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TODAY'S Accountant

The Magazine for The Institute of Certified Public Accountants of Uganda (ICPAU)
www.icpau.co.ug
ISSUE 24, AUGUST 2023

IFRS 17 IMPLEMENTATION: EXPERIENCES FOR A SMOOTH SET OFF

COMBATTING GREENWASHING – THE ROLE OF THE AUDITOR

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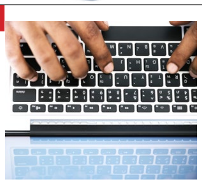

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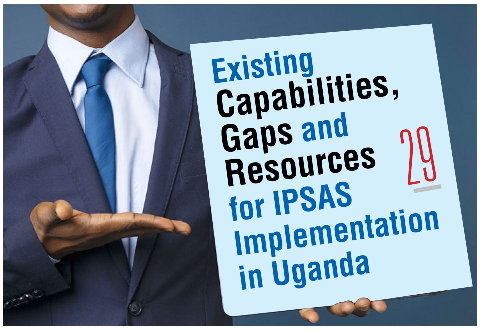

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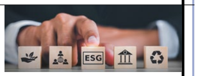

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ISSN No. 2312-7651

Positioning for the future

Dear member,

Welcome to the 24th edition of Today's Accountant magazine.

The future holds numerous prospects for the profession. The demand for professional accountants continues to rise despite the disruptions of the 4th Industrial Revolution.

At a recent C-Suite Forum organised by the Institute of Certified Public Accountants of Uganda, the president of the Pan African Federation of Accountants, CPA Keto Kayemba noted that out of a population of 1.3 billion people in Africa, there are only 123,000 professional accountants. She also linked Gross Domestic Product (GDP) growth to the number of professional accountants in a country.

And with the growing influence of accountants in the C-suite, accountants must prepare themselves to leverage the opportunities, through continuously enriching both their technical knowledge, as well as leadership and communication skills.

In this edition, we shed light on some updates in the accounting standards, including IFRS 17 and the development of the IFR4NPO Accounting for non-profit organisations.

The International Standard on Quality Management (ISQM) became effective in December 2022. Accounting firm, Springs & Tugye Associates LLP shares their early experience applying the standard.

With the introduction of the International Sustainability Standards Board's (ISSB's) first sustainability disclosure standards, there is an increasing requirement for climate-related disclosures. CPA Clayton Mwaka discusses the auditor's role in combatting greenwashing.

The Institute is also pleased to announce its new leadership, the 2023 – 2025 Council whose leadership took effect in July 2023. For the first time in the history of the Institute's leadership, we have a female president. She shares her plans for the profession in the next two years.

As we approach the future, preparedness through continuous learning and agility will help accountants to position themselves for the enormous opportunities.

Enjoy your reading.

Nancy Akullo
Head of Communications,
ICPAU

Interview with the ICPAU President, CPA Josephine Okui Ossiya

1. Please share your journey to the ICPAU presidency.

My association with the ICPAU started more than 20 years ago when I had just joined the workforce. I attended one of those earlier annual seminars which had an attendance of only 50 people at Lake Victoria Hotel. After that I have been involved in various Institute activities and served on the Finance and Administration committee. I had been approached many times before to join Council but I felt it was not the right time. I wanted to join the Council after achieving a certain level in my career and thus be able to make meaningful contributions to the growth of the institute.

In 2018, I made a decision to run for member of council. Upon being elected, I then stood for Vice President and was elected unopposed. I was then motivated to seek a second term with the objective of standing for President. I thank the members of council for trusting and believing in me to lead the Institute as President for these two years.

Naturally I am an ambitious person and always strive to achieve the highest level possible in any endeavour. Therefore, once I joined the Council, I set my eyes on the top position.

I thank God that with his grace I have been able to achieve it.

2. What can members expect regarding membership value and regulation?

One of the key focus areas for this Council is improving the member value proposition. We are currently in the process of developing the strategic plan for the next 5 years and we are developing innovative ways of giving our members fresh reasons or value for being part of the Institute. Paramount is elevating the value attached to being a CPA in Uganda and ensuring that CPA gets recognised for the value they bring to the table.

The Institute has quite strong regulations to build trust in the profession, the areas where more work is needed is supporting practising firms to improve the service delivery and quality of their work. A quality review process is in place and is managed by the Quality Assurance Board, the objective is to provide value adding products that raise the quality of the output.

The Accountants Act has provisions that support the growth of the profession. It's time to enforce the requirement of the Act and claim the space that must be occupied by CPAs. For instance, all Heads of finance positions in state owned enterprises should be held by members of ICPAU, but you still find no CPAs holding these positions. We demand that such space be occupied by the rightful individuals.

3. What can students expect from your leadership?

The Institute recently rolled out a new syllabus and the learning outcomes are tailored towards meeting the accountancy needs in the marketplace. Students should therefore expect to acquire practical skills that are relevant. The examination process will also be reviewed with the objective of getting some of the exams done online. PAEB is also continuing to ensure high quality of the examination papers that produce the right professional. The Institute will increase collaboration with tuition providers, examiners and markers with the aim of improving the pass rates, without affecting the quality of the output.

4. What is the biggest challenge for the accountancy profession in Uganda? How is the Council you lead addressing this challenge?

The biggest challenge is the rapidly changing environment in which organisations operate. Firstly, technology changes by the day, our clients are continuously upgrading and changing modes of operations, Accountants must keep up with these changes if they are to effectively execute their mandates. Secondly the demand for sustainability reporting by many organisations means that the Institute must equip its members with the requisite skills to meet these demands. For instance, with the coming of artificial intelligence (AI) how can this be incorporated in how our Accountants do their work? Are the accountants knowledgeable about these changes, big data, etc; how can they obtain comfort when providing assurance services? The Institute is working towards developing CPDs programmes that will address these skills gaps.

5. What lessons can female accountants draw from your leadership experience?

A key lesson to female Accountants is that these positions are reachable and as women, we are uniquely placed to provide empathetic leadership because of our God given nurturing abilities. One has to be intentional about getting where you want and this starts by having clarity on what you want. Many times, women shy away because of various reasons, one of them being culture and society expectations but if we are to achieve a gender conscious world, women must be represented at the decision making table. We have to be the champions and advocates of claiming our portion of the space, the men won't do it for us.

6. What does CPA Josephine do when she is not drawing strategy for accountants or serving on different boards or places of employment?

I believe that one needs to live their life to the fullest. God first, Self, Family and the rest follow. The famous saying still holds true "All work and no play makes Josephine a dull girl". One of the things I love to do is travel and discovering new places and new cultures. Starting with local tourism I have visited all regions in Uganda. From Kidepo in Karamoja, Koboko, Adjumani to Hoima, Kabarole, Kasese, Kisoro, Busia, Kapchowra, Sese islands (Kalangala) and Bulago. I do a lot of international travel as well and this has rubbed off on my family. During these times I re-energise and rejuvenate.

Still in the line of tourism, I run an AirBnb in Jinja where I host people of different walks of life who want to enjoy a serene environment by the River Nile. TA

CONTRIBUTORS' PROFILES

CPA Michael Tugyetwena

CPA Michael Tugyetwena, a Partner at Springs and Tugye Associates LLP, has extensive experience in accounting, auditing, and advisory practice. He serves as a member of PAFA Accountancy Quality Advisory Group & ICPAU Professional Standards Committee, Chairperson of ICPAU Industry & Business Panel and KCCA Public Accounts Committee, and an Operations Director at CARE International in Uganda. He is a Certified Professional Forensic Accountant and holder of a MSc in Accounting & Finance and a BCOM from Makerere University

Alhaj Kaddunabbi Ibrahim Lubega

Alhaj Kaddunabbi Ibrahim Lubega is the CEO of Insurance Regulatory Authority (IRA). He is a Fellow and Certified Professional of the Australian and New Zealand Institute of Insurance and Finance (ANZIIF) with over 20 years hands-on experience in finance operations, regulation and supervision. He has built a strong and resilient insurance industry because of his good stewardship over the past 10 years.

CPA Clayton Mwaka

CPA Clayton Mwaka is a Partner in Clayton & Company CPA, Gloryland Christian College - Jinja, and he is Certified Business Mentor. He blogs through www.thewiseentrepreneur.co.ug, and likes developing capacity in people and organizations. He has 30 years' working experience locally & internationally. Clayton holds a B.Com (MUK), M.Sc (University of London), M. Entrepreneurship (Anaheim University USA), FCCA & CPA (U).

CPA Dr. Albert Richards Otete

He is the Managing Partner at J. Samuel Richards and Associates. CPA Otete is a member of the Council of ICPAU. He is also an Editorial Board Member at the Uganda Registration Services Bureau. He is member of the Professional Accountancy Organisations in Uganda, Kenya, Tanzania and Rwanda.

CPA Arnold Ainebyona

Arnold is the current CFO at Sanlam Life Insurance Uganda. He has previously worked as Finance Manager within the Sanlam group and as a Senior auditor at PricewaterhouseCoopers Uganda. He is a member of the Institute of Certified Public Accountants of Uganda - ICPAU, a member of the ACCA, and holds an MBA from Edinburgh Business School - Heriot-Watt University.

CPA Samantha Musoke

Samantha Musoke is the Project Director, IFR4NPO for Humentum. She is a passionate UK Chartered Accountant (ACA) and CPA(U) with 21 years post qualification experience in the non-profit sector in Uganda, as auditor, consultant, trainer, advisor, CFO and Board member. She has worked with Mazars, Carr Stanyer Sims, Humentum (formerly Mango), Aclaim Africa Ltd, VSO Uganda, & Child's i Foundation.

CPA Lydia Nankabirwa

CPA Lydia Nankabirwa has held various positions at ICPAU since 2016 including Ag. Manager-Quality Assurance & Regulation, Technical Officer (Taxation and Public Financial Management), Technical Officer (Auditing and Ethics), and Assistant Technical Officer. CPA Lydia was previously an Assistant Accountant – Payroll and Projects at Uganda Martyrs University. She is a Certified Public Accountant and holds a Master of Science Degree in Development Economics.

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CPA Elizabeth Kaheru is currently a Technical Officer for Auditing and Ethics at ICPAU. She has over 12 years of experience in accounting and finance. She previously worked with Post Bank and Kisaka and Co. Certified Public Accountants. She holds a Master of Business Administration, the CPA Qualification and a Bachelor of Arts Degree from Makerere University. Elizabeth is a member of ICPAU.

CPA Charles Lutimba

CPA Charles Lutimba is the Director of Standards and Regulation at ICPAU. He has held several positions at ICPAU, including Manager Standards and Technical Support, Senior Technical Officer, and Technical Officer. He holds a Master of Business Administration, CPA(U) qualification, Postgraduate Diploma in Tax and Revenue Administration (PoDITRA), Bachelor of Laws Degree (LLB) (MUK), a Post Graduate Diploma in Legal Practice (Distinction) from the Law Development Centre (LDC) and a Bachelor of Arts with Education Degree (MUK).

CPA Charles Dominic Alumai

CPA Charles Alumai is the Assistant director of audit directorate of value for money and specialized audits, Office of the Auditor General. He is a member of ICPAU and sits on the Public Sector Panel of the Professional Standards Committee of ICPAU. Charles holds a Bachelor of Commerce Accounting (Hons) Degree from Makerere University (1995) and a Master of Business Administration degree from Edinburgh Business School of Heriot Watt University UK (2011). He has a Diploma in Performance Auditing from African Association of English Supreme Audit Institution – English Pretoria South Africa (2008).

CPA Noor Nakato

CPA Noor Nakato is a Technical Officer at ICPAU. She supports the development, implementation, and promotion of financial reporting standards that are issued and adopted by ICPAU. Noor holds the CPA qualification, a Master's Degree in Islamic Banking and Finance, and a Bachelor of Commerce Degree (BCom).

CPA Paul Mark Kayongo

CPA Paul Mark Kayongo is the Finance Manager, Ndejje University. He is a finance professional and member of ICPAU. Mark is a Certified Risk Analyst (CRA) with a fellow status and a fellow of the Association of Certified Chartered Accountants. He holds a BBA in Accounting from Ndejje University, MBA–Accounting and Finance from Makerere University and a BSc Applied Accounting (Hons) from Oxford Brookers University (OXF, UK).

CPA Stephen Candia

CPA Stephen Candia is the Chief Finance Officer for Maracha District Local Government and a member of ICPAU. He served as a Civil Service Support Officer with the Republic of South Sudan, under IGAD on Government of Uganda secondment (2016-2018). Stephen once served as a Board member in the Church of Uganda Provincial Finance Board (2015 to 2018) and a member of Local Advisory Committee Uganda Christian University, Arua Campus (2018 to December, 2021).

Ms Caroline Nassuuna

Ms Caroline Nassuuna is a Communications Intern at ICPAU. She is a Public Relations Officer with a bachelor's degree in Journalism and Mass Communication from Uganda Martyrs University. She has experience in the field of communication having worked in the different spaces of journalism for over five years.

Dr Dan Oriba Langoya

Dr Dan works as a specialist Internal Medicine Physician at St. Mary's Lacor, Gulu and an honorary lecturer at Gulu University. He is passionate about Critical Care Nephrology and holds an MBchB and a Master of Internal Medicine from Makerere University.

The developments around categories of Certificates of Practice, and other regulatory matters

CPA Derick Nkajja

1. How are accounting firms significant in the development of an economy?

The accountancy profession is of great significance to the economy at local(businesses) and national levels. Researchers have shown that a greater number of accountants correlates with better economic performance. Accounting firms play a central role for a smooth and vibrant accountancy profession which in turn supports the economy as a whole. A modern and efficient economy is inconsiderable without a vigorous and vibrant accountancy base. Accounting firms thus facilitate volume and quality of investment, quality of management decisions, ease with which market transactions are conducted and an effective and efficient tax system, among others. All this is achievable through quality accounting information and corporate reporting.

2. Who is eligible to practise accountancy in Uganda?

According to the Accountants Act, only persons enroled as full members of ICPAU are eligible to apply to be registered as practising accountants. Upon satisfaction of the requirements for one to practise, such a person shall be issued with a Certificate of Practice. Detailed requirements can be accessed at: https://www.icpau.co.ug/sites/default/files/Resources/Accountants%20Act%2C%202013_0.pdf

3. What are the available categories of Certificates of Practice?

There are two broad categories of Certificates of Practice issued by the Institute of Certified Public Accountants of Uganda (ICPAU). The first category permits a practising accountant to provide all types of accountancy services (including audit and assurance services). The second category of Certificates of Practice permits the holder to only provide non-assurance services (that is accountancy services and assurance services).

4. How do you determine the type of certificate one qualifies for?

When one applies for a Certificate of Practice, they are required to demonstrate recent, relevant work experience in the areas in which they intend to practise. One is specifically required to have mandatory external audit experience of at least 3 years obtained from an accounting firm if they wish to obtain a Certificate of Practice that permits them to provide audit and assurance services. For anyone who may not be interested in providing audit and assurance services OR one who may not have the required external audit experience, they may choose to apply to obtain a Certificate of Practice to provide only non-assurance services. In the latter case, when this is done, such persons are given a chance to accumulate the required experience in order to be eligible to obtain a Certificate of Practice for all accountancy services including assurance services.

5. What do you mean by non-assurance services?

Non-assurance services are those services which are not auditing, review or other assuring activities and may include; accounting and bookkeeping, advisory, valuation, taxation, company secretarial, insolvency and financial planning. Non-assurance services are typically advisory or consultative and usually aimed at operational and strategic aspects of a business.

6. Why was the non-assurance category introduced?

The review of the licensing regime in 2021 was intended to allow many individuals practice their beloved profession but also strengthen the rigours required for assurance services. There is increasing demand for non-assurance activities, technological advancements, and this gives an opportunity for practitioners to fully maximise firms' potential by providing a range of advisory, tax, consulting and other specialised services. Practising accountants in Uganda are now licensed to offer services in their desired/preferred areas of choice.

7. Can partners in the same firm have different types of certificates?

Yes, one partner may have a Certificate of Practice to provide all types of accountancy services, while the other may have a Certificate of Practice to provide non-assurance services.

8. Can a partner with a certificate to provide non-assurance services change to a certificate to provide all accountancy services?

Yes. If a person was granted a Certificate of Practice to provide non-assurance service due to lack of the requisite external audit experience, then over time once the practitioners attain the experience and Council is satisfied that the experience has been duly obtained and all other requirements are fulfilled, such a person may be granted a Certificate of Practice to provide all accountancy services.

9. How does the revised licencing regime affect the current licensed members?

Existing practising accountants whose performance at quality assurance reviews necessitates disciplinary and/or regulatory action may be restricted from providing audit and assurance services where the Quality Assurance Board and the Council deem so. In such circumstances, a Certificate of Practice to provide only non-assurance services may be issued to the affected practitioner even if that practitioner previously held a certificate of practice for all accountancy services.

We encourage the public to raise complaints of quality to the QAB for possible corrective measures to be taken. TA

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Uganda Accountancy Qualifications Framework

Interview with John Bosco Ntangaare – ICPAU Director Education

1. What is the Uganda Accountancy Qualifications Framework (UAQF)?

UAQF is a framework that shows how accountancy education and qualifications relate. The Accountants Act, 2013 requires the Council of ICPAU to advise regulators of educational institutions on the curricular for accountancy-related courses.

National Council for Higher Education (NCHE) put in place the Uganda Higher Education Qualifications Framework which is a normative instrument designed to show how different higher educational qualifications relate to each other. The Uganda Accountancy Qualifications Framework is an appendix of the Uganda Higher Education Qualification Framework (UHEQF).

The Institute of Certified Public Accountants of Uganda (ICPAU) embarked on the journey of developing the Uganda Accountancy Qualifications Framework in 2018. A stakeholder validation workshop was held on Friday, 16 December 2022, convened by the National Council for Higher Education (NCHE). The comments raised by stakeholders were incorporated into the drafted framework and submitted to National Council for Higher Education which later approved the Uganda Accountancy Qualifications Framework (UAQF) in March 2023.

