



JANUARY/MARCH, 2019

Vol.52, No.1

ETHICS

IN PUBLIC SECTOR FINANCE AND REGIONAL DEVELOPMENT



CaseWare Africa

In Nigeria

Global solution
with localised
content

CaseWare Africa is the global leader in quarterly and statutory reporting software as well as audit solutions for 20+ years

CaseWare supports localised content to ensure built in compliance to IFRS, IFRS for SME's , IPSAS and International Standards on Auditing (ISA).

Automate your process today for efficiency, accuracy and globally recognised quality financial statements and audit systems.

BETTER COMPILATION AND AUDIT MANAGEMENT

CaseWare is an end-to-end solution from importing the trial balance, to sign-off of financial statements. This file then integrates with a fully automated audit methodology

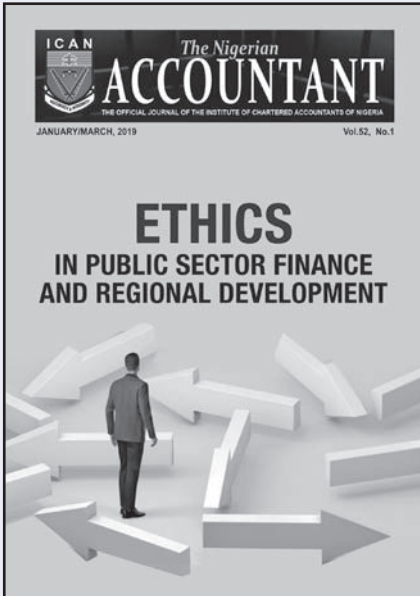
GUARANTEED COMPLIANCE FOR ALL SIZE ENTITIES

Trusted by 20 000+ financial professionals in practice, in business and in public sector. Local sales, training and implementation, no matter the size of your business.

Draft.Audit.Succeed.

Contact us today
www.casewareafrika.com


adapt IT



The Nigerian ACCOUNTANT

(ISSN: 0048 - 0371)
is published quarterly by
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

HEAD OFFICE:
Plot 16, Idowu Taylor Street,
Victoria Island, Lagos.
P.O. Box 1580, Lagos.
Telephone: 09053847510,
09053847511
E-mail: info.ican@ican.org.ng
Website: www.icanig.org

ANNEXE OFFICE:
82, Murtala Mohammed Way,
Ebute Metta, Lagos.
Telephone: 09053847513

* The views expressed by correspondents or contributors in this journal are not necessarily those of the Institute. By making submissions to *The Nigerian Accountant*, the contributors undertake that the contributions are original and have not been accepted or submitted elsewhere for publication.

* The Institute reserves the right to refuse, cancel, amend or suspend an advertisement or insertion and no liability can be accepted for loss arising from non-publication or late publication of any advertisement or insertion. All articles are subject to editing.

* © No part of this publication may be reproduced without the prior written permission of the publisher.



JANUARY/MARCH, 2019

Vol. 52, No.1

- 4 FEATURES**
 - * Workplace Happiness
- 7 INTERVIEW**
 - * How is Technology Changing the Role of a CFO?
— Cheik Daddah
- 9 NEWS/EVENTS**
- 20 BUSINESS REPORTING**
 - * Signs on the Road to for Accountants in Business in a Digital Age
 - * Encouraging New Data on Accrual Adoption but Further Progress Needed
- 33 DEVELOPMENT**
 - * SMEs in Nigeria and Corporate Social Responsibility
 - * Roles and Importance of Professional Accountants in Business
 - * The Future-Ready Professional Accountancy Organisation Must be Global
- 52 COVER ARTICLE**
 - * Ethics in Public Sector Finance and Regional Development
- 56 TAXATION**
 - * Three Imperatives for Taxing the Digital Economy
 - * How to Succeed in Tax in 2019
- 60 MANAGEMENT**
 - * From Risk to Opportunity - Accountants Need to Lead Enterprise Risk Management
 - * Professional Skepticism: The Heart of Audit
- 62 HEALTH**
 - * 9 Birth Defects and Their Symptoms and Treatments





THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

(Established by Act of Parliament No.15 of 1965)

Vision Statement

To be a leading global professional body.

Mission Statement

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

ICAN Centre:

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

ICAN LIAISON OFFICES

Abuja Liaison Office:

Akintola Williams House
Plot 2048, Michael Okpara Way,
Zone 7, Wuse District, Abuja.
Tel: 09 – 8722302, 07034520270
E-mail: icanabuja@ican.org.ng
ayusuf@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

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
ahumaru@ican.org.ng

Contact Person:

Mr. A.H. Umaru

Officers & Council Members 2018–2019

President

Razak JAIYEOLA (Alhaji), BSc, ACFE, CRISC, FCA

Vice President

Nnamdi Anthony OKWUADIGBO (Mazi), BSc, FCA

1st Deputy Vice President

Onome Joy ADEWUYI, BSc, MSc, FCIB, FCA

2nd Deputy Vice President

Comfort Olujumoke EYITAYO, mni, CFA, FCA

Immediate Past President

Isma'ila Muhammadu ZAKARI (Mallam), mni, BSc, FBR, FCA

Honorary Treasurer

Oyemolu Olugbenga AKINSULIRE (Chief), MSc, MBA, FNIM, FCA

Members

Oluwatobi Ayodele ABIOLA, HND, BSc, FCA
Solomon Oluwole ADELEKE (Deacon), FCA
Titilola Ariyike Nurat AKIBAYO (Alhaja), MBA, FCIT, FCA
Davidson Chizuoke Stephen ALARIBE (Chief), MA, CFA, MNIM, FCA
Chibuzor Noel ANYANECHI, BSc, MBA, FCA
Deji AWOBOTU (Dr.), M.IoD, FCA
Felicia Aina BAMGBOSE, FCA
Adaku Chilaka CHIDUME-OKORO (HRM), BSc, MSc, FCA
Samson Adewale DISU (Rev.), MSc, FCA
Jude Sunday EGBO, HND, MBA, FCA
Omehe Gaddafi Peter EHKORAGBON, HND, FCA
Tijjani Musa ISA (Mallam), BSc, M.IoD, FCA
Ahmed Modu KUMSHE, PhD, FCA
Nasiru MUHAMMADU, BSc, MSc, FCIT, FCA
Godwin OBAJE (Navy Capt.), FCA
Olutola OGUNDIPE, B.Eng, FCA
Monica Ngozi OKONKWO, MSc, ACIB, FCA
Innocent OKWUOSA, MSc, ACIB, FCA
Jamiu OLAKISAN, HND, BSc, ACS, FCA
Tajudeen Adewale OLAYINKA, BSc, MBF, FCA
Etofolam Felix OSUJI (Dr.), mni, MSc, FCTI, FCA
Hilda Ofure OZOH, MBA, FCA
Queensley Sofuratu SEGHSIME, mni, MBA, FCA
Haruna Nma YAHAYA (Alhaji), BSc, MBA, ANIM, FCA

Registrar/Chief Executive

John Irabor EVBODAGHE, MBA, FCA

Joint Auditors

PriceWaterhouseCoopers (Chartered Accountants)
UHY Maaji & Co. (Chartered Accountants)

EDITORIAL BOARD

Chairman

Haruna YAHAYA, FCA

Deputy Chairman

Ahmed Modu KUMSHE (Dr.), FCA

Members

Deji MUSTAPHA, FCA

Mojisola ADEWOYIN, ACA

Esther UMAHI, FCA

Oluwaseun DAWODU, ACA

Victor ADEGITE, ACA

Oluwasayo ELUMARO, FCA

Gloria OLOTU, FCA

Omolara FAGBURE, FCA

Francis IYOHA (Prof.), FCA

Ben UKAEGBU (Dr.), ACA

Editor

Bunmi OWOLABI

Deputy Editor

Dayo KOWE

Assistant Editor

Muyiwa DARE

Manager, Adverts

Nkem JACOB

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: **09053847510, 09053847511**

E-mail: **corporateaffairs@ican.org.ng**

ICAN Website: **www.icanig.org**

From The Editor

To say that the level of corruption and unethical practices in the public sector finance in most African countries and especially Nigeria is currently at an alarming rate is an understatement. Several billions are lost to corruption annually in Africa and the implication of this is the underdevelopment of Nigeria and the high level of poverty, infrastructural decadence, failing institutions and increasing socio-economic sufferings.

As a result of this cankerworm called corruption, our cover article entitled ***“Ethics in Public Sector Finance and Regional Development”*** discussed what constitutes corruption and proposed a model of ethical practice in the management of public and development finance. The author posited that the model can be facilitated by the adoption and institutionalisation of the Awareness, Recognition, Analysis, Reflection, Decision and Values (ARARD-V) framework for the deliberate contemplation and incorporation of ethics in financial decisions in both the public and private sectors.

According to him, corruption in the public sector is the abuse of public trust and the unethical appropriation of public finance for private gain, adding that the endemic corruption in most countries in Africa has plagued public finance and the overall financial system in general.

Another article in this edition is entitled ***“SMEs in Nigeria and Corporate Social Responsibility”***. The author explained that Corporate Social Responsibility (CSR) is the set of standards which a firm subscribes to, in order to make its impact on the society. He stated that CSR has the potential of contributing to the economic, social and total well-being of any country.

There is a scintillating write-up in this edition with the title ***“Workplace Happiness”***. In the article, the author defined happiness as an emotion, a sense of well-being that comes when we feel good about the work we do when we feel involved in the ‘professional commitment’. He disclosed that workplace happiness comes when we enjoy doing the tasks assigned to us and also feel right with the people we are working with as well as being happy with the financial benefits we get from the job.

Other articles in this edition include ***“Signs on the Road to Change for Accountants in Business in a Digital Age”***; ***“Roles and Importance of Professional Accountants in Business”***; ***“Three Imperatives for Taxing the Digital Economy”***; and ***“From Risk to Opportunity – Accountants Need to Lead Enterprise Risk Management”***.

On our health page, you will read about something most parents pay little or no attention to in a child’s health. This has to do with birth defects, their symptoms and treatment.

Your comments on the various articles, news and other items published in this edition are welcome. Please write to: **corporateaffairs@ican.org.ng** or **aowolabi@ican.org.ng**

Workplace Happiness



By SHAWN ACHOR

Happiness is an emotion, a sense of well-being that comes when we feel good about the work we do when we feel involved in the ‘professional commitment’. In a fundamental sense, workplace happiness comes when:

- We enjoy doing the tasks assigned to us.
- We feel right about the people we are working with.
- We are happy with the financial benefits we get from the job.
- We have the scope of improving our existing skills.
- We feel respected and acknowledged at work.

Happiness at work is not the sum of proper investment and good returns; it is more than that. Individual factors like personality traits, level of perception, underlying psychological stressors, and emotional intelligence influence the degree to which we feel comfortable in a professional situation.

In the book, *“The Happiness Advantage”* author Shawn Achor stated that a company with happy employees could increase their sales by 37%, productivity by 31%, which directly contribute toward building a high-performance work environment and improves the quality of life for all people involved with the work.

Why Workplace Happiness Matters

Being happy is the first step to anything that we want to do successfully. Going to the office, mechanically performing all the duties assigned, and coming home to spend the rest of the day with a drink in hand and the TV in front is an ideal picture of an unhappy life.

A happy worker will reach office on time because he respects his punctuality and will perform all the daily tasks because he enjoys doing it. He will work out of love, not out of compulsion.

1. Happiness Multiplies Success

Happiness at work can spread like fire. Employees who feel pleasure in doing their work form a great example to others who are less motivated.

For example, when a team leader is happy with his position and work, he can influence his team with more positivity and maintain great functionality in the group. Happiness in the workplace is directly correlational to increased productivity and better group performance at work.

2. Happiness Builds Positivity

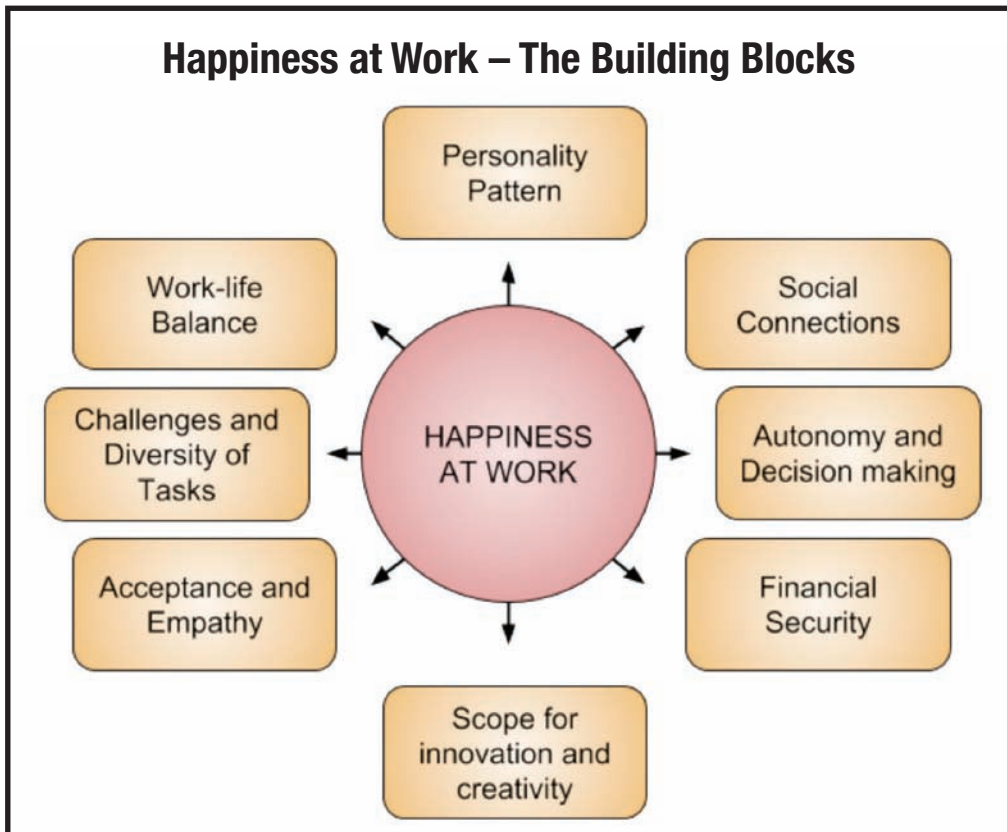
A troubled mind can be the storehouse of negative contemplations. When we work out of compulsion and don’t feel passionate about the contribution we make to the organisation’s success, our mind starts wearing.

We become stressed, lose focus, and indulge self-deprecating thoughts like “I have to quit”, “I cannot take it anymore”, “I am not worth it”, etc. On the contrary, a professional who has strong positive feelings about his job will undoubtedly be more enthusiastic and focus on building himself. Rather than focusing on the problems, he would look into ways of solving it.

3. Happiness Reduces Stress

Annie McKee, an International Leadership advisor, and writer, in one of her publications in the Harvard Business Review, mentioned that when employees are unhappy, their brain starts to disconnect from the positive emotions, and damages their power of creative thinking and reasoning.

She further said in her article on the link between our thoughts, feelings, and actions. If any of these breaks down, it is sure to hamper the others. If we feel happy in the 8 hours



that we spend at work, if somehow we can hit the strings of positivity that will keep us uplifted, it can remarkably improve our responses to stress and redirect our focus to the positive aspects of the work life.

4. Happiness at Work Means a Healthy Life

If we allow the work stress and disappointments to enter into our personal space, there is no way that we can get rid of them.

Successful professionals who can optimise their work are less likely to suffer from hypertension, cardiac arrests, substance abuse, and other stress-related disorders.

When we are happy from inside, we get that power to fight diseases and the will to recover and get back on track.

Remaining physically or mentally sick can bring unprecedented hurdles even at work. We lose the energy to give it our best shot, become less focused on work and more focused on the woes, and consequently, kill our productive soul.

Not just that, happiness at work also makes us less prone to work-related stress and burdens.

5. Happiness at Work Increases Likeability

We all like to stay around people who have a positive attitude and look content with themselves. In a happy state of mind, people are more innovative and inspired. They are willing to improve their existing skills and contribute toward creating a fun and creative performance culture at work.

Finding happiness in work helps in building strong interpersonal relationships at work and encourages people to work together for the common welfare of the organisation they

are serving. It is the backbone for innovation, loyalty, responsibility, and success.

Happy workers can create a pleasant environment at work that is easy for others to cope in, and the more people get into it, the better the team grows.

10 Tips for Finding Real Happiness at Work

Happiness altogether is a highly subjective experience. In a study conducted by Fowler and Christakis (2008) it was found that individuals are likely to feel happier when they have other happy people around them.

Finding happiness at work is not always related to actions and cognitions related to the work itself. It is associated with many other correlates like work environment, personality traits, interpersonal connections, stress management skills, and the list goes on.

Here are ten simple ways that can help us in rediscovering

workplace happiness and sustain it for a long time:

1. Declutter your Workplace

The phrase “a cluttered desk means a cluttered mind” is perhaps correct. Getting creative with the workspace can enhance feelings of exhilaration and refresh the mind. It reinforces concentration and is a great way to feel good at work every day.

2. Mindfulness

Mindfulness is not a buzzword, neither is it an overrated concept. The effects of mindful meditation are real and proven.

Studies conducted in the Harvard Medical School and the Bender Institute of Neuroimaging in Germany have shown that people who practice mindfulness and meditate before or after working hours feel more connected to and more emotionally stable at work.

3. Work it Out

A 15-minute daily **workout** routine makes the body energetic and releases the toxins that cause the weariness. Any form of exercise – walking, jogging, cycling, swimming, or anything else, is bound to bring more productivity at work, more energy to give it the best shot, and more fulfillment throughout the day.

4. Engage in Feedback Mechanisms

Decisive and immediate feedbacks are predictors of workplace happiness and job satisfaction. Studies have shown that employers or supervisors who regularly offer feedback and

acknowledge efforts are more successful in having a happy team.

5. Reflect on One Task at a Time

Clifford Nass, a professor of psychology at the University of Stanford mentioned that multitasking 'wastes more time' and can be the reason of unhappiness among professionals at different levels. When juggling with various tasks at the same time, it is almost impossible to devote an equal amount of attention to each detail, thereby resulting in distractions.

To avoid this, we can prioritise our to-do list and focus on dealing with the more important tasks first. Applications like **AnyDo**, **Wunderlist**, and **Evernote** has made this easier to accomplish.

6. Help a Colleague

Studies have shown that altruists in the workplace are more likely to feel satisfied and are happier at work (Moynihan, 2013).

The level of happiness that we derive from helping others cannot be equated with anything else in the world. It gives a sense of empowerment, enhances wisdom, and makes us feel more connected to the organisation.

Simple acts of **kindness**, expressions of **gratitude**, and offering support to colleagues in times of need can make us feel a lot better about ourselves and make us happier at work.

7. Choose your Responses Wisely

Evidence has proved that individuals can voluntarily choose responses that can make them happy at work. Regularly practicing **mindfulness**, **gratitude**, and effective **communication** can ease the stress and help employees in progressing towards their goal (Boswell *et al.*, 2005).

8. Value Yourself

"Nothing can bring you peace, but yourself."

— **Ralph Waldo Emerson**

Kate White, former editor-in-chief of the *Cosmopolitan*, mentioned that work stress often makes us forget our real worth. A gentle reminder to self, a little throwback to the past achievements can work wonders in bringing back the happiness at the workplace. Happiness is sustained when we can step back and take a moment for appreciating ourselves.

9. Start Your Day on a Good Note

Take some moments each morning to collect your thoughts and plan your day ahead. Go for a walk, sip a hot coffee and create your goals for the day. A day that is started well is more likely to bring in more productivity and yield more fruits.

10. Adjust your Schedules

Effective communication is the key to happy work life. Happy professionals are always one step ahead in maintaining and following a flexible schedule.

Prolonged working hours without breaks can take a toll on the brain and bring us down, thereby making way for unproductivity and distress. ●

★ *Culled from the book "The Happiness Advantage" authored by Shawn Achor.*

FIRM REGISTRATION: PROCEDURES FOR PAYMENT

(a) PAYMENT VIA PAYDIRECT

1. Pay the requisite fee of **N10,000** per partner at any commercial bank via **PAYDIRECT** for Firms Registration.
2. If more than one partner, pay for all the partners at once using the Membership number of the most senior partner.
3. Go to the weblink (<http://icanportal.org/members/paymasters/PayDirectIndex>) at the top of the receipt obtained at the bank.
4. Open weblink and insert your Deposit Number and Receipt number to generate PIN and new Serial number.
5. Go to <http://icanportal.org/members/FirmsRegs>
6. Insert PIN, serial number, CAC number and Membership number of the most senior partner of the firm to access the registration portal.
7. Complete the required fields and submit.

(b) PAYMENT VIA WEB

1. Visit <http://icanportal.org/members/paymasters/Create>
2. Click proceed to register.
3. Click new web payment.
4. Transaction Reference is generated.
5. Insert Membership number, GSM and e-mail (If more than one partner, pay for all the partners at once using the Membership number of the most senior partner).
6. Click Add to select item to pay **N10,000** per partner and insert amount.
7. Proceed to pay with your ATM Card.
8. Proceed to complete your registration and submit.

(c) PAYMENT VIA QUICK TELLER

1. Pay at quickteller.com/ican
2. Go to the weblink (icanonline-ngr.com/quickteller).
3. Enter the Payment Reference to generate PIN and new Serial number.
4. Go to <http://icanportal.org/members/FirmsRegs>
5. Insert PIN, serial number, CAC number and Membership number of the most senior partner of the firm to access and complete the online registration form.

How is Technology Changing the Role of a CFO?

Accountancy Age interviews Cheik Daddah from Kyriba about the changing role of the CFO and how future technologies like AI and Blockchain will impact the position

What key technical skills do CFOs and partners need to succeed in their roles right now and in future?

Technology is revolutionising and enabling the transition of the CFO from custodian of past transactions to enabler of future growth opportunities. The top priority, 85% of the CEO and CFO agenda, for most organisations is to uncover new sources of revenues to fuel growth, according to The Hackett Group. As companies are better able to manage their cash and more rapidly make decisions to expand through acquisitions, CFOs should beware of the legacy systems they inherit, which create risk exposures. Additionally, losses from fraud, poor foreign currency management, and supply chain management can erode shareholder value.

CFOs need to improve their ability to manage large data sets in order to understand the business risks and impact of new ventures for their organisation. One way that CFOs are able to see their total cash exposure in real-time is through their cash management teams, who have full view of company cash holdings worldwide. The new finance skillset will be anchored on data science, predictive and prescriptive analytics, and business partnering. Right now, this means becoming fluent in digital transformation and in the future this means employing AI or robots to work alongside your finance teams.

Security has to be primary to CFOs today and will be an important skillset in the future. Any strategy to reduce risk must include reducing losses from cybercrime. This industry is rapidly evolving and the vulnerabilities are in email impersonations or BEC scams as well as in third party solutions. The CFO should have a working knowledge of systems and solution security, and also engage often with the CISO to help shape company security training and finance security policy.

How is technology set to change the role of the CFO in the future? Will this mean people with slightly different skillsets will take on CFO roles?

Modern CFO's are more focused on shaping a more robust financial future than on accounting for what happened yesterday. Historically, the role of the CFO was predominantly

about ensuring accounting and reporting of past activities and transactions were booked appropriately so they can report on what had transpired last month, quarter or year. Finance process standardisation and automation driven by innovations in finance technology enables CFOs to shift their operating paradigm. Instead of looking backwards, real-time analysis of historical data allows CFOs to better shape, predict and optimise business outcomes.

The modern CFO will embrace data science as the board of directors expects them to be more analytical, predictive and prescriptive about the future of their organisation. The tools they need will connect to data sources from across the organisation and generate a dash board of actionable insights, and the ability to dynamically drill down into key performance indicators. CFOs will need to partner with a new breed of finance executives who have deep industry relevant business experience, and more technical expertise such as data science, advanced statistics and modeling.

In fact, technology advancement is enabling be-spoke finance solutions to help large organisations through fast growth stages such as merger and acquisition or regional expansion. CFOs

can rethink organisational layouts, from centralised finance, to embedded or virtual finance teams in order to streamline help them succeed in their roles.

Will technology change the route to CFO and how?

Yes. Absolutely.

Digital transformation is enabling the CFO and the finance function as a whole to be more strategic and add-value to the organisation as a whole, specifically around driving growth objectives. While FP&A is the background many CFOs have today, the CFO of tomorrow will likely be from treasury. Here's why: treasury is the key to cash and risk management, working capital optimisation and investments. As technology in these areas continues to improve, treasury-led finance transformation will become the cornerstone to new growth for the organisation. Currently, treasury is among the primary advisors to the CFO, providing real-time decision support, and is well aligned to



Daddah

changing the route to CFO.

Technology is advancing at a more rapid pace, and creating opportunity to drive new growth for the organisation. Historically, organisations seeking to automate processes have focused on identifying their requirements, evaluating potential technology partners, identifying gaps between what they need and what the selected vendor offers, and customising what is missing from the chosen technology. This approach is commonly known as “fit-to-gap” and requires years to be fully implemented. In contrast, in the SaaS world, industry best practices are offered by vendors and follow a “fit-to-standard” methodology, in which customisation is no longer offered. Instead, organisations can configure the SaaS applications to fit their intended use, and dramatically accelerate the benefits they gain from digital transformation.

How will new technology improve productivity of CFOs and their teams?

With new technology comes a productivity revolution, especially when it comes to digital, multi-tenant SaaS architectures. It is not uncommon to see finance organisations spend 60% to 80% of their time assembling data and creating reports. With SaaS based industry best practices, shared across a large pool of best of breed organisations, productivity can be boosted by as much as 80 percent. In other words, the standardisation, automation and streamlining of core finance processes, using SaaS technology, can reverse that equation: now finance organisations can get 80% of their time back to spend on analysis, insight gathering and better partnering with key stakeholders (e.g., Sales, Marketing, R&D....) to identify, shape and deliver new value (e.g., revenue growth, operational efficiencies, new business model deployments....) The operating paradigm is radical with new technology when it comes to productivity. Organisations move away from traditional efficiency mandates to an effectiveness objective (e.g., making better decisions).

In what ways will technology help CFOs coordinate more growth and expansion into new markets?

1. Establish tighter standardisation of core business processes, adhering to industry best practices and ensuring past transactions are captured and reported accurately. This functionality is critical for simplifying and automating compliance.
2. Free up time from administrative tasks to further focus on analysis and insight generation to shape future desired outcomes.
3. Eliminate the need for reliance on IT to deploy modern technology to enable finance staff to better partner with the business.
4. Ultimately, the goal is to give the CFO and the finance staff a seat at the table to drive topline growth, which is the main focus of the CEO and Board of Directors. Thus, the evolution of the role of the CFO's role is Chief Growth Officer (CGO). The CGO will deliver real-time advice and recommendations for creating new and agile business models, how to fund them, address emerging risks and regulatory compliance requirements, pursuing and accelerating time-to-value for mergers and acquisitions,

instituting new performance management standards to reward and retain talent, finding creative ways to change the way innovation and growth are funded, better and more sustainable ways to reward shareholders, becoming a steward for change in the organisation, and adopting sensitive and progressive ways to supporting sensible environmental policies.

5. Growth is the key driver. Growth requires innovation and agility. Growth requires new insights, internally and externally, to ensure it is profitable. The CFO is the custodian of past and future value. The CFO's role is to help navigate growth opportunities so that they are pursued efficiently, profitably and with minimal risks.

Will blockchain likely feature in technology CFOs will be utilising in the future and if so how?

84% of respondents to a recent PwC research survey (Blockchain is here, what's your next move, 2018) are actively involved with Blockchain. Whether it is tokenisation, initial coin offerings (ICO), or market exchanges, Blockchain, the back-end architecture (or distributed ledger) that enables transactions of cryptocurrencies, is being explored as an alternative to classical debt and capital funding mechanisms because it may offer better security, increased efficiency and reduced costs. CFOs of the future will want to have a firm understanding of blockchain functionality and applications of blockchain to maintain a competitive edge.

Enabling both back-end and front-end finance systems to integrate with blockchain technology is becoming a must. According to the PwC study, “Using blockchain in concert with enterprise resource planning platforms will enable companies to streamline processes, facilitate data sharing and improve data integrity”. Whether it is an ERP, FP&A or Treasury Management System, accounting for and modeling the impact of blockchain based payments transactions, security authorisations or supply chain management should be on the career map of aspiring CFOs.

How will AI and automation continue to improve and assist CFOs in their roles?

AI and Machine Learning are the new boundaries of automation. Touchless processes, especially for repeatable tasks, will be a must in the digital era. Having staff reconcile bills, track customers for errors resulting from manual processes, eat-up at productivity and limit staff's ability to focus on analysis, insight generation and business partnering. Adopting cutting edge technology with pattern recognition, learning capabilities, recommendation engine based on large data samples, and end-to-end process integration and coordination can deliver unprecedented levels of productivity and accuracy. As a result, finance staff will get out of the business of administration, and focus on partnering with the business to uncover, advise and execute profitable growth objectives. For that to occur, finance staff will need real-time trustworthy data, and time to conduct proper analysis to capitalise on the opportunity. This new frontier in automation provides that vehicle. ●

★ **This article was written by Cheik Daddah, Global Vice President of Value Engineering at Kyriba.**

Culled from “accountancy.com”.



