair for the CAP since early 2013 and been a member since 2010. Ms. Byrne is currently a Partner at WeiserMazars LLP and a member of the American Institute of CPAs, the New York State Society of CPAs, and the Women's Corporate Directors group. She serves on the Board of Directors of Signature Bank and its Audit Committee and the James Madison University College of Business Board of Advisors. Ms. Byrne previously served as a member of the Transnational Audit Committee of the Forum of Firms from 2001 to 2003.

"Kathryn's experience with the CAP, IFAC, and as a professional accountant make her an excellent leader for the important work that the CAP does for the global profession and in the public interest," according to IFAC CEO Fayez Choudhury. "As the profession continues to evolve, Kathryn will be able to help ensure that it provides a suitable framework for PAOs to fulfill the SMOs and support their local economies."

"The IFAC Member Compliance Program helps PAOs

support their national accountancy professionals, who provide the foundation for strong and sustainable economies and organisations, which in turn, support the global financial system,” Ms. Byrne said. “As the new Chair of the CAP, I look forward to working with my colleagues to implement the recently issued 2016-2018 Program strategy, maintaining its focus on the role of PAOs and their contribution to the adoption and implementation of international standards.”

The Compliance Advisory Panel (CAP) oversees the IFAC Member Body Compliance Program, which serves the public interest by promoting the adoption and support of implementation of international standards on private and public sector accounting, auditing, ethics, education as well as the establishment of related quality assurance and enforcement mechanisms through the Statements of Membership Obligations (SMOs), which serve as a framework for credible and high-quality professional accountancy organisations focused on serving the public interest. As one of IFAC’s public interest activities, the CAP is overseen by the Public Interest Oversight Board. The CAP’s Terms of Reference further describe its role and responsibilities.

## IFAC Commends OECD and G-20 on International Taxation Reform Package, Notes Ongoing Challenges

The International Federation of Accountants (IFAC) commends the Organisation for Economic Co-operation and Development (OECD) and Group of Twenty (G-20) on delivering a final package of measures in the Base Erosion and Profit Shifting (BEPS) Project.

“The BEPS Project presents a rare opportunity to cooperatively make international taxation work genuinely better in today’s globalised, digital economies,” said Russell Guthrie, Executive Director for IFAC. “Its success or failure will likely hinge on the effectiveness of international collaboration, without which we may end up with more complexities, divergences, and gaps than when we started,” said Mr. Guthrie.

IFAC calls for cooperation and inclusiveness among governments as the BEPS measures are implemented and negotiation proceeds on a multilateral taxation instrument amending over 3,000 bilateral treaties. This strong appeal is reflected in IFAC’s impending recommendations to the 2015 G-20 Leader’s Summit in Antalya, Turkey, along with:

- A call for ongoing analysis of economic impacts; and
- The need for international agreement on a properly resourced dispute resolution mechanism.

The BEPS package emphasises crucial objectives, including ensuring governments have the resources needed “to jump-start growth, tackle the effects of the global economic crisis and create more and better opportunities,” and restoring “the trust of ordinary people in the fairness of their tax systems.” IFAC believes this is not just a matter of how taxes are collected, but also about how that money is accounted for, managed, and spent by governments. Poor public sector financial management, accountability, and transparency remains a significant problem in many countries.

“The reality is this is not just a conversation about tax, it’s about globalisation and a digital economy. A clear, robust conversation

grounded in its full economic context is essential to achieving fair and meaningful outcomes, and promoting accountability and transparency across the global economy,” said Mr. Guthrie. “We must realise that BEPS is not a panacea — in a rapidly evolving world, there’s an ongoing need for tackling fundamental, forward-looking questions, research, and ongoing dialogue around taxation.”

Accountants, as advisors and intermediaries, were recognized by the OECD’s Forum on Tax Administration (consisting of Tax Commissioners from 45 countries) for their “vital role in all tax systems, helping taxpayers understand and comply with their tax obligations in an increasingly complex world.”

“The OECD and G-20 have achieved consensus on many tough issues in a short time, and the global accountancy profession is committed to helping make the BEPS package work for governments, companies, and other taxpayers — furthering the extensive technical input provided throughout its development,” said Mr. Guthrie.

## IFAC Member Compliance Program Strategy Approved

The IFAC Member Compliance Program Strategy, 2016–2018 has been issued after consideration of the more than 70 responses received from a 60-day public consultation period and finalisation with proper regard for the public interest. The Member Compliance Program and the Compliance Advisory Panel (CAP) were established by the IFAC Board more than ten years ago as part of IFAC’s commitment to support the growth of professional accountancy organisations and encourage member organisations to further the adoption and implementation of international standards.

The Program strategy reiterates the importance of its primary activities, which center on:

- Maintaining robust application and compliance processes;
- Gathering and sharing knowledge about the adoption of international standards and practices and fulfillment of the IFAC Statements of Membership Obligations (SMOs);
- Maintaining the SMOs as a global benchmark for the accountancy profession; and
- Developing assessment methodology, tools, and guidance to support the Program.

For 2016–2018, the Program’s strategy will place a greater focus on:

- Monitoring member organisations’ compliance with membership requirements, including the SMOs, to better understand challenges facing these organisations;
- Enhancing reporting on the status of adoption of international standards; and
- Identifying actions to address adoption and implementation challenges, including support for member organisations and national authorities.

The Program’s strategy is aligned with IFAC’s mission and strategy and benefits from the inputs received from member organisations and other stakeholders as part of IFAC’s strategic planning process. These activities fulfill the Program’s mandate and are expected to remain valid over the long term.

## Companion Manual: Updated to Include the Guide to Compilation Engagements

The International Federation of Accountants (IFAC), the global organisation for the accountancy profession, has released an updated Companion Manual, which has been revised to include the recently launched *Guide to Compilation Engagements*.

The Companion Manual provides member bodies and other professional accountancy organisations with guidance on how they can make the best use of four implementation guides produced by IFAC's Small- and Medium-sized Practices (SMP) Committee: *Guide to Quality Control for Small- and Medium-Sized Practices (QC Guide)*, *Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities (ISA Guide)*, the *Guide to Review Engagements*, and the *Guide to Compilation Engagements*.

This includes reproducing, adapting, translating, or incorporating the guides into continuing professional development (CPD) courses and/or training programs.

The Companion Manual also includes a new orientation PowerPoint slide deck on the *Guide to Compilation Engagements* to introduce users to the value and benefits of compilation engagements, key elements in the Guide, and highlights from a practitioner perspective. Member bodies may have access to the slides for use in training and CPD courses. Email [permissions@ifac.org](mailto:permissions@ifac.org) for access.

The four guides provide non-authoritative guidance on applying ISQC™ 1, ISA™, ISRE™ 2400 (Revised), and ISRS™ 4410 (Revised), developed exclusively by the International Auditing and Assurance Standards Board (IAASB), and are intended as a supplement to help practitioners apply the standards consistently and effectively when developing their quality control systems and performing audit, review, and compilation engagements for small- and medium-sized entities (SMEs).

## ICAS and IAAER Call for Research to Inform the IAASB Standard-setting Process

The International Auditing and Assurance Standards Board (IAASB), The Institute of Chartered Accountants of Scotland (ICAS) and The International Association for Accounting Education and Research (IAAER) are delighted to announce a new global call for research to gather independent evidence to inform the IAASB's crucial standard setting process.

The call for research asks for proposals which will help to inform the IAASB, and specifically asks for research to address the following topics:

- Data analytics;
- Materiality;
- Audit quality;
- Preliminary announcements and the role of the auditor;
- Professional judgment and professional skepticism; and
- New and revised auditor reporting standards.

The IAASB sets, independently and under its own authority,

high-quality international standards to serve the public interest. The IAASB is committed to the goal of developing a set of robust international standards that are generally accepted worldwide in both the private and public sectors, and facilitating their adoption and implementation. The IAASB's objectives contribute to enhanced quality and consistency of practice throughout the world, and strengthened public confidence in the global auditing and assurance profession.

Up to four research grants of £20,000 each will be awarded. The funding for this program is provided by ICAS and the ICAS Foundation (exclusively from the SATER funds).

Successful candidates will be expected to present research progress at three deliverables and submit a report for publication by the IAASB, ICAS and IAAER. Launch events for the reports may also be held to encourage dissemination of the findings and research impact amongst the profession and policy makers. Academic papers are also encouraged.

Prof. Arnold Schilder, Chairman of the IAASB, stated, "The IAASB has recently begun several new projects under its Strategy for 2015-2019 and this research program is an important means to obtain insights into new and emerging issues, particularly in the areas of innovation, audit quality and implementation."

Anton Colella, ICAS Chief Executive, said, "ICAS is committed to supporting world class research which informs future policy and is delighted to be working with the IAASB and IAAER to support research which will inform and assist with the development of the highest quality audit and assurance standards. By focusing on crucial and emerging issues, such as data analytics, the research will help both the profession and the standard setting process evolve and continue to deliver the high quality audits required by both the global markets and the public."

Katherine Schipper, President of IAAER, added, "IAAER is both delighted and honored to work with ICAS and the IAASB in this research program. Fostering and encouraging high quality, rigorous research that aims to inform and support the independent standard-setting activities of the IAASB is wholly consistent with one of the foundational principles of IAAER's mission, namely, to maximise the academic community's contribution to the development of high quality global standards of accounting practice."

## Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities, Third Edition

This comprehensive implementation guide is intended to help practitioners understand and efficiently apply the clarified International Standards on Auditing (ISAs) to audits of small- and medium-sized entities (SMEs).

First issued in 2007 and developed with the Canadian Institute of Chartered Accountants, it is designed for use by all practitioners. Volume 1 covers the basic concepts of a risk-based audit in conformance with the ISAs. Volume 2 contains practical guidance on performing SME audits, including two illustrative case studies — one of an SME audit and one of a micro-entity audit. ●

# Integrated Thinking and Reporting: A Review of Key Issues

By YOHANNA GYANG JUGU,  
CHIZOBA MERCELLINA EKWUEME  
and RAUTA BITRUS JAT

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*Integrated Reporting demonstrates the linkages between an organisation's strategy, governance and financial performance and the social, environmental and economic context within which it operates. With these linkages and by enforcing these connections, integrated reporting can help an economic entity to take more sustainable decisions and could enable investors and other stakeholders to understand how an organisation is really performing. For corporate bodies to remain relevant and ensure sustainable operations, integrated reporting system needs to be employed so as to harness and present financial, environmental, social and governance information in a clear, concise, consistent and comparable format for users of such information.*

## BACKGROUND

The 2008–2009 financial crises have demonstrated that the traditional form of corporate approaches to reporting about performance and on the state of financial affairs of an entity are no longer up to date. Changes in value in today's society have led to an altered degree of expectations towards corporate actions including human rights and other social and ecological values (Kusterer, 2014). Crises in the world economy demand new corporate concepts that are far beyond existing business traditions and legal requirements. The concept of integrated thinking that has led to integrated reporting constitutes a logical next step for corporate value creation in the 21st century (Lopes, 2014).

For corporate bodies to remain relevant and ensure sustainable operations, integrated reporting system needs to be employed so as to harness and present financial, environmental, social and governance information in a clear, concise, consistent and comparable format for users of such information. According to the International Integrated Reporting Council, an integrated thinking system is required if an organisation is to achieve successful Integrated Reporting.

Integrated thinking by a corporate organisation should involve

considering the organisation's resources and relationships, and risks and opportunities in strategy and daily management. It is pertinent that key performance indicators measuring financial and non-financial performances of an entity be the bases for setting up corporate and strategic objectives. The holistic performance of a well established management system is the basis for improving management decision making (Allen, 2014).

## CONCEPTUAL FRAMEWORK

### Integrated Thinking

This is a field which was originated by Graham Douglas in 1986. He describes the Integrative or Integrated Thinking as the process of integrating intuition, reasoning and imagination in a human mind with a view to developing a holistic continuum of strategy, tactics, action, review and evaluation for addressing a problem in every field of endeavour. A problem under this context may be defined as the difference between what one has and what one wants. Integrated Thinking may be learned by applying the SOARA (Satisfying, Optimum, and Achievable Results Ahead) process that was formulated for addressing problems (Douglas, 2006). The SOARA process employs a set of triggers of internal



and external knowledge. This process is capable of facilitating associations between what may have been regarded as unrelated parts of a problem.

**Integrated Reporting**

Integrated Reporting demonstrates the linkages between an organisation’s strategy, governance and financial performance and the social, environmental and economic context within which it operates. With these linkages and by reinforcing these connections, Integrated Reporting can help an economic entity to take more sustainable decisions and could enable investors and other stakeholders to understand how an organisation is really performing. The outcome of an integrated reporting is Integrated Report. An Integrated Report should be a single report which could form part of an organisation’s primary report such as the Annual Report or its equivalent.

Central to Integrated Reporting is the challenge facing organisations to create and sustain value in the short, medium

to oversee the development of an internationally connected and integrated approach to corporate reporting. Eventually, the IIRC became operational in 2010, consisting of an international cross section of leaders from the corporate, investment, accounting, securities, regulatory, academic and standard-setting sectors as well as civil society.

The mission of the IIRC is to create a globally accepted Integrated Reporting framework which will bring together financial, environmental, social and governance information in a clear, concise, consistent and comparable format. The Council was expected to work in a manner that will promote integrated thinking required for the success and achievement of an Integrated Reporting. Suffice it to say that only when organisations are thinking in an integrated way, can this be demonstrated through Integrated Reporting.

The IIRC published the International Integrated Reporting Framework in December 2013. The Framework was used to accelerate the adoption of Integrated Reporting across the world.

At present, Integrated Reporting is currently being tried in over 25 countries, 16 of which are members of the G20, the group of nations that focuses on strengthening the global economy.

**Integrated Reporting Pilot Programme**

As part of the integrated reporting evolution, a pilot programme was initiated to test-run all the articulated programmes that enshrined the publishing of integrated reporting framework. The Integrated Reporting Pilot Programme offers a selected group of companies the opportunity to demonstrate global leadership in this emerging field of corporate reporting. The Pilot Programme has underpinned the development of the International Integrated Reporting Framework.

Through the Pilot Programme, the principles and practicalities of Integrated Reporting are tried and tested, to support the creation of a new global standard in Integrated Reporting. Over 100 companies from around the globe have been invited to join the Programme and companies from various sectors have secured their participation, including Microsoft Corporation (Software and Computer Services), HSBC (Banks) and Gold Fields (Mining).

**Communicating the Value**

In 2011, the IIRC published a Discussion Paper “Towards Integrating Reporting – Communicating Value in the 21<sup>st</sup> Century,” which considers the rationale for Integrated Reporting, offering initial proposals for the development of the International Integrated Reporting Framework and outlining the next steps towards its creation and adoption. Its purpose was to prompt input from all those with a stake in improved reporting, including producers and users of reports.

**INTEGRATED REPORTING: GUIDING PRINCIPLES AND FUNDAMENTAL CONCEPTS**

**Guiding Principles:** Integrated Reporting, IR, is hinged on some key principles that are put forth to guide potential adopters and to facilitate the production of integrated report. These

**“Integrated Reporting demonstrates the linkages between an organisation’s strategy, governance and financial performance and the social, environmental and economic context within which it operates. With these linkages and by reinforcing these connections, Integrated Reporting can help an economic entity to take more sustainable decisions and could enable investors and other stakeholders to understand how an organisation is really performing”**

and longer terms. Each element of an Integrated Report should provide insights into an organisation’s current and future performance. By addressing the material issues for an organisation, an Integrated Report should demonstrate in a clear and concise manner an organisation’s ability to create and sustain value in the short, medium and longer terms (Eccles, 2010).

**History of Integrated Reporting**

Integrated Reporting started formally with the establishment of Integrated Reporting Council with a reporting framework that was put forth in 2007 and a reporting “how to” guide in 2009. These two are the genesis of this very important initiative. The Reporting Framework and a Reporting Guide both explain how areas of an organisation’s performance can be presented in a connected, integrated way, reflecting the organisation’s strategy and the way it is managed.

Following the success of the work undertaken by a special committee that was set up for this purpose on 17th December 2009, his Royal Highness, the Prince of Wales, on behalf of International Federation of Accountants (IFAC), called for the setting up of an International Integrated Reporting Council (IIRC)

principles are provided below:

1. **Strategic Focus and Orientation:** An integrated report should provide insight into the organisation's strategy and how it relates to the organisation's ability to create value in the short, medium and long term and to its use of, and effects on, the capitals.
2. **Connectivity of Information:** An integrated report should show a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organisation's ability to create value over time.
3. **Stakeholder Relationships:** An integrated report should provide insight into the nature and quality of the organisation's relationship with its key stakeholders, including how and to what extent the organisation understands, takes into account and responds to their legitimate needs and interests.
4. **Materiality:** An integrated report should disclose information about matters that substantively affect the organisation's ability to create value over the short, medium and long term.
5. **Conciseness:** An integrated report should be concise. That is, it should be brief and straight to the point.
6. **Reliability and Completeness:** An integrated report should include all matters both positive and negative, in a balanced way and without material error.
7. **Consistency and Comparability:** The information in an integrated report should be presented on a basis that is consistent over time and in a way that enables comparison with other organisations.
4. **Strategy and Resource Allocation:** Where does the organisation want to go and how does it intend to get there?
5. **Governance:** How does the organisation's governance structure support its ability to create value in the short, medium and long terms?
6. **Performance:** To what extent has the organisation achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals?
7. **Outlook:** What challenges and uncertainties is the organisation likely to encounter in pursuing its strategy and what are the potential implications for its business model and future performance?
8. **Basis of Presentation:** How does the organisation determine what matters to be included in the integrated report and how are such matters quantified or evaluated?

### Fundamental Concepts

IR has some key concepts that potential adopters need to understand when preparing integrated reports. These concepts are:

1. **Value Creation:** An integrated report aims to explain how the organisation interacts with the external environment and the capitals to create value over the short, medium and long terms
2. **The Capitals:** An IR aims to provide insight about the resources and relationships used and affected by an organisation. These are collectively referred to as "the capitals." The capitals are stocks of value that are increased, decreased or transformed through the activities and outputs of the organisation. They are categorised in the international framework as financial, intellectual, human, social and relationship capital.

### INTEGRATED REPORTING CONTENT ELEMENTS

#### Content Elements

Every Integrated Report needs to address the following content elements:

1. **Organisational Overview and External Environment:** What does the organisation do and what are the circumstances under which it operates?
2. **Business Model:** What is the organisation's business model?
3. **Risks and Opportunities:** What are the specific risks

and opportunities that affect the organisation's ability to create value over the short, medium and long terms and how is the organisation dealing with them?



### CONCLUSION

Good corporate governance requires effective leadership with an integrated thinking approach being reflected in an integrated strategy, integrated performance and integrated reporting. Integrated thinking is a pre-requirement for long-term value creation. It is pertinent to say that "to be successful and sustainable in the long run," integrated thinking has to become part of a "company's DNA" (Deoxyribonucleic acid). An organisation's approach of integrated thinking should comprise a holistic target-based performance management system, in addition to financial and non-financial Key Performance Indicators. Corporate finance (in cooperation with other corporate units) can play a crucial role in changing corporate thinking and behaviour, leading to effective and efficient integrated reporting.

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\* Dr. Yohanna Gyang Jugu, Prof. Chizoba Mercellina Ekwueme and Dr. Rauta Bitrus Jat are Lecturers at University of Jos, Nnamdi Azikiwe University, Awka and Plateau State University, Boko respectively.

# Building a Knowledge Based University System in the 21<sup>st</sup> Century

By FRANCIS OJAIDE

## Introduction

**T**his paper considers the requisite nature of building a modern university system in the age of rapid increase in economic, political, social, information and communication technology in a globalised system. The increasing flow of knowledge in a globalised system is inevitably alarming and unprecedented in the current and very predominantly, in future happenings of events and activities. Due to the interrelationships among the activities across the borders of nations, there is a greater need for high sensitivity in responses among nations. Nigeria is witnessing the impact of such relationships since it does not exist in a state of autarky. The general issue of discourse in the present day is the challenges and prospects of globalisation, whether as a developing country or developed country. The impact of globalisation affects every aspect of the society. Therefore, it is imperative to recognise the fact that the Nigerian University System Captains and Leaders are having a critical study of the Challenges and Prospects of Globalisation as it affects the University System is a desirable step to address the issues at stake.

In the second section of this paper, we shall consider globalisation, the third section will unveil a few of the things

the Institute of Chartered Accountants of Nigeria (ICAN) is doing in certain areas to ensure that it meets up with the challenges ahead of it and the profession, the third section will consider the desirable relationships between the Institute of Chartered Accountants of Nigeria (ICAN) and the Committee of Vice-Chancellors of Nigerian Universities that are beneficial to the parties involved, the students and the economy. The fourth section will consider issues that are of prevailing circumstances as they affect the education sector and the way forward if we are to meet the current and perhaps rapid challenges of globalisation. The fifth section will make some conclusions and recommendations for the benefits of the education system, policy makers, policy implementers and the economy.

## Globalisation

This is a terminology that is currently around the world, basically as a result of the rapid advances in trade, information and communication technology. Human beings are going into every sphere of creation and finding out the forces responsible for the interplay. Globalisation has been in existence, the difference in the current times, is the jumps in geometric progression in downloading the outcome of results and spreading them around the world in seconds of happenings. Those

in the financial and economic sector of the Nigerian economy will bring to focus what is known as economic globalisation. It is the widespread innovations among the different sectors of the world through rapid and continuous technological level of advancement.

Every nation has to ensure sustainable financial stability, economic growth and higher standards of living. Whether small or large country, the issues of investments, sound macroeconomic policies, educated workforce, strong institutions, the growth of technology and the prevalence of a market economy have to be continuously put in place and achieved at every level of advancement (Barrow, 2001; Bosworth and Collins, 2003). The factors responsible for the high growth rate in China may not be the same as the ones in Malaysia, probably due to differences in the nature of their economies and political system. Globalisation has brought countries closer in a global village. Goods and services are open to countries in a variety of ways, availability of better paying jobs, lowering of prices in the markets, availability of health facilities and improvement in the citizens' standards of living.

