

# ACCOUNTANCY: A DISCIPLINED PROFESSION

*Presented by*

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## *Agenda*



- *Introduction*
- *About ICAN*
- *Fundamental Principles of Ethics*
- *Accountant and Integrity*
- *ICAN Professional Discipline*
- *Case Study*

## Introduction



Congratulations to all members for taking out time to be here for the Conference



We have taken the right decision by choosing a career as Accountants



As accountants, we speak the language of business



Julian Robert expressed this sentiment when she noted ***Accounting was the course that helped me more than anything***

## Establishment

- ❑ The Institute was established by the Act of Parliament No.15 of 1965 (now CAP I11, LFN 2004)
- ❑ to set standards and regulate the practice of accountancy in Nigeria and
- ❑ to maintain the register of accountants who are entitled to practice as accountants and auditors.

## Membership Strength

The Institute's membership strength (as of May 2024) stands at;

- ❑ 64,162 Professional Accountants
- ❑ 30,623 Accounting Technicians

## *About ICAN*

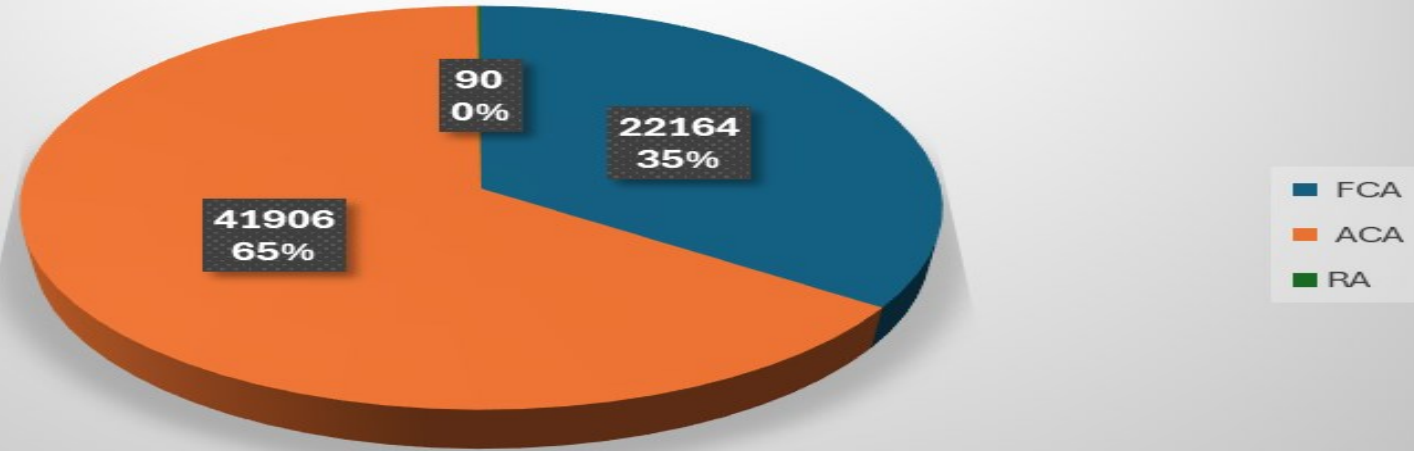


**MOTTO**

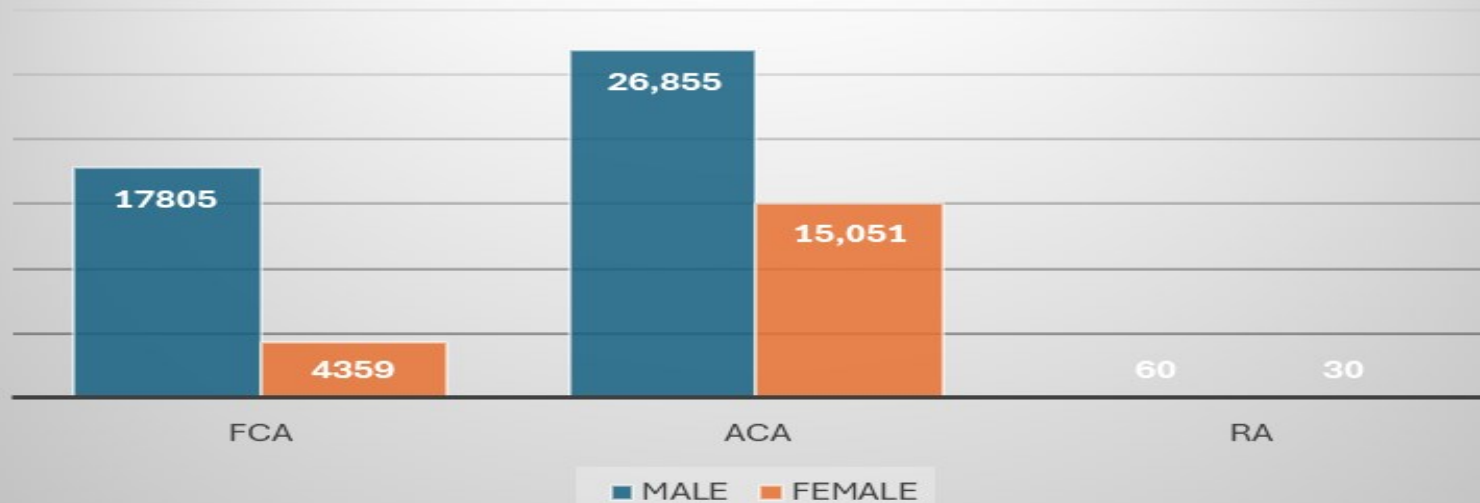
Accuracy and Integrity



## Members After May 21, 2024 Induction



## Members After May 21, 2024 Induction



## Members Analysis After May 2024 Induction

### Members By Status

FCA	22,164	34.54%
ACA	41,908	65.31%
RA	90	0.14%

### Members By Gender

	FCA	ACA	RA
MALE	17,805	26,857	60
FEMALE	4,359	15,051	30

### Members By Gender - Ratio

MALE	44,722	69.70%
FEMALE	19,440	30.30%

## Structure of the Institute

❑ **The Governing Council:** The policy making arm of the Institute. It comprises 30 members

- ✓ 24 Elected members
- ✓ 6 Government Nominees

❑ **The Executive Coordinating Committee of the Council are**

- ✓ The President/Chairman of the Council
- ✓ Vice President