ICAN President, Alhaji Razak Jaiyeola with the family of Late Past President Ugochukwu Nwankwo

Valedictory Council Session for Late Past Presidents Nwankwo and Faleye

The 54th President of the Institute, Alhaji Razak Jaiyeola, the Governing Council, Past Presidents, Members and Management Staff on Friday, December 14, 2018 assembled at the Institute’s Secretariat in Victoria Island, Lagos to bid one of the ICAN Past Presidents, **Late Chief Ugochukwu Stephen Nwankwo, FCA** farewell. Chief Nwankwo was ICAN President from 2001-2002.

Jaiyeola, in his speech at the special Council meeting,



ICAN President, Alhaji Razak Jaiyeola and some Past Presidents of ICAN in a group photograph with the family members of late Chief Olusola Faleye

described late Nwankwo as an achiever who had lived a fulfilled life. According to him, no matter what anybody does, the departed soul could not return but what matters was the legacy he left behind.

His words: “Even though we know that if we grieve for a whole year, the departed could not come back and death as we all know is unavoidable. It will come when it will. It is highly incontrovertible that we came to this world one day and we shall leave one day. It is not life that matters but the courage you bring into it and what you achieved while alive”.

“Let it be clear to all of us seated here today that it is not the number of years we spend in life that matters but the indelible

footprint left in the sand of time in the service of God and mankind that is of great importance” he added.

Similarly, another commendation service was organised to bid **Late Chief Olusola Faleye, FCA** farewell on Wednesday, January 9, 2019. Chief Faleye was ICAN President from 1982-1983.

In his speech at the occasion, the ICAN President implored Chartered Accountants to imbibe the professional virtues that Chief Faleye stood for during his life, noting the immense contribution of Chief Faleye to the growth of the profession within and outside the country.

He also noted the quality representation he gave ICAN on the Council of IFAC for five years during which he was elected the first African Vice President and Treasurer of the global accounting body.

“He remained the first African to serve as the Vice-President, and at the same time, Treasurer of the International Federation of Accountants (IFAC) when he assumed this role in 1986/1987”, he said.

At different times during his remarkable accounting career, Chief Olusola Faleye was the Principal Partner of Olusola Faleye & Associates (Financial & Management Consultants); President of the Lagos Chamber of Commerce and Industry; Vice President of Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA); Honorary National Treasurer of NACCIMA and Honorary Treasurer of Nigerian-British Chamber of Commerce.

ICAN Pledges Support to Accountant General on Budget Implementation

The Institute has pledged its support to the Office of the Accountant General of the Federation (AGoF) to reposition public sector financial management in the country.

Speaking recently when he paid a courtesy visit to the AGoF Alhaji Ahmed Idris in Abuja, the ICAN President, Alhaji Razak Jaiyeola said the Institute has the pool of experts that could help the Federal Government to ensure effective management of government finances and the implementation, monitoring and evaluation of the country's budget and other fiscal management obligations.

To this end, he requested that Chartered Accountants be involved in the implementation of a recent N229.5 billion World Bank grant awarded to the country to be deployed into "strengthening the public financial management, ensuring fiscal sustainability of the various states and better service delivery in the public sector".

He called for the involvement of ICAN in driving the capacity building aspect of the grant's implementation process. "As a professional body with proven experience in this area, we would be delighted to partner with your Office to ensure effective implementation of the various modules of this grant", he said.

Alhaji Jaiyeola noted that the Institute would effectively handle the capacity building aspects of the grant's implementation processes in budgeting and International Public Sector Accounting Standards (IPSAS), among others, to ensure that government audited annual reports are produced on time in line with statutory requirements.

He commended the office of AGoF for the invaluable technical support it gave to the Institute which facilitated the gathering of data, analysis and subsequent publication of the inaugural report of the ICAN Accountability Index (ICAN-AI) which was released in October, 2018.



ICAN President, Alhaji Razak Jaiyeola (right) presenting some souvenirs to the Accountant General of the Federation, Alhaji Ahmed Idris during ICAN's courtesy visit to AGoF's office in Abuja

In his own remarks, Alhaji Idris noted the Institute's experience and expertise in financial management and assured that his office would partner with it especially in the area of capacity building, pointing out that his office was committed to enhancing the public sector financial management system in the country.

ICAN to Assist Ecobank in Capacity Building

The Institute is to provide in-house training for staff of Ecobank Nigeria Plc as part of its capacity building initiatives in the financial sector. ICAN would also partner the Pan-African Bank to develop products that could facilitate collection of subscriptions and fees from members at home and abroad.

ICAN President Alhaji Razak Jaiyeola, who stated these while welcoming Mr. Patrick Akinwuntan, FCA, the Managing Director/Chief Executive Officer of Ecobank to the Institute recently, also said the two institutions would collaborate in Entrepreneurship Development.

He noted Ecobank's giant strides in the Nigerian financial landscape and expressed delight at the depth of technology adoption by the bank.

The ICAN President also commended the bank for winning the 2018 Asian Banker of the year award as the best transaction bank in Nigeria.

In his own remarks, Mr. Akinwuntan



Alhaji Razak Jaiyeola with the Ecobank team during the courtesy visit in Lagos

underscored ICAN's role in raising moral and professional standards as well as promoting good Corporate Governance in the country, stressing that Ecobank was committed to promoting the integration of financial systems in Africa through its operations in 36 countries in the continent.

He said the bank was ready for collaboration with ICAN in the areas of fees collection and would also like to leverage the Institute's expertise to improve the digital literacy of its staff.

The Ecobank boss revealed that the bank has about 20 million customers, nine million of which are in Nigeria, employs 16,000 staff in Africa and operates on a balance sheet of \$25 billion.



ICAN President presenting certificate to inductees at the AATWA induction

668 New Accounting Technicians Inducted

The Institute has inducted six hundred and sixty-eight (668) new members into its middle level qualification tagged Association of Accounting Technicians West Africa (ATSWA). This brings the number of Accounting Technicians to 23,695.

Speaking at the 49th ATSWA induction ceremony in Lagos in December 2018, ICAN President Alhaji Razak Jaiyeola, FCA, implored the new members to "imbibe the culture of diligence, forthrightness, honesty, high ethical conduct and top-notch professional disposition".

He asked the new members to develop an entrepreneurial mindset which is highly critical for success in the highly competitive accounting profession and urged them to "follow the path of honour by dutifully observing all the rules contained in the Association's Code of Ethics, Constitution and By-laws".

He revealed that the Institute had "established an Entrepreneurship Committee with the mandate to continually develop strategies for ensuring that chartered accountants in the Small and Medium Practices (SMPs) category are not just gainfully

employed but that such businesses continue to thrive to provide employment opportunities not only for other accountants but other unemployed citizens of the country."

Need for Performance Metrics for MDAs Stressed

The Federal Government has been advised to set up an institutional framework for monitoring and evaluating the performance of government's Ministries, Departments and Agencies (MDAs). This, according to the ICAN President Alhaji Razak Jaiyeola, would enable government track the performance of these agencies on regulatory compliance, budget implementation, financial targets and value creation.

Jaiyeola stated this when he led an ICAN team on a courtesy visit to Dr. Jumoke Oduwole, Coordinator, Presidential Enabling Business Environment Council (PEBEC) who is also President Buhari's Senior Special Assistant on Industry, Trade and Investment in Abuja recently.

He said "performance indices collectively have implications for ease of doing business" but lamented that there were no "performance metrics against which MDAs could be assessed".

He explained that the Institute developed an Accountability Index (ICAN-AI) last year as its "response to this public governance gap" adding that the Index was aimed at "improving the process for assessing public finance management and public governance practices

across the three tiers of the Nigerian public sector. This is part of our contributions at promoting transparency and accountability in governance thereby creating an enabling environment for business activities in the country", the ICAN President said.

He commended PEBEC for helping to improve the country's ease of doing business as reflected in the 2018 World Bank



2nd Deputy Vice President of ICAN, Mrs. Comfort Eytayo (left); ICAN President, Alhaji Razak Jaiyeola; and PEBEC Coordinator, Dr. Jumoke Oduwole during ICAN's courtesy call to PEBEC's office in Abuja

report which showed that Nigeria “moved up 24 points from 169th position on the 2017 ranking to 145th, pointing out that this was “an eloquent evidence of the effectiveness of the various initiatives embarked upon by PEBEC in its barely two years of operation”.

“Without doubt, an enabling business environment promotes not only economic growth but also, gives everyone equal opportunity to participate in and benefit from the growth process”, he added. He also said ICAN was ready to collaborate with PEBEC and leverage the expertise of its members to improve Nigeria’s ranking in the ease of doing business.

He also voiced the Institute’s support of “the current drive at increasing local content in production and service delivery in the country” and implored “Nigerian Government and its various Agencies not to relent in this effort as it would save Foreign Exchange Earnings for the Country.

He lamented that only one of the four systems supporting the Treasury Single Account (TSA) in the Country is locally based whereas three were from Europe and called on government to look into the situation as part of its effort to promote local content and promote indigenous entrepreneurship.

In her response, Dr. Oduwole succinctly explained that the points raised by ICAN were noted, promising that action would be taken on them after due consultations. She also disclosed that the mandate of PEBEC would surely be carried out successful and diligently.

Support SMPs to Grow the Economy, ICAN Advised BOI

The Institute has called on the Bank of Industry (BOI) to “support and assist accountants in Small and Medium Practices (SMPs)” so that they could expand their businesses and create more jobs.

The ICAN President, Alhaji Razak Jaiyeola, made the call on behalf of the Institute when he paid a courtesy visit to the Minister of Industry, Trade and Investment Dr. Okechukwu Enelamah in Abuja recently. He noted that the growth and development of SMPs would offer great benefits to the country’s economy.

According to him “if these small business practitioners are encouraged to expand their businesses, the quality of financial reporting will improve, more employment opportunities would be created, more people would be economically empowered and there will be a great diminution in the army of idle hands and societal deviants.”

He commended the Minister for the giant strides the government made to turn the country to a preferred investment destination through parastatals under the Ministry, especially the Financial Reporting Council (FRC) and the Presidential



Minister of Trade and Investment, Dr. Okechukwu Enelamah welcoming ICAN President to his office in Abuja during a courtesy visit by ICAN

Enabling Business Environment Council (PEBEC).

He lauded the Financial Reporting Council (FRC) of Nigeria for producing a new Code for Corporate Governance which is now ready for adoption in the country, noting that “a corporate governance code that meets international standards is an essential prerequisite for attracting investments into the country”.

The ICAN President also commended the efforts of government to enhance the ease of doing business through Executive Orders under PEBEC. “We urge you to leverage inter-agency collaboration so that the giant strides recorded are sustained and taken to the next level”, he advised.

Jaiyeola revealed that the Institute was “interested in the aspect of capacity building, support for Small and Medium Enterprises (SMEs) and accountability for the various deliverables under the Economic Recovery & Growth Plan (ERGP)” and would like “to collaborate with the different agencies under the Ministry of Industry, Trade and Investment saddled with the mandate of promoting initiatives to grow the SMEs sector of our economy.”

He implored government to develop a more dynamic framework which may include enhanced fiscal incentives that would encourage corporate organisations to play more active roles in the environments where they operate.

In his own remarks the Minister said the high quality of training he received while writing ICAN exams has aided his career progression and called on the Institute to sustain the standard.

He noted ICAN’s role in promoting the growth of SMEs and expressed his Ministry’s willingness to collaborate with the Institute for training and capacity building in his Ministry and Agencies under his watch.



Head of Service of the Federation, Mrs. Ekanem Oyo-Ita receiving souvenir from ICAN President, Alhaji Razak Jaiyeola during ICAN's visit to her in Abuja

Nigerian Civil Service to Partner ICAN on Accountability Index

The Head of Service of the Federation, Mrs. Winifred Oyo-Ita has disclosed that her parastatal would be interested in partnering with the Institute on its Accountability Index initiative tagged ICAN-AI.

Mrs. Oyo-Ita made the disclosure in Abuja recently when the ICAN President, Alhaji Razak Jaiyeola paid her a courtesy visit in Abuja. Her words: "We have heard about the Accountability Index initiative ICAN has embarked on and your speech here today has further confirmed what we heard. We regard the initiative as a laudable project that will bring all public establishments on their toes as far as accountability is concerned. With this, we also have the opinion that we should be part of the ICAN-AI".

She stated that as far as the Institute's Mandatory Continuing Professional Education (MCPE) was concerned, it would be discussed with the higher authority which would officially finance it.

Earlier, the ICAN President told the Head of Service that during the 48th Annual Accountants Conference in October 2018, ICAN launched a Fiscal Accountability Index called ICAN-AI. He further disclosed that the strategic initiative was jointly financed by ICAN and the International Federation of Accountants (IFAC), adding that the ICAN-AI was an initiative for improving public sector financial management at the three tiers of government.

Jaiyeola also expressed ICAN's readiness to work

with the Service in fashioning out workable strategies to refocus and deepen the achievements recorded so far in strengthening the Civil Service of the Federation.

"As clearly enunciated in one of the focus of your office, it is imperative that platforms are created to promote public/private partnerships, in the development of competencies and exchange of professional ideas/knowledge in the country's civil service," he stated.

Speaking further, the ICAN President explained that the International Public Sector Accounting Standards Board (IPSASB) has continued to improve public sector financial reporting worldwide through the development of IPSAS, international accrual-based accounting standards for use by governments and other public sector entities around the world.

These standards, according to him, are regularly revised and guidelines are issued to ensure efficient and effective public sector accounting flexible to the changing dynamics in all sectors of the economy.

He therefore called for the need for training and re-training of accountants in the Nigeria's civil service which he described as a pressing imperative.

ICAN Rates CBN High on Virile Banking Sector

The President of the Institute, Alhaji Razak Jaiyeola has rated the Central Bank of Nigeria (CBN) high on the various initiatives it embarked upon to ensure the country have a virile banking industry in spite of the challenging operating environment.

Alhaji Jaiyeola commended the apex bank during his courtesy visit to the Governor of Central Bank, Mr. Godwin Emefiele in Abuja recently. "We take particular note of the quantum leap in payment system in the country. This has not only led to great efficiency in banking transactions but has also contributed to



CBN Governor, Mr. Godwin Emefiele (2nd left) welcoming ICAN President, Alhaji Razak Jaiyeola and team to his office

the promotion of financial inclusion in the economy. For instance, The Agent Banking Guidelines and the Shared Agent Network Facility (SANEF) championed by the CBN in collaboration with other stakeholders are laudable developments aimed at promoting financial inclusion in the country," he stated.

The ICAN President stressed further that the policy decisions made by the Bank, though tough, but yielding visible results, adding that the CBN has been able to convince the majority that unpopular stances are required occasionally to restore an economy to the path of sustainable growth and development.

"These decisions include contractionary monetary policy to address the then spiralling inflation rate, promotion of local content in manufacturing through restriction of access to foreign exchange on 41 items and the establishment of the Investors and Exporters FX (I&E) window which allowed investors and exporters to purchase and sell foreign exchange at the prevailing market rate".

"The results of such policy positions are glaring. The country exited from recession in the second quarter of 2017 while the decline in the rate of inflation was sustained for eighteen consecutive months from February 2017 to July 2018. The various initiatives at boosting the growth of the Small and Medium Enterprises (SMEs) especially in the agricultural sectors are well acknowledged".

"These include the Anchor Borrowers Programme; Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL); and the Secured Transactions in Movable Assets also known as National Collateral Registry. These initiatives no doubt hold huge prospects for job creation in the agricultural sector and other allied professions," the ICAN President declared.

In his brief response, the CBN governor expressed appreciation over the accolades showered on him and his team, adding that though the job was a bit difficult but that God was helping them to achieve. He maintained that the policy decisions made by the Bank always have positive impact on the lives of people and the economy of the country.

"For us in CBN, we always put the nation and its citizens first above self interest. Though a lot still needs to be done, we shall continue to do them and we are willing to work and collaborate with ICAN in other ways," he concluded.

Passage of CAMA Bill is Good for Nigeria – ICAN President

The recent passage by the Federal House of Representatives of the Companies and Allied Matters Bill 2018 (the CAMA Bill) has been described as a good initiative expected to address many ease of doing business challenges in Nigeria.



ICAN President, Alhaji Razak Jaiyeola, making his presentation at the office of Acting Registrar-General of Corporate Affairs Commission (CAC), Mrs. Obiageli Azuka, during ICAN's visit to CAC

The ICAN President, Alhaji Razak Jaiyeola made the remark when he paid a courtesy visit to the Acting Registrar-General/Chief Executive Officer of the Corporate Affairs Commission (CAC), Mrs. Azuka Azinge Obiageli in Abuja.

He explained that with the passage of the Bill, one person will be able to form a private company and the possibility of single directorship for small companies, adding that small businesses will no longer need to hold Annual General Meetings or have Company Secretaries and companies that have not carried on any business since incorporation would not need to appoint auditors.

"Also, the reduction and extension of the deadline for cost of Registration of Business Names from N10,000.00 to N5,000.00 is another giant stride taken by the Commission. This Business Incentive Strategy is indeed a welcome development as it aims at creating a window for Micro, Small and Medium Enterprises (MSMEs) to formalise their businesses, which will enable them own corporate account with Banks, have access to Loans, Grants and other government interventions," he said.

The ICAN President expressed the Institute's willingness to work with the CAC, through its Small and Medium Practices (SMPs) Committee, on initiatives such as the Business Incentive Strategy intended to promote the growth of the SMEs in the economy, saying the SMEs sector has been identified as a key driver of growth in any economy.

"While there are still rooms for improvements, we encourage your good office to continue to keep faith with its vision to be a world class company's registry providing excellent registration and regulatory services. As major stakeholders in the Nigerian project, ICAN is ready to work with the Commission in fashioning out workable strategies to refocus and deepen the achievements recorded so far," Jaiyeola stated.

In her response, Mrs. Obiageli also eulogised ICAN for contributing immensely to nation building and economic development of the country. She explained that one of the reasons for the organisation's success was the decentralisation of its operation and the digitalisation of its records.

Offa & District Society of ICAN Inaugurated

The Offa and District Society of the Institute was formally inaugurated by the 54th President, Alhaji Razak Jaiyeola on Wednesday, February 27, 2019 thus making the number of the District societies to be 56.

In his welcome address, the Chairman of the District, Mr. Salman A.Y. explained that the journey that resulted in the inauguration started about a decade ago when the current Rector of the Federal Polytechnic, Offa, Dr. Lateef Olatunji initiated the idea of forming a Committee of Chartered Accountants in Offa.

According to him, the mentoring of Ilorin, Osogbo, Ekiti, Ilesha and other Northern Zonal District Societies also contributed immensely to the development of the Offa and District Society.

In his own address, the Chief Host and the Rector of the Federal Polytechnic, Offa, Dr. Lateef Olatunji charged all members of the District Society to live above board in the discharge of their duties in their places of work.

Inaugurating the District Society, the ICAN President admonished the members to always adhere strictly to the ethics of the accounting profession as ICAN has been doing over the years.

“It is highly imperative that you adhere strictly to the ethos of the accounting profession as jealously being done by ICAN over the years. You must use every opportunity providence has bestowed on you to promote the practice of accounting profession in Offa and its environ”.

“As you are all aware, ICAN is a prestigious organisation that has over the years earned huge respect for itself at national and international levels, courtesy of its adherence to the principles and practice rules. It is in this vein that I therefore enjoined you tenaciously tread the honourable path of the larger ICAN and carve a niche of discipline and uprightness for this District,” he advised.

Appointed:

Professor Akintola Owolabi has been appointed full Professor of Cost and Management Accounting of the Lagos Business School, Pan-Atlantic University with effect from 26 February 2019. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and an Associate of the Chartered Institute of Taxation of Nigeria (CITN).

He holds a First-Class honours degree in Electronic/Electrical Engineering from the University of Ife (now, Obafemi Awolowo University), Ile-Ife, Nigeria (1980) and Masters Degrees of Business Administration and Philosophy in



Chairman of Offa & District Society of ICAN, Mr. Adebayo Yahaya being decorated with insignia of office by the ICAN President, Alhaji Razak Jaiyeola during his investiture

Management and Accounting from the University of Lagos (1983) and Obafemi Awolowo University, Ile-Ife (2002) both in Nigeria, respectively. He also holds a Doctor of Philosophy in Management and Accounting (2007) from the Obafemi Awolowo University, Ile-Ife, Nigeria.

Akintola has over 3 decades of industry, consulting, research and academic experience, with his most recent appointment being at the Lagos Business School, since 2003 where he has been engaged in teaching, research and course design across all the executive and higher degree programmes.

His areas of concentration are Tax Planning and Management, Corporate Financial Accounting, Strategic Cost and Management Accounting, Business Statistics, Environmental Accounting and Financial Modelling. He researches and consults actively to a wide range of firms in these areas.

He has published widely in international and professional journals and presented papers in conferences across the world. He has also been responsible for supervising a considerable number of masters' degree and doctoral candidates at the Lagos Business School, Pan-Atlantic University and other universities in Nigeria.

He started his career with the audit unit of PriceWaterhouseCoopers, and later moved to the University of Ilorin where he was a Senior Lecturer. He serves on the editorial board of ICAN Journal of Accounting and Finance, with responsibility for maintaining the quality and standards of accounting in Nigeria in line with global standards.

While at the University of Ilorin, he acted as the Coordinator of his department and was a member of the University's Budget Committee. He was responsible for developing and teaching various courses at the undergraduate and postgraduate levels.



Prof. Akintola Owolabi



Oba Adejimi Adu Alagbado Agirilala II (2nd left); Mr. Babatunde Ajala, FCA; watch ICAN President, Alhaji Razak Jaiyeola cut the tape to open the Tuition House

Chartered Accountants Are Business Compass — Says Monarch

The Ogoga of Ikere Kingdom in Ekiti State, His Royal Majesty, Oba Adejimi Adu Alagbado Agirilala II, has described Chartered Accountants as the compass of any business in the world.

The royal father made this assertion in Ikere Ekiti recently at the commissioning of Grace Adetola Memorial Place (GAMP) for Tutorials and Information Technology Training, which was built by a member of the Institute of Chartered Accountants of Nigeria (ICAN), Mr. Babatunde Ajala, FCA.

He likened Chartered Accountants to compass in a ship and aircraft without which any sailor or pilot could move, adding that no business could survive without Accountants who direct the financial aspect of the business.

His words: "I am a Master Mariner of high repute and highly experienced. I know that no ship could sail without a compass, same with a plane. So, there is no business that could survive without Accountants. That is why I liken them to a business compass without which no business could survive."

He therefore called on members of ICAN to continue with the integrity and professionalism they were identified with in the course of discharging their duties.

He also appealed to ICAN and other professional institutes to support GAMP which had emerged at a crucial period when youths, for reasons of non-availability of

study and tutorial centres have not been doing well in their academic pursuits.

In his remarks, the ICAN President, Alhaji Razak Jaiyeola congratulated the founder of the Tuition House, for coming up with the initiative in honour of his late mother, Mrs. Grace Adetola Ajala-King.

"There is no better legacy one can establish than to create an avenue for the young generation to build their skills and competencies in a profession that commands high premium in the market. Creating this Tuition House in response to the need for a world-class accounting education is nothing but profound. It would be a worthy thing to emulate by well-meaning individuals across the country as we desire to build a strong human capital base for our economy," he declared.

He encouraged the Management of the Tuition House to keep faith with the mission of the laudable initiative articulated as "providing a world-class Tuition House where students can learn in a serene and conducive environment under experienced and dedicated tutors in order to pass their examinations at first time".

Chartered Accountants Urged to Brace Up with Relevant Digital Skills

Chartered Accountants have been advised on the need to equip themselves with the relevant skills and competences required in the digital age. The advice was handed down by the President of the Institute, Alhaji Razak Jaiyeola during his visit to Courteville Business Solutions Plc, as part of the programmes for his presidential visit to Lagos Mainland and District Society of ICAN.

He stated that "the emerging fourth industrial revolution is set to cause further disruptions in the business space with developments in blockchain technology, robotics, artificial intelligence, machine learning, amongst several others".

Speaking further, Alhaji Jaiyeola disclosed that as a proactive Institute, ICAN has concluded arrangement on a two-day 1st ICAN Accounting Technology Conference for West Africa between April 29 and 30, 2019.

According to him, the aim of the conference is to have extensive discussions on the different emerging technologies and how they would impact the



ICAN President, Razak Jaiyeola (2nd right) presenting a plaque to the GMD of Courteville Business Solutions Plc, Dr. Adebola Akindele while Mrs. Akindele (left) and LMDS Chairman, Rev. Olatunde Ayadi watch

accounting profession while taking into consideration the peculiarities of the Nigerian business landscape.

He commended the different packages and products of Courteville Business Solutions Plc, especially those targeted at Small and Medium Enterprises (SMEs) and general business sector such as StaffPlanet, ISO Tracker, Hospisuite, etc.

“At ICAN, we are highly concerned about the business and activities of our members who are in the Small and Medium Sized Practices (SMPs). We will therefore be interested in collaborating with Courteville Business Solutions Plc on how ICAN members can benefit from the services targeted towards SMEs,” he stated.

Earlier in his lecture titled “*When Business Goes South: What Can Accountants Do*”, the Group Managing Director/Chief Executive Officer of Courteville Business Solutions, Dr. Adebola Akindele explained that the roles of Accountants should be beyond his or her calling as one could not be a shining star on a sinking ship.

He urged Accountants to pursue entrepreneurship and create value which could benefit people for a determinable price.

Domesticate IT Aspects of TSA — Jaiyeola

President of the Institute, Alhaji Razak Jaiyeola, has implored the Federal Government to domesticate the Information Technology (IT) aspects of the Treasury Single Account (TSA).

Jaiyeola, who made this call in Abuja when he led an ICAN team on a courtesy visit to the Accountant General of the Federation (AGoF) Alhaji Ahmed Idris, said there was the “need to preserve scarce foreign exchange and job creation by deploying more local content in the IT software used in the implementation of the TSA”.

While commending the AGoF for driving the implementation of TSA, he identified technological aspects as the area that requires government immediate intervention, noting that only one out of the four systems supporting TSA, (Remita) is locally based.

The ICAN president pointed out that “RTGS which manages commercial bank accounts and interbank settlement was from Sweden; T24 which manages government accounts and acts as CBN banking solution was from Switzerland, while GIFMIS that connects over 700 MDAs for budgeting, transaction initiation and financial reporting was from Estonia”.

Alhaji Jaiyeola also called on the Federal Government to “publish its first set of audited accounts under the International Public Sector Accounting Standards (IPSAS) which it adopted as a framework for public sector reporting in 2010”.

He noted that “the non-publication of audited annual reports tends to put avoidable blight on the achievements and he appealed to the AGoF to tackle any challenge causing the delay.

He also promised that ICAN would render professional support to ensure that Nigeria joins the league of nations that are IPSAS-compliant. He invited the government to “leverage on the benefit of the Institute’s experience”.

On the ICAN–Accountability Index (ICAN–AI), the first report of which was released last October, Alhaji Jaiyeola called on stakeholders to see the reports of the various entities appraisal

as an incisive and reliable framework for on-going reforms in the public sector.

He noted that the ICAN–AI was an initiative of the Institute to improve public sector financial management at the three tiers of government and expressed hope that comparisons generated would stir healthy competition among the various tiers of government particularly in terms of effectiveness, efficiency and economic use of public resources.

Adhere to Ideals of Integrity and Transparency, Senbore Tells New Inductees

The Chairman of First City Monument Bank (FCMB) Group, Otunba Olutola Senbore, FCA has advised the newly inducted members of the Institute to adhere strictly to the ideals of integrity, transparency and accountability which has distinguished accounting profession globally.

Senbore gave the advice in Lagos as Guest of Honour at the 62nd induction ceremony of the Institute, adding that deviation from the norm would damage the reputation of the profession.

“You must strive at all times to faithfully adhere to the noble ideals of integrity, transparency and accountability, which have distinguished the accounting profession globally by being honest, candid and forthright in all endeavours. You must not deviate from this honourable path because it would call your professional competence to question and also demean the reputation of the institute and the accounting profession.

Speaking further, he lamented the decay in the nation’s value system which he described as a major threat to the accountancy profession noting that there was a correlation between a nation’s value system and economic growth.

“The deterioration being witnessed in the country’s value system, fueled by increased level of corruption and lack of transparency in all spheres, calls for serious concern among citizens and most importantly the accounting profession, revered as the conscience of the nation”, he said.

He explained that rampant cases of institutional failures, mismanagement of resources, and concealment of facts are creating a burden of legitimacy for the accounting profession, thereby challenging its core mandate as the gate-keeper of sound financial health and transparent reporting in the society. He attributed the poor state of the nation’s economy to corruption and implored the new chartered accountants to imbibe the tested virtues on which the survival of the accounting profession depends.

According to him, “large scale financial improprieties and indiscretion in the application of regulatory and ethical standards by persons in position of trust both in the public and private sectors have significantly impacted the growth of the economy, resulting in under-development, increased rate of unemployment, impoverishment of citizens and escalating level of insecurity”.

He called on the new accountants to see themselves as “the new ambassadors of the Institute with the mandate to drive and inspire positive changes we desire to see in the society”.

