

ADMISSION ADDRESS

By

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48th President

The Institute of Chartered Accountants of Nigeria

at the

50th Induction Ceremony for New Members

at

**ICAN Centre
Plot 12, Kofo Kasumu Street
Amuwo Odofin
Lagos**

Wednesday, November 7, 2012

The Special Guest of Honour, Chief (Mrs), Olutoyin Olusola Olakunrin, FCA, OFR, (PP)
The Vice-President, Alhaji Kabir A. Mohammed, FCA, mni
1st Deputy Vice-President, Mr. Chidi Ajaegbu, MBF, FCA
2nd Deputy Vice-President, Otunba Femi Deru, FCA
Council Members
Our Revered Past Presidents
Chairmen of District Societies
Registrar/Chief Executive
Professional Colleagues
Distinguished Guests
Illustrious Inductees
Members of the Press
Ladies and Gentlemen

Introduction

1. I am delighted to welcome you all to this grand occasion of the 50th Induction Ceremony of our great Institute. I welcome in particular, our prospective members who are being admitted into the membership of the Institute of Chartered Accountants of Nigeria. You are all welcome.

Essence of Induction Ceremonies

2. In line with its established tradition, the Institute holds Induction Ceremonies twice a year to admit new members. These induction ceremonies are designed to:
 - ❖ **Warmly congratulate the bright men and women who have successfully passed the various qualifying examinations of the Institute and met all the other conditions for admission into membership;**
 - ❖ **Formally welcome and admit, into the disciplined profession of Accountancy, individuals who have satisfied the Council that, in learning and character, they have imbibed, and are ready to observe at all times, the universal norms of the Accountancy Profession that is founded on trust, integrity and exemplary conduct; and**
 - ❖ **Introduce prospective members to the ethics, mannerism and acceptable practices in the revered profession of Chartered Accountancy.**

3. It is therefore, a great delight for me to be here to congratulate the 1,096 men and women who, for having successfully gone through rigorous qualifying processes characterising our Institute's examinations, are to be admitted today into the membership of the Institute of Chartered Accountants of Nigeria. I also want to extend my warm welcome to your spouses, families, friends and particularly, your parents for their financial and moral support that have facilitated the realisation of today's joyous occasion.

The Council of our Institute has considered for some time the modality of admitting foreign trained accountants into the membership of ICAN; and has decided to subject the practice to a review. Consequently therefore, the inductees from the last exercise held in October 2012 who are being inducted today will be the last set to be offered direct membership of the Institute. Subsequently, holders of foreign qualifications will be expected to write examinations in specific papers for the Nigerian needs.

ICAN Membership Strength

4. Over the last forty-seven years, the Institute's membership has grown from a paltry figure of 250 members to **35,794** before today's induction. This is a clear demonstration of our Institute's enduring commitment not only to producing highly trained chartered accountants, sufficiently knowledgeable in the art of accountancy and its related disciplines but also to ensure continuous qualitative capacity building in its members in order to provide them the required skills to thrive in the twenty-first century.
5. With delight, I wish to state that this Admission Ceremony is the climax of the Induction ceremonies, which started on Tuesday, November 6, 2012 with lectures on various ethical and professional issues. In addition to the lectures, you are required to regularly read, imbibe and conform with the Rules of Professional Conduct.
6. Let me reiterate that although, these Rules have local application, they nevertheless conform to internationally acceptable standards because of our

Institute's continuing membership of, and active role in, the International Federation of Accountants (IFAC), the global body that regulates the practice of accountancy across the world.

Professional Standards

7. It is pertinent to note at this juncture that following the pronouncement of the Federal Government of Nigeria on the commencement of International Financial Reporting Standards (IFRS) implementation by January 2012, the Financial Reporting Council of Nigeria (FRC) formerly, the Nigerian Accounting Standards Board (NASB), the statutory accounting standards setting body in Nigeria, has been charged with the responsibility of ensuring full adoption of the IFRS in Nigeria within the given time frame. This on one hand, implies that the Statements of Accounting Standards (SASs) issued by NASB would have to be replaced by IFRS. On the other hand, it also implies that financial statements of all publicly quoted companies would have to be prepared in line with the provisions of the IFRS with effect from January 2012. I am also pleased to inform you that the Nigerian Standards on Auditing (NSAs) issued by the Institute have also been reviewed in line with the revision of their equivalent standards issued by the International Auditing and Assurance Standards Board (IAASB) of IFAC. The responsibility now falls on professional accountants to bring to bear our expertise and competence to actualise this feat. I therefore urge you all to, in addition to the knowledge acquired from your theoretical training provided by the Institute's syllabus, avail yourself of the opportunity of IFRS practical training available, particularly, those provided by the Institute via its MCPE programme to familiarise yourselves with the provision of IFRSs.

8. The President of the Federal Republic of Nigeria has recently signed into law the Financial Reporting Council Act, 2011. Thus all activities involved in the financial reporting chain have been brought under the umbrella of this Council. The Nigerian Accounting Standards Board has thus been transformed into the Financial Reporting Council.