- ✓ 1<sup>st</sup> Deputy Vice President
- ✓ 2<sup>nd</sup> Deputy Vice President
- ✓ Immediate Past President

*About ICAN...*



## Structure of the Institute...

- ❑ **The Secretariat:** The administrative arm of the Institute. It is headed by the Registrar/Chief Executive and assisted by Deputy Registrars
  - ✓ Directorates
  - ✓ Departments
- ❑ **The Committees of Council:** Assist the Council on selected/specific areas.
- ❑ **The District Societies:** Assist the Council to get to the grassroots. There are 71 district societies (Nigeria and abroad)

*About ICAN...*





# Affiliation and Mutual Recognition



**CIPFA**



In Progress



The Institute of Chartered Accountants of India



The Institute of Chartered Accountants (Ghana)

*About ICAN...*





## Professional Ethics

- ❑ In a simple term, ethics are principles that govern the behaviour of a person or group in a business environment **(do the right thing with the rule)**
- ❑ A distinguishing mark of the accountancy profession is its acceptance of the responsibility to act in the **public interest**.
- ❑ In acting in the public interest, a professional accountant shall observe and comply with the **Code of Ethics** of the profession.

## *Fundamental Principles of Ethics*



## Code of Ethics

- ❑ The Code establishes the fundamental principles of professional ethics for professional accountants.
- ❑ It provides a conceptual framework that professional accountants shall apply to:
  - a) Identify threats to compliance with the fundamental principles;
  - b) Evaluate the significance of the threats identified;
  - c) Apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level.

## *Fundamental Principles of Ethics...*



iEduNoti

# Professional Competence & Due Care

act diligently following applicable  
technical and professional standards  
when providing professional services.