The purpose of UAQF is to standardise the process through which individuals in Uganda can learn, train and obtain accountancy qualifications. It also helps in providing progression pathways and shows the different levels of accountancy qualification.

The framework also helps to provide a basis for assessment, recognition and equating of foreign accountancy qualifications and shows how different accountancy courses relate to each other.

2. Who benefits from the UAQF?

Aspiring accountants, ICPAU students, ICPAU, and employers, among other stakeholders.

3. How is the Uganda Accountancy Qualifications Framework relevant to aspiring accountants?

It assists students in identifying progression pathways suitable for their chosen career paths. The UAQF helps students to make informed decisions about the accountancy qualifications to pursue.

The framework also shows how different accountancy courses relate to each other. It brings clarity for someone offering the CPA course to know what it is equivalent to in the other education system. For example, if one has completed level one, they will know that the diploma for the other higher education system takes two years to accomplish and yet with CPA one needs only one year to have a qualification equivalent to a diploma.

4. Why should employers be keen on the UAQF?

The framework helps employers to equate accountancy qualifications appropriately. The employers will know what the CPA qualification is equivalent to. It provides guidance on the equivalence of the ICPAU courses in comparison with other accountancy qualifications.

It will guide employers on where to place the CPAs at different levels in the workplace environment. Some employers were assuming more weight on other qualifications and underrating the CPA qualification.

The framework builds trust between employees and employers towards the accountancy qualifications given that the holders' levels of competence and expertise are clearly streamlined.

5. From the framework, how does CPA(U) compare with other accountancy qualifications?

CPA(U) is equated to the postgraduate diploma because the master's degree imparts other important skills such as research skills, that one needs to acquire from studying the master's degree.

6. How about ATD? Based on the UAQF, how does it compare with other diploma courses?

Holders of the Accounting Technicians Diploma or any Institute of Certified Public Accountants of Uganda accredited diplomas are deemed to have covered Level 1 of the CPA Course. The learner at this level applies knowledge and skills of basic accounting concepts to financial statements by providing useful information for business evaluation and decision-making.

A holder of the Accounting Technicians Diploma communicates effectively in business and employment. He/she is able to apply basic Mathematics and statistical techniques in the business and organisational environment.

An ATD holder also understands how the economy functions and suggests practical solutions to the economic problems. He/she can apply basic knowledge of Cost and Management accounting.

7. How does the Uganda Accountancy Qualification Framework apply in foreign countries?

Uganda Accountancy Qualification Framework only applies to accountancy qualifications acquired in Uganda but considers the equation of foreign qualifications. When one goes to another country, they are subjected to the terms of that country unless they have a mutual agreement on recognising each other's qualifications. Each country trains their own human resources to protect/guard their country's jobs and can only employ someone if they have special skills.

Since the UAQF is an appendix of the UHEQF, in case a foreign organisation inquires from NCHE what CPA(U) is equivalent to, the NCHE will authoritatively as custodians of the higher education say this person has completed level one is equivalent to higher diploma.

It is only NCHE that has the mandate to equate anyone's qualification in case they are from outside Uganda.

The Uganda Accountancy Qualification Framework applies to all accountancy qualifications obtained within and outside Uganda. It provides for recognition of prior learning and shows an increasing complexity of learning achievements, responsibility and autonomy conferred upon the learners.

The Director Education was interviewed by Ms. Jackline Nabirye, Communications Officer - ICPAU

CPA Josephine Okui Ossiya Elected First Female President of ICPAU

CPA Josephine Okui Ossiya has been elected as the first female president of the Institute of Certified Public Accountants of Uganda (ICPAU). She will serve for the period of two years from 2023 to 2025. CPA Ronald Mutumba was elected as the vice president.

The announcement was made by CPA Constant Othieno Mayende, the Chairman of the ICPAU Elections Committee at a Council meeting held on Friday, 7 July 2023.

The new Council of ICPAU is constituted as follows:

CPA Jospehine Okui Ossiya
President

CPA Ronald Mutumba
Vice President

CPA Gloria Tuhaise Wakooba
Member

CPA Prof. Laura Aseru Orobia
Member

CPA Hon Nathan Nandala Mafabi
Member

CPA Dr. Albert Richards Otete
Member

CPA Timothy David Ediomu
Member

Eng. Steven Serunjogi
Ministerial Appointee

CPA Stephen Ojiambo
Accountant General's Representative

CPA Edward Akol
Auditor General's Representative

Ms. Elizabeth Kateme
Representative of the Higher Education Officer, Ministry of Education and Sports

CPA Derick Nkajja
Secretary/ CEO

The new Council will serve a two-year term, from 2023 – 2025.

The new Council members were elected in accordance with the Accountants Act, 2013 which stipulates a two-year tenure for Council members.

Seven members were elected by members of ICPAU in an electronic elections process that ran from 29 May to 14 June 2023.

The successful candidates were announced by Returning Officer / Chairperson of the Elections Committee, CPA Constant Othieno Mayende, who at the time was the President of ICPAU, during the 29th Annual General Meeting of ICPAU on 29 June 2023 at the Protea Hotel by Marriot Kampala Skyz.

The president and vice president were elected from amongst the Council members during the inaugural Council meeting on 7 July 2023 for the term 2023 - 2025, in accordance with the Accountants Act, 2013.

The Council is the governing body of the Institute, and is composed as follows:

1. Seven (7) members elected by full members of ICPAU: At least three (3) of the seven (7) must be women, and at least five (5) of the seven (7) must be practising accountants.

2. A Ministerial Appointee by the Minister for Finance, from a recognised professional or regulatory Body.

3. Three (3) ex-officio members, namely:
   - i. The Accountant General
   - ii. The Auditor General
   - iii. The Officer responsible for higher education in the Ministry of Education

The seven (7) elected members of the ICPAU Council are elected every two years.

In his remarks to the members, CPA Constant Othieno Mayende, the outgoing president, appreciated the outgoing Council for their diligent service to the Institute, Profession and the Country.

"I thank the members of ICPAU for the support rendered to the Institute in the various ways. I extend a vote of thanks to the outgoing Council for the duty well accomplished, since 2021 and I congratulate the incoming council members upon being elected into office," remarked CPA Mayende. TA

Caroline Nassuuna,
Communications Intern

A Good Finance Team Promotes a Good Organisation

CEOs and CFOs at the C-Suite Forum on 13 July 2023

Company executives (CEOs) and their financial managers (CFOs) have been advised on the role of the accountancy profession in the economy. This was during the C-Suite Forum organised by the Institute of Certified Public Accountants of Uganda (ICPAU), on Thursday 13 July, 2023 at the Sheraton Kampala Hotel.

The event was orgainised to bring together CEOs & CFOs to help them realise the need to trust each other in order to create smooth working relationships, as their synergy ultimately leads to organisational success and economic prosperity.

While speaking to the participants at the Forum, CPA Keto Kayemba, the President of the Pan African Federation of Accountants (PAFA) noted that economic development hinges on how resources are prudently collected, managed and multiplied, and all this rotates around the roles of accountants.

"Accountants are trusted advisors. Their expertise in analysing and interpreting financial data makes them valuable advisors on key business strategies and planning actions," said CPA Kayemba.

She highlighted the need for accountants to effectively utilise the emerging trends, such as technological development (4th Industrial Revolution) and sustainability concerns, with support from their CEOs for value creation, risk mitigation, enhanced reputation and stakeholder trust.

While speaking at the event, the CEO of ICPAU, CPA Derick Nkajja, emphasised the role of CEOs and CFOs in mentoring youngsters, which is key in shaping the economy. He called upon accountants to embrace lifelong learning, and above all choose professionalism.

"Our desire is to make sure that leaders of organisations play side by side with CFOs while driving their companies and organisations, to create and nurture a cohesive environment within an organisation and the economy as a whole," said CPA Nkajja.

Present at the event were CEOs, Managing directors, Executive Directors, Board Chairpersons, Chief Financial Officers and Chief Accounting Officers of various companies and organisations all over the country.

The C-Suite Forum is the first of its kind to be organised by ICPAU. TA

CPA Keto Kayemba, the President of the Pan African Federation of Accountants (PAFA) presenting at the C-Suite Forum

Caroline Nassuuna,
Communications Intern

Pay now and argue later:

Judicial developments on the 30% deposit of tax pending determination of objection

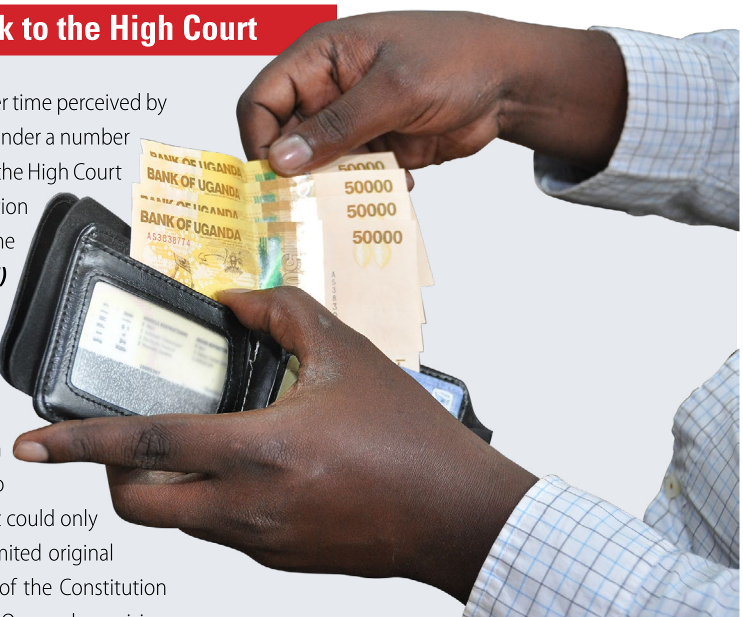
In any form of social structure, a distinctive and stable arrangement of institutions and human beings becomes viable only if there are prudent economic forces that shape societal interaction. Taxes play a vital role in any economic setting. But as Albert Einstein put it, ***the hardest thing to understand in the world is tax*** (emphasis is mine). In this article an attempt is made to review developments around the famous 'pay now argue later' principle enshrined under s.15(1) of the ***Tax Appeals Tribunal Act Cap 345*** (TAT Act). The section provides that *'A taxpayer who has lodged a notice of objection to an assessment shall, pending final resolution of the objection, pay 30 per cent of the tax assessed or that part of the tax assessed not in dispute, whichever is greater.'*

To the government, the rationale for this provision seems to be rooted in the fact that tax collection should not be stopped because there is a pending objection. Further, the requirement seems to be used as a measure to discourage taxpayers from using "objections to assessments" as a way to delay payment of tax which is rightly due to the government. On the other hand, the provision of the law is detested by taxpayers as it presents them with difficulties in mobilising funds especially where large sums are involved.

The pay now argue later principle has been clothed differently in a number of jurisdictions. For example, in Tanzania, **the Tax Administration Act, 2015** ('TAA') requires a person so objecting to a tax assessment to pay the amount not in dispute or one-third of the assessed tax whichever is greater. The TAA, however, grants the Commissioner the mandate to direct the payment of lesser tax deposit or even order complete waiver of deposit, upon good cause. A similar provision is contained within the **Tax Administration Act, 2011** of South Africa, with clear indications on the nature of considerations that a revenue service official will have in mind in deciding on whether or not to waive the obligation to pay tax before the determination of the objection. However, in Kenya, the **Tax Appeals Tribunal Act No. 40 of 2013** requires a person who disputes the decision of the Commissioner in any tax matter to give notice to the Commissioner of the intention to appeal to the Tribunal and pay a non-refundable fee of twenty thousand Kenya shillings.

With the above foregoing, the analysis below seeks to assess the growing jurisprudence for tax practitioners with respect to the pay now argue later principle in line with s.15 of the TAT Act but with emphasis on; whether the provision is constitutional or not, whether the provision relates to instances where there are tax amounts assessed alone or not, whether the provision applies to legal and or technical issues alone or not, and whether the 30% deposit can be paid in instalments or not.

Pay now and argue later: The previous trek to the High Court



The obligation under the pay now and argue later principle was over time perceived by taxpayers as a hindrance to accessing the services of the TAT. No wonder a number of aggrieved taxpayers preferred to file their tax disputes directly to the High Court on the basis that the High Court had unlimited original jurisdiction on all matters. This was the practice until 2017 when the Supreme Court in ***Uganda Revenue Authority v Rabbo Enterprises (U) Ltd & Anor (Civil Appeal No. 12 of 2004)*** overturned the state of affairs. This matter concerned the recovery of trade goods and commercial trucks that had been seized by the appellant and her agents on the grounds of failure by the respondents to pay tax for tons of cement that had been imported into Uganda. An objection was raised on whether the High Court was an appropriate forum to handle the matter since according to the appellant, the High Court could only hear appeals from the TAT. The Supreme Court held that the unlimited original jurisdiction of the High Court provided for under Article 139 (1) of the Constitution should be exercised subject to other provisions of the Constitution. One such provision envisaged by Article 139 (1) is Article 152 (3) which provides for TAT. In principle, the court ruled that all tax disputes must first be lodged with TAT and only taken before the High Court on appeal.

Is payment of the 30% constitutional or not?

On this point, the Court in Uganda Projects Implementation and Management Centre v URA SC Const. Appeal No. 2 of 2009, (a matter that concerned s.34C(3) of the VAT Act which is textually identical with provisions of s.15 TAT Act), the petitioner objected to the tax body's levying of VAT on the petitioner's community mobilisation and voter education activities, the respondent challenged the objection on a number of grounds including the fact that the petitioner had not paid the requisite 30% of tax it had objected to. In response, the petitioner contended that the provisions imposing payment of a 30% of tax levied prior to objecting to TAT contravened the Constitution. The Constitution Court held that the provision was not in contravention of the Constitution. On appeal, the Supreme Court affirmed the decision of the Constitution Court despite recognising the fact that access to court was one of the fundamental human rights.

However, in Fulex (U) Limited v URA Constitution Petition No. 3 of 2009, the Constitution Court notes that the Supreme Court in its decision above (Uganda Projects Implementation supra), did not fully or adequately address itself to the issue of access to justice as a fundamental right, the denial of which would be unconstitutional. To that effect by majority ruling the Court found that s.15 of the TAT Act is a variant of infringement on the fundamental rights and freedoms enshrined in the Constitution because it had the grave effect of not merely restricting or fettering, but altogether barring or serving as an absolute impediment to access to Courts of justice by an aggrieved person who desires to be accorded the protection of law. Comparing this contradicting judgement with the one held by the Supreme Court, the Constitution Court is quick to allude to the discipline of hierarchical order which ensures that decisions of a higher court bind all courts below that court on the known principle of stare decisis (to abide by or adhere to decided cases).

The implication of this is that the position as held in Uganda Projects Implementation supra, is still good law until the Supreme Court on its own re-considers the matter and adequately addresses the issue of access to justice as a fundamental right and whether the requirement to pay 30% impedes it or not.

Can the 30% be paid in instalments or not?

This aspect was addressed in **Century Bottling Company Limited v Uganda Revenue Authority (Miscellaneous Application No. 32 of 2020).** The brief facts are that the applicant applied to the TAT for the review of a tax assessment. The applicant was required to make a payment of 30% of the tax assessed or the amount not in dispute, whichever is higher. The applicant applied to the Commissioner General to pay the 30% in instalments on the grounds that it did not have the means to pay the tax in whole as a result of the impact of the Coronavirus (COVID-19) restrictions. The applicant hoped that the Commissioner General would exercise the discretion under the Tax Procedures Code Act 2014, to accept payment of taxes in instalments. The Commissioner General instead rejected the taxpayer's application and the taxpayer applied to TAT for review of the Commissioner General's decision.

The TAT in confirming that the Commissioner General's decision was in fact a "tax decision" held that the decision rejecting the application to pay 30% of the tax assessed in instalments was "so outrageous in its defiance of logic that no sensible person who had applied his mind to the question to be decided could have arrived at it". This was based on the reasoning that indeed the Commissioner General had in the past applied this discretion to grant similar requests in times much less precarious than these for which the applicant sought intervention. TAT further guided that the discretion must be exercised reasonably and in good faith without malversation of any kind.

Does the 30% requirement apply to all tax decisions or not?

This has equally remained a very important aspect of s.15 TAT Act. In **Uganda Projects Implementation and Management Centre v URA** supra, the Court held that the provision of the VAT Act requiring prior payment by an aggrieved taxpayer, of the 30% of the tax assessed by URA, before such a taxpayer applies for a review of the tax assessment it challenges, did not apply only where a taxpayer conceded that it was liable to tax assessment but only contested the quantum **BUT** It equally applied to the taxpayer who contended that its activities were not liable to being taxed at all.

However, in Fulex v URA Kenneth Kakuru JJCC seems to give a more persuasive interpretation of this aspect, highlighting a number of instances where the requirement may be considered unconstitutional. He held that s.15 of the TAT Act would only apply where there is an assessed tax for it is on such an amount that the 30% payment would be based. However, where the taxpayer contends that they are exempted from the tax upon which the assessment is based or where a waiver has been obtained or the objector is not a taxpayer in Uganda or where the tax was assessed under a wrong or non-existent law or where the dispute is largely legal or technical or where the issue for determination before TAT does not only relate to the amount of tax payable, then the constitutionality of s.15 would come into question.

