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Analysis of Budget 2023 and the Finance Act





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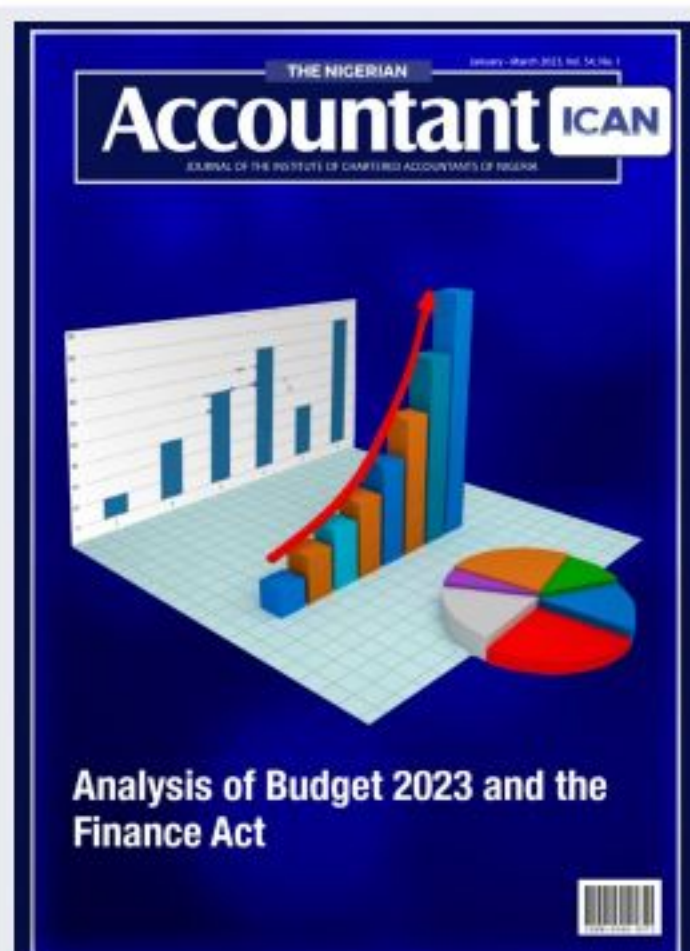


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FROM THE REGISTRAR



Prof. Ahmed M. Kumshe FCA
Registrar/Chief Executive

I welcome our reading community to another insightful edition of The Nigerian Accountant. This quarterly journal brings to the fore topical subjects on the economic, financial, health, social, and professional needs of subscribers. The publication is a repository of professional insights for accountants and a gold mine of invaluable information for the reading public.

This edition, featuring well-researched articles, explores a broad spectrum of subjects to satiate the expectations of diverse readers. As usual, we sustained a high quality publication and introduced freshness to keep the growing interest in the journal. We took special cognizance of our audience and adequately captured the sentiments and aspirations of different groups.

Esteemed readers, the year 2023 started with increasing political discussions and campaigns as a build up to the general elections which took place in February and March 2023. The Institute commends Nigerians who came out in large numbers to exercise their franchise in a generally peaceful order. The spirit of sportsmanship, largely displayed by the contestants at the various levels, confirms that the country's democracy is growing. It can only get better. We congratulate the winners of the various positions and appreciate those who showed interest in serving the country at this most crucial time in our national history.

We encourage those given the mandate to bring to bear the values of loyalty, accountability, transparency, professionalism, and good governance. As an Institute, we commit to supporting governments at all levels, especially in promoting best practice in public financial management. The ICAN Accountability Index (ICAN-AI) is a flagship index of the Institute deployed for deepening public sector governance in our country. The Index is constantly being improved to accommodate the dynamics in public financial management.

In this first quarter of 2023, there were considerable socio-economic distortions, including fuel scarcity, Naira scarcity, insecurity and social unrest, heightened political tensions, increasing inflation and unemployment rates. These distortions have telling

impacts on business activities. ICAN lent its voice on these subjects, published its positions, and provided different recommendations for addressing the socio-economic imbalances.

We reassure our members and the public that, in our unwavering commitment to the public good, we will not renege in proffering practicable solutions to the numerous challenges facing the country. The Institute will relentlessly continue to defend our members and their economic interests.

At ICAN, the first quarter of the year 2023 was full of activities, both statutory and non-statutory programmes. We held the Western and Eastern Zonal Accountants' Conferences, the UK & District Society of ICAN International Accountants' Conference, the 8th Annual Academic Conference on Accounting and Finance (ACAF), the ATSWA examinations among several others. We have reproduced snapshots of a few of these activities in this edition of the publication.

I assure our highly esteemed readers that the articles in this edition of The Nigerian Accountant would satisfy your hunger for knowledge on professional, economic, social, and health matters. I wish you have an interesting read as you explore the pages of this informative publication!!

Thank you!

We welcome our readers to the 2023 first quarter edition of "The Nigerian Accountant". No doubt this edition is loaded with highly insightful topical issues on the socio-economic well being of our nation.

Our lead article is entitled **Analysis of Budget 2023 and the Finance Act**. We bring you the transcript of the interview with the Tax Expert, Mr. Taiwo Oyedele, FCA, who is the West Africa Tax Leader at PwC Nigeria and a member of PwC Global Board for Leadership Development. He featured on the **ICAN on Air programme** where he analyzed Nigeria's Budget 2023 and the Finance Act,

Oyedele gave a holistic review of the 2023 budget and proffered achievable recommendations to the government. The all-encompassing interview is published for your reading pleasure in this edition.

Also in the quarter, the Institute held its 17th Western Zonal Accountants' Conference at Badagry, Lagos State. Various topical issues were discussed and interesting papers presented. One of the papers entitled **"Building Resilient National Economy Through Effective Public Financial Management System"** presented by the Commissioner for Finance in Ondo State, Hon. Wale Akinterinwa is published in this edition. He posited that Nigeria is under severe pressure to increase efficiency and deliver improved and integrated services. He stressed that Nigeria is capable of achieving this with the available untapped immense human, capital, social and natural resources.

Recently, technology has been at the forefront in the fight against corruption world over. In our article entitled **"Deploying Emerging Technology to Fight Corruption"** the author stressed that the fight against corruption and economic crimes has expanded to incorporate the use of emerging technologies that afford more real time and online deterrence and monitoring. He urged professional Accountants as front liners in



the fight against corruption, to be aware of the available technologies, their opportunities and challenges.

We also published in this edition an article on **"Emotional Intelligence for Accountants' Sustainable Productivity"**. The author pointed out why Accountants should be able to use emotional intelligence to guide their thinking and behavior to achieve set goals. He explained that the skills of emotional intelligence have been found to help people become healthier and more successful in life.

Other articles in this edition include "Roles and Importance of Professional Accountants in Business" and "Imperatives of Accounting Profession for Sustainable Good Governance in Nigeria".

In recent times, Rheumatoid Arthritis has become one of the diseases associated with old age. We encourage you to read about this disease and other associated factors in our health column on the "Causes, Signs and Symptoms of Rheumatoid Arthritis".

You will also read our other regular columns like news and events. Your comments on the news items and articles published in this edition are welcome. Please, write to: editor@ican.org.ng or aoowolabi@ican.org.ng

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BUILDING RESILIENT NATIONAL ECONOMY THROUGH EFFECTIVE PUBLIC FINANCIAL MANAGEMENT SYSTEM

By Hon. Wale Akinterinwa



INTRODUCTION

The topic of this Western Zonal Accountants conference could not have come at a better time than now when public institutions in Nigeria are under severe pressure to increase efficiency and deliver improved and integrated services, this have a direct nexus with the ever increasing societal demands of the citizens and the heightened media attention critical of government inefficiencies in service delivery.

GLOBAL AND NATIONAL ECONOMIC OUTLOOK

Nigeria has a great potential to become an economic giant not just in Africa but the entire world

This no doubt is arguably accept by multilateral and bilateral organizations considering the immense human, capital, social and natural resources possess by the country.

But at the moment, these potentials are largely untapped due to internal and external factors, in fact in some cases self-inflicted causes

In late 2019, the entire world was ravaged with COVID-19 pandemic. It was the most challenging health situation

faced globally in over a century. This pandemic affected every aspect of life, including the economy

The entire globe suffered and is just only moving out of the recovery stage. Even though, there are news of resurgence in China, there is no sign that we will see any material damage to the global economy from the resurgence

In this light, Nigeria at the moment is rapidly consolidating its recovery from the recession, induced by the effect of this pandemic, which unfortunately has been compounded by the advent of the Russia-Ukraine war with its attendant global food and energy crisis.

The country in the past year have had to rethink and re-imagine her entire economic architecture under the national economic framework. However, the macroeconomic instability still persists.

The effect of this is that, insecurity (although abating at the moment), rising prices, high inflation, multidimensional poverty, high unemployment rate with limited job opportunities due to low investments in the economy, had remained very high.

In simple economic terms, while real Gross Domestic Product (GDP) expanded by an average of 3.2 percent in 2022,

and with a projected growth rate of 3.4% for 2023, on the flip side, inflation rate in 2022 increased further by 2% from its peak of 18% in 2021.

KEY CURRENT NATIONAL FISCAL MACRO-ECONOMIC INDICATORS

Nigeria as we may know is a monolithic economy driven largely by the oil sector. While the non-oil sector of the economy grew by 3% in 2022, following a contraction of 1.25% in 2021, including Agriculture and services of the Nigerian economy which grew by 1.2% and 6.7% respectively, the manufacturing sector declined and even more the oil sector, which is the main stay of the economy regrettably is currently experiencing decline.

These setbacks are due to technical and social issues. To put the records straight, the country currently is not meeting its oil production target of 1.86 million barrels per day (mbpd). Average crude oil production had consistently decreased from its peak of 1.4mbpd in 2021 to 1.2mbpd in Dec 2022.

Although, the on-going Russia-Ukraine war had somehow impacted positively (in the context of Nigeria) on global oil price with Bonny Light crude now \$87, the country is not maximizing the gains

due to its inability to meet the daily production capacity and the fact that the gains made is used largely to service fuel subsidy.

This decline in production volumes has significant budgetary and fiscal implications. So, notwithstanding the year-on-year increase in the average price of Bonny Light crude, from US\$42.1 per barrel in 2020 to peak price of US\$125 per barrel in 2022 and now \$87(as Jan 31st), the revenue base has not been significantly impacted and we now have to fund a substantial part of our budget with further borrowings, which we also have to service thereby putting us in vicious cycle.

RATIONALE FOR A RESILIENT NATIONAL ECONOMY

In view of the bleak economic outlook for the immediate future owing to the issues raised above, there is the need to build resilient economy in order to keep economic activities of government at a sustainable level, and ensure government remains responsible to her citizens in the provision of basic social amenities and also delivering on the benefits of good governance such as improved infrastructure, improved health and education facilities, and also creating an enabling environment for the citizens to thrive in their personal lives and businesses

In fact, if government do not deliberately build a resilient economy, it will soon go bankrupt and may not be able to perform the ordinary business of government.

As we know, citizens want to continue to see good roads, drink safe and clean water, new and well equipped facilities in health and education, they want to be secured, and youths desire to be gainfully employed. However, revenue is shrinking, but there must be a response from government

Government at the moment is therefore confronted with twin issue of providing necessary infrastructure and dealing with a funding deficit. But in all of these, governments must seek to be continuum and responsive.

Therefore, for government to be able to bridge infrastructural gap in the face of

funding gap, every Naira or Kobo spent by government must earn the right value and if possible, more than the intended right value.

HOW WOULD THIS BE ACHIEVED BY GOVERNMENT?

Three areas for action, amongst others, stand out as necessary to make future public investments successful. They include:

- (1) enhancement of public financial management,
- (2) accelerate digitalization and
- (3) Strengthen partnerships .

WHAT IS A PUBLIC FINANCIAL MANAGEMENT (PFM) SYSTEM?

In broad terms, according to Chartered Institute of Public Finance and Accountancy (CIPFA), Public Financial Management (PFM) is the system by which financial resources are planned, directed and controlled to enable and influence the efficient and effective achievement of public service outcomes.

It encompasses a broader set of functions than financial management and is commonly conceived as a cycle of six phases, beginning with policy design and ending with external audit and evaluation.

Public Financial Management refers to the set of laws, rules, systems and processes used by sovereign nations and sub-national governments, to mobilise revenue, allocate public funds, undertake public spending, accounts for funds and audit results. It encompasses a broader set of functions than financial management and is commonly conceived as a cycle of six phases, beginning with policy design and ending with external audit and evaluation.

A large number of actors engage in this "PFM cycle" to ensure it operates effectively and transparently, whilst preserving accountability.

The term "public financial management" also commonly describes aspects of resource mobilization on one hand and on the other side public expenditure elements which typically centers around:

- (1) budget preparation and formulation;
- (2) budget execution, including public procurement;
- (3) accounting and reporting; and
- (4) Budget evaluation and external scrutiny through Public Accounts Committee and independent audit institution.

There is a general consensus around four key objectives that effective public financial management should cover:

- Aggregate financial management - fiscal sustainability, resource mobilization and allocation;
- Operational management - performance, value for money and strategic financial planning and management;
- Governance - transparency and accountability; and

Fiduciary risk management - controls, compliance and oversight.

Effective public financial management is necessary for effective government actions. It is also critical to managing recovery and sustainable programs of government. That is, strengthening PFM systems in every government will ensure effective management of public funds on a sustainable level.

CRITICAL INGREDIENTS FOR EFFECTIVE PFM

Leadership

A strong political and technical commitment, clear communication and coordination of reform, and a widening group of reform leaders who manage fears, expectations and differences of opinion.

Policy space for developing appropriate reforms

A thorough understanding of the context, a focus on the functionality of the system and not just the form, and teams and organizations that experiment and take risks, interrogating both the problem and the proposed solutions

Adaptive, iterative and inclusive processes

where monitoring, learning and adaptation are key.

KEY ELEMENTS OF GOOD AND EFFECTIVE PFM SYSTEMS

Pillar One - Legal and Regulatory Framework

To build a strong PFM system, there must be widespread recognition and acknowledgement that change is required, along with a commitment from key stakeholders to effect the necessary reforms needed to establish a resilient economy.

Accordingly, a well-defined legal and regulatory framework: one that facilitates the implementation of efficient and effective public-service arrangements must be put in place.

For example, in Ondo State, the State since the inception of the current administration has passed into law the Fiscal Responsibility Law in 2017 in conformity with best global practices to regulate fiscal operations, Public Financial Management Law and the Ondo State Revenue Administration law in 2018 to enhance Revenue administration and service for optimal performance.

Pillar Two- Institutional Framework and Capacity Development

The second pillar to PFM success is ensuring that the right institutions and appropriate resources are available to support the application of each aspect of the PFM element particularly in terms of institutions, people and systems.

There must be capacity and capability to run effective PFM system. Without the necessary systems and skilled personnel to implement them, no PFM reform process can be successful. Government must emphasize professionalism, training and retraining in the PFM ecosystem, and harping on the use of technology to achieve automation in most if not all the PFM systems (Both on revenue and expenditure side).

Pillar Three – Operational Framework Fiscal and Policy Framework

There must be tools to run a PFM system if government intends to see good outputs and outcomes. The main output of PFM systems is the budget, through which public policies are financed. A credible budget is essential, reflecting

the expected financial impact of the government's policies and its use of resources.

Even more there is empirical evidence emerging that highlights the positive relationship between the degree of fiscal transparency and measures of fiscal sustainability. To this end, there must be appropriate, transparent reporting against planned outcomes to help government to be accountable for their fiscal actions.

Equally, if reported information must be reliable, for purposes of transparency, accountability or decision making, it must also be capable of withstanding scrutiny from different levels and forms of review. We have a functional and independent External Audit institution in Ondo State for instance

RECOMMENDATION- KEY AREAS OF GREATER FOCUS FOR AN EFFECTIVE PFM SYSTEMS

Recommendations

1. Improving transparency and accountability of government spending, so that the public can be confident about the use of public money.

2. Improving the linkages between governments' strategic plans and the allocation of resources, because too often budgets do not reflect the key policy priorities governments set for themselves. Budget credibility must therefore become a priority because choices made in every budget in terms of priorities and allocations can have a major impact on future budgets

3. Intensifying the focus on risk management, to enable government agencies to become more resilient. The use of risk management tools is critical when allocating resources to programmes and public investment projects. Ministries, Departments and Agencies of government should not just use rule of the thumb to either identify or allocate resources to projects. Rather, a proper investment appraisal should be carried out, with a proper documentation on such project's benefits in short, medium and long term compared with its costs, as well as alignment with needs of the citizen.

4. Focusing PFM improvements on service delivery - concrete outcomes for citizens – by asking the service delivery providers on the ground what kind of services they need to deliver, to whom, and using what PFM systems and tools?

5. Implementing accrual basis of accounting, along with a broader balance sheet approach in public finance in the area of accounting and reporting, to provide more comprehensive financial information for better decision-making by all stakeholders.

6. Improving transparency in procurement, for example through e-procurement and the Open Contracting Data Standard. This will reduce wastages and inefficiency that have characterized many public procurements, thereby guaranteeing value for money.

SFTAS Program-for-Result (PforR)

Program-for-Results (PforR) Project for Nigeria is to strengthen the fiscal transparency, accountability, and sustainability in the participating subnational and it is sponsored by the Federal Government with support from the World Bank.

This program comprises of the following:

- The Fiscal Sustainability Plan (FSP) actions to be implemented by state governments; and

- The Nigerian OGP National Action Plan (NAP) actions at the state-level. The Fiscal Sustainability Plan (FSP) consists of 22 actions grouped under five objectives:

- Improve Accountability and Transparency
- Increase Public Revenue
- Rationalize Public Expenditure
- Improve Public Financial Management and
- Sustainable Debt Management.

Out of the 22 actions, 19 are to be implemented by the state governments (some with federal support) and 3 are measures to be undertaken by the federal government.

The FSP accompanied the BSF (Budget Support Facility). While the BSF was originally planned to end by May 2017, the intention was for states to continue and sustain the reforms contained in the FSP. The disbursements to each state were supposed to be conditional on the state's progress on implementing the FSP.

I am proud to say here that Ondo State is among the top ten based on the reports of both regulatory authority and independent assessors on the SFTAS program, but it suffice for me to say that there is still big room for improvement. It is glaring from the above that the goal of SFTAS is to build an effective and resilient Public Financial Management, and all these key results areas have been captured sufficiently in this Paper

CONCLUSIONS

In conclusion, the following two areas are important: digitalization and partnership:

On digitalization, COVID 19 brought a

new reality or new normal of how to work. Virtual communication, cloud computing, remote working and others are putting pressure on government to be urgent on e-governance. Governments can't delay on implementing e-governance again. It is no more a buzz word, but the reality of the time. Therefore, the public sector needs to build on this momentum and speed up digital transformation.

Governments need to take the lead in addressing information and communication technology infrastructure barriers to transiting to digital economies (and this is where I believe ICAN can also come in). They will need the expertise of professional accountants and other experts in policymaking and finance to chart the path to digital development, including developing, financing, and implementing ICT investment programs

On partnership, PFM systems are only as good as the environment they work in, and the people who operate and manage them. Therefore, to benefit from any improved PFM systems, governments may need to make a significant and sus-

tained investment in human resources including their leadership capabilities, skills, and the incentives that support them. This is where for example, partnership with Institute of Chartered Accountants of Nigeria and any other relevant professional associations will be helpful. Government will need the support and services of professional accountants to reform its systems and build financial management skills in the public sector.

Hon. Wale Akinterinwa is the Commissioner of Finance, Ondo State. He presented the paper at the 17th Western Zonal Conference of ICAN.



DEPLOYING EMERGING TECHNOLOGY TO FIGHT CORRUPTION

By Razak Jaiyeola, FCA



In September 2022, IFAC launched its [Action Plan for Fighting Corruption and Economic Crime](#). It provides a framework for how we can enhance the accountancy profession's role in combating corruption and economic crimes, thereby advancing the UN Sustainable Development Goals (SDGs).