As a nation derives the benefits of globalisation, so it has to address the risks that may be associated with its widespread across nations of the world. These risks are easily managed by enunciation of sound



macroeconomic policies, exchange rate system and financial sector sustainability. Nations have to embrace policy changes to sustain strong economies and derive the benefits of stronger world financial system capable of faster economic growth and decline in poverty (Krueger & Lindahl, 2001; Jamison, Jamison & Hanushek, 2008; Hanushek & Woessmann, 2008). The emergence of the rapid rate in globalisation, goods, services, capital, labour and technology move very fast across international borders. It is necessary to note that there are other areas of globalisation that include cultural, environmental and political dimensions.

Globalisation has strengthened out competition and division of labour. The aspect of specialisation across borders that makes a nation and people to concentrate on what they know best is of crucial importance in globalisation. A nation can have access to cheaper imports and larger exports, more capital and technology. Nigeria must be prepared to make policy changes needed to transform the entirety of development. The world of health, no doubt, makes modern technologies easier to reach by the developing countries, thereby reducing significantly premature rate of deaths. Nations can, apart from economic matters, cooperate among themselves in a range of non-economic matters that have impact across international borders like legal, environment and the movement of labour. Modern communication devices facilitate commerce, education and easier access to an independent world of media. There are no doubt benefits from globalisation because of creativity of incentives of demands in foreign goods, services, capital flows across international borders thereby expanding the frontiers of education even in the areas of comparative advantage (Pritchett, 2001; Temple, 2001; Sianesi & Reenen, 2003 and World Bank, 2006).

Information and knowledge sharing across international borders is an important aspect of globalisation. It does not matter whether you are in business or government sector. Countries benefit in knowledge from those who have made new discoveries or improvements and adapt them appropriately and careful in other areas where setbacks and failures are recorded in those jurisdictions. Globalisation has open up to nations of the

world because goods and services, capital flows, education, health, infrastructure and every other area are easily accessible across international borders in a twinkle of an eye.

#### **The Institute of Chartered Accountants of Nigeria (ICAN)**

The accountancy profession in Nigeria came into existence in 1965. Prior to this year, members of foreign trained accountancy bodies practiced the profession as associations. Before the Institute of Chartered Accountants of Nigeria (ICAN), the foremost professional association was the Association of Accountants of Nigeria made up of accountants that wrote and passed the professional accountancy bodies examinations including England & Wales, Scotland, Ireland, London and America. By the Act of Parliament No. 15 of 1965, the Institute of Chartered Accountants of Nigeria (ICAN) came into existence as a professional body. The Institute is empowered to “determine what standards of knowledge and skill are to be attained by persons seeking to be members of the accountancy profession and to raise those standards from time to time as circumstances may permit; secure in accordance with the provision of the Act, the establishment and maintenance of the registers of fellows, associates and registered accountants entitled to practice as accountants and auditors and to publish from time to time a list of those persons; perform, through the Council of the Institute, all other functions conferred on it by the Act” (ICAN ACT, 1965).

The Institute of Chartered Accountants of Nigeria (ICAN) runs two independent programmes of training Chartered Accountants. The first programme is the Graduate Programme. This programme is only meant for the registration of candidates holding a Bachelor’s Degree or Higher National Diploma in any field of study from the university/polytechnic. School Certificate holders are not allowed to register in this programme. It is called the ‘Professional Programme of the Institute’s Examinations. The successful completion of all the stages of the Institute’s examinations makes the qualifying candidate a Qualified Chartered Accountant subject to also completing the induction processes of the Institute. In the

Professional Programme of the Institute’s Examinations, relevant exemptions are given to different categories of students. For example, graduates in accounting from the universities and polytechnics that are accredited by the Institute of Chartered Accountants of Nigeria are exempted from the Foundation and Intermediate Stages of the Examinations; they are allowed to proceed to write the Professional One and Professional Two Stages of the Institute’s Examinations. A successful completion of the Professional Two Examination qualifies the student to be a Chartered Accountant after meeting all the necessary induction requirements to be a Chartered Accountant.

The second programme is for the registration of holders of School Certificates and other qualifications below the Degree/Higher National Diploma. The programme is called the Accounting Technician Scheme of West Africa (ATSWA). The reason for adding West Africa is because other West African Countries like Ghana, Liberia, Sierra-Leone and others are now joining the entire examination processes of this programme. These candidates are expected to write Parts 1, 11 and 111 stages of the examinations. On qualifying at this stage, they are inducted and awarded an independent qualification called the ‘Accounting Technicians Scheme of West Africa (ATSWA). The person with the ‘ATSWA’ qualification, if he/she desires, can register in the Graduate Programme and proceed to write the Professional One and Two Examination Stages of the Professional Examinations. The reason for establishing this programme is to help countries to train middle – level Accountants for the growth and development of their economy.

Members of the Institute of Chartered Accountants of Nigeria are regulated by the Code of Conduct for members. A breach of this Code of Conduct will bring the person before the Institute’s Investigating Panel and if the person is adjudged to have a case to answer, the person is arraigned before the ‘Accountants’ Disciplinary Tribunal. The judgment of the Tribunal is binding on members until it is otherwise challenged in the Federal Court of Appeal. If the applicants are not satisfied, they can appeal to the Supreme Court of Nigeria for final adjudication. The Disciplinary Tribunal of the Institute has the status of



a Federal High Court in Nigeria. Therefore, any appeal arising from the judgment of the Disciplinary Tribunal has to go to a Federal Court of Appeal and thereafter to the Supreme Court of Nigeria.

The Institute of Chartered Accountants of Nigeria has nurtured the Association of Accountancy Bodies in West Africa (ABWA) since 1982 when the Body was formed. This Body is for all Professional Accountancy Bodies and Associations in West Africa. Its headquarters has always been on the premises of the Institute of Chartered Accountants of Nigeria, previously in Lagos and now at Abuja. Due to the innumerable roles played by the Institute of Chartered Accountants of Nigeria at the formation and nurturing of the Association of Accountancy Bodies in West Africa, it is given the Permanent Seat of 'Treasurer' of the Association. The Institute of Chartered Accountants of Nigeria was also at the fore front in the formation of a Body known as the Pan African Federation of Accountants (PAFA). This Body is responsible for the registration of all Professional Bodies and Associations in the Continent of Africa. Major General (rtd.) Sebastian Owuama, who retired as the 46<sup>th</sup> President of the Institute of Chartered Accountants of Nigeria in May, 2011, just before my good self (Professor Francis Ojaide, OON) was elected as the first President of Pan African Federation of Accountants (PAFA) for 2011 to 2013 with headquarters in Johannesburg, South Africa. The Institute of Chartered Accountants of Nigeria is also a member of the International Federation of Accountants (IFAC) which is the world body of Accountants with headquarters in New York. The Institute of Chartered Accountants of Nigeria became a member at the formation stage of the World Body of Accountants. The Institute of Chartered Accountants of Nigeria has relationships with Professional Bodies and Associations around Nigeria, West Africa and Africa, and around the World. I believe that the Association of the Committee of Vice Chancellors of Nigerian Universities is also one of the above mentioned several relationships.

The Nigerian Accounting Standards Board (NASB) was founded in 1982 and nurtured by the Institute of Chartered Accountants of Nigeria to issue Nigerian Standards on Auditing. In 1992, the

Board was taken over by the Federal Government of Nigeria. The Institute of Chartered Accountants of Nigeria had representatives on the Board. By the 2011 Act of Parliament, the Board was scrapped and replaced by the Financial Reporting Council of Nigeria with the responsibility of regulating financial Reporting in Nigeria. The Institute has District Societies for the effective coordination of the social and professional activities of members in all the sectors of the economy. There are 47 District Societies in all parts of the country including the United Kingdom, the United States of America and Cameroun. The women wing of the Institute has the Society of Women Accountants of Nigeria popularly abbreviated as SWAN to cater and empower the women in the accountancy profession. The Institute of Chartered Accountants of Nigeria introduced a Continuing Professional Education Programme in 1986 and by 1996 it had made the programme compulsory for all members to introduce them to all emerging and contemporary issues in accountancy and other areas affecting the Nigerian society and human existence. The Institute is the first professional body in Africa to successfully introduce the programme which is currently called the Mandatory Continuing Professional Education Programme (MCPE).

In order to provide continuous technical and professional support to its members in different realms of the economy, the Institute first launched in 2001 the Faculties and on June 18, 2008 it re-launched and established six (6) Faculties. The Faculties are like areas of specialisation in the current fields of human endeavour and also chosen based on areas of interest to facilitate excellent service delivery. The Faculties are Audit, Investigations and Forensic Accounting; Taxation and Fiscal Policy Management; Consultancy and Information Technology; Insolvency and Corporate Re-Engineering; Public Finance Management and Corporate Finance Management. The Faculties are also established to provide solutions to evolving matters that can be of interests to members of the Institute and the society. The Institute realised that there are certain areas of the country that are professionally backwards in accountancy. The easiest way to solve this problem is to call on the governments and philanthropists of

the areas to partner with the Institute of Chartered Accountants of Nigeria to provide scholarships to the indigent ICAN students from these areas; assist by providing training facilities within the areas to solicit the assistance of tuition houses that will lecture these students in the areas as well as accredited tertiary institutions in those areas. The first of this kind of programme was launched by the Institute of Chartered Accountants of Nigeria in Yenagoa in Bayelsa State. The programme is also in Kano, Kaduna and Calabar.

The Institute has some main activities that are carried out from time to time within specific periods of the year. They include the Annual Investiture of the new President; Annual Accountants' Conference; Annual Dinner and Awards; Bi-Annual Past President's Luncheon; Bi-Annual Examinations; Special Candidates' Course; Bi-Annual Inductions into membership; Zonal Accountants' Conferences; MCPE, Seminars and Annual General Meeting. There are certain publications that are in existence in the Institute. They include the Membership Year Book; the Official Journal of the Institute known as the Nigerian Accountant; the ICAN Students Journal; Members' Hand book which contains the ICAN Act, all auditing and accounting standards, members' code of ethics, syllabus, policies on Branch Offices of Practising Firms and others; Scale of Professional Fees; Pathfinders and Insights; Nigerian Standards on Auditing which provides information to members in practice, regulators and other stakeholders on auditing issues; Tax Aide-Memoir which provides information on current fiscal and tax policies of the government; Study Packs on all subjects for the benefit of students, teachers and all who are interested in accounting information.

The Institute of Chartered Accountants of Nigeria takes its responsiveness to the Nigerian populace very seriously. Every year and as the need arises, the Institute makes its views, opinions and recommendations known to the government not only on the Annual Budgetary Appropriations and reviews of its performance but on the Rolling Plans and other issues that will impact on the national economy and the well being of



the Nigerian people. In times of policy formulation, memoranda are sent to government for policy consideration. The Institute organises seminar on accounting, economics, tax and other accounting related areas to create awareness and raise the levels of compliance of economic agents to universally accepted standards and statutory regulations.

### **ICAN and the Association of Vice-Chancellors**

The relationship with the Association of Vice Chancellors of Nigerian Universities is a welcome development. The inputs of training of the Institute of Chartered Accountants of Nigeria are the graduates of the universities and polytechnics. Earlier on, it is emphasised that the Professional Programme of the Institute of Chartered Accountants of Nigeria is registered with, by only graduates of universities and polytechnics not matter the discipline. With this understanding, it is imperative that there is need to build up strong relationships for the benefits of the parties, students and the Nigerian economy. We can consider areas concerning Students Sponsorship training and skills acquisition, Research & Publications facilities and advancement and other areas where universities and the Institute of Chartered Accountants of Nigeria can collaborate in the development and advancement of education in a globalised world.

There is the need to be concerned with the education, training and skills acquisition by students. We are aware that this is a critical issue in Nigeria and every leader is out to find solutions to the restlessness of students and the declining nature of the fall in output of graduates in the society. The Institute of Chartered Accountants of Nigeria has put in place certain facilities and amenities that Vice Chancellors of Universities can bring to the knowledge of students in their environment. A student wants to study his course without interruptions and the adequacy to meet the demands for school fees. The Institute of Chartered Accountants of Nigeria has put in place three Scholarship Schemes for Students and Graduates of Accredited Tertiary Institutions. A student currently in the university can register with the Accounting Technicians Scheme for

West Africa (ATSWA). This is the Silver Scholarship Scheme for only students who are currently studying accounting degree programmes in the university. The student must be the BEST STUDENT in year one of the degree programme. The second Scholarship scheme is called the GOLD. This scholarship scheme is for the BEST GRADUATING STUDENT of a university that is accredited by the Institute. On graduation, the student is allowed to register for the Professional Examination Levels of the Institute. The third Scholarship scheme is the DIAMOND. This scholarship scheme is for all Graduates, whether in the Arts, Sciences or Education as long as the Graduates have a First Class or Distinction in their course of study. The scholarship schemes are designed to attract the best graduates from WHATEVER DISCIPLINE in the university into the accountancy profession.

In the case of postgraduate students, there is the ICAN PhD Research Grant which is meant to assist students to complete their doctoral programme in not only accounting and finance but other related fields in universities in Nigeria and abroad. These sponsorship programmes are made available to qualifying students to enhance the quality of Chartered Accountants that are produced by the Institute of Chartered Accountants of Nigeria for the economy. Apart from students, the Institute has created opportunities for qualified members in practice, research and academics to further project their works and findings. The Institute has the International Journal of Accounting and Finance where professional and academic research work can be published for the benefits of members and the society. Members of the Institute who are in the universities have this peer reviewed journal to assist them publish their research works. The Institute of Chartered Accountants of Nigeria has endowed Professorial Chairs in some universities across the country, and is still desirous of continuing to do this to universities that are willing to utilise this relationship with the Institute. Every year, the Institute commissions ICAN Research Grant where contemporary issues can be researched upon and the findings published for the benefit of members and the economy.

The issues of various scholarships for accounting and non-accounting students, ICAN PhD Research Grants for postgraduate students, International Journal of Accounting and Finance for professionals and academic researchers, Endowment of Professorial Chairs in some universities are areas where the Association of Committee of Vice Chancellors and the Institute of Chartered Accountants of Nigeria can look into with a view to developing enduring relationships for the benefits of the universities and the students. There are other areas where the universities and the Institute of Chartered Accountants of Nigeria can collaborate to strengthen the training of students in the universities. This is achievable where a standing committee of the Institute of Chartered Accountants of Nigeria and the Association of Committee of Vice Chancellors exist to meet regularly to faction ways of meeting the prospects and challenges facing the universities in the current and enduring times. The Institute of Chartered Accountants of Nigeria is willing and ready to assist the universities and the Association of Committee of Vice Chancellors in these and other related areas for the benefits of the students, universities and the Nigerian economy.

### **The University Education**

The university system is the citadel of learning and every country has a crucial role to play in order that the desired goals are achieved in a globalised society. We desire a knowledge-based society in the increasing rate of globalisation where the university education is to empower students with required skills and knowledge. It is the quality of education that prepares people for the various pursuits of life and when this is absence, education will become a mere formality. Across the world, attention is paid to the quality of education and excellence in service delivery. The university system should be properly equipped with the desired tools needed for the system to produce people of quality and excellence. It is a place where the requisite facilities can be seen and worked with before the graduates go to the wider society to carry out their responsibilities. These facilities are needed in all facets of the university system, be it accounting, medicine, architecture, pharmacy, buildings,



geology, mining and other courses. The graduates from the universities will be hurriedly desired by the industry for problems solving and initiation of new developments. In the increasing rate of globalisation, there is the unprecedented mobility of students, graduates, researchers across the world. This brings to focus the need for an international benchmark to evaluate the qualifications from certain parts of the world. Academic qualifications and training is essential for the graduates produced in Nigeria.

There is need for decentralised educational governance and control. The university system should not be hindered to carry out work in the areas of teaching, research development and community service in the sense that they can speak on issues detrimental to the growth and development of the society. Decentralisation increases efficiency by giving more responsibility to those at the local levels to pursue the required policy positions at their levels thereby increasing motivation and accountability. This does not rule out that the rise in the standards of living of the lecturers and administrators are very important to cater for the basic necessities of life. There is the desire for government to examine in a pragmatic manner the situation of operating the universities in a not for profit approach to ensure quality without losing hold on equity. The surge in university education is rapidly rising not only at the Federal and State Levels but at the individual and religious levels. The government should lead the path in stabilising university education for the other sectors of the economy to follow in generating knowledge and create a forum for critical thinking and positive progress and development.

There are a lot of challenges facing university education at the Federal and State Levels. We cannot rule out completely the same situations in the individual and religious set ups. The issue of adequately funding of university education is a core element which should be addressed by governments. This has largely resulted to the declining situation in infrastructure and facilities for teaching, research, community service and learning. The

infrastructural needs of the universities should be assessed and determined for annual allocations of funds over a period of time. The ad hoc ways of allocating funds for university development should be examined and improved upon to meet current strategies. Well equipped internet facilities should be appropriately put in place for students, researchers and other users during the hours of learning to access and disseminate information across the globe. Funds should be available for annual maintenance of facilities and improved upon to achieve the desired results.

The situation in Nigeria when it comes to electric power supply is very daunting and astonishing especially where people are made to understand that the increase in the waves of electric power installation

**“ Adequate budgetary provisions not less than 30% should be appropriated to education at all levels of activities as an evidence of promoting the virtues of becoming one of the wealthiest countries in the world ”**

and supply are at alarming proportions to solve the problem. We are still struggling with the problem after several decades of on the spot promises of resolving the epileptic situations by past leaders. The universities are facing serious problems due to the absence of regular electric power supply. The universities that attempt to keep power supply for some parts of the working hours of the day spend seriously in the area of diesels thereby increasing the recurrent costs of their budgets. Regular power supply is a continuous requirement in any university system to power the various facilities on campus and staff quarters. The regular supply of electric power supply is a core issue in the stability of continuous learning and education. There is serious shortage of the supply of pipe-borne water within the campuses and the society. This is considered a minor problem compared to electric power supply. Universities have

developed an alternative supply of water such as bore-holes. The same method has been developed by many households to have water to meet certain activities.

The short supply of trained scholars and researchers in the universities has made education to be on the declining trend compared to the increasing enrolment of students to the available manpower. In most of the departments in the faculties, there is a high level of inadequate trained manpower to train students at both the undergraduates and postgraduates' levels that are expected to assist the industry and the economy. The situation is still worsening especially with the establishment of new universities across the country. The one time well established universities are seriously facing acute shortage of manpower on their campuses.

The individual and religious universities are also hardly hit by inadequate manpower. It is going to take a long time for the universities to overcome the deplorable situations on the campuses. Scholars and researchers take very many years to train in their fields of study. Postgraduate research work is seriously suffering because of the inadequate number of qualified staff to supervise postgraduate research.

In the current wave of globalisation, the university system has to take positive steps to embrace the challenges and devise ways of overcoming them with a view to deriving the prospects associated with it. There is the mobility of labour force across the world and the increasing rate of trade, investment, technology and mass of information is an issue that cannot be ignored but must be addressed and confronted to enjoy the benefits of globalisation. The current inadequacies in the Nigerian education system call for a rising alarm of unimaginable proportions which need to be addressed by the Federal and State Governments. The priority for the acquisition of knowledge and skills required should be the top priority of the leadership of the Nation. The pursuit for knowledge and the transformation of the economy into an economic super power have been clearly demonstrated by the BRICS Nations involving Brazil, Russia,



India, China and South Africa (Fashola, 2012). These Nations are not paying lip service to education but investing in education as a key and critical frontier for growth and development.

The rate of development in these countries and other countries that are investing in the development of education like the United States of America, Canada, Japan, Norway and Finland is at an appreciable proportion. A critical study of the wealth of a Nation and investment in human capital in tertiary institutions, it is feasible to argue that the countries with the most educated citizens are very likely the wealthiest countries in the world. The best educated countries in the world will no doubt fall within the top 15 Countries of the Organisation for Economic Cooperation and Development (OECD) countries for their greatest spending pattern in education. Countries like Taiwan and South Korea have taken education as a key factor in the rapid economic growth of their economies. Therefore, Nigeria cannot lag behind but take a rapid cue from these countries to meet our millennium goals.

### Conclusions and Recommendations

This paper has considered some issues that are of immense importance in the rapid growth and development of the education sector of an economy. Of great importance to be addressed by an economy is the issue of globalisation in every facet of an economy. This paper makes the following conclusions:

1. Globalisation is a core issue to be considered and adequately addressed by government by investing heavily on education to bring the required transformation on our economy.

2. The Institute of Chartered Accountants of Nigeria (ICAN) is no doubt the foundation and primary body that has brought about standards and regulations of accountancy practice in Nigeria and should continue in the steps taken to continuously meet the standard of accountancy practice and training in Nigeria and the world.

3. There should be a strong relationship between the Institute of Chartered Accountants of Nigeria (ICAN) and the Committee of the Association of Vice Chancellors as it is doing with other bodies within and outside the country to

promote and facilitate the practice and training of accountancy in Nigeria.

4. Education funding is not an ordinary venture but it is first the responsibility of Government to create the parameters for its existence with adequate infrastructure before it is supported by the private sector and religious organisations.

5. The measure of priority given to education in Nigeria is deplorable considering that the government can continue with other businesses without providing the budgetary provisions to education to skyrocket the agents of transformations is appealing.

6. Nigeria should not pay lip service to education but should implement it as a key and critical factor for economic growth and development.

In view of the above the following recommendations are made:

1. The government should seriously put machinery in place in every facet of the economy to largely implement policy decisions and give results rather than mere theoretic simulations.

2. The leadership of the Nigerian Nation should operate in a pragmatic manner to pursue the issues of investments, sound macroeconomic policies, educated workforce, strong institutions, the growth of technology and the prevalence of a market economy among others in appropriate directions to achieve faster economic growth and development.

3. Adequate budgetary provisions not less than 30% should be appropriated to education at all levels of activities as an evidence of promoting the virtues of becoming one of the wealthiest countries in the world.