The debate on the principle of pay now and argue later shall go on. But as more judgements are delivered, we see more and more clarity drawn on matters that in essence seemed ambiguous. What seems not to have been appreciated by taxpayers is whether payment of a 30% deposit inhibits their access to justice or not. TA

CPA Charles Lutimba,
Director – Standards and Regulation
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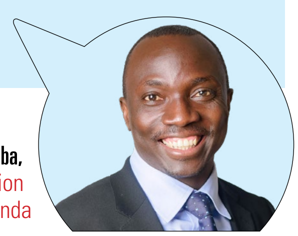


A Comparison of IPSAS and IFRS Reporting

The major focus of this article is to highlight the conceptual differences between financial reporting in the public sector and that in the private sector.

The article provides a look into the specific characteristics of the public sector, who would use financial information in the public sector (which in many cases is people without a finance background including politicians), and what would be the objective and purpose of the financial information in comparison to the private sector.

The rest of the article provides the context in which the International Public Sector Accounting Standards (IPSAS) and International Financial Reporting Standards (IFRS) operate, as well as the general presentation requirements for financial reporting in the public sector, including the different bases on which financial information in the public sector may be prepared as opposed to the private sector.

The Specific Characteristics of the Public Sector

The term Public Sector refers to the central government, local governments, and related government entities, including government ministries, departments, agencies, state-owned enterprises, and local authorities that deliver programmes, goods, and/or services to serve the public good. On the other hand, the private sector comprises business which is owned, managed, and controlled by private individuals or companies.

The main feature that distinguishes organisations in the public sector is the mandate to serve, protect, and promote the public good rather than create shareholder profit. This is their overarching objective - to serve the public good, rather than to make profits and generate a return on equity for investors as is with private sector entities. Public sector entities, therefore, tend to provide goods and services such as education, healthcare, policing, security, and infrastructure. Public sector entities, unlike their counterparts in the private sector, have unique service delivery mandates imposed by laws and regulations.

To be able to achieve their mandates, public sector entities are funded by taxpayers' money, donors, investors, and lenders (local and international).

Budgets play an important role in the public sector as they provide entities with the authority to incur expenditures to deliver on their objective of providing public services. The users of the financial information would be interested to know the actual activities of an entity against what was planned and whether the allocated resources were effectively utilised.

The commonest type of transactions in the public sector (by volume and financial significance) are non-exchange transactions. These are transactions where one party receives value from another party without giving approximately equal value in exchange.

The nature of public sector programmes is long-term and the public sector/government generally has a very long existence. The financial consequences of many decisions in the public sector, therefore, will have an impact on the future, and, therefore, general-purpose financial reports containing prospective financial information on the long-term sustainability of an entity's finances and key programmes are necessary to the public sector for accountability and decision-making purposes.

As opposed to the private sector, the primary reason for holding assets in the public sector is for their service potential rather than their ability to generate cash flows. Public sector entities also incur liabilities related to their service delivery objectives, many of which arise from non-exchange transactions including those related to programmes that operate to deliver social benefits.

Many public sector entities have powers to regulate entities operating in certain sectors of the economy, either directly or through specifically created agencies. The underlying public policy rationale for regulation is to safeguard the public interest in accordance with specified public policy objectives.

Common in the public sector also is that it produces two types of financial reports:

Government Finance Statistics (GFS), which provide information on the general government sector for the purpose of macroeconomic analysis and decision-making.

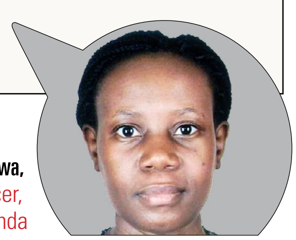
General Purpose Financial Reports (financial information/ statements), which provide information for accountability and decision-making at an entity level, including financial statements for the whole of the government reporting entity.

Financial Reporting in the Public Sector Vs. Financial Reporting in the Private Sector

In comparison with the financial reporting requirements in the private sector, public sector financial reporting requirements reveal a number of differences. Here are some key differences:

Item	Financial Reporting Requirements in the Private Sector	Financial Reporting Requirements in the Public Sector
Reporting Framework	The International Financial Reporting Standards (IFRS) is a set of accounting standards for use by private sector entities in the preparation of financial statements. They are developed and issued by the International Accounting Standards Board (IASB).	The International Public Sector Accounting Standards (IPSAS) are a set of accounting standards developed and issued by the IPSAS Board for use by public sector entities around the world in the preparation of financial statements. They are the public sector equivalent of the IFRS. The accrual IPSAS are based on the IFRS where the requirements of those Standards are applicable to the public sector (have been adapted to a public sector context where appropriate). They also deal with public sector-specific financial reporting issues that are not dealt with in IFRS.

Item	Financial Reporting Requirements in the Private Sector	Financial Reporting Requirements in the Public Sector
Reporting Entities	Private sector entities apply IFRS (the full standard or the IFRS for SMEs).	The IPSAS are designed to apply to public sector entities that meet all the following criteria: (a) Are responsible for the delivery of services to benefit the public and/or to redistribute income and wealth; (b) Mainly finance their activities, directly or indirectly, by means of taxes and/or transfers from other levels of government, social contributions, debt, or fees; (c) Do not have a primary objective to make profits. Government Business Enterprises (GBEs) are excluded because they are trading enterprises. They are in substance no different from entities conducting similar activities in the private sector that operate to make a profit and are therefore required to apply the IFRS. GBEs have all of the following characteristics: (a) have the power to contract in their own name; (b) have been assigned the financial and operational authority to carry on business; (c) sell goods and services, in the normal course of its business, to other entities at a profit or full cost recovery; (d) are not reliant on continuing government funding to be a going concern; and (e) are controlled by a public sector entity.
The objective of financial information	In the private sector, financial reporting aims to support economic decision-making.	Financial reporting in the public sector aims to provide information for both accountability and decision-making purposes. For this reason, they are more comprehensive than financial statements prepared in the private sector. Specifically, public sector entities provide information about: a. Whether the entity provided its services to constituents in an efficient and effective manner; b. The resources currently available for future expenditures, and to what extent there are restrictions or conditions attached to their use; c. The extent to which the burden on future-year taxpayers of paying for current services has changed; and d. Whether the entity's ability to provide services has improved or deteriorated compared with the previous period(s).
Users of financial information	The users of financial information in the private sector are mainly existing and potential investors, creditors, and lenders.	The primary users of financial information in the public sector are the citizens (service recipients), the resource providers and their representatives (including multilateral and bilateral donor agencies, lenders, and corporations that provide resources to and transact with the government), the legislature, and politicians. Other users who may find general-purpose financial reports useful but are not primary users of the information include researchers, data analysts, the media, public interest/lobby groups, audit institutions, and providers of development assistance.
Bases of preparation	Private sector financial statements are generally prepared on an IFRS accruals basis.	IPSAS reporting allows for either the cash basis of accounting OR the accrual basis of accounting. However, you will also find the modified cash basis of accounting which combines the elements of cash and accruals basis.
Presentation requirements	If we consider the private sector and IFRS requirements in IAS 1 Presentation of Financial Statements, apart from terminology differences, IFRS reporting does not require the statement of comparison of budget and actual amounts.	For accruals basis IPSAS, IPSAS *1 Presentation of Financial Statements* requires a statement of comparison of budget and actual amounts where approved budgets are publicly available. The statement of comparison of budget and actual amounts is specific to the public sector. It is a key tool enabling the users of public sector financial information to assess the effectiveness and efficiency with which the public funds and assets entrusted to a public sector entity have been managed.



CPA Lydia Nakabirwa,
Technical Officer,
Institute of Certified Public Accountants of Uganda

E-procurement: The Role of Accountants and Auditors

Procurement means acquisition by purchase, rental, lease, hire purchase, license, tenancy, franchise, or any type of works, services, or supplies or any combination. The procurement process comprises the successive stages in the procurement cycle including planning, choice of procedure, measures to solicit offers from bidders, examination and evaluation of those offers, award of contract, and contract management.

Procurement is a critical function involving a huge outlay of funds in both public and private institutions. If the E-procurement process is effectively implemented, it can result in plenty of benefits to the procuring and disposing entity including but not limited to cost savings, transparency, compliance with applicable laws and regulations, improved price competition, higher levels of supplier participation and significant quality improvements.

Public procurement has undergone several reforms resulting in the need for an electronic procurement system. The E-Procurement system is a web-based system that encompasses the entire procurement process and records all procurement activities. The purpose of the E-Procurement system is to maintain efficient, complete and up-to-date procurement information for all public sector entities in Uganda. It also provides tender opportunities to all potential national and international bidders. Therefore, the E-Procurement system provides procuring and disposal entities (PDEs), bidders and other relevant stakeholders like the Solicitor General, Auditor General, Banks and their branches, E-payment service providers, and other stakeholders with secure access to an integrated range of procurement services.

Accountants and Auditors play a crucial role in the implementation of public finance management reforms and systems. In relation to the implementation of electronic procurement, accountants play the following roles.

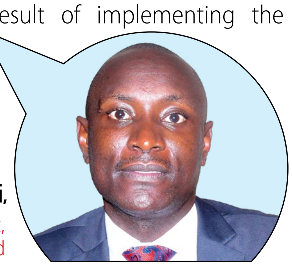
- **Advising User Departments on budgetary allocations.** During procurement planning, accountants should advise the user departments on the amounts allocated for the procurement of works, supplies and services by the procuring and disposing entity. This enables user departments to prepare realistic annual procurement plans for approval by the Contracts Committee.
- **Confirmation of Availability of Funds.** Upon initiation, accountants confirm the availability of funds required for each procurement requirement on behalf of the accounting officers. The amounts required for the procurement of specific works, supplies and services should be aligned to the approved budget of the procuring and disposing entity.
- **Evaluation of Bids.** Accountants may be nominated by the Procurement and Disposal Unit for approval by the Contracts Committee as members of the evaluation committee. During bid evaluation, accountants should advise the evaluation committee on how financial bids can be evaluated to determine the best evaluated bidder for contract award. Evaluation of financial bids involves the determination of the bid price of each bidder, correction of any arithmetic errors, conversion of any bids into a common currency, application of margins of preference and any non-conditional discounts, determination of the total evaluated price of each bid, assigning financial scores, ranking of the bids based on the total evaluated price and determination of the best evaluated bid for contract award.
- **Contracting.** On request of the accounting officer, accountants may review and propose any changes to the financial terms and conditions of the proposed procurement contract to be entered into by the procuring and disposing entity. The major types of procurement contracts include lump sum, framework, admeasurement, time-based, percentage-based, success fee, retainer, target price and cost reimbursable contracts.
- **Contract Management.** After contracting, accountants may be nominated by the Finance Department (User department) for appointment by the accounting officer as contract managers. As contract managers, accountants should prepare contract management plans, monitor the provider's performance, prepare progress reports, ensure that providers, and the procuring and disposing entity fulfill their respective contractual obligations and advise on any proposed contract amendments and terminations.

Internal and external auditors (Office of Auditor General) are part of the institutional framework in both the central and local governments to oversee the implementation of the public procurement reforms through auditing the procurement process. A procurement audit is a formal review of the entire procurement process to assess the efficiency and effectiveness of the procurement function besides the efficacy of the control mechanisms in place, with the overall objective of improving the entire scope of procurement practices.

A procurement audit is an important tool used to ensure that government procurement is functioning as intended and meeting the needs of the public. It can enable a procuring and disposing entity to identify possible issues with the process and system so as to improve transparency and accountability in government spending as well as promote good business practices. Depending on the scope of work to be done, procurement audits should cover the following areas:

- **Solicitation of Bids.** An audit of the solicitation process should focus on the review of the controls related to the identification of the procurement requirements, procurement planning, confirmation of the availability of funds, preparation of specifications and bidding documents, publication of bid opportunities as well as receipt and opening of bids.
- **Technical and Financial Bid Evaluation.** An audit of the bid evaluation process should focus on assessing the suitability of the evaluation criteria that are selected and followed by the evaluation committee during bid evaluation. In addition, evaluation committee reports should be reviewed to assess whether the bids were evaluated in accordance with the approved evaluation criteria.
- **Contract award and contracting.** Auditors should review the minutes of the Contracts Committee to evaluate the suitability of all contract award decisions. In addition, the issued procurement contracts should be reviewed to confirm that the stipulated contractual terms and conditions were appropriate for the procuring and disposing entity.
- **Contract management.** Auditors should review the contract management plans, progress reports, and payment records to assess whether the provider(s) and the procuring and disposing entity fulfilled their respective contractual obligations. In addition, any contract amendments or terminations should be reviewed to confirm their appropriateness.
- **Roles of the different stakeholders.** To evaluate the design and effectiveness of the overall structure and operations of the procuring and disposing entity, Auditors should review relevant documents to determine whether the different stakeholders like user departments, procurement and disposal unit, evaluation committee, contracts committee, accounting officer and contract managers have fulfilled their key roles and responsibilities.

In conclusion, E–procurement is one of the key reforms that has been undertaken by the Government to streamline the procurement processes in both central and local government. Accountants and Auditors should appreciate their respective roles and responsibilities to enhance value creation as a result of implementing the E-procurement system. TA



CPA Samuel Aggrey Mankaati,
Assistant Manager, Internal Audit,
Deposit Protection Fund

Islamic Insurance (Takaful)

Alhaj Kaddunabbi Ibrahim Lubega,
Chief Executive Officer,
Insurance Regulatory
Authority of Uganda

1. Briefly tell us about the Insurance Regulatory Authority of Uganda.

The Insurance Regulatory Authority of Uganda is a government Agency mandated by the law of Parliament to licence, regulate and supervise the Insurance Business in Uganda.

2. What is takaful? How different is it from conventional insurance?

Takaful is insurance based on Islamic principles (Sharia law). The concept revolves around a group of participants mutually guaranteeing each other against loss or damage. Important to note, however, is that Takaful is not for only Muslims, it is for everyone.

Takaful was introduced in Uganda following recent amendments to both the Financial Institutions Act 2004 and the Insurance Act 2017

Both Takaful and conventional insurance guarantee you in the event of unforeseen events, participants make contributions in form of premiums and the insured must have a legitimate financial interest in the risk.

However, Takaful is different from conventional insurance in such a way that Takaful complies with Sharia law which forbids in any financial transaction, elements of unqualified uncertainty, gambling or games of chance and interest while in conventional insurance, the risk is uncertain and the insurer may choose to invest the premium in interest-based business ventures.

Secondly, Takaful is based on shared risk whereas under conventional insurance, the risk is transferred from the insured to the insurer.

It is also important to note that unlike conventional insurance, the participants in Takaful retain an ownership interest in the fund. Worth noting is the fact that contributions from the participants are later invested into Sharia-compliant funds to derive investment income. In the event that the fund generates a surplus, the profits are shared among both the participants and shareholders, hence creating a 'win-win' situation for all participants.

Insurance Regulatory Authority of Uganda

3. According to an article that was published on the IRA website June 14, 2021, the introduction of takaful is expected to widen and deepen the insurance market in Uganda. What has the IRA done to promote takaful so far?

Firstly, we are in advanced stages of finalizing Takaful regulations. These regulations will streamline the operationalisation of Takaful.

We also continue to sensitise sector players about Takaful to make them ready to tap into this new area of insurance. As IRA, we are committed to supporting all efforts aimed at providing Takaful and re-insurance in this country. Public awareness campaigns will commence in earnest once the regulations are passed by the Minister of Finance.

4. Are there any misconceptions that the general public has about takaful?

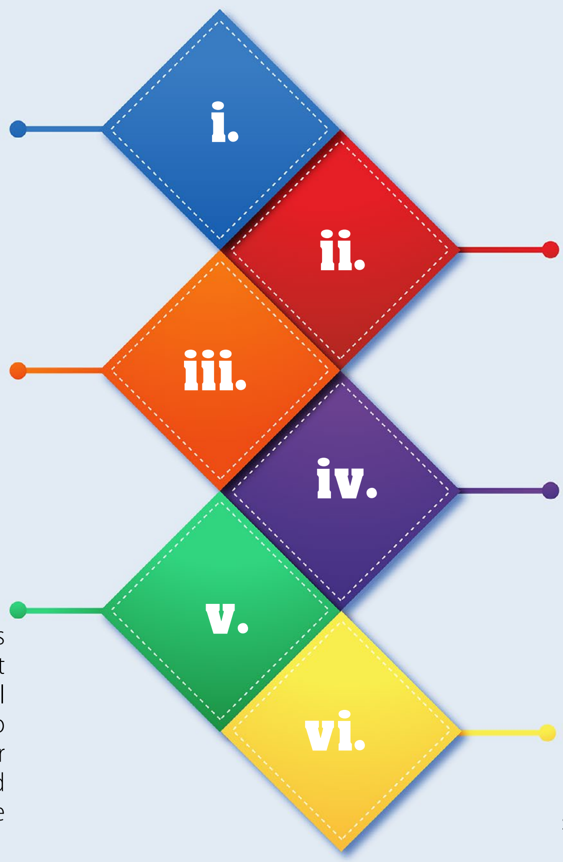
There are not many misconceptions about Islamic insurance but one of the known misconceptions is that it is for only Muslims. The public should know that Takaful is for everyone, whether Muslim or not. It is also socially-responsible, ethical and supports the environment. Thus, the public should know that their investment will not be used in any unethical, socially irresponsible, or environmentally harmful activities.

5. Kindly tell us about the takaful regulatory regime in Uganda.

Like I mentioned earlier, we are in advanced stages of finalizing Takaful regulations, once passed, we shall share them with all industry stakeholders.

6. In your opinion, what opportunities lie ahead for accountants and other professionals in the upcoming takaful industry?

In the takaful industry, there are several opportunities for accountants and other professionals. Some of these opportunities include;



Takaful Accounting: Accountants are vital in ensuring accurate financial reporting and compliance with accounting standards specific to the takaful industry. They play a crucial role in maintaining financial records, performing audits, and managing financial risks. Accountants are thus expected to prepare themselves for this new area of insurance; they should start familiarizing themselves with how it works to be able to effectively tap into this space.