In recent years, the fight against corruption and economic crimes has expanded to incorporate the use of emerging technologies that afford more real time and online deterrence and monitoring. These emerging technologies have reduced human intervention, improved monitoring, and digitized processes and procedures such that automation has become the new and improved way of delivering services to the public.

As part of the front lines in the fight against corruption, professional accountants should be aware of the available technologies, their opportunities, and accompanying challenges. In Nigeria, mobile applications, crowdsourcing platforms, and transparency portals are leading the way.

Mobile Applications

In developing countries, mobile applications are now increasingly used to empower citizens in remote areas, making

information more accessible and providing platforms for feedback and reporting. There is no reason why the success of this technology cannot be used in the fight against corruption.

In Nigeria, the government is taking initiative to expand telephone and wireless communications to rural areas partly for this purpose. This trend towards rural telephony will expand and reinforce the cash-less policy, and curb corruption and money laundering at the local government level.

Other examples of mobile applications and websites to detect and deter corruption include the India-based 'I paid a bribe' which is a unique initiative to harness the collective energy of citizens to tackle corruption by encouraging them to report the nature, location, pattern, type, frequency and value of corruption to the website".

This application encouraged the World Bank to create its own version known as the [Integrity App](#). The Integrity App gives citizens access to World Bank-financed projects and the opportunity to immediately report on concerns of fraud and corruption.

Crowdsourcing platforms

Unlike crowdfunding, crowdsourcing platforms are deployed for collecting information. Crowdsourcing platforms allow citizens to report corruption incidences and publicly share individual experiences via the internet or telephone. Crowdsourcing platforms can also raise public awareness, educating people about their rights and the illegality of corruption. An example of crowdsourcing platforms being utilized in Nigeria is the [Trade Route Incident Mapping System \(TRIMS\)](#).

These are online platforms usually run by governments or NGOs that publish information on government operations and ideally provide government information as open data, meaning that data are freely and easily accessible, machine-readable, and explicitly unrestricted in use. In 2018, the Institute of Chartered Accountants of Nigeria (ICAN) launched an ICAN Accountability Index, aimed at assessing public finance management and public governance practices of the public sector including the federal, state and local governments.

Since its launch, the Index has also created awareness amongst citizens to keep public office holders accountable in the management of the country's resources and has improved transparency and accountability in public governance.

There are several other technologies and tools that can also be applied in the fight against corruption, such as:

- **Data mining:** In public procurement, data mining is used for auditing to monitor when governments issue bids, identify red flags, and detect patterns of collusion and false information. It is similarly used to identify 'corrupt intent' in payments or transactions through data visualization. Anti-corruption software tools are often designed specifically for detecting and responding to fraud, including "intelligent mining" of data sets and administrative procedures.

- **Big Data:** There are new data management techniques to prevent fraud and abuse in the public sector. These have been employed in the fields of public health, trade and taxation where predictive analysis and visualizations that determine trends, patterns and relationships in massive volumes of data, are used to gain valuable insights.

- **Forensic tools:** Forensic tools for auditors such as Self-Monitoring, Analysis and Reporting Technology (SMART) are employed to combat corruption risk. These tools can handle data velocities that involve real-time analyses of transactions, predictive modelling and anomaly detection while risk-scoring algorithms seek to flag or stop potentially improper payments.

- **Whistleblowing tools:** Whistleblowing tools using information and communications technology (ICT) are like crowdsourcing platforms as they enable people to report wrongdoing by public officials. Their principal aim is to support criminal prosecutions, while sometimes also leading to voter mobilization against corrupt elites. A couple of well-known examples include GlobalLeaks, an open-source software that can be adopted to different settings and the BKMS® compliance system.

- **Blockchain:** Blockchain could be applied by governments for public transactions and documents, for example,

for tracking budget spending, saving land records and company registries, or reshaping contracting and payment systems.

- **Artificial Intelligence (AI):** With its ability to learn data structures, AI can potentially uncover hidden relationships such as corruption and can be used for more precise prediction models.

- **Digital public services and e-governance:** These initiatives reduce direct contact points between citizens and public officials. They automate processes, thereby removing opportunities for public officials to misuse their discretionary powers. This involves the use of ICT, particularly the internet, web-enabled devices, and electronic data management systems, for the provision of public services to citizens.

With any innovation, there will be challenges and constraints that users need to be aware of. Professional accountants should consider the following as part of strengthening their tools and resources in the fight against corruption.

- Blockchain can still be a platform for illicit trade, money laundering, tax evasion, and other criminal activities as individuals do not have to disclose their identity when participating in a transaction and the transactions are made very quickly. Maintaining the privacy and security of sensitive information stored on blockchain may present potential risks.

- For artificial intelligence, the predictions and performance of algorithms are constrained by the decisions and values of those who design them, and their intended goals for use. The difficulty and sometimes technical impossibility of understanding how AI has reached a given decision limits the transparency, explicability and interpretability of these systems.

- For Big Data, it might be difficult having the appropriate government-wide policies, institutional strategies and data governance approaches in place to ensure an effective data-driven public

service and integration of data analytics into day-to-day activities. Generally, ensuring consistent, reliable, and up-to-date information on open data and transparency platforms, and their proper management for easy access by the public will require considerable work.

- There is a considerable IT skills gap among accountants globally but also particularly in Africa.

- IT infrastructure for deployment of these IT tools is lacking particularly in government organizations and if new systems are deployed, there can be challenges integrating the new system seamlessly. Furthermore, getting buy-in from government employees to shift their procedures and use the new system will take time and strong change management processes.

- Whistleblowing tools can only function if complemented by whistleblower protection legislation — this protection is often missing in many jurisdictions.

Professional accountancy organizations (PAOs) can and should endeavour to raise awareness and train their members on effective IT tools for integrating anti-corruption framework into their everyday work. Effective accountability mechanisms backed with political will and a culture of ethics and integrity are necessary to have the desired significant impact.

Without doubt, technology will continue to play crucial roles as drivers of anti-corruption initiatives. Thus, as champions of anti-corruption campaigns and as part of their public interest mandate, PAOs are encouraged to provide the much-needed leadership, advice, and advocacy to relevant stakeholders and identify actions that they can undertake within their jurisdictional context from IFAC's Anti-Corruption Action Plan.

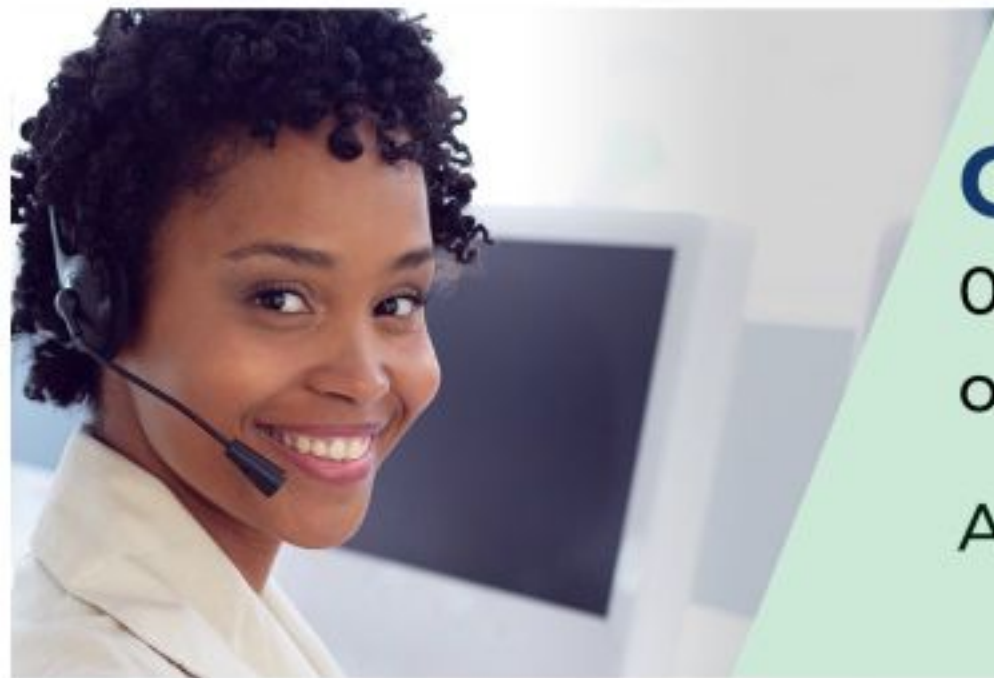
Alhaji Razak Jaiyeola is a Past President of ICAN. Article culled from www.ifac.org



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In The International Fight Against Corruption, Audit Contributes to the Success of SDGs

- Valdir Coscodai



The daily work against acts that reinforce inequality and divert precious resources for social good has gained importance, so much so that the United Nations (UN) Convention against Corruption, adopted in Mexico in 2003, already has 140 signatories.

The Organization for Economic Cooperation and Development (OECD) calculates that fraud and illicit activities make up 5% of the world's GDP per year, equivalent to more than US\$ 3.6 trillion. Meanwhile, the UN calculates that, to make the Sustainable Development Goals (SDGs) viable, an investment of US\$ 5 trillion per year until 2030 would be necessary. If the diverted amounts were directed towards meeting the SDGs, we would already have around 70% of the necessary budget.

The fight against corruption is a commitment that permeates society as a whole: from government entities, business leaders, to citizens who are vigilant and attentive to the problems that corruption can cause, whether directly or indirectly. Linked to this theme, the International Federation of Accountants (IFAC) launched, in September, an Action Plan to Combat Corruption and Economic

Crimes, such as money laundering, bribery, tax evasion and transgressions.

IFAC's plan is based on five pillars: education and professional development; support for international standards; formulation of prevention and control policies based on evidence contained in high-quality information, much of it generated by the balance sheets and independent auditor's reports; engagement and partnership of the profession at a global level; and ensuring that the views and voice of the accounting profession are heard.

In an analysis of the IFAC plan's five pillars, the importance of the independent auditors' work in the fight against corruption and economic crimes is clearly perceived, since they add transparency and reliability in financial and non-financial reports, such as financial statements and sustainability reports.

It is true that the prevention and investigation of incidents are the primary responsibilities of managers at companies and public bodies, but the auditor has a permanent duty of skepticism, a virtue that, combined with technical capacity, knowledge and professional compe-

tence, has enabled preventing and/or identifying suspected crimes and frauds around the world.

It is noted that the five pillars are based on the need for active participation of the entire ecosystem of companies and public institutions, with the accounting profession as the epicenter and protagonist of the process of combating corruption and fraud. Additional key actors are academia, governance agents, governments, the press, business organizations and society itself.

In addition to professional skepticism, audit procedures and professional judgment, the auditor may encounter suspected money laundering operations, as provided for in CFC Resolution No. 1,445/2013. It is not up to the auditor to legally prove that it is in fact an illegal act. He is responsible for communicating said situations to the entities responsible for the company's governance, in addition to reporting to the Financial Activities Control Board (COAF). After communicating with governance, the auditor obtains management's responses and informs the actions and evidence necessary to continue the work.

In order to contribute to this complex topic, Ibracon, Brazilian Institute of Independent Auditors, issued Technical Notice 03/2021, with guidance to professionals on the approach and impacts of their work on the financial statements of entities related to non-compliance or suspected non-compliance with laws and regulations, including illegal acts or fraud.

Ibracon has been proactive in the production and improvement of standards,

participating with suggestions at national and international public hearings and carrying out several information dissemination initiatives, such as the creation of the Shadow Investigation Working Group, the promotion of webinars and professional development activities involving the topic, technical documents for clarification to auditors and associated audit firms, working with the press and journalists, and meetings with regulatory bodies and other relevant stakeholders. These activities align with the Independent Au-

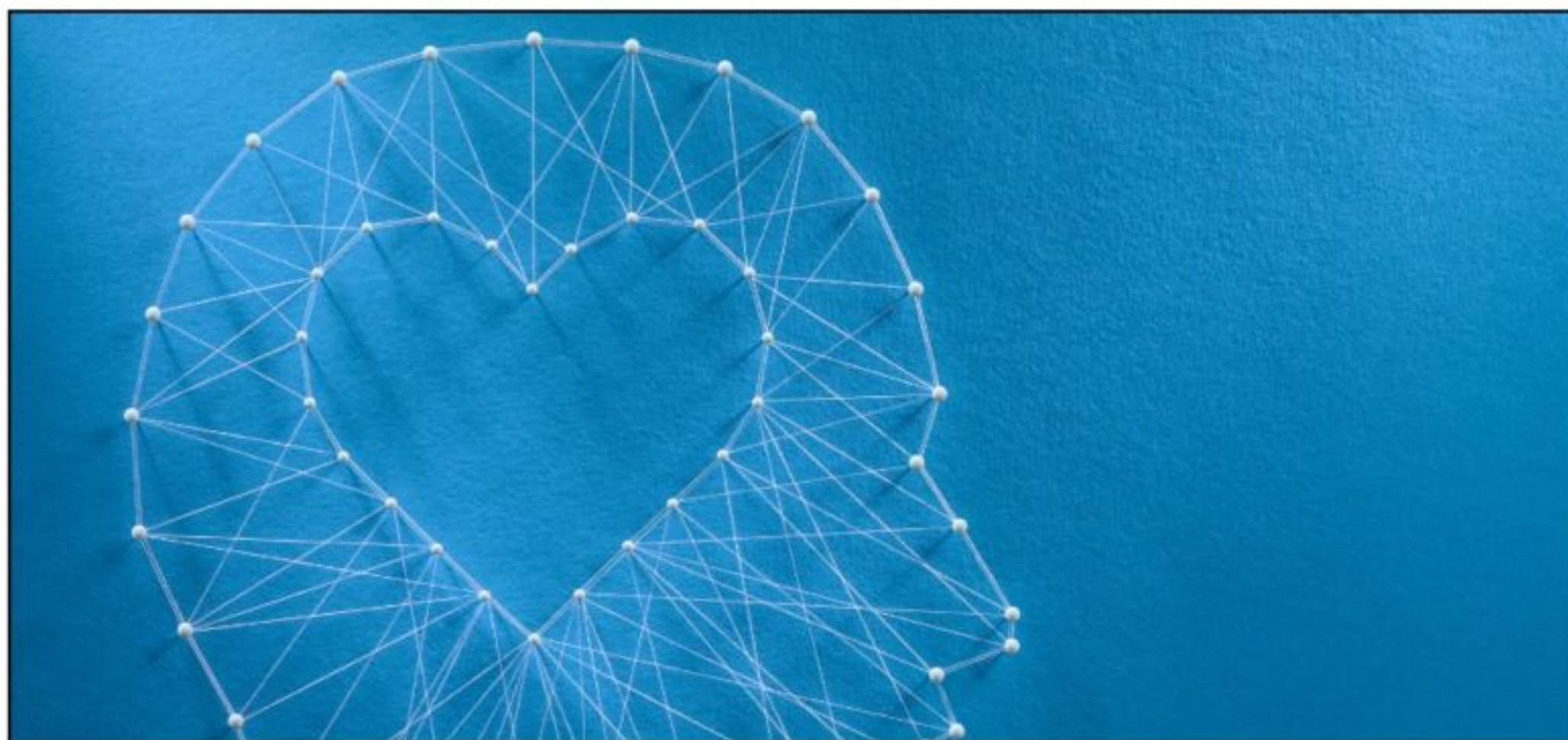
dit tenet: Relevance of audit to the market and society.

Mr. Valdir Coscodai is the President of Ibracon, Brazilian Institute of Independent Auditors, and a Partner in PwC. Article culled from www.ifac.org



EMOTIONAL INTELLIGENCE FOR ACCOUNTANTS' SUSTAINABLE PRODUCTIVITY

- OLUSOLA OLUMIDE



Introduction

Accountants are first, human beings, with different expressions. Other expressions include being fathers, mothers, brothers, sisters, neighbour, etc. Moreover, we live in a challenging, complex, fast paced and multidisciplinary world, which makes it more demanding to stay afloat, so the need to accurately perceive emotions, comprehend information relating to those emotions, and an ability to effectively manage them determine to a great extent how far and successful we can go.

Definition

Emotional Intelligence is being smart with feelings. It is the ability to use emotional information to guide thinking and behaviour to achieve one's goals. The skills of emotional intelligence have been found to help people become healthier and more successful in school and life.

Sustainability means meeting our own needs without compromising the ability of future generations to meet their own needs.

While **productivity** is the rate at which a worker, a company produces goods and the amount produced, compared with how much time, work and money is needed to produce them.

Therefore, Sustainable productivity is about maintaining a balance between the needs of the employee and those of the organization. It means continuous business growth at the same time as high levels of employee well-being.

Domain of Emotional Intelligence

- i. Knowing one's emotions
- ii. Managing one's emotions
- iii. Motivating oneself
- iv. Recognizing emotion in others
- v. Handling relationships

Your level of emotional intelligence, accounts for your self-awareness, which determine your disposition!

Accountant's role requires many various abilities. One of such fundamental

capacities in the contemporary world is emotional intelligence.

According to Daniel Goleman, "If your emotional abilities aren't in hand, if you don't have self-awareness, if you are not able to manage your distressing emotions, if you can't have empathy and have effective relationships, then no matter how smart you are, you are not going to get very far."

According to the World Economic Forum, emotional intelligence is one of the top 10 skills needed for professional success in 2020 and beyond.

Lack of emotional intelligence could predispose an individual (accountants) to mental health illnesses, with the following attendant Symptoms

- Feeling sad or down.
- Confused thinking or reduced ability to concentrate.
- Excessive fears or worries, or extreme feelings of guilt.
- Extreme mood changes of highs and

lows.

- Withdrawal from friends and activities.
- Significant tiredness, low energy or sleeplessness etc.

The above mentioned symptoms comes with their baggages, like Uncontrolled Anger, Aggression, Addiction, Depression, Low self-esteem, Bullying, Poor relationships, Behavioural disorder, Poor leadership skills, Poor parenting skills, Suicidal tendencies.

All these can lead to loss of concentration, comprehension, and impairment of technical know-how of an accountant, and bringing about low productivity.

Optimizing Accountant's Productivity

I believe that our knowledge creates a reflection on the degree of our actions and responses in life

- Undertaking training in Emotional Intelligence and associated soft skills.
- Practicing self-care and mindfulness
- There should be preference for conducive working

- Prioritizing accountants' well-being and professional development

- There should be friendly channel to give and receive feedback

- Prioritizing social connection and networking

These optimization imbue you with Qualities of understanding emotional data vis-a-vis

1. Stress Management,
2. High Self Esteem and Confidence,
3. Assertiveness,
4. Anxiety Management,
5. Improved Interpersonal skill,
6. Empathy,
7. Smart Decision Making,
8. Productive Leadership,
9. Time Management, 10. Anger Management.

If your emotion is illiterate, your thought will be ignorant and your behaviour awkward!

ward!

Benefits of Emotional Intelligence in the Work Place

- It reduces presenteeism
- It enhances accountant's well-being
- It reduces accountant's burnout
- It reduces poor working relationship
- It promotes personality and coping strategy
- It promote staff motivation
- It enhances work-life balance

Conclusion

The 21st century age is a complex, multidimensional, and multidisciplinary one. The job place too is no less interwoven, and as such accountants needs multi-variate skill sets to succeed and be productive sustainably.

Paper was delivered by Olusola Olu-mide at the 17th ICAN WESTERN ZON-AL ACCOUNTANTS' CONFERENCE, HELD AT ASCON, BADAGRY FROM FEBRUARY 6-9, 2023



PROFESSIONAL ACCOUNTANTS IN AN UNCERTAIN ECONOMY

BY Dr. Yemi Sanni



INTRODUCTION

An uncertain economy is not peculiar to Nigeria, Economic challenges being faced by businesses include : Fluctuating market, increased regulatory scrutiny, Need for accurate financial information and sound financial advice, Effects of disruptive technology etc.

