

ABWA e-BULLETIN

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IFAC releases its 2019-2020 Strategy Plan

The regulatory body for the global accountancy profession, the International Federation of Accountants (IFAC), released its 2019-2020 Strategy Plan in November, 2018.

Driven by the philosophy of “*Build Trust. Inspire Confidence*”, the Plan will propel IFAC to:

- Continue to ensure the profession is appropriately engaged in a shared public/private standard-setting model that yields widely adopted and implemented high-quality standards developed in the public interest;

- Prepare the profession for the future, with an emphasis on implementing a comprehensive, integrated approach to international accountancy education to equip current and future professional accountants with the skills, capabilities and ethical behavior required for a rapidly changing environment; and

- Speak out even more effectively as the voice for the global profession on critical matters including the need for reporting that aligns with societal values and provides a holistic, timely view of organizational performance and sustainability.

- Working with and leveraging the efforts of its member organizations and others within its global network, IFAC plans to proactively address emerging challenges and opportunities for professional

accountants as the global accountancy profession addresses rapid disruptive change.

Nigeria: Sustainability Reporting is now Mandatory

The Nigerian Stock Exchange (NSE) has issued a directive making it compulsory for all listed entities to include sustainability reports in their audited annual stewardship report. The NSE Guidelines for sustainability reporting which were approved by the Securities and Exchange Commission were released on November 15, 2018.

The objectives are to meet the non-financial information needs of stakeholders as well as demonstrate how the entities are contributing towards the conservation of the environment. The effective date for compliance is January 1, 2019.

Although they are International Financial Reporting Standards (IFRS) compliant, the general purpose financial statements issued in Nigeria contain only financial and corporate governance reports. Prior to now, sustainability and other non-financial reports were not compulsory in the country. In 2016 and as part of its strategies to encourage sustainability reporting, the

NSE published the maiden edition of its Sustainability disclosure guidelines which a few listed entities have adopted as benchmark for issuing their own reports.

Sustainability reports are driven by the UN Sustainable Development Goals launched in 2015 which seek to promote ethical business philosophy, preservation of the planet and elimination of poverty. Profit, people and planet are the three key variables that underlie sustainability reporting.

Business are encouraged to pursue profits responsibly without degrading the environment and precluding it from playing its three roles of life giver, food provider and waste assimilator.

Globally, sustainability reporting standards are issued by the US Sustainability Accounting Standards Board and The Global Reporting Initiative (GRI).



Alh. Razak Jaiyeola, FCA, ICAN President presenting the inaugural report of the ICAN-AI to President Muhammadu Buhari, GCFR at the Aso Rock, Abuja recently.

NEWS IN BRIEF

• *Nigeria Launches Corporate Governance Code*

The Federal Government of Nigeria unveiled the revised National Code of Corporate Governance. The ceremony was performed by Vice President Yemi Osinbajo, GCON on January 25, 2019 in Abuja. Issued by the Financial Reporting Council of Nigeria, the principles-based Code is driven by the philosophy of Comply and Explain.

• *Turkey to Invest US\$1b in Ghana*

Turkey has pledged to increase its Foreign Direct Investment (FDI) to Ghana from \$400 million to \$1 billion. Turkish Ambassador to Ghana, Ozlem Ergun Ulueren made this known on Tuesday, March 19, 2019 in Accra when she paid a courtesy call to Information Minister, Kojo Opong Nkrumah.

Discussions during the brief meeting focused primarily on how to deepen the bilateral relationship between Ghana and Turkey. She indicated that Turkish construction companies have invested about half a billion US\$ in Ghana, and that there were ongoing Turkish projects in Ghana, including those in the energy sector.

She spoke also about Turkey's unflinching willingness to support President Akufo-Addo's vision of a Ghana Beyond Aid. Mr. Opong Nkrumah was pleased to note Turkey's plans to increase its FDI to \$1 billion.

He told the ambassador other sectors of the economy that needed investments and that which Turkish investors or companies could consider for business such as tourism, agricultural, industrial sectors and the capital market.

FORTHCOMING EVENT

EVENT: The inaugural joint ECOWAS-ABWA Congress.