FROM OTHER BODIES

Willie Botha Appointed IAASB Technical Director

The International Audit and Assurance Standards Board (IAASB) announced today that after an extensive global search Mr. Willie Botha has been appointed IAASB Technical Director.

In this role, Mr. Botha leads a team that works closely with the IAASB and its Chair to advance the international audit and assurance standard-setting program and engage with key stakeholders to heighten audit quality worldwide and enhance credibility and trust in external reporting.

Mr. Botha brings a wealth of experience to the IAASB team. Most recently he served as Senior Executive, Assurance and Practice, with the South African Institute of Chartered Accountants (SAICA), where he was responsible for advancement and support of the profession in the audit and assurance field. He has also served as Member to the Institute’s Assurance Guidance Committee, and Member to the Audit Regulator’s Committee for Auditing Standards. His prior roles included serving as Senior Technical Specialist responsible for the audit methodology project of the Auditor General South Africa, and practicing Audit Partner and Technical Director with a firm based in Pretoria, South Africa, as well as serving as head of Department of Accounting, and as Associate Professor of Auditing, at the University of Pretoria.

IPSASB Delivers Guidance on Significant Areas of Public Expenditure

The International Public Sector Accounting Standards Board (IPSASB) has released a new standard and an Exposure Draft on accounting for social benefits, and collective and individual services, respectively. Between them, International Public Sector Accounting Standard (IPSAS) 42, *Social Benefits*, and the related Exposure Draft (ED) 67, *Collective and Individual Services and Emergency Relief (Amendments to IPSAS 19)*, address a wide range of significant government expenditures that directly impact the lives of citizens globally.

IPSAS 42 provides much-needed guidance on accounting for social benefits expenditure, which comprises about one fifth of GDP across OECD countries. It defines social benefits as cash transfers paid to specific individuals and/or households to mitigate the effect of social risk. Specific examples include state retirement benefits, disability benefits, income support and unemployment benefits. The new standard requires an entity to recognise an expense and a liability for the next social benefit payment.

“IPSAS 42 represents a big step forward for global financial reporting in the public sector and fills one of the major gaps in IPSASB’s suite of standards,” said IPSASB Chair Ian Carruthers.

“Social benefits has been a challenging project because of the differing, strongly held views as to when a liability for social benefits arises. We are confident that the final standard will increase transparency and comparability in public sector financial reporting.”

In order to extend IPSASB’s guidance to public services as well as cash transfers, ED 67 proposes new requirements for accounting for collective services (such as defense at national-levels and street lighting at sub-national levels), individual services (such as healthcare and education) and emergency relief.

For collective and individual services, ED 67 proposes that an expense is recognised at the point of service delivery. ED 67 also proposes that an expense and liability is recognised for some emergency relief, but not where emergency relief is delivered as an ongoing activity of government.

“The distinction between social benefits and collective and individual services is important, but the accounting treatment of these transactions must be conceptually consistent,” said Mr. Carruthers. “Issuing ED 67 now, together with IPSAS 42, will allow our stakeholders to identify and account more consistently for the full range of social policy obligations of government.”

How to Comment

To access Exposure Draft 67 and its summary At-a-Glance document, or to submit a comment, visit the IPSASB website at www.ipsasb.org. Comments on the Exposure Draft are requested by **May 31, 2019**. The IPSASB encourages IFAC member organisations and regional accountancy organisations to promote the availability of this Exposure Draft to their members and employees.

Global Consultation on Quality Management for Firms and Engagements Now Open

The International Auditing and Assurance Standards Board (IAASB) seeks public comment on three interrelated standards that address quality management. The proposals bring important changes to the way professional accountancy firms are expected to manage quality — for audits, reviews, and other assurance and related services engagements.

The proposed standards include a new proactive risk-based approach to effective quality management systems within firms that establish the foundation for consistent engagement quality. The new approach improves the scalability of the standards because it promotes a system tailored to the nature and circumstances of the firm and its engagements.

The IAASB proposals are intended to improve engagement quality through:

- Modernising the standards for an evolving and increasingly complex environment, including addressing the impact of technology, networks, and use of external service providers;
- Increasing firm leadership responsibilities and accountability, and improving firm governance;

- More rigorous monitoring of quality management systems and remediating deficiencies;
- Enhancing the engagement partner’s responsibility for audit engagement leadership and audit quality; and
- Addressing the robustness of engagement quality reviews, including engagement selection, documentation, and performance.

Given the significance of the changes and the need for firms to adjust how they manage quality, the IAASB has also developed draft guidance and tools, such as examples and frequently asked questions. These materials will help firms understand the proposals, including how to apply them in different circumstances.

Exposure Drafts

- Overall Explanatory Memorandum, *The IAASB’s Exposure Drafts for Quality Management at the Firm and Engagement Level, Including Engagement Quality Reviews*.
- Proposed International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (previously ISQC 1)*.
- Proposed International Standard on Quality Management 2, *Engagement Quality Reviews*.
- Proposed International Standard on Auditing 220 (Revised), *Quality Management for an Audit of Financial Statements*.

Comments on the Exposure Drafts are requested by **July 1, 2019**.

IPSASB to Sharpen Focus on Public Financial Management and Benefits of IPSAS Adoption

At a time of increasing momentum for IPSAS adoption and implementation globally, the International Public Sector Accounting Standards Board (IPSASB) today published its *Strategy and Work Plan 2019–2023: Delivering Global Standards, Inspiring Implementation*, which will shape the Board’s work and priorities for the next five years.

To ensure it delivers in the public interest, the IPSASB’s strategic objective is:

- Strengthening Public Financial Management (PFM) globally through increasing adoption of accrual-based IPSAS. Delivered through two main areas of activity, both of which have a public interest focus:
 - ▶ Developing and maintaining IPSAS and other high-quality financial reporting guidance for the public sector; and
 - ▶ Raising awareness of IPSAS and the benefits of accrual adoption.

“Governments depend on the trust of their citizens and their national and international stakeholders in order to deliver their goals efficiently and effectively. The regular publication of high-quality accrual-based financial reports helps strengthen public financial management, and is a fundamental ingredient in

maintaining that trust,” said IPSASB Chair Ian Carruthers.

“IPSAS-based information provides a comprehensive and comparable picture of a public sector entity’s financial performance and position. IPSAS adoption and implementation therefore represent fundamental steps for governments to take, not only to increase transparency and accountability to their citizens and stakeholders, but also to inform effective decision making, so contributing to fiscal stability and sustainability. Our new Strategy and Work Plan is intended both to support and to help inspire governments and other public sector organisations making that journey,” Mr. Carruthers added.

The IPSASB will implement its Strategy and Work Plan 2019–2023 through two streams:

- Delivering global standards by:
 - ▶ Setting standards on public sector specific issues;
 - ▶ Maintaining IFRS alignment;
 - ▶ Developing guidance to meet users’ broader financial reporting needs;
- Inspiring their implementation by:
 - ▶ Promoting IPSAS adoption and implementation; and
 - ▶ Advocating the benefits of accrual in strengthening PFM.

The Board’s top standard-setting priorities through 2023 include completing its current public sector specific projects, notably revenue, leases, public sector measurement, heritage and infrastructure, as well as making progress with its new public sector specific projects, including natural resources.

The *International Public Sector Financial Accountability Index* projects that in five years, 65% of countries will report on the accrual basis. The IPSASB seeks to capitalise on this growth by working with key stakeholders to promote IPSAS adoption and implementation and the benefits of accrual information in strengthening PFM.

IAASB Future Strategy & Work Plan Consultation Now Open

The evolving environment in which the International Auditing and Assurance Standards Board (IAASB) operates demands a strategy that reflects, among others, changing technology; a dynamic small- and medium-sized entity landscape; and emerging reporting needs. This is global stakeholders’ opportunity to shape the board’s strategy by commenting on the proposed draft.

In the *Proposed Strategy for 2020–2023 and Work Plan for 2020–2021*, the IAASB puts forth a way forward that it believes meets stakeholders’ evolving needs, and is in the public interest. Enhancing our processes, including using technology and appropriate resourcing, are included in the strategy and are crucial to success. These enhancements will also maximise the impact of our activities, thereby enabling more timely responses to global trends and needs.

The Work Plan highlights the board’s commitment to completing significant projects currently underway, while balancing the needs of different stakeholders. Feedback on this consultation and on the IAASB’s strategic direction is requested by **June 4, 2019** from all interested stakeholders. ●

Signs on the Road to Change for Accountants in Business in a Digital Age

By LARRY WHITE

Professional accountants working in business and the public sector constitute the overwhelming majority of the profession working within and beyond finance teams. The future attractiveness of the profession is very much dependent on the value these accountants create to secure interesting and expanding job opportunities and career pathways inside organisations.

A golden opportunity to create new value is presented by the automation and digitalisation of finance and accounting. The rapid reduction of manual processes particularly at the transaction and reporting levels is allowing a more significant focus on contributing directly to business decisions. Grasping this opportunity is essential if accountancy is going to remain an exciting and value-added profession in the business world and in the public sector.

Consequently, the IFAC PAIB Committee is aggressively pursuing an agenda to redefine and elevate the role of accountants in business. The most recent meeting of the PAIB Committee clearly shows many “Signs” on the road to changing their image. The report of our September 2018 meeting, *Perspectives on the Finance Function Journey*, is now available providing a summary of the key areas being discussed by the committee, including:

A Vision and Roadmap for the Finance Function – This is a major project looking at the accountant and finance’s role in a digital age. The prerequisites for delivering such a vision include:

- Being customer-led and responsive to customer needs throughout the organisation.



- Commercial, business, or organisational awareness and understanding well beyond just the financials.
- Technology and digitally enabled.
- Values and culture to explore strategic and future oriented ways to create and present value for decision making and reporting.
- Structure to be a business partner throughout the organisation.
- Talent and skills to support new roles, innovation in decision support, and improved communication.
- Professionalism – ethics and integrity – and the high standard of professional values must evolve for a changing future.

A clear vision and roadmap for the development of finance

functions will also provide a guide to those areas that a board of directors and management can use in assessing, evaluating, and enhancing the value creating role of their finance function.

Data Analytics – The committee explored the state of implementation of data analytics to deliver insights from financial and non-financial data to improve decision making critical to an organisation’s success. Use of improved data analytics allows accountants to help organisations uncover valuable insights to improve strategic and operational decisions for revenue growth and cost reduction, as well as, in financial reporting processes to better manage risk (*see Data Analytics, an information resource for IFAC members, for more information*).

Data Modeling Beyond Financial Accounting and Reporting – The committee is concerned that finance functions over rely on data and processes designed to support financial reporting systems. The consequence is outdated financial-centric performance and costing models that do not deliver the actionable information that their operational colleagues require. Improving data analytics, the analysis of non-financial capitals,

Accountants need to up their game in communications which will require a new broader, strategic view of their roles and new skills. They need to be focused on addressing long term value creation for multiple stakeholder groups, providing information on multiple capitals for decision making, and reporting to support the creation and development of responsible organisations

and how they contribute to value creation call for accountants to develop new, more relevant models of organisational value and performance both inside the organisation and for external reporting.

Effective Audit Committees and their Relationship with CFOs and the Finance Function – Effective audit committees are a critical part of delivering trust and confidence in reporting and risk management. The committee has been considering audit committee practices across countries, and it is clear that their remits and practices vary considerably. Differing views existed on the role of the audit committee in supporting the finance function. Many felt the finance function needed to push for it be reviewed and clearly understood by the entire board because the finance function needs to become much more broadly focused than external financial reporting to be successful in a digital economy. However, the committee had some good reports of situations where the audit committee had taken a lead advocacy role for developing the finance function. A close relationship between an audit committee and finance

function will continue to be important. The committee will continue to explore and share experiences on audit committee and board best practices for supporting the finance function.

Trust and Professionalism – Exploring the issue of trust and professionalism, the committee considered the root causes of declining trust in the profession with a view to address the question: “How might we maintain and enhance trust in professional accountants in business and the public sector?”. Trust is based on accountants displaying ethical and professional behaviour, as well as, contributing greater value to the organisation and society. Each of these areas – behaviour, the perceived ability to deliver value to the organisation, and the contribution to society – will be examined further. The recognition that the latter two are historically less well addressed is significant in changing the perception of PAIBs.

Effective Communication and Storytelling – Accountants need to up their game in communications which will require a new broader, strategic view of their roles and new skills. They need to be focused on addressing long term value creation for multiple stakeholder groups, providing information on multiple capitals for decision making, and reporting to support the creation and development of responsible organisations.

This will involve communication beyond numbers. It will require a focus on storytelling and authenticity to engage and influence important stakeholders.

In other news – The International Ethics Standards Board for Accountants (IESBA) provided an update of its activities including resources to support the implementation of NOCLAR, and its new project on Promoting the Role and

Mindset Expected of Professional Accountants.

The latter project has arisen in the light that the IESBA will not be seeking to expand the concept of “professional skepticism” to accountants working outside audit where the term is applied with a specific meaning and definition.

The committee felt this position was appropriate given the focus on accountants working as a business partners and active members of a value creating team. However, accountants in business will continue to be expected to exercise professional judgement in all they do which, of course, includes professional challenge when appropriate.

All these areas are the “Signs on the Road” that will lead to the new, expanded, and more robust image and skill set of professional accountants in business. The PAIB Committee is focused on helping IFAC members around the world recognise and prepare for these changes. Let us know what you think! ●

★ **Larry White is the Executive Director, Resource Consumption Accounting Institute.**

Encouraging New Data on Accrual Adoption but Further Progress Needed

By STEVEN CAIN

In early November 2018 the Chartered Institute of Public Finance and Accountancy and IFAC launched a joint report on developments in the International Public Sector Financial Accountability Index, tracking progress in the adoption of accrual accounting by national and federal governments around the world.

The Accountability Index includes data from 150 jurisdictions, 25% of which currently report using accrual accounting. Looking ahead, the number of governments using accrual is set to more than double by the end of 2023.

The report also highlights the key actions required to successfully implement accrual reforms, explaining that:

- Implementation of accruals must be based on a firm foundation of strong financial and other controls, well understood financial processes, and accurate timely reporting.
- Accounting reform needs to be managed as a major project with a formal change management program and capacity building that reaches out beyond the accountancy function. This will need to encompass not only accountants but also the key decision makers and users of financial information who may not be accountants.
- Investing sufficient time and resources in planning and design will increase the likelihood of successfully delivering the project to budget, scope, quality, and deadline.

Continuing to increase the level of accrual-based accounting is important for citizens across the world, because unlike most private sector companies that report using accrual-basis standards, the majority of governments worldwide are still using cash basis reporting.

The European sovereign debt crisis and other financial crises across the world made all too clear the risks that arise when governments don't have good information on their liabilities and commitments. And even when things run smoothly, cash-basis reporting is of limited use for governments that manage significant assets over long periods and enter into long-term contracts to deliver public service infrastructure.

The information needed to manage their operations, assets or debt can't be found in any cash-based report. Against this background, the 2018 Index report notes those areas where progress is already being made. With a prediction that 65% of governments will be using accrual by the end of 2023, it is positive to see that more than half of the accrual-basis reporting is already

using International Public Sector Accounting Standards, a proportion that is set to rise. The report also shows the greatest prospects for accrual adoption are in Africa, Asia, Latin America and the Caribbean.

So what is CIPFA doing to support countries around the world? We actively promote accrual-based accounting by helping governments implement IPSAS. For example, we are boosting the capacity of public sector financial managers in Zimbabwe to ensure the government has the right knowledge and skills in place to adopt IPSAS.

In Ghana, we helped develop an IPSAS Implementation Strategy and Plan to help secure World Bank funding for IPSAS implementation across the Government of Ghana. One area where the Accountability Index report shows less progress is in accrual budgeting.

Only 15 governments reported that they currently prepare budgets on accrual and the majority are not currently planning to introduce accrual budgeting. This is unfortunate, because while the technical requirements and other challenges around implementing accrual budgeting should not be underestimated, the benefits and importance of adoption are very significant.

Governments know that they need to carefully plan and control their capital expenditure and their borrowing, and most try to do this, but the assets and liabilities they need to manage are most naturally measured using accrual information.

There is no standardised or well understood way to manage these effectively by applying budgetary control on a cash basis. Accrual budgeting has the potential to be both cheaper and more effective, using information that is transparent and aligned with best accounting practice.

Overall, the plans for greater use of accrual reporting over the next five years are a promising sign for citizens across the globe. Accruals-based accounting and auditable financial statements linked to comprehensive budgeting are a key part of improving public financial management worldwide, which is essential if governments are to promote trust and transparency, identify and fight corruption, and above all deliver efficient public services that their citizens expect and deserve.

IFAC and CIPFA are keen to expand the Index to report on even more countries as sufficiently reliable information becomes available. It will be interesting to see how things have moved when the next status report is produced. ●

★ Steven Cain is Technical Manager, Policy and Technical Team, CIPFA.

DIRECTORY OF DISTRICT SOCIETIES/ CHAPTERS CHAIRMEN & SECRETARIES

AS AT JULY 09, 2018

DISTRICT SOCIETIES

S/N	NAMES	CHAIRMEN	SECRETARIES
1.	ABA & DISTRICT abadistrict@ican.org.ng	Elder Innocent Anyahuru, FCA Chidi Ajaegbu ICAN Centre, Opposite Mefco Filling Station, along Aba-Port Harcourt Expressway, Aba, Abia State. Tel: 08033169122 E-mail: ianyahuru@gmail.com	Mr. Imoh C. Benson, ACA Dept. of Accounting, Abia State Polytechnic Aba, Abia State. Tel: 07034861176 E-mail: imoh.benson3@gmail.com
2.	ABAKALIKI & DISTRICT abakalikidistrict@ican.org.ng	Mr Emmanuel Akwakwa, FCA ICAN, Abakaliki District Office, No. 7 Water Works Road, Adjacent Mr. Biggs, Abakaliki, Ebonyi State. Tel: 08037805177 E-mail: emmakwakwa2009@gmail.com	Mr. Odo Gabriel Oyibe, ACA ICAN, Abakaliki District Office, No. 7 Water Works Road, Adjacent Mr. Biggs, Abakaliki, Ebonyi State. Tel: 08035734227 E-mail: oyibeodo@gmail.com
3.	ABEOKUTA & DISTRICT Abeokutadistrict@ican.org.ng icanabeokutadistrict@yahoo.com	Deacon Benjamin Bolarinwa, FCA Plot 7, Block A XVIII, Along Presidential Boulevard, Oke Mosan, Abeokuta, Ogun State. Tel: 08033441242 E-mail: atiladeb@yahoo.com	Mr. David Olufemi Abiola, ACA, Plot 7, Block A XVIII, Along Presidential Boulevard, Oke Mosan, Ibara, Abeokuta, Ogun State. Tel: 08035395751 E-mail: femiabiola2015@gmail.com
4.	ABUJA & DISTRICT abujadistrict@ican.org.ng	Mr. Oluwafunminiyi Akande, FCA Akintola Williams House Plot 2048, Michael Okpara Way, Wuse Zone 7, Abuja. Tel: 08092001804 E-mail: niyiakande96@yahoo.com	Alhaji Balogun Abdulrasheed ACA Akintola Williams House Plot 2048, Michael Okpara Way, Wuse Zone 7, Abuja. Tel: 08036096655 E-mail: balorash@yahoo.com
5.	ABRAKA & DISTRICT abrakadistrict@ican.org.ng	Mr. Sylvester Okoh, FCA Internal Audit Department, Delta State University, Abraka, Delta State. Tel: 08036689795 E-mail: sylverokoh@yahoo.com	Mr. Martin Denedo, ACA Internal Audit Department, Delta State University, Abraka, Delta State. Tel: 08037761258 E-mail: denedo_martin@yahoo.com

<i>S/N</i>	<i>NAMES</i>	<i>CHAIRMEN</i>	<i>SECRETARIES</i>
6.	ADO-EKITI & DISTRICT adoekitidistrict@ican.org.ng	Mrs. Funmi Alonge, ACA District Secretariat, Eyegba House, No. 2, Aremu Street, Ereguru, Ado Ekiti, Ekiti State. Tel: 08033755210 E-mail: alongefunmi@gmail.com	Mr. Johnson Bamisaye, ACA District Secretariat, Eyegba House, No. 2, Aremu Street, Ereguru, Ado Ekiti, Ekiti State. Tel: 08034256706 E-mail: bamisayejohnson38@gmail.com
7.	AKURE & DISTRICT akuredistrict@ican.org.ng icanakure@yahoo.com	Mr. Peter Akingbade, FCA Akure & District Society of ICAN, ICAN House, Alfred Rewane Road, Government House Area, Alagbaka, Akure, Ondo State. Tel: 08037117644 E-mail: pakingbade@yahoo.com	Mr. Akinyemi Ogundare, ACA ICAN House, Alfred Rewane Road, Government House Area, Alagbaka, Akure. Ondo State. Tel: 08035848976 E-mail: akinogundare4@gmail.com
8.	AMUWO & DISTRICT amuwodistrict@ican.org.ng	Barrister Tunde Kuti, FCA Department of Accountancy, Lagos State Polytechnic, Isolo Campus, Lagos State. Tel: 08033643856 E-mail: teekaypee13@gmail.com	Mr. Emmanuel Olawuyi, FCA C/o Head of Department Department of Accountancy, Lagos State Polytechnic, Isolo Campus, Lagos State. Tel: 08038442908 E-mail: emmanuelolawuyiandco @gmail.com; gensec.icanamuwo@gmail.com
9.	ASABA & DISTRICT asabadistrict@ican.org.ng	Ekeruche Onyemaechi, FCA Urban Water Board, Okpanam Road, Asaba, Delta State. Tel: 08103650164 E-mail: onyemaekeruche2@gmail.com	Mr. Akiri Ogheneriobororue, ACA Federal Medical Centre, Nnebisi Road, Asaba, Delta State. Tel: 08033889593 E-mail: akirioghene@gmail.com
10.	AUCHI & DISTRICT auchidistrict@ican.org.ng	Mr. Umoru Abdulazeez, ACA Bursary Department, Auchi Polytechnic, Auchi, Edo State. Tel: 08035768248 E-mail: azeezumoru@gmail.com auchiidistrictsociety.ican@gmail.com	Mr. Abu Oseni, ACA Bursary Department, Auchi Polytechnic, Auchi, Edo State. Tel: 08062970102 E-mail: abuoseni@hotmail.com
11.	AWKA & DISTRICT awkadistrict@ican.org.ng	Mr. Ethelbert Echedo, ACA C/o Obi Okechukwu & Co., No. 73, Ziks Avenue, Awka, Anambra State. Tel: 08034054002 E-mail: echedoethelbert@yahoo.com	Mr. Kingsley Dim, ACA C/o Obi Okechukwu & Co., No. 73, Ziks Avenue, Awka, Anambra State. Tel: 08032247337 E-mail: kingsleydim@yahoo.com
12.	BAUCHI & DISTRICT bauchidistrict@ican.org.ng	Mr. Saidu Abubakar, ACA Olatunji Ajani & Co., 3rd Floor, Bank of Industry, NIDB House, Bauchi. Tel: 08036473468 E-mail: abubakar_saidu@yahoo.co.uk	Abdulkadir Tijani, ACA Olatunji Ajani & Co., 3rd Floor, Bank of Industry, NIDB House, Bauchi. Tel: 08076354545; 08027375720 E-mail: tijanikadir2@yahoo.com
13.	BENIN & DISTRICT benindistrict@ican.org.ng	Dr. Omimi-Ejor Osaretin Kingsley Atu, FCA ICAN Benin and District Society, Unity Bank Building, No. 87, New Lagos Road, Benin City, Edo State. Tel: 08032931266; 08077840740 E-mail: kingsatu@yahoo.com	Mr. Ugenlo Goddey, ACA ICAN Benin and District Society, Unity Bank Building, No. 87, New Lagos Road, Benin City, Edo State. Tel: 08033581570 E-mail: ailenskonsul@yahoo.com

S/N	NAMES	CHAIRMEN	SECRETARIES
14.	CALABAR & DISTRICT calabardistrict@ican.org.ng	Mr. Kelly Ayamba, ACA 105, Old Ilang Road, Calabar, Cross River State. Tel: 08091112250; 08037050135 E-mail: kka@ayambaharcourt.com	Mr. Nicholas Obun Dan, ACA 105, Old Ilang Road, Calabar, Cross River State. Tel: 08037231230, 08053254212 E-mail: nickdan778@yahoo.com
15.	CAMEROUN & DISTRICT cameroundistrict@ican.org.ng	Mr. Henry J.B. Akale, FCA B.P. 2113, Douala-Cameroon. Tel: +237 677629915 / 694646517 E-mail: henry.akale@yahoo.com	Mr. Vutumu Aloysius, FCA B.P. 4036, Douala-Cameroon. Tel: +237 675871546 / 699603162 E-mail: vutumu@yahoo.co.uk; avutumu@sabccm.com
16.	CANADA & DISTRICT SOCIETY	Mr. Kola Oladimeji, FCA Suite 688, 3545-32 Avenue NE Calgary, Alberta Canada T1Y 6M6 Tel: +17802154512 E-mail: chairman@icancanada.org	Mr. Toba Dada, ACA 84 Everridge Way SW Calgary, Alberta Canada T2Y 4S7 Tel: +1-587-889-4245 E-mail: generalsecretary@icancanada.org
17.	ENUGU & DISTRICT enugudistrict@ican.org.ng	Mrs. Josphine Uchenna Ovaga, FCA Office of the Bursar, College of Education (Technical), Enugu, Enugu State. Tel: 08034228388; 08059797474 E-mail: ucheovaga@yahoo.com; chairman.enugudistrictican@yahoo.com	Mrs. Otiji Ifeoma Catherine, ACA ICAN Liaison Office, Ministry of Agriculture Building, Onitsha Road, (Beside FRCN Zonal Office) Enugu, Enugu State. Tel: 08039284914 E-mail: otijiify@yahoo.com; secretary.enugudistrictican@yahoo.com
18.	GOMBE & DISTRICT gombedistrict@ican.org.ng	Mallam Sarjius Kadiri, FCA Office of the Accountant-General of the Federation, Garki, Abuja. Tel: 07034661584 E-mail: ksarjius@yahoo.com	Mallam Abdullahi Muhammad Jikan-Jatum, ACA Office of the Accountant-General of the Federation, Garki, Abuja. Tel: 08036658369 E-mail: jikanjatum09@yahoo.com
19.	IBADAN & DISTRICT ibadandistrict@ican.org.ng	Alhaji Ogunesan Ademola, FCA C/o District Office Providence Court (3rd Floor) Ajibade Bus Stop, Ibadan, Oyo State. Tel: 08023276407 E-mail: a.ogunesan@yahoo.com	Mrs. Babatunde Olaitan, FCA C/o District Office Providence Court (3rd Floor) Ajibade Bus Stop, Ibadan, Oyo State. Tel: 08054038014 E-mail: olaitanbabatunde@yahoo.com
20.	IJEBU-ODE & DISTRICT ijebuodedistrict@ican.org.ng	Mr. Ojo Toluwase Olumide, FCA 46, Ibadan Road, Beside Diamond Bank Plc, Ijebu-Ode, Ogun State. Tel: 08036544047 E-mail: tolumine3000@yahoo.com	Mrs. Morenike Taiwo, ACA 46, Ibadan Road, Beside Diamond Bank Plc, Ijebu-Ode, Ogun State. Tel.: 08055211649 E-mail: reniks15@gmail.com
21.	IKEJA & DISTRICT ikejadistrict@ican.org.ng ican.ikejadistrictsociety@gmail.com	Mr. Oni Olalere, FCA C/o ICAN District Office 4, Araromi Street, Off Oduyemi Street, Anifowoshe Street, Ikeja, Lagos State. Tel: 08023291513; 08161718417 E-mail: geconsults@yahoo.com	Mrs. Rita Akpan, FCA C/o ICAN District Office 4, Araromi Street, Off Oduyemi Street, Anifowoshe Street, Ikeja, Lagos State. Tel: 08053098152; 07030079497 E-mail: anieno2006@yahoo.com