WHO IS A PROFESSIONAL ACCOUNTANT

A professional accountant is a person who has completed formal education and training in accounting and had obtained certification such as that issued by the Institute of Chartered Accountants of Nigeria (ACA or FCA), indicating that they meet certain standards of competence and ethical conduct in the field of accounting. Professional accountants provide a wide range of services including auditing, tax preparation, financial planning and consulting among others.

WHAT IS AN UNCERTAIN ECONOMY

An uncertain economy refers to a state of instability, unpredictability and lack of clarity in financial and economic conditions. This could be due to factors such as:

- Changes in government policies
- Global events
- Nature disaster
- Economic downturns.

The impacts of the uncertainty are on: Consumer spending • Investment decision • Overall economic growth. This in turn results in lower risk and lower confidence in the market.

OPPORTUNITIES FOR PROFESSIONAL ACCOUNTANTS IN AN UNCERTAIN ECONOMY

- Growing demand for financial expertise and Services
- increased use of digital tools and tech-

nologies in accounting and finance

- Business Advisory services
- Digital Transformation
- Diversification i.e Financial planning and risk management
- Cost Management
- Possibility of expanding services to new market i.e with the rise in e-commerce and other digital platforms, new business models and revenue streams are emerging and this provides professional accountants with the opportunity to expand their service to new market and clients.

IMPORTANCE OF PROFESSIONAL ACCOUNTANTS IN AN UNCERTAIN ECONOMY

Professional Accountants can help business navigate an uncertain economy in a variety of ways including:

- Risk management : identify and assess financial risk such as fluctuations in cur-

rency or interest rate and develop strategies to initiate them

- Financial, Planning and forecasting: Help business create accurate financial forecasts and budget plans to help better manage their cashflow.

- Investment analysis :Help businesses make informed decision about investments such as M&E.

- Cost management : Help identify areas to cut costs and improve financial efficiency which is very important in an uncertain economy

- Taxation

- Technology implementation: Automation and blockchain

IMPACT OF DISRUPTIVE TECHNOLOGY ON ACCOUNTING INDUSTRY

Disruptive technology refers to innovations that fundamentally change the way businesses operate and the way people live their lives • Examples of disruptive technology are:

1. AI – Artificial Intelligence

2. Blockchain

3. Internet of Things(IoT)

4. Cloud computing

5. 3D Printing

6. Big Data & Analytics

7. Virtual & Augmented reality

8. Electric and Self driving vehicles

IMPACTS

- Automated bookkeeping

- Fraud detection

- Increased productivity

- Analytics

These technologies are rapidly changing traditional business models and industries, creating new opportunities and challenges.

CHALLENGES OF A PROFESSIONAL IN AN UNCERTAIN ECONOMY

- Economic uncertainty –Accountants may face difficulties in making accounts predictions and provide reliable financial information during economic uncertainty

- Regulatory changes

- Need to adapt to new technology and digital tools

- Cybersecurity threats

- Talent retention

- Risk management

- Ethics and professionalism

SKILLS & CAPABILITIES REQUIRED FOR SUCCESS

- Technical Skills

- Strategic Thinking and Problem Solving

- Digital Literacy and Proficiency

- Strong communication and Collaboration skill

- Adaptability & Flexibility

- Leadership Skill

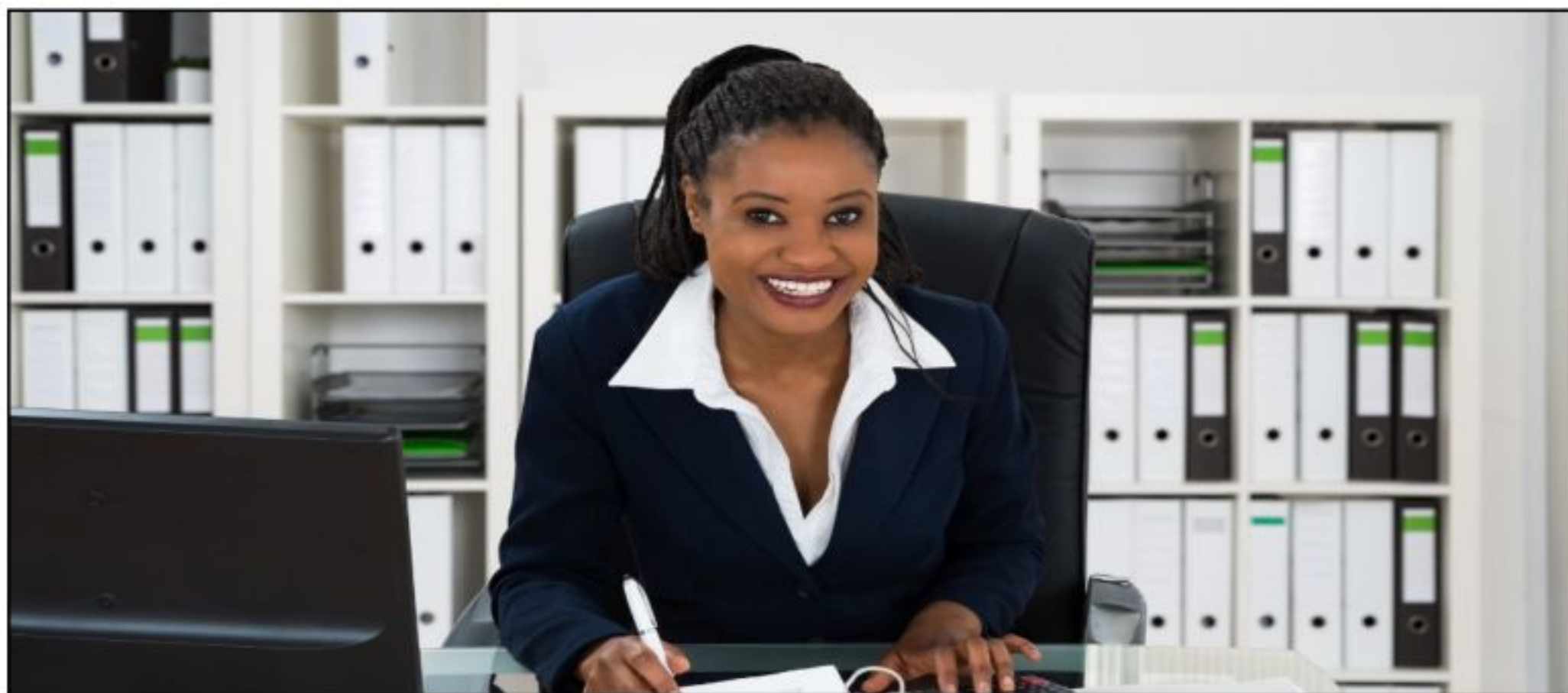
- Compliance and Regulatory Knowledge

Dr. Yemi Sanni is a member of the Governing Council of the Institute. He presented the paper at the 17th Western Zonal Accountants' Conference in Badagry.



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 emphasized. 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 organization (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 analyzing, creating and communicating financial information. As internal auditors, professional accountants provide independent assurance to management that the organization's risk management, governance and internal control processes are operating effectively.

They also offer advice on areas for enhancements. In the public sector, profes-

sional 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 organizations 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 organization 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 organizations may face pressures to account for inventories at higher values or select alternative accounting methods which are more financially favorable 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 organization, 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 organizations but more importantly to the public.

Professional accountants in business are a key pillar in organizations 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 is KPMG Huazhen's Partner while Jessie Wong is KPMG Huazhen's Director – Public Policy and Regulatory Affairs.

Culled from www.ifac.com



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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

IMPERATIVES OF ACCOUNTING PROFESSION FOR SUSTAINABLE GOOD GOVERNANCE IN NIGERIA

By Prof. Kabiru Isa Dandago



A profession is an occupation that requires extensive education or specialized training. The extensive training which is to foster the acquisition of a specialized knowledge is done with utmost intention of making the professional acquire a distinguished knowledge to deliver that unique, specialized and restricted service(s) to the public.

Ideally, a profession must be able to develop its culture which will serve in guiding, directing and regulating the professional conduct of its members. Accounting profession relies on the trust placed by the public on Accountants which means accountants must exercise high level performance to win and maintain the trust and confidence of the general public.

This can be achieved only through ethical practices in the discharge of professional duties. Consequently, professional accounting bodies (like ICAN) have developed ethical codes to guide their members in discharging professional responsibilities. Members of the Accounting profession are expected to always

demonstrate the fundamental principles of accounting ethics. These fundamental principles of Accounting Ethics that distinguish professional Accountants from non-professional persons are:

Ethics that distinguish professional Accountants from non-professional persons are:

- **Integrity**
- **Objectivity**
- **Independence**
- **Professional Competence and Due Care**
- **Confidentiality**
- **Professional Behaviour**

Professional accountants produce accounting information and operate to guide users of the information to make good use of it in taking informed decisions in both the public and private sectors of an economy.

Professionals accountants also guide users of accounting information on the best way to manage their finances for wealth creation and sustainable development.

Sustainable development is only possible when there is sustainable good governance in place, and good governance (in both the public and private sector) is not possible in the absence of ethical accounting professionals.

This is where Accounting Professionals are expected to come in for guidance as to how ethical issues are to be entrenched in the Public Governance and Corporate Governance, so that efforts are made to ensure sustainable development in an economy.

With the fundamental principles of ethics in them, accountants (and of course the accounting profession) enjoy the respect and trust of the public, in view of the fact that their services are imperative in ensuring that economic environment becomes enabling for attracting investors.

ACCOUNTING PROFESSIONALS AND ENSURING ENABLING ENVIRONMENT (EE)

Achieving enabling environment for attraction of investors and other contribu-

tors to economic development efforts is the essence of good public governance, on one hand, and corporate governance on the other hand.

As guides to operators/decision makers in both the public and private sectors, Accounting Professionals have to take it as a duty to make the decision makers appreciate the need to make good use of accounting information in taking decisions that would add value to all the determinants of Enabling Environment.

EE FOR ACHIEVING SUSTAINABLE DEVELOPMENT

What are the Determinants of EE that are influenced by Decent Politics?

- Good Judicial System
- Good Security System
- Constant Electricity Supply
- Constant Clean Water Supply
- High Quality Education
- High Quality Healthcare Delivery
- Good Transportation System
- Ease of Doing Business

EE FOR ACHIEVING SUSTAINABLE DEVELOPMENT

• To achieve sustainable development as per the 17 Sustainable Development Goals (SDGs) set by the United Nations Organization, countries have to make efforts to put in place enabling environment.

• It is EE that attracts local and foreign investors to bring their wealth for investment in an economy.

• With sufficient investment in an economy, job opportunities would be sufficient enough, individuals and firms would have much money for spending to encourage purchases and production of goods and services at reasonable prices.

• Many good things are bound to spring up in the economy, which would bring about the required sustainable development

EE FOR ACHIEVING SUSTAINABLE DEVELOPMENT

Sustainable Development was defined by the World Commission on Environ-

ment and Development (WCED) as 'meeting the needs of the present generation without compromising the needs of the future generations'.

It is clear that achieving Sustainable Development is the responsibility of governments at all levels, with support of corporate organizations and individuals.

However, policy makers in government need accounting information to guide them in taking informed decisions and actions that would amount to enabling environment and ultimately sustainable development.

EE FOR ACHIEVING SUSTAINABLE DEVELOPMENT

• Accounting professionals are therefore, expected to guide government functionaries on how to satisfactorily spend public funds, putting in place public goods that would be accepted as indicators of Enabling Environment.

• Accounting professionals, as public interest servants, are expected to make good use of accounting and finance principles and standards in exercising influence on the way political office holders govern the society.

• In many countries of the world (in Europe, Africa, Asia, North America and South America) Accountants enjoy excellent career prospects through which they enjoy great influence which they use in impacting positively on the policy making process of the countries for achieving Sustainable Development in the best interest of the society.

• They work, in a wide variety of accounting and finance roles, for many types of business organizations, NGOs and government establishments, from where they make their marks in the course of putting in place enabling environment for achieving Sustainable Development.

ACCOUNTING PROFESSIONALS AS PUBLIC INTEREST SERVANTS

• Public Interest is about doing everything in the best interest/welfare of the society, prioritizing humanity over personal interest in one's thoughts and actions.

• It demands one seeing herself as a global citizen and treating every human being as brother or sister.

• It amounts to protection of the environment or the society and all that is in it to avoid any waste and to ensure effective utilization of available resources

• As public interest servants, accounting professionals should be intimately involved in politics, and play it with high sense of maturity, integrity and selflessness.

• They are also to guide other politicians as to how they should uphold the principles of serving public interest in the course of their political activities.

THE ROLE OF PUBLIC INTEREST SERVANTS IN ENSURING GOOD PUBLIC GOVERNANCE

Accounting professionals serve public interest by entrenching ethics in the lives of the people and firms through the provision of services like:

- auditing and assurance
- consulting
- corporate finance
- tax planning
- Insolvency advisory
- risk analysis and management
- management and cost accounting
- compliance and regulatory standards
- Global and financial analysis
- Feasibility study and analysis

THE REALITIES AND DIFFICULTIES IN SERVING PUBLIC INTEREST BY PROFESSIONALS

• The weakness of the business environment in which the professionals operate.

• Inadequate opportunities for accounting professionals to serve the public interest.

• The 'Hand-to-mouth' professional practice accountants are facing!

• Low capacity utilization as professionals serve public interest.

• Threats to integrity, independence and objectivity.

- Few chances for accountants to increase specialization (through training and retraining) due to ethical issues.
- Weak collaboration, partnering or strategic alliance among professional accountants (Micro and Small PFs).
- Trust and confidence, which remain paramount in the profession, are not well preserved among members.
- Catching up with rapid technological advances, in view of cost implications.

1. Despite all odds, Accounting Professionals should be committed to observing IFAC key themes of ensuring government transparency and accountability; promoting credibility and usability of financial reports as they work towards ensuring Sustainable Good Governance in Nigeria.
2. They should not jettison their hard-earned integrity because of threat to loss of job or even life; their honor should be

3. They should help their clients to adapt to any situation to grow and expand; the growth and development of their clients extend to them as professionals.

5. They should preserve trust among professional colleagues and in their relationship with clients (who could be practicing politicians).

6. They should focus greatly on long-term career demand, rather than short-term career development in the course of serving public interest.

7. They should develop integrated competencies in all areas of accounting, finance and business so as to enhance their relevance to large pool of clients and employers that yearn for versatile accountants.

- Serving Public Interest is not an easy task even to well established chartered accountants, who are expected to mentor future accountants to grow to maturity and entrench integrity and accountability in achieving Sustainable Good Govern-

- Accounting professionals need to face the challenge of complying with the personal standard specified in the code of ethics of the profession as they delve into efforts at achieving Sustainable Good Governance, and as they guide politicians to uphold integrity and accountability in public governance.

- Even if the present state of serving public interest by professionals is weak, the future generations of accounting professionals are expected to ensure entrenchment of integrity and accountability in politics in Nigeria and other African countries.

- The hope of members of the public is cast on the accounting professionals.

Prof. Kabiru Isa Dandago PhD, FCA, FCTI, FNIM, FNAA, FFAR, ACS, MNES, AQIF is of the Department of Accounting, Faculty of Management Sciences, Bayero University, Kano, Nigeria. He presented the paper at the 17th Northern Zonal Conference in Abuja.



Accountancy Is Mainstay of Credible Businesses – Tijjani



ICAN President with the MD/CEO of Cornerstone Insurance, Mr Ganiu Musa, during ICAN President's courtesy visit to the company

The ICAN President, Mallam Tijjani Musa Isa has described accountancy as the core pinnacle and mainstay of credible businesses.

He stated this in Lagos during his courtesy visit to Cornerstone Insurance Headquarters on the sideline of his tour of Lagos and District Society in February.

He therefore enjoined Chartered Accountants to uphold the integrity that the Institute is known for in order to endear themselves to their clients and other stakeholders.

"If you lack integrity in your exam, you don't have a process" he stated.

In his response, Mr. Ganiu Musa, FCA, MD/CEO, Cornerstone Insurance, commended the Institute for entrenching professionalism and Integrity locally and internationally through its training and development interventions.



17th Western Zonal Conference: Accountants Urged Government to Promote Transparency and Build Resilient Economy.



ICAN President, Mallam Tijjani Musa Isa and other dignitaries at the 17th ICAN Western Zonal Conference

Governments at all levels have been advised to promote transparency, accountability, equity and fiscal discipline in the use of public resources.

The advice came at the 17th Western Zonal Conference of the Institute held at the Administrative Staff College of Nigeria (ASCON), Badagry, Lagos State from February 6-9, 2023. It was themed "Professional Accountants, Uncertain Economy and Sustainable Development".

Speaking at the conference, the Commissioner of Finance in Ondo State, Mr Wale Akinterinwa justified the need for government at all levels to build a resilient economy in order to perform the ordinary business of government such as provision of good roads, qualitative health and education, in the face of limited resources of the government.

He recommended that for government to make successful future public investment, it should embark on enhancement of public financial management, accelerated digitalisation and strengthened partnership.

He concluded his paper by providing critical ingredients for effective public financial management such as leadership, legal and regulatory framework, institutional framework and capacity development as well as operational and physical policy framework.

He called for improved transparency and accountability in government spending to gain public confidence.

The Conference was declared open by the Vice-Chancellor of Lagos State University, Prof. Ibiyemi Olatunji-Bello. In her speech, she called on members of the Institute to continue to discharge their professional responsibilities with utmost diligence.

The Keynote address at the conference was delivered by the 58th President of the Institute, Mallam Tijjani Musa Isa, who acknowledged the relevance of the conference as a unique opportunity to rethink our evolving roles in national development.

"The accounting and resource management skills of Chartered Accountants come at a premium. We must

assist the nation and businesses to maximally utilize the limited resources to achieve national and organizational goals and objectives. We have some roles to play in how our dear nation navigates these challenging times. We have a role today to guarantee the future we want. A future characterized by progress, inclusive development, and equitable distribution of national assets.” he stated.

ICAN Is Committed to Bridging the Gap between Practicality and Research Theories



ICAN President, Mallam Tijjani Musa Isa (m), Vice President, Dr. Innocent Okwuosa (l) and Vice Chancellor, Godfrey Okoye University, Enugu, Prof. Christian Anieke at the 8th ICAN Annual Academic Conference

He stated this in his welcome address at the 8th Annual International Academic Conference on Accounting and Finance held in Enugu from February 22 to February 24, 2023. The theme of the conference was Sustainability and Digitalisation of Accounting and Finance for Development in Emerging Economies.

He explained that in order to achieve this, the Institute deliberately put up the academic conference platform where practising professionals and their counterparts in the academic would be share ideas and knowledge.

“In the Institute’s unwavering commitment to continually bridge the gap between the practicality of the market and research theories, we put platforms like this conference in place annually to create an avenue for practising professionals and our academic counterparts to proffer workable solutions to the several social economic challenges rampaging our Nation,” he declared.

Speaking further, he stressed that the world is now living in a time of exciting technological innovations, where economic paradigms are shifting, and digitalisation is driving transformational change.

“As customary of the Conference, this 8th edition provides a valuable platform for academics to explore the latest studies in different areas of expertise, as well as gain insight into diverse contemporary issues in the accounting profession. This Conference also avails participants the golden opportunity to network and initiate good connections, especially promising academics who wants to be mentored in conducting quality and globally accepted research,” he submitted.

“While we admit that it’s quite unfortunate to have a good number of initiatives that have emanated from past recommendations from the ivory tower and the academic neglected, we remain undeterred in contributing to the national growth and development.

Therefore, this Conference does not only serve as a pathway for academics to exchange knowledge and receive inputs on their research papers, it also serves as an opportunity to deliberate on the state of the Nation and make our voices heard as stakeholders,” he concluded.



