

# ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA



# ANAN

## **ACCOUNTANCY: A DISCIPLINED PROFESSION** BEING TEXT OF INDUCTION ADDRESS PRESENTED AT THE INDUCTION CEREMONY OF NEW MEMBERS

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## **PROTOCOL**

**The President & Chairman of Council, ANAN**

**The 1<sup>st</sup> Vice President, ANAN**

**The 2<sup>nd</sup> Vice President, ANAN**

**The immediate Past President**

**The Treasurer, ANAN**

**The Membership Secretary, ANAN**

**Other Distinguished Council Members here present**

**Past Presidents of the Association here present**

**Past Council Members of the Association here present**

**Director-General, Nigerian College of Association**

**Fellows of the Association**

**Chairmen and Secretaries of Respective Branches**

**Prospective inductees**

**My Lords Spiritual and Temporal**

**Gentlemen of the Press,**

**Distinguished Invitees,**

**Ladies and Gentlemen,**

### **1.0 INTRODUCTION**

I am very delighted to welcome you all to this special occasion of the Induction Ceremony for newly qualified members of our great Association. I, on behalf of the president and Chairman of Council, warmly congratulate all inductees for meeting all the requirements for admission into the membership of the Association of National Accountants of Nigeria. This ceremony is a befitting acknowledgement of your determination and hard work. It is therefore, an occasion to rejoice and savour the aroma of good success. Accept my

congratulations once again for your success and for choosing the right profession and off course, the right professional body.

## **2.0 THRUST OF INDUCTION CEREMONIES**

As part of the tradition of our induction ceremonies, we brief inductees about the Association and the accountancy profession so that you are kept abreast of developments in your chosen profession. I will therefore now give you an insight into the structure and operations of the Association of National Accountant of Nigeria (ANAN) and some current issues you will probably need to sustain you as Professional Accountants.

## **3.0 THE ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA**

The Association of National Accountants of Nigeria is the only Chartered Professional Accountancy body in Nigeria empowered by law to teach as well as examine its students. Besides, it is the only body having the absolute power to advance the science of accountancy. It has current membership of over 40,000. ANAN is the second statutorily recognized Professional Accounting body in Nigeria, and represents the new order of things in the profession. It offers some choice to the Nigerian professional accounting student, and defines a new and radical departure in the training and executive development of the accounting professional. The Collegiate system of professional training remains ANAN's gift to the global accountancy profession. The Association is a truly national accountancy body with a burden shared by a number of well-meaning Nigerians for a homegrown and home spun professional body, but solidly anchored on international best practices.

### **3.1 HISTORICAL DEVELOPMENT OF THE ASSOCIATION**

The Association of National Accountants of Nigeria was established by Act No. 76 of 1993 (now Cap A26 LFN, 2004) *to advance the Science of Accountancy, pioneering a multi-disciplinary emphasis in the production of well-rounded, well-blended and well-honed accounting professionals, profound in knowledge, skilful*

*in practice and ethical in conduct.* Since inception, it has trained and certified over 40,000 Professional Accountants who are making their marks in different sectors of the economy. Most of the details of the Act can be found in various publications of the Association. I would like to briefly highlight some of the core areas of the Act, particularly its structure, rules of professional conduct for members and disciplinary mechanism.

### **3.2 VISION OF THE ASSOCIATION**

The Vision of the Association is **“To make ANAN a Premium Brand of choice in Professional Accountancy Practice and to impact on Accounting Education and Practice in a profound and comprehensive manner”**. This implies that the profession welcomes only persons with proven integrity and honesty into its membership. As Professional Accountants, you are expected to uphold the dignity of the profession by bringing into play at all times, the revered virtues and values of the Association and the profession.

### **3.3 MISSION OF THE ASSOCIATION**

“To advance the Science of Accountancy in Nigeria, pioneering a multi-disciplinary emphasis in the production of well rounded, well blended and well-honed professionals, Profound in Knowledge, Skilful in practice and Ethical in conduct”.

### **3.4 THE STRUCTURE OF THE ASSOCIATION**

The Association is governed by a Governing Council, which is the highest policy-making body assisted by thirty-three (33) Standing Committees and a Secretariat headed by the Chief Executive Officer.

### **3.5 THE GOVERNING COUNCIL OF THE ASSOCIATION**

The Act provides that *“there shall be a governing body of the Association; a Council charged with the general management of the Association.”* The Council shall consist of a total of sixteen persons who are members of the Association.