S/N	NAMES	CHAIRMEN	SECRETARIES
22.	IKORODU & DISTRICT ikorodudistrict@ican.org.ng	Mr. Oluniyi Odewale, ACA 1, CAC Road (2nd Floor), Off Total Petrol Station, Benson Bus-Stop, Lagos Road, Ikorodu, Lagos State. Tel: 08038005558 E-mail: niyiode@yahoo.com	Mr. Biodun Akinwobi, ACA 1, CAC Road (2nd Floor), Off Total Petrol Station, Benson Bus-Stop, Lagos Road, Ikorodu, Lagos State. Tel: 08170406666 E-mail: biodun_akinwobi@yahoo.com
23.	ILARO & DISTRICT SOCIETY ilarodistrict@ican.org.ng	Prince Owolabi Ajayi, FCA Bursary Department Federal Polytechnic, Ilaro, Ogun State. Tel: 08069033634 E-mail: labiajayi@yahoo.com	Mr. Akinola Moruf Abiodun, FCA Bursary Department Federal Polytechnic, Ilaro, Ogun State. Tel: 08033263140 E-mail: biodunakinola@yahoo.com
24.	ILORIN & DISTRICT ilorindistrict@ican.org.ng	Pastor Abel Aiyedogbon, FCA C/o Abel Aiyedogbon & Co., 30, Muritala Mohammed Way, Opposite Government Secondary School (GSS), Ilorin, Kwara State. Tel: 08034531043 E-mail: abel_dogbon@yahoo.com	Mr. David Olutade Adebajo, ACA C/o Abel Aiyedogbon & Co., 30, Muritala Mohammed Way, Opposite Government Secondary School (GSS), Ilorin, Kwara State. Tel: 08033509594 E-mail: tadebanjo2001@yahoo.com
25.	JALINGO & DISTRICT SOCIETY jalindistrict@ican.org.ng	Hajiya Zulaihat Aminu Bello, ACA Federal Pay Office Office of the Accountant-General of the Federation, State Secretariat Road, Jalingo, Taraba State. Tel: 08063384198 E-mail: zulaihataminubello@gmail.com	Mr. Olayinka Gabriel Motunrayo, FCA Rebo Usman & Co., (Chartered Accounting Firm) Hammaruwa Way, Investment House Complex, Jalingo, Taraba State. Tel: 08060660861 E-mail: gayinka2006@yahoo.com
26.	JOS & DISTRICT josdistrict@ican.org.ng www.icanjosdistrict.org	Mr. Kutus Martins Oloruntoba, FCA 40, Murtala Mohammed Way, (Opposite Murtala Mohammed House) Jos, Plateau State. Tel: 08033536669 E-mail: martinskutus2006@yahoo.co.uk	Mr. Soepding Benard Alkali, ACA 40, Murtala Mohammed Way, (Opposite Murtala Mohammed House) Jos, Plateau State. Tel: 08039245746 E-mail: talk2benco@yahoo.co.uk
27.	KADUNA & DISTRICT kadunadistrict@ican.org.ng	Mr. Dalhatu Abdulazeez, FCA 2nd Floor, Turaki Ali House 3, Kanta Road, Kaduna. Tel: 08024772321 E-mail: dalhatu@yahoo.co.uk	Mr. Amos James, FCA 2nd Floor, Turaki Ali House 3, Kanta Road, Kaduna. Tel: 08036404433 E-mail: amos.akeji@gmail.com
28.	KANO/JIGAWA & DISTRICT kanojigawadistrict@ican.org.ng	Garba Muhammad Dutse, ACA ICAN Liaison Office, Murtala Mohammed Library, Ahmadu Bello Way, Kano State. Tel: 08036191700 E-mail: gdutse@yahoo.com	Mr. Abubakar Umar Farouk, ACA ICAN Liaison Office, Murtala Mohammed Library, Ahmadu Bello Way, Kano State. Tel: 08036832366 E-mail: aufadaneji@yahoo.com
29.	KATSINA & DISTRICT SOCIETY katsinadistrict@ican.org.ng	Dr. Emmanuel Kighir Apedzan, FCA Head of Department of Accounting, Federal University, Dutsinma, Katsina State. Tel: 08033119166 E-mail: akighir@fudutsinama.edu.ng apedzankighir2007@yahoo.com	Mr. Mustapha Adeyemi, ACA Katsina State Television, Katsina. Tel: 07030512575 E-mail: adeyemimustapha43@yahoo.com

<i>S/N</i>	<i>NAMES</i>	<i>CHAIRMEN</i>	<i>SECRETARIES</i>
30.	LAFIA & DISTRICT lafiadistrict@ican.org.ng	Mr. Yakubu Azizi, FCA Department of Accounting, Faculty of Administration, Nasarawa State University, Keffi, Nasarawa State. Tel: 08065766142 E-mail: aziziyakubu@gmail.com	Mr. Kudus Adekogbe, ACA Bursary Department, Federal University, Lafia P.M.B. 146, Lafia, Nasarawa State. Tel: 08164155715; 08051590586 E-mail: qudz22@yahoo.com
31.	LAGOS & DISTRICT lagosdistrict@ican.org.ng icanlagosanddistrict@yahoo.com	Mrs. Omolola Oke, FCA C/o ICAN District Office Anchoria House, 1st Floor, 97, Lewis Street, Off Okesuna Street, Obalende, Lagos. Tel: 08023030391 E-mail: omololaoke@yahoo.com	Mr. Olumide Adedeji, FCA C/o ICAN District Office Anchoria House, 1st Floor, 97, Lewis Street, Off Okesuna Street, Obalende, Lagos. Tel: 08087301454 E-mail: dr.adedejiolumide@gmail.com
32.	LAGOS MAINLAND & DISTRICT lagosmainlanddistrict@ican.org.ng	Rev. Olatunde Ayadi, FCA ICAN District Society Office 259, Borno Way (3rd Floor), Adekunle, Ebute Metta, Lagos. Tel: 08023216499 E-mail: icanlmds@yahoo.co.uk jehonissi2002@yahoo.com	Mr. Sylvester Ofor, FCA ICAN District Society Office 259, Borno Way (3rd Floor), Adekunle, Ebute Metta, Lagos. Tel: 08033296209 E-mail: icanlmds@yahoo.co.uk csoffor@yahoo.com
33.	LOKOJA & DISTRICT lokojadistrict@ican.org.ng	Mr. Evinemi Elijah ACA Suite 47, Destiny Plaza, Beside First Bank, Ganaja Junction, Lokoja, Kogi State. Tel: 08066390225 E-mail: elstrong76@gmail.com	Adedeji Kazeem Suarau, ACA Bursary Department Federal University, Lokoja, Kogi State. Tel: 08027870760; 08053956630 E-mail: qazeemadedeji@gmail.com
34.	MAIDUGURI/DAMATURU & DISTRICT maiduguridamaturudistrict @ican.org.ng	Miss Ijeoma Anaso, FCA Department of Accounting, University of Maiduguri, Maiduguri, Borno State. Tel: 08034448761 E-mail: oianaso@yahoo.com	Mr. Kwazhi John W., ACA Department of Accounting, University of Maiduguri, Maiduguri, Borno State. Tel: 08039506870 E-mail: johnkwazhi69@gmail.com
35.	MAKURDI & DISTRICT makurdidistrict@ican.org.ng	Mr. Michael Achi, ACA J.S. Tarka Foundation Opposite IBB Square, Makurdi, Benue State. Tel: 08065789201 E-mail: michaelachi2013@gmail.com	Dr. Tyokoso Gabriel, ACA J.S. Tarka Foundation Opposite IBB Square, Makurdi, Benue State. Tel: 07063812097 E-mail: gtyokoso@gmail.com
36.	MALAYSIA & DISTRICT Malaysiadistrict@ican.org.ng	Dr. Oluwatoyin Muse Johnson Popoola, FCA Tunku Puteri Intan Safinaz of Accountancy (TISSA-UUM) College of Business University Utara Malaysia, 06010 Sintok, Darul Aman Kedah, Malaysia. Tel: +60164354874; +2348033284641 E-mail: chairman@ican-malaysia.org info@ican-malaysia.org	Mr. Aliu Olarewaju Atanda, ACA Tunku Puteri Intan Safinaz of Accountancy (TISSA-UUM) College of Business University Utara Malaysia, 06010 Sintok, Darul Aman Kedah, Malaysia. Tel: +60166330250; +2349066140290 E-mail: general.secretary@ican- malaysia.org info@ican-malaysia.org

S/N	NAMES	CHAIRMEN	SECRETARIES
37.	MINNA & DISTRICT minnadistrict@ican.org.ng	Mr. Mohammed Ndawuya, FCA Office of the State Auditor General, Abdulkarim Lafene Secretariat, Minna, Niger State. Tel: 08034507438 E-mail: danbukondawuya@gmail.com	Mr. Mohammed A.A. Soja, ACA Office of the Accountant-General Ministry of Finance, Minna, Niger State. Tel: 08036875196 E-mail: mohammedsoja@yahoo.co.uk
38.	MOWE & DISTRICT SOCIETY mowedistrict@ican.org.ng	Pastor John Dada, FCA 166, Mowe Ofada Road, Opposite DG Restaurant, By AbuleEgun Road Junction, Mowe, Ogun State. Tel: 08033844399 E-mail: olusolajohndada@gmail.com	Mr. Omoniyi Osunsanya, FCA 166, Mowe Ofada Road, Opposite DG Restaurant, By AbuleEgun Road Junction, Mowe, Ogun State. Tel: 08033061000 E-mail: omoseyus@yahoo.com
39.	NSUKKA & DISTRICT SOCIETY nsukkadistrict@ican.org.ng	Mr. Stephen Ebialim Ndili, ACA C/o Stephen Ebialim Ndili Bursary Department, University of Nigeria, Nsukka, Enugu State. Tel: 08034077466 E-mail: stephen.ndili@unn.edu.ng	Mr. Elvis Emeka, ACA C/o Elvis Emeka Bursary Department, University of Nigeria, Nsukka, Enugu State. Tel: 08036728010 E-mail: elvis.ozoadibe@unn.edu.ng
40.	OGBOMOSHO/OYO & DISTRICT ogbomoshodistrict@ican.org.ng	Mr. Ismaheel Abdullahi Adigun, FCA C/o Alhaji M.O. Ogundiran Bursary Department, Federal College of Education (Special), Oyo, Oyo State. Tel: 08036075275 E-mail: aaismaheel@lautech.edu.ng	Mr. Fasina Hassan Taiwo, ACA C/o Alhaji M.O. Ogundiran Bursary Department, Federal College of Education (Special), Oyo, Oyo State. Tel: 08034701156 E-mail: taiwofash4real@gmail.com
41.	OJO, BADAGRY, AGBARA & DISTRICT (O.B.A) icanobadistrict@yahoo.com	Mrs. Awoliyi Olapeju, FCA ICAN OBA & District C/o Business Education Department, School of Vocational and Technical Education, Adeniran Ogunsanya College of Education, Otto/Ijanikin, Lagos State. Tel: 08033267180 E-mail: momaraw@yahoo.com	Mr. Bello Ismail, FCA ICAN OBA & District C/o Business Education Department, School of Vocational and Technical Education, Adeniran Ogunsanya College of Education, Otto/Ijanikin, Lagos State. Tel: 07082719287 E-mail: ismailbello_070263@yahoo.com
42.	ONITSHA & DISTRICT onitshadistrict@ican.org.ng	Mrs. Victoria Nduka, FCA Onitsha Business School, No. 19, Lady Regina Nwankwu Avenue, GRA, Onitsha, Anambra State. Tel: 08033489398 E-mail: vickynduka95@yahoo.com	Mr. Okeke Emmanuel Uchenna, ACA Onitsha Business School, No. 19, Lady Regina Nwankwu Avenue, GRA, Onitsha, Anambra State. Tel: 08063337008 E-mail: manolink84@yahoo.com
43.	OSUN & DISTRICT osundistrict@ican.org.ng	Mr. Idowu Emmanuel Adegoke, FCA Floor 1, Room 107, Bursary Department, Secretariat Building, Obafemi Awolowo University, Ile-Ife, Osun State. Tel: 07035084047 E-mail: adeidowu@yahoo.com	Mr. Alake Babasola, ACA Bursary Department, Osun State College of Education, Ilesa, Osun State. Tel: 08035397224 E-mail: babasola69@gmail.com

<i>S/N</i>	<i>NAMES</i>	<i>CHAIRMEN</i>	<i>SECRETARIES</i>
44.	OTA & DISTRICT SOCIETY otadistrict@ican.org.ng	Pastor Abayomi Oke, FCA Km. 4, MAN House, Idiroko Road, Beside Oba Titti Dada Market, Ota, Ogun State. Tel: 08035172846 E-mail: oktaassociates@ymail.com	Mr. Tokunbo Fadiji, ACA Km. 4, MAN House, Idiroko Road, Beside Oba Titti Dada Market, Ota, Ogun State. Tel: 08050455180 E-mail: oloruntobiloba@gmail.com
45.	OWERRI & DISTRICT owerridistrict@ican.org.ng	Mr. Emenalo Chinedu, ACA C/o Spiropoulos, Adiele, Okpara & Co., 5/6, Samek Road, All Bond House, IMSU Road, Owerri, Imo State. Tel: 08033171515; 08187176922 E-mail: neduemenalo@yahoo.com	Mr. Adizua Francis Nwanegbo, ACA C/o Spiropoulos, Adiele, Okpara & Co., 5/6, Samek Road, All Bond House, IMSU Road, Owerri, Imo State. Tel: 08037284186 E-mail: adizuafrancis@yahoo.com
46.	PORT HARCOURT & DISTRICT portharcourtdistrict@ican.org.ng	Dr. Felicia Ayuwo, FCA 1st Floor, Leventis Building 6, Nnamdi Azikiwe Road, Port Harcourt, Rivers State. Tel: 08036712619 E-mail: felicia.ayuwo@uniport.edu.ng	Mrs. Helen Irobuisi, ACA 1st Floor, Leventis Building 6, Nnamdi Azikiwe Road, Port Harcourt, Rivers State. Tel: 08033095930 E-mail: irichikah@yahoo.com
47.	SOKOTO & DISTRICT sokotodistrict@ican.org.ng	Alh. Suleiman D. Umar, FCA Department of Accounting Faculty of Management Science, Usman Danfodio University, Sokoto. Tel: 08035887834; 08057191802 E-mail: sduumar@yahoo.co.uk	Mr. Ibrahim Alkali, ACA Bursary Department Usman Danfodio University, P.M.B. 2346, Sokoto. Tel: 08066283461; 08051323213 E-mail: alkaliibrahim@yahoo.co.uk maajadi@yahoo.com
48.	UMUAHIA & DISTRICT umuahiadistrict@ican.org.ng	Mrs. Amakwe Rose-Mary, ACA Federal Medical Centre Umuahia, Abia State. Tel: 08034055377; 08056220662 E-mail: rosemaryamakwe@yahoo.com	Mrs. Felicia Egbeh, ACA Bursary Department, Michael Okpara University of Agriculture, Umuahia, Abia State. Tel: 08038793014; 08054002147 E-mail: danukupai70@gmail.com
49.	UNITED KINGDOM & DISTRICT unitedkingdomdistrict @ican.org.ng	Mr. Doyin Adebayo, ACA C/o Coker Isah & Co., ICAN UK District Society, 74 Church Road, London SE19 2EZ Tel: +44 (0)7828801700 E-mail: chairman@ican-uk.org, doyeenok@yahoo.com	Mr. Emmanuel Adebola Samuel, FCA C/o Coker Isah & Co., ICAN UK District Society, 74 Church Road, London SE19 2EZ Tel: +44 (0)7961502107 E-mail: generalsecretary@ican-uk.org onebolasamuel@yahoo.co.uk
50.	USA & DISTRICT usadistrict@ican.org.ng	Mr. Tim Oyediran, FCA 4225 Telegraph Avenue, Oakland CA 94609 Tel: +201-446-4845 E-mail: chairman@ican-usa.net	Mr. Anthony Adeyemo, ACA 4225 Telegraph Avenue, Oakland CA 94609 Tel: +214-621-0965 E-mail: generalsecretary@ican-usa.net
51.	UYO & DISTRICT uyodistrict@ican.org.ng	Mr. Eteyen Sunday Ikpong, FCA 12 Aka Road, Uyo, Akwa Ibom State. Tel: 08028528153 E-mail: eteyenikpong@yahoo.com	Mr. Imo Gideon Uko, ACA 12 Aka Road, Uyo, Akwa Ibom State. Tel: 08023592666 E-mail: imofirst@yahoo.com

<i>S/N</i>	<i>NAMES</i>	<i>CHAIRMEN</i>	<i>SECRETARIES</i>
52.	WARRI & DISTRICT warridistrict@ican.org.ng	Mr. Anthony Foster Odhi, ACA District Secretariat Block 2 (Upper Floor), Edewor Shopping Centre Complex, Efurun/Sapele Road, Efurun, Delta State. Tel: 08058523972; 08064443196 E-mail: fostertodi@gmail.com, fostertodi@yahoo.com	Mr. Denedo Ovuakporaye Elohor, ACA District Secretariat Block 2 (Upper Floor), Edewor Shopping Centre Complex, Efurun/Sapele Road, Efurun, Delta State. Tel: 08035070807; 07084685560 E-mail: elohordenedo@gmail.com, denedoelohor@gmail.com
53.	YENAGOA & DISTRICT yenagoadistrict@ican.org.ng	Mrs. Philomena Tabowei, ACA BYSG/ICAN Study Centre, Amarata, Opposite Diamond Bank, Yenagoa, Bayelsa State. Tel: 08033338598 E-mail: philomenatabowei@gmail.com	Mrs. Bariweni Binaebi, ACA BYSG/ICAN Study Centre, Amarata, Opposite Diamond Bank, Yenagoa, Bayelsa State. Tel: 08064532364 E-mail: bbinaebi2@gmail.com
54.	YOLA & DISTRICT yolajalingodistrict@ican.org.ng	Mr. Yakubu Agabus Seubittere, FCA C/o Yakubu, Yakubu & Co., (Chartered Accountants) 1st Floor, Lamido Zubairu Education Centre, Golden Jubilee House, Yola Bye-Pass, Yola Town, Adamawa State. Tel: 08033108593; 08075947942 E-mail: seubittere@yahoo.com	Mrs. Adenike Adijat Balogun, FCA C/o Yakubu, Yakubu & Co., (Chartered Accountants) 1st Floor, Lamido Zubairu Education Centre, Golden Jubilee House, Yola Bye-Pass, Yola Town, Adamawa State. Tel: 08058128417; 08025610028 E-mail: adenike@aun.edu.ng
55.	ZARIA & DISTRICT zariadistrict@ican.org.ng	Zaid Abubakar, ACA Zaria Business School No. 10b, Theresa Bowyer Road, GRA, Zaria, Kaduna State. Tel: 08068885569 E-mail: zambellonet@yahoo.com	Mr. Busari Kassim, ACA Zaria Business School No. 10b, Theresa Bowyer Road, GRA, Zaria, Kaduna State. Tel: 08038377538 E-mail: kassimbusari@gmail.com

CHAPTERS

<i>S/N</i>	<i>NAMES</i>	<i>CHAIRMEN</i>	<i>SECRETARIES</i>
1.	CBN CHAPTER cbndistrict@ican.org.ng	Mr. Agillo Friday, FCA Financial Risk Division Risk Management Department 7th Floor, Wing A, Central Bank of Nigeria, CBN Abuja. Tel: 08055116977 E-mail: foagillo@cbn.gov.ng	Mrs. Ifeoma Geraldine Okwor, FCA Internal Audit Department 8th Floor, Wing A, Central Bank of Nigeria, CBN Abuja. Tel: 08023083266 E-mail: igokwor@cbn.gov.ng
2.	PHCN CHAPTER phcndistrict@ican.org.ng	Mr. Austin Ekpele Ojini, FCA PHCN Liaison Unit, Plot 441, Zambezi Crescent, Maitama District, P.M.B. 338, Garki, Abuja. E-mail: austinojini@yahoo.co.uk Tel: 08033402391	Mr. Felix Osordi Okolie, FCA PHCN Transmission Ajaokuta, Kogi State. E-mail: osobro4@yahoo.com Tel: 08036661279
3.	LAGOS STATE PUBLIC SERVICE CHAPTER	Mr. Badmos Shuaib Babalola, FCA Block 11, State Treasury Office, Lagos State Secretariat. Tel: 08024304435 E-mail: chiefshuaib@yahoo.com	Mr. Lamidi Olabode, ACA Block 11, State Treasury Office, Lagos State Secretariat. Tel: 08034018381 E-mail: olabodelamidi@yahoo.com
4.	FIDELITY BANK PLC CHAPTER	Mr. Victor Abejegah, FCA Risk Management Department Block B, 2nd Floor, Fidelity Bank Plc, 2 Kofo Abayomi Street, Victoria Island, Lagos. Tel: 08023044758 E-mail: victor.abejegah@fidelitybank.ng	Mr. Akinwobi Biodun Bashir, FCA Risk Management Department, Fidelity Bank Plc, Block B, 2nd Floor, 2 Kofo Abayomi Street, Victoria Island, Lagos. Tel: 08023185644; 08170406666 E-mail: biodun_akinwobi@yahoo.com
5.	SOCIETY OF WOMEN ACCOUNTANTS OF NIGERIA (SWAN) CHAPTER	Mrs. Folake, Onabolu, FCA 82, Muritala Muhammed Way, Ebute Metta, Yaba, Lagos. Tel: 08023355222 E-mail: rotfol02@yahoo.com	Mrs. Ijeoma Sam Oburu, FCA 82, Muritala Muhammed Way, Ebute Metta, Yaba, Lagos. Tel: 08023268927 E-mail: omaije@yahoo.com
6.	OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION (OAuGF) CHAPTER	Mr. Owolo Adewale, FCA Office of the Auditor-General for the Federation, Audit House, Plot 273, Samuel Ademulegun Street, Central Business District P.M.B. 128, Garki, FCT, Abuja. Tel: 08036014985 E-mail: owoloadewale@yahoo.com	Mr. Apoti Salawu Abdulrahim, FCA Office of the Auditor-General for the Federation, Audit House, Plot 273, Samuel Ademulegun Street, Central Business District P.M.B. 128, Garki, FCT, Abuja. Tel: 08035995910 E-mail: apoti2003@yahoo.co.uk
7.	OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION (OAGF) CHAPTER	Mr. Salawu Adeku Zubairu, mni, FCA Office of the Accountant-General of the Federation, Treasury House, P.M.B. 7015, Garki 2, FCT, Abuja. Tel: 08036286052 E-mail: zubairusalawu@yahoo.co.uk	Mr. Demas Amase Gbadema, ACA Office of the Accountant-General of the Federation, Treasury House, P.M.B. 7015, Garki 2, FCT, Abuja. Tel: 08069532779 E-mail: amasedemas@gmail.com

OFFICERS & COUNCIL MEMBERS 2018–2019

<i>S/N</i>	<i>NAMES</i>	<i>PHONE NUMBER</i>	<i>E-MAIL</i>
1.	Razak Jaiyeola (Alhaji), BSc, ACFE, CRISC, FCA	08055272046; 08034020754	ajsiliconconsult@yahoo.com
2.	Nnamdi Anthony Okwuadigbo (Mazi), BSc, FCA	08033421279	nokwuadigbo@yahoo.co.uk
3.	Onome Joy Adewuyi, BSc, MSc, FCIB, FCA	01-2800871; 08034106170	onomejoy@yahoo.com
4.	Comfort Olujumoke Eytayo, mni, CFA, FCA	08023050988; 07025618160	Comfort_123@yahoo.com
5.	Isma'ila Muhammadu Zakari, mni, BSc, FBR, FCA (IPP)	08023095804; 08036918838; 064892448	ismailazakari@yahoo.com i.zakari@ahmedzakari.com
6.	Oyemolu Olugbenga Akinsulire (Chief), MSc, MBA, FNIM, FCA	08038103492; 08023210622	Oyemolu2@yahoo.co.uk
7.	Oluwatobi Ayodele Abiola, HND, BSc, FCA	08058885888	tobiabiola@yahoo.com
8.	Solomon Oluwole Adeleke (Deacon), FCA	08033644774	solomonoadeleke@yahoo.com; soadeleke@bakertillynigeria.com
9.	Titilola Ariyike Nurat Akibayo (Alhaja), MBA, FCIT, FCA	08079516180; 08029293264	tante2000@gmail.com
10.	Davidson Chizuoke Stephen Alaribe (Chief), MA, CFA, MNIM, FCA	08033067131; 08052361124	dcsalaribe0405@gmail.com
11.	Chibuzor Noel Anyanechi (Chief), BSc, MBA, FCA	08034020965	chibuzor.anyanechi@ng.kpmg.com
12.	Deji Awobotu (Dr.), M.IoD, FCA	08035487820; 08022796341	adedejing@yahoo.com
13.	Felicia Aina Bamgbose, FCA	08037864472	travelnowltd@gmail.com
14.	Adaku Chilaka Chidume-Okoro (HRM), BSc, MSc, FCA	08033218432; 08125840930	gacon120032000@yahoo.com
15.	Samson Adewale Disu (Rev.), MSc, FCA	08038265179	Adewale_disu@yahoo.com
16.	Jude Sunday Egbo, HND, MBA, FCA	08033391640; 07080938074	hegboj@yahoo.com; hegboj@gmail.com
17.	Omehe Gaddafi Peter Ekoragbon, HND, FCA	08063249352	Gaddafi.ekhoragbon@gmail.com
18.	Tijjani Musa Isa (Mallam), BSc, M.IoD, FCA	08033727546	tijjanimusaisa@yahoo.com
19.	Ahmed Modu Kumshe, PhD, FCA	07033278606	amkumshe@gmail.com
20.	Nasiru Muhammadu, BSc, MSc, FCIT, FCA	08085389393; 08058483000	namuhammadu1385@yahoo.com
21.	Godwin Obaje (Navy Captain), FCA	08033514944; 08067090900	ojonemile@yahoo.ca
22.	Olutola Ogundipe, B.Eng, FCA	08033244117	tola.a.ogundipe@pwc.com
23.	Monica Ngozi Okonkwo, MSc, ACIB, FCA	08033221761	ngmonic@yahoo.co.uk
24.	Innocent Okwuosa, MSc, ACIB, FCA	+447854227720; 08128131345	Iokwuosa3@yahoo.co.uk
25.	Tajudeen Adewale Olayinka, BSc, MBF, FCA	08033243902	tajuola@yahoo.com
26.	Etofolam Felix Osuji (Dr.), mni, MSc, FCTI, FCA	07068787005; 08055502120	etoosuji@yahoo.com; etoosuji@gmail.com
27.	Hilda Ofure Ozoh, MBA, FCA	08033065118	hildaozoho@yahoo.com
28.	Queensley Sofuratu Seghosime, mni, MBA, FCA	08038283761	sofuras@yahoo.com
29.	Haruna Nma Yahaya (Alhaji), BSc, MBA, ANIM, FCA	08034547524; 0805551333	hyahaya@harunayahaya.org; hnyahaya@yahoo.com
30.	Jamiu Olakisan, HND, BSc, ACS, FCA	08035621311; 08112093022	jamiu.olakisan@ng.ey.com

SMEs in Nigeria and Corporate Social Responsibility

By AYOZIE DANIEL OGECHUKWU

A business, whether small or big, simple or complex, private or public, is created to provide competitive prices. Business in Nigeria, has been classified as small, medium and large. In both the developed and developing countries, the government is turning to small and medium scale industries, as a means of economic development and a veritable means of solving problems. It is also a seedbed of innovations, inventions and employment. Presently in Nigeria, SMEs assist in promoting the growth of the country's economy, hence all the levels of government at different times have policies which promote the growth and sustenance of SMEs. Small scale industry orientation is part of the Nigerian history. Economic history is well stocked with enough insights into the humble beginning of present great corporations. Evidence abound that almost all of the multinational giant corporations in America, Europe and Nigeria were cottage enterprises, growing as their industry grew, and through their own sheer ability, marketing skills and efforts to reproduce and produce existing products better and cheaply. Corporate Social Responsibility (CSR) is the set of standards which a firm subscribes to, in order to make its impact on the society. CSR has the potential to contribute to the economic, social and total well-being of Nigeria. Corporate social responsibility argue that corporations make more long term profits by operating with a perspective, while critics argue that CSR distracts from the economic role of businesses.

Keywords: Small and Medium Scale Enterprises (SMEs), Small Scale Business Corporate Social Responsibility (CSR), Entrepreneurship, Entrepreneur.

1.0 INTRODUCTION

There is no universal definition of CSR, organisations and researchers have framed different definitions and there are several perceptions of the term according to the context, locally and globally. We will begin by examining the debate about the nature of CSR and current attempts to define CSR.

Concepts and theories of CSR have been examined and classified by scholars since the mid-1970. However, due to the evolving meaning of CSR, numerous efforts are needed to understand new developments. Since there is a great diversity

of theories and approaches, the task remains a very hard one, mainly because there is lack of uniformity. In discussing CSR by Small and Medium Scale Enterprise (SME), western research will normally adopt several theories such as ethical, economic, legal, charity or stewardship. Each theory will lead to different perceptions on corporate social responsibility. The ethical theory suggest that business must be carried out in accordance to the ethical principles such as fair and justice. The existence of a company according to the steward theory should lead to a better condition for the society and not otherwise. However, in this context, three theories are further explained, e.g. the

stakeholder approach.

A business whether small or big, simple or complex, private or public, is created to provide competitive prices. Business in Nigeria has been classified as small, medium and large. However, a small scale industry can be explained by the criteria of project costs, capital, number of employees, sales volume, annual business turnover and the financial strength. The Federal and State Ministries of Industry and Commerce have adopted the criterion of value of installed fixed capital to determine what a small scale industry is, in this respect, the value has varied from N60,000 in 1972, N159,000 in 1975, N250,000 in 1979, N500,000 in 1986, to a fixed investment of not more than N2,000,000 in 1992 and N5,000,000 in 2003 and beyond. This figure is exclusive of land and building and subject to government determination and the prevailing objectives of public policy. In the wake of various outstanding economic policies, and Structural Adjustment Programme (SAP), this value has now been reviewed and subsequently, increased to N5,000,000, by the Central Bank of Nigeria (CBN).

1.1 HISTORICAL DEVELOPMENT AND ORIENTATION OF SMALL SCALE INDUSTRY IN NIGERIA AND CSR APPLICATION

Small scale industry orientation and CSR is part of Nigeria. Evidence abound in our respective communities of what successes our grandparents made of their respective trading concerns, yam barns, iron smelting, farming, cottage industries and the likes, and also contributed to the growth of our respective societies through CSR activities.