THEME: Accounting For Stewardship and Sustainable Development

HOST: The Gambian Institute of Chartered Accountants

DATE: May 21-24, 2019

VENUE: Labranda Hotel, Resort & Spa, Brufut, Banjul. The Gambia

FEES : Full delegate: US\$ 600
Accompanying person US\$300

SUBTHEMES:

- Public Sector Financial Management Reforms: The ECOWAS Experience
- Taxation in a digitalized economy: The Challenge and prospects.
- IPSAS: Promoting best practices in public sector governance
- Corporate Governance: Redefining Board's Charter For Value Creation
- Disruptive Technology and Impact on Business Models, finance function and sustainable development

ABOUT ABWA

The Association of Accountancy Bodies in West Africa was established in 1982 by PAOs in the sub-region. *At inception, the body had only 2 members.* But today, it has 15 PAOs:

1. *ONECCA, Benin*
2. *ONECCA, Burkina Faso*
3. *ONECCA, Cameroon*
4. *ONECCA, Cote D'Ivoire*
5. *ICA, Ghana*
6. *ONECCA, Guinea*
7. *ORDEM, Guinea Bissau*
8. *Liberia, ICPA*
9. *ONECCA, Mali*
10. *ONECCA, Niger*
11. *ANAN*
12. *ICA, Nigeria*
13. *ICA, Sierra Leone*
14. *ICA, The Gambia*
15. *ONECCA, Togo*

ABWA is an IFAC recognized regional body, foundation and active member of PAFA

ABWA's VISION

To be the premier voice of the Accountancy Profession in West Africa.

ABWA's MISSION

- To ensure that accounting standards and practices are benchmarked on best global practices.
- To ensure that the accountancy profession consistently delivers on its public interest mandate with great ethical disposition.
- To partner with IFAC and PAFA to drive the development of the Accountancy Profession in the sub-region.
- To set the tone of public sector financial management practices

• **OBJECTIVES**

- Provide professional information that will enhance the efficiency and technical competence of members.
- Set professional standards for business, and ethical code and monitor compliance.
- Create an interactive forum for professional peers in business
- Continuously educate members on their statutory duties and responsibilities as directors, non-executive directors, chief finance officers, internal auditors, in order to promote good corporate governance
- Assist members in professional practice to appreciate the unique needs of members in business
- Eliminate apathy and arouse members' interest in the Institute's activities

Ooo

Disruptive Technology and the Accountancy Profession

The traditional book keeping functions which involve the manual recording, summarising and analysis of all transactions of monetary nature, consolidation of this financial information on daily, weekly, monthly, quarterly and yearly bases to generate performance and financial statements, have been taken over by technology. Currently, purchases, sales and other transactions including inventory and supply chain management are captured online real time while all accounting records and financial statements can easily be generated by technology. With a smart phone in a remote location of a city, you can conveniently order an Uber cab, book a flight, buy a product, make a payment, listen to music, watch a film or play a game (Schwab, 2015). For instance, Jumia.com, Konga.com, OLX Nigeria and Cars45.com exist for buying and selling of goods in Nigeria. The computer software, based on

instructions, can calculate and credit various accounts with interest earned at month end, charge value added tax, stamp duties, deduct withholding tax and other applicable charges, and also notify bank customers of these transactions. With various electronic payment systems, bank reconciliations can easily be done thereby promoting e-commerce on a scale previously unimagined across jurisdictions.



Robots at Work

The implications of this embrace of technology and tendency towards lean management, are manifesting in the unemployment of poorly IT-skilled but expensively trained accounting professionals, outsourcing of functions, job insecurity, job losses, increased cases of

cybercrimes, fraud, sharp practices, insecurity as well as social unrest. With outsourcing, accounting departments are disappearing from “the organizations in the same proportion in which the organizations acquire integrated information systems, reducing the time invested in transcribing data and placing before company management, updated information of their operations” (Betancourt, 2016, p. 2). On the positive side, with huge number of manual activities being automated, efficiency of processes, optimal output and security of assets will be the new normal. The problem is how to effortlessly manage the transition from manual to automation, secure the jobs of professional accountants in the long term, and make technology a tool and a business enabler even as it disrupts the subsisting paradigm.