Actuarial Services: Actuaries analyze and evaluate risks and uncertainties in the takaful industry. They help develop pricing mechanisms, undertake risk assessments, and provide expert advice on the financial stability and profitability of takaful products.

Risk Management: Professionals with expertise in risk management can contribute significantly to takaful organizations. They evaluate and manage risks specific to the industry, ensuring effective risk mitigation strategies and regulatory compliance.

Shariah Compliance: Professionals well-versed in Shariah principles and Islamic finance can play a pivotal role in ensuring that takaful operations strictly adhere to Shariah law. They review and approve contracts, investment decisions, and operational activities to ensure compliance.

Product Development: Professionals involved in product development contribute by designing new takaful products and tailoring existing ones to meet market demands. They consider customer needs, market trends, and regulatory requirements to create innovative and competitive offerings.

Underwriting and Claims Management: Underwriters assess risks associated with policyholders and set appropriate prices for insurance coverage. Claims professionals manage the claims process, ensuring fair settlement and adherence to company policies.

These are just a few of the numerous opportunities for accountants and other professionals in the takaful industry. As Islamic finance continues to grow globally, the demand for skilled individuals in this sector is expected to increase.

7. What are IRA's key priorities going forward?

As the Authority, our focus will remain on regulation, supervision, monitoring and control of the insurance sector to ensure a secure, developed and inclusive sector, policyholder protection, risk-based supervision but most of all ramping up of public awareness of the myriad benefits of insurance in times of need.

8. Any other message to the general public?

I invite the public to explore the world of takaful, be it as a participant benefiting from its protective shield or as a professional seeking new career horizons where your skills can truly make a difference.

Alhaj Kaddunabbi Ibrahim Lubega was interviewed by CPA Noor Nakato - ICPAU TA

International Financial Reporting for Non-Profit Organisations – The Latest

The International Financial Reporting for Non-Profit Organisations (IFR4NPO) project is a global initiative to develop the world's first internationally applicable financial reporting guidance for non-profit organisations (NPOs). The project is led by Humentum, a non-profit social enterprise that works to make global development equitable, accountable, and resilient, and CIPFA, the Chartered Institute of Public Finance and Accountancy in the UK.

Over the last 5 decades, we have seen the global impact IFRS and IPSAS have made in financial reporting for the private and public sectors respectively. However, only a few countries have bespoke standards for NPOs. Lack of international non-profit accounting standards contributes to inefficient and duplicative reporting and auditing, as well as inequity in NPO income and financial health. IFR4NPO has been taking significant steps in the development of high-quality, internationally comparable financial reporting for NPOs. The project has the potential to improve the transparency and accountability of NPOs, and to make it easier for NPOs to access funding.

The project was launched in 2019, but here are some highlights of our achievements in the last one year, as well as pointers about what to look out for in the coming months.

Guidance name announced as INPAG

In September 2022, IFR4NPO announced that the name of the Guidance being developed will be International Non-Profit Accounting Guidance (INPAG). INPAG will be stand-alone Guidance so that preparers and auditors can find what they need in one place. Using the IFRS for SMEs Accounting Standard as a starting point, changes are being made to address the prioritised non-profit issues. The work quality, extensive consultation, and rigorous due-process mean that relevant bodies, will be able to adopt INPAG as mandatory. The application of INPAG by specific NPOs will be up to each jurisdiction, but the NPOs we have in mind during the development process are those need to track assets and liabilities and report on a range of transactions and activities to meet the needs of the users of their financial reports. You can watch a video about this here.

Release of first Exposure Draft

On 22 November 2022, the IFR4NPO project announced the release of the International Non-Profit Accounting Guidance, Exposure Draft 1 (INPAG ED1) at the World Congress of Accountants in Mumbai, India. The Exposure Draft, which was the first of three parts, was open for comments until 31 March 2023. It covered four main topics that were important for the framing and context of INPAG:

During this four-month period, we received 368 responses from organisations and individuals in 67 countries. We have made these comments received available on our website. You can visit the link below to see the response from ICPAU as well as other stakeholders around the world. These range from major funders such as the World Bank, Accounting bodies such as ACCA, key regional institutions such as African Union, Auditing & Accounting Board Ethiopia, ICPAK & ICPAR, audit firms including PKF in Kenya, and auditors here in Uganda. We also heard from NPOs such as Mengo Hospital and SoW!se in Rwanda, but would love to hear more of the voices of NPOs and board members – to make sure the proposals are proportionate, relevant, useful and easy to understand.

Launch of Exposure Draft 2 in Uganda:

We are looking forward to launching Exposure Draft 2 in October 2023. It will cover grants and donations income, grants payable, foreign exchange transactions and inventory. Following the launch, there will be free webinars and videos to explain the proposals, and plans for a regional consultation event are underway. Please plan to engage with the proposals and share your feedback.

Appointment of New Steering Group Chair

As the project continues to evolve, we have taken steps to strengthen the IFR4NPO governance structure, as look to the INPAG launch date in 2025 and beyond. This includes the recent appointment of Kris Peach as the new Steering Group Chair of IFR4NPO. As the former chair and CEO of the Australian Accounting Standards Board, she has extensive knowledge of national and international financial reporting and accounting standard setting.

Route to harmonization of donor – reporting formats?

INPAG is focused on providing guidance in relation to general-purpose financial statements. But NPOs have consistently expressed the wish for IFR4NPO to leverage this work to drive harmonization in special-purpose reporting. In September 2022, the project convened a working group to explore options for a standard format 'Supplementary Statement' that would cover specified activities such as for a particular grant or project. The draft proposals have been presented to the Donor Reference Group (DRG), the Practitioner Advisory Group (PAG) and the Technical Advisory Group (TAG). They were broadly well received, but there are still a number of challenges to address and we expect to publish proposals on this with Exposure Draft 3 in November 2024, so watch this space!

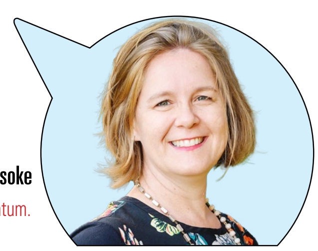
Engagement of stakeholders in Uganda

Out of the 8,000+ individuals on the project mailing list from 169 countries, a mighty 600+ are in Uganda. Seven of the 67 written responses received to ED1 were from stakeholders in Uganda. And many of you also shared your views in the ICPAU survey as well as the IFR4NPO surveys. Thank you! CPA Kenneth Makanga from BDO Uganda was appointed by the Forum of Firms to sit on the Practitioner Advisory Group, where his input is key. And we greatly appreciate the support of Charles Lutimba, ICPAU Manager Standards and Technical Support, who serves as the Project Country Champion. His active involvement has been invaluable in engaging relevant stakeholders and increasing awareness of the project in Uganda. He would be happy to hear from you in case you have any questions or comments.

This article briefly summarises updates from IFR4NPO. If you would like to keep in touch with other updates, please follow us on LinkedIn, Twitter and YouTube to stay connected. You can also subscribe to our email updates using this link.

Bio if needed: Samantha Musoke - IFR4NPO TA

CPA Samantha Musoke
IFR4NPO Project Director, Humentum.



IFRS 17 implementation: Experiences for a smooth set off

IFRS 17 is the latest global accounting standard that regulates how insurance contracts should be reported, measured, and presented in financial statements. The new standard comes with significant changes, including redefining how insurance liabilities are measured, introducing of discount rates, and recognising the income associated with the insurance contract over its entire life cycle. The implementation of IFRS 17 is expected to have far-reaching effects on the insurance industry's operations, finance, and IT systems.

When I was requested to share my experiences as to the implementation of this new standard, I must admit to having been thrown into deep thought as to what practical experiences I have had while concurrently feeling the anxiety of inadequacy because of the new lessons/knowledge components I continue to pick up every day working through the transition packs. As an accounting professional, you must ready yourself to be a reliable reference to the interpretation of the impact of the standard. This responsibility is heightened if you head a finance or actuarial function with a direct need for managing stakeholder relationships such as those with the company Boards of Directors, regulatory, and the tax authority.

There will be broad approaches to the implementation of the standard, but it is helpful to approach the implementation in a project mode with clear milestones defined which include but are not limited to defining and classifying contract groups, a critical first step in implementing IFRS 17, setting up actuarial systems to meet the new standard's requirements. Additionally, companies may have to develop new methodologies and techniques to calculate and manage insurance contracts' financial performance over their life cycles. The establishment of cross-functional teams working to ensure that the implementation process is successful due to the far-reaching implications of the standards is key.

Enablers

Several factors facilitate a smooth rollout of IFRS 17 for insurers.

Investment in new technology, including actuarial software and automated financial reporting tools. These tools enable insurers to perform the complex calculations necessary for IFRS 17 compliance accurately and efficiently.

Furthermore, companies may want to seek external training and expertise from consultants to supplement their in-house expertise. This will enable many firms to stay on track and deliver high-quality results. Training cannot be emphasised enough. This should not be limited to the accountants/finance functions but should be extended to all company functions and those charged with governance to facilitate reasonable oversight.

The other major enabler is the **implementation of agile methodologies** by insurers. By adopting agile frameworks, companies will be able to deliver solutions iteratively, which allows them to manage project risks, rework, and change requests. Additionally, agile methodologies will allow companies to respond quickly to the evolving requirements of IFRS 17.

Lastly, **senior management's involvement** in the implementation process plays a critical role in ensuring that insurance providers deliver on their IFRS 17 obligations. Executive leaders must communicate effectively with implementation teams, suppliers, and other key stakeholders throughout the process. This allows them to stay updated on progress regularly and provide direction when required.

Challenges

The IFRS 17 implementation process will not be without its challenges. One significant challenge is the high costs associated. Companies have to spend significant amounts of money on new tools, technology, and consulting fees to ensure compliance with the new standards.

Secondly, you will not be in isolation if you encounter significant challenges in redefining the contract groups. The complexity of IFRS 17's requirements regarding contract grouping means that several companies will struggle in this area. This aspect of the implementation process may be worsened by more complicated IT systems that were not designed to support IFRS 17's requirements.

Thirdly, the implementation of IFRS 17 has required substantial changes to actuarial models and other financial systems. This has posed some significant challenges for many companies, particularly those with complex IT systems. Thus, the process required significant investments in time, technical resources, and financial capital.

There are significant data management challenges as one works to incorporate massive amounts of data from various sources, including actuarial data and financial data. The new processes and technologies required to manage this data require significant effort and resources to implement adequately.

Other aspects

The implementation of IFRS 17 has made it clear that ensuring disclosure and transparency in financial statement reports is crucial. With the adoption of the new standard, it will be much easier to understand the liabilities and financial performance of insurance companies.

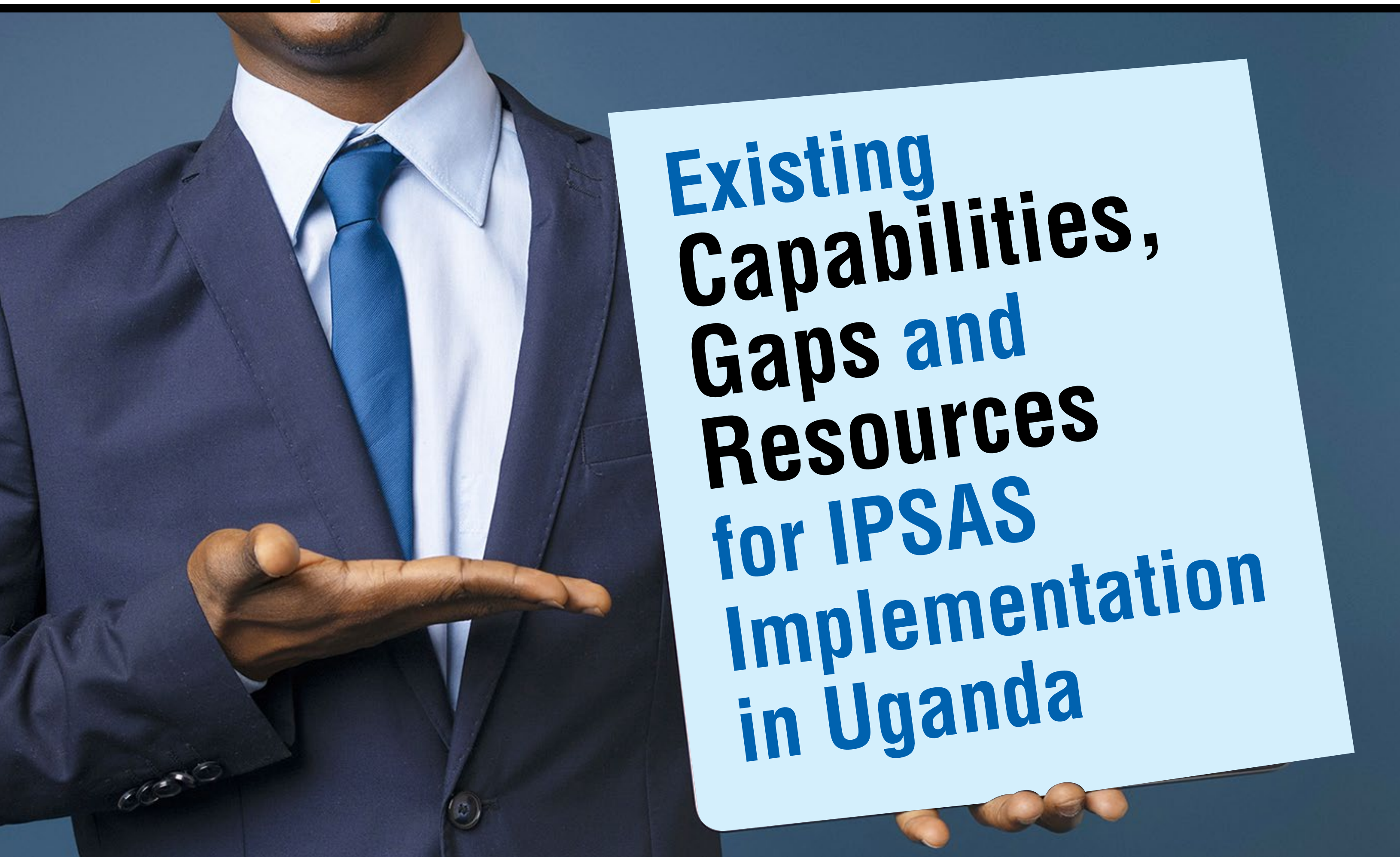
It is expected that the new standard has increased transparency and comparability among companies. This means that investors will be able to compare and evaluate the financial performance of companies much better, and analysts will be able to create better benchmarks.

In conclusion, implementing IFRS 17 has been and continues to be a monumental task for insurers, with many companies encountering significant challenges along the way.

If you are handling an IFRS 17 implementation project or are part of the project team, my advice is that you ask questions. It also gets easier when the results start to trickle in. Besides, IFRS 17 implementation challenges may be comparable to the sorrows Frida Kahlo tried to drown only for them to learn how to swim. It is upon us, accountants with actuarial counterparts, to focus on the positives after a successful implementation. The adoption of new technologies and methodologies will ultimately improve the transparency and comparability of financial reports in the insurance industry and boost investor confidence.

With the right investments in technology, workforce, and appropriate methodologies, insurers should be able to achieve a successful and efficient rollout of IFRS 17, with benefits for the companies themselves, regulators, and the wider economy. TA

CPA Arnold M Ainebyona,
Chief Financial Officer,
Sanlam Life Uganda Limited



Existing Capabilities, Gaps and Resources for IPSAS Implementation in Uganda

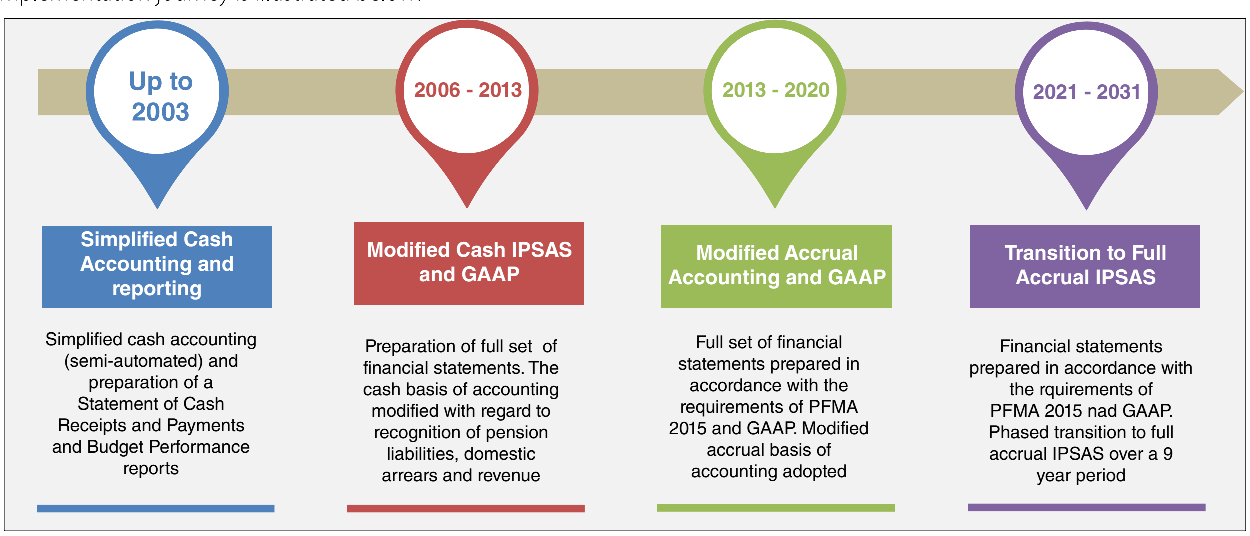
What are International Public Sector Accounting Standards (IPSAS)?