PRE-INDEPENDENCE HISTORICAL DEVELOPMENT (BEFORE 1960)

Prior to Nigerian Independence, the business climate was almost totally dominated by the Colonial and other European conglomerates like United African Company (UAC), GB Olivant (GBO), Lever Brothers Company, Patterson Zochonis (PZ), Leventis, and many others. These companies primarily engaged in bringing into Nigeria finished goods from their parent companies overseas. These companies have vast business experience and strong capital base, and dominated the Nigerian economy. The government of that time encouraged them to become stronger, by giving incentives such as favourable tariffs and tax concessions.

Towards the tail end of the 1950s, the Nigerian Industrial Development Bank (NIDB) was established to assist potential entrepreneurs to get involved in Agriculture, exploration of natural resources, commerce and industrial production. That period and the early 1960s saw the massive increase in Nigerian import market, while the Nigerian economy became largely dominated by very few large foreign firms, and few local entrepreneurs and SMEs.

(1965-1976)

A remarkable breakthrough in SME businesses in Nigeria came about through the indigenisation Decree of 1972 and later in Nigeria Enterprises Promotion Act of 1977.

These were genuine attempts by the Federal Government to make sure that Nigerians play active and worthwhile roles in

the development of the economy through entrepreneurship and SMEs. In 1970-74 National Development Plan, the Federal Government gave special attention to the development of small scale industries, particularly in rural areas. This was in recognition of the roles of small and medium scale industries, as the seedbeds and training grounds for entrepreneurship and CSR.

The cardinal point of the 1970-1974 development plans was:

- (i) Accelerating the pace of industrialisation and dispersal of industries, and contributing to the growth of the rural areas;
- (ii) Generating substantial employment opportunities;
- (iii) Promoting individual initiatives and entrepreneurship among the populace;
- (iv) Assisting in the established of small scale industries in the rural areas;
- (v) Developing and increasing export trader; and
- (vi) Complementing large scale industries and establishing CSR Programmes.

1977 - 1989

Within this period, the government policy measures placed emphasis on the technological aspects of industrial development of small scale industries in Nigeria. Various tiers of government within this decade embarked on corrective measures to divert efforts towards the maximum exploitation of natural resources, and tried to discourage capital intensive mode of production in the light of the abundant resources available. In this regards, the industrial policy tried to focus its attention mainly on local resources utilisation through various forms of incentives worked out by governments. Some of the basic policy strategy aimed at revitalising the industrial sector included the following:

- (a) Encouragement in the use of more local materials in the industrial development activities.
- (b) Encourage greater capacity utilisation in Nigerian industries.

In addition, both the third and fourth national development plans, the government then tried to increase her support for and contributions on:

- (i) The establishment of research products development company to provide a bridge between research and commercial development of results and cooperate with manufacturing establishment to adopt imported machines to Nigerians conditions and eventually develop the capacity for fabricating such machines.
- (ii) The Federal Institute of Industrial Research and other institutions as the Project Development Agency, Enugu.
- (iii) The industrial development centres.
- (iv) The provision of funds to implement feasible projects emanating from policy paper, prepared by the Nigerian Councils for Science and Technology.
- (v) The Industrial Research Council of Nigeria to get organised for coordinating industrial research efforts.
- (vi) The focal point of these policy measures as construed place a great emphasis on the technological aspects of industrial development and development of small scale industries in Nigeria.

1990 – TILL DATE (2014)

The Federal and State government have both contributed to the growth of SME industries in Nigeria especially in the rural areas. In recent times, various fiscal and non-fiscal incentives have been established for investors and entrepreneurs in the small scale sectors of the economy. Of special mentioning was the strategy adopted by the Federal Government towards the training and motivation of the unemployed graduates, to be gainfully employed after graduation, referred to as the entrepreneurship development programmes. Thus on the presentation of viable feasible projects, approved loans are disbursed through pre-selected commercial banks assisted by the National Directorate of Employment (NDE).

The Peoples Bank of Nigeria (PBN) was also in the vanguard of granting of soft loans to unemployed youths and artisans, and this aimed at diverting the attention of youths from government salaried jobs, to that of gainful self solely employment. NDE and the PBN were solely charged with the responsibility of generating employment through their various programmes for thousands of unemployed Nigerians.

To show its seriousness, the Federal Government through its educational agencies like the National Board for Technical Education (NBTE), the Federal Government of Nigeria (FGN), the Nigerian University Commission (NUC), and the National Youth Service Corps (NYSC) programme gave a directive that entrepreneurship development courses and programmes be incorporated into the curricular of tertiary institutions and in the NYSC programmes.

DEFINITIONS AND EXPLANATION OF THE TERM SMALL AND MEDIUM SCALE ENTERPRISES (SMEs) IN NIGERIA

Small scale business, small scale industries and small scale entrepreneurship are used interchangeably to mean a small scale industry/firm. In Nigeria and worldwide, there seems to be no specific definition of small business. Different authors and scholars have different ideas, as to the differences in capital outlay, number of employees, sales turnover, fixed capital investment, available plant and machinery, market share and the level of development. These features equally vary from one country to the other.

Here, we try to believe that there is no universal definition of small scale industries, and even within a given economy the definition does not remain static, for it changes according in the country as been the case in Nigeria since 1972, some countries use the term small scale business, “small business” while some other use “small scale enterprises or small and medium scale enterprises (SMEs).

Generally, where the term “small business” or “small and medium scale enterprises” or “small enterprises” is used, its interpretation covers all economic activities including manufacturing, wholesales, retail trade, construction, processing and servicing which can be regarded as small in the given economy. The need for clear and precise definition of small scale industries or small scale business could be considered from some of the confusions in the interpretations caused by multiple definitions of small scale industries or small scale enterprises in Nigeria.

- In Nigeria, the Third National Development Plan (1974) defined a small scale business as a manufacturing establishment employing less than ten people, or whose investment in machinery and equipment does not exceed six hundred thousand naira.
- The Federal Government Small Scale Industry Development Plan of 1980 defined a small scale business in Nigeria as any manufacturing process or service industry, with a capital not exceeding N150,000 in manufacturing and equipment alone.
- The small scale industries association of Nigeria (1973) defined small scale business as those having investment (i.e. capital, land, building, and equipment of up to N60,000 pre-SAP Value) and employing not more than fifty persons.
- The Federal Ministry of Industries (1985) defined it as those enterprises that cost not more than N500,000 (pre-SAP Value) including working capital to set up.
- The Centre for Management Development (CMD) view of small industry in the policy proposal submitted to the federal government in 1982, defined small scale industry as, “a manufacturing processing, or servicing industry involved in a factory of production type of operation, employing up to 50 full-time workers.

There are many other definitions of what constitute a small scale business in Nigeria. According to a 2009 definition given by the Federal Ministry of Industries a small scale manufacturing unit is, “one that has a total capital investment of up to N600,000 and employs up to 50 persons. The capital includes building, machinery, land, equipment and working capital”.

According to the World Bank, a Small and Medium Enterprise is defined as; “an enterprises whose total fixed asset (excluding land), plus cost of investment does not exceed N10 million in constant 1996 price index”.

Another significant definition of small scale industry is found in section 376 subsection 2 of the Company and Allied Matter Act 2000 (CAMA 2000) which stipulates that an SME should have:

- ➔ The amount of its turnover for that year is not more than N2 million (two million naira).
- ➔ Its assets value is not more than N1 million.
- ➔ The Central Bank of Nigeria (CBN) (2014) states that the initial working capital should not be less than N500 million.

Comparatively, in the United States, the small business administration defines a small business as one that is independently owned and operated, and meets employment or sales standard developed by the agency. For most industries these standards are as follows. This standard also shows the same trend as in Nigeria, although the exchanger value makes the financial criteria to be different.

- (a) **Manufacturing:** Number of employees range up to 1500, depending on the industry.
- (b) **Retailing:** Small, if annual sales or receipts are not over 2 million to 7.5 million dollars.
- (c) **Wholesaling:** Small, if yearly sales are not over 9.5 to 22 million dollars.
- (d) **Services:** Annual receipts not exceeding 2 million to 8 million dollars.

Thus in general, the specific characteristics/criteria used in describing small scale business in U.S are:

- The number of people/persons employed. It is usually a small business, because small number of people is employed.
- Annual Business Turnover: Because initial capital is low, then annual turnover will also be low.
- Local operations: For most small firms, the area of operation is local. The employees live in the community in which the business is located.
- The sales volume is minimal.
- Financial strength is relatively minimal.
- Managers are independent, and they are responsible only to themselves, or to the owners.
- The managers are also the owners.
- The owners of the business actually participate in all aspects of the management (i.e. the management of the enterprise is personalised).
- They have relatively small market when compared to their industries.
- The number of employees is relatively small, when compared to the biggest companies in a similar venture.
- The capital is mainly supplied by an individual or small group of individuals/persons or shareholders.
- They usually have one, but many have several shop locations all in the same city or metropolitan areas.

In spite of the economics of large scale production, small scale enterprises continue to exist side by side with big firms/conglomerates in Nigeria. The reason is that while small firms can complete successfully, others do not compete directly with large firms, but rather serve as a compliment to them. Small scale enterprises have a key role to play in providing the channel throughout which entrepreneurial ability of the community can be adequately exercised and also a veritable avenue to contribute to the growth of the society.

In conclusion, another definition of small scale business is seen as: "An enterprises with total capital employed of over N1.5 million but not more than N50 million including working capital but excluding cost of land and/or a labour size of 11 – 100 workers.

There are many enterprises in Nigeria categorised as small business. Most of them are in the commercial sector and there is also a trend now towards the service industry, hotels, restaurants, fast foods, etc.

Because of these peculiar attributes of SMEs in Nigeria. They are limited in their scope of corporate social responsibility (CSR) because:

- Most SMEs do not wish to contribute to CSR and they do not know the cost activities and programmes. They do not have limited finances to make an appreciable impact in CSR in their immediate environment.
- Profit realised from business is limited because of fewer customers, hence this limit the size, scope and dimension of CSR which is supposed to have an impact in the environment in which they operate.
- The number of people employed by SMEs is lower, hence it is a hindrance on the diversity and scope of CSR in the

immediate environment.

- The limited annual business turnover and the limited local operations of SMEs in Nigeria, hinders the scope of SME's CSR where it is operational. There is very low government assistance to SMEs in CSR. Most infrastructures are bad or non-existent, hindering SMEs operation, and forcing most of the SMEs to take up the provision of infrastructures which is beyond their scope of operation.
- The family oriented ownership structure and the limited life span of SMEs lower, their contribution to CSR in Nigeria. There is no continuity in ideas, policy and business orientation.
- Because of limited market and customer base, SMEs are hindered in participating in meaningful CSR operations in Nigeria. In areas where they operate, their impact is not well felt.
- SMEs participate in CSR's which has no meaningful impact in the life style of the community in which they operate in.
- There is also the conflict between the profit orientation of SMEs and the desire to provide CSR activities.

1.3 THE NATURE OF SMALL SCALE ENTERPRISES (SMEs) IN NIGERIA

According to Ayozie (2013), he described the nature of small scale business operation in Nigeria as follows:

Sole Proprietorship (Ayozie 2013)

A sole proprietorship is formed when a single person goes into business. It is the simplest form of business organisation. It is the simplest form business organisation, because in single person puts up all the capital, takes the decision, shoulders the entire responsibility for the management and operation and assumed all this risks. He is solely responsible for the success or failure of the business. Thus ownership and control are vested in one person, the proprietor, who enjoy all the fruits if success and pains in case of failure of the business (Ayozie 2013).

Partnership (Ayozie 2013)

This is a form of business in which two or more people are involved in the ownership and control of a business with the aim of making profit. A partnership may arise out of the need to overcome the disadvantages of a sole trader. As a result other partnership of business organisation pools the resources of the individual partners together. These resources are in the area of capital, technical competence skill, ability and knowledge of individual partners. Thus, we have partnership firms in the professions – medical, accountancy, advertising, marketing and law to mention only a few (Ayozie 2013).

Joint Stock Company (Ayozie 2013)

The joint stock company is an association of people who jointly pool capital resources together for the purpose of owning productive asset and engaging in profitable business. This type of business organisation represents a logical development from the partnership business in that it developed from the need for large capital resources (e.g. money, expertise, talent, etc)

necessary to set up modern industry that a few partners will possibly provide, and the minimisation of risk and liabilities of the subsidiary financial member called shareholders. In the case of any business liquidation, such a company is regarded as a legal entity in the law (Ayozie 2013).

Cooperative Society

This is an association or group of people coming together under the same umbrella to pursue common goals which foster cooperation in economic activities (e.g. production, distribution or marketing) with the view to enhance mutual and self-help and to promote the economic interest and welfare of the participating members. A cooperative enterprise derives its strength from the interest and patronage of its members who provide nearly all its finance, own, manage and control its operation (Ayozie 2013).

The distinguishing features of cooperative society as a form of business organisation is in its collective ownership, control and objectives.

2.0 LITERATURE REVIEW ENTREPRENEURSHIP IN NIGERIA AND THE PERFORMANCE CONSTRAINTS

In most countries in Africa, the governments have typically played a significant role in determining the course of development. Many state-owned enterprises in Africa were created when it was believed that the fastest route to development occurred when the state took on the role of the entrepreneur. Unfortunately, in many countries, the performance of these state-owned firms, or parastatals, has been substandard. Part of the problem with the state-owned enterprises is that they are run by bureaucrats and are plagued with red-tape, corruption, graft, inefficiency and unproductivity (Ayozie 2013). Thus, these firms are typically run according to state procedures, instead of cost-cutting and profit-maximising concerns. The typical result is rampant inefficiency. Although Nigeria was at one time characterised by such inefficiencies, it has recently pursued entrepreneurship encouragement policies, and the initial indicators suggest that the policies have been successful (Alawe 2004). State firms have now been sold off to private entrepreneurs who are better equipped to run business firms. Government economic policies are liberalised and opened up to allow for greater private participation.

In Nigeria, the state-owned enterprises traditionally clogged business opportunities, and state restrictions prevented entrepreneurs from entering the market. However, in the mid-1980s and 90s, Nigeria abolished its marketing boards, which prevented entry into certain industries, and opened up its markets to competition from domestic entrepreneurs. Nigeria introduced deregulation and privatisation of state-owned industries so as to promote entrepreneurship and the development of the economy. Although Nigeria is still plagued by many developmental problems, preliminary evidence suggests a favourable response by the private sector to the new entrepreneurial opportunities thus created. The youths, retirees, old and elderly have all recognised the importance if self-employment and entrepreneurship have capitalised on it, while a lot of foreign investors have come into the country to either invest or buy previously state run firms, so as to increase

their efficiency and profitability.

The majority of our people don't have access to the knowledge about the requirements of the markets. So this is one area where they are lacking. For instance, if you want to have access to the UK market, you must know of the market regulations. Such understanding will assist the entrepreneur to produce goods that will be able to meet the needs of the market. Adequate and timely market information must be provided. Also products must be competitive and meet required international standards. Products must be of comparable standards with these products in Ghana, USA, China, India, and Canada.

Another important constraint is "finance". Access to capital is a major factor in Nigeria. The government has tried to do something about this through one form of intervention or the other. However, about five years ago, the Banker's Committee decided to set aside 5% of their profits as equity investments in small businesses. Everybody hailed that decision. Unfortunately, the rate at which the money was being disbursed to enterprises has been very poor (Ayozie 2013).

The value orientation about business and financial education is very poor. Every entrepreneur wants to start, run and get all the profits and losses alone in Nigeria. First of all, you have to understand the mindset of the small businesses in Nigeria. They own their businesses, and they like to control it themselves. Unlike what obtains in USA, Canada and Europe where most people wanting to start a business will look for a partner, somebody with equity and experience technical know-how. The philosophy is "Let's share the risk together. Let's leverage on the knowledge of one another," and things like that. But back in Nigeria, the prevailing philosophy is "I want to start it myself. This concept was changed by Aliko Dangote who started small as an SME, and is now a billionaire entrepreneur. I want to do it myself, at least up until the particular level that I know I have full control. Then, maybe I can sell part of it, but for now, let me do all the sweating, and let me do all the things that come with that sweating". There is need for value orientation and sound financial education (Ayozie 2013).

Another factor is inadequate documentation of processes and outcomes. The records are poorly kept; unlike in Europe and America and it is difficult for small businesses to have regular financial statements and things like that. This common business practice in developed economies must be shown to entrepreneurs in Nigeria and why it is important for them to have their own financial records even to know how their businesses are growing and the feasibility report. Western small businesses are very careful about documenting processes and outcomes (Business Plan). The fact that entrepreneurs are able to document their processes help them to consistently control the outcome. That is one learning point that must be imbibed by all entrepreneurs, especially with full compliance to the dictates in their business plan, feasibility report plans.

CORPORATE SOCIAL RESPONSIBILITY

Although there is an increasing focus on examining social responsibilities, the dilemma still exists: What is meant by corporate social responsibility (CSR)? What is responsibility for and to whom and who is calling for firms (SMEs) to be socially responsible in their locality? Is it a strategic corporate image

management plan, or is there, in fact, social responsibility behaviour?

The management literature has acknowledged social responsibility as an important corporate duty (Quinn, Mintzberg & James, 1987). Given the significance of CSR in corporate decision making, the relationship between a firm's social and ethical policies or sections and its financial performance is an important topic, especially by SMEs in Nigeria.

Various arguments have been made regarding the relationship between firm's social responsibility and financial performance which is correct. One view is that firm faces a trade-off between social responsibility and financial performance. Those holding this view propose that firms incur costs from socially responsible firms. A second contracting view point is that the explicit costs corporate social responsibility are minimal and that firms may actually benefit from social responsible actions in terms of employee moral and productivity. A third perspective is that the costs of social responsible actions are significant but are offset by a reduction in other firm costs, for instance stakeholder theory suggest that a firm must satisfy not only stockholders and bond holders, but also those with less explicit, or implicit interest in the organisation.

3.1 WHAT IS SOCIAL RESPONSIBILITY?

The broadest definition of corporate social responsibility is concerned with what is or should be the relationship between global corporations, governments of countries and individual citizens. More locally, the definition is concerned with the relationship between a corporation and the local society in which it resides or operates. Another definition is concerned with the relationship between a corporation and its stakeholders.

All of these definitions are pertinent and each represents a dimension of the issue. A parallel debate is taking place in the arena of ethics – should corporations be controlled through increased regulation or has the ethical base of citizenship been lost and needs replacing before socially responsible behaviour will ensure? However this debate is represented, it seems that it is concerned with some sort of social contract between corporations and society.

CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.

Corporate organisations operate within environments. CSR is the set of standards which a company subscribes to in order to make its impact on the society. It has the potentials to contribute to the economic, social and total wellbeing and poverty reduction in a developing country like Nigeria. A business' environment include economic, political, social, legal, ethical and cultural environments. Issues which affect these premises also adversely or positively affect business and non-business organisations. Conversely, corporate organisations derive their resources capital, land, labour and sometimes entrepreneurship from this same environment. Its actions, therefore, also affect these environments either positively or negatively.

Although the main aim of business organisation is profit making, and satisfying the customers, the organisation can hardly put its environment into comatose for the purpose of earning profits and customer satisfaction.

Kurtz regards social responsibility as a company's management consideration of the impacts of its social, economic, political, technological and education decisions on the environment where it operates.

Another described Social Responsibility as, "...the intelligent and objective concern for the welfare of society that restrains individual and corporate behaviour from ultimately destructive activities, no matter how immediately profitable, and that leads in the direction of positive contribution to human betterment variously as the later may be defined".

A firm cannot, therefore, operate in an environment, reap every fruit from that environment but put back nothing in the same. The impact of organisations in their environments today are sometimes quite glaring and sometimes not quite open, but nonetheless quite destructive. The use of landed property for factories displacing farmlands, and sources of income to the community, having to cause pollution in the case of food and chemical manufacturing companies, some companies implement unfair salary policies and difficult working hours, dump waste material close to residential areas, produce substandard products while some companies hardly maintain good health-care facilities. All impinge on the image of the organisation, placing corporate social responsibility under the functions of public relations department.

The question, therefore, have arisen: What areas do the corporate social responsibility programmes cover, given the wide area a corporate organisation can affect the lives of the host communities and what can public relations do about these areas?

So many authors have suggested various areas social responsibility should be applied to maintain the image of a caring corporate organisation. For example, the Committee for Economic Development (CED) (Ayozie 2013) listed the following for social responsibility programmes: Economic growth and efficiency; Education; Employment and training; Civil rights and equal opportunity; Urban renewal and development; Pollution abatement; Conservation and recreation; Culture and the art; Medical care; Government activities.

Corporate Social Responsibility was used to describe corporate owners beyond shareholders as a result of an influential book by Freeman (1984), strategic management a stakeholder approach in 1984. He argues that corporations make more long term profits by operating with a perspective, while critics argue that CSR distracts from the economic role of businesses. CSR is tied to an organisation's mission as well as a guide to what the company stands for and will uphold to its consumers.

EFFECTS OF ORGANISATIONAL ACTIVITY ON ENVIRONMENT

It is apparent of course that any actions which an organisation undertakes will have an effect not just upon itself but also upon the external environment within which that organisation resides. In considering the effect of the organisation upon its external environment, it must be recognised that this environment includes both the business environment in which the firm is operating, the local societal environment in which the organisation is located and the wider global environment.

This effect of the organisation can take many forms, such as:

- a. The utilisation of natural resources as a part of its production processes.
- b. The effects of competition between itself and other organisations in the same market.
- c. The enrichment of a local community through the creation of employment opportunities.
- d. Transformation of the landscape due to raw material extraction or waste product storage.
- e. The distribution of wealth created within the firm to the owners of that firm (via dividends) and the workers of that firm (through wages) and the effect of this upon the welfare of individuals.
- f. And more recently the greatest concern has been with climate change and the way in which the emission of greenhouse gases are exacerbating this.

THE PRINCIPLES OF CSR

Because of the uncertainty surrounding the nature of CSR activity it is difficult to define CSR and to be certain about any such activity. There are three basic principles which together comprise all CSR activity. These are:

- a. Sustainability
- b. Accountability
- c. Transparency

a. Sustainability

This is concerned with the effect which action taken in the present has upon the option available in the future. If resources are utilised in the present then they are no longer available for use in the future and this is of particular concern if the resources are finite in quantity.

Sustainability therefore implies that society must use no more of a resource than can be regenerated. This can be defined in terms of the carrying capacity of the ecosystem (Hawken 1993) and described with input – output models of resource consumption. Thus the paper industry for example has a policy of replanting trees to replace those harvested and this has the effect of retaining costs in the present rather than temporally externalising them.

b. Accountability

This is concerned with an organisation recognising that its actions affect the external environment, and therefore assuming responsibility for the effects of its actions. This concept therefore implies a quantification of the effects of actions taken, both internally and externally. More specifically the concept implies a reporting of those quantifications to all parties affected by those actions. This implies a reporting to external stakeholder.

Accountability therefore necessitates the development of appropriate measures of environmental performance and the reporting of the actions of the firm. This necessitates costs on the part of the organisation in developing, recording and reporting such performance and to be of value the benefits must exceed the costs. Such reporting needs to be based upon the following characteristics:

- a. Understandability to all parties concerned.
- b. Relevance to the users of the information provided.

- c. Reliability in terms of accuracy of measurement, representation of impact and freedom from bias.
- d. Comparability, which implies consistency, both over time and between different organisations.

c. Transparency

Transparency, as a principle, means that the external impact of the actions of the organisation can be ascertained from that organisation's reporting and pertinent facts are not disguised within that reporting. Thus all the effects of the actions of the organisation, including external impacts, should be apparent to all from using the information provided by the organisation's reporting mechanisms.

3.2 WHAT ARE SOCIAL RESPONSIBILITIES OF SMEs IN NIGERIA

By social responsibilities of business, we mean the obligation of business to society. It means the roles which a business firm must perform for the whole society as a matter of duty and without being told or ordered to do them. They imply that a firm has duty to serve the large interests of society, to promote social welfare, to participate responsibly in and make whatever is productive for society, to assume a wide range of non-economic responsibilities for improving the quality of life in the country into which the company is operating, and to ensure that its dealing with its various public constituencies are conducted with the utmost integrity adhering to the highest standards of ethical first and fair conduct.

As listed by the British Institute of Management in Jefkins (1996), the eight areas of public, social and civil responsibility of a business are:

➔ **Legal Responsibilities** i.e. Responsibilities to the Government. They consist of:

- (a) Observing the letter and spirit of the law in every branch of the firm.
- (b) Accepting government intervention in business affairs as normal, rather than carrying for favours or protesting against such intervention.
- (c) Keeping people at all levels of management informed of changes and ensuring compliance with the law.
- (d) Declaring true profits and pay taxes regularly.
- (e) Avoiding the use of bribes and other corrupt practices to secure government contracts, etc.

➔ **Responsibilities to Shareholders are:**

- (a) Keeping shareholders sufficiently well informed to exercise their full responsibilities as owners of the company.
- (b) Ensuring the safety of end reasonable return on capital invested.
- (c) Encouraging shareholders to question the board about company affairs and making efforts to keep them informed about company affair.
- (d) Dealing equitably with different classes of shareholders, etc.

➔ **Responsibilities to Employees:**

- (a) Keeping employees informed about mergers,

takeovers, investments programmes and policy decision.

- (b) Encouraging consultation between management and employees through a practical workable method by which employees can get their views to members of the management.
- (c) Making employment, promotion, redundancy and pension policies equitable and clear to employees.
- (d) Ensuring good conditions of work e.g. lighting, safety, office design, machine design.
- (e) Providing security of tenure for employees.
- (f) Making recruitment and promotion practices non-discriminatory, with relation, to race, sex, tribe, religion and ethnicity, etc.

→ **Responsibilities to Suppliers are:**

- (a) Informing supplier of future plans and giving them proper and adequate notice of requirements.
- (b) Honouring settlement data with supplies.
- (c) Giving consideration to suppliers interest and to maintain a fairly regular flow of orders.

→ **Responsibilities to Customers are:**

- (a) Labelling products clearly and unambiguously and avoiding the urge to misrepresent goods and services.
- (b) Testing products for function and safety.
- (c) Adopting only advertisement/marketing methods that lead customers aright and do not misrepresent.
- (d) Developing high quality products that customers really want and need, and showing concern for their satisfaction.
- (e) Explaining credit facilities to purchasers fully and clearly.
- (f) Making after sales services satisfactory by dealing without complaints and correcting defects promptly.
- (g) Ensuring that delivery dates are kept, etc.

→ **Environmental Responsibilities are:**

- (a) Preventing the creation of offensive odour to members of the public and giving proper attention to the dangers in production processes such as fume, noise, solid waste, disposal and checking them correctly.
- (b) Preventing the use of degradable materials in product and their packaging.
- (c) Encouraging conservation of materials, investigating the possible use of substitutes and recycling, etc.

→ **Responsibilities to the Local Community:**

- (a) Paying adequate compensation for land acquired.
- (b) Considering the interest of the community in transportation policies.
- (c) Creating and maintaining good and peaceful relationship with the public at large and the local community, and campaigning to promote inter-communal relations.
- (d) Contributing to the well-being of the people of the local area of operation by providing low cost amenities and social services.

→ **Responsibilities to Competitors in the Same Industry:**

- (a) They should attempt to be fairly competitive and eschew a desire and tendency for monopoly.
- (b) They should not attempt to gain access to competitors secret research production and marketing data through industrial espionage or by luring away an employee specifically for the purpose of getting such information.

WHO THEN IS AN ENTREPRENEUR?

The word entrepreneur is derived from the French word “entrepredre” which means to initiate or take action. An entrepreneur is a person who habitually creates and innovates to build something of recognised value around, perceived opportunities). Meredith *et al* (1991) sees entrepreneurs as the people who have the ability to see and evaluate business opportunities, to gather the necessary resources, to take advantage of them, and to initiate appropriate action to ensure success.

Drucker, P. (1987) sees the entrepreneur as the innovator who searches for change, responds to the change, exploit it as an opportunity. It means creating something new, doing something different, doing it better than what is done before. Entrepreneurs shifts resources, from areas of low productivity, and do so by creating a new market and a new customer.

An entrepreneur is a person who takes the initiative or action of starting a business. He/She is described as someone who uses existing resources in a new or more productive ways either to improve existing ways of doing things, or develop a new and creative ways to meet unmet needs of the society of which she/he is a part.

3.2.1 MERITS OF BEING IN ENTREPRENEURSHIP IN NIGERIA (Ayozie 2011)

- It makes it possible for individuals to act as agents of economic emancipation and development of various sectors of the community and society e.g. Dangote, Otedola, Adenuga, Ilodigwe, Orji, Uzokalu, Mrs Alakija.
- They assist the various tiers of government (i.e. federal, state and local government) to provide employment opportunities, thereby increasing the workforce in the society.
- They give the populace the opportunity of contributing to the development of the society, through hardwork, and generating revenue for the government which will be used to provide social amenities for all.
- It affords individuals the dignity of earning their own living, being their own boss, being independent, and working hard to better the society in which they live in.
- Affords individuals the privilege of earning revenues, profit and providing social services.
- They mentor and help their people to start, grow and expand their businesses.
- It is the engine house of every country’s economic and social development as individuals achieve both personal, social and national goals.