Call for Transparency

9. Distinguished guests, ladies and gentlemen, further to the credibility crisis facing the profession as a result of corporate failures in various jurisdictions, it is imperative that I enjoin you to continue to live above board. The recent incidents in our banking sector have again re-echoed the need for transparency in our corporate activities. Professionals across a wide spectrum of professions have demonstrated indiscretion in their application of regulatory and ethical standards and within the accountancy profession; there is concern of inconsistencies and failure to comply with accounting and other regulatory requirements. As you are no doubt aware, it is the prevalence of corruption and sharp practices in low and high places in the nation that has contributed to the slow pace of development of this richly endowed nation. This is exacerbated by the absence of transparency and accountability. Indeed, financial improprieties by persons in position of trust have been a recipe for under-development, increased suffering of the citizens, unemployment, hunger and anger of the poor and insecurity for all.

10. There is a direct relationship between a nation's value system and its level of economic growth and development and this call for soul searching among the citizens and in particular, among Chartered Accountants whose main strengths are integrity and credibility. We must hold dear to these virtues on which our survival depends. As the conscience of the nation, Accounting Professionals must strive to create oasis of sanity in their spheres of influence such that a virtuous society will emerge. This is a compelling mandate we must continue to discharge. Indeed, as Chartered Accountants, we must deliberately join the critical mass to support and sustain the on-going anti-corruption crusade by the government. We must all stand up to be counted in this battle for the renaissance of our social values and those of you being brought into the fold of this noble profession today, must join your peers to take up this battle.

Compliance with the Rules of Professional Conduct for Members

11. Let me also seize this opportunity to enjoin all of you, particularly those being admitted into the profession, to strive at all times to faithfully adhere to the

noble ideals of integrity, transparency and accountability, which have influenced the development of the Accountancy Profession globally and of our Institute in particular. Indeed, these ideals must not be compromised for any reason, whether monetary or non-monetary. Any deviation from this honourable path will demean not only the hard-earned reputation of our Institute but would also bring the global Accountancy Profession into disrepute.

12. Thus, as young Chartered Accountants, you are joining our ambassadors of professionalism to the business world and to the public service. Since, whatever you do or fail to do have pervasive implications for the image and reputation of both the profession and our Institute. It therefore, behoves you to conduct yourself, at all times, in a manner that will demonstrate your unequivocal commitment to the ideals of integrity, transparency and professional excellence.
13. In other words, your qualification as Chartered Accountants and members of this noble profession and the Institute imposes on you an onerous responsibility whereby excellence, honesty and transparency are expected to always reinforce all your personal and professional relationships with clients and the public. Your goal should always be how you can continue to play proactive and positive roles in enhancing the value-creating ability of your organisations in your capacity as Chartered Accountants. You must do so with great ethical disposition. Indeed, compliance with our Rules of Professional Conduct for Members is stressed as being mandatory.
14. Let me seize this opportunity to stress also that the Institute will not condone any professional misdemeanour on the part of any Chartered Accountant irrespective of how highly or lowly placed in the Profession or Society. Since we do not have any sacred cow, the machinery of the Institute's Disciplinary processes would be brought to bear on all such deviant cases. I pray that the good Lord will continue to direct your course of actions right so that you do not fall foul of our Rules.

Life-Long Learning

15. Our Institute is aware that as Chartered Accountants, you would be engaged in various sectors of the nation's economy. Thus, in addition to the Mandatory Continuing Professional Education (MCPE) programmes, which was initiated in 1996 to keep members abreast of current developments in the business environment, our Institute has created Specialist Faculties to provide technical support for members in the discharge of their duties.
16. As Centres of Excellence, the Faculties will equip you technically and professionally to continue to deliver value to your diverse clientele. I enjoin you therefore, to strive to belong to at least one of the Six Faculties, which the Institute re-launched on Friday July 18, 2008. These Faculties are:
- ❖ **Audit, Investigations and Forensic Accounting;**
 - ❖ **Taxation and Fiscal Policy Management;**
 - ❖ **Consultancy and Information Technology;**
 - ❖ **Insolvency and Corporate Re-engineering;**
 - ❖ **Public Finance Management; and**
 - ❖ **Corporate Finance Management**
17. As you will appreciate, due to the dynamic nature of the market, skills acquired today risk losing their relevance far more quickly than in the past. For you to continue to remain relevant in the scheme of things, it is therefore, imperative in my view, that you actively participate in the MCPE programmes and also join any of these Faculties you consider most relevant to your needs.

Technology Competence Initiative (TCI)

18. Let me also reiterate the need for Chartered Accountants to be proficient in the use of Information Technology (IT), as this will significantly impact their ability to render excellent technical services to their varied clientele. As you are aware, the world of global commerce is now profoundly driven by information technology. Any professional who is not "IT-compliant" will certainly be left out of the scheme of things. It is in an effort to avoid this that

the Council introduced the Technology Competence Initiative (TCI). It might interest you to know that the Central Bank of Nigeria issued a policy to the effect that only IT-proficient Chartered Accountants will be permitted to audit financial statements of banks in Nigeria. This underscores the importance of the TCI programme of the Institute. I am delighted about the level of compliance by all of you. In fact, I congratulate you for attending the TCI programme. Let me add that your IT training should not end with just the TCI programme. I urge you to press forward by taking advantage of the series of training being provided by the Consultancy and Information Technology Faculty to continue to improve your expertise. Only by so doing, can you strategically position yourself in the contemporary market place.