International Public Sector Accounting Standards (IPSAS) are a set of independently produced financial reporting standards:

- Designed to apply to public sector entities for the preparation of general-purpose financial statements.
- Based on International Financial Reporting Standards (IFRS) developed for private sector profit-making organisations, which are amended to reflect public sector-specific financial reporting issues.

IPSAS are intended to generate more comparable financial information across national boundaries and minimise differences in countries' domestic Generally Accepted Accounting Principles (GAAPs).

IPSAS adoption is rapidly increasing around the world. Although ICPAU reports that all IPSAS have been adopted without modifications, the Government of Uganda (GoU) currently operates a modified accrual basis of accounting as a transition towards accrual IPSAS. GoU's IPSAS implementation journey is illustrated below:



Source: Accountant General's Office's Presentation at 1st Annual PFM Conference, 2023

The rationale for the transition to accrual IPSAS is the need to achieve a comprehensive presentation of the GoU's fiscal position and performance that informs policy formulation for economic transformation and service delivery. The decision to adopt IPSAS means changing the accounting basis that the government is currently using from 'modified accrual' to 'full accrual.' This transition is an important step forward, as it will ensure that the GoU's financial information is in line with international best practices.

As part of this process, the GoU must assess its existing capabilities, capacity gaps, and resources that are needed to successfully implement IPSAS.

What are the Existing Capabilities?

Looking into the existing capabilities that the GoU can leverage to support the implementation of IPSAS, Uganda has made significant progress. For instance:

1. Governance arrangements for transition to accrual IPSAS. The government has established a National Steering Committee to coordinate and guide the implementation process. The Ministry of Finance, Planning and Economic Development (MoFPED) hopes to formalise this structure and membership including the definition of roles and responsibilities, and also the set-up of a dedicated project team by 30 June this year.

2. Accrual IPSAS Transition Roadmap. The MoFPED has finalised the accrual IPSAS transition roadmap, an IPSAS implementation plan, which outlines the steps necessary to successfully implement IPSAS. This roadmap is hoped to be implemented in a progressive phased manner over a period of 9 years (FY 2023/2024 – FY 2031/2032), and the 1st phase is hoped to be completed in FY 2025/26, seeing critical accrual IPSAS provisions being implemented.

3. Financial Reporting Reforms. Several reforms have been put in place, including a new unified Government Finance Statistics (GFS) compliant Chart of Accounts (for budgeting, accounting, and reporting) which fully supports the implementation of accrual IPSAS and the National Development Plan (NDP) III programme budgeting approach; PFM Systems upgrade to support all accrual IPSAS requirements; establishment of an Asset Management Department; a comprehensive plan for fixing the assets data gaps; and the introduction of the e-Government procurement to streamline government procurement processes.

4. Formation of the Public Sector Accountancy Working Group (PSAWG). The PSAWG established to provide strategic guidance and advisory to the PFM reform implementation process, comprises five (5) offices; the Institute of Certified Public Accountants of Uganda (ICPAU), the Office of the Auditor General, the Accountant General's Office, the Internal Auditor General's Office, and the Local Government Finance Commission.

5. Pool of finance professionals in the public sector. Over the years, the stock of qualified accountants in government service has increased. This includes accountants across all levels of government; Central government, public sector agencies, commissions, as well as Local governments. Currently, this number is estimated to be about 1,015 qualified accountants.

6. A Professional Accountancy Organisation, the Institute of Certified Public Accountants of Uganda. ICPAU is actively supporting PFM activities and the IPSAS adoption roadmap. ICPAU organises training programmes for public sector personnel in various PFM disciplines and IPSAS and believes there should be a well-structured training programme for all public sector personnel to support the IPSAS adoption process. ICPAU has engaged and continues to engage other public sector players, regulatory bodies, inter-governmental organisations, and other stakeholders on the key issues and requirements that need to be addressed before the adoption of IPSAS.

Capacity Gaps and Resource Requirements

Although the GoU already possesses a number of competencies, a review of the existing systems, processes, and resources available reveals that it also has capacity gaps that must be filled.

To properly deploy IPSAS, GoU must evaluate its current capabilities and capacity gaps. It is crucial to assess the present level of competence, resources, and knowledge, taking into account any resources or assistance needed to fill up any identified gaps. In comparison with the IPSAS requirements, a review of Uganda's current status revealed a number of gaps and resource requirements as illustrated in the table below:

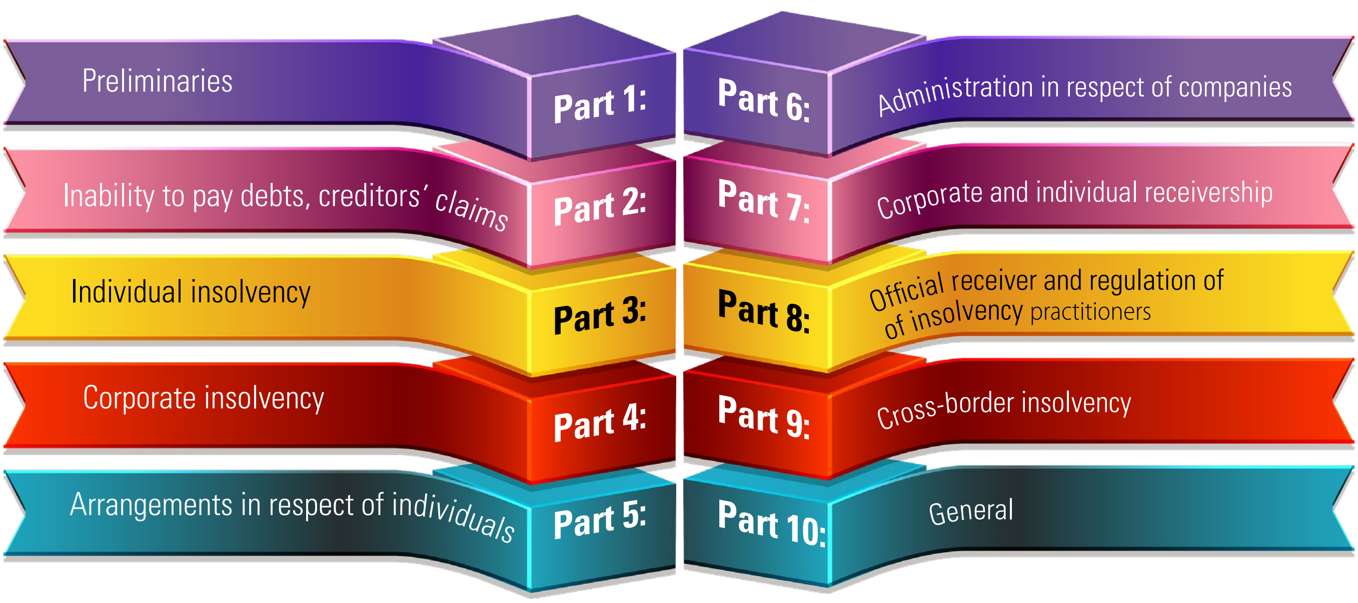
Item	**Gap(s)**	**Requirement(s)**
Policies	Lack of legal backing and policy support for accrual IPSAS in the PFM Legal Framework.	Amendment of the Public Finance Management Act 2015 to incorporate accrual IPSAS in national and institutional policies. Government should make a pronouncement in the national laws and other policy guidelines that it has adopted the IPSAS accrual-based framework.
Processes	A lack of detailed IPSAS-compliant procedures and financial-related processes.	Significant changes in the existing accounting processes and procedures will be required in order to capture new information, particularly on assets and liabilities. Increased complexity of financial reporting and disclosure will imply that existing Financial Regulations and Rules will need to change. Additionally, there is a need for more research and analysis to ensure that IPSAS is implemented in a way that is consistent with the government's goals and objectives.
Funding	Availability of the required financial resources for the transition to accrual IPSAS – the total resources available to the government to cope with increased reporting requirements and transparency.	This will require: • Funding commitment from GoU - secure inclusion of accrual IPSAS Project budget in the national budget. • Engagements with Development Partners (including the World Bank-funded project to support the implementation of accrual IPSAS).
Systems	Inadequate capacity of current Information Systems and IT infrastructure to support accruals implementation	In order to support IPSAS information needs, Information systems and IT infrastructure will need to be either replaced or upgraded: • Requirement for additional resources, such as software and IT infrastructure to support the deployment of IPSAS. • Develop an accounting manual that will integrate the basic requirements of the IPSAS and the treatment of certain unique transactions in line with the IPSAS.
Data	Data gaps – availability and quality of data.	Requirement for collection and verification of data for purposes of the information required in the implementation of accrual IPSAS.
People	Human Resource Capacity and Skills gaps - in new business and accounting processes and procedures.	A dedicated staff is necessary for the implementation of accrual IPSAS. Building the capacity of the staff within the public sector to implement this change becomes an even greater challenge when we take into consideration the geographical dispersion of most of the entities. Staff will be involved in learning about the new information needs and system changes as well as the implications and significance of the information reported: • Requirement for more knowledgeable staff to oversee the application of IPSAS. Getting the right skills for accruals implementation requires building internal capacity within the public sector and developing a training programme so that they can 'grow their own' rather than relying on the marketplace to supply sufficient talent. • Continuous training and skills development will be required so that a critical number of professionally qualified staff are available to support and sustain IPSAS adoption. • Pay reforms - develop remuneration packages sufficient to attract and retain professionals with the necessary skills, knowledge, and experience.
Engagement and communication	• Inadequate political support to sustain the implementation of the reforms. • Change management and communication strategy	• There is a requirement for strong political commitment to the implementation of IPSAS - the need for the 'buy-in' of political leadership as high-level champions for the changes. This commitment will need to be expressed through the adoption of legal frameworks and other measures to support the implementation process. • Stakeholders (citizens, donors, funders, service users, civil society groups, and other groups) need to be engaged in the process of accruals implementation. Communication is key to keeping everyone informed as to the status of the project.

Source: Accountant General's Office's Presentation at 1st Annual PFM Conference, 2023

Implementing IPSAS necessitates a careful analysis of current capabilities, capacity gaps, and the resources required to close those gaps. Significant investment in capacity building, financial resources, fostering harmonious collaboration among various stakeholders, and political commitment will be needed for GoU to implement IPSAS successfully. If these issues are resolved, GoU will be in a good position to successfully implement IPSAS and reap the benefits of this important step forward. TA

CPA Lydia Nankabirwa,
Technical Officer
Institute of Certified Public Accountants of Uganda

Insolvency in Uganda is governed by the Insolvency Act, 2011 which has 10 parts arranged as follows:



In addition, there are Insolvency Regulations, 2013 which provide detailed regulations on how to apply the requirements of the Insolvency Act, 2011. These regulations include standard forms that Insolvency Practitioners (IPs) can simply copy and adopt as they undertake their duties. It will be noted that some of the forms involve numbers and figures, for example, Form 7&20 (Statement of Affairs), and Form 26 (Statement of Account), among others. Therefore, it is not surprising that accountants are qualified to be IPs and indeed the number of Certified Public Accountants (CPAs) being licensed as IPs has been steadily growing in the last decade.

An Official Receiver is appointed by the Minister responsible for Justice and Constitutional Affairs in terms of Section 198 of the Insolvency Act. The Official Receiver has the following powers and functions:

i. Investigate the directors, shareholders, contributories and all present and past officers of an insolvent company or of a company which is wound up or liquidated, for the purpose of establishing any fraud or impropriety;

ii. Investigate the promotion, formation, failure and conduct of the business of an insolvent company;

iii. Prosecute any person for offences committed under this Act or discovered to have a case to answer as a result of investigations carried out;

iv. Investigate the conduct of insolvency practitioners and prosecute them for any offences committed;

v. Act during a vacancy in the office of an insolvency practitioner; and

vi. Take all necessary steps and actions considered fit by the official receiver to fulfil the provisions of the Insolvency Act.

The Official Receiver also licenses Insolvency Practitioners (IPs) in Uganda. An IP is any licensed person who acts as a receiver, a provisional administrator, an administrator, a provisional liquidator, a liquidator, a proposed supervisor of a voluntary arrangement, a supervisor of a voluntary arrangement or a trustee in bankruptcy. The following persons qualify to be an IP; an accountant, a lawyer or a chartered secretary and these persons must be registered members of the relevant professional body or registered members of any other professional body as the Minister may prescribe.

In the case of the accountants who are IPs, these are registered members of the Institute of Certified Public Accountants of Uganda (ICPAU). In their application to become an IP, the accountant must attach their valid ICPAU certificate of practice and other required documents as stipulated by the Uganda Registration Services Bureau (URSB). On the URSB website (https://ursb.go.ug/), one can visit the section for Insolvency and Receivership to access plenty of guidance and information. For example, one will be able to download an application form for registration as an IP, the requirements and the fees are affordable at UGX150,000 paid through the bank. There are also standard forms that the IP can download and use, for example, the annual return for IPs, the notice of appointment of an IP and so on.

As at the end of April 2023, there were 53 persons licensed by the Official Receiver to act as IPs in Uganda. This list is public and can be viewed at https://agents.ursb.go.ug/search/rm_insolvencypractitioners_list.php

Out of the 53 persons, 9 were CPAs and their names, email addresses, and physical addresses are available for the public to note and contact them. The other 44 persons were lawyers, which means that the public still considers the lawyers as the first point of contact since insolvency and receivership often arise from some form of legal matter. For example, a bank (a creditor) may petition Court to place a borrower (a debtor) under receivership due to failure to settle the loan on time, despite repeated restructuring and reminders. Despite the fact that CPAs appear to have a small fraction of the insolvency business, there are instances where the licensed law firm uses a licensed CPA firm to undertake specific agreed-upon procedures. Having noticed that CPAs and lawyers can be a formidable collaboration, the Insolvency and Business Restructuring Association of Uganda (IBRAU) was launched in 2018. It is hoped that IBRAU will become more prominent to the public in the coming years, especially since many businesses and individuals continue to struggle to settle their debts on time following the after-effects of the Coronavirus pandemic that led to a 2-year lockdown of domestic and international businesses.

In Today's Accountant magazine, the authors have pledged to continue publishing series touching on Insolvency in Uganda with the view of educating ICPAU members and students. The new world trend places preference on business restructuring to resuscitate the business rather than rush to liquidate it and bury it altogether. TA

CPA Dr Albert Richards Otete,
Research Partner,
J. Samuel Richards & Associates, Certified Public Accountants

Provision of Talent-Based University Education as a Solution to Graduate Unemployment in Uganda

Corporate competition for talented employees has been intensifying globally since the early 1990s when the war for talent began in the business world. The intensification is due to the rising recognition that talented employees are high-performers and are, therefore, a strategic resource sought by every company to achieve superior performance and a competitive edge in the market. Higher education is expected to prepare such employees prior to their recruitment by any business company. This expectation is, however, sharply contrasted by the situation on the ground. As Muyia and colleagues (2018, p.500) observe, instead of the competing companies rushing to universities to attract and recruit talented employees from the produced graduates, many of them have made a strategic paradigm shift from 'the war for talent' to 'the war to develop talent'. This shift has caused a challenge to many universities and countries where they operate.

Research by the World Bank (2022) has shown that many countries are grappling with the challenge of growing graduate unemployment – defined by Bai (2006) as a situation in which higher education graduates are unable to find or create jobs that make them optimally productive. According to the International Labour Organisation [ILO] (2022), unemployed graduates are 30% of the 73 million youths (15-24 years) who are jobless globally. The ILO (2020) indicates that most of these graduates (80%) are in developing countries. The Organization for Economic Cooperation and Development (2022) shows that graduate unemployment is highest in Africa, especially among the youth aged 22-30 years and holding at least a bachelor's degree.

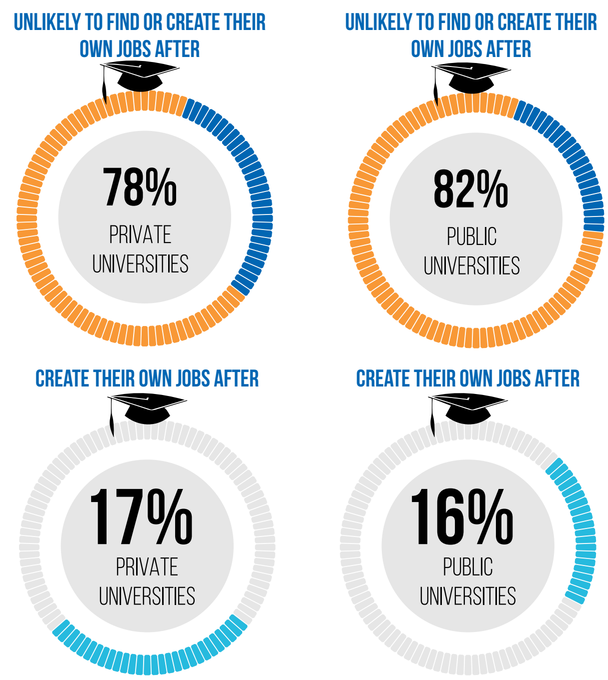
Graduate unemployment is more pronounced in Uganda where the number of higher education institutions has been increasing over the years from only one university – Makerere University – that started in 1922 to 300 institutions of higher learning, including 53 universities of which 11 are public and 44 are private as per the National Council for Higher Education (2022). The same source indicates that these institutions have increased the number of higher education graduates produced per year from less than 5,000 in 1992 to over 400,000 including 78,300 who graduate from universities per year by 2020. This steady increase has caused escalating graduate unemployment because it has not occurred in tandem with a corresponding rise in job creation in Uganda.

Consequently, Uganda is facing a critical dilemma in which its impressive annual growth in the number of university graduates is sharply counteracted by a high and rising rate of graduate unemployment. This dilemma is evident in the observation that graduate unemployment has been as high as 83% over the last two decades. This consistently high graduate unemployment implies that those sponsoring most of Uganda's graduates right from kindergarten through primary and secondary to university realise no return on investment. No parent or country would like to make such unproductive investment. As Psacharopoulos and Patrinos (2018) explained based on the human capital theory, investment in education is not for its own sake. Education is expected to yield economic and social returns to both the students who graduate from it and their sponsors. Graduate unemployment becomes even more challenging when it disappoints graduates to the extent of compelling them to resort to drug abuse and crime as a way of spending the too much redundant time available to them, or engage in political violence as a means of venting their frustration.