3.2.2 DEMERITS OF BEING AN ENTREPRENEUR (Ayozie 2008)

- When the business fails the entrepreneur and the family suffer all the financial and personal losses.
- There is always a difficulty of raising the required financial base of a business, thereby limiting the capacity of many to become an entrepreneur.
- Basic infrastructures to make a business survive are lacking in Nigeria i.e. no accessible roads, poor power supply, lack of internet communication technology facilities.
- Entrepreneurs spend all the time, money and energy trying to nurture a new business to maturity, thereby denying their families of the love and comfort.
- It is very difficult to realise very easily the money invested in the business and business takes long to generate the much desired profitability.

Poor/Insufficient Infrastructural Facilities

There is unstable/poor power supply. Most entrepreneurs rely on personal generating sets, which makes cost of running a business to be high. The roads are bad, telecommunication and ICT facilities poor and inadequate. There are not potable pipe borne water, etc.

- It is difficult to raise the opening capital to start a business. The bank loans are very high, and in most cases the requirements for getting the loans and collaterals needed are very high. The financial difficulties limit the starting and running of a business.
- There is political instability, constant changes in government economic policies, no clear cut procedures for changing a government, fear of coup d'etat and military intervention in government, etc.
- Security challenges posed by violent strike actions, armed robberies, armed and violent terrorism, kidnapping, thefts, etc making it difficult and expensive to run a business.
- Improper and poor documentation procedures by the government and by the entrepreneurs, who at times combine both personal and business activities together.
- The consumer and industrial markets, for the products are not there, not properly segmented for greater profitability.
- High rate of graft, corruption and bribery, which increases the cost of running a business.
- Unnecessary bureaucratic procedures, slow pace of business registration and meddlesomeness by family and government members.
- Cultural/religious limitations and barriers which forbid the operation of certain business ventures.
- Double taxation by both the federal, state and local officials which increases both the cost of goods and services offered for sales, and the cost of running the business.

4.0 THE NIGERIAN GOVERNMENT PARTICIPATION IN SMALL SCALE INDUSTRIES (Ayozie 2013)

That there is a kind of relationship between business and

government is never a dispute, the issue has always been degree of affairs, cooperation, finding and co-operative marriage, that is existing between the two society's sub-system. In Nigeria, it is imperative for business operators to understand that manner of relationship. This is because the type of relationship that exists between the government and business goes a long way to determine the existence, growth and development of the small scale business operator. The government is a super-body that exerts enormous power in a given nation state. By this implication, it has the capacity and ability to influence almost every institution under its jurisdiction for good or small scale business and other economic activities have its root in her major function as a resources allocation.

In Nigeria, there is an implication of a mixture of command and market determined mechanism. Hence, it is often called mixed economy but gradually moving to pure capitalism with the privatisation of many governments owned firms in Nigeria. The dictionary of economics defined mixed economy as an economy which contains elements of both a small, medium and large private sector, participation in business, as well as a group of large nationalised industries.

Especially, in these circumstances, the role of business as multi-various and categorised as:

- (a) Participatory role
- (b) Regulatory role
- (c) Facillatory role.

4.1.1 HOW THE GOVERNMENT PARTICIPATES IN SME DEVELOPMENT

Where it is actually involved in and control business enterprises by owning and managing such enterprise. Government acts as a business regulator with the overall aim of helping to maintain a climate of confidence, sanity and to stimulate the activities of the enterprises, so that they can have the respect for the rule of competition. Onuoha (1990) identified some of usual justification for government regulatory activities in business including what they hope to achieve (Ayozie 2013). They are:

- (a) To achieve an environment permitting the enterprise to exist in an atmosphere of stability and cooperation.
- (b) To fix and distribute public and social burden in a supportable and equitable manner, taking into consideration the differences in sizes of various enterprises and the economic activity of the country.
- (c) To protect the interest of the consumer against exploitative actions of business or specific measures against sub-standard or dangerous products.
- (d) Government control business as part of her fundamental responsibilities towards exercising her sovereign right on all activities within her jurisdiction the business inclusive.
- (e) Government control of business is durable because it is one of the methods by which government raises revenue, the revenue comes in the form of registration fee, excise duties, educational levies, taxes and tariffs.
- (f) Government control business as a way of ensuring that the economy is not dominated by foreigners.

Through appropriate and calculated control, government

enlarge the propensity for greater indigenous participation in economic business activities. These act of governmental control in business activities come in various forms, of which the most popular and widely used is through the instrumentality of law. Relevant laws or decrees, edicts, and statutes were often used specifically to achieve a control or regulatory objectives. For instance, the following few itemised laws, among others, are targeted towards regulating business in Nigeria, with the twin objective of business and industrial development, and maintaining sanity among the business key players and operators:

- (i) Registration of Business Names Act 1961, No. 1.
- (ii) Trade Mark Act 1961, No. 29.
- (iii) Factories Act capt. 1966.
- (iv) Exchange Control Acts 1961, No. 16.
- (v) Nigerian Standard Organisation Acts 1971, No. 36.
- (vi) Trade Union Act 1973, No 31.
- (vii) Pre-shipment Inspection of Import Act, 1978, No. 36.
- (viii) Import Prohibition Order in 10, 1979, etc.
- (ix) NAFDAC and SON Amendment Laws, 2011, 2012.
- (x) Various Advertising Regulatory Laws, 2011/2012.

Alawe Tijani (2004) also opined that the Bank of Industry was established by the Nigeria government in October 2001, as a result of the merger of the Nigerian Industrial Development Bank (NIDB), the Nigerian Bank for Commerce and Industry and the National Economic Reconstruction Fund (NERFUND). Its major aim is to provide necessary financial assistance and incentives for the establishment of large, media and mostly small scale projects, and the expansion and diversification of existing industries. It engages in fund mobilisation, project appraisals, financing, implementation and investment activities.

- (a) The Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB) established in the year 2002, is a merger of the defunct Nigerian Agricultural and Cooperative Bank (NACB), People's Bank of Nigeria (PBN) and the Family Economic Advancement Programme (FEAP).
- (b) The federal government set up the Bank of Industry limited in October 2001 by merging the Nigerian Industrial Development Bank (NIDB), the Nigerian Bank for Commerce and Industry (NBCI) and the National Economic Reconstruction Fund (NERFUND).
- (c) From 1996 till date, many Community Banks (CBs) were established as self-sustaining financial institutions. They might be owned and managed by a group of communities or a community, for the main purpose of providing credit, deposit banking and other financial incentives to its members and the SMEs. They involve SMEs, and rural development by providing credit deposit services, and the increase of the capacities of SMEs and rural people in industry and in agriculture.
- (d) The Small and Medium Industries Equity Investment Scheme (SMIEIS) was set up on June 19, 2001 and launched in August 2001. It is the Banker's committee initiative which requires banks to set aside 5% of their profit before tax for equity investment in small and medium scale enterprises. Its main target is in the areas

of Agro-allied business, Information Technology and Telecommunication, Manufacturing, Services, Tourism, Leisure and Construction (Alawe 2004).

4.1.2 NIGERIAN GOVERNMENT AS A BUSINESS REGULATOR

Governments all over the world and in Nigeria do realise and recognise the indispensability of vibrant business sector to the overall development of the national economy. Most of the laws and regulatory measures are intrinsically meant to protect and assist business. In order words, the initial regulatory function is not intended to be a punitive measure, rather it is intended to maintain a healthy rivalry, maintain sanity and stability among business, to the overall advantage of the entire business sector.

Apart from the implied facilitatory importance of the regulatory function, government specifically in so many ways through demonstrated actions, beneficial investment policies, institutions capacity building through the NYSC, SMEDAN, Universities, Polytechnics, Commercial Banks and other institutions has favourable economic and fiscal policies, protective business laws, and direct financial incentives, promote, encourage and support the growth, and development of SMEs in Nigeria.

4.1.3 PROVISION AND ENACTMENT OF BENEFICIAL AND SUPPORTIVE LAWS

- (i) The Nigeria Enterprises Promotion Act 1977, No. 3.
- (ii) Patent Right and Design Act 1979, No. 60.
- (iii) Custom Duties (dumped and subsidised good Acts No. 9 of 1959).
- (iv) Industrial Promotion Acts 1979, No. 40.
- (v) Industrial Development Income Tax Acts 1971, No. 22.

Tijani Alawe (2004) enumerated most of other recent facilities as:

- (a) The establishment of the Finance and Research Institutions in 2001, by the federal government. The research reports of these institutions are very useful to SMEs and business organisations, in their product choice decision, product development approach, product or service delivery strategies. These helps to increase business efficiency and effectiveness. The most noticeable of these institutions is the Raw Materials and Research Development Council (RMRDC).
- (b) The Nigerian Government Provision of Direct Financial Assistance to Small Business Organisation through, the establishment of specific financial and non-financial institutions, for example, the Nigerian Agricultural and Cooperative Bank, Bank of Industry (2001), the Nigerian National Mortgage Bank (NINAM Bank) which is a merger of the Federal Mortgage Bank of Nigeria (FMBN) and the Federal Mortgage Finance Limited (FMFL) in 2001. The non-governmental micro credit institutions consists of finance companies and community banks, that venture into the funding of micro credit schemes for SMEs, rural women credit schemes, artisans credit schemes, and many others for small business people (Ayozie 2013).
- (c) The small and medium industries equity investment

scheme (SMIESIS) established on June 19 2001, which requires banks to set aside 10% of their Profit Before Tax for equity investment in small and medium scale enterprises (SMEs).

- (d) Direct Financial Assistance and even loans to SMEs, through a package of subsidised or discounted loan portfolio, such as the small scale industrial credit scheme, and the NERFUND Scheme.
- (e) The provision of manpower development support schemes. The government established various universities and polytechnics, to provide skilled manpower for the SMEs. It also set up specific manpower development and training institutions, such as the Centre for Management and Development, the Administrative Staff College of Nigeria (ASCON) and the Industrial Training Fund. The services and Research Findings of these manpower institutes are mainly used by the small scale business people and establishments.
- (f) The establishment of government intervention strategies in 2002. This is mostly direct and indirect. Alawe (2004), Ayozie (2013) describes the direct policy as consisting of direct investment and the establishment of SMEs, promotion institutions or agencies (example technological development institutions, credit lending institutions, technical and management institutions) and the provision of infrastructural facilities such as industrial estates, nationalisation of foreign firms and the provision of incentives and subsidies for the promotion of small and medium scale companies. Indirect public policy includes the regulatory provision, encouraging savings and reinvestment, restricting imports of consumer goods, introduction of measures that protect SMEs and the provision of various incentives and inducements to small scale industries.
- (g) The provision of credit support schemes. The government through its agencies provides capital or loans on soft term basis to SMEs. In 1973, it established the Nigeria Bank for Commerce and Industry to provide soft term loans to small scale industries, it set up the National Economic Reconstruction Fund (NERFUND) in 1989 to pool funds from various sources for lending through commercial and merchant banks to small scale industries, in 1997, the Family Economic Advancement Programme (FEAP) was established as a micro credit scheme geared towards investment promotion, and poverty alleviation.
- (h) The government also set up most federal polytechnics in 1979, the Administrative and Staff College (ASCON) in 1973, the Centre for Management Development (CMD) in 1973, and the Nigerian Institute of Policy and Strategic Studies in Kuru Jos. It also set up the small scale industries and graduate employment programmes, which aims at encouraging participants, mainly young graduates to set up and own their small scale business. Recently the Nigerian Institute of Management (NIM) established a training programme in all the National Youth Service Corp orientation camp, aimed at inculcating in the Youths, the spirit of entrepreneurship. In the past there was the graduate job creation loan scheme,

and the entrepreneurship development programme, managed and supervised by the National Directorate of Employment (NDE).

- (i) The establishment of industrial development centres and the industrial estate schemes, which facilitate industrialisation process and the clustering of firms for effective planning and provision of facilities.

The Nigerian Enterprises Promotion Decree 1977 as amended by Acts 1987 has some definite, unambiguous declarations and postulations. It regulates and controls the ownership structure of Nigerians business. This Acts classify business in Nigeria into Schedule I, Schedule II and Schedule III.

Schedule I contains categories of business that are, reserved exclusively for indigenous participation and exploitation. These categories of enterprises are reserved for Nigerians only. In other words, foreigners may not be allowed to own such businesses. Although, these catalogues of businesses are those whose technical skill requirement, capital outlay an operations procedures are not complicated and require low technology. Some of the categories of these business and bread and cake making, commercial transportation mission, newspaper publishing; and printing, advertising, travel agency, etc, this was the catalyst that gave rise to the involvement of Nigerians in the running of their business.

Schedule II of the acts specifies other categories of business in which 40% maximum foreign participation and a 60% minimum Nigerian indigenous participation are allowed. Adewunmi (1988) observed that the category of enterprises of this class were in the main, those requiring middle level technology not adequately possessed by Nigerians. Some of the categories of business are beer, breweries, boat building, bottling and processing business, processing of fruits coastal and waterways shipping, mining and gearing, among others.

Schedule III allows a maximum of foreign participation to the tune of 60% and minimum of Nigerian indigenous participation of 40%. The peculiarities of business are that the technology requirement and skill are almost lacking in the Nigeria. The objective is to integrate Nigerians business into the mainstream of business activities despite the apparent differences in technical and technological requirements, e.g. manufacturer of engine and turbine, computing machineries, manufacture of auto parts/vehicles, manufacture of aircraft, oil servicing, ocean transportation, etc. The principal body charged with the responsibility of implementing this act is the Nigerian Enterprises Promotion Board.

In all the enterprises, a promotion act as it is, does not intend to expunge foreign participation in Nigeria business as sometimes misinterpreted, it is packed to encourage and reserve for Nigerians, investments and business in those areas within the competence of indigenous expertise as well as stimulate Nigerian and foreign investors to work together in mutual trust thereby facilitating local acquisition of skills.

The enterprises promotion decree has these unique benefits of:

- (i) The encouragement of Nigerian indigenous participation in business through appropriate delineation of those areas that are exclusively reserved for Nigerians alone.

- (ii) It makes it possible for Nigerians business to enjoy adequate control especially from foreign incursions in expertise and skills.
- (iii) It leads to a beneficially dilution of business ownership through joint participation of foreign and indigenous investors.
- (iv) It encourages local acquisition of hitherto non-existent skills among business. The approach is straight forward, as it encourages co-operative approach where the skills are almost non-existent and
- (v) Lastly, it promotes the development and growth of business in Nigeria, as most investors take advantage of the decree to relaunch their investments or business packages.

4.1.4 PROVISION OF INFRASTRUCTURAL FACILITIES

Dividend (1985) argues that the infrastructural facilities created by government helps in the growth of small scale business by facilitating the acquisition of required inputs. These facilities are the essential infrastructures that assist and promote investment and growth of the SMEs. Some of them are:

- (i) Provision of access roads.
- (ii) Increased improvement in communication facilities like telephone, postal services, and other telecommunication facilities like internet and mobile phones.
- (iii) Provision and expansion of electricity supply.
- (iv) Water expansion schemes to service industrial of business sites.
- (v) Construction of industrial layouts and estates.
- (vi) Establishment and maintenance of an Export Processing Zone (EPZ).

The provision of all these facilities help the small scale business to expand, through quick movement of goods and services, expansion of markets for products, and leads to a relatively cheaper investment cost.

4.1.5 PROVISION AND CONSTANT MANPOWER DEVELOPMENT SUPPORT

With the establishment of various institutions, especially the universities and polytechnic, the government directly help in the provision of skilled manpower at every level of management for the economy and small scale business. Apart from the tertiary institutions, government also established and finances some specific manpower development and training institutions. Some of them are the Centre for Management and Development (CMD), the Administrative Staff College of Nigeria (ASCON) and the Industrial Training Fund. The product of these Institutions are extensively utilised by businesses. The hitherto problem of technical and management manpower requirement are drastically reduced.

4.1.6 ESTABLISHMENT AND FINANCE OF RESEARCH INSTITUTIONS

The government has assisted small scale business through the provision of some helpful research institutions. The research reports of these institutes are very useful to business organisations, not only in their product choice decision, but also in product development approach, product or service

delivery strategies, thereby increasing business efficiency and effectiveness. The activities of Raw Materials and Research Development Council (RMRDC) is worthy of note. This council through its affiliated institutes conduct research into cheap sources and of alternative raw materials for various businesses. Its role has been so tremendous, as small businesses take advantage of some discoveries in the research report to boost and expand their operations, other research institutes include the Nigeria Industrial Opportunities Centre and the Investment Information and Promotion Centre.

4.1.7 PROVISION OF DIRECT FINANCIAL ASSISTANCE TO SMALL BUSINESS ORGANISATION

The Nigerian Government often gives direct financial assistance to business organisation. Some of the specific ways by which government gives financial assistance to small businesses are:

- (i) The establishment of specific financial institutions to serve a given or determined business factor for example the People Bank, Nigeria Agricultural and Cooperative Bank and the Bank for Commerce and Industry.
- (ii) Direct financial assistance or loans to some business through a package of subsidised or discounted loan portfolio for example the NEBFUND Scheme and Small Scale Industrial Credit Scheme (SSICS).
- (iii) The creation and sustenance of many development and finance institutions for the purpose of providing long term funding on a generous or beneficial condition to business enterprises. The Nigerian Industrial Development Bank, New Nigerian Development Company Limited, Peoples Bank of Nigeria Limited and the Northern Investment Limited were all established to support the growth of SMEs in Nigeria.

4.1.8 THE NATIONAL DIRECTORATE OF EMPLOYMENT (NDE) AS A GUIDE TOWARDS ENHANCING SMALL SCALE INDUSTRIES IN NIGERIA

The National Directorate of Employment was set up by the Federal Government in November 1986, to work out strategies for dealing with the mass unemployment in the country, especially among school leavers, university, polytechnic and college of education graduates.

The NDE has articulated a number of programmes to give effect to government objectives of generating employment. The programmes can be broadly categorised as follows:

- (a) Small Scale Industries and graduate employment programme.
- (b) National Youth Employment and Vocational Skill Development Programme.
- (c) Special public work.
- (d) Agricultural programme.

The main thrust of the NDE's programme is to assist the applicants in setting up their own businesses in agriculture, and small scale industries, and to enable them employ additional hands in their establishments, thus helping to reduce the level of unemployment in Nigeria.

5.0 RECOMMENDATIONS

Companies should as a matter of importance, accord CSR the desired importance and implement these recommendations:

- a. Set up a well defined and CSR department, with qualified staff who will define CSR objectives, aims and strategies.
- b. Identify areas of CSR activities with reference to the needs of each locality. These CSR activities varies from locality to locality, and so also does the budgetary allocations.
- c. Begin the implementation of CSR activities or reactivate already abandoned activities according to the prevailing, dynamic and changing needs of the society.
- d. Involve the community and its leaders in the CSR activities so as to gain their active participation, cooperation and success of the activities.
- e. Involve the community and the opinion leaders in the planning and budgeting and implementation of CSR activities, so as to achieve the desired cooperation and success.
- f. Involve the government and the relevant local and international agencies to avoid duplication of activities, and actual success of CSR activities.
- g. Plan and implement a realistic feedback programme to ascertain if CSR activities achieved the desired objectives and if not what corrective measures to be adopted to avoid duplication of activities, implementing non realistic activities and achieve the budgeting aims.

Finally CSR is a Win-Win strategic approach for any firm, as it is beneficial to the corporation, its publics and most importantly the numerous profitable customers.

5.1 CONCLUSIONS

Some arguments have been put forward to discourage social actions. One of such arguments is that the primary obligation of a business organisation is to the shareholders. It is therefore expected to make as much profit as possible to justify the shareholders' investment. Any expenditure which does not contribute directly to company profitability is therefore a misnomer. This is the materialistic point of view. Business is the main stay of society. It produces goods for the purpose of consumption, makes profit and consequently generates further wealth. If the question is asked: "In what business are we?" The answer is, not social action but to carry out a certain business enterprise and make profits.

Another criticism is that social responsibility tends to enhance corporate image. Consequently, most people make corporate responsibility programme solely for corporate interest. This argument is self defeating. Decisions taken for sole corporate interest, as long as the decisions are effective, efficient and necessary, will contribute good if not in the short run, then in the long run. Whether the company gains public and media attention or enjoys some advertisement gains is, in fact, desirable in so far as this contributes to understanding and mutual trust between the company and the beneficiaries of the social action.

There is an argument that some corporate social responsibility programmes in Nigeria are politically motivated. There is however a degree of truth in this argument. However, in political situations of today in Nigeria, any political, or social action can only be justified if it does not jeopardise the corporate

existence of the company or raise questions of bias against a political party or an interest organisation.

Another major criticism is that the SMEs have very limited finances which are better utilised for productive ventures, and cannot extend its finances in the provision of amenities, which is outside its scope of operation. SMEs have limited funds and provisions of social amenities is capital intensive. So there is a conflict of interest and role by the SMEs.

Finally, SMEs through CSR in Nigeria, seems to have hijacked the role of the Government in providing the amenities for its citizenry. SMEs pay taxes both to the federal, state and local governments and the involvement in CSR is a very burdensome tasks that few firms can engage. SMEs should not be seen to be hijacking the specific functions of the Government, especially since the capital base of such firms are normally smaller as compared to funds available in developed economies where the initial capital outlay and funds are large.

SMEs not minding their sizes, needs to be involved with CSR within their locality. The sphere of operations of CSR will vary from one SME to another. But each has a benefit for the society and for the SME. CSR is an inevitable activity not minding the criticisms, as firms owe that obligation towards satisfying the company and societal needs, as this will have a corresponding effect on the profitability and increment in the customer base of the SME. SMEs will now be seen as socially responsible and contributing to the well-being of their local customers.

REFERENCES

- Abdulahi Taiwo Co. Solicitors (1993), **Establishing a Business in Nigeria**, 4th Edition (Lagos Academy Press Plc).
- Adebite, E.O. (1995), **Effective Growth and Survival of Small and Medium Scale Enterprises in the 1990s and Beyond**.
- Ade T. Ojo (eds), **The Role of Policy in Management of SMEs in Nigeria** (Lagos Punmark Nig. Ltd).
- Anyanwu, C.M. (2001), **Financing and Promoting Small Scale Industries, Concepts, Issues and Prospects**, Bullion Publication of CBN, Vol. 25, No. 3, Pp.12 - 15.
- Ayozie, D.O. (1999), **A Handbook on Small Scale Business for National Diploma Student**, Danayo Inc. Coy, Ilaro.
- Ayozie, D.O.; Omotunde, C.O.; Asolo, A.A. (2004), **Principles and Practice of Marketing**, Kinsbond Publishers, Ilaro, Nigeria.
- Ayozie, D.O. (2011), **Small Scale Business and Entrepreneurial Development in Nigeria**, *Business Dynamics International Journal*, Pakistan.
- Ayozie, D.O. (2008), **The Role of Small and Medium Scale Enterprise in Contributing to Nigeria's Economic Development**, *ICAN Students Journal*, Victoria Island, Lagos, Nigeria.
- Arthur, J.B. (1992), **The Link Between Business Strategy and Industrial Relations System in America Steel minimills**, *Industrial and Labour Relations Review*, 45:488-506.
- Ayozie Daniel, O. (1998), **Buy and Read this Book: Integrated Marketing Communications**, Danayo Inc. Coy, Ilaro, Nigeria.
- Ayozie, D.O. (2007), **The Role of Small Scale Industry in National Development in Nigeria**, *ICAN Students Journal VI*, Lagos, Nigeria.
- Becker, B.; Gerhart, B. (1996), **The Impact of Human**

Resource Management on Organisational Performance: Progress and Prospects, *Academy of Management Journal* 39(4): 779-801.

Bako, O. & Mohammed, S.R. (2013), **Evaluating the Role of Corporate Social Responsibility in Nigeria**, *Journal of Management and Technology*, The Federal Polytechnic, Ilaro, Nigeria.

Belak, J. and Hauptman, L. (2011), **Integral Management Approach Business Ethics and Tax Accounting as Important Enterprise Success Factors**, *African Journal of Business Management* 5(35): 13449-13509.

Bergvin, P.M. (2002), **Financial Statement Analysis: An Integrated Approach**, Prentice Hall.

Bettridge, N. (2007), **HR & Corporate Social Responsibility: Using CSR to Enhance Employee Engagement and Deliver HR Objectives**.

Bollen, K.A. (1989), **Structural Equations with Latent Variables**, New York: John Wiley and Sons.

Cancer, V. Mulej (2010), **The Dialectical Systems Theory's Capacity for Multi-Criteria Decision-Making**, *Syst. res. behav. sci.*, 27(3): 285-300, doi: 10.1002/sres.1016.

Delaney, J.T. & Huselid, M.A. (1996), **The Impact of Human Resource Management Practices on Perceptions of Organisational Performance**, *Academy of Management Journal* 39(4):949-969.

Dyer, L. & Reeves, T. (1995), **HR Strategies and Form Performance: What Do We Know and Where Do We Need to Go**.

Drucker, P. (2008), **Innovation and Entrepreneurship Practice and Principles**, Heinemann Publishers, London, UK.

"**Energising the Economy through Small Scale Enterprise**", *The Guardian*, April 5, 2007, pp.19.

Federal Ministry of Industries, "**Brief on Small and Medium Industries Development Agency**" (SMIDA), Pp.2-3.

Hisrich, R.D. and Peters, M.P. (2000), **Entrepreneurship**, 8th Edition, Irwin Publisher Boston, USA.

Hisrich, R.D.; Shumpeter, M.P.; and Shepherd, J.A. (2009), **Entrepreneurship and Small Scale Business Guide**, 7th Edition, McGrawhill, New York, USA.

Ifechukwu, J.O. (1986), **Business Management Principles and Practice**, Lagos Goldland Business Co. Ltd.

Jack MitOnvorie (1992), **Problem Facing Small Business**, N. Y. Alexander Hamilton Institute.

Kotler, P. (2004), **Marketing Management**, 12th Edition, Prentice Hall, India Ltd, New Delhi.

Kolawole, A.F. JP (1990), **Financing, Planning and Managing Scale Business Industries**, *Journal of the Chamber of Commerce and Industry*, Sokoto.

KazimiAzhar (1995), **Business Policy**, Tata McGraw Hill Publishing Company Ltd., New Delhi.

Lawal, A.A.; Kio, J.S.; Sulaimon, A.A.; Adebayo, O.I. (2000), **Entrepreneurship Development in Small Scale Business, Lagos**, Labson Resources, Nig. Ltd.

Lawal, A.A., *et al* (1998), **Entrepreneurship Development in Small Scale Business, Lagos**, Labson Resources Nig. Ltd.

National Board for Technical Education (2011), **Training Manual for Lecturers in the Polytechnic**.

National Directorate of Employment (2002), **Creating Job**

Opportunities, Plot 1623, Saka Jojo Street, Victoria Island, Lagos.

National Board for Technical Education, Kaduna (2008), **Training Manual on Entrepreneurship Education for Polytechnic and Monotechnics in Conjunction with Hamitic Consults Nigeria Limited**.

Neck, P.A. & Nelson, R.E. (1987), **Small Enterprises Development "Policies and Programme" in HenmaChanna**, C.N. (1999), **"Poor Industrial Relation Practice of SSE in Developing Countries"** *Nigeria Management Review*, Vol. 11, No. 1-7, Dec. 1999 – May 2000.

Osisioma, B.C. (1986, 1996), **Comprehensive Revision Notes on Business Management**, Educational Publishers Ltd., Aba, Abia State, Nigeria.

Osisioma, B.C. (2006), **Revised on Comprehensive Revision Notes on Business Management**, Educational Publishers Limited, Aba.

Owodolu, O. (2011), **Becoming a Successful Entrepreneur**, WSO Publishers, Oke Ola, Ilaro, Ogun State, Nigeria.

Obasan, K.A. (2008), **Entrepreneurship: Theory and Practice**, 3rd Edition, Aratia Associates International, Ijebu Ode, Nigeria.

Oshagbemi, T.A., **Small Business Management in Nigeria**, Longmans Group Limited, London, 1983, p.102.

Onah, J.O. and Thomas, M.J., **Marketing Management**, Pacific Publishers, Uruwulu-Obosi, 1993.

Obitayo, K.M., **Creating an Enabling Environment for Small Scale Industries**, Bullion Publication of CBN, Vol. 25, No. 3, Pp.116-127.

Ryan, M.J. and Bonfield, E.H. (1975), **The Fishbein Extended Model and Consumer Behaviour**, *The Journal of Consumer Research*, 2(2), 118-136.

Ryan, M.J. and Bonfield, E.H. (1980), **Fishbein's Intention's Model: A Test of External and Pragmatic Validity**, *The Journal of Marketing*, 44(2), 82-95.

Stevenson, H.A. and Javillo, A. (2004), **Entrepreneurship: A Process of a Person**, Harvard Business School Press, Harvard, USA.

Sani, U., "**30 Polytechnics Earmarked for Entrepreneurship Programme**", reported in *The Guardian*, June, 6, 2002, P. 39.

Sheppard, B.H.; Hartwick, J.; & Warshaw, P.R. (1988), **The Theory of Reasoned Action: A Meta-Analysis of Past Research with Recommendations for Modifications and Future Research**, *Journal of Consumer Research*, 15(3), 325-343.