4. The Institute of Chartered Accountants of Nigeria should continue to make its views, opinions and recommendations known to the government not only on the Annual Budgetary Appropriations and review of its performances but on the Rolling Plans and other issues that will impact on the well being of the Nigerian people and the National economy.

5. The government should lead the path in stabilising university education for the other sectors of the economy to follow in generating knowledge and create a forum for critical thinking and positive progress and development.

6. The government should put policy decisions in place towards making Nigeria one of the best educated countries in the world.

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**\* Professor Francis Ojaide, OON, FCA is a Past President of the Institute and Lecturer at University of Jos, Plateau State.**

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA  
**IN THE ACCOUNTANTS' DISCIPLINARY TRIBUNAL  
HOLDEN AT VICTORIA ISLAND, LAGOS**

CHARGE NO: ICAN/LEG/DT/9586/2011

BETWEEN:

ICAN ..... COMPLAINANT

AND

LEONARD NTE ONWE (MN. 09586) ..... RESPONDENT

**JUDGMENT**

The Respondent was charged before this Tribunal on two Counts as follows:

**1<sup>ST</sup> COUNT:**

**STATEMENT OF OFFENCE:**

INFAMOUS CONDUCT IN A PROFESSIONAL RESPECT contrary to paragraph 1.2.0. (c) of Chapter 1 of the Rules of Professional Code of Conduct and Guide for Members of the Institute and punishable under the said Rules and Section 12(1) (a) of the Institute of Chartered Accountants of Nigeria Act Cap 185 Laws of the Federation of Nigeria 1990.

**PARTICULARS OF OFFENCE:**

That you, **LEONARD NTE ONWE (M)**, a Chartered Accountant on or before 27<sup>th</sup> December, 2002, acted without proper regard for the technical and professional standards expected of you as a member of the Institute when you failed to carry out the job of increasing the authorised share capital of your Client, **Amichi Community Bank Nigeria Limited** from N10,000,000 (Ten Million Naira) to N30,000,000.00 (Thirty Million Naira) with due skill, care, diligence and expedition and thereby committing an offence contrary to paragraph 1.2.0. (c) of Chapter 1 of the Rules of Professional Conduct for Members and punishable under the said Rules and Section 12 (1) (a) of the Institute of Chartered Accountants of Nigeria Act Cap. 185 Laws of the Federation of Nigeria 1990.

**2<sup>ND</sup> COUNT:**

**STATEMENT OF OFFENCE:**

INFAMOUS CONDUCT IN A PROFESSIONAL RESPECT contrary to paragraph 16.1.3 (b) of Chapter 16 of the Rules of Professional Code of Conduct and Guide for Members of the Institute and punishable under the said Rules and Section 12(1) (a) of the Institute of Chartered Accountants of Nigeria Act Cap 185 Laws of the Federation of Nigeria 1990.

**PARTICULARS OF OFFENCE:**

That you, **LEONARD NTE ONWE (M)**, a Chartered Accountant and a senior partner in the accounting firm of Onwe Nte, Uthulor & Co. acted without integrity when you received loans from your Client, Amichi Community Bank Limited at a time when your said Accounting Firm was the external Auditors and Tax Consultants of the Bank and thereby committing an offence contrary to paragraph 16.1.3 (b) of Chapter 1 of the Rules of Professional Code of Conduct for Members and punishable under the said Rules and Section 12 (1) (a) of the Institute of Chartered Accountants of Nigeria Act Cap. 185 Laws of the Federation of Nigeria 1990.

The matter came up for the first time at the Tribunal sitting of 27<sup>th</sup> January, 2012 and the second time on the 15<sup>th</sup> of February, 2012. The Respondent did not appear and was not represented by Counsel in any of the two Tribunal sittings despite proof of service. The Tribunal ordered that an advertorial be placed in the Newspapers which will serve as notice to him for the next Tribunal sitting.

The advertorial was placed in the Guardian newspaper of

Wednesday March 14, 2012. The Respondent did not appear even after the advertorial for the Tribunal sitting of March 23, 2012. After several other adjournments and notifications to the Respondent with proof of service, the Respondent still did not appear and a plea of not liable was entered for the Respondent in the two counts and trial commenced.

The Prosecution opened their case and called their first Prosecution Witness (PW1), Mr. Chris Etim Nyong [PW1], PW1 gave evidence in chief as the Chairman of the Accountants' Investigating Panel who investigated the complaint against the Respondent. PW1 tendered the Concluding Report of the Accountants' Investigating Panel dated 11<sup>th</sup> of May, 2011 with all other documents which was admitted and marked "EXHIBIT 1".

PW1 was not cross-examined because the Respondent was absent and was also not represented. The matter was adjourned severally to give the Respondent the opportunity to cross-examine the witness but the Respondent never appeared before the Tribunal despite being notified. His right to cross-examine PW1 was subsequently foreclosed.

The Prosecution further called their PW2, Mr. Donald Agu who is a Chartered Accountant and a member of the Board of Directors of Amichi Community Bank Limited. PW2 gave evidence that the Respondent was the managing partner of Onwe Nte & Co. and the External Auditor of Amichi Community Bank Limited and that there were discrepancies in the account of the Bank audited to which the Respondent could not give a satisfactory explanation.

PW2 also stated in his examination-in-chief that the Respondent was given the sum of Six Hundred and Fifty Thousand Naira (N650,000.00) to increase the Bank's Share Capital but that the Respondent failed to carry out the said task but rather, presented to the Bank a forged certificate of increase in share capital. The Registrar General of the Corporate Affairs Commission confirmed that the certificate of increase was forged.

PW2 also testified that the Respondent took several loans from the Bank and the said loans were never repaid by the Respondent. He stated that it is contrary to the ethical code for an Auditor to take loans from the entity the firm is auditing.

PW2 was equally not cross-examined due to the absence of the Respondent. The Respondent's right to cross examine PW2 was therefore foreclosed after several adjournments.

The Prosecution thereafter closed its case and the Respondent was called upon to open his defence. The Respondent refused to appear at the Tribunal for his defence despite notices. After several instances of adjournments the right of the Respondent to open his defence was foreclosed as the Respondent did not appear.

The Prosecution filed a written address dated 17<sup>th</sup> February 2015. The prosecution raised two issues for determination in the

final written address:

- i. Whether from the evidence and circumstances of this case, the actions of the Respondent amount to infamous conduct in a professional respect;
- ii. Whether the Respondent was given a fair hearing in these proceedings.

The prosecution answered the two posers above in the affirmative. On the first issue raised for determination, the prosecution in its argument relied on paragraph 1.2.0. (a) and (c) of Chapter 1 of the Professional Code of Conduct and Guide for Members of the Institute (2009) which states as follows:

- a) A Chartered Accountant should be straightforward and honest in all professional and business relationships. Integrity implies not merely honesty but fair dealing and truthfulness;
- b) A Chartered Accountant should act diligently and in accordance with applicable technical and professional standards when providing **professional services**. A member should carry out his professional work with due skill, care, diligence and expedition and with proper regards for the technical and professional standards expected of him as a member.

Paragraph 16.1.3 (b) of Chapter 16 of the Professional Code of Conduct and Guide for Members of the Institute (2009) also states that:

"An audit firm or a principal of the firm should not receive any loan from a client. This is because the size of the perceived self-interest threat arising in such circumstance is generally seen as being too great to be offset by all available safeguards, where a firm or principal makes any loan to a client. This restriction does not normally apply to accounts in credit with a client-clearing bank or similar financial institution."

The prosecution also referred the Tribunal to the following:

- i) **Iteoqu vs. Legal Practitioners Disciplinary Tribunal Committee (2009) 12 MJSC part 1, page 1;**
- ii) **NBA vs. Oluwaseun Edu - Complaint No. BB/DCNB/068 (reported in the SQUIB Legal Weekly Magazine) - June 4, 2008; and**
- iii) **The case of Medical and Dental Practitioners Disciplinary Tribunal vs John Emewulu Nicholas Okonkwo (2001) 2 MJSC page 67 at 78 where the court held that:**

**"A charge of infamous conduct must be of a serious infraction of acceptable standards of behaviour or ethics of the profession. It connotes conduct so disreputable and morally reprehensible as to bring**

**the profession into disrepute if condoned or left unpenalised.”**

The prosecution made reference to the testimony of PW2 and the Accountants’ Investigating Panel’s Report tendered by PW1 and admitted as **Exhibit 1** where the Panel in paragraph 46 (a) (b) of the report found the Respondent in breach of the code of conduct when he as a Chartered Accountant acted without integrity when he issued to his client the Amichi Community Bank Limited a Certificate of increase of share capital and an official receipt from Corporate Affairs Commission (CAC) which were found out to be forged upon enquiry at the CAC despite being paid the sum of Six Hundred and Fifty Thousand Naira (N650,000.00) to increase the Bank’s Share Capital. The report also contained the fact that the Respondent acted without integrity when as the External Auditor to Amichi Community Bank Limited, he abused his position by taking a number of loans without collaterals and paying no interests and also bluntly refusing to pay back the loans despite demands from the Bank.

The prosecution submitted that the evidence of both the prosecution witness coupled with the deduction from the Accountants’ Investigating Panel Report when juxtaposed with the decisions of the courts in the cases mentioned above, amount to infamous conduct in a professional respect. The prosecution therefore urged the Tribunal to hold the Respondent guilty as charged.

Prosecution therefore urged the Tribunal to resolve the case in favour of the prosecution as there was no counter opinion or reliable contradiction to controvert the position as to the conduct of the Respondent. They referred the Tribunal to the case of **Okonji vs State (1978) NSCT, pg 291**.

All the allegations made by PW1 and PW2 were unchallenged and uncontroverted, the Respondent having not appeared before the Tribunal.

This Tribunal having considered all the evidence before it in respect of this matter is of the opinion that the Respondent’s continued absence from the sittings of the Disciplinary Tribunal is an admission of guilt. There was evidence before this Tribunal that the Respondent was adequately put on notice of the pendency of the allegations against him at the Tribunal.

It is trite law that silence to an allegation is admission of the allegation, I refer to Section 334 of the Evidence Act.

This Tribunal frowns at the conduct of the Respondent. This Tribunal has the duty of ensuring that members maintain the integrity of the Institute thus protecting public interest against unwarranted actions by members against the public. I refer to the cases of **Medical and Dental Practitioners Disciplinary Tribunal vs. Dr. John Emewulu Nicholas Okonkwo (2001) 2 M.J.S.C. page 67 at page 78** and **Slan vs. General medical Council (1970) 2 All E.R. 686**. Where Disciplinary Tribunals frowned at professionals who use their knowledge to frustrate their clients.

Having therefore considered all the facts and evidence before this Tribunal, the Tribunal finds the Respondent liable on the two counts as charged. He acted in breach of paragraph 1.2.0. (c) of Chapter 1 and paragraph 16.1.3 (b) of Chapter 16 of the Professional Code of Conduct and Guide for Members of the Institute. He also did not show any remorse for his actions. He rather showed great disrespect for the Institute by not appearing at the Tribunal sittings.

Section 12(1) (a) of the ICAN ACT empowers the Tribunal to administer and impose disciplinary sanctions on erring members of the Institute in order to protect, prevent and guide against arbitrary, unprofessional conduct and attitude of members. That the Tribunal is bound to sustain and maintain the Motto of the Institute by jealously shielding and guiding it from contempt, abuse and ridicule and to project its fame and name for accuracy and integrity.

The Tribunal shall therefore apply its discretion as is provided for under section 12(1) (a) of the ICAN Act to make its judgment as follows:

- (i) The Respondent is hereby suspended from membership of the Institute for ten (10) years;
- (ii) The Respondent is hereby ordered to return his Membership Certificate and License to the practice (If any) to the Institute forthwith;
- (iii) The suspension period shall start running from the date the certificate and license are returned;
- (iv) The Respondent is at liberty to re-apply to this Tribunal for re-admission at the expiration of the suspension period duly served;
- (v) The Respondent is ordered pursuant to Paragraph 9 (b) of the Chartered Accountants (Disciplinary Tribunal and Assessors) Rules to pay cost of N1,000,000.00 (One Million Naira) only, being the cost of proceedings at the Investigating Panel and the Tribunal in respect of this case.
- (vi) Where the Respondent fails, neglects or otherwise refuses to return his certificate or fails to comply with the directive in paragraph (v) above, after three (3) months of this judgment, the Respondent’s name will automatically be struck off the membership register.

This shall be the judgment of this Tribunal and same shall be published in the Institute’s Journal.

**Dated this 29th day of April, 2015.**

**Chidi Onyeukwu Ajaegbu, FCS, MBF, FCA**  
*Chairman, Accountants’ Disciplinary Tribunal*

## 50th Anniversary Lecture

# ‘Honouring Our Past, Securing Our Future’

By DANIEL MONEHIN

**T**he Institute’s leadership, management and members should feel proud, honoured and privileged that in the course of 50 years, ICAN has grown into one of the strongest brands among professional bodies in the country, an unmistakable contributor to the development of the nation’s economy, and a towering Institute made up of accomplished professionals, including experts, managers and executives in the field of accounting, captains of industries, and decision-makers in the public sector.

I use this historic occasion to honour all past leaders of this great Institute – President/other office holders, Past Presidents, Council Members, District Leaders, senior management and staff – You have laid an extra-ordinary foundation and we owe you the credit for ICAN’s exceptional influence today.

### Brief History

In 1960, the year of Nigeria’s independence from colonial British governance, Mr. Akintola Williams, along with a small group of other visionary accountants formed the Association of Accountants in Nigeria (AAN) out of the need to train candidates in the principles and practice of accounting. This humble beginning laid the groundwork for the creation of our great establishment, The Institute of Chartered Accountants of Nigeria via an Act of Parliament No. 15 of September 1, 1965. Through the years, the Institute has been led by its mission statement: **“To Produce World-Class Chartered Accountants, Regulate and Continuously Enhance Their Ethical Standards and Technical Competence in the Public Interest”.**

### My ICAN Journey

To provide you with the backdrop and framework on which this discourse was developed and the personal experiences that I leaned on as I prepared for this privileged opportunity, I will share a part of my ICAN story (and I am sure that many of you have fascinating experiences of your own with this Institute) and I will also disclose my experiences with other accounting bodies.

I graduated from the University of Lagos with a Bachelor of Science Degree in Accounting under the tutelage of a number of renowned teachers of Accounting like Mrs. C.A. Ajayi (one of

the best and brightest minds in the field of Accounting by my humble estimation) and Prof. Eddy Omolehinwa (the all-time most humorous lecturer I have ever come across in my education history, yet he was exceptionally strict).

In my 3rd Year in the university, the association of accounting students in collaboration with the school invited a renowned and highly accomplished Chartered Accountant from one of the prestigious accounting firms (that shall remain nameless) where he was a Senior Partner. I mean, he was a big deal. I was horrified when a final year student leaned to me and said, “Yeah, that’s what an accountant should look like!” I was horrified because the Senior Partner’s dressing was classless, his demeanor was humorless, and his speech was rudderless. He avoided eye-contact, was unmistakably unfriendly and mostly grunted the words, “Accountants have a very tough job.”

That experience did it for me. It dampened my enthusiasm for the profession and left me jaded. I made up my mind not to be that kind of accountant. Consequently, I avoided accounting firms and instead pursued a career in banking.

Time will not permit me to share my ICAN exams horror stories with you! However, suffice it to say that considering what an ICAN candidate goes through, I salute every Chartered Accountant in Nigeria – We are brothers and sisters who fought through the exceptional rigour and heavy workload of the ICAN syllabus, giving blood, sweat and tears in the pursuit of our dream. Whenever I meet a fellow Chartered Accountant from this Institute, a sense of camaraderie and respect wells up within me, I know that standing before me is someone who knows what it means to pay a high price in pursuit of what he or she believes in. This resilience made a friend of mine remark, “When I pass ICAN, no one will ask me how many times I attempted the exams” – He wrote the final stage of the exams six times before he passed – After all, a writer said, “In the battle between the stream and the rock the stream always wins, not by sheer strength but by persistence.” Today, he is living his dream of running highly successful accounting firms in Lagos and New York. If he had backed out, he wouldn’t have qualified. If he had been overwhelmed, he wouldn’t have the letters F.C.A after his name. If he didn’t put in the right work, in the right quantity and at the right time, he will not be impacting the lives within his

current sphere of influence.

After earning my ACA designation and with less than 10 years of banking experience under my belt, I relocated to Ontario, Canada where I earned the US Certified Public Accountant designation in the State of Michigan and the Canadian Certified Management Accountant designation (now Chartered Professional Accountants). Thus, I will also draw from my experiences with the American Institute of Certified Public Accountants (AICPA) and the Chartered Professional Accountants of Canada (CPA Canada).

The methodology I adopted for this lecture is fundamentally an individualism or reductionist approach, applied to the two critical entities I consider essential to the theme of this lecture – Honoring the Past, Securing the Future. The two entities are (1) The Institute and (2) the Chartered Accountant. After all, without CAs, there can be no ICAN. However, I balance this individualist approach with a good dose of holism or institutionalism, because after all, if there was no ICAN, CAs will not exist in their present form.

By every shade of definition, ICAN is a leadership organisation and by every hue of classification, Chartered Accountants are leaders. The question then is, “How effective are we as leaders?” Leadership is not about job title, designation or status; leadership is about influence – it is that simple, and yet, it is that strenuous. Influence is not a static state of being; we cannot rely on the influence that brought us to 2015 to take us to 2065 when ICAN will celebrate 100 years. On the contrary, I believe that ICAN’s influence over the next 50 years will be the product of the potent dynamics and evolving relationships amongst two factors: (1) a strong Institute that shapes (or influences) the future and, (2) a vibrant and connected membership of Chartered Accountants that is fit for the future.

These two determining factors form the epicenter of the next part of this presentation.

### **An Institute that Shapes the Future**

The future is created by the intricate interplays and interrelationships of micro, small and large scale changes that are occurring today. The faster the rate of change, the more complex and difficult it is to predict the future. Prof. John Kotter, Harvard Business School Professor of Leadership, in his book *Leading Change*, said, “The rate of change is not going to slow down anytime soon. If anything, competition will probably speed up even more in the next few decades.”

Therefore, if the future is created by change, then the leaders of the future will be those who change faster than others and faster than competition. (I’m sure you know that the Institute has major competitors).

ICAN has definitely changed since I qualified as a Chartered Accountant about 20 years ago – For example, typewriters were used to produce the *Pathfinder* in those days and the publication was hard to come by. Today, however, that document is produced on a word processing system and saved in PDF layout that is freely available on the Institute’s website. That is change. However, the question is: “Is that rate of change fast enough?” Should *Pathfinder* be available in an AppStore? Should it be in the form of an interactive and adaptive program that simulates examination scenarios?

One of the most renowned global business executive in the 80s and 90s, Jack Welch, the youngest Chairman in GE’s history, said, “If the rate of change on the outside exceeds the rate of change on

the inside, the end is near.”

### **Technologically Relevant**

Predicting the next 24 hours can be tricky (ask the Weather Channel), how much more prognosticating the future a few years out. One of the most impressive and verifiable attempts on record at successful forecasting was the 24 predictions by *Houchi News* of Japan in 1901 with over 70% accuracy – Below are five of the predictions (Remember, these were predicted in 1901, one hundred and fourteen years ago):

1. Worldwide wireless telephone;
2. Worldwide color photo instant transfer;
3. Rise of China, Japan and Africa;
4. Picture telephone and shopping by picture telephone; and
5. Electricity as fuel.

Pretty impressive, isn’t it?

More recently, Patricia E. Moody & Richard E. Morley in their book, *The Technology Machine*, took a look into 21st Century and came up with 10 predictions; the following are 5 of them:

1. Technology will drive social structures, communications and manufacturing.
2. Intellectual property law will boom and dominate Internet exchange and all other information media, because ideas will be your currency.
3. People will live where they work, thus ending the commuter traffic jam.
4. Television will be dead because downloads and uploads through Internet communications boxes will produce customised entertainment and communications.
5. Computers will be 10,000 times more powerful.

You will observe that all five predictions are predicated on technology. “Society is in the midst of a technological revolution, a powerful shift away from a world of industrial production and toward a new age of economics that values social connections.”<sup>1</sup>

The technology-driven future is not sometime by and by, it is here! If Facebook was a country, it will be the most populous country in the world with 1.4Bn people. How does that translate to value? Facebook’s market capitalisation is \$217Bn (as at May 12, 2015), while the Nigerian Stock Exchange, with about 200 publicly traded companies has a total market capitalisation of \$58Bn. That is, the value of Facebook is almost 4x the value of the entire Nigerian Stock Exchange!

An Institute that shapes the future is one where “Technology” is NOT only the name of a department, but is a way of comportment and engagement. From the very first contact with the Institute, all the way to the continuous management of the professional component of members’ careers, every candidate and member of ICAN should be able to leverage everyday technology to access knowledge, connect with the Institute and network with other candidates and members with similar interests.

Similar alignment and compatibility between the technology adopted by the client and the audit firm has been called for. Researchers Teeter and Vasarhelyi (2011) explain the optimal alignment of enterprise data and audit procedures.<sup>2</sup> Thus, a client’s sophisticated system must be matched by an equally sophisticated auditing technology.

Technology is rapidly transforming the way goods and services

are transacted as the medium of exchange shifts from cash to electronic payment systems. Globally and in Nigeria, MasterCard is a major driver behind this shift to cashless transactions as it facilitates the transfer of value from the shadow/grey economy that hampers the economic growth of the country to the formal economy that stimulates the financial system. MasterCard recently announced the launch of the Nigeria's first holistic Mobile Point of Sale (MPOS) Acceptance programme, which will enable majority of Micro Small and Medium Enterprises (MSMEs) to accept electronic payments for the first time. The first phase of the program sees MasterCard collaborate with GTBank and First Bank of Nigeria to roll out hundreds of MPOS solutions to retailers including Fast Moving Consumer Goods outlets, grocers and leading online stores. The MPOS devices will allow these merchants to receive payment from debit, prepaid and credit cards by using a smartphone connected to a secure card reader.