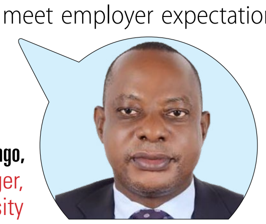
Research by Bagonza and colleagues (2021) attributes Uganda's graduate unemployment to most of the graduates' lack of employable skills. To Nabayego and Itaaga (2014), it is caused by the graduates' inability to create their own jobs. Studies such as Howaniec and colleagues (2022) indicate that these two causes tend to result from university education, which is not talent-based. Could this be the case with the education provided by Uganda's universities? A cross-sectional survey was conducted to answer this question by investigating the extent to which Uganda's universities provide talent-based education and how this extent relates with the likely unemployment of produced graduates. Questionnaire data was collected from 370 respondents randomly selected from 10 universities of which five were public and five private, with 12 lecturers and 25 students selected from each university.

Findings indicate that 77% of private- and 78% of public university lecturers showed that their institutions did not provide talent-based education. This same view was expressed by 79% of private- and 84% of public university students. Only 11% of both universities' lecturers, 17% of private- and 13% of public-university students opposed this view. Lecturers who took a neutral stand were 12% in private and 10% in public universities while the students were 5% and 3%, respectively. These results reveal that to most of the selected lecturers and students, Uganda's public and private universities do not provide talent-based education to the majority of their learners.

The results showed further that students who felt that they were unlikely to find or create their own jobs after graduation were 78% in private universities and 82% in public universities. Only 17% of the students in private universities and 16% of those in public universities were optimistic to find or create a job after graduation. These results were linearly regressed against those obtained from students about provision of talent-based education. This analysis revealed that from the students' point of view and at a 0.05 level of significance, the provision of talent-based education negatively predicts graduate unemployment by a significant 21% in private universities and 44% in public universities in Uganda. These predictions suggest that increasing the provision of talent-based university education reduces graduate unemployment significantly.



Accordingly, the results reveal that Uganda's public and private universities can significantly decrease unemployment facing their graduates by delivering talent-based education. It is therefore recommended that these universities' management should increase the delivery of such education by formulating and implementing talent-based curricular and extracurricular policies and programmes using learning tasks and activities that nurture talents, which enable students to create their own jobs or meet employer expectations after graduation. TA



CPA Paul Mark Kayongo,
Finance Manager,
Ndejje University

ESG: REPORTING AS BRAND STORYTELLING

Prior to colonisation, Uganda, like many other African countries, had a very rich tradition of storytelling – an effective means of sharing and transferring cultural knowledge and assisting with the moral upbringing of young people. In the late 1980s, back in the times, the richness of Ugandan oral tradition in general and of storytelling in the vernacular was a gem that on a daily basis climaxed our day as young people. Assembling at a well-lit bonfire, with smouldering bits of wood and a soothing breeze; our auntie would approach the gathering with a book in hand. Anxious but alert on what our next chapter would be, the storytelling would begin.

The themes and intentions of the books would vary, ranging from the need to learn; to amuse and entertain ourselves, but also to 'develop speaking and listening skills and to learn the beliefs, values, and acceptable social behaviour of our communities. It did not matter whether the storyline was drawn from 'Omuzimu gwa kasooba,' 'Zinunula omunaku' (all by Kawere Edward) or Mbayiwa' (by Walabyeki Magoba) among others. Storytelling played an important and valuable role in our everyday existence. While the typical African storytelling at family units seems to be disappearing with the advent of modernisation, storytelling is now getting subsumed within the corporate world as a mechanism for strengthening corporate brands.

Corporate storytelling entails taking the facts and figures of normal organisation communication and tying them together with a relatable narrative that contextualizes the events that give meaning to the organisation mission, undoubtedly, brand storytelling is a key tenent for corporate storytelling. Organisations are now faced with a multi-disciplinary stakeholdership, each with its own expectations. As such, prudent organisations have come up with brand storytelling as one of the revolutionary marketing and or outreach strategies.

Zain Jaffer, in an attempt to distinguish corporate communications from storytelling, notes that; while the former belongs to the realm of practicality and objectivity, the latter belongs to the realm of emotion and persuasion. He is, however, quick to say that, this distinction is a false dichotomy. Corporate communications and storytelling should go hand in hand to properly elevate an organisation's message and inspire others.

Great stories survive for thousands of years and touch millions and millions of lives. For stories to be great the 'art of storytelling' is paramount. However, the art of storytelling is something that may not be common to everyone. This same principle is relevant in brand storytelling. While an organisation may have a lot to share with its targeted audience, what to say, how much to say and how to say it, will make a profound difference in how the organisation's brand is perceived.

- For effective brand storytelling, the key building blocks are that; the narrative should be authentic – emphasizing facts intended to be emphasised
- There should be a logical flow of events that is understood by the intended audience, the language used should deliberately decipher the organisations's brand story as a whole, mixed with infographics
- The narrative should not be overly optimistic, challenges and obstacles may be discussed somehow and

- The message should carry a robust character and purpose with clear Insights and realizations of the organisation's purpose.

The 12th edition of the Financial Reporting (FiRe) Awards organised by the Institute of Certified Public Accountants of Uganda (ICPAU), Uganda Securities Exchange (USE), Capital Markets Authority (CMA) and the New vision (as the media sponsor) is running on the theme; ESG: Reporting as brand storytelling.

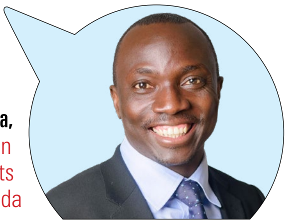
The theme is intended to offer an opportunity to all participating organisations to story tell their journey within their annual reports as a way of brand growth and awareness. The choice of the theme for 5 years in a row was deliberate and aimed at re-sounding the growing significance for organisations to tackle Environmental, Social and Governance (ESG) issues as a way of improving their reputation and performance but also reviving the greater good and transparency of their activities.

Aspects of sustainable finance, sustainable supply chains, organisations' social concerns (including workforce diversity) and governance, are increasingly becoming embedded within organisations' consciousness, thereby driving investment analysis processes and decision-making generally.

With the FiRe Awards, participating organisations stand a chance to have their annual reports reviewed for appropriateness and the extent to which reporting on ESG arguments the organisation brand. We particularly envisage the annual reports to demonstrate management of risks and opportunities related to ESG by showcasing:

- **Environment -** organisations' climate practices and policies aiming at managing greenhouse gas emissions, carbon footprints, deforestation, biodiversity, climate change and pollution mitigation, waste management and natural resource conservation etc;
- **Social -** social efforts to internal stakeholders and the wider community, in particular, wages and benefits, workplace and board diversity, racial justice, human rights, talent management, community relations, privacy and data protection, health and safety, supply-chain management and other human capital and social justice issues and
- **Governance -** governance relations of the environment and social aspects above, but in particular leadership accountability, ethics and transparency for sustainable compliance. Appreciation of how leadership's incentives are aligned with stakeholder expectations and what types of internal controls exist to promote ethics, transparency and accountability on the part of leadership is paramount.

Like a typical bonfire engagement, brand storytelling can be used as a mechanism for an organisation to communicate its brand story. With the growing value attached to ESG, such as improving brand reputation, the extent to which an organisation can judge the growth of its brand equity, is by assessing how far the organisation tells its story. This story can be told within the organisation's annual report, and this annual report can be evaluated and feedback shared free of charge by participating in the FiRe Awards. I encourage organisations to take part in the 2023 ICPAU FiRe Awards. TA



CPA Charles Lutimba,
Director – Standards and Regulation
Institute of Certified Public Accountants of Uganda

PFM ANNUAL CONFERENCE

WHAT:
Public Finance Management Annual Conference

WHEN:
18– 20 April 2023

WHERE:
Imperial Resort Beach Hotel, Entebbe, and Online

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1. (L-R) CPA Derick Nkajja CEO ICPAU, CPA Constant Othieno Mayende 9th president ICPAU, Hon. Henry Ariganyira Musasizi, Minister of State for Ministry of Finance Planning and Economic Development, Mr. Patrick Ocailap secretary to the Treasury MoFPED.
2. CPA Dr. Fixon Akonya Okonye, Internal Auditor General, Ministry of Finance, Planning and Economic Development.
3. CPA Lawrence Semakula, Accountant General, Ministry of Finance, Planning and Economic Development.
4. The Keynote speaker, Mr. Patrick Ocailap (3rd left seated), Hon. Henry Ariganyira Musasizi (Centre), CPA Lawrence Semakula (2nd right standing), CPA Fixon Akonya Okonye (3rd left standing), CPA David OpiOkello ICPAU's 2nd President (2nd left seated) and ICPAU officials.

4

1. Participants at the Public Finance Management Annual Conference.
2. CPA Sandra Batte a member of the Events Management Committee (right) handing a certificate of recognition to a representative from the National Agricultural Advisory Services (NAADs) as one of the Conference partners.
3. Some ICPAU staff at the conference. Standing (3rd row, 2nd left) is CPA Simon Oola, Director Corporate Services.
4. Afrigo Band entertaining participants at the conference.

CPA ECONOMIC FORUM

WHAT:

11th CPA Economic Forum

WHEN:

19-21 July 2023

WHERE:

Imperial Resort Beach Hotel, Entebbe, and Online

1. (L-R) In-house MC, CPA Diana Kisaka with Ms. Sheila Kawamara-Mishambi, Executive Director, the Eastern African Sub-regional support Initiative for the Advancement of Women (EASSI) and Mr. Ndebesa Mwambutsya, History and Development Studies Lecturer.
2. CPA Diana Kisaka (left) handing a souvenir to Ms. Sheila Kawamara-Mishambi, Executive Director EASSI.
3. Participants at the 11th CPA Economic Forum

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1. (L-R) In-house MC CPA Nancy Amuge Owino, Manager-Finance, Uganda Civil Aviation Authority with Mrs. Rosemary Kobutagi, Commissioner, Ministry of Tourism, Wildlife and Antiquities and Mr. Eddy Kirya, Managing Director, Eyalama Adventures.
2. Mrs. Rosemary Kobutagi, delivering a presentation on Hospitality, Tourism Management and Marketing.
3. ICPAU President CPA Josephine Okui Ossiya (middle), Vice President CPA Ronald Mutumba (4th right) with the partners of the 11th CPA Economic Forum

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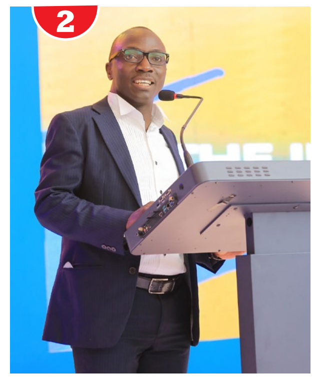
C-SUITE FORUM

WHAT:
C-SUITE Forum

WHEN:
13 July 2023

WHERE:
Sheraton Kampala Hotel



1. CPA Derick Nkajja, CEO ICPAU giving welcome remarks at the Forum
2. CPA Charles Lutimba was the Master of Ceremonies.
3. PAFA President CPA Keto Kayemba addressing participants at the Forum.
4. CPA Paul Mark Kayongo of Ndejje University with a participant at the Forum.
5. Chairperson of the Events Management Committee, CPA David Bunnya Sserebe and EMC member, CPA Joselyne Nakasi at the Forum.
6. (L-R) CPA Derick Nkajja CEO ICPAU, CPA Ronald Mutumba, Vice President ICPAU and CPA Constant Othieno Mayende 9th President, ICPAU.

1. PAFA President CPA Keto Kayemba (5th left seated) ICPAU Vice President CPA Ronald Mutumba (centre) CPA Constant Othieno Mayende (3rd right seated), and CPA Selestino Babungi, with some of the C-Suite participants.
2. (L-R) Council member, CPA Timothy Ediomu and CPA Keto Kayemba, PAFA President.
3. CPA Ronald Mutumba, ICPAU Vice President giving opening remarks at the C-Suite Forum
4. Former Council member, CPA Geoffrey Byamugisha, during an interactive session at the Forum.
5. CPA Celestino Babungi, Managing Director Umeme Limited, addressing participants at the Forum.

ACCOUNTANCY PROFILE

The partners at BIZ & CO share their WINNING story

BIZ & CO won the Accounting Firm of The Year Award at the 2022 Accountancy Service Awards

CPA JAMES B KAMANYIRE
Managing Partner

CPA ALFRED KABUCHU
Partner

CPA JOSEPH B. MWANJA
Partner

CPA JAMES KAMANYIRE

1. Tell us about CPA James Kamanyire; education, career and other roles.

James Kamanyire is an experienced and innovative finance professional with strong accounting, finance, and business administration skills.

He has held senior Oil and Gas positions with Royal Dutch Shell in South Africa, the United Kingdom, and Uganda. Prior to the commencement of his 15-year tenure with Royal Dutch Shell during which he held various Audit and Accountancy roles, James worked as an Internal Auditor for the Uganda Revenue Authority from April 1993 –May 1995 and as a Senior Accountant with the National Enterprise Corporation from Dec 1991 –March 1993.

After completing a 7-year foreign assignment with Royal Dutch Shell in various countries, James returned to Uganda in February 2010 and became a full-time Partner with BIZ & CO Certified Public Accountants an Audit, Accounting, and Management Services firm to Government, Non-Governmental Organizations, and the Private Sector Enterprises.

In November 2014, James joined National Information Technology Authority Uganda (NITA-U) as Director of Finance and Administration; a position he held until September 2018 when he decided to return to BIZ & CO as Managing Partner, a position he holds to date.

James is a director in several companies including, investment clubs, and SACCOs.

He holds an MBA with Merit from Oxford Brookes University 2006, an Upper Second Bachelor of Commerce Degree- B. Com (Accounting) from Makerere University 1991, is a Chartered Certified Accountant, (FCCA) 1996, and a Certified Public Accountant of Uganda (CPA) 1998.

2. Tell us about BIZ & CO and how you came up with the idea of a partnership.

BIZ & CO is a firm of business and accounting professionals duly registered with the Uganda Registration Services Bureau, the Uganda Revenue Authority, and the Institute of Certified Public Accountants of Uganda (ICPAU).

The firm initially started as a consultancy firm under the name BIZCONSULT in 1997. In line with ICPAU regulatory requirements, BIZ & CO was registered with ICPAU in 1999 to offer audit services. The firm has since grown to become a leading provider of accounting, audit, tax, and business advisory /consultancy services in Sub-Saharan Africa.

The idea of a partnership was born out of the desire to provide high-quality services in accounting, audit, tax, and business advisory/consultancy services. Because of the diverse nature of the services, we wanted to tap into the benefits of a partnership. A partnership would help us bridge the gaps that exist with solo operations by leveraging our individual experience, expertise, and knowledge. In addition, we considered the issue of continuity of our accountancy practice. A partnership is well suited in this area than a sole proprietorship.

3. What has your accounting journey with BIZ & CO been like for the past 24 years?

My accounting journey with BIZ & CO for the past 24 years has been eventful. As a firm, we have had our highs and lows. We operate in a challenging market. A market characterized by a modest uptake of accountancy services on account of an economy that is largely informal. Three words have kept us moving to this point of celebrating a quarter of a century: persistence, consistency, and resilience. We had a very clear vision from the start. Our vision is an accounting firm of first choice and a business partner for each of our clients. In support of this vision, is our mission to provide high-quality services to all our clients in accounting, audit, tax, and business advisory/consultancy services whilst strictly adhering to the professional ethics of independence, objectivity, and integrity. In a small market where the uptake of accountancy services is modest, it takes persistence, consistency, and resilience to remain afloat. But our core values have been handy in this journey. Our core values are trust and reliability. No matter how small or big a client is, we exercise our core values and adhere to professional ethics.

4. How have you benefitted from being part of a firm whose contribution to the accountancy profession in the country is outstanding?

I am greatly honoured to be part of a firm whose contribution to the accountancy profession in the country is outstanding. My personal motivation is that the greatest value in life is what you become but not what you get. If you are an employee, what you are becoming is more important than the salary you are getting, and if you are in private practice, what you are becoming is more important than the fees you are charging your clients. For the last quarter of a century, we have provided high-quality services to our clients and contributed immensely to the growth of their businesses/ organizations, not because of what we earn in the form of fees but because of our vision and mission. This speaks to our relevance and visibility in the accountancy profession. Therefore, what I have become because of being part of a firm whose contribution to the accountancy profession in the country is outstanding is invaluable.

5. How has the firm been able to continually comply with the International Standards as adopted by ICPAU?

Compliance with International Standards is at the core of our operations. This is part of our quality management system. The firm has documented quality control policies and procedures. In addition, the firm takes Continuous Professional Development (CPD) seriously. The firm has a training plan for all the partners and staff. This plan draws heavily from the ICPAU CPD calendar. We are grateful to the Institute for the comprehensive CPD program. We also keep abreast of the developments in the accountancy profession and technical literature via the Institute's website. We give credit to the Institute in this area as well. Finally, we attach great value to the ICPAU Quality Assurance Reviews and are committed to implementing the recommendations from these reviews as part of our quality improvement program.

CPA James Kamanyire was interviewed by Ms Caroline Nassuuna, Communications Intern - ICPAU

1. Tell us about CPA Alfred Kabuchu: education, career, other roles

Alfred is a Partner, and former Managing Partner, at BIZ & CO Certified Public Accountants, an Audit Firm that won the Accounting Firm of the Year Award for 2022, awarded by ICPAU.