Shogbon, J.A. (2000), **Implementing the Right Industrialisation Strategy - The Key to Nigeria Economic Development**, *The Rostrum*, A Journal of Liberal Studies, Laspotech, Vol. 2, No. 1, Lagos.

Tijani-Alawe, B.A. (2004), **Entrepreneurship Process and Small Business Management**, Industrial Science Centre, Sango-Ota.

William O. Haile Jr. and Raymond T. Hubbard (1998), **Small Business and Entrepreneurship Management**, Lagos - Academy Press Plc. ●

★ **Dr. Ayozie Daniel Ogechukwu is a Lecturer in the Department of Marketing, Federal Polytechnic, Ilaro.**

Roles and Importance of Professional Accountants in Business

By LEN JUI and JESSIE WONG



When asked what accountants do, responses often mention roles such as tax agents and independent auditors. The functions performed by the vast number of professional accountants who work in businesses are often forgotten and not well understood.

What do the independent director, the internal auditor and the chief financial officer of companies all have in common? The individuals in these positions could all be professional accountants working in businesses. Besides these roles, professional accountants take on a vast array of other roles in businesses of all sorts including in the public sector, not-for-

profit sector, regulatory or professional bodies, and academia.

Their wide ranging work and experience find commonality in one aspect – their knowledge of accounting. The importance of the role of professional accountants in business in ensuring the quality of financial reporting cannot be overly emphasised. Professional accountants in business often find themselves being at the frontline of safeguarding the integrity of financial reporting.

Management is responsible for the financial information produced by the company. As such, professional accountants in businesses therefore have the task of defending the quality of

financial reporting right at the source where the numbers and figures are produced!

Like their counterparts in taxation or auditing, professional accountants in business play important roles that contribute to the overall stability and progress of society. Without public understanding of all these diverging roles and responsibilities of different accounting specialists working in business, public perceptions of their value may be misinformed.

Roles of Professional Accountants in Business

A competent professional accountant in business is an invaluable asset to the company. These individuals employ an inquiring mind to their work founded on the basis of their knowledge of the company's financials. Using their skills and intimate understanding of the company and the environment in which it operates, professional accountants in business ask challenging questions.

Their training in accounting enables them to adopt a pragmatic and objective approach to solving issues. This is a valuable asset to management, particularly in small and medium enterprises where the professional accountants are often the only professionally qualified members of staff.

Accountancy professionals in business assist with corporate strategy, provide advice and help businesses to reduce costs, improve their top line and mitigate risks. As board directors, professional accountants in business represent the interest of the owners of the company (i.e., shareholders in a public company).

Their roles ordinarily include: governing the organisation (such as, approving annual budgets and accounting to the stakeholders for the company's performance); appointing the chief executive; and determining management's compensation.

As chief financial officers, professional accountants have oversight over all matters relating to the company's financial health. This includes creating and driving the strategic direction of the business to analysing, creating and communicating financial information. As internal auditors, professional accountants provide independent assurance to management that the organisation's risk management, governance and internal control processes are operating effectively.

They also offer advice on areas for enhancements. In the public sector, professional accountants in government shape fiscal policies that had far-reaching impacts on the lives of many. Accountants in academia are tasked with the important role of imparting the knowledge, skills and ethical underpinnings of the profession to the next generation.

Protectors of Public Interest

A description of the multifaceted role of professional accountants in business is not complete without discussing the duty that the profession owes to the general public. As a profession that has been bestowed a privileged position in society, the accountancy profession as a whole deals with a wide range of issues that has a public interest angle.

In the case of professional accountants in business, not only must they maintain high standards but they also have a key role to play in helping organisations to act ethically. Closely link to the protection of public interest is the notion that public

accountants need to be trusted to provide public value.

Accountants will lose their legitimacy as protectors of public interest if there is no public trust. The accountancy profession has wide reach in society and in global capital markets. In the most basic way, confidence in the financial data produced by professionals in businesses forms the core of public trust and public value.

Competing Demands

Accountants often times face conflicts between upholding values central to their profession and the demands of the real world. Balancing these competing demands speaks to the very heart of being a professional in contrast to simply having a job or performing a function.

Professionals are expected to exercise professional judgment in performing their roles so that when times get challenging, they do not undertake actions that will result in the profession losing the public's trust as protectors of public interest.

Ethical codes for professional accountants globally compels professional accountants, regardless of the roles that they perform, to uphold values of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. However, competing pressures can put professional accountants in challenging and often times difficult situations. These conflicts revolve around ethics, commercial pressures and the burden of regulation.

Situations may occur where professional accountants in businesses are expected to help the organisation achieve certain financial outcomes. In some of these cases, the required action may risk compromising compliance with accounting and financial reporting rules. Professional accountants in businesses encounter tension in these situations.

As an example, accountants in organisations may face pressures to account for inventories at higher values or select alternative accounting methods which are more financially favourable to the company. However, these actions may be contrary to what are allowable in the accounting standards or to what the professional accountant may feel comfortable with.

The Role of Professional Accounting Bodies in Promoting Professional Accountants

Professional accounting bodies globally have the important mandate of representing, promoting and enhancing the global accountancy profession. At the national level, the professional accounting body is the voice for the nation's professional accountants; this includes all professional accountants both in practice and in business. Because they play different roles in the society, the overall status of the accountancy profession can only be strengthened when both professional accountants in practice and in business are well-perceived by society.

Because professional accountants in business are often the only members of staff who are professionally trained and qualified in accounting in the organisation, they are more likely to rely on their professional accounting body for assistance in carrying out their work.

They will look to the professional accounting body to provide them with the support and resources they need in doing their daily jobs and to keep their skills up-to-date. For example,

professional accountants in business may look to their subject matter experts in the accounting body for advice on how to handle ethical dilemmas. They will also be dependent on their accounting body to provide continuous professional development training initiatives to keep their knowledge and skills current.

Evolving Role in an Evolving Environment

Like other professions, professional accountants are increasingly challenged to demonstrate their relevance in the capital market and their ability to evolve and face new challenges. Public expectations are high. The value of professional accountants will be measured by the extent to which they are perceived to be accountable not only to their own organisations but more importantly to the public.

Professional accountants in business are a key pillar in organisations helping to create and sustain value and growth. Their ability to continue to fulfill these roles in the face of constant environmental changes is vital to their continued relevance. Professional accountants in business are also the front runners when it comes to upholding the quality of financial reporting and providing the broader public with reliable financial information.

Professional accountants in business are an important critical mass in the global accountancy profession. The same applies at the national level. Public education on the diverse roles of professional accountants in business needs to be stepped up so as to increase the visibility of these roles.

Professional accounting bodies also need to pay attention to their members in business and provide them with the support they need in order to succeed in their roles. Their voices also need to be represented. Achieving success on all these fronts will drive continued recognition by society of the value of professional accountants in business. This shapes the continued success of the accountancy profession as a whole. ●

★ **Len Jui, CPA, MBA, is KPMG Huazhen's Partner and Head of Public Policy and Regulatory Affairs, Quality and Risk Management, while Jessie Wong, CPA, PhD, is KPMG Huazhen's Director of Public Policy and Regulatory Affairs, Quality and Risk Management.**

Culled from www.ifac.org

The Future-Ready Professional Accountancy Organisation Must be Global

By ALAN EDWARDS

During the IFAC Professional Accountancy Organisation Development Committee meeting in October 2018, committee members engaged in a day of creative thinking about the future-ready PAO. CIPFA's Alan Edwards captures the discussion.

The recent IFAC Professional Accountancy Organisation Development Committee meeting started with meditation, but with a purpose: we were asked to picture a future accountant.

Most of us pictured more of a Palo Alto-Steve Jobs-esque techie than a pin-stripe, suited New York City gent. That image is important as it is indicative of the discussion themes throughout the meeting:

- That accounting in the future will be as much about data analysis as financial accounting;
- That accounting careers will be far more global than local; and
- That the tools of the trade may be more technological but interpretation will be made by insightful humans with a personal touch.

To help us assess the potential impact of these issues on PAOs, we used the Panarchy Cycle framework, which is based on the life cycles in nature and has four components:

- **Germination:** The seedling, the birth of ideas.
- **Growth:** Ideas and concepts that are beginning to take root, gain momentum and grow.
- **Conservation:** Things that will stay the same.
- **Creative Destruction:** What needs to die in order for new shoots to grow?

In applying these concepts to PAOs, we examined roles and activities PAOs should Germinate, Grow, Conserve, and Creatively Destroy, and developed some consistent answers and themes.

These ideas and more are encapsulated in the below diagram.

For many of us, desired change can be summed up in the phrase "reinventing the professional accountant".

PAOs looking to implement these ideas and other changes may face road blocks; road blocks that are similar to those faced by other organisations in a dynamic



PAO committee members

market economy. This includes lack of scale and a sustainable business model, a culture of rivalry and exclusivity, and constraints from inappropriate governance models. PAOs may also face an ageing PAO membership and/or an unwillingness for those charged with governance to consider change. Like all businesses, PAOs also need talented individuals to engage with PAO development.

Some PAOs may also need a more strategic vision. A PAO's

strategy needs to recognise the increasingly global business environment. Most professional accountants at some time have worked for or with major global firms or corporations.

We no longer expect local standards and regulation whether that is in accounting, ethics, education or business. The future-ready PAO model needs to be global. And this global PAO model is likely to embrace membership and training professionals in all sectors — i.e., private, public and not-for-profit — and for all

<p>Germination</p> <ul style="list-style-type: none"> • Diversify membership by both age and gender • Develop new skills such as data analysis, cyber security and anti-money laundering • Emphasise people and communication skills • Recognise the importance of social issues and the need for integrated reporting 	<p>Growth</p> <ul style="list-style-type: none"> • Accountancy training for all sectors, job roles and grades • New and wider continuing professional development offerings with emphasis on technology and people skills • Develop centers of excellence • New sources of income and a more sustainable business model
<p>Conservation</p> <ul style="list-style-type: none"> • Strong and steadfast ethics • Self-regulation along the lines of education, ethics, investigation & discipline • Camaraderie 	<p>Creative Destruction</p> <ul style="list-style-type: none"> • “Club” like nature of membership • Historically restrictive membership criteria • Stuffy image of accountancy; • Overly bureaucratic governance models



Credit: IFAC

roles — e.g., audit and business.

Another key aspect of a future-ready PAO is that it should embrace all levels of the profession — including Accounting Technicians. As outlined in a new Confederation of Asian and Pacific Accountants (CAPA) publication, training and professionalising an Accounting Technician workforce is not just about benefiting individuals or organisations by opening access to professional qualifications.

Rather on a more fundamental level, it is about providing the right support for the growth of national and regional economies, business and government, and ultimately, serving the public interest.

There are many paths toward globally-relevant and diverse professional bodies. We've seen how airlines have used mergers and partnerships when faced by global pressures. Such alliance models are approaches that PAOs might consider — including breaking down barriers to find partners across borders. Regional shared service models may be another way of gaining scale.

“ We no longer expect local standards and regulation whether that is in accounting, ethics, education or business. The future-ready PAO model needs to be global. And this global PAO model is likely to embrace membership and training professionals in all sectors ”

Some of these paths may be more controversial than others but, ultimately, the key takeaway is that a future-ready PAO should openly debate these issues and embrace the global challenge.

Reflections and insights from the entire day's workshop are available online and were used to lead a workshop at the recent World Congress of Accountants to continue these conversations. We look forward to building on the outcomes of these events and developing future-ready PAOs.

This article originally appeared on the *IFAC Global Knowledge Gateway*. Visit the

Gateway to find additional content on a variety of topics related to the accountancy profession. ●

★ Alan Edwards is the chair of CIPFA Development and member of IFAC PAODC and MOSAIC.

Ethics in Public Sector Finance and Regional Development

By OSARETIN KAYODE OMOREGIE

The level of corruption and unethical practices in the public sector finance and development space in Africa, and especially Nigeria is currently at epidemic proportions. Between \$20 billion and \$40 billion is lost to corruption annually in Africa. This is about twice the size of the GDP of Botswana. The implication for the underdevelopment of Nigeria and the region is adverse and very perceptible as evidenced from the high level of poverty, decaying infrastructure, failing institutions and increasing socio-economic dislocations. A model of ethical practice in the management of public and development finance is proposed. This model can be facilitated by the adoption and institutionalisation of the ARARD-V framework for the deliberate contemplation and incorporation of ethics in financial decisions in both the public and private sectors.

1. Introduction

Corruption in the public sector is the abuse of public trust and the unethical appropriation of public finance for private gain. Endemic corruption in Nigeria and most countries in Africa and the developing world have plagued public finance and the overall financial system in general. This deplorable situation has had adverse consequences on the development of the continent. The success rate and impact of development initiatives has been significantly low since most development initiatives have been compromised by gross corruption and unethical practices. In Mozambique for example, some government officials are facing trials for the misappropriation of \$2 billion dollars related to loans that were meant for State Owned Companies (SOEs) being appropriated to private individuals.¹

Transparency International estimates that between \$20-\$40 billion is being misappropriated annually from the public finances of developing countries and secretly deposited abroad. Former Military ruler in Nigeria, Late General Sani Abacha is suspected

to have corruptly appropriated over US\$5 billion from public finances to his personal accounts overseas and efforts to recover these monies by successive Nigerian governments have been unsuccessful. The unfolding “Dasukigate” scandal is another case of gross misappropriation of public finances, involving some US\$2.1 billion meant for procurement of arms for the military to tackle the *Boko Haram* insurgency in the North Eastern part of Nigeria. These funds are believed to have been diverted to private individuals and the funding of the 2015 elections.

Ethical dilemmas arise mainly at the point where there is conflict of interest between the role and expectation of the fiduciary/decision maker by the counterparties and stakeholders, and the personal desire of the fiduciary which results in an outcome that will uphold the interest of one against the other (Trevino *et al.* 2014). Though there have been increasing rules, laws and regulations to ensure ethical behaviour (especially in the public sector), the benchmark for moral behaviour varies and remains contentious in the literature (Arjoon, 2007). And in spite of all these rules, unethical practices and corruption persists in

Table 1:
Relative Corruption Ranking of Countries by Transparency International

S/N	Country	Ranking (out of 180 Countries)	Score (out of 100)	Per capita income (USD)
	Namibia	53	55	\$4,600
	Mauritius	55	50	\$10,140
	South Africa	71	43	\$5,430
	Nigeria ²	148	26	\$2,080

the public sector of African countries.

Financial decisions, (whether in the public or private sector), focuses on the allocation of financial resources by fiduciaries to create value (and development) for the principal (stakeholders/society) (Omoriegbe, 2016; Boatright, 2014; Elm & Radin, 2011; Boshoff & Kotze, 2011). The dysfunctional culture of profit maximisation (private sector), and personal gains (public sector), has predisposed decision makers to callously disregard the harm their unethical and corrupt activities and decisions have on their counterparties and stakeholders (Vasudev, 2015). Dodson (1993) therefore argues for finance practitioners and decision makers, to broaden their value base to accommodate ethics in finance. This applies equally in the public and private sectors. Sexty (2011) thus defines ethics in finance as the deliberate incorporation of moral principles and rules in the process of allocating financial resources.

2. Ethics, Corruption and Under-development

Corrupt and unethical behaviour in the private (and public sector) has significant detrimental effect on individuals and

society (Woiceshyn, 2011). This is obviously the case in Africa as can be seen from the low rate of development of African countries. According to Transparency International, African countries generally lag other countries in ranking of corruption, with adverse results for absolute and inclusive development for the region. **Table 1** above is an extract of the relative ranking of countries in Africa as at 2017 and the corresponding quality of development as measured by per capita income.

Figure 1 above is a graphical representation of the correlation between corruption levels (as measured by the corruption index), and some economic development indicators such as gross domestic product (GDP), gross national income per capita (GNI) and foreign direct investment (FDI) for Nigeria. For the 5-year period captured by the data, there is a positive correlation between corruption and the selected indicators. The more corrupt the country is, the less development takes place.

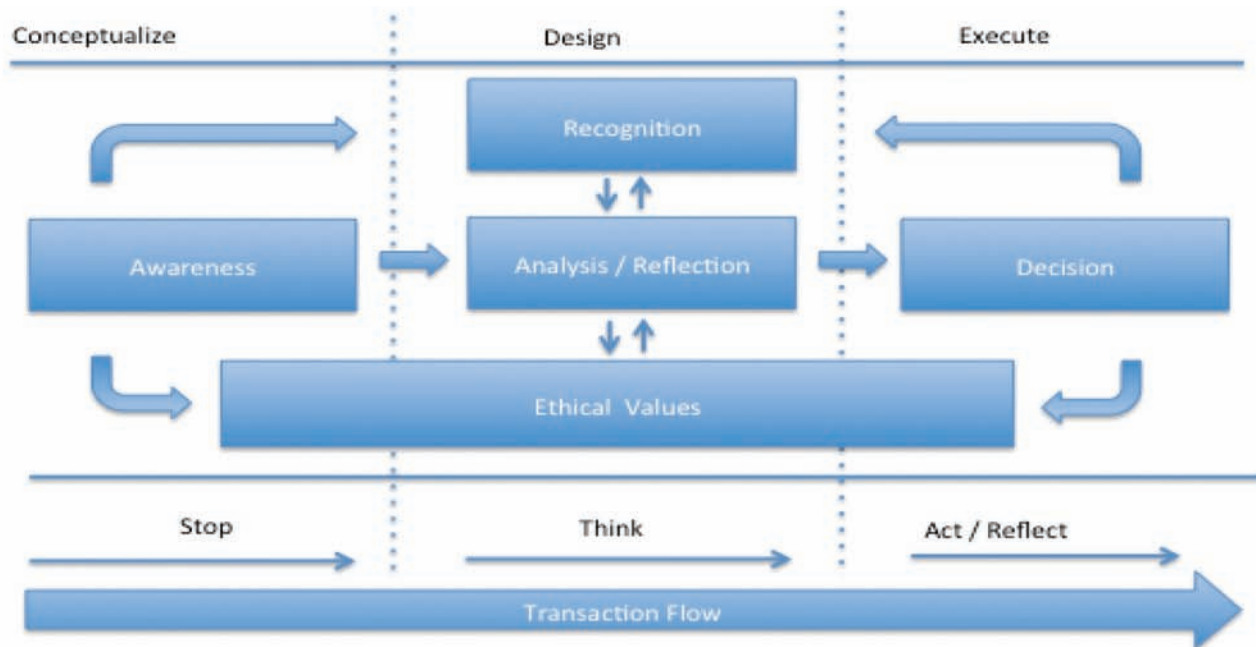
3. Towards Ethics-embedded Decisions in Public Sector and Development Finance

Vasudev (2015) noted that the occurrence of corrupt and

Figure 1:
Correlation Between Corruption and Under-development



**Figure 2:
ARARD-V Framework**



unethical behaviours are not just a consequence of inadequate corporate governance, due process, internal control or code of conduct, they are also a by-product of lack of moral/ethical competence on the part of the decision maker. Boatright (2014) noted also that ethical principles form the bases for much of the regulations and codes of conduct but the issues yet unsettled is the self-regulation and financial ethics of practitioners and decision makers. The critical questions that arise for finance managers (including development finance) according to Boatright (2014) are: "What are our ethical obligations or duties? What rights are at stake? What is fair or just? Ultimately how should we live? And what is the purpose and role of finance (development finance) in human lives and development of our society?" Attempt to answer these questions will reduce the motivation for unethical behaviour.

A conceptual framework, ARARD-V³, has been proposed as a tool for assisting decision-makers in deliberately contemplating and incorporating ethical considerations in financial decisions to reach an "ethics-adjusted" outcome (Omoregie, 2016). This framework can be applied in development finance decision processes. The ARARD-V framework is an acronym of ordered activities (**A**-Awareness; **R**-Recognition; **A**-Analysis; **R**-Reflection; **D**-Decision and **V**-Ethical Values) to be followed by decision-makers in the process of making ethical financial decisions (see **Figure 2**). Decision-making is conceived as progressing along three stages: Conceptualisation, Design and Execution. At every stage of the decision process, the decision-maker must follow the "Stop-Think-Act" order and consider the ethical implications of the decision. The ARARD-V framework emphasises strong personal, professional and social Ethical Values as the foundation for ethics in private/public finance with the ultimate goal of avoiding deliberate harm (unethical decisions) to the counterparties and society at large (Omoregie, 2016).

The ARARD-V framework (see Omoregie 2016), prescribes a set of questions that the decision-maker should ask in any given situation and at different stages of the transaction process, from conceptualisation to design and execution and including post-execution evaluation of the impact of the decision. Some of these questions include, "Who are the relevant counterparties and stakeholders? What are their potential interests? What are the likely ethical issues that may arise from this transaction/decision? What are the potential harm that can be done to the counterparty and the relevant stakeholder? How can this harm be avoided or mitigated? As a fiduciary/public servant, am I in breach of my fiduciary duties in executing this transaction? Can this transaction and my decision pass the "look-in-the mirror" test? In other words, can I stand behind my decision in all good conscience and not behind some legal loophole that seeks to validate my unethical actions on the basis of legality rather than moral and ethical values, remembering that not all that is legal is ethical?" (Omoregie, 2016).

Awareness: At the conception stage, the decision maker is expected to have a pervasive awareness of the likelihood of potential ethical issues with the transaction and possible socio-economic harm and personal harm to counterparties. The overall objective is to avoid deliberate harm to stakeholders as a direct consequence of the public-sector finance/development initiatives. Misappropriation of public finances causes significant harm to the society in the immediate and long-term. A strong awareness of potential ethical challenges in any given situation would improve the capacity of the decision-maker in recognising specific ethical dilemmas, which in turn should lead to better analysis and reflection on the ethical implications and consequences of the different options available to the decision-maker, hopefully resulting in the right decision (Omoregie, 2016).

Recognition: The decision-maker should actively seek to recognise specific ethical issues during the design phase of the transactions/development project such as conflict of interest, over invoicing, bribes and other illegal payment, absence of due process, etc. The decision-maker must look out for these potential ethical dilemmas and deliberately take action to avoid/mitigate them.

Analysis and Reflection: Having identified (recognition) all the possible transaction specific ethical issues, the decision-maker should rigorously Analyse the implications of identified issues and evaluate possible impact on stakeholders, and then Reflect on the most effective ways to resolve these issues in the pursuit of an “Ethics-adjusted” financial (public finance) decision outcome.

Decision: An ethics-adjusted financial decision should be the ultimate goal of all decision-makers in the private and public sectors. This is a decision that has recognised, evaluated and resolved all potential unethical issues and corruption loopholes in the transaction/development project design and execution, thus leading to the best possible socio-economic and development outcome for the relevant public sector finance and development initiative.

The ARARD-V framework is a tool that can guide the process of reaching that outcome. It is premised on the assumption that the decision-maker and the institution they represent have strong culture and value system that promotes personal, professional, institutional and social ethics. The objective should be to allow morality and ethics guide actions to ensure that the decision-maker is consciously aware of the risk of taking actions that can harm the counterparty or other relevant stakeholders, and to seek to deliberately avoid that harm. The decision-maker should be willing to avoid conflicts of interest, and the unethical pursuit of personal (or institutional) goals at the expense of the counterparty/stakeholder.

4. Conclusion

Corruption and unethical practices in the public sector finance and development initiatives is at an all time high in Nigeria and many other African countries. This has resulted in very low level of efficiency, effectiveness and value for money/ROI for public finance and development projects. As a consequence, development continues to lag in the region, with increasing poverty levels, unemployment, slow accumulation of public infrastructure, failing institutions, lack of public trust and socio-economic dislocations. The ARARD-V framework is proposed as a model that can assist those responsible for the design and execution of development projects and public sector financial management, to deliberately contemplate and incorporate ethics in their decision making process. The framework is predicated on decision-makers having strong personal and professional ethical values. The objective is for public sector finance and development initiatives to reach ethics-adjusted financial decision outcomes.

Contextual differences in legal systems, level of sophistication and regulation of financial system/markets and social expectations between developing and developed countries do not diminish the universality of ethical principles (Omoregie, 2016). We should avoid the argument that ethical business practices and financial decisions cannot take place in the private and public sectors in Nigeria, Africa and other developing regions of the world.

Adopting and institutionalising an ethics decision-support tool like the ARARD-V framework can help in improving the level of ethical awareness and adoption in decision-making.

References

- Arjoon, S. (2007), **Ethical Decision Making: A Case for the Triple Font Theory**, *Journal of Business Ethics*, 71(4), 395-410.
- Boatright, J.R. (2014), **Ethics in Finance**, John Wiley & Sons.
- Boshoff, E. & Kotzé, M. (2011), **The Conceptualisation and Measurement of Philosophical Approaches that Influence Ethical Decision Making in the Work Context: Part 1**, *African Journal of Business Ethics*, 5(1), 36-49. Business Expert Press. ISBN-13-978-1-63157- 558-7 (Paperback); ISBN-13-978-1-63157-559-4 (e-book).
- Dobson, J. (1993), **The Role of Ethics in Finance**, *Financial Analysts Journal*, 49(6), 57-61.
- Elm, D.R., & Radin, T.J. (2012), **Ethical Decision Making: Special or No Different?** *Journal of Business Ethics*, 107(3), 313-329.
- Lagarde, C. (2014), **Economic Inclusion and Financial Integrity — An Address to the Conference on Inclusive Capitalism**, London, May 27. Cross Referenced from Melé, D., Rosanas, J.M., & Fontrodona, J. (2017), **Ethics in Finance and Accounting: Editorial Introduction**, *Journal of Business Ethics*, 140(4), 609-613.
- Omoregie, O.K. (2016), **Teaching Ethics in Corporate Finance Courses**; Chapter 5, pp.83-107. **Teaching Ethics Across the Management Curriculum**. Contributing to a Global Paradigm Shift, Volume III. A Handbook for International Faculty. Edited by Kemi Ogunyemi. A CRME Publication, PRME Principles of Management Education.
- Sexty, R.W. (2011), **Canadian Business and Society: Ethics & Responsibilities**, McGraw-Hill Ryerson.
- Treviño, L.K.; den Nieuwenboer, N.A.; & Kish-Gephart, J.J. (2014), **(Un) Ethical Behaviour in Organisations**, *Annual Review of Psychology*, 65, 635-660.
- Vasudev, P.M. (2015), **Financial Misconduct, Ethical Theory, and Regulatory Ethics-Promoting Accountability**, *J. Bus. Entrepreneurship & L.*, 9, 93.
- Woiceshyn, J. (2011), **A Model for Ethical Decision Making in Business: Reasoning, Intuition, and Rational Moral Principles**, *Journal of Business Ethics*, 104(3), 311-323.

Footnotes

¹ Global Investigative Journalism Network; “Document of the Day: A \$2 Billion Fraud In Mozambique?” -<https://gijn.org/2019/01/07/doc-of-the-day-a-2-billion-fraud-in-mozambique/>

² Nigeria dropped 16 places in ranking from 2016, and is perceived to be one of the most corrupt countries in Africa and indeed the world.

³ ARARD-V Framework: A short video explaining the meaning and application of this framework can be viewed by following the link <https://www.youtube.com/watch?v=Ci72ZrF27W4&t=13s>

★ **Osaretin Kayode Omoregie is a Senior Fellow – Business Administration and Finance, Lagos Business School, Pan-Atlantic University, Lagos, Nigeria.**

Three Imperatives for Taxing the Digital Economy

By KEVIN DANCEY

The digital revolution is transforming economies, business models, and the lives of all citizens. It is dramatically impacting every aspect of economies, including the tax base and governments' ability to raise revenues. And tax policy is at the top of the agenda in many countries. From the UK and India, to France, Germany, Malaysia and the US, you can see these debates front and center in the newspaper, in politicians' speeches, and on the minds of citizens.

On behalf of the global accountancy profession, we are committed to advancing a global tax system that is trusted, relevant and resilient to the evolving needs of the 21st century. A sustainable and vibrant global economy is one that will be efficiently, effectively and fairly taxed.

But the tax challenges presented by digitalisation raise very complex technical questions. How do you identify value creation for a company whose headquarters are in Germany, whose salespeople sit in Singapore, whose users are global, and who earns revenue by selling ads to other multinational enterprises?

Let's not be naïve – this is a big challenge and the debate is not about specific companies: it will likely prove inadequate to restrict any approach to just “digital” entities. The entire economy is moving to digital platforms.

The OECD has been addressing this issue within its BEPS Framework over the past half-decade. The current Consultation, issued on February 13 with responses due by March 1, represents a critical decision-making point. On behalf of the

global accountancy profession, we strongly encourage pursuit of global consensus in development of taxation policy for the digital economy.

We know this will be challenging, but unilateral action will only result in increased complexity, uncertainty and double tax, which will impair cross border trade and impede growth.

In fact, we've been advocating for globally aligned practices for years. For more than four decades, IFAC has been working with international standard-setters to promote adoption and



implementation of global ethics, audit, education and public sector reporting standards. The global accountancy profession needs to be a part of the solution.

According to research from IFAC, ACCA and CA ANZ, which took the pulse of citizens across the G20 on tax systems, professional accountants are the most trusted group by citizens in contributing to fairer and more effective and efficient tax systems.

As a key player in the digital tax debate, we must use this opportunity to set ourselves on the right course for growth and sustainability. And here's how: by sticking to a rigorous, global policy-setting process.