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The President, Mallam Tijjani Musa ISA, BSc, M.IoD, FCA
and the Governing Council of:
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

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Saturday May 6, 2023

Time:
5:00pm

Venue:
Monarch Event Centre, Ikate, Lekki-Epe Expressway, Lagos, Nigeria

Tickets:
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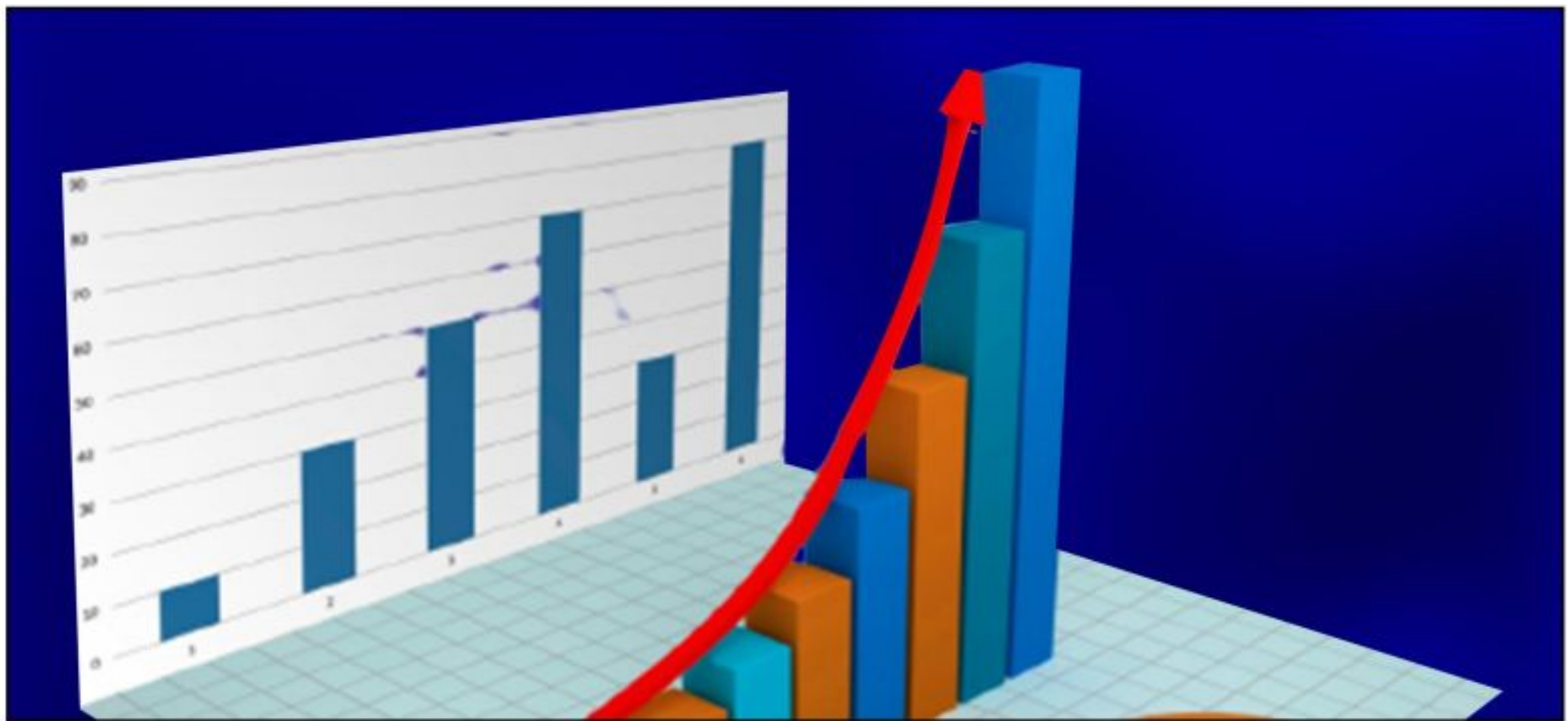
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Analysis of Budget 2023 and the Finance Act

By Taiwo Oyedele



Mr. Taiwo Oyedele is a golden fish that has no hiding place as far as tax matters are concerned in Nigeria. He is West Africa Tax Leader at PwC Nigeria and a member of PwC Global Board for Leadership Development. He is also the Chairman of PwC Nigeria Ethics Committee. Taiwo is an alumnus of the Gordon Institute of Business Science, South Africa, the London School of Economics, Yale University and the Harvard Kennedy School. He is a contributor to the annual *Doing Business* report of the World Bank. He is the author of "The Top 50 Tax Issues in Nigeria", "Insights on Taxation and Fiscal Policy", and the Nigeria Transfer Pricing chapter of the International Bureau of Fiscal Documentation (IBFD) publication.

Taiwo is the Founder and President of Impact Africa Foundation, an organization that mentors and sponsors the education of young Nigerians. Taiwo is a Fellow of the Nigeria Leadership Initiative and a member of the Corporate Governance Society Nigeria. He is also a guest lecturer at the University of Lagos, Babcock University and the Lagos Business School. In this interview, he spoke

on numerous issues on Budget 2023 and Nigeria's Financial Act. Excerpts:

Q: What is your take on the 2023 Budget and the budgeting process?

A: Thank you very much. Maybe I should start with the budgeting process. On one hand, I would say it is good that this government over the past three to four years has consistently produced the budget at the beginning of the year which is good to align with the fiscal January-December calendar year.

We've seen a bit more transparency in terms of what government is putting up there even when you don't agree, you have the information to say you hereby disagree particularly at the federal level.

We also have seen an attempt to introduce zero based budgeting and I'm sure Accountants would fully understand and in case we have non accountants participating in this programme, what we are saying is that every single year, every government agencies, ministries and departments have to justify every single naira they want to spend. It's not enough

to say last year, you gave us ten naira, can you give us eleven or twelve naira this year.

So in terms of implementation, we have few questions as to whether indeed we are really implementing zero based budget as it should be. I also think some MDAs are not able to provide sufficient explanation that is compelling enough for their budgets and it will seem as if the Lawmakers are sometimes more interested in just get this out of the way, let's tick another box to say that we get it out by 1st of January, without the diligence that's required.

I'm also concerned that despite President's complaint last year that the Lawmakers introduced all manners of new projects. Sometime, they reduce a very important project, reduce the amount and go and put it in their constituency projects. They have done that again this year. I think about 70 billion have been introduced into different projects.

The Lawmakers need to realize and understand that their role is not to do project. Their role is to make laws and provide oversight. I think we have to find a way to roll back this our democracy well.

I think part of it also has to do with the people. When you go out to campaign as a Lawmaker who wants to go back, they will be asking you for roads, asking you for schools.

I think beyond the process, my overall impression of the budget is that it's a budget that I was not expected to see in my life time in the sense that the deficit in the original budget that the President submitted to the National Assembly was even more than the revenue. It's about 10.78trillion.

The Lawmakers have added even more to that deficit by adding additional 1.3 trillion to the size of budget. We also need to bear in mind that just a few days to the end of last year, they also asked for supplementary budget for 2022 which the President signed along with the 2023 appropriation bill into an Act.

So, if we combine the almost one trillion in the supplementary budget with additional 1.3 trillion in extra spending that the Lawmakers have added, we are easily looking at close to about 12 to 13 trillion of budget deficit for 2023.

And over the past few years, if you look at government performance in terms of revenue target versus the actual revenue, they have consistently underperformed, which means if government underperforms again this year on revenue, that deficit will even grow bigger and the bigger it grows the more government will borrow, the more the cost of servicing the debt to revenue ratio will go up. And we just have to make a turn from this trend. It is not sustainable and shouldn't continue for too long.

At the state level, sometimes we don't pay attention. They just put their budget together here and there. We don't have the numbers for all of them. As of 2022, their budget deficit was about 5 trillion naira for a budget size of around 10 trillion. We expect that 2023 will be very similar to 2022, when indeed the amount of money they make from Internally Generated Revenue (IGR) and FAC was under 5 trillion.

So, if you add the deficit at the federal level to the deficit at the state level, you are easily looking at about 16 to 17 trillion of budget deficit for Nigeria. We don't know what the local governments are

doing. So we can't even estimate their budget deficit. You know some people say they are just collecting money and sharing it.

Q: You spoke about supplementary budget which is quite alarming and which the President signed concurrently with the 2023 budget. I want you to give our audience more insight because there's something we are missing - state budget. It seems it is only federal government that is ruling us. The states are just out there with state governors. What is your take on state budgets?

A: Let me even start with the supplementary budget you mentioned. For the sake of proper understanding, when you make budget, it means the plan of what you want to spend and where you want to get the money from. Next to the constitution, the budget is the second most important document for any country.

It shows your priority of spending. It shows how you want to raise revenue. It shows what's important to the government and by extension the people. Because they are projections, they normally would be based on assumptions and assumptions are not cast.

You may expect that inflation will go up to 15% and it may exceed and end up in 40. It may not be up to what you project. There may be clarity on the need for something you did not plan for or emergencies.

You can now do an additional budget which we call supplementary budget. The anomaly we have seen in the system within Nigeria for the past few years is that government, especially federal government, instead of doing supplementary government, they have come up with what they call revised budget.

There's no such thing as revised budget in the constitution. But it is good now that government is moving back to supplementary because that's what we have in the law and therefore they are saying we need to spend additional money. When you interrogate this additional money that government wants to spend, it's about 900 billion.

They said it's because of the emergency

around the flood. Then I keep saying to myself that what happened to the huge amount for humanitarian services that was budgeted for in the original 2022 budget.

Nobody has been able to explain how the money was spent. I personally felt that the supplementary budget was uncalled for. I felt that whatever we need to spend and didn't provide for in 2022 could be added to 2023 budget, instead of extending 2022 budget by three months. That is one thing I have seen in term of supplementary budget.

Now, to the second part of your question on states. Everything we do is influenced by the locality and environment we find ourselves. So, to a large extent, our people including small businesses, households and individuals are often more affected by local issues than what happens at the federal government level. What that means is that we need to start paying attention to state budgets.

I'm hoping that one day we will have the kind of leadership that will be putting pressure on local governments to also be publishing their budgets and accounts. I wanted to see the budget of my local government but I cannot find it.

At the state level, you find some of the state Assemblies not even paying attention to the budget. I don't even think they scrutinize enough. They just sign whatever they presented to them. One funny example is Crossriver State. They have one funny name for their budget. The name you can't even see in the dictionary. That's not even all. The size of the budget used to be over 1 trillion naira when that state has never generated IGR and VAT up to 100billion.

The question is what is the essence of a budget that is unrealistic. But this year, they have reduced and moderated their budget to over 300 billion, which in my view, is still too high. When you look at those budgets and you analyse them, you find out that there's something there you will need to interrogate and that thing is this.

When they overstate the size of the budget which they know they can't raise the money, it allows them to get away with scrutiny in terms of the recurrent ex-

penditure because they will tell you the capital components is 50% or 60%, and you will say yes, it is good.

But they know the amount of revenue they can generate is barely 40% of that budget. So, they end up spending most of the money on recurrent expenditure and very little is left for Capital development, human capital and the progress we really need as a country and that's why it was not surprising that we have one hundred and thirty-three million people that are multi-dimensionally poor because if you look at those indicators, they are things to do with: do we have access to education, clean water, quality of life and those things we need to spend money on to lift people out of poverty are really the things that are suffering eventually".

Q: What is the current status of the Finance Bill for 2022 and what are the key provisions of the Bill?

A: That's a good question because many people are confused about what's happening to the Finance Bill. One thing I can say is that it wasn't signed today by the President because the President also has some reservations about some of the provisions introduced into the Finance Bill.

And also, the President said there's a need for more consultations with the government agencies that may be impacted. I thought it was curious that the President did not say that there's need to consult with the public. He was interested in consulting the government agencies because the people that will pay these taxes are not government agencies but us. They are businesses, private sectors and individuals.

And it was disappointing for me that the Senate published a copy of the Bill in newspaper on the 21st of December and said the public hearing on it is second day, 22nd December. You can just imagine the time to read that Bill, to start making comments, to write your submission, send it to the National Assembly, book a flight if you are not in Abuja to go there. It was very clear that they didn't want anybody to come and make any comment. They want to tick a box and say we did public hearing, even though nobody was there.

The House of Representatives published the Finance Bill also same day, 21st De-

cember and said their public hearing will be 13th of January and we said at least House of Representatives is doing better than Senate, only for us to find out few days later that the House of Representatives has also passed the Bill before the public hearing.

Later they harmonized and sent the Bill to the President. I think we can do a lot better. It's not a banana republic. This is democracy and we should be getting better and not getting worse. I remember those days when they will give us like two or three weeks for you to make your submissions. When you go for the public hearing, they will debate those issues. It is important for us to improve our democracy and not on the altar of expediency or urgency or wanting to pass it by a particular date, bypass the most important component of the law-making process. That is really engaging with the people.

The President as we all understand is returning the Finance Bill back to the National Assembly for them to make few corrections and engage with the government agencies and hopefully the rest of us before it becomes law. To be honest, there's nothing urgent about the Finance Bill. It's better to delay it for a few more weeks even if it's for a couple of months and get it right than to urgently pass the law and create more problems for the society.

Now to the other part of your question in terms of the key provisions of the law. There are few provisions introducing taxes. Government wants to tax crypto currency. I have my issues at whether this is the right time, whether the framework is there or who is even investing into crypto. And for the exchanges where they help people trade in this currency, they are not regulating them. How will they even know if I have crypto and I have sold without telling government?

We also have a provision that government is seeking to impose a higher CIT of 50% on gas-flaring companies. That's what they call them and these gas-flaring companies in quote are upstream companies are liable to tax under the petroleum industry Act and PBTA where they have to pay at the common tax of up to 30%. They have to pay CIT up to 30%.

If you now increase it and add another

20%, you will easily discourage those who are trying to invest in the gas sector, because the much I know is that in those investments and oil producing assets where they flare gas, government is the actually the senior share holder, sometimes holding up to 60% and they don't contribute their own investment for gas flare out or reduction of gas flaring and they will turn around and punishing the private sector participants for the failure of government. So, if we don't reverse this, it is going to slow us down or we are going to lose out on the global drive for investment in gas, especially coming from Europe in view of what has been happening in Ukraine due to Russia invasion. That's one area we are hoping that as they are reviewing the final bill, they will reform that.

Government also in the Finance Bill has taken away some of the incentives that we've known for some years, including investment allowance from plant and machineries, including rent and investment allowance where they say no good roads, no electricity, they have taken that away. We also have provision that to do with Electronics Money Transfer (EMT) and the state will say, this money belong to us and federal government will share 15% and give 85% to the states as if it is not enough that states are already angry. The federal government is now proposing that 35% should go to the local government, state will take 50% and federal government will keep 15%.

My view is that this electronic money transfer is a disguised stamp duty and stamp duty based on Section 163 of the Constitution of Federal Republic of Nigeria belongs to State alone. It's not to be shared with Federal or local government. I think we have to do things in line with the Constitution, not to upset the other levels of government and to ensure that we don't destroy the trust between levels of governments. Another one is when government is trying to impose excise on all services including telecommunications at the rate to be prescribed by the President. Again, I'm concerned. I don't like the blanket excise duty on services.

In a few countries where they have excise duties, usually on things like telecommunications, things like gambling they don't put excise on all services when you are already have VAT that's already on all

services. So, that's another area of concern. Government is also planning to impose special import levy of 0.5 percent on any importation from outside Africa. They want to be able to use the money to pay Nigeria's subscription to all these international organizations like the United Nations, like the African Union. To be honest, I don't know of any other country where you have to impose special levy to pay your subscriptions. But that's what they decided to do and the reality is, for political narratives, it looks okay when you say anything from outside Africa we impose tax on it, like they are promoting Africa but the reality is, go and look at the list of things we import. Where are they manufacturing machinery and equipment in Africa? Most of the things we need, even for businesses including manufacturers are not available in Africa. They are available from outside Africa. So, if you impose those additional taxes, it will increase the cost of doing business and by extension increase inflation.

The other area is government is introducing anti-avoidance provision for VAT. If you have a transaction between related parties and government is doubtful of your price, they can adjust it upwards and ask you to pay additional VAT. It's just like transfer pricing for VAT. That's what they are trying to introduce.

The other one I would mention is the capital loss. We can have capital gains on things like shares, on assets like lands and buildings and if you make gains, government would tax it but if you make a loss, government will not allow you to deduct it.

One good thing about this Finance Bill is that government now says if you make capital loss, you can deduct it against the same class of asset if you have a gain before you pay the tax and you can carry it forward for up to five years if you are unable to claim your losses fully in any particular year.

And for those who pay life assurance premium for their lives and the life of their spouse, they will now be able to get tax deductions for it provided they don't claim back the deferred annuity or the life premium or such within five years. The interesting thing there is in case of death, although nobody plans to die but if death happens within five years of insurance

premium, I don't think government would tax it. But in the case of annuity which is like savings and investment scheme, if you withdraw it within five years, I would understand because government doesn't want to create a loophole where people can use agencies to avoid tax.

Q: What are the components of ways and means now introduced to the budget and how sustainable is the inclusion of such in the budget of 2023?

A: Ways and means is the way we describe based on the law in Nigeria when the Central Bank gives money to the federal government because federal government does not have money. Normally, government should spend revenue which is from tax sales and from natural resources like crude oil. That's what government should be spending.

But when government does not have enough money to spend, government can borrow. Government would borrow by selling bonds, treasury bills. That's how government would normally finance their budgets especially when it is deficit budget, which means the revenue we expect is not enough to cover the expenses.

When government cannot raise revenue and unable to borrow for whatever reason, they go to the Central Bank and say, Central Bank, please can you give me money? That money that the Central Bank gives government can come from majorly two ways. One, when you take money to the bank, the bank does not have access to the entire money you give them because there's something we call Cash Reserve Ratio. The Central Bank will say for every N1,000 you collect from customers, you must come and keep a percentage with me compulsorily. And that amount you keep with them is with the Central Bank but you can't do anything with it. The Central Bank can take that money and give it to the federal government to spend. That is one way and means. The other one is that Central Bank can print money and give to government to spend. This is what has added to twenty four trillion naira, particularly under this current administration. That amount has ballooned and it is so significant that it is part of the reason why inflation is going out of control because on one hand CBN is saying let's reduce money in cir-

culation so that inflation will not get out of hand. At the same time, Central Bank is giving plenty money to federal government to go and spend.

So, what they want to do now is, federal government says on this ways and means I'm having to pay Central Bank the monetary policy rate which is about 16.5 per cent. The federal government now says, National Assembly, can you please help me on this ways and means.

Government wants to go and borrow money from the public and use the money to pay the CBN back and government will now owe the public and government wants to do that by issuing a 40 year Bond at 9% interest rate. If National Assembly allows government to do it, that means government will owe the public and be paying back at the rate of 9% instead of 16.5%.

I said this is an interesting argument because when you pay interest to the CBN, who owns CBN. Is it not government? If you pay interest to CBN, you pay interest to yourself. I don't know why that should be a problem. The real problem is that in the Fiscal Responsibility Act, there is a limit to how much you can ask the CBN to give you to spend. I think it is limited to 5% of your previous year revenue. This government has collected far more than that percentage consistently. It is not good not to comply with the provision of the law. They can argue that we are in emergency situation but to be honest the emergency has been there for so many years, it is now time for us to be able to be able to plan properly.

Lawmakers are saying they don't fully understand what it is and that they did not approve the spending. I'm saying to the lawmakers, that's not the spending itself. When you approve a budget that has a deficit of over 10 trillion, when they now go and borrow the money to go and spend, you cannot say you didn't approve the spending, you approved the budget. What you can say is that you did not approve the borrowing to come from the Central Bank. I think we will see how it plays out over the next few days, but I believe the lawmakers have really no choice but to approve it so that that amount can be securitized.

Q: In addition to the 2023 budget and

the supplementary 2022 budget, the government spent over 22 trillion through Ways and Means which the National Assembly did not approve. How do we get the government to embrace budget discipline? What value did we get as citizens for this reckless public sector spending?