## Confidentiality

refrain from disclosing classified  
information outside the organization  
without the authority to do so

## Professional Behaviour

comply with relevant  
laws and regulations  
and avoid any action  
that may bring  
discredit to the  
profession.

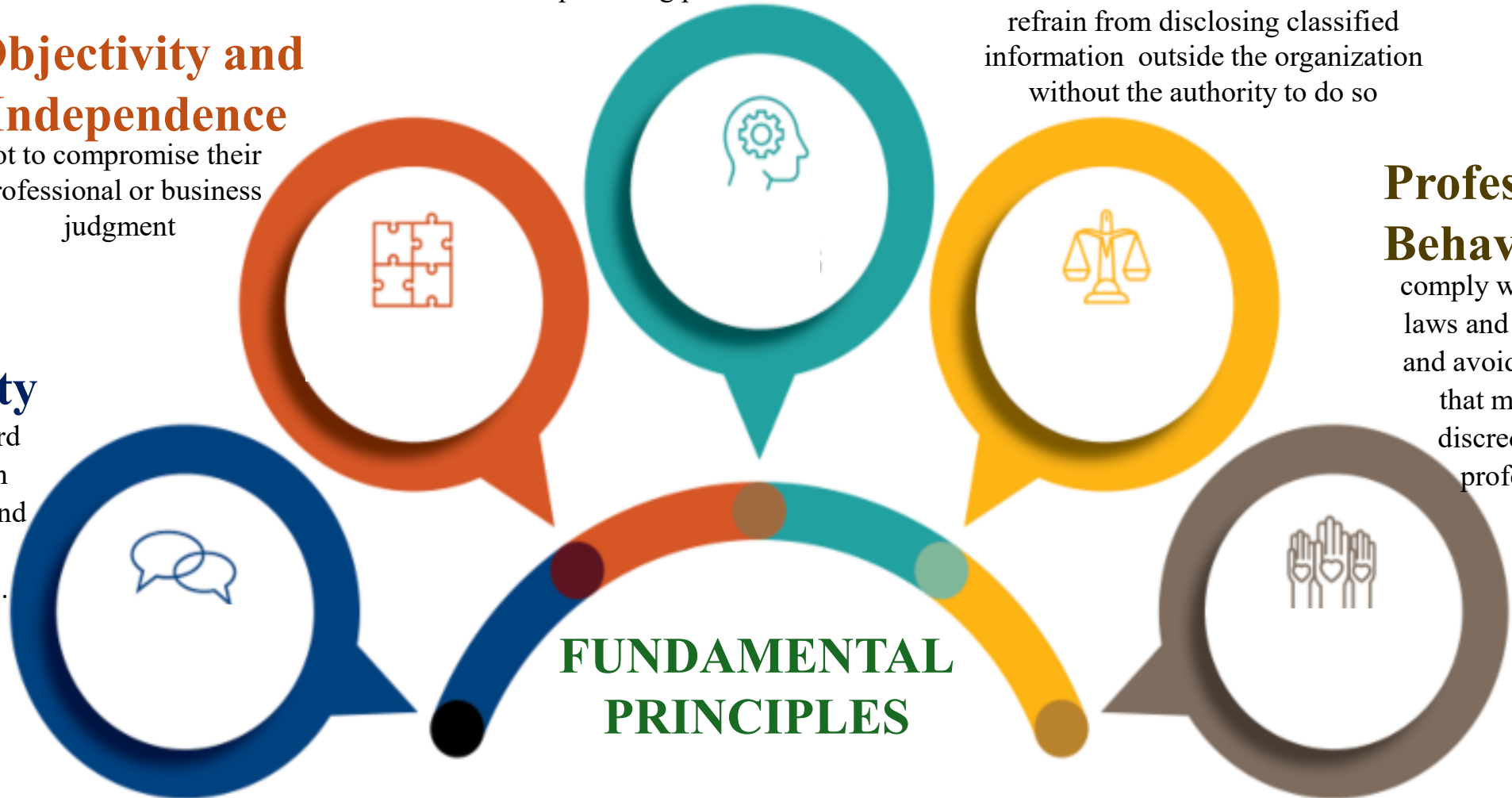
## Objectivity and Independence

not to compromise their  
professional or business  
judgment

## Integrity

straightforward  
and honest in  
professional and  
business  
relationships.