The Chairman of the Council is the **President** who is assisted by the 1<sup>st</sup> and 2<sup>nd</sup> Vice-Presidents, Treasurer, Membership Secretary and Immediate Past President (IPP). These five senior officers constitute the Presidency, otherwise known as the **Executive Coordinating Committee (EXCO)**. The Immediate Past President (IPP) is member of the EXCO in order to maintain continuity. The Act also provides that the President shall preside over the meetings of Council and the EXCO. Thus, Council runs the Association on behalf of the generality of membership to which it must submit a report of stewardship every year.

### **3.6 OFFICE OF THE CHIEF EXECUTIVE OFFICER**

The Act also provides for the position of the Chief Executive Officer who, as the administrative head of the Secretariat, is charged with the responsibility of establishing and maintaining the Registers of Fellows and Associate members. In addition to this, the Chief Executive Officer of the Association, with his staff, assist Council in the day-to-day administration of the Association.

### **3.7 THE SECRETARIAT**

This is the administrative organ of the Association, which ensures the smooth functioning of the body in addition to the keeping of all records and registers of Fellows and Associate members. Presently, the Secretariat is made up of Seven Departments including the Chief Executive Officer's Office, structured into Six Directorates.

### **3.8 COMMITTEES OF COUNCIL**

The Council functions through its Committees. While Council deals with general policy matters, Committees are set up to handle specific issues which require detailed analysis. Interested members of the Association are selected to serve on various committees where ideas are evolved, debated and recommendations made to council for consideration. The Act empowers Council to appoint Committees to carry out on its behalf, such functions as the Council may determine, while the decision of the Committee of Council shall be of no effect until it is confirmed by Council.

The decisions of the Council are subsequently conveyed to the respective Committees while the Secretariat implements them. I will enjoin you to visit the Secretariat at Plot 559 Mabushi District, FCT-Abuja, to know more about our Committees. In fact, I urge you to avail yourself of the opportunity of membership of the committees to contribute towards the growth and development of the Association and the profession.

### **3.9 SUCCESSION PROCEDURE**

Within the Council, there exists the Presidency comprising the President and Chairman of Council, 1<sup>st</sup> Vice President, 2<sup>nd</sup> Vice President, Immediate Past President, Treasurer and Membership Secretary. These officers hold office for a two-year term and none is allowed to be in the same office after two years. At the expiration of the term of any President, the 1<sup>st</sup> Vice-President is usually unanimously selected to the office of President. So also, are the 2<sup>nd</sup> Vice-President and Treasurer who are appointed to the offices of 1<sup>st</sup> Vice-President and 2<sup>nd</sup> Vice-President respectively based on the succession arrangement.

This process, which is well-known to all members, have helped to entrench a culture of seamless, well-coordinated and rancour-free succession at the Presidency level of the Association over the years.

### **3.10 ANAN MEMORANDUM OF UNDERSTANDING WITH OTHER PROFESSIONAL BODIES**

The Association had signed MOUs with some professional bodies within and outside Nigeria for direct membership of holders of ANAN Professional Certificate. These Professional Bodies include, The Chartered Institute of Taxation of Nigeria (CITN) and The Institute of Certified Public Accountants in Ireland (CPA – Ireland). Let me also inform you that once inducted into membership, you may wish to also register with the Financial Reporting Council of Nigeria (FRCN).

### **4.0 THE NIGERIAN COLLEGE OF ACCOUNTANCY**



The Nigerian College of Accountancy (NCA) is a Post-graduate Professional College established under Section 8(1)(d) and Section 20 of ANAN Act 1993, as the Training Arm of ANAN. It is pivot to the realization of the Association's statutory mandate of ***Advancing the Science of Accountancy***. It seeks to actualize ANAN's commitment to the triple goals of ***Competence, Integrity and Discipline***. Since inception, the College has trained over 50,000 accountants, who are currently contributing to the growth of the Nigerian economy in various sectors

#### **4.1 EXAMINATIONS OF THE ASSOCIATION**

I have decided to speak briefly about the examination process in view of its importance to the operations of the Association and the need to ensure strict adherence to the Association's set standards and international best practices.

#### **4.2 PROFESSIONAL EXAMINATIONS**

The Association's professional examinations are conducted by the Examinations Committee on behalf of Council. In pursuance of its objectives/duties, the Council conducts examinations for prospective members of the Association twice a year: - January and May. These are known as Professional Examinations of the Association, the completion of which, (among other requirements) qualifies one to be admitted as a member. As should be expected in any dynamic environment, the Syllabus for this examination, which is currently in two parts (PEA & PEB) with sixteen (16) subjects, is usually reviewed from time to time to reflect current developments in the profession and the global economy.

The Association also has strengthened its membership admission procedure to the extent that the practical experience required for admission are conducted under the platform "Accountants-in-Training" (AIT) and the certificates of participation are obtained after passing the examinations.