A: I agree that there's a need for budget and spending discipline. Right from budgeting process, you see a lot of padding. Lawmakers will also bring their own. We have those issues that we need to deal with. But when the Central Bank gives money to their government to spend, there's nothing unusual about it.

During the Covid period, America got more than two trillion US dollars that they got from their Central Bank which they call the Federal Reserve. They were sending money literally to individuals to spend since they were not working. And they didn't want to get to a period that people can't be able to take care of their needs. We saw that also in the UK.

Most countries printed money and spent but the difference is that in most of those countries, the money they printed were given to poor people to spend so that they can survive. In Nigeria, poor people will not even get. A few poor people government claimed they gave money to could not be even identified.

Even if they did, the number is very insignificant compared to the number of poor people of about 133million. What I think we really need is to be careful with this "ways and means" because if we keep giving money to from Central Bank to federal government to spend, inflation will get out of hand.

When this happened to Zimbabwe before Mugabe died, it got to a point that 100trillion of Zimbabwe dollar was not enough to buy a loaf of bread. People were carrying money in wheel barrow but what they used it to buy will be less than

the amount of money they carried. We don't want to get to that point, so we have to put some discipline into the budgeting process, into how we borrow, into how we spend, the amount we take from the Central Bank and most importantly, there must be 100 percent accountability and transparency so that we will all be carried along in what government is doing.

Government should also stop wanting to do everything. They want to do refinery, they want to do Air Nigeria and we all know that government is terrible at running businesses. So, they should allow private sector to do the ones they are capable of doing and focus your limited resources on human capital development, good governance and ensuring that the private sector is supported by the public sector to facilitate more growth and economic development.

Q: Do we have risk management running with government activities such that certain things that can affect the implementation of objectives can be managed?

A: I don't think we do, because if we do, it will be obvious to all of us. I think government does not look at the risk in that sense and which I think they should. I'm aware there was a time Finance Ministry was trying to put together a fiscal risk framework but we don't have something concrete for Nigeria because the risk that the country face is different from the risk individual businesses face.

For example, we don't really envisaged that a government will go bankruptcy because government cannot be bankrupt. The worst is that they print their money and spend it and everyone will now get into trouble and one day we get out of it. Now, if think about the objective of this Finance Bill as indicated by the government, they said they want to promote tax equity, they want to address climate change, they want to reform incentives, they want to promote job creation and

economic growth. They want revenue generation and tax administration and that's why the name of IFRS is now being changed to Nigerian Revenue Service and I don't agree because if you look at it, federal presupposes that the FIRS only collects taxes for the federal government. But that is not the case. CIT, VAT, PBT, almost all the taxes collected by FIRS are shared by all the three levels of government. So, Federal is not a good word to put in their name. When you also say "Inland", it presupposes that FIRS can only collect revenue within Nigeria. It cannot collect international tax. And that's not also correct. So, I agree that the name of FIRS should become Nigeria Revenue Service.

But to your question again, those objectives that have been stated in the Finance Bill, how very good. You cannot disagree with any of them but when it comes to the risk management framework and the strategy for achieving those objectives in the most optimal way, so that you don't cut your eye to spite your nose or you don't take one step forward and take two backward. Take the one like the climate change because Nigeria has committed to climate change and we are saying let's put additional task on gas flaring, when indeed we need all the investment we can get from gas at this particular point in time. I think government can do better in terms of their strategies and management framework.

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COTE D'IVOIRE VISA REQUIREMENTS:

- ♦ The visa policy of Cote d'Ivoire permits Nigerians to visit for a period of 90 days.
- ♦ Prospective visitors are required to have a passport valid for a minimum of 6 months beyond the date of entry in Cote d'Ivoire.
- ♦ The passport should have at least two blank pages for visa stamping.

RECOMMENDED HOTELS BY THE ACOA ORGANISER (See details below)

S/N	HOTEL	RATE	DISTANCE TO THE CONFERENCE VENUE	CONTACT DETAILS
1	SOFITEL HOTEL IVOIRE	STANDARD ROOM - 257 USD UPPER ROOM - 282 USD JUNIOR SUITE - 390 USD	CONGRESS VENUE	
2	CAPITOLE HOTEL	STANDARD ROOM :100 USD SUITES - 166 USD	2.6 MILES	e-ngoran@capitohotel.com TEL: +225 07 89 22 28 88 PROMO CODE: ACOA 2023
3	HOTEL PALM CLUB HOTEL COCODY	TWINS ROOM - 150 USD JUNIOR SUITE - 249USD SENIOR SUITE -374 USD	2.8 MILES	commercial@hotelpalmclub.ci reception@hotelpalmclub.ci TEL: *225 27 22 40 53 00, 05 74 22 10 76
4	HOTEL TIAMA	STANDARD RM - 196 USD	3.7 MILES	www.hotel.tiama.ci PROMO CODE: TIAMAACOA2023
5	MOVENPICK HOTEL ABIDJAN	UPPER ROOM - 174 USD EXECUTIVE - 224 USD PREMIUM - 299 USD	3.6 MILES	acoa2023@jilgroup-ci.com TEL: +225 27 20 23 20 23 PROMO CODE ACOA 2023
6	BNB HOTEL RESORT	STARNDARD ROOM - 100 USD	6.2 MILES	sales@bnb-resort.com + 225 07 01 41 51 35 PROMO CODE: ACOA 2023
7	HOTEL AICHTI	STANDARD RM - 108 USD UPPER ROOM - 125 USD SUITE - 166 USD	6.2 MILES	commercial@aichtihotel.ci TEL: +225 07 68 72 80 27 PROMO CODE ACOA 2023

REGULAR AIRLINE ON THE ROUTE:

1. AIR COTE D'IVOIRE - NOTE AIR COTE D'IVOIRE TRAVELS ON ALTERNATE DATE
<https://www.aircotedivoire.com>

2. ASKI AIRLINES (<https://www.flyasky.com>)

AS A REMINDER



REGISTRATION IS DONE IN THREE (3) STEPS

- ♦ **STEP 1.** Pre-registration on the site and it's free
- ♦ **STEP 2.** When the person is ready to pay the fees of registration, she makes the payment with the means of their choice (bank transfer, WU, in branch or soon online)
- ♦ **STEP 3.** When we have CONFIRMATION of payment, the private space and password are created with an email sent to the person to communicate this information as well as his invoice

The person can then register for the conferences, papers and various...

For further information, please contact: Bimpe: 07066122759 or Email: afolugbile@ican.org.ng

IAASB Launches Consultation on Proposed Strategy and Work Plan for 2024-2027

The logo of the International Auditing and Assurance Standards Board (IAASB) features the acronym "IAASB" in white, serif, uppercase letters. The letters are spaced out and centered within a solid blue rectangular background.

**International Auditing
and Assurance
Standards Board**

The International Auditing and Assurance Standards Board (IAASB) today issued a public consultation for its 2024-2027 proposed strategy and work plan. The strategy seeks to accelerate the actions originally laid out in the 2020-2023 strategy with a focus on standard setting that supports the performance of high-quality audit and assurance engagements.

"Audit and assurance play vital roles in the world's economies. At their best, audit and assurance practitioners enhance trust in markets and assist in efficient, sustainable resource allocation," noted IAASB Chair Tom Seidenstein. "Our proposed new strategy strives to develop the globally accepted standards for audit, assurance and related services that enable high-quality engagements, with a distinct focus on both the core need for audits of financial statements and the growing demand for sustainability assurance engagements."

The proposed strategy outlines four strategic objectives:

- Support the consistent performance of quality audit engagements by enhancing our auditing standards in areas where there is the greatest public interest need;
- Establish globally accepted standard(s) for assurance on sustainability reporting;
- Strengthen coordination with the International Ethics Standards Board for Accountants and other leading standard setters and regulators to leverage better collective actions in the public interest; and
- Create more agile, innovative ways of working in line with the Monitoring Group's reform vision.

The IAASB's 2024-2027 work plan describes the technical standard-setting work required to support the strategy. The work plan focuses on where further standards' development can best contribute to meeting the needs of stakeholders in the external reporting ecosystem, while balancing timeliness with quality.

The IAASB invites all stakeholders to comment on the proposed strategy and work plan via the IAASB website by April 11, 2023. Stakeholders can respond to all questions in the Consultation Paper or focus on those questions that are most relevant to them and where they have specific comments.

IESBA and IAASB Highlight Commitment To Deliver On Recommendations In New IOSCO Report On a Global Assurance Framework For Sustainability-Related Corporate Reporting



International
Ethics Standards
Board for Accountants®



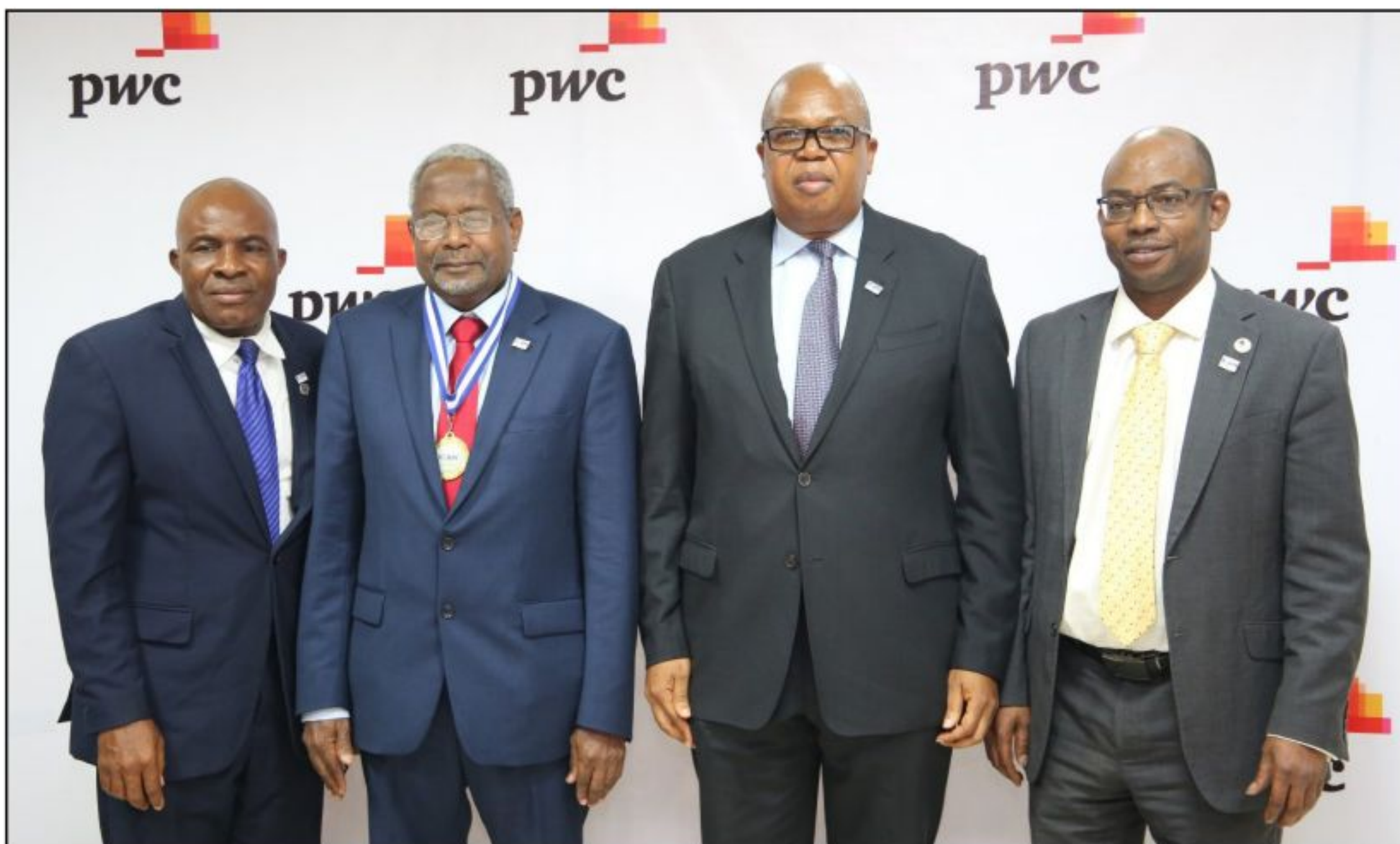
International Auditing
and Assurance
Standards Board

The International Ethics Standards Board for Accountants (IESBA) and International Auditing and Assurance Standards Board (IAASB) welcome the report released today by the International Organization of Securities Commissions (IOSCO) on developing a global assurance framework for sustainability-related corporate reporting. The IOSCO report reflects extensive research and feedback from key stakeholders. The report calls for timely development of ethics and assurance standards for sustainability reporting by the IESBA and the IAASB, respectively.

The IESBA and the IAASB have responded to growing demand for high-quality assurance over sustainability-related information to enhance the reliability of corporate reporting by prioritizing their projects to develop relevant and complementary standards. Both the IESBA and IAASB will issue public consultations later this year on standards for sustainability ethics and assurance, respectively. Both boards plan to finalize their respective standards in 2024. IOSCO called for widespread outreach to ensure the standards meet the needs of users and benefit from diverse stakeholder input, among other recommendations. Both boards emphasize their commitment to address key considerations and recommendations presented in the IOSCO report.

Commenting on the IOSCO report, Gabriela Figueiredo Dias, IESBA chair, stated, "We appreciate IOSCO's leadership in coordinating global consistency in sustainability assurance. The ethics standards that the IESBA is developing aim at supporting a robust ethical and independent approach to sustainability reporting and assurance in the public interest. We are involving all stakeholders at an early stage through global and inclusive consultation. We will continue to work collaboratively with IOSCO and other stakeholders to support a globally coordinated approach to ethics and assurance for sustainability reporting."

Tom Seidenstein, IAASB chair, added, "We share the sense of urgency highlighted in IOSCO's report, are on track to delivering a high-quality standard on time, and embrace the report's call for an inclusive process. Our efforts will include outreach to a wide range of stakeholders to ensure our standards are of high quality, meet the needs of users, and are profession-agnostic. The IAASB will intensify external outreach in the second half of 2023 in conjunction with the publication of a draft sustainability assurance standard."



L-R: ICAN 1st Deputy Vice President, Chief DCS Alaribe; ICAN President, Mallam Tijjani Musa Isa; Country/Regional Senior Partner, PwC, Mr Uyi Akpata and ICAN Vice President, Dr. Innocent Okwuosa during a courtesy visit by ICAN to PwC, Lagos.



ICAN President, Mallam Tijjani Musa Isa presenting a souvenir to the Vice Chancellor of Lagos State University, Professor Ibiyemi Olatunji-Bello during ICAN President's courtesy visit to LASU.



ICAN President, Mallam Tijjani Musa Isa; Winner of the Secondary School Fame Quiz Competition within the western state, Umenze Nmesoma Miracle from the Ambassador's College, Ota Ogun State and Alhaja Princess Kafilat Omolade Hassan FCA, Chairman Western Zone at the Western Zonal Conference, held in Badagry Lagos



ICAN President, Mallam Tijjani Musa Isa presenting a souvenir to Alagbara of Agbara kingdom, HRH Oba Lukman Jaiyeola Abimbola during a courtesy visit by ICAN to his palace in Lagos.



ICAN President, Mallam Tijjani Musa with the Oniru of Iru Kingdom, Oba Abdulwasiu Omogbolahan Lawal during a courtesy visit to his palace.



ICAN President, some Council members with the Executives and members of ICAN UK and District during the 10th Conference held in UK in March.



L-R; UK Chairperson, Princess Adebimpe Kudehinbu, FCA, President Mallam Tijjani Musa Isa, FCA; Representative of Nigerian High Commission to the UK, Ambassador A.O Shuaib and the Vice President, Dr. Innocent Okwuosa, FCA at the opening ceremony of the 10th UK conference in London



ICAN President and his team with the newly decorated Fellows of the Institute at the 10th ICAN UK District Conference



The Newly decorated Fellows of the Institute taking their oath at the 10th ICAN U.K District Conference



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The Circular Economy - Implementation, Benefits, and Impact

By: Tunde WEY FCA



The Circular Economy - Defined

The circular economy is an economic system that aims to reduce waste and pollution, while also promoting the efficient use of resources. This system is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems.



Implementation Examples

One example of a country implementing the circular economy is the Netherlands. The Dutch government has set a goal to have a fully circular economy by 2050. To achieve this, they have implemented policies and programs that promote recycling, reduce waste, and encourage the use of renewable energy. For example, the Dutch government has set a target to recycle at least 70% of household waste by 2024, and they have also implemented a tax on disposable plastic bags.

Another example of a city implementing

the circular economy is Tokyo, Japan. The city set a goal to reduce greenhouse gas emissions by 25% by 2020 and has implemented a number of initiatives to achieve this goal. For example, Tokyo has a program called "Eco-Town" which encourages the development of sustainable communities. The city also has a recycling program in place that aims to recycle at least 70% of waste by 2020.

Currently, Japan leads the world in the percentage of waste utilised in waste-to-energy facilities, burning an impressive 74.2 percent of its municipal solid waste in energy recovery systems. It operates more than 380 waste-to-energy plants domestically and is looking to export its expertise to other countries.

In terms of companies, one example is Unilever. The consumer goods company committed to sourcing 100% of its agricultural raw materials sustainably by 2020. They also have a number of initiatives in place to reduce waste and promote recycling. For example, Unilever set a target to send zero non-hazardous waste to landfill by 2020. Additionally, they have implemented a recycling program for their products, such as their soap bars.

One example of a product that embodies the circular economy is the Cradle to Cradle (C2C) certified product. The

Cradle-to-Cradle certification is a globally recognized certification program that evaluates the environmental and social impact of products. Certified products are designed to be reused, recycled or composted at the end of their useful life, and the materials used in the products are non-toxic and safe for both human and environmental health. Examples of C2C certified products include furniture, textiles and building materials.

The Benefits

The circular economy concept is a system in which resources are kept in use for as long as possible, extracting the maximum value from them before recovering or regenerating them. Implementing this concept can bring a range of benefits for companies, cities, countries, and the world at large, including:

- **Reducing waste:** By keeping resources in use for longer and recovering or regenerating them, the amount of waste produced is reduced.
- **Reducing costs:** Companies can save money by using resources more efficiently, reducing the need for expensive raw materials and cutting down on waste disposal costs.
- **Creating jobs:** Implementing the circular economy can create new jobs in areas such as product design, recycling,

and refurbishment.

• **Improving resilience:** A circular economy can make supply chains more resilient by reducing dependence on a small number of suppliers or raw materials.

• **Reducing greenhouse gas emissions:** By reducing the need to extract and process raw materials, and by cutting down on waste disposal, a circular economy can help to reduce greenhouse gas emissions.

• **Improving environmental quality:** A circular economy can help to reduce pollution and preserve natural resources by keeping materials in use for longer. Analysing benefits in summary, the circular economy can help companies, cities, and countries to be more sustainable, resilient, and competitive while reducing environmental impact and preserving natural resources.

Relevance to and Impact on Accountants and Financing Systems

The circular economy is a concept that emphasizes the use of resources in a closed loop, rather than the traditional linear model of taking resources, using them, and disposing of them. This concept has relevance and impact on accountants and financing systems in several ways:

1. Accounting for natural capital: The circular economy requires accounting for natural capital, such as the depletion of resources and emissions of greenhouse gases, which can affect the financial performance of a company.

2. New business models: The circular economy encourages new business models, such as product-as-a-service, which can be challenging for traditional accounting and financing systems to measure and value.

3. Risk management: The circular economy can also create new risks, such as regulatory risk and reputational risk, which need to be managed by companies and their financial systems.

4. Financial incentives: Governments and other organizations are implementing financial incentives to encourage the transition to a circular economy. For ex-

ample, the EU launched a Circular Economy Finance Support Platform to help companies access funding for circular economy projects.

Products through Circular Economic Concept

1. Recycled plastic products: Many companies are using recycled plastic to produce a wide range of products such as outdoor furniture, decking, and playground equipment.