A test of whether an organisation will lead in the technology of the future is how well it uses the technology of today. So, how is the Institute leveraging mobile, electronic payment, educational technologies, e-commerce, cyber security, cloud computing, etc, that are available today? Is it time to reflect today's dominance and ubiquity of technology in audit practice by moving from computer-assisted audit techniques (CAATs) to computer-led audit techniques (CLATs)?

Technology is a faithful servant but a vicious master. The Institute needs to stay ahead of technology. The Institute needs to stay ahead with technology. The Institute will stay continually relevant with technology!

### Globally Recognised

The Institute's vision is **"To be a Leading Global Professional Body"**. Thus, there is a need to transcend local domination, rise above regional supremacy and go beyond continental ascendancy. A strong Institute enables the global mobility of its members. Not all passports are created equal.<sup>3</sup> Arton Capital, a consulting firm specialising in global citizenship and financial advisory, produces a well-referenced ranking of international passports of countries. The ranking is appropriately called the Passport Power Rank ([www.passportindex.org](http://www.passportindex.org)). The determining factor of the "power" of a country's passport was kept simple: The number of countries that grant visa-free (or visa on arrival) access, thereby preventing the submission of letter of invitation, C of O of all landed properties owned by the traveler, statements of bank accounts, wedding pictures, and many more awkward requirements by the traveler. The passports of countries are grouped by "Power Ranks 1 to 80" The latest Passport Power Index ranks the US and UK passports as #1 with visa-free (or visa on arrival) access to 147 countries. In #57 and five levels below Gambia, Niger and Ghana is Nigeria with access to 61 countries (i.e. 86 countries "worse" than #1). India and Cape Verde are 2 and 4 levels below Nigeria respectively.

At MasterCard, we also measure how much access to financial services we give our cardholders and I am happy to report that your MasterCard (issued here in Nigeria) will give you unfettered access to pay for goods and services, as well as withdraw cash in over 210 countries, using 150 currencies... no visa required!

As the global power of a passport is measured by the visa application path required from the holder to access a foreign country, so is the global power of an accounting designation measured by the re-qualification path required from the holder to access a foreign country's labour market. How will ICAN perform

in an "Accounting Designation Power Rank Index" relative to others? What opportunities exist to partner with a few strong accounting bodies that will help members access the economies and the labour markets of several other countries?

### Historically Resilient

An Institute that shapes the future does not lose its history in the pursuit of that future, but it builds its own history and tells its own stories. The President of the Institute is the CSO – Chief Storytelling Officer, and every member ought to be a Storytelling Executive for the Institute. The art of storytelling has enabled brands reach their audience over the centuries. Julie Roehm, Chief Storyteller at SAP said, "Today, with digital media and emerging technologies, the challenges, and the opportunities (for storytelling) are boundless."<sup>4</sup>

By diligently documenting and preserving the records of milestones, challenges, triumphs and breakthroughs of the profession for posterity, the Institute builds immense strength for the future. The value of a current experience is not in the present but in the future. The Institute will be stronger for it when it meticulously pays it forward through the painstaking recording and dissemination of its history. Experiences of today are the gems of tomorrow. Abigail Van Buren said, "If we could sell our experiences for what they cost us, we'd all be millionaires."

One of the life-changing and awe-inspiring experiences of my life happened about 12 years ago in a garage. Not just any garage though. It was the Palo Alto, California garage where David Hewlett and Bill Packard began to build their vision that has become the multi-billion dollar Hewlett-Packard Company, or HP of today. Seeing the workbench and standing where these great inventors and businessmen stood left this indelible mark in my psyche: It does not matter where you start to build your vision as long as you start and stick to it. I am no longer an employee of HP but experiencing that piece of history permanently shaped my life for good.

Bringing it closer home, the building where Chief Akintola Williams and others met to establish the AAN in 1960 should be preserved and designated as a Heritage Site to serve as an inspiration for generations to come. Remember, if there was no A-A-N there would be no I-C-A-N. Prof Chinua Achebe put it in a most eloquent way when he told Paris Review in a 1994 interview that, "Until the lions have their own historians, the history of the hunt will always glorify the hunter"

### Chartered Accountants Fit for the Future

#### *The Severity of Integrity*

In 1988, Robert Fulghum published a book with a striking and unambiguous title. He called it: *All I Need to Know I Learned in Kindergarten*. Ethics is one of those qualities that crystallises very early in life and, if left unaltered, those same ethical worldview will shape the rest of one's life. "What the mother sings to the cradle goes all the way down to the coffin" (Henry Ward Beecher).

One night a father overheard his son pray: Dear God, Make me the kind of man my Daddy is. Later that night, the Father prayed, Dear God, Make me the kind of man my son thinks I am (*Source: Anonymous*).

ICAN does demand integrity, but it is the individual accountant who must decide to uphold integrity.

ICAN does require transparency, but it is the individual accountant who must choose to be transparent.

ICAN does command ethics, but it is the individual accountant

who must be unyielding when faced with ethical dilemmas.

A Chartered Accountant with poor ethics is like a mighty ship without a rudder. "Education without values, as useful as it is" according to C.S. Lewis, "seems rather to make man a more clever devil."

Beyond the rudimentary of debit/credit on the one hand and beyond the complexity of fair-value computations on the other hand lies the non-technical yet unassailable quality of a top accountant who is ready for the future: Ethics.

Yes, ICAN exams are arduous and challenging to pass, but it appears that the hardest exams to pass are the ethical exams – Such exams happen outside the examination halls and the questions never stop coming.

### The Satisfaction of Service

As earlier stated, Chartered Accountants who are fit for the future are leaders, regardless of their titles, designations or statuses. So, what is the measure of a successful leader? Bestselling author and leadership expert Kenneth Blanchard proffered an answer: "The key to successful leadership is influence, not authority."

One of the ways to channel this influence is in the service of the society as volunteers. While the level of education in the general population continues to rise, the level of financial education is low; much lower than what is required for a strong economy. As financial experts, we have an opportunity to develop easy-to-understand materials and train entrepreneurs of MSMEs on the rudimentary of accounting and finance. With better financial knowledge, the MSME will thrive, the economy will strengthen and both the Chartered Accountant and the Institute will be better for it.

The Chartered Accountant that is fit for the future lives and believes the following statement by Ernest Hemingway, "There is nothing noble in being superior to your fellow men. True nobility lies in being superior to your former self."

"We all have a choice: We can choose to be made by history, or we can choose to participate in making history" (Abe Osheroff).

By constantly looking for avenues to serve the community, the Chartered Accountant will participate in making history.

### The Significance of Lifelong Learning

"Lifelong learning" is just that – A commitment to being a student for life! Learning is never concluded. Learning is never final. Learning is never framed and hung on a wall. The Chartered Accountant that is fit for the future has a genuinely developed attitude towards lifelong learning.

A writer once penned the following, "There is no end to education. It is not that you read a book, pass an examination, and finish with education. The whole of life, from the moment you are born to the moment you die, is a process of learning."

The requirements of the Mandatory Continuing Professional Education (MCPE), adopted by the Institute in 1996 (a year after its introduction by the International Federation of Accountants, IFAC), should be a walk in the park for a Chartered Accountant that is fit for the future. He or she should not struggle to achieve it, but should have credit hours in multiples of the minimum requirements.

The subject-matter of lifelong learning has to fit both the present and future. After last year's rebasing, Nigeria's Gross Domestic Product (GDP) was recorded as N80.22 trillion (\$510 billion). The contribution from oil and gas to the GDP

drastically fell to 14%, whereas rapidly growing sectors such as telecommunications and entertainment, contributed 8.7% and 1.2% respectively. These key rising sectors presently hold tremendous opportunities for specialisation and standardisation. The subject-matter of lifelong learning must not only fit for the present, it must also fit the future. According to IFAC, demand for knowledge-based, non-assurance and business advisory services has risen significantly. On the other hand, disruptive technologies like crunch.co.uk, with its "beautifully simple online software", have commoditised compliance and assurance services that are technical in nature, those in which Chartered Accountants have traditionally held sway. Ladies and gentlemen, the future of accounting belongs to knowledge-workers, not technical-workers. The time is now to learn your way to the top!

### The Supremacy of Mentorship

The Chartered Accountant that is fit for the future is keen to learn from those who have gone ahead. Mentorship is of immense value for the professional. Benjamin Franklin said, "Tell me and I will forget. Teach me and I will remember. Involve me and I will learn." Mentorship is about involving more experienced professionals in your career for guidance and getting involved in your Mentor's career for learning. The Institute can also assist in setting up, publicising and networking formal mentorship relationship across its membership.

### Conclusion

I want to express my heartfelt congratulations to the President, Council Members, Registrar/Chief Executive and every decision-maker, members, candidates, management and staff of ICAN on this occasion of the 50th anniversary of this great Institute. We have built a formidable and successful institution. Let's keep to the basics, but let's keep adapting to cutting-edge know-how. Above all, strive to be "Master of the Art of Living". According to writer James Michener, "The master in the art of living makes little distinction between his work and his play, his labour and his leisure, his mind and his body, his information and his recreation, his love and his religion. He hardly knows which is which. He simply pursues his vision of excellence at whatever he does, leaving others to decide whether he is working or playing. To him he's always doing both."

Happy golden jubilee celebration!

### Footnotes

1 Gorbis, M. (2013), **The Nature of the Future – Dispatches from the Social Structured World**, Free Press.

2 Teeter, R., and Vasarhelyi, M. (2011), **Audit Theory and Assurance Automation**, Rutgers University Presentation.

3 Swanson, A. (2015), **A Ranking of the World's 'Most Powerful' Passports**, *Washington Post* <http://www.washingtonpost.com/blogs/wonkblog/wp/2015/04/15/a-ranking-of-the-worlds-most-powerful-passports/> (Accessed May 1, 2015).

4 Brenner, M. (2013), **The Art of Storytelling – SAP's Chief Storyteller Julie Roehm** <http://blogs.sap.com/innovation/sales-marketing/art-of-storytelling-video-sap-chief-storyteller-julie-roehm-031106> (Accessed on May 5, 2015). ●

\* Daniel Monehin presented this paper at the 50th Anniversary Lecture of the Institute.

# Whistle-Blowing: Inspiring Chartered Accountants

By VINCENT A. ONODUGO

*The increasing incidence of fraud and corrupt practices in the Nigerian corporate and government organisations has raised doubts as to the efficacy of corporate governance in general and effectiveness of auditing practice in particular. This paper specifically explores the role of whistle-blowing (WB) in facilitating the work of chartered accountants as watchdogs to the society. Relying on justice and institutional theories and making use of data from desk review, this paper concludes that WB, where effectively encouraged, will provide vital, albeit informal, and timely information that will help the work of auditors and regulatory agencies in their fight against fraud and corruption in Nigeria. It recommends, inter alia, the following as strategies to encourage WB: establishment of WB hotlines, internet platforms, passing of WB protection bill of 2011 and incentivising Whistle-blowers.*

## 1.0 Introduction

There has been a rethinking among accounting and ethics expert on the quality of corporate governance amongst organisations globally. The reason for this is the growing incidence of collapse of organisations due to corruption and mismanagement (Dart, 2011; Lewis and Uys, 2007). The ripple effect of this for Nigeria is even more pronounced. For several years, she has paraded dismal statistics in respect of her ranking in corruption and competitiveness. She ranked 144 out of 177 and 127 out of 144 in 2014 Corruption Perception Index and Global Competitiveness Index Report respectively. Worse still, this situation widens income gap and inequality among Nigerian citizenry. This paradox presents itself in Nigeria which produces the richest man in Africa and one of the richest women in the world alongside being the country with the third largest destination of poor persons. Is it any wonder there is continuous increase in restiveness, criminality and insecurity in Nigeria?

Incidentally, fraudulent and corrupt practices in corporate and government organisations could be reduced drastically, if not entirely eliminated, where there is sufficient motivation and environment for whistle-blowing (Sweeny, 2008). Consequently,

there has been a growing global attention and support for whistle-blowing as a means of checking fraud and protecting common wealth (Surbanes and Oxley, 2002). It is against this backdrop that this paper explores how whistle-blowing can encourage and inspire accountants in general and auditors in particular to perform their role as watchdogs to organisations and nation's resources.

## 2.0 Conceptual and Theoretical Framework of Whistle-Blowing (WB)

Whistle-blowing is generally seen as 'an old wine in a new wine skin'; meaning that it has always been in practice in various forms and adopting various names. There is however, convergence in the literature over time about the meaning of whistle-blowing. Ajetunmobi (2012) sees whistle-blowing as making disclosures, by the individuals, of illegal, corrupt, fraudulent or illegitimate practices to those persons or agencies that may be able to effect an action. Near and Miceli (1985) define it as; "the disclosure by organisation members (former or current) of illegal, immoral or illegitimate practices under the control of their employers, to persons or organisations that may be able to effect action."

Following these definitions, we can distil the elements of whistle-blowing to include: 1) The whistle-blower; 2) The whistle-blowing Act or complaint; 3) The party to whom the complaint is made; and, 4) The organisation or persons against which the complaint is lodged (Bowen, Call, and Rajgopal; 2010).

The typologies of whistle-blowing are:

**Formal versus Informal:** Formal reporting is when wrongdoing is done following the standard lines of communication or a formal organisational protocol for such reporting, whereas informal whistle-blowing is done by the employee personally telling close associates or someone she or he trusts about the wrongdoing using grapevine or other informal channels of communication other than the ones allowed by the organisation.

**Identified versus Anonymous:** Identified Whistle-blowing is an employee's reporting of wrongdoing using his or her real name, whereas in Anonymous Whistle-blowing, the employee conceals the his/her identity and might use an assumed name.

**Internal versus External:** Internal Whistle-blowing is the employee's reporting of wrongdoing to a supervisor or someone else within the organisation who can correct the wrongdoing and External Whistle blowing is reporting of a wrongdoing to outside agencies believed to have the necessary power to correct the wrongdoing.

The theoretical frameworks that underpin whistle-blowing are the *Justice* and *institutional theories*. Proponents believe that whistle-blowing is a voluntary act that flourish within the context of free speech and the individuals perception of justice and fairness to all in the society not only the selfish interest of a few (like the management and stockholders). Institutional theory suggests that organisations are shaped by wider cultural, social and symbolic elements which define what acceptable behaviour is and thus impinge on WB intentions of employees (Rawl, 1971; Dimaggio and Powell, 1983).

### 3.0 Whistle-Blowing and the Work of Accountants: The Nexus

The work of an accountant in general and that of the auditor in particular, depends largely on availability of clients' financial information. Accounting is generally defined as the process of gathering, processing, storing and retrieval of financial data for the purposes of management decision making. Auditors specifically assess the final accounts of clients with a view to ensuring that data presented and the processes adopted represents true and fair view of the accounts. Both internal and external auditors have privileged access and make extensive use of clients' information in their work (Alleyne, Hudaib, and Pike; 2013). Whistle-blowing on the other hand is an unauthorised disclosure of information to outsiders that are expected to take remedial actions.

The relationship between whistle-blowing and that of auditor's job is **information** (See *Figure 3.1*). The extent to which an auditor does his duty as a watchdog to both organisations and society is predicated on the availability of information to the auditor. This is more so with external auditors. It is in providing this vital information, (especially where it is the practice for organisations

in a bid to evade tax, to doctor or out-rightly conceal information), that the vital intervention of the whistle-blower is needed. The whistle-blower could provide useful information that gives a lead as to where the auditor or regulatory agencies will concentrate in the course of discharging their duties. Auditing, like policing, requires intelligence gathering for effectiveness which whistle-blowing provides.

### 4.0 Stages and Sequences of Whistle-Blowing (WB)

Whistle-blowing, where it is properly done, passes through various internal stages before it is being blown as a whistle. Managers of organisations should be circumspect to pick out signals related to these stages and intervene before the information gets to outsiders. These stages are:

**1. Potential Whistle-Blowing Scenario:** The scenario that prompts whistle-blowing is discovery of someone doing something that is ethically wrong in an area that you have more information than others and which when made public will change the course of action.

**2. Assessing the Seriousness of the Malpractice:** This is where assessment of the consequences of the wrongdoings to the

**Figure 3.1**  
**Relationship Between Whistle-Blowing and Accounting Profession**



organisation, client and/or the public is made. The key question here is; how serious are the infractions? Do they have serious consequences to the welfare of the public and/or society? Once the answer to the questions above are in the affirmative, then WB can proceed to the next stage.

**3. Reality Check of the WB Information:** At this stage the whistle-blower wants to be sure that his/her facts are correct. Crosschecking with colleagues and relevant documents may be necessary at this point.

**4. Holistic Assessment of the Collateral Implications of WB:** This is where other decision levels and the strategic intent of the organisation are assessed in the light of the wrongdoing. The focal question here is; are there other persons who can moderate

act of WB?

#### 5. Exhausting Internal Means of Resolving the Matter:

The potential consequences of WB suggest that there is need to draw management attention to the problem. This can even get as far as the Audit Committee of the Board of the organisation.

**6. Blowing the Whistle:** Once it is clear that management is aware of the problem and they are likely to do nothing or actively in support of the infraction, then it is time to blow the whistle to bodies outside the organisation that can bring pressure for corrective action — media, regulators and legal authorities.

#### 5.0 Personal and Contextual Factors that Influence Whistle-Blowing

Below are a number of personal factors that influence WB. These personal factors are what Alleyne *et al* (2013) call 'Antecedents' comprising:

**Personal Attitude:** This is an individual's assessment of the extent of approval or disapproval of a specific behaviour. This is mainly anchored on one's belief of the behavioural consequences and evaluation of those consequences.

**Perceived Behavioural Control (Self Efficacy):** This is the perception of how easy or difficult it would be to perform a specific behaviour. It is the position of theory of planned behaviour that the greater the perceived behavioural control, the higher the chances or likelihood of blowing the whistle.

**Independence Commitment:** This is simply the intensity of an accountant's belief in the accounting professional ethos of **Auditor independence** — described as the likelihood that an auditor will highlight any breaches and misstatements in the financial statements when discovered (DeAngelo, 1981).

**Personal Responsibility for Reporting:** These are factors (such as moral sense of right or wrong or demands of the office (role) or social responsibility) that make it obligatory for an accountant to report wrongdoing. The more an accountant sees whistle-blowing as his personal responsibility, the more the likelihood that he will indulge in it.

**Personal Cost of Reporting:** This is the individual accountant's assessment of the risk of reporting. This is inversely or negatively related to whistle-blowing, meaning that the higher the personal cost the lower the chances of reporting and vice versa.

The contextual factors that influence WB include:

**Perceived Organisational Support (POS):** This is the employees' perceptions of "the extent to which the organisation values their contributions and cares about their well-being" (Eisenberger, Fasolo, & Davis-LaMastro, 1990: 51). The more the individual accountant feels that the organisation will support his/her intentions to report wrongdoing the higher the chances that he/she will blow the whistle.

**Team based Norm or Variable:** This is defined as "legitimate, socially shared standards against which the appropriateness of behaviour can be evaluated" (Chatman & Flynn, 2001: 956). Auditing is more of group and team activity and studies suggest that group decisions are superior to and sometimes colour individual decisions. For instance; why did no one within the audit firm of Arthur Andersen blow the whistle on the audit partner's collusion with Enron's management and subsequent decision to obstruct justice by shredding documents?

**Individual, Firm and Societal Effects:** Whistle-blowing has positive and negative consequences to society, the individual whistle-blower and his/her audit firm. Positive societal effects could include the reduction of the cost to society, resulting from loss of shareholders' confidence and undermining of the capital markets; reduction of loss of jobs as a result of a closure of the firm, and also ensuring potential tax revenues to the government. Whistle-blowing will flourish where the blower believes that it will lead to positive consequences to the firm, individuals and the society at large.

#### 6.0 Benefits and Risks Associated with Whistle-Blowing

The benefits of WB are summarily presented below:

- It leads to stoppage of unethical businesses with all the harm it poses to the society.
- It proactively prevents corruption and unethical practices.
- It promotes public good and saves society from all sorts of malpractice, some of which include:
  - ▶ Dumping of toxic waste.
  - ▶ Dealing on fake and adulterated drugs.
  - ▶ Padding an expense report.
  - ▶ Violating laws about hiring and firing.
  - ▶ Violating laws about workplace safety.
  - ▶ Violating health laws which lead to documented illness and even death.
- It facilitates the work of an auditor by making him/her pay close attention to the facts behind the figures and unravel malpractices.

The risks associated with WB are summarised below:

**Individual Whistle-Blower:** The personal risk and cost of whistle-blowing according to Curtis (2006) includes: "form of refusal of pay increases, unfair performance reviews, lack of peer support (e.g. ostracism), transfers to undesirable posts or jobs, and possible firing."

- **Denial of incentives and unfair performance appraisal:** Most whistle-blowers often get biased appraisal report and denial of performance incentive.
- **Transfer to career dead ends:** In most cases, whistle-blowers get posted to less desirable work stations far away from the mainstream activities where they will see less and barely nothing to report (whistle-blow) on.
- **Ostracism:** This is rejection by colleagues and/or those in authority with disastrous consequences: David Kelly, a biological weapons inspector for the British Government, disclosed information that Iraq did not have weapons of mass destruction (Philp, 2007). The British Government publicly dismissed his claims and he committed suicide soon after. Another example is the case of Dr. Jeffrey Wigand, a researcher at Brown and Williamson Tobacco Corporation, who in the 1990s disclosed that the US tobacco authorities were not honest about the lethality and addictiveness of tobacco, as they manipulated nicotine levels to keep smokers hooked to cigarettes (Miceli, 2004). Wigand suffered significant emotional stress including a lawsuit for breach of confidentiality, loss of income and personal threats as a result of the incident.

- **Loss of job:** To some organisations there is no need keeping a whistle-blower in their employ so they will frustrate him/her out of the organisation
- **Threat to life:** In societies with less effective security agencies, threat to life and possible assassination may befall a whistle-blower.

To organisations the following are the consequences of WB:

- Potential loss of clients and by extension, business.
- Loss of reputation and in extreme cases, closure; i.e. Arthur Anderson.