As new technologies replace humans through automation in the emerging business models, the demand for professionals, including chartered accountants, who are not IT-savvy is fast declining, taking with it, wages, salaries and a high percent of income taxes. These problems are compounded by the huge costs of technology acquisition and inevitable investment in human capacity building in the face of increasingly mobile staff.

Many professional accountants dread the transition from manual to automation as it would eliminate repetitive finance-related jobs in the midst of high unemployment rate in the country, dissuade new entrants into the

accounting profession and alter the human side of enterprise.

It is therefore recommended that the training curricula of professional accountancy organisations should be rejigged and skewed towards technology while existing professional accountants should hone their IT skills to leverage technology to deliver value online, real time to their diverse stakeholders.

{Excerpts from: New Technologies: Catalysts for Business Models and Finance Function by Abel Aig. Asein; Timothy A. Soetan & Ishola R.Akintoye in Research on Humanities and Social Sciences, Vol. 8, No 20(2018) pp. 35-43}

ICASL Visits, pledges support to President Bio

- On January 30, 2019, the Institute of Chartered Accountants of Sierra Leone (ICASL) visited President Bio of Sierra Leone, at the State House, Freetown.

During the visit, the Institute’s President, Mr. Buffy Bailor, commended and pledged the body’s unflinching support not only for the anti-corruption crusade of the government but also for the vision and goals of the New Direction Government.

- The Institute noted with delight the determination of the government to make Sierra Leone a better place for all its citizens adding that as an institute they were ready and willing to be part of the change that is already the hallmark of the new government.

- President of ICASL, Buffy Bailor, said they were aware of the commitment of the New Direction government and the strides already being made towards making Sierra Leone a better place for all.

- He added that as part of their demonstration of commitment, they had been working closely with the Minister of Finance and had already signed an MoU to further cement their relationship and mutual collaboration for the advancement of the development of Sierra Leone. He noted that they possessed the requisite skills and competencies required to tackle issues and proffer suggestions to enhance transparency and accountability in the country.

- “Mr President, we are aware of and are supportive of your fight against corruption; we can be strong partners in this fight by our inclusion in board oversight processes in the public sector. Chartered Accountants are men and women of integrity and I assure you that your trust in us will not be misplaced”.

- While noting impending Commissions of Inquiry, the Institute expressed its belief that the initiative will serve as a strong deterrence to corruption in Sierra Leone. It also wholeheartedly pledged its

support to the fight against corruption and warmly congratulated the President for the success so far recorded.

- Mr. Bailor also disclosed that the Institute had held a one-day training workshop on tax exemptions and its impact on the economy with a position paper being shared with the Ministry of Finance, adding that that collaboration had contributed to the appointment of the Institute on the Committee that was set up by the Ministry of Finance on the Review of Duty Waivers and Tax Concessions.

- In his response, President Bio recalled that he had made a lot of promises during his campaign on behalf of Sierra Leoneans, knowing very well that there were other well-meaning citizens who would join his transformation drive. According to him, he knew that he could not do it alone and would need the collective support of all Sierra Leoneans.

- In his words, “We have suffered a lot and still do not have much to show for the minerals we have. We want to collectively move on now and make the necessary changes we need as a nation. I am happy that you have come on board and I am also excited that I have a partner in you in the fight against corruption.”

Established by the Act of Parliament on 12 May 1988, the ICASL has the statutory mandate to promote and regulate the accountancy profession in Sierra Leone and to ensure integrity, objectivity, independence, confidentiality and professionalism in the accounting profession.



HE President M. Bio and ICASL Council Members at State House, Freetown

GLOBAL REPORTING INITIATIVES (GRI) STANDARDS

The GRI Standards represent global best practice for reporting publicly on a range of economic, environmental and social impacts. Sustainability reporting based on the Standards provides information about an organization’s positive or negative contributions to sustainable development.

The modular, interrelated GRI Standards are designed primarily to be used as a set, to prepare a sustainability report focused on material topics. The three universal Standards are used by every organization that prepares a sustainability report. An organization also chooses from the topic-specific Standards to report on its material topics – economic, environmental or social.