#### **4.3 THE CENTRE FOR ACCOUNTING AND FINANCIAL RESEARCH (CEFAR)**

The Centre for Financial and Accounting Research (CEFAR) is the research arm of the Nigerian College of Accountancy. Accountancy is a dynamic profession, and in line with this fact, The Association, through its training arm, is involved in research and promotes this noble endeavor across the country. As at today, there are not less than five accounting post-graduate research centres, built in selected institutions across the country.

In order to bridge the gap in middle-level manpower across the country, the Association is also running the Certified Accounting Technician Scheme (CATS). The objective of CATS includes but not limited to the following:

- i. To upgrade the Accounting knowledge and skills of lower and middle levels manpower for both the public and private sectors of the economy to transit to professional accounting career.
- ii. To provide professional accounting training to Executive Officers in Management to enhance their performances

## **5.0 PROFESSIONAL ETIQUETTE**

Professional etiquette is **an unwritten code of conduct regarding the interactions among the members in a business setting or a professional body**. When proper professional etiquette is used, all involved are able to feel more comfortable, and things tend to flow more smoothly. Accountants have the unique responsibility to provide clients with professional services while presenting a truthful and accurate assessment of an entity's financial health to the general public.

### **5.1 RULES OF PROFESSIONAL CONDUCT FOR MEMBERS**

Generally, membership of the profession imposes certain duties and responsibilities on members. Such duties may be to the public at large, employers, clients, to the profession itself and to all other members of the profession, though such duties may at times be at variance with their personal interests.



When persons come together under the umbrella of a profession, they draw up rules and regulations to guide members in their general conduct. They also agree to be bound by such rules and regulations in the public interest and in the interest of members and the profession. These rules and guidelines then become the code of conduct or ethics of that profession.

As required by the Act, the Association has set out rules and regulations for the general guidance of members, the breach of which constitutes misconduct. A copy of Code of Ethics of Professional Accountants is included in your pack, so I enjoin you to read it very carefully and strive to abide by its provisions, as ignorance of any part thereof will not be an excuse for misconduct. Some high points of the rules of professional conduct for members include but not limited to:

- ✓ **Integrity**
- ✓ **Independence**
- ✓ **Objectivity**
- ✓ **Confidentiality**
- ✓ **Conformity with Technical Standards; and**
- ✓ **Maintenance of Technical Competence**

These are attributes of a good professional Accountant expected to be demonstrated to complement competence and technical skills in the Profession

## **5.2 PROFESSIONAL DISCIPLINE**

Rules of Professional Conduct for members exist for all category of membership and breach of any of the regulations attracts sanctions. For this purpose, the Association is statutorily empowered to constitute an Investigating Panel to carry out investigations on erring members and apply appropriate disciplinary actions where and when necessary.

## **6.0 OTHER MATTERS**

### **6.1 ANNUAL GENERAL MEETING (AGM)**

This is the General Assembly of the Association. It is usually held once a year. In exceptional circumstances, the Act provide for extra-ordinary general meetings. The AGM receives and considers the annual reports and accounts of the Association prepared by the Council. Major decisions are usually taken at the

AGM such as appointment of Auditors, admission of Council members and consideration of special resolutions.

## **6.2. MANDATORY CONTINUING PROFESSIONAL DEVELOPMENT PROGRAM (MCPD)**

Training and Re-Training are the hallmarks of true professionalism. The accountancy profession is evolving and so are developments within the accounting and financial management space. It is in recognition of this that the Association of National Accountants of Nigeria (ANAN) designed the Mandatory Continuous Professional Development Program (MCPD) to address critical issues in accounting, finance and financial management. The MCPD is the flagship program of ANAN that is aimed at enhancing the professional development of its members. Mandatory Continuing Professional Development (MCPD) Programme, slated to hold in six (6) zones across the Country and members are expected to attend at least to validate their membership. In the same vein, members expected to pay their annual subscriptions and other membership dues as and when due.

## **6.3. ANNUAL CONFERENCE OF CERTIFIED NATIONAL ACCOUNTANTS**

This Annual Conference creates an opportunity for Certified National Accountants to rub minds on issues germane to Members, the Accountancy Profession, and the Nation. It holds every year and you all advised to take advantage of this year's event to keep yourself abreast with developments in the Accountancy profession and to also network with one another.

## **6.4. INTERNATIONAL WORKSHOPS AND SUMMITS**

The Association also runs training and workshops outside the country. In the past, countries like the United Arab Emirate (Dubai) and the United Kingdom (London) have been chosen as venues. You may wish to visit the Association's website to get information about the next international program. These programs give you the international exposure required of 21<sup>st</sup> century accountants. We also

have other international programs such as the World Congress of Accountants, The African Congress of Accountants, to mention but a few.