It is these personal and organisational costs that deter potential whistle-blowers from doing it especially in societies such as ours where there is little or no legal and institutional protection and safety net for such a person.

### 7.0 Encouraging Whistle-Blowing in Nigeria: Ways Forward

Whistle-blowing could be encouraged in Nigeria using the following media:

- **Whistle-Blowing Hotlines:** Organisations that are serious should dedicate lines that can be used to blow the lid on malpractice. These lines should be such that the anonymity of the blower is protected.
- **Internet Platforms:** In this internet and information age, there is need to use dedicated platforms for whistle-blowers to do anonymous unidentified but crucial whistle-blowing. This is very important. There are basically two sites known for doing this: *Wikileaks* and *Adleaks*. Potential whistle-blowers can use these platforms for virtual and internet whistle-blowing where the risk of other forms of whistle-blowing is very adverse.
- **Passing of the Whistle-Blower Protection Bill of 2011:** There is need to pass this bill to give legal teeth to whistle-blowing protection in Nigeria. For this bill to be effective it should contain the following ingredients: “Anti-retaliation”, focusing on creating and protecting individual rights, especially employment rights; “Institutional” or structural approach focusing on making whistle-blowing one of the responsibilities of staff in organisations; A “public” or media-based approach focusing on recognising the value of free speech and open government; and “Reward” or bounty approach (focused on incentivising, by compensating, whistle-blowers and the private legal market to make whistle-blowing work (D’workin and Brown (2013).
- **Motivating Whistle-Blowers Through Incentives:** Whistle-blowers should be encouraged through incentives.

### 8.0 Conclusion

This paper briefly discussed the issue of WB as it relates to the work of accounting profession within the context of developing economy like Nigeria. It concludes that because of the profit and survival propensities of both business organisations and audit firms, there will be tendencies to hide malpractices and thus cheat the wider society. Consequently, this paper proposes creation of enabling environment to encourage WB, which is one

sure way of providing informal intelligence to external auditors in the first instance, and regulatory agencies where the latter fails, of unreported financial malpractices thereby protecting the commonwealth of the society at large.

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★ **Dr. Vincent A. Onodugo is a Lecturer in the Department of Management, University of Nigeria, Nsukka.**

**We Celebrate Nigeria's Legends of Accountancy as ICAN Clocks 50**



**Akintola WILLIAMS,**  
CBE, CFR, B.Com., FCA  
1960 – 1962  
*Doyen of Accountancy in Nigeria*



**Ephraim Adekunle OSINDERO**  
(Otunba), MON, FCA  
1966 – 1967 (Late)



**Herbert William BOND,**  
FCA  
1967 – 1968 (Late)



**Zacchaeus Oludayo OSOSANYA,**  
FCA  
1968 – 1969 (Late)



**Alfred EHREN,**  
FCA  
1969 – 1970



**Felix Bankole CARDOSO,**  
FCA  
1970 – 1971 (Late)



**Emmanuel Ayodele ODUKOYA**  
(Archdeacon), FCA  
1971 – 1972 (Late)



**Frank Cuthbert Oladipo COKER,**  
CFR, B.Com., FCA  
1962 – 1966 (Late)



**Mustiu Olaiya ANIBABA**  
(Chief), FCA  
1972 – 1973



**Vincent Obajimi Adebisi OGUNBA,**  
FCA  
1973 – 1974 (Late)



**Julius Akinyokun OWOSANI**  
(Chief), FCA  
1974 – 1975 (Late)



**Michael Adepoju ADEYEMO**  
(Prof.), MSc (Econs.), FCA  
1975 – 1976 (Late)



**Cecil Oyeniji Olurotimi OYEDIRAN,**  
BSc (Econs.), MFR, FCA  
1976 – 1977



**Anthony Asuquo ANI**  
(Chief), MON, FCA  
1977 – 1978

**We Celebrate Nigeria's Legends of Accountancy as ICAN Clocks 50**



**Arthur C. Izuegbunam MBANEFO**  
(Chief, Amb., Odu III), MFR, CON, FCA  
1978 – 1979



**Joseph Akintunde Alaba ADEBAYO**  
(Prince), FCA  
1979 – 1980



**John Adepoju BALOGUN**  
(Sir), FCA  
1980 – 1981 (Late)



**Idris Onaolapo SULAIMON**  
(Alhaji), FCA  
1981 – 1982



**Olusola FALEYE**  
(Chief), FCA  
1982 – 1983



**Dolanimi Babafemi Olabamidele OGUTUGA**, FCA  
1983 – 1984



**Johnson Kayode Osiyemi OSINAIKE**, FCA  
1984 – 1985 (Late)



**Adedoyin Olayide OGUNDE**  
(Otinba), FCA  
1985 – 1986 (Late)



**Samie Aremu WILLIAMS**, FCA  
1986 – 1987 (Late)



**Johnson Olaobaju Olabisi OMIIDIORA**  
(Balogun), BSc, OON, FCA  
1987 – 1988



**Ebenezer Folorunsho OKE**  
(Chief), BSc, FCA  
1988 – 1989 (Late)



**Bola KUFORJI-OLUBI**  
(HH, Otunba Ayora, Dr.) BSc,  
OON, FCA  
1989 – 1990



**Michael Ayodeji ONI**, BSc, FCA  
1990 – 1991



**Cornelius Oladipupo Sunday OSENI**, BSc, FCA  
1991 – 1992 (Late)



**Oluwole Alani ADEOSUN**  
(Chief), BSc, OON, FCA  
1992 – 1993 (Late)



**Ismaila USMAN**  
(Mallam), FCA  
1993 – 1994



**Olutoyin Olusola OLAKUNRI**  
(Chief, Mrs.), OFR, FCA  
1994 – 1995



**Simeon Olusola OGUNTIMEHIN**  
(High Chief, Sir), OON, FCA  
1995 – 1996



**Emmanuel Itoya IJEWERE**, FCA  
1996 – 1997



**Agnes Adenike ADENIRAN**  
(Princess), FCA  
1997 – 1998

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**Ike NWOKOLO**  
(Sir), OFR, KSC, FCA  
1998 – 1999



**Adeboye Olugboyega BADEJO**  
(Chief), FCA  
1999 – 2000



**Herbert Adewole AGBEBIYI**,  
FCA  
2000 – 2001



**Ugochukwu Stephen NWANKWO**  
(Chief), MON, FCA  
2001 – 2002



**Felix Kolawole BAJOMO**  
(Senator, Chief), mni, FCA  
2002 – 2003



**Jaiye Kofolaran RANDLE**  
(Bashorun), CFR, FCA  
2003 – 2004



**Ibronke Mojisola OSIYEMI**  
(Mrs.), FCA  
2004 – 2005



**Abdul Lateef Adebayo OWOYEMI**  
(Alhaji, Otunba), FCA  
2005 – 2006



**Catherine Ginikanwa OKPAREKE**  
(Chief, Dr., Mrs.), mni, B.A, MBA,  
D(Lit.), MNIM, FCA  
2006 – 2007



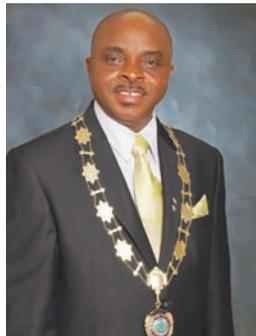
**Adebajo Abiodun BABINGTON-ASHAYE**  
(Prince), FCA  
2007 – 2008 (Late)



**Richard Uchechukwu UCHE**  
(Chief), PhD, FCA  
2008 – 2009



**Elizabeth Omeresan ADEGITE**  
(Chief, Mrs.), BSc, MBA, FCA  
2009 – 2010



**Sebastian Achulike OWUAMA**  
(Major-General ret'd.), BSc, FCA  
2010 – 2011



**Francis OJAIDE**  
(Professor), MSc, PhD, OON, FCA  
2011 – 2012



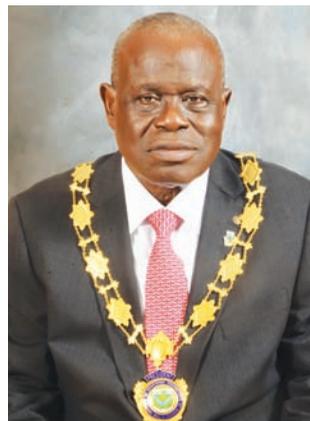
**Adedoyin Idowu OWOLABI**,  
BSc, MILR, FNIM, FCA  
2012 – 2013



**Kabir Alkali MOHAMMED**  
(Alhaji), mni, FCIS, CGMA, MFR, FCA  
2013 – 2014



**Chidi Onyeukwu AJAEGBU**,  
FCS, MBF, FCA  
2014 – 2015



**Samuel Olufemi DERU**  
(Otunba), FNIM, JP, FCA  
5<sup>th</sup> ICAN President

## ICAN @ 50:

# Honouring Our Past, Securing Our Future

In 1960, an association seeking to protect the interest and practice of accountancy as a profession was established in Nigeria by likeminded professionals led by Mr. Akintola Williams. It was known as the Association of Accountants in Nigeria (AAN). Five years later it had grown in membership strength and influence to warrant the granting of a charter status by government via an Act of Parliament No.15 of 1965. Thus, the Institute of Chartered Accountants of Nigeria (ICAN) was formally established and empowered to set standards of knowledge and skills to be attained by persons seeking to become members of the accountancy profession in Nigeria among other objectives.

Fifty years later, the Institute is still waxing strong. It has produced over 40,000 chartered accountants and has over 120,000 students on its register. It conducts professional examinations twice in a year. It has continued to project its vision to be a leading global professional body and pursues its mission to produce world-class Chartered Accountants, regulate and continuously enhance their ethical standards and technical competence in the public interest.

The establishment of ICAN was motivated by necessity. Nigerians, who had qualified as chartered accountants abroad and were now back home and practicing in Nigeria, wanted a local professional body. Also several Europeans who had qualified abroad but were holding top positions in government and in the private sectors in the country also desired a professional body that would be close to where they lived and worked at the time. It therefore started as an association for accountants and later metamorphosed into a professional

institute. As Pa Akintola Williams, now 96 recalled in a recent interview with *The Nigerian Accountant* "ICAN started as an association. We had senior partners of most of the established accounting firms as members ... activities were concentrated on improving the standard of accounting work in offices and accounting studies among students."

He revealed that ICAN borrowed some things from established Institutes at the time especially the Institute of Chartered

Accountants of England and Wales (ICAEW) in drawing up the Institute's charter. The implication was that ICAN was largely modeled after ICAEW, which also collaborated with it on various aspects such as development of syllabus and mounting of examinations locally. In fact, the Institute did not start examinations locally until 1967 and ICAEW continued to supervise it until 1970 when ICAN conducted its first examination locally with its own resources and personnel here in Nigeria.

One of the first two candidates, who qualified as chartered accountants when ICAN began to conduct the exams on its own in 1970, Otunba Olutola Senbore, FCA, explained that the training he received locally was comparable to what is obtainable anywhere in the world, adding that the trend has continued to date.

He pointed out that "most of the major companies in Nigeria and public sector establishments, had expatriates manning their financial positions in the 1960s and early 1970s. But thanks to ICAN, these positions which were hitherto occupied by expatriates were eventually taken over by Nigerians."

Otunba Senbore, who is the current Chairman of the Board of Directors of



Mr. Akintola Williams

First City Monument Bank expressed his appreciation to the founding fathers of the Institute for their foresight, courage and determination to set up ICAN and nurture it to the benefit of accountancy profession, the public and private sectors and the Nigerian nation.

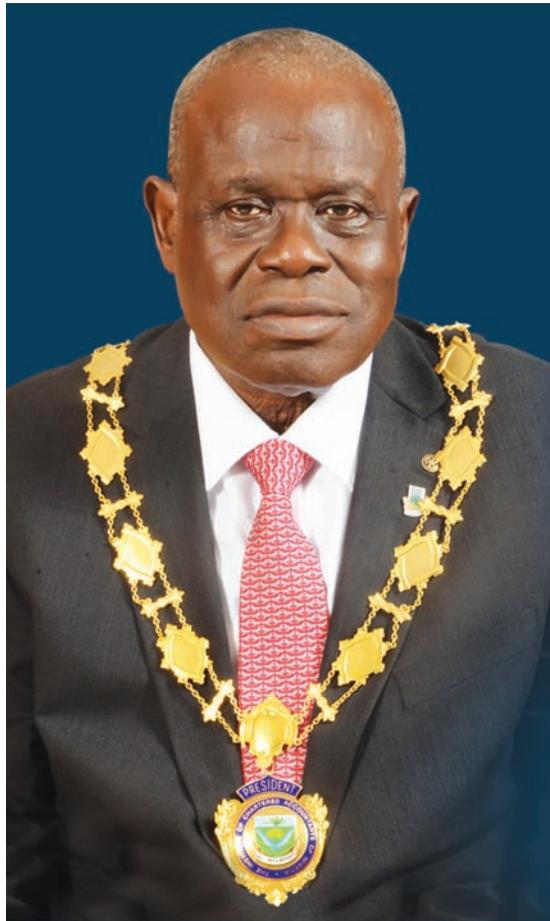
### Initial Challenges

The formation of ICAN was not a smooth sail. Part of the initial challenges that faced the young institute at inception was the question of who was qualified to be a member. The core of the pioneer members of the Institute's forerunner the AAN who drove the process qualified under ICAEW or other foreign bodies, each with its own peculiarities. While articleship (years of internship under a qualified chartered accountant) was, and still remains, compulsory in the ICAEW professional route, those who followed some of the other routes didn't have that to contend with.

As Chief Musliu Olaiya Anibaba, a member of the first Governing Council of the Institute recounted in an interview with TNA "each group felt that its own qualification was the best and should therefore influence how the Institute should be structured. This first disagreement almost broke the Institute at inception." But reason prevailed when the elders of the profession led by Akintola Williams intervened and resolved that both qualifications were acceptable. It was further agreed that even those who had qualifications of other accounting bodies were acceptable if their professional bodies were recognised in their country of origin. To guard against further agitation by other groups of stakeholders the Institute also agreed to allow those who were already earning a living in the field as accountants and auditors without formal training and qualifications. This class was recognised as registered accountants but as Chief Anibaba explained "it was a dying list as no new member would be seeking to qualify through that route."

Another challenge was how to draw up a working paper for the Institute to kick start the process of obtaining a charter from government. Rev. Oluoyomi Adegunle Ladeinde, the pioneer Secretary of the Institute told TNA that this was a very big problem because in other countries it was government that formed the professional bodies and granted them charter for people to join but in the case of ICAN the reverse was the case as the professionals themselves formed the body and handed over to government to charter. Because it was a private initiative the institute was immediately confronted with the problem of accommodation, personnel and funding.

According to Rev. Ladeinde, ICAN had only one filing cabinet in



**Otunba Samuel Olufemi Deru**

the late 1960s and one paid staff — an assistant secretary who was engaged to ease the pressure on him after he became the substantive Lagos City Treasurer. Despite these and several other challenges the Institute marched on and continued to develop the profession.

Today, ICAN's operation is spearheaded by the Registrar/Chief Executive, who is responsible for implementing the decisions of the Governing Council. But it was not so from the beginning. The Registrar was known then as Secretary and discharged his duties as a volunteer, just like every other officer at the time. The Institute's office was at the Assistant Lagos City Treasurer's office then occupied by Rev. Ladeinde. He ran the Institute's administrative duties ex-gratia from his office. But as membership grew and the Secretary also grew in rank and responsibility more space and personnel were needed.

Fifty years later ICAN's secretariat is properly structured to run like any modern organisation. It ensures the implementation of the decisions of the Governing Council. The council works through Committees, made up of members who have volunteered to use

their expertise and time to serve the profession and the Institute. Each of the Committees is assigned to specific Departments, which it supervises through the Registrar/CEO. There are three divisions in the secretariat namely the office of the Registrar/CEO that takes care of the General Services, Legal Department, Corporate Communication & Marketing and Internal Audit. There is also the Corporate Services Division that supervises Financial Services, Information Technology, and Administration/Human Resources. The Technical Services Division oversees Examinations, the Faculties, Students Education & Training, Members' Education and Training as well as the Research & Technical Directorates. Overall the Registrar/CEO provides leadership for the Secretariat and ensures that it provides seamless interaction with the Council.

Speaking on the evolution of the Secretariat, Mr. Rotimi Omotoso, Registrar/CEO noted that a lot has changed since 1965. According to him "we didn't have all the divisions (three) and directorates (15) that we have now, the Institute operates seamlessly, we were not setting our questions by ourselves, they were set by ICAEW, but now we have a very elaborate structure that is befitting of an organisation that is 50 years old."

### Achievements

ICAN's achievements in the last 50 years of its existence are many and varied. The Institute has produced over 40,000 chartered accountants that are fed into all the facets of the Nigerian

business life. It has produced great men and women who have not only been very good advisors to government but have also distinguished themselves as leaders in commerce, industry, the academia and international arena. It has produced a lot of people who have contributed their own quota to the development of the Nigerian nation. Some of its members have been state governors, ministers, ambassadors, top executives of organisations as well as global business leaders.

From 250 members at inception, most of who were based in Lagos, ICAN has spread its membership to various parts of the country and abroad. It has 53 District Societies through which it gets to the grassroots. Four of these are based abroad in such countries as Canada, USA, United Kingdom and Cameroon.

Since the Institute started its examinations in 1970, it is on record that the integrity of its processes has never been compromised. Examination Questions have never leaked! The standard of its examinations are benchmarked on the International Education Standards set by the International Accounting Education Standards Board (IAESB), a board of the International Federation of Accountants, the global body that regulates the Accountancy Profession in 125 countries of the World

In a bid to remain relevant in the changing world of today ICAN has continued to reinvent itself and make its programmes, policies, processes, procedures and examinations keep pace with developments in the country and indeed the world. To this end the institute in 2009 reviewed its syllabus, study packs and examination structure to bring them in line with global best practices. This was facilitated under a twinning arrangement involving the World Bank, ICAEW and the Institute. Under the scheme subjects for the professional examination were enhanced and reduced from 19 to 15 while contents of the study packs were updated and redesigned to help increase the success rate of candidates in the Institute's examinations without lowering the high standards for which it is widely acclaimed.

In order to facilitate the production of middle level manpower needed by the nation in the development process, ICAN introduced the Accounting Technicians Scheme in 1989. Under the scheme, over 19,000 Accounting Technicians have been trained and issued the Associate Accounting Technicians' (AAT) certificate which the Federal Ministry of Establishment has certified as the equivalent of the National Diploma of Polytechnics and Colleges of Technology in the Federal Scheme of Service. ATS examinations are now being conducted under the auspices of Accountancy Bodies in West Africa (ABWA) as ATS West Africa (ATSWA) to

enhance mobility of middle level manpower within the West African sub-region.

In furtherance of the dogged pursuit of its core principles of accuracy and integrity ICAN set up a **Whistle-Blowers Protection Fund** to embolden members to raise the alarm anytime they discover improper conduct and acts that connote malpractice. The fund seeks to give some form of protection to members and non-members against victimisation or loss of job as a result of disclosures of illegal conduct made in the public interest. The fund also assists such members in footing litigation expenses.

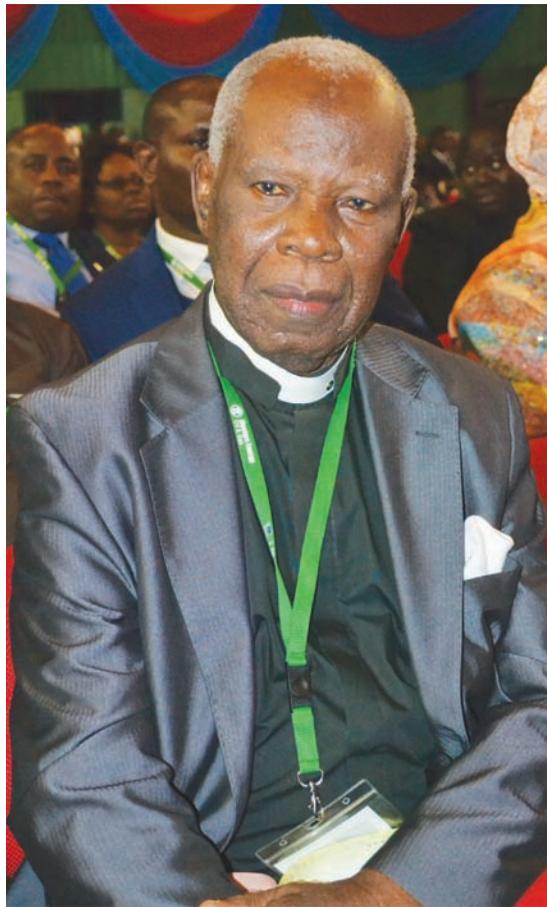
ICAN's recent efforts to enhance the professional accounting practice especially in Africa has seen her help train and certify professional accountants in Cameroon as well as provide technical assistance to the Cameroonian body. Essentially, by virtue of the signed MoU, ICAN will help ONECCA to develop its own professional examination and certification programmes as well as build capacity for an operational Secretariat.

The Institute and the Chartered Institute of Public Finance and Accountancy (CIPFA), United Kingdom also signed a Memorandum of Understanding (MoU) to strengthen public financial management in Nigeria. The MoU outlines the future co-operative relationship between the two Institutes which seeks to improve the governance of public finance in the country and helps to improve the training options for those in the accountancy profession. The collaboration will also pave the way for dual membership for members of ICAN and CIPFA.

The Institute was in 2014 selected by an Independent Selection Panel for inclusion in the International Federation of Accountants' (IFAC) professional accountancy organisation (PAO) capacity building database of potential partner organisations. This was the outcome of the Expression of Interest (EoI) submitted by the Institute in November 2014 in response to an

invitation from IFAC to indicate interest in providing PAO capacity building services. The PAO Capacity Building Program is based on an agreement between IFAC and the UK Department for International Development (DFID) to strengthen PAOs in ten developing countries over seven years.