### FUNDAMENTAL PRINCIPLES



## *Accountant and Integrity*

Have the courage to say no.

Have the courage to face the truth.

Do the right thing because it is right.

These are the keys to living your life with  
integrity.

*W. Clement Stone (1902-2002)*







- ❑ Rules of Professional Conduct for members exist for all members and breach of any of the regulations is subject to sanctions.
- ❑ To ensure compliance with the professional Code of Ethics, ICAN established an Investigating Panel and Disciplinary Tribunal.
- ❑ Whenever an allegation of professional misconduct is leveled against any Professional Accountant, the matter is referred to the Committee for a thorough investigation.

## *ICAN Professional Discipline*



❑ **ICAN INVESTIGATING PANEL** - Investigates cases of alleged professional misconduct by members and where prima facie cases are established, the matters are referred to the Accountants' Disciplinary Tribunal. This is under Section 11 (3) of the ICAN Act.

❑ **ICAN DISCIPLINARY TRIBUNAL** - This is equivalent to the Nigerian High Court. Appeals from the Tribunal go to the Court of Appeal and, thereafter, the Supreme Court of Nigeria. This is under Section 11 (1) of the ICAN Act.

*ICAN Professional Discipline...*





**Case Study**



A Chartered Accountant, in 2020 audited the accounts of ABC Golf & Country Club, Nigeria using the name of a limited liability company, ABC Consult Services Limited where the Accountant has substantial and controlling shares. The Accountant purchased the ICAN Stamp and affixed it on an audit report conducted for the Club using the name of XYZ & Co. Chartered Accountant without the latter's knowledge and consent.

The case was reported to the Institute Investigating Panel in 2023, where the Accountant was invited. He tried defending his actions at the Investigating Panel, but the Panel found him liable, and he was referred to the Tribunal.

At the August 18, 2023, Tribunal sitting, the Respondent was absent and not represented by a Counsel. He sent a letter stating that he was sick and in London for treatment. Thus, the case was adjourned to enable him to appear for arraignment and commencement of trial.

At the September 23, 2023, Tribunal sitting, the Respondent was absent but represented by Counsel. The Respondent was arraigned in absentia and a plea of not liable was entered on his behalf on all counts. The matter was adjourned for commencement of trial.

## *Case Study 1*

At the November 7, 2023, Tribunal sitting, the Respondent was absent but represented by Counsel. The Counsel informed the Tribunal that the Respondent wants to change his plea from “not liable to liable” on all the counts but is not able to appear physically due to ill health. He appealed to the Tribunal for leniency in the matter. Upon the Assessor’s opinion, the matter was adjourned for the Respondent to personally change his plea.

At the December 6, 2023, sitting, the Respondent’s Counsel was present whilst the Respondent joined online as he was still abroad. The Counsel again informed the Tribunal that the Respondent now pleads liable to all the counts. The Prosecutor thereupon read the charges to the Respondent who pleaded “liable”. The Respondent’s Counsel adopted what he said before this Tribunal at the previous sitting. He pleaded with the Tribunal to let compassion reign in passing judgment or sentence on the Respondent. He stated that the Respondent’s act was a very honest mistake and that to err is human. He pleaded for leniency on the Respondent and assured the Tribunal that this kind of situation would not arise again.

*Case Study 1...*

Having viewed the documents and facts concerning this matter, this Tribunal frowns at the conduct of the Respondent, who did not adhere to the ethics of the profession as is expected of a Chartered Accountant. The Tribunal has the duty of ensuring that members of the Institute maintain ethical standards, thus protecting the public interest against unwarranted and indefensible actions of members.