#### **6.5. INTERNATIONAL ACCOUNTANTS' DAY**

We celebrate International Accounting Day on 10<sup>th</sup> of November each year, because on this day in 1494, Luca Paccioli, an Italian accountant and mathematician, who reportedly collaborated with Leonardo Da Vinci, published his first book. ANAN also joins millions of other accountants around the world to observe this day and reflect on the contributions made by accountants to the socio-economic development of the global economy.

#### **6.6. ANAN CSR DAY**

The **ANAN CSR Day**, is set aside to focus on the imperatives of CSR to the profession and its impact to our immediate environment, our host communities and to humanity in general. 14<sup>th</sup> October of every year is set aside for this purpose. Proposed activities for the day may include:

- Health Walk/Awareness Campaigns
- Community Volunteering Activities
- Visit to Orphanages and Custodial Centres
- CSR Projects (Donations)
- Environmental Sustainability Endeavors such as tree planting activities
- Visit to Internally Displaced Persons (IDP) Camps

#### **6.7. ANAN UNIVERSITY, KWALL**

The Association of National Accountants of Nigeria (ANAN) University is an institution of excellence in the provision of quality university education in the specialised field of Accountancy and allied subjects in Nigeria. The University represents the overlaying effort of the Association and its Governing Council to make further giant contributions to the development of the Accountancy profession in Nigeria. For those of you who are yet to obtain your second

degrees and even your PHDs, you will do well to visit the University Stand at the induction venue.

## 6.8 PUBLIC PRACTICE

By definition, an accountant is a professional, who by virtue of his training, education and overall development, is equipped to provide a variety of specialized services – financial accounting, auditing and taxation – to the public and private sectors of the economy. A *Certified National Accountant* (formerly Nigerian National Accountant) is defined by **Act No. 76 of 1993 Section 20** as “a member of the Association licensed to practice accountancy”. No member of the Association can practice accountancy unless he is in possession of a practicing certificate. The conditions for the issue of a practicing certificate are governed by the Association of National Accountants of Nigeria Rule 1995 published in the Federal Republic of Nigeria Official Gazette No. 22, Vol. 82, dated 15<sup>th</sup> September, 1995.

The conditions for issuing a practicing certificate shall be that, the member shows to the satisfaction of the Council that he has acquired experience in public practice as a Practitioner Assistant in the office of a member of the Association who is in public practice or any other approved Practitioner’s office for:

- i. 24 months if the three-year (AIT) practical training was obtained outside a practitioner’s office.
- ii. 12 months if the two-year (AIT) practical training was obtained in a practitioner’s office.

**Public Practice MUST be a full-time engagement.**

## 6.9. NCA ALUMNI

Alumni can be used to refer to men only, and in that case, alumnae is used to refer to women only, but more often alumni is used to refer to either or both sexes where

both attend the same school. The singular forms are alumnus for a man, and alumna for a woman.

The term is therefore used to refer to men and women who have completed their studies, especially, at a college or university. This best describes you who have completed your studies at the Nigerian College of Accountancy successfully and are being inducted into membership today. The NCA Alumni is the coming together of all graduates of the Nigerian College of Accountancy, just as it obtains in your various universities and polytechnics. I advise you to identify yourself with your alma mater as you contribute towards the growth and development of ANAN. It is also worth mentioning at this point that the Nigerian College of Accountancy also holds convocation ceremonies for all its graduates on a biennial basis. The next, being the 10<sup>th</sup>, which will be for Course 27 and Course 28, will hold next year.

#### **6.10 STATE BRANCHES OF THE ASSOCIATION**

In order to be able to reach out to its numerous members, the Association has Branches in all the States in Nigeria, including the Federal Capital Territory (FCT). The chief objective of the Branches is to avail members the opportunity for personal and professional development as well as social activities, provide information about the Association's activities to members and other stakeholders who are not often in touch with the Association's Secretariat, to assist potential accountants in their quest for membership of the Association and project the image of the Association in their immediate locality. They serve as Liaison in their areas of jurisdiction.

It is imperative that each member must belong to at least one Branch. Each member must begin his service to the Association at the Branch level. It is only those who distinguish themselves at this level that can rise on the ladder of the Association.

#### **7.0 CONCLUSION**

As you prepare to join the league of Professional Accountants, you must resolve today to imbibe and continuously exhibit these virtues in and out of your work places. You have to develop an insatiable appetite for learning and personal

professional development. Only by so doing can you hold out yourselves as models to generations yet unborn and project ANAN as truly the premium brand of choice in the profession.

Congratulations once again and thank you for your attention.

**Dr Kayode Olushola Fasua, FCNA**  
**Chief Executive Officer**  
**Association of National Accountants of Nigeria (ANAN)**