2. Reusable water bottles: Brands are making reusable water bottles made from stainless steel, aluminium, and other durable materials that can be refilled and used for years instead of single-use plastic bottles.

3. Upcycled clothing: Clothing companies are using upcycling techniques to produce fashionable clothing and accessories from pre-existing materials, such as old t-shirts and denim, reducing textile waste.

4. Compostable tableware: Some companies are producing disposable tableware made from plant-based materials, such as bamboo or sugarcane, that can be composted after use.

5. Electric vehicles: Many car manufacturers are producing electric vehicles, which are powered by electricity rather than fossil fuels, reducing pollution and dependence on non-renewable resources.

6. Building materials made from recycled materials: Manufacturers are producing building materials like roofing, flooring and insulation made from recycled materials like plastic bottles and old tires.

7. Renewable energy systems: Companies are producing solar panels, wind turbines, and other renewable energy systems that can be used to generate electricity in a sustainable way.

8. Used tyres converted to biofuels: Companies are producing biofuels or biodiesel from used tyres.

9. Waste from landfills or incineration to low carbon fuels: Companies using patented RadGas technology to produce

waste-based fuel by diverting waste from landfill or incineration and creating low carbon fuels for the transport sector at scale. ABSL and Greenergy are in the process of establishing 5 of such conversion plants in the UK – Press Release dated 11th November 2021

Overall, the circular economy is a holistic approach to economic development that aims to reduce waste and pollution, while also promoting the efficient use of resources. The implementation of the circular economy can be seen in the policies and initiatives of countries, cities, companies and products. By designing out waste and pollution, keeping products and materials in use and regenerating natural systems, we can create a more sustainable and resilient economy.

Benefits include waste reduction, cost reduction, job creation, economic and environmental resilience, reduction of greenhouse gas emissions, improvements in environmental quality and overall sustainability with economic growth.

Accountants and financing systems need to evolve to cater for ability to account for natural capital with a view to putting a premium on sustainability and impact of organisation's activities on the planet; as well as develop models to account for incentives provided by Governments to organisations going green or availing themselves of the opportunities presented by sustainable goals via concepts like the circular economy.

The planet and the global economy benefit in general through design of products with longevity in mind, usage for longer period, leading to need to produce less and usage of less natural resources, recycling of used products and re-use of products instead of discarding them.

Tunde Wey is a Past Chairman of ICAN UK and District Society and has over 25 years' experience across Accounting, Consulting, IT Programme Management and Enterprise Architecture.

The cost of illiteracy: A critical review of social-economic implications of high rate of uneducated children and adults

By: Ibironke Adeagbo



Access to education is a universal right for every individual regardless of their socio-economic background and status. This right to enjoy quality formal or informal education has however remained only valid on papers in most developing countries of the world. This is evident in the high rate of adult illiterates and increasing number of out-of-school children and youths in these countries. In 2018, the World Literacy Forum reported that 1 of 5 people is a complete illiterate and 3 billion people around the world struggle with basic level reading and writing.

In Nigeria, the Minister of Education revealed that there were 76 million illiterate adults in the country as at 2021. This makes up for about 38% percent of the over 200 million Nigerian populace at that time. Recently also in 2022, UNESCO revealed a worrisome statistics that the number of out-of-school in Nigeria has almost doubled from 10.5m in 2018 to 20.2million in 2022. The consequences of continuous neglect of out-of-school

children and illiterate adults are often underrated and reported mostly from the individual perspective. Illiteracy has a significant economic, social and health impacts on the individual and society at large. It is therefore very imperative to explore the economic and social implications of illiteracy on the economy of nations across the world.

A report by the World Literacy Forum showed that illiteracy has cost global economy approximately £800 billion annually. In the United Kingdom, the same report indicated that around £8 billion was spent in 2018 as costs on welfare, unemployment and social programmes in an effort to mitigate the impact of illiteracy. Similar in Nigeria, several reports have emerged online on the exact amount that has been spent on Social investment programmes in support of vulnerable Nigerians. However, the most recent report revealed that the Federal Government has spent over N1.3 trillion on social investment between 2016 and 2023. These are large sum of funds that could have been invested into develop-

ment of different sectors to drive national development agendas and boost the economy.

Furthermore, illiteracy has largely resulted into high rate of unemployment. As countries move toward knowledge driven economy, there is hardly a place for uneducated people in the society. What we will see are situations where there are many vacant positions without adequately skilled and trained individuals to fill up those roles. These people rather pick up menial jobs like security personnel, cleaners, petty traders, street hawkers. These people are less likely to be economically active because there is the likely tendency of living from hand to mouth. 2022 World Bank report further showed that 4 of 10 Nigerians live below the poverty line. Sluggish growth and low human capital are holding Nigeria's poverty reduction back and an economically inactive population will result in slower GDP growth in the long-run.

Poverty and insecurity are other terrible consequences of high rate of uneducat-

ed populace. There is indeed a symbiotic relationship between lack of education, poverty and insecurity. The neglected primary school pupil yesterday have become today's bandit, rapists, terrorists, fraudsters, armed robbers etc. An insecure or unsafe nation will discourage foreign investment in the country. Faminu (2022) quoted Global Terrorism Index that over \$40.6 billion worth of foreign investment were diverted from the Nigerian economy as a result of insecurity. Furthermore, insecurity has caused the Nigerian government a lot. In 2020, N1.78 trillion was allotted for security expenses. This year, 13.4% (N2.98 trillion) of the 2023 budget was allocated to security. Also, insecurity endangers growth of real per capital income and therefore affects government revenue. All of these have adverse impacts on the economy of any nation.

From a socio perspective, crime, prostitution, insecurity, teenage pregnancy, early marriage, rise of uniformed decisions because of inability to read or digest literatures, recycling of illiteracy because uneducated parents are likely to prioritize work over education among others are the consequences of poor education. It is important to start that all of these elements affect the development of an adequate human capital base that can contribute to economic development.

Investing in education is one of the many strategies to put Nigeria back on track for a good economic and social outlook. Education is a potent tool to curb all of the problems and issues discussed in the previous paragraphs. Education is a silver bullet to solving Nigeria's security challenges and improves the economy. As a fact, the government cannot do it alone. There is a need for civil society organizations and private sector organizations through social responsibility to complement the government's effort to combat the menace of illiteracy and high rate of out-of-school children in the country.

Among organizations that are taking the front like in this regard is IA-Foundation, a UK and Nigerian registered charity that is working to reduce the number of out-of-school children in Nigeria. The organization ensures that children are able to get quality education up till secondary school. Understanding the essence of university education, the IA-Foundation has also secured partnerships to ensure beneficiaries receive quality university education. So far, 100 children across 9 states in the country have been taken off the street and placed in classrooms in different private schools.

Primarily our work aligns with the SDG 4 to provide education but has huge impact on other aspects of the development

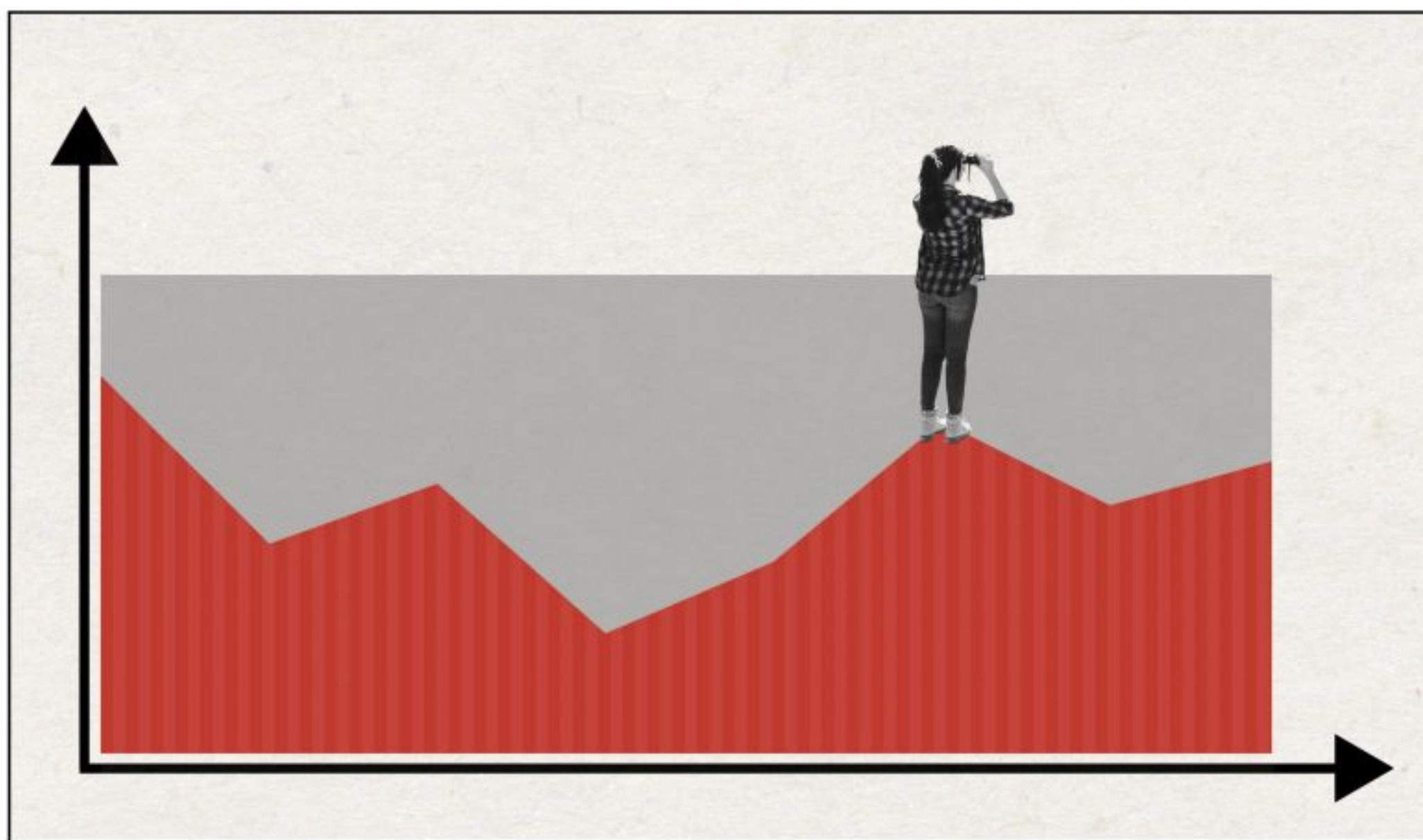
index. Through this, the cycle of poverty is disconnected from every household where we have beneficiaries. Through provision of education, the Foundation is improving social mobility, and human capital indices. This education these children are receiving will prepare them roles and empower them with skills to be fit into the learned workforce in this 21st century. Every child on the street without proper education is a potential criminal if not properly guided and through the work of IA-Foundation, they are contributing to the reduction of crime and other illegalities in the society. The Foundation is indeed enabling lives through deliberate provision and exposition to sound education for the indigent children.

Education should prioritized in the scheme of things and given the attention it deserves. It is one of the most potent tools to rebirthing the Nigeria of our dreams. This is an enlightened self-interest, and we are all social investors in developing the future human capital of the country. All hands must be on deck collectively to invest in education so that it can positively impact on the economy.



Economic Uncertainty and Financial Forecasting

By: Patricia Balogun



Economic Uncertainty and Financial Forecasting

Uncertainty is an unavoidable component of doing business. Because only a few contingency plans accounted for the scale and nature of the disruption experienced, many organisations' business plans were drastically altered by COVID-19, and companies withdrew their guidance as the full impact of the pandemic became clear.

Even though many variables beyond control have always had the potential to impact the business in unexpected ways, as new technologies are continuously changing operations at quite an essential level across almost all industries. To some extent, organisations cannot predict how their businesses will perform in the short to medium term or evaluate expectations on future values. Every business could benefit greatly from regular financial forecasting; knowing what to expect in the near future allows as they

plan ahead.

Financial forecasting

Financial forecasting is the process of making financial projections to help with decision-making for predicting future business performance. The analysis of past business performance, current business trends, and other relevant factors is part of the process. Forecasting on a regular basis has significant advantages for basic operational processes.

Budget planning

A budget is a representation of a company's cash flow, financial position, and future goals and expectations for a specific financial period. Financial forecasting and planning follow a cycle, as forecasting provides insight into a company's future. Accurate forecasting will assist in predicting business growth or decline. These insights, to the greatest extent possible, aid in budgeting accuracy in or-

der to set realistic and achievable goals and manage expectations.

Problem Identification

Financial forecasting can assist businesses in identifying persistent issues or potential issues by assessing their past performance and gain an insight into what lies ahead.

Risk reduction

Creating a budget without financial forecasting risk overspending, in fact, most of financial decisions would be ill-informed without the input of a financial forecast's results.

Attract investors

Company's financial forecast help in predicting future performance and the potential of return on investments. Additionally, regular forecasting shows control and a solid business plan prepared for

future investment.

Economy Uncertainty

In times of uncertainty, it is critical to focus on the current state of the organisation and worry about anything else later. The amount of cash a company has and how much it can access is at the top of the list of critical factors. Despite the fact that revenue forecasts are highly uncertain, they provide management with a good idea of how much it will cost them to run their businesses under various scenarios. These two data points express how much time a company has before getting into serious trouble, and thus how much time it has to solve its problems.

Shifting Priorities

When there is a lot of uncertainty, management should shift its focus on the business sustainability and defer growth spending. Under normal circumstances, growth strategy is driven by management being comfortable with the risk of losing money on investment to achieve high rates of growth.

In uncertain times, simply going about business as usual while assuming the worst is almost as bad as assuming or acting as if everything will be fine. It is critical to structure estimates in such a way that they provide at least an indication of the sensitivity of business likelihood to changes in uncertain times.

Available options

Management is encouraged to use a variety of techniques to ensure the quality and reliability of their financial forecasts for the benefit of managers, shareholders, employees, and other stakeholders. Mitigating financial risk in an uncertain time can be accomplished by adhering to process outlined below.

Functional collaboration

Forecasting cannot be done independently or from the top down. The alignment of financial and sales func-

tions is critical for producing accurate forecasts. Forecasting the effects of an economic downturn necessitates agile and responsive decision-making.

Sufficient detail

Robust financial forecasts are based on the factors that are most important to the business. At a bare minimum, is the provision of monthly forecasting that encompasses the profit and loss, balance sheet, and cash flow statements. During a period of uncertainty, more detailed and accurate information, such as weekly cash flow forecasts, is required, as well as supporting schedules such as revenue accruals, payroll breakdown, staffing levels, and liabilities schedules.

Adapting scenarios to contexts

Management focus obsessively on business model drivers because the only certainty of business operations is that things do not always turn out exactly as planned. It is critical to consider the worst-case scenarios. As a result, sensitivity analysis and stress testing are crucial components of a good forecast. Stress testing key assumptions and drivers is critical because it allows anticipation of any downward pressure on liquidity and financial commitments.

Realistic forecasting

It is difficult to strike a balance between attractive growth targets and realistic forecasting. Realistic forecasts are critical for understanding financial positions rigorous stability as well as any potential breaches of borrowing agreements. Realistic business forecasts keep line managers and employees from being overly optimistic.

Refine and Monitor

Because financial modelling is dynamic, it must be updated and flexed to reflect actual results and new developments. Ideally, real-time feedback loops between results and expectations should be established, so that forecasts can be accurately adjusted to changing conditions and expectations.

Stakeholder Engagement

In a crisis, there is far too much room for miscommunication; keeping everyone on the same page is critical. In times of uncertainty, liquidity is more difficult to obtain, so the management team should collaborate with the board, shareholders, and other stakeholders to plan for longer fundraising cycles. It is critical to communicate this clearly and promptly.

Conclusion

A disciplined approach to financial forecasting will aid managers during times of uncertainty. The organisation must have a clear understanding of its cash requirements and be conservative in its forecasting model. Companies should brace themselves for volatility by increasing their cash reserves and understanding the importance of flexibility in their business model.

Customising circumstances to particular situations and complexities cannot be done in isolation, nor can it provide complete security when everything is in crisis, but it can aid in comprehending the business potential losses. Management is better positioned to manage financial forecasts as a result of this understanding in order to achieve the desired business growth in an uncertain economic environment.

Patricia Balogun is a Financial Risk Analyst at J.P Morgan Chase and co.Dallas-Forth Metroplex

What Are the Health Benefits of Spinach?

By: Cynthia Sass



Of all the leafy green vegetables, spinach is one of the most versatile. You can add it to smoothies, enjoy it in a chilled salad, steam and sauté it as a side dish, add it to a stir fry, and even blend it into baked goods, like brownies.

Spinach also has several health benefits. It contains vitamins and antioxidants that protect from chronic diseases and promote brain, cardiovascular, and eye health. And you can easily add spinach to your meals to maximize those perks.

Here are six health benefits of eating more of this powerfully protective plant and simple ways to incorporate spinach into your meals and snacks.

It's Full of Nutrients

Per the Department of Agriculture, three cups of raw spinach provide approximately 20 calories, less than one gram of fat, two grams of protein, three grams of carbohydrates, and two grams of fiber.

Though it has few calories, spinach is full of nutrients. A three-cup portion provides over 300% of the average daily value for vitamin K. The leafy green vegetable also provides over 160% and 40% of the average daily values for vitamin A and vitamin C, respectively. According to the National Library of Medicine, vitamins K and A support strong bones and vitamin

C helps heal wounds.

Spinach also contains 45% of the average daily value for folate, a B vitamin that helps form red blood cells and DNA. It also supplies iron, magnesium, potassium, calcium, and small amounts of other B vitamins.

It's High in Antioxidants

In addition to its many vitamins and minerals, spinach provides antioxidants that link to anti-inflammation and disease protection.

Some antioxidants in spinach include kaempferol, quercetin, myricetin, and isorhamnetin—also known as flavonoids. Per the Department of Agriculture, flavonoids are compounds that may help protect you against cancer, as well as cardiovascular and inflammatory diseases.

It Helps Protect Against Diseases

In a study published in 2016 in the journal *Food & Function*, researchers summarized the protective effects of spinach.⁴ They stated that the compounds found in spinach could reduce oxidative stress. They also positively influence gene expression—or the “turning on” of certain genes—in metabolism and inflammation. Additionally, those compounds trigger the release of satiety hormones that

make you feel full and satisfied after eating spinach.

For those reasons, the researchers concluded that eating more spinach may help curb chronic diseases—including heart disease, cancer, type 2 diabetes, and obesity.

It Supports Brain Health

The anti-inflammatory effects of spinach make it a key contender for protecting the brain—specifically in terms of aging.

In a study published in 2015 in the journal *Alzheimer's & Dementia*, researchers tracked the eating patterns and cognitive abilities of more than 900 adults aged 58 to 98 years for about five years.⁵ They observed a significant decrease in the rate of cognitive decline among those who consumed larger amounts of leafy green vegetables than others.

The data also indicated that people who ate one to two servings of those vegetables daily had the same cognitive abilities as those approximately 7.5 years younger than their actual age.

It Helps Manage Blood Pressure

Spinach is also a source of nitrates, which are naturally-occurring chemicals. Nitrates open up or dilate blood vessels. That improves blood flow and eases stress on the heart.

In a study published in 2016 in the *Journal of Nutrition*, a group of seven women and 11 men consumed four nitrate-rich drinks, including a spinach beverage. The researchers found that the participants' blood nitrate levels increased after consuming the drinks.

The spinach drink, as well as the beet-root juice and rocket salad drinks, also lowered blood pressure. Diastolic blood pressure—the bottom number on a blood pressure reading, indicating the amount of pressure in your arteries between heartbeats—remained low for five hours after consuming the spinach and rocket salad drinks.

It May Help Eye Health

One of the antioxidants in spinach, lutein, may reduce the risk of age-related macular degeneration (AMD). Per the National Eye Institute, AMD is an eye disease that can blur the sharp, central vision essential for reading and driving. It's a leading cause of vision loss for people aged older than 55 years. Prevention is key because there is no cure for AMD.