Still on the international scene, ICAN at the last world congress of accountants held in Rome sponsored the 2014 Prize for Academic Research in Accounting won by Professors Klaus Backhaus, Hans-Jurgen Kirsch and Dr. Christina Rossinelli, authors of the winning paper on *"Future Perspectives on the Auditing Profession — A Scenario Analysis"* as a concrete way of showing commitment to the development of the accountancy



Rev. Oluyomi Adegunle Ladeinde

profession in Nigeria and globally

As part of its contributions to educational development generally in the country and to enhance the training of accountants in particular, ICAN embarked on a number of initiatives such as **Accreditation of Tertiary Institutions** to increase the number of candidates qualifying as chartered accountants while sustaining its high standard, the Institute has accredited over 125 tertiary institutions across the country which run full time accountancy courses as specified in the ICAN syllabus to prepare students for the professional examinations. Such accreditations are reviewed every three years to ensure that such institutions continue to meet the requirements.

**Tuition House Support Fund** is another initiative to improve the quality of accounting education in the country. The Institute launched, a fifty million Naira Tuition House Support Fund to make funds available to accredited Tuition Houses not only to improve their training facilities including libraries and learning environment but also to enhance their capacity to support and prepare students for the Institute's Professional and ATSWA examinations at subsidised tuition rates.

**Building of Lecture Theatres in Tertiary Institutions:** Tertiary institutions find it difficult to admit more students due to the lack of infrastructural facilities. As a result, they are unable to admit more candidates desirous of studying accountancy, neither are they able to cater for the needs of students already admitted due to space limitation. As part of its contributions to educational development, the Institute built 350-capacity lecture theatres in leading universities in the country such as North-West University, Kano, Obafemi Awolowo University (OAU), Ile-Ife, University of Benin, Benin, University of Nigeria, Enugu Campus and Federal University, Birnin Kebbi. More Institutions will benefit from this project in future.

**Students Special Project:** This is a strategic initiative evolved by the Council of the Institute to address the dearth of chartered accountants in areas perceived to be educationally disadvantaged in the country and as such registers comparatively smaller number of new students annually for its various examinations. Over the years, the Institute through its SSP initiative has continued to encourage well-established tuition houses to expand their training programmes to such areas. The success of this project in some States of the Federation, such as Cross River, Bayelsa, Kwara, Kaduna, Kano and Gombe States, amongst others, has been most exciting. ICAN recently signed an MoU with the New Nigeria Development Company Limited in order to expand the

reach of this programme to most northern states of the country.

### The Future

Notwithstanding its growth, development and achievements so far both the pioneer members as well as the younger professionals are in agreement that there is still room for improvement, while Pa Williams would want the Institute to develop to the level of the British, Australian and Canadian Institutes, younger professionals like Ituah Ighodalo of SIAO Professional Services would want ICAN to do a lot more especially in terms of pushing the profession forward and fighting for the young accountant, the middle and small sized firms and ensure that there is a lot more local content in the accounting space in Nigeria.

He would also want to push for greater recognition for accountants and the profession in the country. His words, "I would like the Nigerian government to consult better, accountants as individuals and as a body and get them involved in national planning and national development, one of the things that should be fought for also is ICAN recognition globally. Let us take for instance, if you go to Europe, America, with your ICAN certificate, you are received and ready to practice"

He concluded by saying "we would like to see a whole lot Nigerian firms being bigger firms, being given a lot more space to play within the Nigerian space and ensuring that a man can start his firm and grow it into whatever he can grow it into, with hard work".

The Registrar/Chief Executive, Mr. Rotimi Omotoso believes

the way to go is the enhancement of the number of qualified accountants without lowering of standards. "We are targeting at least 150% increase in the number of qualified accountants who will be members of ICAN. I believe that going forward the Institute will have to spend more money on research to enhance its training capabilities".

Hon. Nasir Mohammed would like ICAN to really invest more in information technology in most of its operations. Similar sentiment is held by another young accountant Mrs. Nkem Oni-Egboma who would want more accountants involved in economic policy formulation and implementation at the highest level in the country. She also sees accounting being more technology-driven in future.

ICAN is a founding member of the International Federation of Accountants (IFAC), the Pan African Federation of Accountants (PAFA) and the Association of Accountancy Bodies in West Africa (ABWA) where it currently plays leading roles. ●



Ituah Ighodalo

## Members Speak on ICAN @ 50

Still basking in the euphoria of the 50<sup>th</sup> anniversary celebration of the Institute, *The Nigerian Accountant* team went out to speak with the Doyen of Accountancy in Nigeria, Mr. Akintola Williams and some other prominent members of the Institute. They spoke extensively on how the journey of a thousand miles started with a step. They also bared their minds on the contributions of the Institute to the nation's economy and the way forward among other issues. Excerpts:

### Pa Akintola Williams

*Sir if you look back at the 50 years of ICAN, can you do a few lines summary of the achievements of ICAN.*

ICAN did not start as ICAN. It started as an association. We had the senior partners of most of the established firms of accountants as members at that time. When we started, we had a bit of relationship between the Nigerian office of ICAEW and the UK office so that we borrowed a few things from them. They had nothing to borrow from us. Activities we concentrated on that time had to do with improving the standard of accounting work, in offices and accounting studies among students which happened to be students as accountants in training. We did not bar women from becoming members. But they were very few those days. I do not know how many they are now, but I think the number is reasonable.

*Sir, If you are asked to do a summary of some of the achievements of ICAN in the last 50 years. What would those be?*

The things that one would note would include the establishment of the examination locally, trouble free exams, the annual dinner has always been an important feature of the Institute's activities and I hope it will continue to be so. What more can I say about ICAN, we had problems like any organisation. We were fighting each other but I cannot recollect any of our members engaging in fistcuffs. Financially, I think the Institute has done reasonably well. Perhaps they would have done better. But it seems to me that members have been regular in paying their annual dues, which is commendable.

*In terms of contribution to the Nigerian economy or the Nigerian state what are those things you can remember?*

When I had a lot to do with the Institute, I remember that important matters were referred to the Institute where invariably members would be normally consulted. In the early stages, because of the novelty of the Institute we were constantly receiving information, required to advice government and the local authorities.

*In the future, what would you like ICAN to be?*

In the future I would like to see ICAN to blow itself out in the way that the English Institute has done in the same way as the Australian, the Canadian, the American bodies have done. They all started small and gradually over the years developed themselves. So I would expect that our own Institute not necessarily copying

others but they should be able to follow the same pattern of developing like the other accounting bodies have done.

*Any message you want to pass on to the younger generation?*

I would say that the relationship between the various governments in the federation and ICAN could not be better than they are at the moment. I would imagine that if ICAN and its various committees have any strong views on certain aspects of government policies government should by all means ensure that they give listening ears to the views expressed by ICAN through its council. Individually, of course, members can do what they want but as a body I will want the procedure or relationship that exist between the medical, the engineers, the legal, etc and government to be the same type of relationship that exist between the body of accountants (ICAN) and government. The relationship between the government and these other professional bodies are particularly strong and I want a similar thing to happen to accountancy profession.

*What is your advice to those aspiring to become accountants today?*

I will want them to first of all get a degree. That will give them a stronger hold in pursuing the accounting profession.

### Otunba Olutola Senbore

*Can we meet you sir.*

I am Otunba Olutola Senbore, the Chairman of Olutola Senbore & Co, a firm of Chartered Accountants, Financial Consultants and Insolvency Practitioners. I graduated in June 1967 in Economics from the University of Ibadan and joined Coopers & Lybrand (now PriceWaterhouseCoopers). I served articleships for the Institute of Chartered Accountants of Nigeria training and examinations between 1967 and 1970. I qualified in September 1970 when the Institute of Chartered Accountants of Nigeria (ICAN) produced, for the first time, members through its examinations. Only two candidates so qualified in 1970 and I was one of them.

*Considering your motivations to become an accountant and the subsequent expectations from the profession vis-a-viz what you met in the field, do you think you made the right decision?*

Yes, I believe so. The expectation was that as a professional Chartered Accountant, you were in a position to offer your

services to all sectors of the Nigerian economy and would earn a decent income. These, I believe, have been achieved.

**What can you say are the contemporary challenges of accountants in Nigeria and what should the response be?**

The major problem in Nigeria is unemployment and under-employment of youths. The economy has not been growing as expected and accountants had not been fully engaged. There are many qualified accountants who have no real jobs today. Accountants have a significant role in contributing to the resolution of the problems of the damaged economy, bad planning, monitoring and execution, broken and damaged infrastructure, lack of focus and misdirected energy of the youths. There is need to train and retrain qualified accountants so that they can continue to develop their skills to meet the needs of the Society.

The other challenge is that the Institute needs to do more to enlighten the society on the various services of a qualified accountant. This is important because of new products, new areas of focus and innovations in the business and financial services sector. Take for instance Forensic Accounting; this area is not just new but also requires collaboration with those in the law and other professions. There are loads of jobs to be done but users of accounting services need to be aware and request for them.

**What is your assessment of ICAN at 50?**

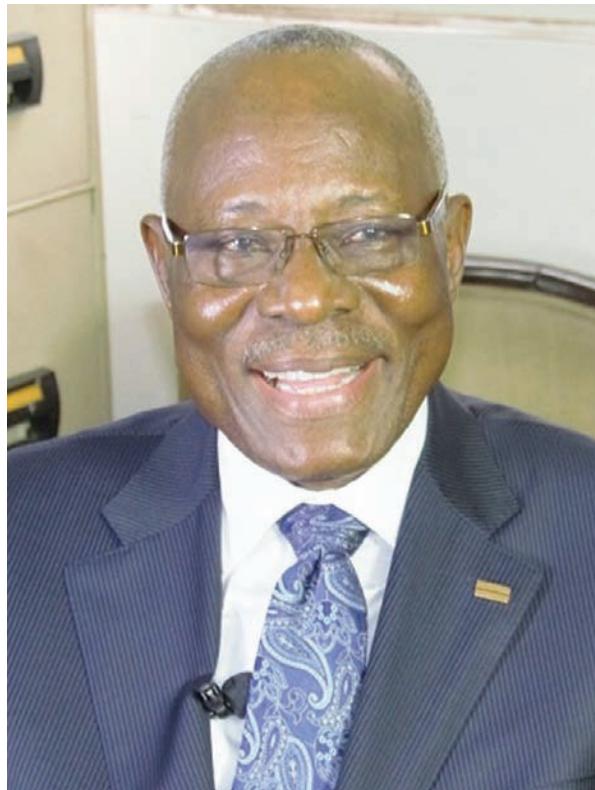
I congratulate the Institute for doing so much to firmly establish the profession in the country. I learnt it has produced about 40,000 accountants and still counting. The good thing is that ICAN products are of the best quality. The Institute has definitely done very well in this regard. Most of the major companies in Nigeria e.g. Guinness, Mobil, Texaco, Nestle, Unilever, UAC, etc and even public sector establishments, had expatriates manning their financial positions in the 1960s and early 1970s. But thanks to ICAN these positions which were hitherto occupied by expatriates were eventually taken over by Nigerians, which is quite commendable. Don't forget that it took quite a lot in terms of financial and material resources to develop this local manpower. But the important thing for me is that the Nigerian accountant whether in the country or outside will pull his weight anywhere in the world. I worked in London and I got commendable reports from the people I worked for in the UK. There have been occasions where I attended programmes outside the country, not just training sessions but strategic meetings and major assignments and we have shown that we are equal, if not even better than those produced in UK or elsewhere. I think in that regard, I will like to congratulate ICAN. The founders of the Institute had the foresight and they did very well for the entire

country, and for the people and for the good of the profession. It is very important to remember that as the country continues to grow economically there will be greater demand for the services of accountants. The forerunners had this foresight and prepared for that and I am really very pleased and we and generations to come owe them a lot of gratitude for this.

**What expectations do you have of ICAN and accountants in the next 50 years?**

First and foremost, I expect accountants to take more interest in the affairs of the country especially in the way this country is run. Luckily for us we have a few accountants in government (about five as governors) in this civilian dispensation. They are just not

enough. I expect accountants to take more interest in the preparation and enactment of laws that govern the practice of businesses in Nigeria. The main law that governs business, taxation, accountability, etc, in Nigeria is the Companies and Allied Matters Act; that Act itself, came by way of a Decree promulgated by a military regime in 1990 and it was later adopted as an Act of Parliament. It needs a major overhaul. In recent times there are different aspects of accounting some of which are new and which need proper legal enactment. These include Forensic Accounting, Insolvency Practice, litigation support, e-business, etc. We need legislation to support these areas, to govern the practice and also to moderate the behaviour of practitioners in these areas. There is also the need to ensure that as society grows, because life in itself is dynamic and not static, we must actually adjust to the challenges raised by growth. As the profession grows, roles, expectations and deliverables from accountants



Otunba Olutola Senbore

change. Change, you know, comes with fresh problems and challenges and we have to address these. So the Institute must put itself in a position whereby it could readily address issues arising from growth. I believe that going forward the Institute will have to spend more money on research; it has to enhance its training capabilities. So far, I believe by and large, ICAN has made its contributions to the Nigeria economy and its experience over the years the leadership of ICAN is equal to the task ahead.

**What is your advice to those who want to enter the profession now?**

Those aspiring to become Chartered Accountants must really make up their minds to be trained as accountants. It is not a place where you just go to shop and when you don't see the prospects of large returns at the beginning you move on to something else. No! You must find out what the profession is all about and the competences and characteristics required to succeed in it and make up your mind quickly and stay with your decision. You

cannot say okay, let me try this and see whether it will work. Once you have chosen to take to the profession, you stick to it and you must be prepared for the long haul. Persistence pays. Secondly, you must be prepared to live a disciplined life based on sound moral and ethical principles. Members of the Institute often find themselves in positions of trust in the discharge of their professional duties. This explains why the Institute emphasises integrity in the conduct of its members. Accountancy offers very good opportunities to those who are prepared to work hard, to learn and abide by the rules and to innovate. This means that anyone who has the interest, the basic education, and the capabilities to work hard is welcome to the profession. It is a noble profession with huge opportunities for good rewards for those who are professional, ethical and patient. It is relatively easier for hard working accountants to get to the pinnacle of their careers be it in industry, in commerce, or in government. I believe that the opportunities are immense. Accountants occupy leading positions in many sections of the Nigerian economy be it in agriculture, mining, or in manufacturing or service industry, The banking industry for example, you find accountants occupying positions of leadership in management and many sit on the board of the banks.

## Chief Musliu Olaiya Anibaba

### *May we meet you sir.*

I am Chief Musliu Olaiya Anibaba, a fellow of ICAN. The 8<sup>th</sup> President of ICAN (1972-73). I was involved in the formation of the Institute in 1965. I was among the three or so young men who were appointed into the very first Governing Council of the Institute. I was among those in the Committee led by Osindero who drafted the ICAN Act of 1965. We looked at the ICAEW chartered, the Scotland Chartered and some other ones and modified/ domesticated to suit Nigeria. I was the first young man to become president of the Institute at 41.

### *Some Contributions of ICAN.*

At formation, a chartered accountant was rare. I came back to Nigeria in 1961 after qualifying as member of the ACCA. Chartered accountants at that time were probably not more than 50. Government always made contact with the Institute before they make any decision. I happen to know because I was in the first council. ICAN was the only body of accountants in the country.

### *How did you become an accountant?*

Akintola Williams, the doyen of accountancy in Nigeria was the first person to qualify. I didn't even think about accountancy at the

beginning. In fact I wanted to be a lawyer. I had an uncle who was a lawyer who urged me to look into becoming an accountant. He pointed out that since I was good in mathematics I could do well in accounting. But I said I hadn't seen any in Nigeria and he asked me to go and see Akintola Williams. My friend and I were making fun that my uncle didn't want me to become a lawyer like him. Our idea of accountant was people who were seen in old ties at bank offices, John Holt and UAC who were not appealing. As we waited in his office, Mr. Williams arrived dressed in fine suit and in a big car. My reaction was, "if this is what an accountant looks like, I would love to be one". The way he spoke to me motivated me further. That was the end of my interest in law.

### *How does the Institute get its president?*

The General meeting elect members into the Governing Council; the Governing Council then elects the president and other officers. The president holds office for one year and cannot be re-elected.

### *What were the initial challenges?*

The biggest challenge then was membership. The question was who was qualified to be a member? The pioneer members held either ICAEW or ACCA qualification and each group felt its own qualification was the best. That first disagreement almost broke the Institute on inception. But the elders intervened and it was resolved. We then agreed that both were acceptable and that even those who held other qualifications could be members if their qualifications were recognised in the country of origin. The other challenge was the government which did not understand why a professional body should have a monopoly in accountancy. In the northern region then there was virtually no chartered accountant and very few in the east. The concentration was in the west (Lagos). We were asked to provide for those who were earning a living as accountants and auditors without formal training. We said okay they would be registered members.

### *What does ICAN stands for?*

Professional eminence, integrity, highest level of professional skill. This is because when I qualified, anywhere the Chartered Accountant is, you could smell, feel and hear integrity. That is what the ICAN logo represents.

### *What is your expectation for ICAN?*

The general economic and financial situation of the country should be better. I would like to see the Nigerian economy to be what it was in the 1960s, where the chartered accountants contribute more to the economic development of the country. The Institute should be more effective. At my time, I had chances and opportunities. But my children and grandchildren don't have such chances.



Chief Musliu Olaiya Anibaba

## Chief (Mrs.) Olutoyin Olakunri

### *Can we meet you?*

My name is Chief (Mrs.) Olutoyin Olusola Olakunri, the only female who joined ICAN at the beginning in 1965. I qualified as a chartered accountant in 1962 in England. I am a past president. Some people call me the Female Doyen of Accountancy in Nigeria.

### *What was it like to become an accountant, what did you have to do to become an accountant?*

I went to England at an early age where I attended an all-girls school. After my school certificate my father called me over to ask what I wanted to do and I told him what I enjoy most in school was mathematics and so he did a study and came up with the idea of me becoming an accountant. He encouraged me. He said being a chartered accountant is very good for a woman because you have flexible hours, so you can deal with domestic issues. Fortunately at the school I went to I used to keep students' petty cash. On Saturdays when they went out, I would sit down and do petty cash.

### *Tell us your undergraduate days study, how was it like those days?*

It was not easy because chartered accountants were not allowed to take more than two students for articleship at a time and many were not willing to release one of the two spaces to someone who will go back to Africa at the end and they wouldn't get the benefit. They had the feeling then that if she got back to Africa she would go to the kitchen. It was not easy. Despite this limitation I spoke to them at Casselton & Elliot and they accepted me.

### *What was the environment like for accountants in those days, in 1962 when you qualified?*

They were mostly expatriates and very few Nigerians who were professional accountants. They were not necessarily chartered accountants but there were also public accountants, municipal accountants, there were different kinds of accountants. In fact, only very few were chartered accountants. I was in Casselton & Elliot one of the big firms in Nigeria then. There were few of us we met at intervals. Mr. Akintola Williams and F.C.O. Coker were urged to form an association for accountants. Those who had not had any training were allowed to continue with their practices but they were not recognised into the society. Mr. Akintola Williams and Mr. Coker were urging us to form an institute of chartered accountants. Then we suspected we would have problem with those who were not registered accountants and that is the problem that later

emanated into ANAN now. We met regularly, followed all the rules and were in contact with the Institute of Chartered Accountants of England and Wales. The ministry of education supported us and we became the Institute of Chartered Accountants of Nigeria in 1965.

### *How many people did you have at the foundation of the Institute?*

I don't know the figure but it was close to 160, maybe less than that. My membership number is 144. If they had considered ladies first I would have been number one.

### *Let's go back to those early years, what were the challenges that confronted the Institute?*

To be sincere I was not senior enough or old enough to note all that happened, I was 20 something to be exposed to all that, it was Mr. Akintola Williams, Mr. Coker, the others and the foreigner who were here that were doing all the negotiation. At my level we were just to make sure that all the people attended the meeting and so on and so forth. The challenge I faced mostly was being a woman, the only woman and when I went for audit and the

science people would assume that I was the secretary to one of the other people in the team that I was there to carry their books. I chose to carry my books myself, the reason being that I didn't want to show them that I was claiming advantage as a woman. So while the men did theirs, I did my physical things myself. Many a times when they think I was the secretary there to render office assistance to the men I explained to them that I was actually the leader of the team. But gradually I was accepted. Fortunately as soon as I arrived, the press carried it so some people got to know about it — a young woman who is a chartered accountant. I remember going to see my grandmother and she asked what I studied and I said "Isiro" (adding up in Yoruba). She wondered why I went to England all these years to study adding up.

### *How did the idea of SWAN (Society of Women Accountants of Nigeria) come up?*

In the early 1970s the women who qualified as Chartered accountants and were practising were reluctant to participate in ICAN activities properly. Their husbands, boyfriends, uncles, etc were always asking them what they were doing among these men. So we formed SWAN to protect the interest of women. As a society we go as a body and it was easier to get family approval to participate in ICAN activities. We went to schools and started talking to children to promote accountancy. We started a programme called "mathematics is fun" to explain to girls that most basic things in Nigeria are mathematically based and yet so generally accepted. For example, when we plait our hair, we



Chief (Mrs.) Olutoyin Olusola Olakunri

divide it into units to make the job easier and the output more beautiful and they never forgot about that. When you go to a shop to buy clothes they have to measure; when you go to a provision shop to buy sugar, tea, sweet, bread, etc, the transaction more often than not requires that you will be given change and the girl will give that change without a calculator. So we were stressing that maths is fun, don't be frightened of it.

**For young people who will like to become an accountant what is your advice for them?**

For young people who want to start accountancy, if you want to study accountancy because through accounting you can maintain good record or help your client maintain good record, which will help in the planning and the promotion of industry and cover other things in the country, yes build on it, you will enjoy it. But if you are going into accountancy because that is the way you make money fast, please don't, don't make it worse than it is already.

**Your hope for ICAN in the future.**

To maintain the integrity and accuracy. But it all depends on what happens in the country. If Nigeria develops and grows, I expect ICAN to be a big player. You know the environment affects every institution. If things continue to deteriorate, the impact may not be much.