I am a child of God, with the desire to fulfil the truest expression of myself as a human being and to fulfil the promise that the creator dreamed when he dreamed of and made the cells that made me up. A pragmatic God-fearing leader of Integrity. I am family man with a wife and children, all at different stages of the journey of life.

I am an Accountant, Financial Analyst, Consultant, Investor, Entrepreneur, and Inspirer of young people that is passionate about learning and sharing knowledge and wisdom, available in the Universe, to help others also achieve their God-given potential.

With over 25 years of broad working experience and training, I am a business professional with expertise in various areas that include, Leadership and People Management, Political Economy, Business Management, Finance, Accounting, Auditing & Assurance, Advisory, Management Consulting, Investment & Company Valuation and Analysis, Strategy, Corporate Governance, Fintech, Value Creation, Education Management, Real estate, Oil and Gas, Agri-business, Mentorship & Career guidance, and Procurement Agency Management to mention but a few. I worked in the Finance departments of Shell Uganda Limited and Shell Rwanda S.A.R.L for ten years at the beginning of my career, where I also honed various Finance and Business management skills.

I am a former and current Board Member of various organizations, including being Chairman of the Parents Committee of Word of Life International and Chairman Kigezi High School Old Students Association. I am also involved in other community activities and initiatives that support the betterment of people & humanity. I have served on Committees of ICPAU for over 15 years.

In terms of education, Alfred is a CPA (ICPAU), a CFA Charter holder, (Chartered Financial Analyst-US), and completed ACCA - UK course. I hold a Post-Graduate of Manchester Business School in the UK, with a Master of Finance and Bachelor of Statistics (Hons) degree from Makerere University.

2. What has fostered the BIZ & CO partnership to run up to this date?

Professionalism, financial discipline, humility, integrity, trust, maturity, and reliability of the partners and staff, together with the generous support and understanding of our clients, families, friends, and some stakeholders over the years. We have also been supported by the rotational nature of running the firm as Managing Partners.

3. BIZ & CO won the Accounting Firm of the Year Award at the 2022 Accountancy Service Awards. What makes the firm outstanding?

Our vision – an accounting firm of first choice and a business partner for each of our clients. This vision motivates us to strive for operational excellence. Consistent with our mission, operational excellence comes with the provision of high-quality services. Therefore, a combination of operational excellence and high-quality services is what defines BIZ & CO.

We have embedded quality within our operations to drive business growth to the extent that our tagline speaks to quality. In all our communication, including email signatures, engagement letters, and bid proposals, our tagline "WITHOUT QUALITY, WE HAVE NOTHING" is evident.

We have made tremendous improvements in our quality management system and are committed to implementing the recommendations of the ICPAU Quality Assurance Review.

We recognize that our staff are the most important resource we have. Accordingly, we support staff development and training including supporting them to meet the Institute's membership obligations.

We provide pro-bono services, including business advisory and serving on boards of several organizations including social clubs, churches, schools, investment clubs, SACCOs, start-ups, and NGOs.

In pursuit of our vision, we have realized that change is the only constant. Therefore, innovation is the norm at BIZ & CO. We have automated our processes as part of our digitalization program. We have transitioned from Google Sheets/Drive to software-aided audit methodology. By leveraging technology, we are able to deliver high-quality audits that are tailored to the specific needs of our clients.

4.

What is your take on demerging consulting and assurance services?

The demerger of consulting and assurance services has been a topic of debate for many years within the accounting profession, by the regulators, the political class, and beyond. It has also been a heated debate coming on the heels of various business failures, especially in Corporate America and Europe, in which companies had a" clean bill of health of the auditor". The demise of Arthur Anderson, a leading Consulting and Accounting firm that was founded in 1913 but got mixed up in the Enron scandal of 2001 when Arthur Anderson was accused of financial shenanigans. At the time, the firm had over 50,000 employees in over 60 countries & was a successful Accounting and Audit Firm. Back home, we have had the demise of some corporations like Crane Bank and other banks, again on the heels of close monitoring and assurance services and reviews that have raised many questions, though the discussions in Uganda are normally muted on calls for action. These are some of the sad examples that demonstrate the risks and gravity of the nature of concerns that exist when a firm performs both consulting and assurance services.

Those who support the demerger argue that it would enhance the independence and objectivity of auditors, as it would remove any perceived or actual conflicts of interest that may arise when an accounting firm provides both auditing and consulting services to the same client. This could potentially increase public trust in the audit process and improve the quality of audit services. However, although the Firms have implemented firewalls between the Assurance functions and the Consulting functions, there is no currently available evidence on how well these firewalls work or have worked since we still have challenges coming up, especially in the big audit firms. For the small practitioners, these firewalls or separation of roles would not function well and would be difficult or impossible to implement in some cases.

However, opponents of demerger argue that it would reduce the efficiency and effectiveness of accounting firms, as they would no longer be able to provide comprehensive services to their clients. And this is especially true for the small practitioners that serve hundreds of clients, especially in the developing World. Even the developed World has millions of clients that are considered MSMEs that require services from professionals in accounting and consulting. The opponents of demerger also argue that consulting services can complement and enhance audit services by providing companies with valuable insights and advice on improving their financial reporting and internal controls and we have seen and see these benefits in many organizations and enterprises within the process of helping the organisations achieve their business strategies and objectives, many skills of which reside with the professional accountants. Finally, it would be an exercise in futility and a dilemma to demand a professional to utilize one set of skills in Assurance and the other in Consulting roles.

Overall, the issue of whether to demerge consulting and assurance services is complex and there are valid arguments on both sides. Ultimately, any decision to demerge these services would need to be carefully considered and balanced against the potential benefits and drawbacks for accounting firms, individual consultants and employees, the auditors, and their clients. And this is within the setting of the accounting firm in the developed World or developing World and with the unique challenges of the stage of social-economic transformation of each country and jurisdiction's setting. In conclusion, it is an ongoing discussion of not easy options, given the permutations and combinations of opportunities and challenges involved, on the bedrock of the fiduciary responsibility of those involved.

5. How can agility in accountancy practice be achieved?

Achieving agility is an important goal for accounting firms, as it allows them to respond quickly and effectively to changing market conditions and client needs. Here are some ways that accounting firms can achieve agility:

Embrace technology: Technology can help accounting firms streamline their processes, automate routine tasks, and improve data analysis, which can save time and increase efficiency. Firms can also use technology to offer innovative services, such as data analytics or cybersecurity consulting.

Foster a culture of innovation: Encouraging employees to be creative and take risks can lead to new ideas and approaches that can help the firm stay ahead of the competition. Firms can achieve this by providing training and development opportunities, creating cross-functional teams, and promoting collaboration.

Adoption of flexible work arrangements: Offering flexible work arrangements, such as remote work or flexible schedules, can help employees balance work and personal responsibilities and can lead to greater job satisfaction and productivity.

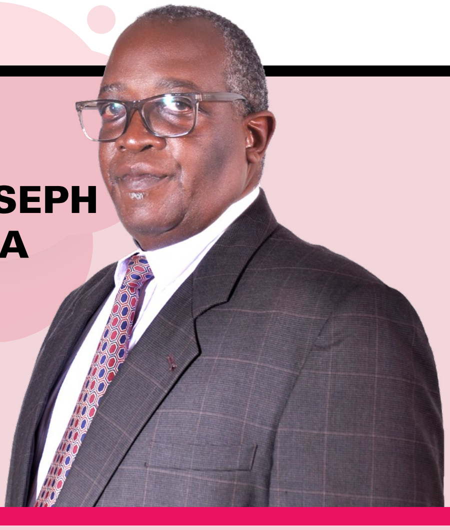
Focus on client needs: Accounting firms that are agile can quickly adapt to changing client needs and provide personalized services that meet those needs. To achieve this, firms should regularly communicate with clients to understand client goals and challenges and should be willing to make changes to their services as needed.

Develop a strategic plan: Developing a strategic plan can help accounting firms prioritize their goals and allocate resources effectively. The plan should be flexible enough to adapt to changing circumstances but also provide a clear direction for the firm's growth and development.

Overall, achieving agility requires a willingness to embrace change, embrace technology without reservation or push-back, take risks, and continuously improve. Harnessing the benefits of CPDs in various fields and in various professions is one simple way of staying knowledgeable, agile, and ahead. By doing so, accounting firms can position themselves for long-term success in a rapidly changing industry while adding value to clients, to economies, and to themselves.

CPA Alfred Kabuchu was interviewed by Mr. Abraham Malinga, Communications Intern - ICPAU

CPA JOSEPH MWANJA



1. Who is CPA Joseph Mwanja?

Joseph Mwanja is a senior partner at BIZ & CO, I run other businesses, and I am a director in several organizations. I am a results-driven consultant with long, and wide experience in Financial Management, Consultancy, Training, and Administration.

Prior to co-founding BIZCONSULT in 1997, which later became BIZ & CO in 1999, I had worked and held various positions in several organizations. I worked with the Grindlays Bank, now Stanbic Bank, from 1983 to 1988. That is when I interfaced with the PwC team, and they also fostered my love for the profession.

From 1989 to 1991, while pursuing an MBA at Hampton University, Hampton, Virginia, USA, I worked with the University Bookstore as an internal audit assistant. I also worked with the Hampton Public School system as a Substitute Teacher.

I joined Shell Uganda Limited in 1992 and held various positions, for five years, including Supplies Manager, Management Accountant, and Personnel, Public and Industrial Relations Manager.

I have also worked as a training consultant with Crown Agents Uganda Limited, as well as a financial management consultant with Crown Agents United Kingdom.

I hold a BSc (stat/econ) degree from Makerere University, Kampala, Uganda, and a Master's degree in Business Administration from Hampton University, Hampton, Virginia, USA. I am also a Chartered Certified Accountant (FCCA) and a member of the Institute of Certified Public Accountants of Uganda.

2. What was your inspiration to pursue a career in accountancy practice?

Passion. I had this desire from childhood, looking up to my late Dad, who was an accountant. I admired the profession. Then at O-level, where accountancy was offered in senior one and two, I enjoyed the subject. After my first degree, I kept on looking up to our seniors, the likes of CPA Egaddu at PwC and CPA Opio Opio at Bank of Uganda.

3. How have you successfully managed a partnership of three for over 24 years?

The partnership was formed with a common goal, to provide high-quality services to our clients. This has been key in keeping the partnership alive. We have also been professional and we do everything at the highest ethical levels. We all have distinct roles in the firm that we execute on a rotational basis.

4. What advice would you give to aspiring practising accountants?

To never give up and uphold ethical standards. I would like to remind aspiring practising accountants of the Volatile, Uncertain, Complex, Ambiguous (VUCA) environment that we live in. The world is characterized by constant and unpredictable change. Aspiring practising accountants should therefore be ready to exercise resilience, embrace change, and the spirit of Continuous Personal and Professional Development.

5. Where do you see the future of accountancy practice?

Our perspective of the future of the accountancy practice is that it is likely to be shaped by several factors, including changes in and advancement of technology, regulatory requirements, and demands, client demands and relationships, and the advancement of society and nations that are served within the VUCA World. These are some of the key areas to monitor:

Technology: The use of technology is rapidly transforming the accountancy practice, with automation and artificial intelligence (AI) playing an increasingly important role in many accounting tasks. Firms that embrace these technologies and use them to improve efficiency and accuracy are likely to be more successful in the future.

Advisory services: As technology automates more routine accounting tasks, firms are likely to shift their focus towards higher-value advisory services, such as financial planning, risk management, and strategic consulting. This will require firms to develop new skills and expertise and to build stronger relationships with their clients.

Globalization and uniqueness of Countries: The accountancy practice is becoming increasingly global, with more firms operating across borders and more demand for international accounting standards and expertise, within the framework of Country uniqueness. Firms that can operate effectively in a globalized environment and provide value to clients across different regions are likely to be more successful in the future, as well as those able to identify a niche within their unique regulatory environment.

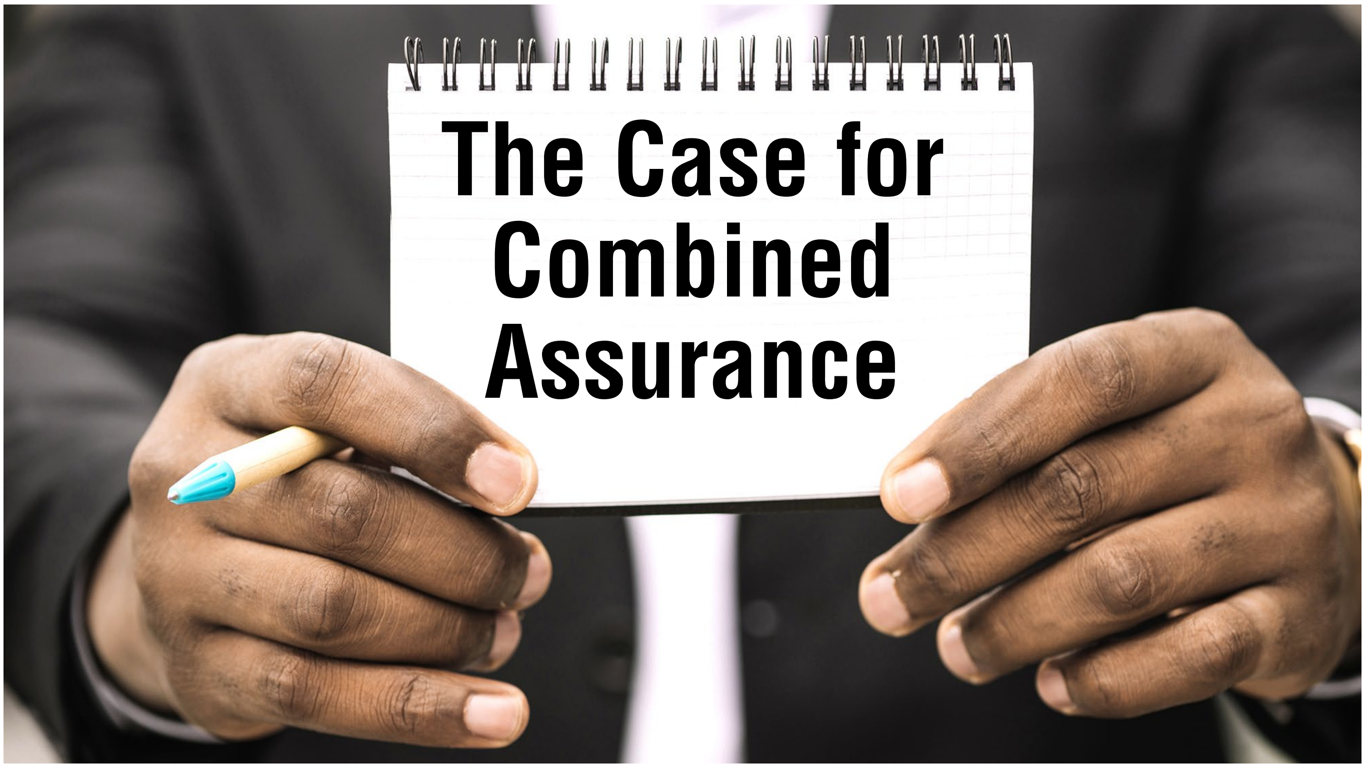
Global polarization and conflicts of the powers in the developed World: These conflicts and global economic competitions and shifts are likely to have an impact on firms, especially those that operate in conflict zones, where they must make important corporate decisions on clients and on Countries to serve, together with the unintended consequences that come with this polarization and global economic challenges.

Regulatory requirements: Regulatory requirements are constantly evolving, and firms that can stay up-to-date and comply with these requirements are likely to be more successful. This will require firms to invest in training and development for their staff and to develop strong relationships with regulatory bodies.

Sustainability: The focus on sustainability and environmental, social, and governance (ESG) issues is growing, and this is likely to have an impact on the accountancy practice. Firms will need to develop expertise in these areas and provide services that help clients measure and report on their sustainability performance. Readiness and agility this is new area will add or subtract value from a future accountancy firm.

In conclusion and generally, the accountancy practice is likely to continue to evolve and adapt to changing client demands and regulatory requirements within VUCA World. Firms and professionals that can stay ahead of these trends and provide value to their clients are likely to be more successful in the future.

CPA Joseph Mwanja was interviewed by Ms Regina Kakuba, Communications Intern - ICPAU



The Case for Combined Assurance

The Institute of Internal Auditors (IIAs) defines combined assurance as the process of internal and external assurance parties working together to reach the goal of communicating information to management. In other words, combined assurance involves different functions involved in risk management, governance and controls working together. Combined assurance rests on the premise that risks today are so diverse that internal auditors need to combine and coordinate reporting with other assurance providers.

Combined assurance, sometimes known as integrated risk assurance, involves internal and external assurance providers collaborating to ensure the 'right amount of assurance' efficiently and effectively. The right amount of assurance depends on the risk appetite of the organisation. Combined assurance involves combining risk management efforts across the three lines of defence to promote effectiveness in risk reporting under the oversight of the audit and risk committees.

Combined assurance is an approach to risk management that involves the coordination and collaboration of different assurance providers within an organisation. The major objective of combined assurance is to ensure that there is a comprehensive and integrated approach to managing risk, with a clear understanding of the roles and responsibilities of the different assurance providers.

Who are Assurance Providers?