In one study published in 2016 in the journal *Nippon Ganka Gakkai Zasshi* [Journal of the Japanese Ophthalmological Society], researchers examined the eyes of 11 participants who consumed 75 grams of frozen spinach containing 10 milligrams of lutein daily for two months. The intake of lutein-rich spinach increased the participants' blood lutein levels and increased measures of macular pigment optical density (MPOD)

The macular pigment acts like internal sunglasses to protect the eyes. Low or decreased MPOD is a risk factor for

AMD. The research indicated that consuming spinach may help curb AMD risk.

How Cooking Spinach Affects Its Nutrients

While incorporating spinach into raw and cooked dishes can help maximize its health benefits, some research shows that not cooking the greens preserves its lutein content.

In one study published in 2018 in *Food Chemistry*, researchers found that, after cooking spinach using various methods, the vegetable's lutein content gradually decreased. When the researchers fried spinach at a high temperature, a considerable percentage of the lutein decreased after two minutes.

So, it's important to consume spinach raw for maximum lutein intake. For example, try incorporating spinach into a smoothie, combined with healthy fat—such as avocado or almond butter. When you chop spinach into small pieces, lutein releases from the leaves. And healthy fat increases the ability to absorb the eye disease-fighting antioxidant.

Also, a study published in 2018 in *Food Science and Biotechnology* examined the effects of different cooking methods on the vitamin content in selected vegetables, including spinach. The researchers found microwaving vegetables was the best way to preserve vitamin K.

Blanching, or adding vegetables to boiling water to remove their skins, significantly reduced the vitamin C content. Instead, the researchers found that steaming vegetables was the best way to preserve vitamin C. Cooking also diminished the vitamin E levels in spinach but

increased the vitamin A content. That occurs when the plant walls become soft, which helps to release and absorb the nutrient.

So, for the best results, mix up how you consume spinach—some raw, some cooked—but avoid overcooking your leafy green vegetables.

Simple Ways To Eat More Spinach

You should try to eat one cup (about the size of a tennis ball) of some type of leafy green vegetable, like spinach, every day.

Incorporate a handful of spinach into your meals as a bed for whatever else you're eating to add a few spinach leaves with each bite. For a quick and easy side dish, toss spinach with a simple vinaigrette made by whisking together extra virgin olive oil, balsamic vinegar, Dijon mustard, and dried Italian herb seasoning. Sauté spinach in extra virgin olive oil with sweet red bell peppers and crushed red pepper, or steam and toss the greens with jarred olive tapenade or dairy-free pesto.

If you're making a grain bowl, place a handful of spinach on the bottom and flip the portion sizes of the greens and grains to up your intake of vegetables. Blend spinach into anything from a fruit smoothie to pancakes to hummus, and add it to soups, veggie chili, and tacos.

Basically, you can add spinach to nearly any dish. Give it a try and reap those vitamins, minerals, and antioxidants that promote healthy living.

Culled from www.health.com





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

MEMBERS' CONTINUING PROFESSIONAL DEVELOPMENT 2023 SCHEDULE OF VIRTUAL AND PHYSICAL TRAINING PROGRAMMES

Register on <https://icanportal.org/members/eventregistrations>

PROGRAMME	SECTOR	DATE	MODE/LOCATION	RATE (N)
MCPD	Consultancy	March 1 - 2, 2023	Virtual	20,000.00
MCPD	Accountancy Practice	March 16 - 17, 2023	Virtual	20,000.00
MCPD	General Corporate Management Practice	March 22 - 23, 2023	Virtual	20,000.00
MCPD	Audit Practice sector	April 5 - 6, 2023	Virtual	20,000.00
MCPD	Tax Practice	April 13- 14, 2023	Virtual	20,000.00
MCPD	Entrepreneurship	April 26 - 27, 2023	Virtual	20,000.00
MCPD	Agriculture Sector	May 10 - 11, 2023	Virtual	20,000.00
MCPD	Information Technology	May 24 - 25, 2023	Virtual	20,000.00
MCPD	General Corporate Management Practice	June 7 - 8, 2023	Physical	30,000.00
MCPD	Manufacturing	June 14 - 15, 2023	Virtual	20,000.00
MCPD	Public & NFPO	June 21 - 22, 2023	Virtual	20,000.00
MCPD	Consultancy	July 5 - 6, 2023	Virtual	20,000.00
MCPD	Islamic Finance	July 19 - 20, 2023	Virtual	20,000.00
MCPD	Telecommunications	July 26 - 27, 2023	Virtual	20,000.00
MCPD	Accountancy Practice	Aug. 2 - 3, 2023	Virtual	20,000.00
MCPD	Energy	Aug. 16 - 17, 2023	Virtual	20,000.00
MCPD	Tax Practice	Aug. 23 - 24, 2023	Physical	30,000.00
MCPD	Entrepreneurship	Aug. 30 - 31, 2023	Virtual	20,000.00
MCPD	General Corporate Management Practice	Sept. 6 - 7, 2023	Virtual	20,000.00

MCPD	Insolvency & Corporate Re-Engineering	Sept. 13 - 14, 2023	Virtual	20,000.00
MCPD	Mining, Oil & Gas	Sept. 20 - 21, 2023	Virtual	20,000.00
EMCPD	Strategic Management in a VUCA World	Sept. 28 - 29, 2023	Physical	100,000.00
MCPD	Banking & Fintech	Oct 11 - 12, 2023	Virtual	20,000.00
EMCPD	Climate Change and Sustainable Development (CCSD)	Oct 23 - 24, 2023	Virtual	35,000.00
MCPD	Capital Market	Oct 31 - Nov. 1, 2023	Virtual	20,000.00
MCPD	Consultancy	Nov 8 - 9, 2023	Physical	30,000.00
MCPD	Insurance	Nov 22 - 23, 2023	Virtual	20,000.00
EMCPD	Managing today's workforce for the future	Nov 29 - 30, 2023	Physical	100,000.00
MCPD	Accountancy Practice	Dec 6 - 7, 2023	Physical	30,000.00
MCPD	Tax Practice	Dec. 13 - 14, 2023	Physical	30,000.00
EMCPD	Environmental, Social, & Governance (ESG) Goals and Stakeholder Management	Dec. 20- 21, 2023	Virtual	35,000.00

PLEASE NOTE THAT THESE DATES ARE SUBJECT TO CHANGES.

For further enquiries on the Institute's Professional Development programmes, **please contact:**

Email: contactcentre@ican.org.ng, mpdd@ican.org.ng or call: 017100311 016309354, 015200430, 08034220624, 08091186024, 07062647164 09053847539.

Members' Professional Development Department
 ICAN Annexe-
 82, Murtala Mohammed Way,
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 Plot 16, Idowu Taylor Street
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 Email: info.ican@ican.org.ng

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

CHARGE NO: ICAN/LEG/D.T/015356/2012

BETWEEN

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA ... COMPLAINANT

AND

LASISI TAORID AGBOLAGADE ... RESPONDENT

JUDGEMENT



The Respondent was charged before this Tribunal on one count of infamous conduct in a professional respect thus:

STATEMENT OF OFFENCE

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

PARTICULARS OF OFFENCE

That you, LASISI TAORID AGBOLAGADE (M), a Chartered Accountant behaved without integrity when acting as the Financial Controller of Wema Homes Savings and Loans Limited between 2006 and 2009 knowingly converted the sum of N34,340,895.36 (Thirty Four Mil-

lion Three Hundred and Forty Thousand Eight Hundred and Ninety Five Naira thirty Six Kobo) belonging to your said employer to your personal use thereby committing an offence contrary to paragraph 1.2.0 (a) and (e) of chapter 1 of the Professional Code of Conduct and Guide for Members of the Institute and punishable under the said Rules and Section 12(1) (a) of the ICAN Act Cap 185 Laws of the Federation of Nigeria 1990.

After several adjournments at the instance of the Respondent, he was arraigned in absentia on September 26, 2014 and a plea of not liable was entered for him.

At subsequent sittings, two witnesses, Alhaji Rasak Olaowo (PW1), a member of the Investigating Panel of the Institute that investigated the allegations against the Respondent, and Agbonmire Idogho (PW2), a staff of the Audit Department of

Wema Bank Plc, testified on behalf of the Prosecution as PW1 and PW2 respectively.

The Brief facts of this case as deduced from Exhibit 1 (Investigating Panel Concluding Report with annexure) and the testimony of the PW1, PW2 and the Respondent before this Honourable Tribunal are as follows:-

(i) The Institute received a Petition dated June 2, 2011 from Wema Homes (Savings and Loans) Limited, which was verified by an affidavit deposed to by PW2 dated July 26, 2011.

(ii) The crux of the Petition was that the Respondent as the Financial Controller of Wema Homes (Savings and Loans) Limited, a subsidiary of Wema Bank Plc from 2005 to 2009 used his position and office to defraud the Wema Homes

(Savings and Loans) Limited of the sum of N34,340,895.36 (Thirty Four Million Three Hundred and Forty Thousand Eight Hundred and Ninety Five Naira, Thirty Six kobo only).

(iii) The PW2 further gave the breakdown of the funds fraudulently siphoned by the Respondent as follows:

a. The sum of N2,149,000 through an account opened in the name of his wife Temitope Mary Makinde.

b. N1,020,000 through an account in the name of his son Opemiposi Lasisi.

c. N13,366,000 through an account in the name of his cousin Ganiyu Lukman.

d. N1,739,000 through the account of his agent, one Victor Epebuka.

e. N16,000,000 through his personal account.

(iv) Some of the methods employed by the Respondent in the fraud was by opening fictitious accounts and transferring funds into these accounts while warehousing the debit in the local clearing account.

(v) He also used his personal account to embezzle money by fictitiously crediting his account and debiting the local clearing account with large sums of money. He also suppressed cash by making fictitious deposits with no cash backing.

(vi) When an audit investigation was carried out and all the infamous acts of the Respondent were uncovered, he was arrested by the police alongside his cohorts, he confessed to defrauding his employers.

(vii) The complaint was referred to the Investigating Panel of the Institute, the Respondent after several efforts to get him to appear before the Panel, appeared after the notice was published in the Guardian newspaper.

(viii) Prosecution's first witness, Alhaji Rasak Olaowo further testified that at the Investigating Panel, when the Respondent was confronted with the allegations and facts of his fraudulent and infamous act, he owned up to the fraud but disputed the sum of N1.7m credited to one Victor Epebuka, claiming that he did not

know the person.

(ix) The Panel in its Concluding Report was of the opinion that this is a matter referable to the Tribunal.

(x) The Exhibit tendered at the Tribunal and marked as Exhibit 1 is the Investigating Panel's Report with the petition, verifying affidavit and the Respondent's response, minutes of the Panel's meeting as well as other documents.

(xi) Under intense cross-examination, the testimonies of the two prosecution witnesses remained unshaken. PW1 maintained that not only did the Respondent admit to embezzling the funds of WEMA Homes before the investigating Panel of the Institute, he had also made some monetary refunds and had also given title documents of his properties at Ibadan Oyo State and Ikorodu Lagos State to WEMA Homes to be sold to realize the misappropriated funds.

(xii) PW 2 under cross examination maintained that the sums misappropriated by the Respondent were under different accounts and that the total was what was reflected in the Charge sheet.

(xiii) The Respondent in his defence, failed to answer to the specific allegation that he defrauded WEMA Home of different sums amounting to N34million. He was evasive and dodgy in his testimony as he tried to put forward the flimsy excuse that WEMA Homes did not write any petition against him. In the same breath however, he testified that WEMA Homes is a subsidiary of WEMA Bank and that he was transferred from WEMA Bank to WEMA homes in 2005 as a Financial Controller.

(xiv) He did not put forward any evidence in challenge of the testimony of PW1 to the effect that he admitted dealing fraudulently with the funds of WEMA Homes, neither did he contest the specific amounts listed out by PW2 as being the amounts that make up the total sum of N34million misappropriated by the Respondent.

(xv) He testified that Opemiposi and Temitope Makinde, whose accounts he used in defrauding WEMA Homes, are his son and wife respectively.

(xvi) He did not call any other witness in

his defence.

The Respondent's Counsel in his Final Address dated October 21, 2022 and filed on November 1, 2022 formulated two issues for determination, which are:

1. Whether the Complainant by cogent and credible evidence had been able to establish against the Respondent the purported embezzlement of N34,340,895.39 and whether the present Tribunal members are competent to deliver decision or judgment in this suit.

2. In the circumstance, whether the present Tribunal members are competent to make a decision or deliver judgement in this suit.

The Respondent's Counsel laid emphasis on the fact that the Respondent never admitted to embezzling the purported sum of N34,340,895.39, neither did he admit same at the Panel sitting. He stated that neither the Complainant nor PW1 were able to provide any document or evidence to support their allegations. He further stated that the alleged offence against the Respondent had been tried by the Magistrate Court and he was not convicted and the fact that the matter was in the Magistrate Court before the Tribunal commenced sitting amounts to abuse of Court processes. The Respondent argued that the offence of embezzlement, which is criminal in nature needs to be proved beyond reasonable doubt and the Prosecution has failed to prove their case.

Concerning whether the present Tribunal members are competent to deliver judgment in this suit, the Respondent highlighted that the present Tribunal commenced sitting in August 2022 after all the witnesses had testified and had been cross examined by their Counsel since September 2014 when the previous Tribunal commenced sitting. Relying on the judgment of the Supreme Court in **SENATOR ADELEKE V GOV. OYETOLA (SUIT NO. SC/553/2019)**, the Respondent insisted that allowing these present members of the Tribunal to deliver a judgment in a matter they never participated in would amount to a nullity. He also referred to the cases of **SOKOTO STATE GOVERNMENT OF NIGERIA V. KAMDEX NIGERIA LTD. (2007) NWLR (PT. 1034) 466** and

NYESOM V. PETERSIDE (2016) NWLR (PT. 1512) 452.

The Respondent's Counsel also referred to provisions of Section 12(2)(a) of the Institute of Chartered Accountants of Nigeria Act, which provides that "No decision shall be deferred under this subsection for periods exceeding two years in the aggregate" He stated that the provision stipulates that a Tribunal sitting and decision reached shall not exceed two years in total aggregate from the date of commencement to the time of decision or Judgement delivered. Thus, where a Tribunal sitting spans over six years with different Tribunal members, any decision reached by the members will amount to a nullity.

He concluded by stating that the present members are not competent to give decision in this suit as they have not been part of the 2014 Tribunal members.

The Prosecution in its Final Address dated December 8, 2022 and filed on December 9, 2022 submitted a sole issue for determination thus:

By the Rules of Professional Conduct for Members of the Institute of Chartered Accountants, members are required in all professional and business dealing to be straightforward, truthful and honest. Does the Respondent's conduct in dishonestly converting for his personal use, various sums of money amounting to N34,340,895.36 belonging to his employer in flagrant disregard to the Rules of the Institute make him liable for infamous conduct in a professional respect?

The Prosecution answered the question in the affirmative and in resolving the issue, the Prosecution repeated the particulars of offence for the Charge for which the Respondent is standing trial before this Honourable Tribunal and looked at the necessary ingredients vis-à-vis the statutes and decided authorities.

The Prosecution referred to Paragraph 1.2.0 (a) and (e) of Chapter 1 of the Professional Code of Conduct and Guide for Members of the Institute which provides as follows:-

1.2.0 (a) A Chartered Accountant should be straightforward and honest

in all professional and business relationships. Integrity implies not merely honesty but fair dealing and truthfulness.

1.2.0 (e) A Chartered Accountant should comply with all relevant laws and regulations and should avoid any action that discredits the profession. A member should conduct himself with courtesy and consideration towards all he comes in contact with during the course of performing his work.

According to the Prosecution, pages 2 to 4 of the record of proceedings of this Honourable Tribunal of Friday 23rd January, 2015 shows in detail the testimony of the Prosecution's PW2, Agbonmire Idogho giving a clear and lucid account of how the Respondent perpetrated the fraud against his employers as follows:-

a. The sum of N2,149,000 through an account opened in the name of his wife, Temitope Mary Makinde.

b. N1,020,000 through an account in the name of his son, Opemiposi Lasisi.

c. N13,366,000 through an account an account in the name of his cousin Ganiyu Lukman.

d. N1,739,000 through the account of his agent, one Victor Epebuka

e. N16,000,000 through his personal account.

The Prosecution submitted that the above conduct of the Respondent is far from dealing honestly and truthfully with money entrusted in his care and does not portray integrity at all.

The Prosecution stated that the Respondent during his defence did not put forward any defence in respect of the sums he was charged for misappropriating. He cursorily denied the total sum. The specific sums which make up the total sum were in no way denied by him.

According to the Prosecutor, the testimony of the PW1, Alhaji Rasak Olaowo, contained at pages 2 to 4 of the record of proceedings of this Tribunal of Friday, 24th September, 2014 also depicts clearly what happened at the Investigating Panel, where the Respondent appeared

and admitted defrauding the Petitioner. It also referred to the entire 17 pages of the Minutes of the Accountant's Investigating Panel of 15th March, 2012 (contained in Exhibit 1) where the Respondent unequivocally owned up to his act of infamous conduct of dealing unfairly with the funds of his employers.

The Prosecution stated that the Respondent during his defence denied having ever been confronted with any document detailing how he embezzled the funds of Wema Homes. It submitted that nothing can be farther from the truth and referred to lines 14-17 at page 8 of the stated minutes of the meeting of 15th March, 2012 where the Respondent clearly admitted to embezzling the funds. His answer to the question that he authorized funds belonging to the Bank to be paid fraudulently to his accounts or nominated accounts was an unequivocal "YES, THOSE ARE CORRECT". Prosecution further referred to pages 3, 12, 13, 14 and 15 of the minutes of the Panel as contained in Exhibit 1.

The Prosecution stated that the Respondent also filed a Further Affidavit dated February 26, 2016 before this Honourable Tribunal wherein he exhibited among other documents, the Respondent's statements made to the Nigerian Police (dated September 26 2010 and November 13 2010) in respect of the subject matter of this case clearly admitting to embezzling the funds of the Bank by issuing fraudulent cheques.

The Prosecution stated that the Respondent at the trial and even before the Investigating Panel (page 15 of the minutes) admitted to having made some refunds to Wema Homes by paying money to them and also giving up title documents of his personal property to enable the bank to sell the said property to recoup the embezzled money.

The Prosecutor submitted that the above facts stand uncontroverted and unchallenged before this Tribunal as they are admitted facts and need no further proof and should therefore be taken as established. It referred to the case of **MR KWASI KARIKARI ADUSEI & ANOR V. MR. TOYIN ADEBAYO (2012) LPELR – 7844, AGBANEBO V. UBN LIMITED (2000) 7 NWR (PART 666) 534 AT 594.**

The Prosecution submitted that it is trite law that where a case is called up and

the Claimant has proved his case so much as the burden of proof lies on him and the Respondent when called upon to enter a defence, and the Respondent fails to do so, judgment should be given to the Claimant to the extent of how he has proved his case before the Court.

The Prosecution further submitted that the Respondent has failed woefully to diligently provide any defence in his favour in respect of any of the amounts he was said to have dishonestly and knowingly embezzled as he did not provide any defence on the merits in response to the weighty facts presented against him. On what amounts to infamous conduct, the Prosecution referred to Section 12(1) (a) of the ICAN ACT which provides as follows:-

“Where a member is judged by the tribunal to be guilty of infamous conduct in any professional respect, the tribunal may if it thinks fit, give a direction reprimanding that person or ordering the Registrar to strike his name off the relevant part of the Register.”