**Thank you very much ma, for your time.**

The pleasure is mine.



Onome Olaolu-Adewuyi

## Onome Olaolu-Adewuyi

**May we meet you madam.**

My name is Onome Olaolu-Adewuyi, chairperson of Society of Women Accountants of Nigeria (SWAN). The initiator of SWAN is the past president of the Institute Chief (Mrs.) Elizabeth Omereson Adegite. Mrs. Olakunri was the first chairman. The aim was to be the platform to encourage women to come into the profession. SWAN was incorporated in 1978 as the first District Society of the Institute. We were about 150 then but today we are about 7439 members and still counting.

**What can you say are the contributions of women to ICAN and accountancy?**

The Institute is 50 years. We have impacted the Institute in many ways. We have had 6 female members who have been president of ICAN. We take care of the corporate social responsibilities of the Institute because of our motherly role. We encourage young women to come into the profession. We run seminars on sexual harassment because the female students are much more vulnerable. We educate them to say no to sexual harassment and to understand that you don't need any form of compromise to do well in the higher institution. We run scholarship schemes where we assist indigent girls in all the geo political zones of the country. We have assisted people with special needs. Like there was a girl in the Parceli School of the Blind whom we trained up to university level. Today she is gainfully employed. We train market women on the basic record and book keeping so that they could run their business well. We teach them how to put some money aside for the future so they can grow their businesses. We also teach them what they need to qualify to borrow to improve their business

beyond what their immediate capital can do. When the Institute holds conferences, we organise conference tours to help the men relax and concentrate. We encourage them to bring their wives so that we can bond with them. We are represented in every district and we encourage young girls into the profession. We know that accounting is very technical and perceived to be a man's job and young girls who are very brilliant may not embrace it unless they are encouraged. We go to orphanages and make handsome donations and mentor kids in these homes. We enlighten them. We run a programme called "maths is fun" to demonstrate that calculation is essential to everyday life and showcase female accountants who are doing well. Most of the women who serve in Council of the Institute or in various committees started in SWAN where their potentials and capabilities were discovered. However, the Institute has been very supportive.

**Would you say that ICAN has met the expectations of the founding fathers?**

Yes, to a large extent. The profession as it were is growing. Competition is everywhere. But the kind of successes that ICAN members have recorded is outstanding. There was a time we looked at bank CEOs and found that almost 80% of them were chartered accountants who are ICAN members. Even in the international arena, we have a member serving on the Board of IFAC. First president of PAFA was a former president. We were instrumental in forming ABWA.

**What is your expectation for the next 50 years?**

I have one wish I hope will happen in my life time. That ICAN will host the World Congress of Accountants in Nigeria, that is the accountants' own world cup. That will be the all in all. That is what will show that ICAN is at par with the expectations of IFAC.

## Mrs. Nkem Oni-Egboma

### *Can we meet you?*

My name is Mrs. Nkem Oni-Egboma, FCA, the Managing Director/CEO of Zenith Pensions Custodian Limited.

### *What were your expectations and motivations when you set out to be an Accountant?*

What motivated me to be an accountant was my flair for numbers but my husband played a very strong role in encouraging me. Way back in Ahmadu Bello University, Zaria in 1991, there were 11 of us who made second class upper and I was the only female among them. So I knew that for me to show that I was that good I needed to go to the public domain. I needed to go outside the walls of the university to prove that I merited what I got. That meant writing ICAN exam as quickly as possible. Immediately I graduated, I registered with the Institute and began to sweat it out. It was then that I met the young man to whom I am now married. He encouraged me to join my profession and strife to get to the pinnacle. Also, one of my lecturers Omuya authored a popular book on Financial Accounting then and we were highly motivated. Another major spur was the spirit of competition. I just wanted to prove myself.

### *Does it mean that expectation of a better life arising from good income was not part of it?*

Expectation of a good income was there no doubt, but it was not the biggest motivation then. In the 1990s, people really celebrated hard work and outstanding achievement and I was eager to prove myself. I wanted to belong to a noble profession, a noble institute and the fact that I loved numbers and my result was good, gave me great impetus. That I qualified within a short space of time (two years) meant that I took the right decision.

### *Looking at your career so far can you say that your expectations have been met?*

Yes, I can say my expectations have been more than met. Whatever I am now, I thank God but it was possible mainly because the profession had prepared me well for it. I am also gladdened by the role ICAN has played in the development of our nation Nigeria. I think ICAN has played a major role towards our educational, industrial and commercial development. Many people at the helm of affairs at various sectors have passed through ICAN at one time or the other. I am glad to belong to a profession for high fliers.

### *How does accounting training of today compare with what*

### *you passed through?*

I see more of improvement. In fact things are a lot better now than during our time. Those days, as students studying to write ICAN exams, it was very laborious. There was just one centre to write the examinations (that was at the Lagos International Trade Fair Complex). Now you have centres at very close proximity to the candidates. You no longer have to converge on one place to do the exams. The stress of getting there is drastically reduced. Even the availability of study materials is easier. Yes the tuition houses are still there and are providing quality teaching. There is the internet, online libraries, several publications from ICAN and other sources of materials. ICAN now has a well stocked library both at its Victoria Island head office and the annexe at Ebute Metta and I understand that even zonal offices and ICAN Centres in major towns have libraries. During our time, we relied almost completely on the tuition houses and a few business publications such as *Business Times*, for materials. But I want ICAN to look into the possibility of partnering with District Societies to set up public libraries as a way of taking the profession to the people. The libraries I mentioned earlier are mainly for practitioners and students of accounting. There are very few places for the general public to go to consult books, journals and reference materials in the field.

### *ICAN has produced 40,000 chartered accountants since 1965, do you think this is enough; what should the expectation be going forward?*

For you to appreciate what ICAN has done, you need to understand where it is coming from. The Institute started with about 250 members all of whom qualified abroad. There was no training institution in the country, almost everything was done abroad. It took some time for the Institute to organise itself to build capacity locally and begin to certify people

under the guidance of the Institute of Chartered Accountants of England and Wales (ICAEW). Considering all these inadequacies, you need to give the Institute credit for being able to take over the role of producing accountants in the country from ICAEW and playing this role properly without compromising integrity and standard. Looking back therefore, I can say that the last 50 years has been a successful one as ICAN has been able to build a formidable institution, establish appropriate structures, facilities, capacity and outlining strategies. The next 50 years will be for consolidation and growth and I expect things to be on fast forward considering the impact of information technology, especially the internet and new/online media, I expect the number will double or even triple. Again, because of the solid foundation and experience already garnered I also expect the quality to remain top notch.



Mrs. Nkem Oni-Egboma

**Mr. Rotimi Omotoso**

**To start with I know you have a personal story about ICAN, would you like to share it?**

Yes, I have story. I started out as a student of ICAN and wrote the exams in the early eighties. I wrote the final exam in November 1984 and was admitted as an associate member in January 1986.

**Story of ICAN is about how many times the exams were failed and the unusual (perhaps drastic) methods candidates had to resort to in order to pass the exam. Do you have any of such stories that you will like to share?**

Well, it is clearly a difficult exam. There is no doubt about that. But you must realise that ICAN exams are not set for people to fail. They are set for people to show proof that they deserve to pass so that we can get more accountants to add to the number in the country to act in the public interest. People have different styles – some people will dip their legs in water, some will take kola nuts; some resort to coffee. I did a little bit of these at my own time. But what is important is that the end justified the means.

**Now let's go a bit historical. What can you say about the early years of ICAN especially with regard to the structure of the Institute?**

Our founding fathers who started the Institute qualified abroad, came back to Nigeria and led by the doyen himself Mr. Akintola Williams, came together first to form an association which became the forerunner of the Institute of Chartered Accountants of Nigeria. They had their challenges. Fund was one of such challenges. They were holding meetings in one private location or the other because the Secretariat was not there, staff was not there, and there was hardly any structure similar to what could support an institute of this magnitude. The buildings we have in Victoria Island, Ebuete Metta, Amuwo Odofin and Abuja that we now have were not there. They started by probably using their personal resources to finance the take off, on what we now have as ICAN. Those challenges were there and we will always appreciate their service to the Institute. We will forever be grateful for what they did for us.

**What has changed since 1965?**

At that time there was only a few support staff in the Secretariat. The position of Registrar/Chief Executive which I hold now was known as Secretary. He was not the Chief Executive then. We didn't

have all these directorates we have now. We were not setting our questions by ourselves; they were set by the Institute of Chartered Accountants of England and Wales (ICAEW). It was much later that we took over the setting of the questions from ICAEW. The structure was leaner then. But now we have a very elaborate structure that is befitting of an organisation that is 50 years old.

**What is the responsibility of the Secretariat?**

The secretariat is the administrative organ of the Institute. It implements all policies that the Council (the policy making organ) promulgates. We make policies work. We also serve as control to ensure that policies are well executed.

**Briefly can you explain the role of the Registrar/CE?**

I am the head of the Secretariat. I am the administrative head of the Institute. I am the chief academic officer. I am in charge of examinations. I am in charge of staffing and other resources of ICAN. I have two deputy registrars and directors that support me. But the buck stops at my table.

**What kind of relationship does the Secretariat have with the Body of Past Presidents (BoPP)?**

Very healthy relationship. They support us, they advise us, they give us the motivation to go on. They have been there and done. They are full of experience. We are always delighted to have

them. We take their advise seriously.

**What can you say about the examination cadres in ICAN, and the significance of each?**

We have three levels based on our new syllabus designed under the sponsorship of the World Bank in a twinning arrangement with the ICAEW and ICAN. We have a sixteen subject, three-part examination, including a case study. It is different from what we had before. We are at par with international standard. Our study packs were redesigned and upgraded under the twinning arrangement and this cost about N40m.

**Can you expatiate on this new relationship with ICAEW and differentiate it from what existed in the early years?**

The relationship between ICAN and ICAEW has been there from the beginning. As I said earlier, most of the early accountants in Nigeria qualified under ICAEW. Both bodies use the same designation. New entrants into the profession are given the designation of ACA and after ten years if you have sufficient experience you are inducted a Fellow (FCA), same with ICAEW. Since most of the founding fathers of ICAN qualified under ICAEW it was possible for them to enter into



Mr. Rotimi Omotoso

a memorandum then to create a blue print for us to start up. They were conducting the exams for us until we were able to take over. But as time went by we realised that we needed to upgrade our skill sets, we needed to upgrade the qualifications that we call ACA and FCA. To achieve that we have to benchmark what we have in Nigeria with what is obtained internationally. We don't want to fly blind. We want to ensure that what we are doing is comparable to what is done elsewhere. This was how ICAEW came in. it was easier for us to decide to collaborate with them since they were there with us at the beginning. This collaboration was not handpicked. It was through a competitive bidding. They provided a technical and financial bid which was considered by the World Bank on that basis they came in to provide technical assistance to us. This involved upgrading our qualifications as well as the administrative organ of ICAN so that we can operate at the level that is comparable to what is obtainable anywhere in the world.

***What is the implication of the new model you have?***

Let me start from the suggestion that people now prefer to take other foreign qualification to ICAN. I disagree with that. People actually prefer to go with ICAN and there are many reasons for this. With ICAN qualification you can practice accountancy in Nigeria. That is, you can set up an office as a Chartered Accountant with ability to sign Financial Statements. If you have any of the foreign qualifications now, you cannot do that in Nigeria. You can only be an employee; you cannot set up to practice. You can confirm this by looking at firms of Chartered Accountants in Nigeria. If you look at the newspapers or annual reports of companies only Chartered Accountants sign them. You cannot sign if you are a member of a foreign body. We try as much as possible to educate our kids through various programmes such as ICAN leadership workshop, ICAN residency programme and "Catch Them Young." But don't get me wrong. Apart from the opportunity to work in various sectors as an employee, you can set up on your own as an auditor and certify financial statements. But before you can do that you must be educated, you must pass our exams and you must be experienced (at least 36 months of articleship). We are not saying people cannot pitch tent with whatever body they like but they must know the rewards and penalties of such action. What we are doing here is not profit making activity. We are acting in the public interest. We are developing the kids of Nigeria to practice accountancy that is comparable with their colleagues elsewhere in the world. It is not a business; it is a public service.

***When the Institute was Chartered in 1965 there was no other Professional Accountancy Organisation in the country. Several years later other organisations came to the scene, more are still fighting to come on board? Why the scramble?***

It is the law of nature. If you are doing well, people will want to join you. When we started and for several years, ICAN was on the lips of everybody. Even our parents in the village knew about the Institute. They knew what ICAN stood for. They knew about our examinations. If you passed ICAN exams, you threw a party. Others saw this success and decided to form their own. There is no problem about that. But the issue is that a professional accountancy organisation is supposed to build capacity and produce accountants that serve the public interest. I don't believe that is what other professional accountancy bodies are doing. We have a code of ethical requirement. For you to act in the public

interest you must comply with those ethical requirements. You've seen what we have done to some of them to bring them up to par. But some of them that we believe cannot rise to the challenge, we talk to the government that this is not what we want in Nigeria. Proliferation of accountancy bodies is not desirable for any economy because you might be inadvertently be producing half-baked accountants. I believe government is listening to us in that respect. But in terms of numbers out there, I believe the economy is taking care of everyone. If you look at the Nigerian Stock Exchange, ICAN members audit all the quoted companies. The market recognises the importance of ICAN, they recognise the quality and the capability. If other PAOs are springing up here and there, it is not good for the economy. I think as time goes on they will converge and we will see what we can do to smoothen the system, and create an avenue for them to get the kind of experience and professional certification that is required.

***When some other PAOs came on board, did it have any effects on ICAN?***

I don't think it has. If you look at what ICAN has done over the years, there is no effect. Like I said the market is taking care. The market distinguishes the original from the fake. That is why I gave the instance of companies quoted on the Nigerian Stock Exchange; ICAN members sign the financial statements of all of them. I mean all. They can spring up, but the market knows we are there for quality, competence, integrity and accuracy. There is little we can do as professional accountancy organisation — a law abiding one at that. It is a competitive market; we cannot stop people from floating a PAO if they want. They can call it anything they like. But you and I know that if you want to add value, if you set up your own organisation and you want stewardship accounting, you will want to go for someone who can audit that organisation and you will be rest assured that the business is doing well as planned. I think that is what has distinguished us in the market. We don't want to try to force anyone out of the market. We want the market itself to do that.

***There was a litigation involving ICAN and ANAN following its Charter in 1992, what was the major issue?***

ANAN is a sister professional accountancy organisation. The issue then was a clause that was included in ANAN Act criminalising lawful duty of every other practice of accountancy. I think we have gone past that now. If you review the situation very well, you will recall that the process of obtaining the ICAN Act was different from the process of obtaining the ANAN Act. That was part of the programme. We have passed that stage and have gone ahead to help ANAN. We have taken them to ABWA, we have taken them to PAFA and we have taken them to IFAC. We mentored and sponsored them and they have become members of those bodies.

***Do you have internal challenges affecting ICAN?***

Internal challenges are always there in every organisation. We want to do more. We want more students to pass our examinations. We want to produce more chartered accountants for the country. We need more students. We want people to know that accountancy is a value adding profession. We want people to take accountancy as their first choice, over law, over engineering or even medicine. We need more accountants in the country and we are doing our best to produce them. We have programmes that we pursue all over the world. We have built and are still building lecture theatres in accountancy departments of higher

institutions across the country. We have built for Obafemi Awolowo University, Ife, University of Benin, University of Nigeria, Nsukka and NorthWest University, Kano. We are building for Michael Okpara University of Agriculture, Umudike, University of Lagos, Federal University, Birnin Kebbi, Ibadan Polytechnic. We want to do more. We have what we call Students Special Project across the country. We know that accountancy education is a challenge. We take lecturers from Lagos and other areas with qualified and experienced chartered accountants to areas with shortage so that they can benefit from sound accountancy education. Finance is also there. We don't want to burden our students. As I said earlier we act in the public interest. It is a non profit organisation. We don't expect to make profit out of our students or out of our members. We also need more space. We also need to enhance our information technology infrastructure. We have already computerised but we are upgrading and enhancing our structure in anticipation of expansion and growth. We appeal to well meaning Nigerians and corporate bodies to come to our aid. There is much job to be done.

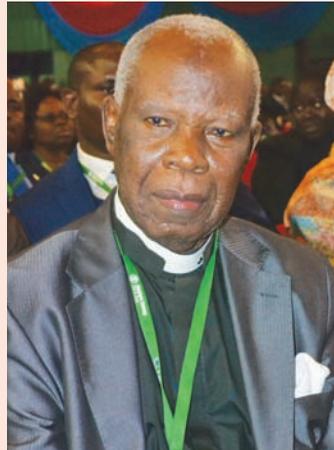
Nigerian educational system is also a major challenge. Because of the challenge at home people send their children abroad and whenever they see anything from USA or UK they want to believe it is the best. They are not necessarily the best. For instance if you look at Petroleum Product Tax, it is only in Nigeria you can get the type of experience to do it properly because this is a petroleum country. Other challenges are not peculiar to ICAN. They are what we face daily in the country in whatever area of the economy we operate.

***In the last 50 years, ICAN has produced about 40,000 accountants. What is the target for the next 50 years?***

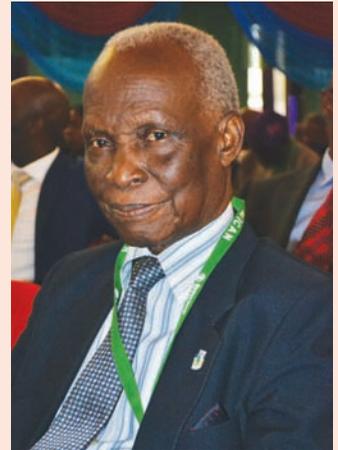
We are looking at 150% increase. If you see it, you can do it. That is why we need the help of the government to create an enabling environment for education. There are three 'E's that we use to impact needs before you become a chartered accountant. The first 'E' is education. You must be educated. You cannot be a chartered accountant if you do not have the background, the basic education – BSc, HND. That is where the government comes in to create enabling environment for that kind of education. The other 'E' is examination. We have to test you. We have to examine you. We have to make sure that you can pass a fairly difficult examination. We have accredited tuition centres that we have spent about 50 million Naira to support and upgrade their library. There is also the third 'E' which stands for experience. That is where government can help, because if the economy is in comatose how do you get the enabling environment for experience. If you look at this experience there must be people who have set up companies that must be ready to absorb you for you to be trained. Experience is a requirement and you must have it before we can give you the certificate of membership which is just one of those certificates and you must have specialised aricleship experience before we give you licence to practice. We issue two types of licence — certificate (licence) of membership and licence to practice. You must have spent 36 continuous months in an office of a chartered accountant who will certify you. But if the economy is not performing, people are not going to hire candidates to get the experience. That is why we face this challenge. We cannot give you licence to practice if you don't have this experience. ●

## We Celebrate Nigeria's Legends of Accountancy as ICAN Clocks 50

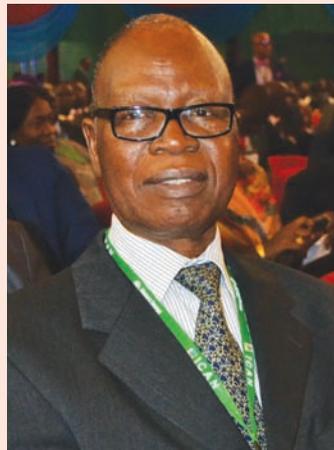
### Registrar/CEOs of ICAN



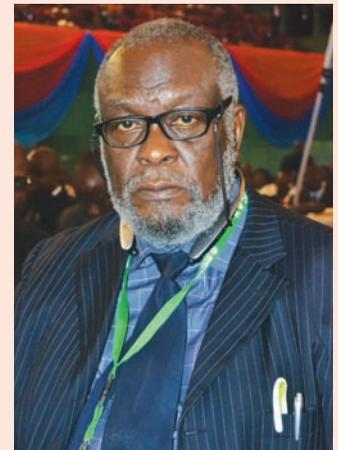
Rev. Oluyomi Ladehinde, FCA



Mr. G.M. Okufi, FCA



Mr. P.O. Omoregie, FCA



Mr. Olubunmi Sowande, FCA



Mr. Olutoyin Adepate, FCA



Mr. Rotimi Omotoso, FCA

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

# Communiqué

## of the 45<sup>th</sup> Annual Accountants' Conference

### Preamble

1. The 45<sup>th</sup> Annual Accountants' Conference took place at the International Conference Centre and Sheraton Abuja Hotel, Abuja between the 31<sup>st</sup> of August and 4<sup>th</sup> of September 2015. The conference coincided with the 50<sup>th</sup> Anniversary of our great Institute, which received, on the 1<sup>st</sup> of September 1965, its enabling Act of parliament No. 15 of 1965.
2. The international conference was declared open on Tuesday, 1<sup>st</sup> September 2015 by His Excellency, President Muhammadu Buhari, GCFR, Commander-In-Chief of the Armed Forces, Federal Republic of Nigeria, ably represented by Mrs. Anastasia Mabi Daniel-Nwobia, Permanent Secretary, Federal Ministry of Finance. Shortly after the Opening Ceremony, the President, Commander-In-Chief, hosted a 25-man delegation of the Institute led by the 51<sup>st</sup> ICAN President at the state house.

### Participation

3. A total number of 3,758 delegates including invited guests and resource persons drawn from Africa, Europe and America attended the conference. It is instructive to mention that three serving State Executive Governors – the Executive Governor of Gombe State, Alh. Ibrahim Dankwambo, FCA, the Executive Governor of Lagos State, His Excellency, Mr. Akinwummi Ambode, FCA and the Executive Governor of Ogun State, His Excellency, Senator Ibikunle Amosun, CON, FCA, graced the occasion with their physical presence.

### Goodwill Messages

4. Goodwill messages were received from the Special Guest of Honour, President Muhammadu Buhari, GCFR, Ms. Olivia Kirtley, President of the International Federation of Accountants (IFAC), Pan Africa Federation of Accountants (PAFA), Association of Accountancy Bodies in West Africa (ABWA) and the Executive Governors of Gombe, Lagos and Ogun States.