The Tribunal stated that the Accountant has committed an offence contrary to paragraphs 1.2.0 (a); 1.2.0 (e) and paragraph 1.2.5 (a) of Chapter 1 of the Professional Code of Conduct and Guide for Members of the Institute, 2009 and punishable under the said Code and Section 12(1)(a) of the ICAN Act Cap 185 Laws of the Federation of Nigeria 1990. The Tribunal's judgement is as follows:

- i. The Respondent is suspended from membership of the ICAN for three (3) months from the date of this Judgement;
- ii. The Respondent is ordered to pay a fine of N1,000,000 (One Million Naira) only to the ICAN within three (3) months from the date of this Judgement;
- iii. The Respondent is at liberty to re-apply to this Tribunal for re-admission at the expiration of the suspension period;
- iv. Where the Respondent fails, neglects or refuses to pay the said fine after three (3) months from the date of this Judgment, the Respondent's suspension will automatically be extended to six (6) months.

*Case Study 1...*

## *Case Study 2*

A Chartered Accountant, sometime in August 2019 while in the employment of Wema Bank Plc, Aba Branch as Compliance Officer behaved without recourse to the ethical duty and standard of professional behavior required of a member of the Institute when it was alleged that he stole N500,000.00 (five hundred thousand Naira) cash kept in a bag in an unmanned Teller's cubicle. He was alleged to have stolen the said amount from the Wema Bank's vault and was recorded whilst doing so by the Closed Circuit Television (CCTV).

Between November 18<sup>th</sup>, 2019 to October 6<sup>th</sup>, 2021, having been invited by the Accountants' Investigating Panel in respect of a petition forwarded by his employers, Wema Bank Plc, he failed, refused, and neglected to contact the Institute after such invitation was published in the Guardian Newspaper of October 2021.

He was arraigned at the Tribunal sitting on 14th April 2022. The Respondent was neither present at the sitting nor was he represented by a legal counsel. At the sitting of this Tribunal on May 30, 2022, again, the Respondent was not present and had no legal representation. A plea of 'Not Liable' was entered for the Respondent and the trial commenced with the examination-in-chief of the first Prosecution Witness (PW1), a member of the Accountants' Investigating Panel.



## *Case Study 2...*

Furthermore, PW1 testified that despite the series of notices sent to the Respondent by the Investigating Panel to respond to the allegations against him, the Respondent did not provide any response to the Panel.

The Tribunal has examined the evidence of the Prosecution Witnesses, particularly the footage of the CCTV in which the Respondent was captured by the camera whilst he took away a bundle of money from a bag in an unmanned Teller's cubicle at the Aba Branch of Wema Bank Plc on the 29th of October 2019, after which he absconded with no traces of him ever since. The pieces of evidence of the prosecution witnesses in this matter have neither been denied nor challenged by the Respondent in this Tribunal.

After a thorough examination of all the facts and evidence presented, the Disciplinary Tribunal reached a verdict on the two issues under consideration, deciding in favor of the Prosecution. Consequently, this Tribunal finds the Respondent liable for Disrespect and Professional Misconduct.

The authority granted to the Accountants Disciplinary Tribunal by Section 12(1)(a) of the Institute of Chartered Accountants of Nigeria Act enables it to administer disciplinary measures and sanction members who engage in behaviors that are

## *Case Study 2...*

inconsistent with the standards expected of members in this reputed profession and our noble Institute.

This Tribunal hereby gives judgment as follows:

- i. The Respondent is hereby removed from Membership and his name delisted from the membership Register of the Institute of Chartered Accountants of Nigeria and his name shall be struck off from the membership register accordingly.
- ii. The Respondent is hereby ordered to return his Membership Certificate and License to practice to the Institute of Chartered Accountants of Nigeria forthwith.

## *Closing Remarks*

Accountants face complex ethical dilemmas that require a solid foundation in ethical principles, professional codes of conduct, and a commitment to transparency.

By understanding these challenges and implementing ethical decision-making strategies, accountants can contribute to a trustworthy financial environment.

I welcome you all once again to this Conference



*Thank  
you*



**Lanre Olasunkanmi, Ph.D., FCA**

*Registrar/Chief Executive*