The Prosecution also referred to the case of **MEDICAL AND DENTAL PRACTITIONERS DISCIPLINARY TRIBUNAL Vs. DR. JOHN EMEWULU OKONKWO (2001) 2M.J.S.C PAGE 67 AT PAGE 78**, where the Supreme Court of Nigeria per Ayoola J.S.C. adopted the definition of “Infamous Conduct” in **SLAN Vs. GENERAL MEDICAL COUNCIL (1970) 2 ALL ER 686** where Lord Guest at page 688 succinctly put it this way:- **“There are no closed categories of infamous conduct and in every case, it must be a question for the committee to decide first whether the facts alleged have been proved and second whether the appellant was in relation to those facts guilty of infamous conduct in a professional respect”**

On the Respondent's submission that the evidence of PW2 is mere hearsay, the Prosecution stated that it is a puerile effort to distract from the Charge against him as the evidence of PW2 clearly is in tandem with his testimony at the Investigating Panel where the Respondent was confronted with facts and figures. Since Wema Homes is an institution with perpetual succession, PW2 only needed to refer to the records of the Bank, which records the Respondent did not deny.

On the submission that the Respondent has not been convicted by a Court for fraud and therefore cannot be found guilty of infamous conduct, the Prosecution submitted that it is of no moment and should be disregarded because the charge against the Respondent before this Tribunal is whether he acted truthfully, honestly and with integrity as is expected of a Chartered Accountant in his employment with the Bank.

On the Respondent's second issue seeking to disqualify the Tribunal based on continuity, the Prosecution stated that it is either mischievous or a total lack of understanding of the relevant statute creating this Tribunal together with the Assessors Rules.

According to the Prosecution, this Tribunal is a continuum and does not end because of the exit of any of its members. It submitted that the case of **SENATOR ADELEKE V. GOV. OYETOLA** (supra) and other cited authorities in this regard do not apply to the present Charge and should be discountenanced. It also submitted that Section 12 (2) (a) of the ICAN Act has been quoted out of context and misinterpreted by the Respondent and that it was even the Respondent that by his conduct ensured that his trial dragged this long and at great expense to the Institute.

The Prosecution therefore urged this Tribunal to find the Respondent liable for infamous conduct.

Having gone through the various processes filed, including the oral testimonies and addresses by the Respondent's Counsel and the Prosecution in these proceedings, this Tribunal formulated the issues for determination as follows:

- 1. Did the Respondent admit to have converted for his personal use, various sums of money amounting to N34,340,895.36 belonging to his employer in flagrant disregard to the Rules of the Institute making him liable for infamous conduct in a professional respect?**
- 2. This matter having commenced in 2014, does this current Tribunal lack the power to hear and determine the matter on its merits?**

On the first issue, it has been established from the facts earlier stated including the exhibit and testimonies of the witnesses for the Prosecution and the Respondent, that the Respondent admitted diverting various sums of money deposited at Wema Homes to accounts belonging to his wife and son at various times all totaling N34,340,895.36. The Respondent's Counsel's efforts to deny the Respondent's admission are futile. It is trite that facts admitted need no further proof. The Prosecution has therefore discharged the burden of proving that the Respondent knowingly converted the said sum.

In **MR KWASI KARIKARI ADUSEI & ANOR V. MR. TOYIN ADEBAYO** (supra), admission was defined as a concession or voluntary acknowledgment made by a party of the existence of certain facts; a statement made by a party of the existence of a fact which is relevant to the cause of his adversary; a voluntary acknowledgment made by a party of the existence of the truth of certain facts which are inconsistent with his claims in an action. The same definition exists in the Blacks' Law Dictionary, Sixth Edition at page 47.

Section 28 of the Evidence Act 2011 provides that a confession is an admission made at any time by a person charged with a crime, stating or suggesting the inference that he committed that crime. This Tribunal is convinced that from the preponderance of evidence before this Tribunal that the Respondent misappropriated the funds of his Employer which were in his custody. This Tribunal therefore holds that the Respondent converted various sums totaling N34,340,895.36 belonging to Wema Homes Savings and Loans Limited.

On the second issue, this Tribunal agrees with the Prosecution that the Accountants' Disciplinary Tribunal is a continuum and does not end because of the exit of any of its members. The practice of the Institute's Governing Council is to conduct elections annually to fill vacancies as a result of the end of the tenure of some of its members. Results are called on the last Friday in May after the elections. Thereafter, the Vice President is sworn in as the next President the following week. The President is the Chairman of the Institute's Council and the Disciplinary Tribunal. Some Council members are also selected as members

of the Tribunal. This convention is repeated annually.

Therefore, the Tribunal, which is a statutory creation under the ICAN Act and is guided by the Assessor's Rules (a subsidiary legislation under the ICAN Act), is different from the regular Nigerian Judiciary. It is not bound by the regulations guiding the Courts, neither is it bound by the provisions of the Criminal Code, Penal Code and Administration of Criminal Justice Act.

The duty of the Accountants' Disciplinary Tribunal is to determine whether a case of professional misconduct had been made out against a Respondent. Section 12(1)(a) of the ICAN Act, which is the Charge section states as follows: -

"Where a member is judged by the Tribunal to be guilty of infamous conduct in a professional respect, the Tribunal may if it thinks fit, give a direction reprimanding that person or ordering the Registrar to strike his name off the relevant part of the Register."

Paragraph 8 of the Third Schedule to the ICAN Act provides as follows:

'The Tribunal or the Panel may act notwithstanding any vacancy in its Membership and the Proceedings of either body shall not be invalidated by any irregularity in the appointment of a member of that body, or (subject to paragraph 7(2) of this Schedule) by reason of the fact that any person who was not entitled to do

so took part in the proceedings of that body"

From the provisions of the foregoing paragraph of the schedule above stated, the Tribunal is of the view that the Tribunal as presently constituted can take a decision on this case accordingly.

In the case of **MEDICAL AND DENTAL PRACTITIONERS DISCIPLINARY TRIBUNAL V. DR. JOHN EMEWULU NICHOLAS OKONKWO (2001) 2 M.J.S.C. PAGE 67 AT PAGE 78**, the Supreme Court per Ayoola, JSC had this to say, "There are no categories of infamous conduct and in every case it must be a question for the Committee to decide first whether the facts alleged have been proved and second whether the Appellant was in relation to those facts guilty of infamous conduct in a professional respect."

Following from the above decision, this Tribunal has considered the submissions of Counsel for the Respondent, the Prosecution, the evidence of the witnesses and the exhibit and therefore holds that the Respondent is liable as charged.

The Tribunal's Judgment is therefore as follows:

(i) The Respondent is hereby suspended as a member of the Institute for 5 (five) years.

(ii) The Respondent is hereby ordered to return his membership certificate to the

Institute forthwith.

(iii) Where the Respondent fails, neglects or otherwise refuses to comply with the directive in paragraph (ii) above after three (3) months of this Judgement, the Respondent's name will automatically be struck off the membership register.

(iv) The Respondent may re-apply to this Tribunal to be reinstated as a member after serving out his suspension from Membership of the Institute.

(v) This shall be the Judgment of this Tribunal.

(vi) This Judgment shall be published in the Institute's Journal and website.

Dated this 20th day of
March, 2023

**MALLAM TIJJANI MUSA ISA, B.Sc.,
M.IoD, FCA**

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

CHARGE NO: ICAN/LEG/DT/004242/2021

BETWEEN

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA ... COMPLAINANT

AND

JONAH OGUNNIYI OTUNLA (MN 004242) ... RESPONDENT

JUDGEMENT



The Respondent was arraigned before this Tribunal on a two-count charge as follows:

1ST COUNT

STATEMENT OF OFFENCE

DISRESPECT contrary to Paragraph 21.2.4, Paragraph 1.2.0(e) of the Professional Code of Conduct for Members and punishable under the said Code of Conduct and Section 12(1) (a) of the ICAN Act, Cap 185 LFN 1990.

PARTICULARS OF OFFENCE

That you, JONAH OGUNNIYI OTUNLA (M) between January 27, 2021 and May 3, 2021 refused, neglected and failed to respond to the invitation of the Accountants Investigating Panel to contact the Institute when you were invited to appear before the Panel and thereby commit-

ted an offence contrary to and punishable under Paragraph 21.2.4, Paragraph 1.2.0(e) of the Rules of Professional Conduct for Members, and Section 12(1)(a) of the ICAN Act Cap 185 LFN 1990.

2ND COUNT

STATEMENT OF OFFENCE

PROFESSIONAL MISCONDUCT contrary to Paragraphs 21.2.8, 1.2.0 (a) and (b) and 1.2.5 (a) of the Professional Code of Conduct and Guide for Members and punishable under the said Code of Conduct and Section 12 (1) (a) of the ICAN Act, Cap 185 LFN 1990.

PARTICULARS OF OFFENCE

That you JONAH OGUNNIYI OTUNLA (M) between 30th March 2021 and 3rd May 2021, refused, neglected and failed to respond to invitation of the Account-

ants' Investigating Panel to contact the Institute when you were formally invited by publication in the Guardian Newspaper to appear before the Panel in order to respond to the allegation that you returned the sum of 6 (six) billion Naira to the coffers of the Federal Government with the purpose of avoiding prosecution while in office as Accountant-General of the Federation and that your dealing with the EFCC and the ICPC showed that you did not behave with integrity and uphold the high ethical standards of members of the Institute and thereby committed an offence contrary to Paragraphs 21.2.8 and 1.2.5(a) of the Professional Code of Conduct and Guide for Members and punishable under the Code and Section 12 (1) (a) of the ICAN Act, Cap 185 LFN 1990.

The Respondent was arraigned at the Tribunal sitting of 7th December, 2021 but neither was the Respondent present

at the sitting nor was he represented by counsel. This Tribunal made an order that a publication be done in a national newspaper inviting the Respondent to attend the next sitting of the Tribunal.

At the sitting of the Tribunal on the 31st of January 2022, the Respondent was absent again and was not represented by any counsel. Being satisfied that the Publication inviting the Respondent to the Tribunal sitting had been done, the charge preferred against him was read in absentia, in line with Section 3 (1) of the Chartered Accountants (Disciplinary Tribunal and Assessors) Rules which gives the Tribunal the power to hear and determine a case in the absence of any party.

A plea of 'Not Liable' was entered for and on behalf of the Respondent and the trial commenced with the evidence of the first Prosecution Witness (PW1) – Mr Alesta Wilcox, a member of the Accountants' Investigating Panel which investigated the petition against the Respondent and through whom the Investigating Panel Report (with the attached documents) was tendered to this Tribunal and admitted in evidence as **'Exhibit A'**.

The first Prosecution Witness informed this Tribunal that he knew the Respondent when he served as a member of the Accountants' Investigating Panel that considered the public-interest petition that was written against the Respondent. In his testimony before the Tribunal, the first Prosecution Witness stated that the petition disclosed that the Respondent returned the sum of six billion Naira (N6,000,000,000.00) to the coffers of the Federal Government of Nigeria with the purpose of avoiding prosecution for impropriety whilst he held office as Accountant-General of the Federation.

The Witness further gave evidence that the Respondent could not be contacted by the Institute to respond to the petition against him due to the non-availability of the Respondent's contact address on record. Further to this, the Panel gave a directive that a publication be done in a national newspaper inviting the Respondent to the Institute in respect of the case against him. However, the Respondent, despite the publication, failed, refused and or neglected to respond to the Panel's invitation or send any representation to the Panel. Consequently, the Respondent was referred by the

Panel to the Accountants' Disciplinary Tribunal and the Witness urged this Tribunal to find the Respondent liable. The matter was thereafter adjourned for the cross-examination of the first Prosecution Witness.

At the Tribunal sitting of April 14, 2022, the Respondent was neither present nor represented by any counsel, and his right to cross-examine the first Prosecution Witness was foreclosed. The evidence of the second Prosecution Witness was taken in this Tribunal at the said sitting.

The second Prosecution Witness – Mr. Oladipupo Gladstone Hammond, a member of the Institute and one of the petitioners – informed this Tribunal that based on several publications in the media, he came to know about the Respondent – a former Accountant General of the Federation and member of the Institute – who was reported to have refunded some amount of money to the government of Nigeria as a result of investigation into his conduct whilst he was in office as Nigeria's Accountant-General. He further informed this Tribunal that the Respondent's conduct puts the Respondent's integrity in question as a member of the Institute and urged the Tribunal to determine the petition against the Respondent.

The Respondent, being absent at the sitting and having no legal representation, could not cross examine the second Prosecution Witness. The matter was consequently adjourned for the Respondent to cross examine the second Prosecution Witness at the next adjourned date.

At the Tribunal sitting of May 30, 2022, the Respondent was not present and had no legal representation. The Prosecution Counsel applied that the right of the Respondent to cross-examine the second Prosecution Witness be foreclosed and this Tribunal granted the application and the Prosecution closed its case accordingly. The matter was adjourned for the Respondent's defense.

On the 22nd of September, 2022, this Tribunal sat to continue the trial. Neither the Respondent nor his legal counsel was present. The Prosecution made application to this Tribunal to foreclose the Respondent's right to defense, in view of his consistent failure to appear before the Tribunal. The Tribunal granted the applica-

tion and adjourned for the Prosecution to file its final written address in this matter.

In its final written address, the Prosecution raised the following questions for the consideration of the Tribunal –

- (1) There was a commission or misconduct or disrespectful case made out against the Respondent with regards to professional Code of Conduct for members punishable under the Act? (sic)
- (2) Did the Respondent between January 27th 2021 and May 3rd 2021 refuse, neglect and fail to respond to the invitation of the Accountants' Investigation Panel?
- (3) Did the Respondent between 30th March, 2021 and May 3rd, 2022, fail, refuse or neglect to respond to invitation of the Accountants' Investigating Panel to contact the Institute when formally invited by publication in the Newspaper to appear to respond to the allegation that he returned the sum of six (6) billion Naira to the coffers of the Federal Government in order to avoid prosecution while in office as Accountant General of the Federation?
- (4) Did the Investigating Panel and the Tribunal give the Respondent adequate opportunity to know the offence/charge and allegation against the Respondent?
- (5) Was the Respondent given adequate notice, invitation and opportunity to defend himself at the trial of this case?
- (6) Was there any deliberate intention on the part of the Respondent to ridicule, disrespect and traumatize both Panel and Tribunal?
- (7) Was there any findings by both Panel and the Tribunal affirming or confirming the allegations against the Respondent? (sic)

The Prosecution argued that the above questions have been affirmatively answered on the basis of the testimonies of the first and the second prosecution witnesses as well as the Investigating Panel Report tendered before the Tribunal and admitted in evidence which were not "controverted" by the Respondent and more so, the Respondent did not appear either personally or through his counsel to defend himself.

The Prosecution further canvassed that it has discharged the onus of proving the charge against the Respondent and that since there was no counter opinion or contradiction of the facts of the case, the Tribunal should resolve the matter against the Respondent. The Prosecution referred this Tribunal to the case of **OKONJO vs THE STATE 1978 NSIPT Page 291 at 302.**

From the submission of the Prosecution and the facts of this matter, this Tribunal has distilled only two issues for determination:

- (1) Whether the Respondent was given sufficient opportunities by the Panel and the Tribunal to defend himself; and
- (2) Whether from the evidence and circumstances of this matter, the actions of the Respondent amount to disrespect and professional misconduct.

Without an atom of doubt, this Tribunal agrees with the Prosecution that sufficient opportunities were given by the Investigating Panel and the Tribunal to the Respondent to respond to and defend himself which he however failed, refused and or neglected to use.

Aside the attempts by the Institute to reach the Respondent through his contact details for his response or defense, a publication was done by the Accountants' Investigating Panel in The Guardian newspaper on Tuesday, March 30, 2021, in which the Respondent was invited to the Institute for the purpose of getting his response to the petition against him, but the Respondent did not honor the invitation of his Institute.

Furthermore, this Tribunal, in its bid to ensure that fair hearing was given to the Respondent, ordered the publication of a notice in a national newspaper to the Respondent for him to appear before this Tribunal to address the case against him. The notice was accordingly published in the Daily Sun newspaper on Monday, January 17, 2022 and up till this stage of the trial, the Respondent has not even for once appeared before this Tribunal to defend himself.

This Tribunal is also mindful of the fact that the records of proceedings in this matter show that the Tribunal granted adjournments to enable the Respondent

to come to this Tribunal to cross-examine the Prosecution Witnesses and to defend himself, yet, the Respondent did not use any of these opportunities provided by the laws and by the rules of this Tribunal to make a case for himself.

Furthermore, this Honourable Tribunal considers the perpetual absence of the Respondent at this Tribunal despite the notice as an admission of the Respondent's liability by conduct. Although it is true that silence is golden, however, silence can also amount to consent or admission. This is where admission by conduct over-rules the saying that silence is golden.

Section 20 of the Evidence Act (2011) as amended defines admission as "a statement, oral or documentary or conduct which suggests any inference as to any fact in issue or relevant fact and which is made by any of the persons, and in the circumstances hereafter mentioned in this Act". See also **Okoebor vs Police Council 2003 12 NWLR (Pt. 8 34) 444.**

The evidence of the Prosecution in this matter were not challenged by the Respondent who refused, failed and or neglected to appear at this Tribunal. It is established law that facts which have not been categorically countered or denied by a party are deemed admitted. See **Consolidated Res. LTD vs Abafor Ven Nig Ltd 2007 6 NWLR Pt. 1030 221. In Akalonu vs Omakoro 2003 8 NWLR (Pt. 821) 190 at 206 – 20**, the court held that when evidence is not disputed or unchallenged, it should be admitted.

This Tribunal expresses the greatest displeasure at the conduct of the Respondent. The Respondent, being a member of this Institute, is bound to honour the invitations of the Institute to respond to allegations against him which do not only put his integrity as a chartered accountant to question, but also presents this reputable Institute in such bad lights by members of the public. The provisions of the ICAN Act as well as the Professional Code of Conduct and Guide for Members are sacrosanct and remain binding on all the members of the Institute.

Paragraph 21.2.4 of the Professional Code of Conduct and Guide for Members clearly provides that it is an act of Disrespect for a member of the Institute to ignore the Investigating Panel's pub-

lication in a national newspaper, inviting such member to respond to a complaint brought to the Institute against the member.

Moreover, Paragraph 21.2.8 of the Professional Code of Conduct and Guide for Members provides that "Failure of a member to respond to any publication requiring such a member to appear before the Investigating Panel will constitute an act of professional misconduct".

Having considered all the facts and evidence before it, this Disciplinary Tribunal resolves the two issues for determination in favour of the Prosecution. The Respondent is found liable by this Tribunal of Disrespect and Professional Misconduct.

Section 12(1)(a) of the Institute of Chartered Accountants of Nigeria Act empowers the Tribunal to administer and impose disciplinary sanctions on erring members of the Institute in order to forestall conducts that are unbecoming of members of this noble profession and our reputed Institute.

This Tribunal hereby gives judgment and orders as follows:

- (i) **The Respondent is hereby suspended from membership of the Institute of Chartered Accountants of Nigeria for ten (10) years;**
- (ii) **The Respondent is hereby ordered to return his Membership Certificate and License to practice to the Institute of Chartered Accountants of Nigeria forthwith;**
- (iii) **The suspension period shall start running from the date the certificate and license are returned to the Institute;**
- (iv) **The Respondent is at liberty to re-apply to this Tribunal for re-admission at the expiration of the suspension period duly served;**
- (v) **The Respondent is ordered pursuant to the Chartered Accountants (Disciplinary Tribunal and Assessors) Rules to pay cost of N1,000,000.00. (one million Naira only) being the cost of proceedings at the Investigating Panel and the Tribunal in respect of this case;**

(vi) Where the Respondent fails, neglects or refuses to return his membership certificate and license and or fails to comply with the directive in paragraph (v) above, after three (3) months of this judgment, the Respondent's name will automatically be struck off the membership register.

This shall be the judgment of this Tribunal and same shall be published in the Institute's Journal and hoisted on the Institute's website.

DATED THIS ...20th..... Day of
March..... 2023

.....
MALLAM TIJJANI MUSA, FCA
CHAIRMAN, ACCOUNTANTS' DISCIPLINARY TRIBUNAL



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