### Technical Sessions

5. There were three plenary and four workshop sessions during which carefully selected seasoned resource persons drawn from government, industry, academia and the profession made presentations. In particular, the Conference lead paper entitled *“Repositioning Nigeria for Sustainable Development: From Rhetoric to Performance”* was delivered by His Excellency Professor Yemi Osinbajo, SAN, GCON, Vice President of the Federal Republic of Nigeria on Day Two due to exigencies of State duties.

### 6. Observations and Recommendations

At the end of deliberations, the following recommendations were made:

- i. The conference participants agreed that current economic travails of the country should be seen as an opportunity for the government to effect policies that would result in the structural diversification of the economy for sustainable development
- ii. While noting that the country has been growing at an average of 7% in the past 8 years, the conference participants agreed that this growth has not been sufficiently inclusive. Hence the discontent by Nigerians with the high level of unemployment, poverty, hunger and insecurity in the land.
- iii. In view of this, the participants urged the government to effect strategic policies that will ensure that growth is more inclusive such that within a reasonable span of time, a significant number of Nigerians will be moved out of the poverty level to the middle class. Policy initiatives proposed by the conference delegates include a general focus on reducing corruption, blocking of the revenue and fiscal leakages in the system, strengthening of processes, laws and institutions that will improve public governance and closer integration of the Nigerian economic sectors into the global value chain
- iv. Indeed, the conference participants identified corruption as the single most important factor militating against sustainable and inclusive growth and development in the country. They therefore recommend that financial incentives should be given to whistleblowers and informants who provide information to anti-corruption agencies like EFCC and ICPC that ultimately result in the successful prosecution of financial crimes. The incentive should not be less than 10% of the funds recovered from the perpetrators of the crime
- v. In line with the national imperatives for eliminating corruption in the public sectors, the conference participants agreed that it should be mandatory for all public office holders and senior civil servants to publicly declare their assets before assuming and after leaving office.
- vi. The conference delegates agreed that the administration of President Buhari should focus on plugging all revenue leakages, revisit and redefine national priorities, slashing the cost of governance, investing more in capital goods, enforcing fiscal discipline and above all, leveraging the huge natural and human resource endowments to reposition the

nation on the path to sustained growth and development

- vii. To ensure that the nation's quest for sustainable and inclusive growth and development is achieved, the conference participants recommend that policy initiatives should recognise and evaluate the economic, social and environmental impact of various initiatives. In other words, the potential impact of national policies should be evaluated along these three criteria before implementation.
- viii. The conference delegates also noted with dismay the recurring legacy of poor policy implementation which has prevented the realisation of the nation's full economic potentials. To reverse this trend, the conference delegates recommend the establishment of an office of Presidential Strategy and Delivery as vehicle for real-time monitoring of government policy formulation and execution.
- ix. It was further agreed by the participants that as a matter of national urgency, the resolution of the power deficiency, infrastructure gap along with the improvement of national security should be matters of utmost priority for the present administration
- x. While noting the critical role of entrepreneurship as a key driver of national development, the participants recommend that policy initiatives of the present administration should focus on creating incentives that will encourage entrepreneurship especially amongst young school leavers. This can be achieved, in part, by the institutionalisation of entrepreneurship studies and basic business management skills in the nation's education curricula across all tiers of institutions. These studies should be made mandatory. In support of this policy initiative, access to finance and trade incentive schemes should be made more readily available and also well publicised
- xi. The conference delegates noted with delight the nation's proposed transition to accrual-based accounting IPSAS in 2016 by all public sector reporting entities as this was critical to the national effort in fighting corruption. In their view, accrual accounting-based IPSAS will ensure transparency and a higher degree of accuracy in reporting public finances. Although they noted that the route/road map to implementation will be tough and dotted with challenges, they were optimistic that the challenges were surmountable.
- xii. To address the observed challenges, the conference delegates urged the government to demonstrate a firm resolve and commitment to the transition by:
  - ▶ Providing sufficient funding to support the transiting public sector reporting entities;
  - ▶ Investing in the relevant technology infrastructure and platforms to support the process;
  - ▶ Investing in training and human capital in order to build a critical mass of skilled and competent staff to drive the process;
  - ▶ Embarking on massive enlightenment campaign of political appointees and politicians so as to bring them up to speed on the need for IPSAS and to gain their buy-in;
- ▶ Enacting enabling laws to empower the process of transition;
- ▶ Developing an implementation plan; and
- ▶ Leveraging the technical expertise of chartered Accountants.
- xiii. As a matter of national policy, all public service reporting entities, including ministries, departments, parastatals, agencies, should publish their financial reports under accrual-based accounting IPSAS, to ensure transparency, accountability and probity beginning from 2016 financial year.
- xiv. The participants further recommend that the present administration led by President Muhammadu Buhari, GCFR should fulfil its pledge to Nigerians by regularly reporting in a fair and timely manner, the progress made in governance, economic and public policy, and challenges encountered, in the spirit of transparency, inclusiveness and accountability.
- xv. While observing that Integrated Reporting will improve transparency and information value of corporate reporting, the participants urged ICAN to champion the process of engagement with relevant reporting entities and regulators such as SEC, NSE and FRC on the advantages and challenges of adopting the fledgling reporting framework.
- xvi. As matter of public policy aimed at diversifying the economy, the conference delegates urged the government to increase its focus on developing and creating fiscal and legislative incentives for those sectors where the country has comparative advantages.
- xvii. The participants commended the Institute for organising a National Essay Competition for undergraduates of tertiary institutions in the country to mark the ICAN's 50<sup>th</sup> Anniversary and Golden Jubilee Celebrations. They noted with delight the awards and recognitions given to the top ten winners who were hosted for five days in Abuja throughout the conference. They urged the Institute to continue with this "Catch Them Young" initiative, which, according to them, is in tandem with the Institute's philosophy of attracting the best and brightest to the Profession.

### Conclusion

- xviii. The participants commended the governing Council for the choice of theme and sub-themes, the selection of erudite resource persons and the overall planning and execution of the Conference. They urged the Council to make available to the government and other relevant stakeholders this communiqué and the conference proceedings and persuade the relevant authorities to adopt these recommendations as recipe for inclusive growth and development.

**Otunba Samuel Olufemi Deru, FNIM, JP, FCA**  
President,  
*The Institute of Chartered Accountants of Nigeria*

# ICAN: Building on a Legacy of Service

The 45<sup>th</sup> Annual Accountants' conference was like a two-edged sword as it coincided with the 50<sup>th</sup> Anniversary celebration of the Institute. The journey of a thousand miles starts with a step, so the adage goes. But the ICAN's journey would not have started if not for the sagacity of the doyen of Accountancy in Nigeria, Mr. Akintola Williams, CBE, CFR, B.com., FCA and others who came together to form the forerunner of the Institute – The Association of Accountants in Nigeria, which later metamorphosed into The Institute of Chartered Accountants of Nigeria (ICAN).

The theme of the conference "ICAN: Building on a Legacy of Service" was carefully selected to reflect and reminiscence on what the Institute stands for from inception and what it is still pursuing in rendering service in the interest of the public.

The conference, held between August 31 and September 4, 2015 at the International Conference Centre and Abuja Sheraton Hotels and Towers, Abuja was declared open by the President of the Federal Republic of Nigeria, Muhammadu Buhari GCFR, represented by the Permanent Secretary, Federal Ministry of Finance, Mrs. Anastasia Mabi Daniel-Nwaobia.

The conference was attended by a total of 3,758 delegates including invited guests and resource persons drawn from Africa, Europe and America. Also, three serving state governors – the Executive Governor of Gombe State, Alh. Ibrahim Dankwambo, FCA, the Executive Governor of Lagos State, His Excellency, Mr. Akinwummi Ambode, FCA and the Executive Governor of Ogun State, His Excellency, Senator Ibikunle Amosun, CON, FCA, graced the occasion.

The lead paper, "Repositioning Nigeria for Sustainable Development: From Rhetoric to Performance" presented by the Vice President of Nigeria, Professor Yemi Osinbajo pointed to the fact that public interest can be referred to as the net benefits derived for, and procedural rigor



Ogun State Governor, Senator Ibikunle Amosun (left); ICAN's Vice President, Deacon Titus Soetan; President Muhammadu Buhari; ICAN President, Otunba Olufemi Deru and Lagos State Governor, Mr. Akinwumi Ambode during a visit to Buhari in Aso Rock



ICAN Registrar/Chief Executive, Mr. Rotimi Omotoso (left); ICAN Vice President, Deacon Titus Soetan; Mrs. Christiana Deru; ICAN President, Otunba Olufemi Deru; ICAN 2<sup>nd</sup> Deputy Vice President, Alhaji Razak Jaiyeola; 1<sup>st</sup> Deputy Vice President, Alhaji Ismaila Zakari; and 45<sup>th</sup> Annual Conference Committee Chairman, Mrs. Comfort Eytayo, cutting the 50<sup>th</sup> Anniversary cake

employed on behalf of all society in relation to any action, decision or policy.

According to him, for actions, decisions and policies to advance the public interest, the benefits must not only outweigh the cost, the processes for reaching the decision must follow due process, be transparent, independent, participatory and publicly accountable.

After an exhaustive discussion, brainstorming and deliberations on the theme and sub-themes through technical sessions, the conference participants agreed that current economic travails of the country should be seen as an opportunity for the government to effect policies that would result in the structural diversification of the economy for sustainable development

The conference observed that Nigerians groan under high level of unemployment, poverty, hunger and insecurity was borne out of dull growth of the country with an average of 7% in the past 8 years, which was not even sufficiently inclusive.

The participants called on the government to effect strategic polices that will ensure inclusive growth such that within a reasonable span of time, a significant number of Nigerians will be moved out of the poverty level to the middle class. Policy initiatives proposed by the conference delegates include a general focus on reducing corruption, blocking of the revenue and fiscal leakages in the system, strengthening of processes, laws and institutions that will improve public governance and closer integration of the Nigerian economic sectors into the global value chain.

However, participants identified corruption as the bane of sustainable and inclusive growth and development in the country and therefore recommend that financial incentives should be given to whistleblowers and informants who provide information to anti-corruption agencies like the Economic and Financial Crimes Commission (EFCC) and Independent Corrupt Practices Commission (ICPC) that ultimately result in the successful prosecution of financial crimes. It was also recommended that the incentive should not be less than 10% of the funds recovered from the perpetrators of the crime.

On the ongoing anti-corruption crusade in the country, the delegates agreed that if corruption must be totally eliminated or reduced to barest minimum in the public sector, it should be mandatory for all public office holders and senior civil



**ICAN Registrar, Rotimi Omotoso; Chairman, 45<sup>th</sup> Annual Conference, Mrs Comfort Eytayo; 2<sup>nd</sup> Deputy Vice President of ICAN, Alhaji Razak Jaiyeola; ICAN Vice President, Deacon Titus Soetan; Nigeria's Vice President, Professor Yemi Osinbajo; ICAN President, Otunba Olufemi Deru; ICAN Past President, Michael Oni; ICAN 1<sup>st</sup> Deputy Vice President, Alhaji Ismaila Zakari at the conference**



**The 45<sup>th</sup> Annual Conference Committee Chairman, Mrs. Comfort Eytayo presenting the book "Indelible Footprint" written to commemorate ICAN's 50<sup>th</sup> anniversary at the conference**



**ICAN President, Otunba Olufemi Deru with other members of the Institute after the 50<sup>th</sup> Anniversary thanksgiving service at the Cathedral Church of the Advent, Abuja**

servants to publicly declare their assets before assuming and after leaving office. It also suggested that the administration of President Buhari should focus on plugging all revenue leakages, revisit and redefine national priorities, slash the cost of governance, invest more in capital projects, enforce fiscal discipline and leverage on the huge natural and human resource endowments to reposition the country for growth and development.

Examining the critical role of entrepreneurship as a key driver of national development, the participants advised that the present administration should encourage entrepreneurship especially amongst young school leavers. They advised that government should include and make mandatory entrepreneurship studies and basic business management skills in the nation's education curricula across all tiers of institutions.

The conference delegates expressed optimism over the nation's proposed transition to accrual-based accounting International Public Sector Accounting Standards (IPSAS) in 2016 by all public sector reporting entities, adding that this would ensure transparency and assist a lot in fighting corruption.

Declaring the conference open, the representative of President Muhammadu Buhari, Mrs. Anastasia Mabi Daniel-Nwobia, Permanent Secretary, Ministry of Finance, noted the Institute's strategic contributions to the country's capacity building efforts and its defence of public interest. She expressed appreciation over ICAN's usual support, advice and submission of memoranda to the government which had assisted in policy formulation.

"Indeed, your contributions to human capacity building, educational development, high quality financial reporting and anti-corruption crusade are commendable. ICAN's achievements in the international arena are also considerable", she eulogised.

She reiterated government's commitment to the security of lives and properties of the citizenry as well as eradicating corruption and urged other professionals to emulate ICAN by putting the interest of the public first in their operations, adding that nation building requires collective sacrifice.

In his welcome address, the ICAN President, Otunba Samuel Olufemi Deru declared that in line with its pioneering public interest mandate of setting standards and regulating accountancy profession in the country, ICAN has upheld the ideals and made remarkable progress in the 50 years of its existence.

"Over the years, the Institute has continued to justify its public interest mandate by



Ogun State Governor, Senator Ibikunle Amosun (left); ICAN President, Otunba Olufemi Deru; Representative of President Muhammadu Buhari, Mrs. Anastasia Mabi Daniel-Nwaobia, Permanent Secretary, Ministry of Finance; and Lagos State Governor, Mr. Akinwumi Ambode

investing in education and financial literacy of Nigerian youths and promoting best practices in financial reporting, ethics and corporate governance. It is interesting to note that ICAN's strong role in the anti-corruption crusade was recently reinforced with the endowment of N50m whistle-blowers' fund by our Council to cater for our members who may be victimised for defending the ICAN ideal. Also through its thought leadership and advocacy initiatives, ICAN has regularly brought rich insights to public policy discourse. These initiatives are no doubt germane to the building of a prosperous economy," he declared. He described the setting up of ICAN soon after independence as bold, strategic, thoughtful and outstanding legacy of public governance, for which, all are



Ten students of various higher institutions that won prizes in the essay competition organised by the Institute as part of activities to mark its 50<sup>th</sup> Anniversary



ICAN President welcoming Nigeria's Vice President, Professor Yemi Osinbajo to the conference



ICAN President, Otunba Olufemi Deru welcoming Professor Pat Utomi to the conference venue



The 45<sup>th</sup> Annual Conference Committee Chairman, Mrs. Comfort Eytayo; Gombe State Governor, Alhaji Ibrahim Dankwabo; and ICAN President, Otunba Olufemi Deru during the closing ceremony



ICAN President presenting a trophy to one of the winners during the sporting competition at the conference



Cross-section of participants at the conference

now proud.

The ICAN President also declared that the next 50 years of ICAN hold a lot of promises for the Institute, accounting profession and the nation, even in the face of challenges if all the rich human and natural endowments are efficiently harnessed and optimally deployed. He urged the government to press forward with its crusade to sanitise the system, set a new tone for governance as well as chart the right direction for the nation.

"We strongly believe that the nation's economy needs surgical and drastic reforms beyond cosmetic privatisation of government companies. And this should begin with plugging of all revenue leakages, revisiting and redefining our priorities as a nation, slashing of cost of governance, investing more in capital goods, enforcing fiscal discipline and above all, leveraging our huge natural and human resource endowments to reposition the nation on

the path to sustained growth and development. We also urge the government to make the budget cycle a subject of legislation in order to enhance budgeting ethics and effective implementation processes," he expressed.

Declaring the conference close, the Executive Governor of Gombe State, Alhaji Ibrahim Dankwambo expressed appreciation to those who took time out to attend the conference. He also commended the Institute for putting the conference in place, advising that those in authority should endeavour to make use of the various suggestions from the conference, for the benefit of the nation's development.

The sub-themes of the conference include: **Repositioning Nigeria for Sustainable Development: From Rhetoric to Performance; Achieving Nigeria of our Dream: The Responsibility of Professional Accountants; Infrastructure, Technology and Human Capital: Powering the Engine of Enterprise; Fiscal Responsibility in Public Financial Management: Confronting the Challenges (IPSAS); Economic Diversification: Integrating Nigeria into the Global Value Chain; Integrated Reporting: Raising the Bar of Accountability and Transparency and Innovative Business Models: Leveraging Technology, E-Commerce and Social Media.**

Apart from paper presentations, workshops and plenary sessions, there was a gala nite on Thursday during which the high-ranking juju musician, King Sunny Ade entertained the participants.

There was also a raffle draw where three members of the Institute won brand new cars. Other prizes like LCD television, gas cookers, laptops, fridges, were also won during the Gala by other members.

The Institute also organised a National Essay Competition for undergraduates of tertiary institutions in the country to mark ICAN's 50<sup>th</sup> Anniversary and Golden Jubilee Celebrations. The topic was "The Next 50 years of Professional Accountancy Practice: Making ICAN Globally Relevant." Awards and recognitions were given to the top ten winners who were hosted for five days in Abuja during the conference. Each of the winners got a laptop and cash prizes. There were also sporting activities, excursions and exhibitions. Other programmes of the conference include District Societies competition where various District Societies won trophies for their performances. ●



Conference Committee Chairman, Mrs. Comfort Eytayo presenting a trophy to Ikeja and District Society during District Societies competition at the conference



ICAN President presenting a trophy to Ilorin and District Society at the District Societies competition



The 1st prize winner of the raffle draw, Mr. Okafor Emmanuel, receiving his car key from ICAN President, Otunba Olufemi Deru



Mr. Emmanuel Isibor, the 2nd prize winner, in his car



Otunba Olufemi Deru presenting the 3rd prize winner, Okunlola Eunice (MBO 35408) with her car

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# *Goodwill Message*

## **To ICAN At 50**

The Institute of Chartered Accountants of Nigeria (ICAN) undoubtedly, has established itself as one of the leading global organisations within the five decades of its existence. Without mincing words, the organisation has been able to sustain the enduring legacy of professionalism, positive contribution to the growth of the nation's economy and realisation of the mission and vision of its founding fathers as a body that "will produce world class accountants, regulate and continually enhance their ethical standards and technical competence in the public interest". The Institute has once again gone ahead to confirm itself as a trail-blazer in bringing to the fore, issues and matters of national importance and development.

I Must state emphatically that I am proud of this great Institute. Firstly, as a Chartered Accountant and Fellow of the Institute, ICAN remains the bedrock of our professional practice. Again, as Governor of Ogun State, which has produced many of the founding fathers, past presidents and leading lights of the Institute, I remain committed to the ideals of the Institute.

It gives me a great sense of pride to note that Pa Akintola Williams who was the foundation President of the first body of Accountants in Nigeria is from Ogun State, as well as the first female Chartered Accountants in Africa, Chief (Mrs) Olutoyin Olakunri. Additionally, the first female President of our Institute, Otunba Ayora Bola Kuforiji-Olubi, is also an indigene of Ogun State.

The importance of ICAN to nation-building cannot be overemphasised. Apart from being an avenue for the actualisation of the career goals of teeming Nigerian youths with numerate prowess, as they seek to reach the zenith of their professional pursuit in Accountancy, ICAN as an icon of accountability and probity has been able to enlighten, orientate and mould the minds of average Nigerians who believe in financial probity and accountability especially at this critical stage of ours where the culture of financial impunity, recklessness, mismanagement, fraud, embezzlement, corruption and other moral decadence have become the norm in our polity.

On behalf of the Government and entire people of Ogun State, I congratulate and felicitate with the Institute on the celebration of this year's "**Golden Jubilee**". Also, I congratulate the President, Executive Council, and Members of the Institute of Chartered Accountants of Nigeria (ICAN), Corporate bodies, philanthropists and other well-spirited Nigerians who in one way or the other have contributed to the success of this 50<sup>th</sup> Anniversary. My conviction is that the organisation will continue to wax stronger and continue to be a role model for sister organisations.

**Senator Ibikunle Amosun CON, FCA,**  
*Governor of Ogun State, Nigeria*

September, 2015.

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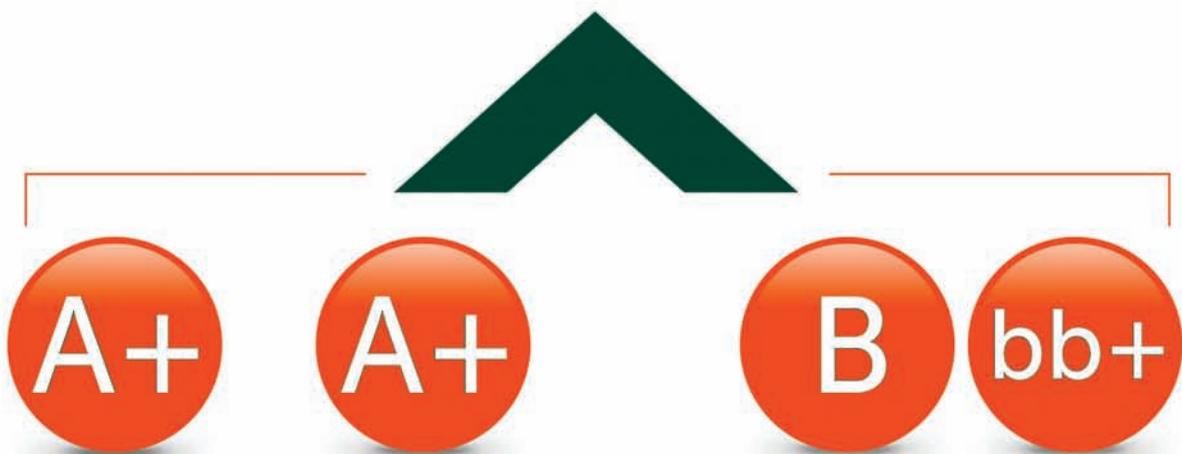


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