Imperative #1: Global Collaboration is Essential

It is in the common interest to maintain a single set of relevant and coherent international tax principles to promote economic efficiency and global welfare. Despite efforts to work towards a consensus-driven global solution, some countries have started to take unilateral action.

Going it alone on policy for taxing the digital economy will increase regulatory fragmentation, which is harmful to the health, resiliency and growth of the global economy. Fragmented regulation is not only costly in terms of resources, but also in terms of added risk to the financial system.

Last year, IFAC and Business at OECD (BIAC), through a survey of senior compliance and regulatory leaders, identified the cost of fragmented financial regulation – more than \$780 billion USD each year. This is unacceptable and unsustainable.

However, collaboration for collaboration sake is not enough. Creating good, global tax policy is a rigorous and intensive process that requires identifying and pursuing clear objectives and transparent and open consultation. The particular aspects in the digital economy associated with identifying value creation and developing a coherent tax policy to address them are challenging – but they need to be addressed collaboratively.

Imperative #2: Learning from the Past to Shape the Future

While the largest digital services companies weren't quite so dominant at the turn of the 21st century, the dot com boom two decades ago can provide us important lessons for navigating taxing the digital economy.

We can draw upon learnings from the Ottawa Taxation Framework, which was developed at the turn of the century, to address the challenges of then-emerging Internet enterprises. The Ottawa framework laid out several important principles to bring tax practices into the digital age.

Arguably the central principle of the Ottawa framework is neutrality. In 2003, the OECD wrote: "Although many small vendors exist, the market is now dominated by a comparatively small number of larger well-recognised companies with established international names and brands that, in the main, existed before the Internet or were built up very rapidly from the early stages of the Internet boom." Sound familiar?

As we did then, we must continue working to collaborate on policy that balances accuracy and simplicity. It must be administrable by both developing and developed countries, and have a good dispute resolution mechanism.

In addition to these principles, we also endorse many of the potential design considerations laid out in the OECD Consultation document, particularly those that seek to:

- Take into consideration different levels of development and tax administration capacity;
- Ensure a level playing field between small and large jurisdictions;
- Examine the potential effect of the various options on

- revenue and taxpayer behaviours;
- Limit compliance cost and administration;
- Keep in mind a principles-based approach;
- Coordinate between global rules and domestic rules; and
- Consistently apply the rules across tax administrations in multiple participating jurisdictions.

Imperative #3: Developing Tax Policy that Enhances Trust

Taxes are about many things – money, politics, incentives, economic policy, etc. As citizens, we all know how important taxes are on a personal basis. Strong and equitable tax systems are key to maintaining public trust in government, tax authorities and other institutions throughout the economy.

Our research shows that citizens feel strongly about tax minimisation, and whether multinational companies are paying enough tax. This is particularly relevant when it comes to the digital economy, where ambiguity and the inability of tax systems to keep pace with evolving business models has shaped public and government opinion over the past decade.

As it is, citizens are concerned about transparency, inequity and complexity in the tax system, and less than half (42%) see the tax process as generally fair.

The good news is that the public appears to be well-aligned with contemporary policy conversations, as collaboration on international tax policy is supported by the majority of citizens across the G20.

Setting tax policy ultimately comes down to trust – between governments, corporations and people. Protecting this trust is, in its own right, essential to resilient economies. The resolution to the debate surrounding how the digital economy is taxed will go a long way to either enhance or decrease trust in the global tax system.

Conclusion

The reality is that national governments will retain sovereignty over tax policy, and that every nation has unique needs and public opinion contexts surrounding taxation. It's also true that countries will continue to use tax policy as an economic lever to compete for investment. But, digitalisation is a trend that's only set to deepen, and there is a pressing need for consensus.

We must pursue a process that increases trust in the global tax system and that avoids regulatory fragmentation at all costs. Digital revenue streams will only grow over time – we must get this right the first time to avoid setting the global economy on a crash course of competing interests.

Directionally, the OECD proposals go beyond a focus on strictly "digital" companies and focus on all businesses with cross border operations, whether they are digital or not. As such, this work will likely affect all businesses with cross-border operations – and it is moving very quickly.

As a result, companies may wish to not only follow this work closely, but also to consider providing comments by **March 1, 2019** or otherwise engaging in the debate.

We urge you to add your voice to the global conversation. ●

★ **Mr. Kevin Dancey is the Chief Executive Officer, International Federation of Accountants (IFAC).**

How to Succeed in Tax in 2019

By HARRIET STOCKER

As professional services starts to diversify its workforce, how can the newly emerging entrants into accountancy firms garner long-term success within the industry?

Career

Straight A's at A level, a 2:1 from a Russell Group University and the belief that only the best and the brightest would even be able to get their foot through the door: is this your atypical perception of professional services?

Whilst this used to have an element of truth to it, recent years have seen an advancement in school leaver schemes, such as Deloitte's Bright Sparks, and the emerging apprenticeship market, which has questioned the long-held beliefs of before.

So with this adapting face of professional services, how can the newly emerging entrants into accountancy firms garner long-term success within the profession? Typically in the past, any school leavers joining the profession would study the AAT and then perhaps move onto ATT, whereas graduates were much more likely to come in at trainee level and immediately commence studying the ATT/CTA/ACA pathway.

The Market

The market has remained buoyant in recent months. Despite uncertainties surrounding *Brexit* and many firms taking steps into making tax digital, the market remained relatively strong with a steady and consistent flow of jobs. Transfer Pricing and Corporate Tax have been big players this year with Big 4 firms, in particular, ambitiously expanding their teams and departments in this field. Similarly, the demand for Indirect Tax specialists has also seen an uplift within the practice market in the bigger firms.

The Personal Tax market has also been steady this year with steady recruitment amongst the Top 20 and many General Practice firms. Now, more than ever, there is the increased requirement for qualifications, with ACA/ATT/CTA

qualifications placing premiums on salary and on the quality of candidate. It would be fair to say that there is an expectation from firms that young professionals study towards the ATT and subsequently the CTA; firms will typically fund this study both in terms of fees and study leave.

Working within tax in a practice firm is a strong choice at

“The graduate tax market is buoyant and there are more less-traditional routes into accountancy firms in 2019. Despite the increase in opportunities, becoming successful within tax is still a very real possibility. Certain targets achieved – whether this is exams passed or revenue generated – can trigger progression”

the current time; with the economic uncertainties of post-March 2019, choosing a trainee scheme within an accountancy firm can offer you a sense of security as well as the best level of training and exposure to interesting and complex work.

Why Accountancy Firms?

With this in mind, the first question that is always asked by young job seekers is 'why accountancy firms?' Often inadvertently generated by the firms themselves, accountancy firms can still have that reputation as stuffy and old-fashioned entities; where there is paperwork galore and outdated decor. Some also still believe that a job in an accountancy firm means goodbye to a social life and hello to excessive overtime! However, this is no longer the case, with more and more accountancy



and a school leaver, or if you are 21 and a graduate, accountancy firms can offer you full training, long-term career growth and a competitive salary.

Setting Yourself Apart

The surge of opportunities does naturally lead to a surplus of talent and this means that in order to be successful, you will need to set yourself apart from your competitors. This can be done in simple ways such as cleaning up your social media. Stories of candidates losing their offers as a result of inappropriate social media posts may sound like faux horror stories, but it is not unheard of. Clear up any inappropriate material and improve your privacy settings if necessary.

Take time to write an exceptional CV. At entry level,

firms taking steps towards ensure a happy and healthy working culture – and not just for their senior staff.

Big 4 firm PwC offers a full and comprehensive Work from Home package – this can be all five days of the week if that is what suits the particular employee. Gone are the 9-5 routines of before – unless, of course, that suits you. Many firms are embracing the idea of flexible working hours wherein, as long as you complete the statutory hours of the week, you can work whatever hours suit you best. Other perks such as a *Casual dress policy* and a *Choices Benefit* package, which allows you to take your benefits in the form of cash, have transformed the working culture of the firm and has formed ripples of change within the fabric of PwC.

PwC is not alone in its stance; other Big 4 firm KPMG was rated in the top 10 Graduate Employers of 2018, and are considered to be very attractive employers for people starting their careers. Similarly, Top 50 firm Berg Kaprow Lewis (BKL) have recently won awards for their entry level schemes for young people choosing against the university route. The emergence of school leavers programmes and the use of the Apprenticeship Levy has meant that many firms are now using this funding for their tax apprentices.

There are hundreds firms of accountants in London and it is important to remember that bigger does not always mean better. Top 30 firm Price Bailey won the 2018 Graduate and Non-Graduate Programme of the Year (BAA Awards) due to their innovative trainee scheme. Assessment days are the most frequent method of recruiting juniors, but it is also a chance for employers to show off what they can offer and Price Bailey has successfully attracted top talent which in turn has proven to offer long-term progression and set them apart from their competitors in the job market.

However, whatever your situation is, whether you are 18

employers do not expect to see extensive amounts of experience, but they do look for details such as good spelling and grammar. If there is a video interview, make sure you wear interview appropriate clothing; this could be a suit and tie, or a smart dress/skirt suit blazer. Prepare appropriately for any interview. Online forums often give potential interview questions which can be a useful preparation guide. In face-to-face interviews, it is crucial to dress professionally but it is equally as important to offer a firm handshake, make good eye contact and smile. It may seem obvious, but interviews are stressful and sometimes the basics can go out the window.

Many entry level candidates fall down as they feel like they don't have good or relevant experience. At entry level, any experience is good experience as it is what you have learnt that is helpful. Go into the interview with 3 – 4 scenarios and examples that you could draw upon for competency based questions and you'll find that you're able to answer these questions a lot easier. The saying goes: 'fail to prepare, prepare to fail', and with interviews preparation is key. It is easier to relax, answer questions and come across well if you're armed with a few loosely prepared responses and this will certainly set you apart from your competitors.

The graduate tax market is buoyant and there are more less-traditional routes into accountancy firms in 2019. Despite the increase in opportunities, becoming successful within tax is still a very real possibility. Certain targets achieved – whether this is exams passed or revenue generated – can trigger progression. With full study support, and the modern approach to trainee schemes, the opportunity to succeed is there on a plate from employers. It is up to you to utilise what is on offer. ●

★ Harriet Stocker, Personal Tax Recruitment Consultant, General Practice at Morgan McKinley.

From Risk to Opportunity – Accountants Need to Lead Enterprise Risk Management

By STATHIS GOULD and STUART CHAPLIN

IFAC's report, *Enabling the Accountant's Role in Effective Enterprise Risk Management*, highlights both the importance of Enterprise Risk Management (ERM), and the contribution of accountants, CFOs and finance functions in leading ERM practice.

We believe that professional accountants have an opportunity to enable more effective ERM within their organisations. To seize the opportunity, they must be seen as risk experts who are outward-looking and provide valuable insights to manage opportunity and risk in a way that supports their organisations create as well as preserve value.

Long term value creation and success ultimately depends on the quality of decisions made. ERM is about enabling informed decisions across the organisation in the context of increasing uncertainty driven by a myriad of factors, including geopolitical events, volatile financial markets, technology developments, cyber security, data privacy concerns, and climate change. Better decisions are generally the result of superior insight into the drivers of opportunity and risk.

For a bank, these sources of value creation might be quite different than for a consumer products company. That said, despite different business models, the ability to navigate uncertainty and manage issues will determine whether an organisation thrives in the future.

A key challenge is that many organisations do not have an integrated risk management process in place.

A survey of mainly US-based organisations conducted by North Carolina State University and the American Institute of Certified Public Accountants (AICPA) reveals that there is pressure to increase management involvement in risk oversight. According to the survey, the volume and complexity of risks is increasing extensively, and most companies struggle to integrate risk management.

The survey found, for example, that less than 20 percent of respondent organisations views their risk process as being integrated with strategy and objectives. This suggests risk management remains siloed in many organisations, and we believe that the story is the same in most countries.

ERM is critical for CFOs and finance teams to provide additional value to the business. The accountant's contribution to ERM will help improve decision making by enhancing the insights and information available to boards and management as they respond to uncertainty.

However, ERM can only help them to better deal with

uncertainty if information is comprehensive, connected and insightful. Better "risk intelligence" ultimately means a better understanding of opportunity and risk in the context of what is happening externally to the organisation, such as changing customer expectations and preferences, new competitors, and resource constraints.

CFOs and their finance teams will be trusted ERM leaders if they provide rich insights that draw on data and activities across different parts of an organisation, and act as a "spider in the web" to bring together a holistic understanding of risk and opportunity. CFOs and accountants with clear risk management responsibilities are in a better position to make individually and functionally greater contributions to ERM.

Fortunately, there's an increasing trend of CFOs being tasked with risk management as a functional responsibility according to McKinsey's latest CFO survey. To effectively lead in ERM requires investment in the finance function, as well as in the finance professional skill set.

IFAC's report provides three key recommendations for CFOs and finance functions to help enhance their contribution to ERM and to ensure that ERM sits at the heart of not only every organisation, but also the professional accountant skill set.

These recommendations include:

1. **Relating risk management to value creation and preservation** — The CFO and finance function needs to support boards and management to fully understand risk and the issues that really matter, helping to evolve and transform business models to ensure resilience. This involves capturing and measuring data on critical intangible assets and value drivers, including brand and reputation, people and culture, data, access to resources, intellectual capital, and innovation.

2. **Driving insights and enabling decisions** — An effective contribution to ERM involves providing insights to decision makers. ERM activity can be overly focused on identifying risks in different areas and recommending defensive actions. This approach may serve to curb innovation and discourage the pursuit of opportunities, particularly related to key areas of transformation such as digital transformation and resource scarcity. Producing high-quality information about opportunities and risks and their implications requires scenario and risk modeling and analytics.

3. **Enabling integration and interconnectivity** — Because risk management is often locked in siloes, it is difficult to see whether opportunities and risks are managed on an

integrated “end to end” basis. The CFO and finance function have an important role in connecting the dots and in integrating risk across functions and processes within a holistic ERM framework. An enterprise-wide risk management approach structured around an ERM framework, such as the Committee of Sponsoring Organisations of the Treadway Committee (COSO) framework, ensures a holistic approach that develops the culture, capabilities and practices for organisations to effectively manage risk.

ERM must be a core competence of professional accountancy education and training moving forward. The report also provides recommendations on the skill set needed by professional

accountants to be effective in risk management, and how IFAC members can better support accountants enhance their role.

As accountants in business provide ever-more strategic roles within their organisations, ensuring resilience and risk awareness in times of heightened uncertainty is a key area where our global profession can make significant progress. ●

★ **Stathis Gould heads up the development of international services for professional accountants working in business and industry at IFAC while Stuart Chaplin is the Vice President Finance – Risk Management for Shell Trading & Supply.**

Professional Skepticism: The Heart of Audit

By KATHARINE BAGSHAW

Most of us who trained as auditors never really lose the urge to question numbers. The temptation to ask on what basis they were calculated, to generally prod and poke around, and to make sure that they are what they appear to be, becomes instinctive.

Skepticism is not just at the heart of auditing, it is in the heart of most auditors, a fact that is not obvious to outsiders given the various calls for auditors to exercise more skepticism, particularly when the pressures of deadlines and budgets are brought to bear and doing the right thing becomes more of a challenge.

Firms are well aware of this. They use the insights of behavioural psychology, particularly as relates to the various forms of bias, to build checks and balances into the system to ensure that skepticism is in fact applied consistently throughout the audit and across the practice.

The ICAEW’s report, *Skepticism: The Practitioners’ Take*, aims to move forward the debate on skepticism by offering insights from real auditors and people who work with them. Based on a series of interviews with practicing auditors, training providers and audit regulators, the report sets out the views of those with first-hand audit experience who deal with the pressures of deadlines and budgets.

It explores who is responsible for skepticism, how to improve it, and what firms are already doing to try and encourage it. These are some of the key messages:

- **Professional skepticism is at the heart of what auditors do** – Without it, the audit has little value. However, the urge to use lack of skepticism as a catch-all classification for anything that is wrong in auditing or financial reporting, should be resisted. Simply calling for

‘more’ skepticism is neither realistic nor helpful. Auditors cannot go on asking questions for ever, nor should they.

- **There is a shared responsibility for skepticism** – Professional skepticism needs to be exercised by all professional accountants, not just auditors. Preparers, in particular, need to exercise skepticism themselves before handing information over to external auditors. Outdated practices of ‘gaming’ the auditors, to see how far they can be pushed, is no longer acceptable.
- Audit committees and internal auditors need to challenge themselves, the controls they put in place, and the quality of the information they produce, before handing it over to external auditors. It is not for the auditors to prove management wrong, it is for management to support its assertions.
- **An effective sceptic is neither a cynic nor a dupe** – Exercising skepticism means not accepting the first answer at face value without following up, even if it sounds plausible. It also means not asking questions *ad infinitum* because real audits have deadlines. It’s about asking the right questions, following up answers and knowing when to move on.
- **Auditor working practices need to support and encourage skepticism in the field** – Budgets, deadlines, working practices and methodologies should not impede the exercise of skepticism. Firms need to find better ways, including potentially using technology, to teach inexperienced junior staff what can go wrong. ●

★ **Katharine Bagshaw, Manager, Auditing Standards, ICAEW.**

9 Birth Defects and Their Symptoms and Treatments

By Prof. RICHARD B. JOHNSTON Jr.

Here's a primer on nine of the most common birth defects: their prevalence, causes, symptoms, and treatment.

Understanding Birth Defects

The vast majority of babies born in this country are healthy. But if your child is one of the 3 in 100 infants born with a congenital (acquired after conception) or hereditary birth defect, how can you ensure her long-term health?

While some defects are treatable with drugs or surgery, it's usually your family's efforts to create a positive environment for your child that help minimise the disability.

First Steps

The first thing you should do if your child is diagnosed with a birth defect is get a second (or more) opinion. Start with your pediatrician or obstetrician, who can refer you to appropriate specialists. In addition to appointments with specialists, you should also keep up with regularly scheduled well-baby visits, because many birth defect complications can be treated through early detection and intervention.

Here are some of the most common birth defects in the U.S. and the impact they may have on your baby and you.

CONGENITAL HEART DEFECTS

An Anatomical Abnormality

Prevalence: Congenital heart defects occur in about 1 in 110 births and have a variety of causes, including genetic abnormalities or a mistake during fetal development. Some may be so mild that they have no visible symptoms.

Detection: In such cases the doctor usually discovers the problem when she detects an abnormal heart sound — called a murmur — during a routine examination. Some murmurs are meaningless; further tests are usually required to determine whether your baby's is due to a heart defect.

Serious heart defects are outwardly detectable and, if left



untreated, can cause congestive heart failure, in which the heart becomes incapable of pumping enough blood to the lungs or other parts of the body.

Symptoms:

- Rapid heartbeat.
- Breathing difficulties.
- Feeding problems (which result in inadequate weight gain).
- Swelling in the legs, abdomen, or about the eyes.
- Pale grey or bluish skin.

Treatment:

Most heart defects can be corrected or at least improved through surgery, drugs or a mechanical aid like a pacemaker.

CLUBFOOT

An Anatomical Abnormality

Prevalence: Clubfoot occurs in approximately 1 in 1,000 newborns — affecting boys about twice as often as girls — and includes several kinds of ankle and foot deformities. The exact cause of clubfoot isn't clear, but it's probably a combination of heredity and environmental factors that affect fetal growth.

Symptoms: Clubfoot can be mild or severe and can affect one or both feet. Mild clubfoot is not painful and won't bother the baby until he begins to stand or talk.

Treatment: For a mild case, treatment starts immediately after diagnosis and involves gently forcing the foot into the correct position and helping the child do special exercises.

Often, however, the baby needs more drastic treatment, such as plaster casts, bandaging with splints followed by time in special shoes, or surgery followed by exercises. The process may take three to six months, which checkups for several years after.

CLEFT LIP or PALATE

An Anatomical Abnormality

Prevalence: Cleft lip or palate appears in about 1 in 700 Caucasian babies, more often among Asians and certain groups of Native Americans, and less frequently among African-Americans.

Causes: The exact cause is hard to determine, but it's likely that genetic and environmental factors interact to prevent either the hard palate (the roof of the mouth), the soft palate (the tissue at the back of the mouth), or the upper lip, all of which normally are split early in fetal development, from closing.

Symptoms: The cleft can be mild (a notch on the upper lip) or severe (involving the lip, the floor of the nostril, and the dental arch). A child with a cleft palate usually needs a speech pathologist. Language development can be affected not only by the structure of the lip and palate but also by the side effects of middle-ear infections, which are common in babies and toddlers with this defect (probably because their ears don't drain properly).

Babies with a cleft palate may also need help with feeding. (Those with a cleft lip generally don't have problems in this area.) Because they have trouble sucking, they must be fed in a sitting position with a special bottle. Depending on the severity of the condition, mothers who breastfeed may have to express milk and bottlefeed baby until the cleft is repaired.

Treatment: Surgical repair for a cleft lip should be done by about 3 months of age. Surgery to repair a cleft palate, which restores the partition between the nose and the mouth, is usually done later — between 6 and 12 months of age — to allow for some normal growth of the child's face.

Though follow-up treatment is sometimes necessary, repair of a cleft lip or palate almost always leaves the child with only minimal scarring and a face that looks like that of most other children.

SPINA BIFIDA

An Anatomical Abnormality

Prevalence: Spina bifida occurs in about 1 in 2,000 births, most frequently among Caucasians of European extraction.

Causes: It's caused by a malformation of a neural tube (the embryonic structure that develops into the brain and spine) that prevents the backbone from closing completely during fetal development. Some cases of neural-tube defects can be detected through tests given to the mother during pregnancy. When one is suspected, the baby usually is delivered by cesarean section so specialists can be on hand during and after the birth.

Symptoms: Spina bifida ranges in severity from practically harmless to causing leg paralysis and bladder- and bowel-control problems.

Treatment: In the most severe cases, the baby is operated on within 48 hours of birth (or in-utero through a new technique that is not yet widely available). Parents then learn how to exercise the baby's legs and feet to prepare her for walking with leg braces and crutches. Some children will eventually need to use a wheelchair. The child will also work with specialists in orthopedics and urology.

MISSING OR UNDEVELOPED LIMBS

An Anatomical Abnormality

Causes: Unfortunately, the cause of this birth defect is largely unknown. Some experts believe that maternal exposure during pregnancy to a chemical or virus that only mildly affects the mother might be possible causes.

Treatment: When a child is born with a limb anomaly, the doctor refers the parents to an orthopedic specialist and a physical



ADVERTISEMENT RATES

Colour	=N=
Outside Back Cover (OBC)	202,500=00
Inside Front Cover (IFC)	162,000=00
Inside Back Cover (IBC)	148,500=00
Full Page (ROP)	135,000=00
Centre Spread	270,000=00
Bottom Strip	67,500=00
 Black & White	 =N=
Full Page (ROP)	108,000=00
2/3 Page	81,000=00
1/2 Page	67,500=00
1/3 Page	54,000=00
1/4 Page	40,500=00
Bottom Strip	27,000=00

Advertisement is accepted provided it meets the required standards:

1. Advertisement must be prepaid.
2. Artwork to be provided by advertisers in electronic format: **pdf** or **jpg**.
3. Artwork may be sent by email (as attachment to: **nnjacob@ican.org.ng**) or submitted in a CD.
4. Artwork to be submitted **two weeks** to production week.

**For further details, please contact:
Corporate Communications and
Marketing Directorate**

The Institute of Chartered Accountants of Nigeria
Pc. 16, Idowu Taylor Street,
Victoria Island, Lagos.
Tel: **09053847510, 09053847511**
E-mail: **corporateaffairs@ican.org.ng**
ICAN Website: **www.icanig.org**

therapist. The child is then fitted with a prosthesis (artificial body part) as soon as possible so that he becomes comfortable with it early on.

He will also undergo intensive physical therapy so that he learns to use the prosthesis much as other children learn to control their body parts.

SICKLE-CELL DISEASE **Biochemical Birth Defects**

Sometimes certain substances essential to a baby's proper body functioning are either abnormal or completely absent. Without intervention, deficiencies like the following can be devastating (and often even fatal) because they affect many bodily systems.

Prevalence: Sickle-cell disease occurs in around 1 in 625 births, mostly affecting African-Americans and Hispanics of Caribbean ancestry.

Detection: Because of its prevalence, 30 states require that newborns be given the blood test that detects the disorder.

Symptoms: The disease can cause debilitating bouts of pain and damage to vital organs and can sometimes be fatal. Sickle-cell disease affects the hemoglobin (a protein inside the red blood cells) in such a way that the cells become distorted: Instead of their normal, round shape, they look like bananas or sickles (hence the name).

These misformed cells then become trapped in and destroyed by the liver and spleen, resulting in anemia. In severe cases, an affected child may be pale, have shortness of breath, and tire easily. The episodes of pain, called crises, happen when the cells become stuck, blocking tiny blood vessels and cutting off the oxygen supply to various parts of the child's body.

Another complication of sickle-cell disease, noticeable mostly in infants and young children, is vulnerability to severe bacterial infections. Two weapons against this risk are immunisation (the usual vaccines, as well as pneumonia and flu shots) and daily preventative penicillin treatments.

Treatment: Although the disease can't be cured, a number of new therapies that reduce the severity and frequency of crises are being studied.

PKU **A Biochemical Birth Defect**

Prevalence: PKU (phenylketonuria) is an inherited metabolic disorder that occurs in 1 in 15,000 births (less commonly among African-Americans and people of Jewish descent).

Detection: All babies in the U.S. are tested for the disease soon after birth.

Symptoms: A child with PKU is missing a crucial enzyme that breaks down a protein called phenylalanine that is found in many foods. If PKU is left untreated, this protein can rise to high concentrations in the body and cause mental retardation.

Treatment: Children born with PKU can live a normal life if put on a strict diet. Usually started before the fourth week of life, this diet is low in foods that contain phenylalanine, including breast milk and cow's milk. Instead, an affected child must be fed a special formula.

As the baby gets older, however, she can eat certain vegetables, fruits, and grain products but usually must avoid cheese, meat,

fish, and eggs. Regular blood tests of phenylalanine levels can help determine what an affected child can and can't eat.

DOWN SYNDROME **Chromosomal Birth Defects**

Two of the most common abnormalities, Down syndrome and Fragile X syndrome, are also frequent causes of mental retardation. Both can be diagnosed before birth. While neither defect is curable, early intervention allows a child to develop to his full potential.

Prevalence: Though Down syndrome occurs in 1 in 800 births overall, the incidence is much higher in older mothers.

Symptoms: A child with Down syndrome generally has characteristic physical features, including slanted eyes; small ears that fold over at the top; a small mouth, which makes the tongue appear larger; a small nose with a flattened nasal bridge; a short neck; and small hands with short fingers.

More than 50 percent of children with this defect have visual or hearing impairments. Ear infections, heart defects, and intestinal malformations are also common among children with this defect.

Though children with Down syndrome have some degree of mental retardation, most can be expected to do many of the same things that any young child can do — including walking, talking, and being toilet trained — although generally they learn how to do so later than unaffected children.

FRAGILE X SYNDROME **A Chromosomal Birth Defect**

Prevalence: Fragile X syndrome primarily affects males (1 in 1,500). Although 1 in 1,000 females is a carrier, only one in three shows outward signs of having the defect, including intellectual impairment. The range of retardation varies from mild to severe.

Symptoms: The physical characteristics of Fragile X syndrome may include large ears, an elongated face, poor muscle tone, flat feet, large testicles, overcrowded teeth, cleft palate, heart problems, and autistic-like tendencies. Affected children may also suffer seizures.

However, many children with Fragile X syndrome appear to be physically normal at birth, so a diagnosis may not be made until the ages of 18 months and 2 years. At that time, a lack of language development coupled with other developmental delays usually prompts testing.

Treatment: As with Down syndrome, children with Fragile X syndrome can be expected to do most things that any young child can do, although they also generally learn these things later than unaffected children. And, as with most of these birth defects, early-intervention programs begun in infancy can help maximise the child's development.

Looking Ahead

Fortunately for babies born with birth defects and the parents who care for them, new treatments are being studied every day. Ask questions, learn all you can, and focus on your child's particular impairments so you can do everything possible to help him develop to his full potential. ●

★ **Richard B. Johnston Jr., MD, FAAP, is a Professor of Pediatrics and Associate Dean for Research Development at the University of Colorado School of Medicine.**

It's easier to succeed when you specialize

Join a Faculty



I belong to
a faculty

With our seven faculties, you're sure to find the perfect fit for your career.

With ICAN, You Can

ICAN Faculties

- Financial Reporting
- Audit, Investigations and Forensic Accounting
- Taxation and Fiscal Policy Management
- Consultancy and Information Technology
- Insolvency and Corporate Re-Engineering
- Public Finance Management
- Corporate Finance Management



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA (ICAN)

(Established by Act of Parliament No. 15 of 1965)

Founding Member, International Federation of Accountants (IFAC).



ICAN1965



ICAN_NGR



ican1965

www.icanig.org

A professional woman with long dark hair, wearing a white blazer, is smiling warmly. She is positioned on the left side of the frame, with her arms crossed. The background is a dark teal color with a vertical white line.

sage

Business Cloud

RISE TO THE BUSINESS CHALLENGE

Empower your practice and build lasting client partnerships with **Sage Business Cloud** accounting solutions. Dedicated online software for accounting professionals who need to rise to their business challenge.

Contact us now to find out more: +234 1 460 9900 | marketingWa@sage.com