Preparing a report in accordance with the GRI Standards provides an inclusive picture of an organization’s material topics, their related impacts, and how they are managed. An organization can also use all or part of selected GRI Standards to report specific information.

ANAN HOLDS CONVOCATION CEREMONIES FOR 6,535 PROFESSIONALS

The training arm of Association of National Accountants of Nigeria (ANAN), Nigerian College of Accountancy, has convocated 6,535 professional students during its 8th Convocation ceremony held in January at the College in Kwall near Jos, Plateau State, Nigeria. This brings to 48,357 students who graduated from the College since inception in 1984.

President of the Association, Alhaji Shehu Usman Ladan, FCNA made this known when he was delivering his address at the convocation ceremony. He further implored all the graduating students to be good ambassadors of the College and the Association at all times by abiding with the ethical conduct of the profession. The convocation also witnessed conferment of Fellowship awards of Fellow, Nigerian College of Accountancy (FNCA) on two distinguished Nigerians, Professor Sheik Ahmed Abdallah, OON, Pro-Chancellor, Igbinedion University, Okada, Edo State and Mr. Jonathan Juma Mela, Director General, National Institute for Policy and Strategic Studies (NIPSS), Jos.

West Africa is meeting in Banjul, The Gambia
Date: May 21-24, 2019

ONECCA, Niger Hosts ATSWA Harmonisation Committee
The ATSWA Harmonisation and Implementation Committee took place on February 4, 2019 and was attended by the President and members of the Executive of ONECCA, Niger and representatives of 5 other PAOs: ICAN, ICAG, LICPA, ICASL and ONECCA, Cameroon. The meeting was chaired by Chief DCS Alaribe of ICAN while the ES, ABWA represented the ABWA President. The President of ONECCA, Niger who spoke in French thanked ABWA for giving his Association the opportunity to host and also pledged that his PAO will serve as bridge between the Francophone and Anglophone PAOs in Wes Africa



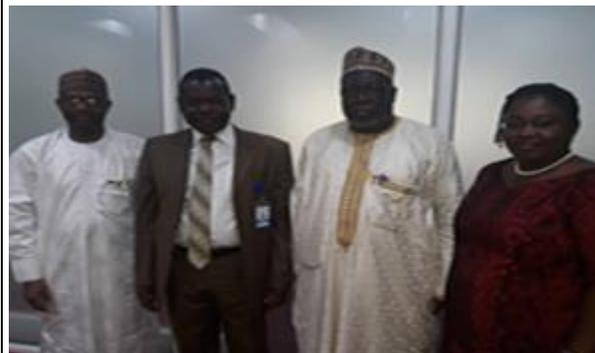
A cross session of Graduands during the Convocation Ceremony

ICAN VISITS PMB

President Buhari, GCFR received in audience at the Aso Rock, a delegation of ICAN led by its 54th President, Alh. Razak Jaiyeola, FCA. During the visit, the PMB charged the Institute to assist the nation with strategies to drive business sustainability and reporting. Alh. Jaiyeola had presented the Annual Accountants’ Conference communique, the ICAN-AI report and other strategic papers to support government’s policy making and governance practices.



President Buhari, GCFR and ICAN delegation



ABWA ES with ANAN President & Chief Executive

ABWA ES VISITS ANAN

ABUJA, March 5, 2019: The ABWA Executive Secretary, Abel Aig. Asein, paid a courtesy visit to the President of ANAN, Alh. Shehu M. Ladan, mni, FCNA. The meeting took place at the new ultra modern head office of ANAN, Abuja with the Registrar/Chief Executive in attendance. Deliberations were fruitful.

News from GICA

The Gambian Institute of Chartered Accountants (GICA) held its First Annual General Meeting on January 5, 2019. Held at the NaNA Conference Hall on Bertil Harding Highway in Kanifing, Serrekunda, this is the first time members of the Institute will be gathering, under the new name, to review the performance of GICA as a Professional Accountancy Organisation. GICA was established by an Act of Parliament- The Financial Reporting Act 2013- which repealed the Accountants' Act of 1991 thereby replacing the Gambia Association of Accountants(GAA).The landmark Act which was sponsored by the World Bank through the Report on the Observance of Standards and Codes (ROSC), is a significant milestone in the development of the accountancy profession in The Gambia.