Practice Monitoring Initiative

19. As part of its strategies to raise the quality of professional practice in the country, and to build and sustain the confidence of users of accountancy services in fulfilment of its membership obligation to IFAC, the Institute commenced in September 2009, monitoring of practices of members holding practising licences and their firms. In the first three years of this initiative, only audit and assurance services will be reviewed. Thereafter, the scope of the exercise will be expanded to include other areas of the profession. To date we have reviewed ninety four (94) firms in five (5) phases of the exercise.

Prize Awards

20. Let me at this juncture, accord well-deserved recognition to some of the inductees who won various prizes at the May 2012 Professional Examinations. As many of you would appreciate, to pass the ICAN Examinations and even be a prize-winner is no mean achievement. Therefore, the prizes to be awarded to you today are in recognition of your proficiency and to show case you as outstanding champions of the Accountancy Profession. I heartily congratulate all prize-winners and wish you success in your future endeavours. I must, however, remind you that being a prize-winner places greater responsibility on you to represent the profession and our Institute even more vigorously and positively than others.

21. Permit me this opportunity to state that the star prize to be awarded to the best all-round qualifying member for the diet in the Institute's final professional examination is in the sum of ₦100,000. This prize was established by the *retired managing partners* of **Akintola Williams Deloitte**, a firm of Chartered Accountants, as part of its activities to celebrate the golden jubilee of the foremost and pioneer indigenous accounting and auditing firm in Africa.

21. The Institute is highly appreciative of this special prize, which we believe will greatly motivate our students to strive harder to excel at the professional examinations. I wish to commend and thank once again the Retired Managing Partners of Akintola Williams Deloitte for this singular act of endowing our Prize Funds with the huge prize money of ₦1.6m and subject to upgrading from time to time by new/existing Retired Partners of the firm. The interest on the capital sum will be applied in paying the specified prize of ₦100, 000.00 per diet.

The beneficiary of this star Prize is **Ugbegua Charles Eronmosele**.

22. On behalf of Council, I warmly congratulate you on this well deserved honour. One of the Retired Managing Partners of Akintola Williams Deloitte will formally present this spectacular prize to you later.

23. I hereby call on each and every one of the other big Accounting Firms in Nigeria to emulate the good gesture of the Retired Managing Partners of Akintola Williams Deloitte.

24. Let me also seize this opportunity to express Council's appreciation to all firms and individuals that have endowed various prizes of the Institute as part of their contributions to the advancement of the cause of the Accountancy Profession in Nigeria. As the lubricant of commerce, the language of business and guiding light of Public and Private Sector decision-making, Accountancy

and Financial Management require the support of both the private and public sectors.

Appreciation

25. Distinguished guests, ladies and gentlemen, let me end this address by congratulating once more, the 1,096 new members who are being admitted into our fold today. I rejoice with you all for choosing the right profession. On behalf of the Council and the entire membership of the Institute of Chartered Accountants of Nigeria, I welcome you all into the noble and disciplined profession of Accountancy.

26. On your behalf, let me also thank my colleagues on Council, management and staff of the Institute and particularly, those on the Committee of Membership Affairs who organised this programme, for their contributions to the success of today's activity. I must also express my special appreciation to the Chairman and Members of the Professional Examinations Committee. It is the products of your collective efforts that we are celebrating today. I salute your commitment to the cause of the Institute and the Accountancy Profession. I will also like to recognise the support of our revered Past Presidents, who are always willing to offer us their words of wisdom during difficult moments and at all times. Finally, I thank everyone that has contributed in one way or another to the success of this colourful ceremony. Thank you all.

27. I now call on all the Inductees and would-be Chartered Accountants to stand up for formal admission. You should raise your right hands and take your oath of allegiance by saying after me:

OATH OF ALLEGIANCE

I, do solemnly swear that I will bear true allegiance to the Institute of Chartered Accountants of Nigeria.

That as a Chartered Accountant, I will perform my duties and fulfil my obligations to the Institute and my employers honestly, faithfully and in accordance with the ICAN Act and the Laws of the Federal Republic of Nigeria.

That I will abide by the Regulations and Rules of Professional Conduct for Chartered Accountants and refrain from acts that will bring the Institute of Chartered Accountants of Nigeria and the Accounting Profession into disrepute.

So Help Me God.

By the powers conferred on me by the Institute of Chartered Accountants of Nigeria (ICAN) Act No. 15 of 1965 as well as the authority vested in me by the Council of the Institute, I now admit you all into membership of the Institute of Chartered Accountants of Nigeria. Congratulations!

My colleagues, I congratulate you once again for choosing the right profession.

Thank you and God bless.

**MR. ADEDOYIN IDOWU OWOLABI, BSc, MILR, FCA
November 7, 2012**