GICA Signs MOU with ICAN

The Institute on the 16th May 2018 signed a Memorandum of Understanding (MoU) with the Institute of Chartered Accountants of Nigeria (ICAN). The purpose of the MoU is for ICAN to mentor GICA to become full member of the International Federation of Accountants (IFAC) and sharing their knowledge, improving the professional and intellectual

development of GICA. The MoU marks a milestone in the journey towards achieving the mandates in the enabling Act vested on GICA. Again the local cost of maintaining this MoU is supported by the African Development Bank Institutional Support to GICA.

ACCESS Bank acquires Diamond Bank.

Access Bank PLC and Diamond Bank PLC, both listed deposit money banks have successfully merged creating Africa's largest retail bank by customer base. The deal received the approval of the CBN, the Securities and Exchange Commission and the court. The two banks announced their merger in December 2018 after signing a memorandum of agreement and headline terms which valued Diamond bank at approximately US\$200m.

Based on the agreement, Diamond bank's shareholders will receive in consideration of N3.13 per share, comprising N1.00 per share in cash and the allotment of two new Access Bank ordinary shares for every seven Diamond ordinary shares held as at the implementation date.



ABWA ES, Sidikou Gade of ONECC, Niger & ATSWA Harmonisation Committee members

LICPA ELECTS NEW OFFICERS

Monrovia, Nov 15, 2018

The Liberian Institute of Certified Public Accountants elected new leaders who took over the reins of leadership from November 15, 2018. They are Mr. Victor S. Tanwone, Sr (President) and Mr. S. Moses Kessellie, Jr (Executive Director). We congratulate and wish them very successful tenure.

IAASB®

**Quality
Management**

In December 2018, the IAASB approved proposed revisions to the quality management standards, for firms and audit engagement teams.

The revisions will change how firms manage quality, and will likely require increased effort for most firms. They could also affect firms' organizational structures and operations. The revisions will also require greater leadership by engagement partners in managing and achieving quality engagements.

How can I find out what is changing?

[A covering explanatory memorandum](#) provides background on each proposed standard and the possible effective dates.

[ISQM 1](#) (previously ISQC 1) addresses a firm's responsibility to establish a system of quality management to support quality engagements.

[ISQM 2](#) is a new proposed standard to address engagement quality reviews.

[ISA 220](#) addresses the management of engagement quality for audit engagements. Register for one of the IAASB's webcasts to learn more:

[March 28, 2019 7am – 9am ET](#)

[April 25, 2019 7am – 9am ET](#)

[May 7, 2019 7am – 9am ET](#)

Key changes

A new proactive risk-based approach to firms' systems of quality management in ISQM 1

*Modernizing the standards for an evolving and increasingly complex environment, including addressing the impact of technology,

networks, and use of external service providers.

*Increasing firm leadership responsibilities and accountability, and improving firm governance.

*More rigorous monitoring of quality management systems and remediation of deficiencies.

*Enhancing the engagement partner's responsibility for audit engagement leadership and audit quality.

*Addressing the robustness of engagement quality reviews, including engagement selection, documentation, and performance.

Proposed QM Standards

Why is quality management being addressed?

*To more proactively manage quality to address stakeholder expectations and concerns.

*To improve the scalability of the standards.

*To modernize the standards, and keep them fit for purpose

How is scalability being improved?

ISQM 1's new risk-based approach involves more professional judgment in designing a system that is tailored to the nature and circumstances of the firm and the engagements it performs

Increased professional judgment in selecting engagements for engagement quality reviews

Greater focus in ISA 220 (Revised) on the nature and circumstances of the audit engagement in managing quality

For additional information and guidance, please see this [draft practical example](#) to learn more about how ISQM 1 could be applied by firms with different circumstances.

[Draft frequently asked questions](#) may also be helpful to understanding more about ISQM 1.

This document was published on February 25, 2019 by IAASB.

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