IIA defines assurance as an objective examination of evidence for the purpose of providing an independent assessment of governance, risk management and control processes. The IIA Practice Advisory 2050 describes three classes of assurance providers, differentiated by the stakeholders they serve, their level of independence, and the robustness of their assurance services. The three classes are:

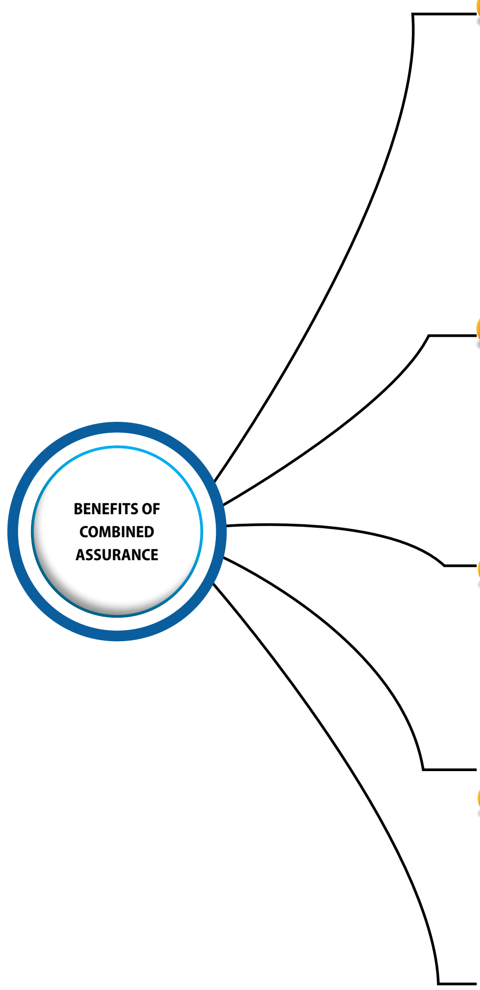
a) Management assurance as provided by individuals such as compliance professionals, quality assurance professionals, information security professionals and other management-designated assurance personnel such as risk management personnel. These generally report to management.

b) Those who report to the board such as internal auditors. These provide independent assessments of the organisation's operations, risk management and internal control processes.

c) Those who report to external stakeholders such as external auditors, regulators, legal firms and outsourced internal audit functions.

The Case for Combined Assurance

Combined assurance is premised on the fact that internal auditors are able to deliver the most value to their organisations by extending their oversight role beyond controls, risk and governance. Therefore, internal audit functions need to leverage other functions in their organisations that have overlapping or complementary roles through combined assurance. This will likely lead to the following benefits:



a) Minimisation of overlapping of functions

Combined assurance helps different departments to understand what related functions are handling. This minimises unnecessary overlap of duties. This saves time, reduces auditee fatigue and makes internal audit reviews more impactful. As prescribed by the International Professional Practices Framework (IPPF) standard 2050, combined assurance enables sharing of information, coordination of activities and reliance upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimise duplication of efforts.

b) Streamlined reporting

Combined assurance promotes improved communication and collaboration between different assurance providers, as well as between assurance providers and senior management and the board. This generally results in the production of more impactful assurance reports by the different assurance providers.

c) Improved risk management

A well-executed combined assurance programme can improve risk management in the organisation as it combines insights from the internal audit function and other assurance providers to unlock new risk findings that may not have been easily discovered in a rapidly changing risk landscape.

d) Enhanced stakeholder confidence

By providing more comprehensive and integrated risk management and internal controls, combined assurance leads to enhanced confidence of stakeholders such as investors, regulators and customers in the organisation's ability to manage risk and achieve its objectives.

e) Greater accountability and transparency

Combined assurance enhances accountability and transparency in organisations by ensuring that the roles and responsibilities of different assurance providers are clearly defined and assurance findings are communicated effectively.

Adopting the Combined Assurance Principle

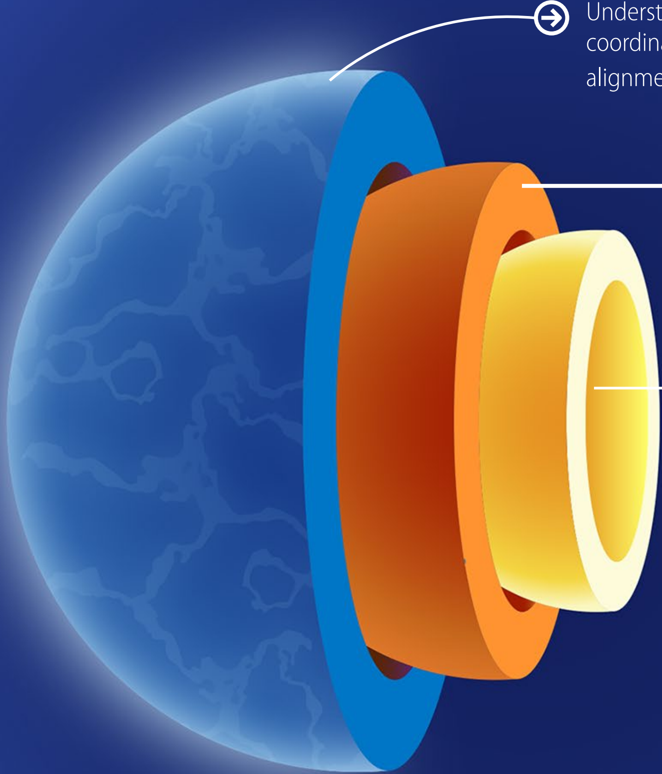
Combined assurance is best adopted from the inside out, with the first aspect being understanding the business drivers that preserve and enhance organisational value. Every organisation has a unique set of value drivers and as such every organisation will have a unique way of defining, assessing and addressing risk. Combined assurance starts with a focus on business value and the business drivers of that value. Each of the drivers of value must be well defined and understood to ensure that the combined assurance model is organised to add value to the business.

The next step would be to understand the underlying principal risks in the business that could jeopardise or enhance the business drivers of value and thus negatively or positively affect business outcomes. It is at this step that the required levels of assurance are determined based on the entity's risk appetite and the expectations of the stakeholders.

Once the principal risks are identified, the combined assurance cycle is then planned and executed. This will most likely be organised around similar or related risks that are most likely to affect the drivers of business value. The plan should be aligned with the organisation's goals and objectives as well as the identified risks in a coordinated way that avoids duplication of activities by the different assurance providers.

It is then important for the organisation to have a clear understanding of the metrics of a successful combined assurance programme as this will make it easy to track progress along the way and assess the results of the combined assurance efforts.

The success of the combined assurance approach will also depend on obtaining strong support and participation from other assurance providers. Combined assurance cannot succeed without the willingness and ability of other assurance providers to:



- Understand the value they receive and why it is important to coordinate with the internal audit function to strengthen the alignment and coordination of the organisation's assurance efforts.
- Identify specific areas, processes or activities such as knowledge sharing where enhanced coordination is likely to have an immediate positive impact on everyone.
- Look for easy wins that act as indicators of success as the combined assurance project progresses.

Alignment of the assurance providers should also be supported by obtaining the backing of stakeholders such as the audit committee and senior management who may have the power to support or resist implementation of the combined assurance efforts.

Combined assurance should be implemented using a deliberate step-by-step incremental approach along with a change management plan to reduce any potential incidences of friction among the assurance providers.

When well executed, combined assurance can give a business a competitive advantage in a volatile risk environment as it enhances risk management and internal control systems. By working together with other assurance providers, internal auditors can use their resources more efficiently and effectively, eliminate duplication of efforts which leads to audit fatigue, and provide more useful and concise reports. TA

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Revolutionising Quality Management: Springs & Tugye LLP's Journey of Implementing ISQM Standards

The introduction of the International Standard on Quality Management (ISQM) is one of the significant changes that have been advanced within the accountancy profession which is characterised by the propagation of new standards, advances in technology, and an increasing demand for transparency and accountability.

In pursuit of "future survival" and "sustainable growth", the successful implementation of ISQM cannot be overemphasised. This article provides an overview of how Springs & Tugye Associates LLP (S&T) is adapting to ISQM, illustrating the benefits and challenges associated with the transition.

Understanding ISQM

The ISQM is a suite of standards designed to enhance the quality of audit, assurance, and related services. The core objective of the ISQM is to improve and maintain the quality of engagements conducted by audit firms. It requires firms to establish a proactive, risk-based system that encompasses both the individual and firm-wide engagements.

The ISQM fundamentally transforms the traditional approach to quality control by introducing a more robust and holistic quality management system. This paradigm shift requires audit firms to take a proactive and strategic approach to managing quality rather than merely reacting to quality issues once they occur.

The standard consists of two ISQMs, i.e.

- **ISQM 1** which aims to enhance the robustness of a firm's quality management systems, and
- **ISQM 2** which deals with the appointment and eligibility of the engagement quality reviewer.

These are supplemented by **ISA 220 (Revised)** - specifically for auditing firms, which handles the specific responsibilities of the auditor on an audit engagement.

Together, the standards place greater responsibility on a firm's leadership for continuously improving the quality of their engagements and taking remedial action when deficiencies are found.

The three new standards came into effect on **15 December 2022.**

Implementing ISQM at Springs & Tugye Associates LLP

This has been a comprehensive process requiring a deep understanding of the standard and careful examination of our existing systems. S&T leadership has participated in trainings, widely read and organised brainstorming sessions to ensure a thorough comprehension of the ISQM requirements and their implications for our firm's operations. This knowledge-sharing initiative was vital in setting the foundation for a successful transition.

Given that the shift to ISQM entails more than just compliance, a strategic approach to the implementation was taken with training sessions conducted to ensure that every team member understood their roles and responsibilities within the new system. This served as an opportunity to foster a culture of quality and emphasise the significance of individual contributions to the overall success of the firm.

To meet the requirements of ISQM, we implemented a robust quality management system, ingrained within the delivery of our services, aligned to our firm's mission "to professionally deliver high quality services with integrity, dedication and passion to the utmost satisfaction of our clients".

We conducted a comprehensive assessment of risks to quality, considering both engagement-specific and firm-wide risks. This analysis enabled us to identify areas for improvement and came up with appropriate responses to mitigate identified risks so as to enhance the overall quality of our engagements.

In the process of implementing ISQM, we recognised the importance of utilising technology to streamline our quality control procedures. Our firm had already adopted a cloud-based system called "Smart Audit" that allowed us to centralise our quality control processes, making them more efficient and accessible. The cloud-based nature of the system, coupled with our P-Cloud filing system, facilitated real-time collaboration among team members, regardless of their physical location. It also provided secure storage for our audit documentation, ensuring easy retrieval and monitoring of the quality of our work.

In the context of ISQM implementation, the use of SMART audit enabled us to seamlessly integrate our quality management system with our engagement workflows, ensuring that the prescribed processes and procedures were consistently followed. It facilitated the monitoring and tracking of key quality indicators, allowing for timely identification of potential issues and the implementation of necessary corrective actions. Additionally, the system generated comprehensive audit trails and documentation, simplified the process of demonstrating compliance during the recent Audit Quality Review (AQR) conducted by the Institute of Certified Public Accountants of Uganda (ICPAU).

Review and alignment of our quality control manuals was another crucial aspect in our ISQM implementation journey and laying a strong foundation for maintaining and continuously improving the quality of our services. This involved updating our policies and procedures to reflect the new quality management framework and ensuring that they were consistent with the specific engagement and firm-wide risks identified.

To ensure a smooth and timely implementation of ISQM, we maintained a structured and organised implementation process with specific timelines for key tasks and milestones. This helped us allocate resources effectively and monitor the progress of the implementation, ensuring that we stayed on track and met our objectives within the established timeframes.

All in all, the implementation of ISQM at S&T was a comprehensive and practical endeavour. It involved understanding the standard, conducting firm-wide training, designing a robust quality management system, and leveraging technology such as "Smart Audit" to facilitate the transition. Adapting our quality control manuals and setting specific timelines for key tasks were crucial components of the implementation process. By embracing ISQM and incorporating it into our daily operations, we have strengthened our commitment to delivering high-quality services and positioning ourselves among the top local audit firms in the country.

Benefits and Challenges

Implementing ISQM has fostered a culture of quality within our firm, with everyone taking ownership in delivering high-quality services. The risk-based approach has helped us identify potential quality risks early and devise effective responses, thereby improving our overall service delivery.

However, we have also faced some challenges, especially around the shift from a reactive quality control system to a proactive quality management system, which necessitated significant changes in our firm culture and processes, yet S&T was just 3 years after the merger of two diverse predecessor firms.

The breadth and depth of the ISQM especially the need to document processes and provide evidence of quality management was a considerable task (across the entire staffing from Associates to Partners), but it brought about enhanced transparency and accountability.

Below some quotes from our staff:

Gerald Kikoyo, Audit Associate: "The implementation of ISQM was a transformative experience for us. There were tough challenges but every challenge was a learning opportunity. It was almost like we were unlearning our old habits and relearning new ones, more efficient, more effective ones."

CPA Maria Nabanja Ssentamu, Managing Partner: "The benefits we've seen since implementing ISQM are tremendous. Our audit procedures are more efficient, and the risk of errors has decreased. Most importantly, our clients have noticed the difference and have attested to the value we're now providing, which is our ultimate goal."

Brian Mukalazi Basalidde, Director Audit & Assurance Services: "Embracing ISQM was initially a daunting task. We knew it required more than just a procedural shift; it demanded a fundamental change in our mindset, a cultural pivot from 'we've always done it this way' to 'we can do it even better.' The journey wasn't smooth, but the benefits we saw along the way — from increased effectiveness to reduced errors and enhanced client satisfaction — made us realize we were on the right path. Today, having ISQM at the heart of our operations doesn't just mean we're adhering to international standards, it means we're setting new standards in quality and efficiency. We've not just embraced ISQM, we've truly incorporated it into our DNA."

The Road Ahead

The implementation of ISQM at S&T is the beginning. The real work is ahead; quality management is an ongoing process that requires continuous monitoring, evaluation, and improvement.

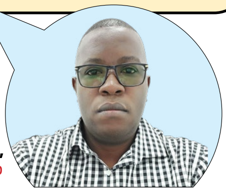
To ensure the sustainability of our quality management system, we have established mechanisms for regular monitoring, periodic internal reviews, and feedback loops from our clients. This continuous assessment and analysis of the effectiveness of our quality management system is critical in assisting us to identify areas for improvement, to timely inform necessary adjustments.

At S&T, we believe in the power of technology to streamline and enhance our quality management processes. We continue to actively explore digital solutions like data analytics tools (Power Bi), automated workflows (Power Automate, etc), and other integrated systems aimed at optimizing our operations and improving the efficiency and effectiveness of our engagements.

The implementation of ISQM underscores our commitment to delivering quality services to our clients and meeting our responsibilities to the public interest. We believe that this strategic shift will help us stay ahead in a rapidly evolving accounting landscape, ensuring our future survival and sustainable growth.

While implementing ISQM presents challenges, the benefits are enormous. It is a transformative journey that brings about enhanced service quality, increased client trust, and improved firm reputation – all critical ingredients for future survival in the competitive accounting industry.

As practitioners, let us embrace the evolving landscape of quality management and actively invest in the resources, training, and processes necessary to excel in this new era. This is the only way we can truly revolutionise quality management and position our firms among the best in the industry. TA



CPA Michael Tugyetwena,
Partner, Springs and Tugye Associates LLP

Value for Money/Performance Auditing - a perspective from the Office of the Auditor General of Uganda

Mandate and Legal Framework of the Auditor General in Regard to VFM Audits

The Office of the Auditor General is the Supreme Audit Institution of the Republic of Uganda, mandated by the Constitution of the Republic of Uganda, 1995 as amended to produce reliable and high-quality reports. In so doing, we promote good governance, transparency and effective accountability in the management and use of public resources

Article 163 (3) of the Constitution of the Republic of Uganda, 1995, as amended states that[1]

The Auditor-General shall

(a) audit and report on the public accounts of Uganda and of all public offices including the courts, the central and local government administrations, universities and public institutions of like nature, and any public corporation or other bodies or organisations established by an Act of Parliament; and

(b) conduct financial and value for money audits in respect of any project involving public funds

Sec 21. of the National Audit Act 2008 States that:[2]

(1) The Auditor General may, for the purpose of establishing the economy, efficiency and effectiveness of the operations of any department or ministry in respect of which appropriation or other accounts are required to be prepared under the Public Finance and Accountability Act 2003, or any public organisation, or any local government council, enquire into, examine, investigate or undertake random value for money audits in accordance with Article 163 (3) (b) of the Constitution and report as he or she considers necessary on:

(a) The expenditure of public money and the use of public resources by ministries, departments and divisions of the Government and all public organisations and local government councils;

(b) The conduct of, and performance of their functions by:

(i) accounting officers;

(ii) heads of departments and divisions;

(iii) chief executives and chief administrative officers of all departments;

(iv) public organisations;

(v) local government councils;

(c) Any other activity undertaken by the departments, divisions, public organisations and local government councils referred to in paragraph (b).

[1] Article 163 (3) Constitution of the Republic of Uganda
[2] Sec 21 National Audit Act 2008 Page 15

What is Performance Auditing/Value for Money (VFM) Auditing?

Definition of VFM Auditing

According to the Fundamental Principles of Performance Auditing as stated in the International Standards of Supreme Audit Institutions (ISSAI) 300, performance auditing is an independent, objective and reliable examination of whether any undertakings, systems, operations, programmes, activities or organisations are operating in accordance with the principles of economy, efficiency and effectiveness and whether there is room for improvement. The term used for Performance Auditing may differ from country to country i.e.- VFM auditing, 3Es, effectiveness auditing. Regardless of the terminology used, the core concepts remain the same.

Performance Auditing/Value for Money Auditing seeks to provide new information, analysis or insights and where appropriate, recommendations for improvement. Value for Money Audits provide new information, knowledge or value by:[3]

- Providing new analytical insights (broader or deeper analysis or new perspectives);
- Making existing information more accessible to various stakeholders;
- Providing an independent and authoritative view or conclusion based on audit evidence; and
- Providing recommendations based on an analysis of audit findings.

Objectives of VFM Auditing[4]

The main objective of VFM Auditing is to constructively promote economical, effective and efficient governance. It also contributes to accountability and transparency.

Value for Money Auditing promotes accountability by assisting those charged with governance and oversight responsibilities to improve performance. VFM achieves this by examining whether decisions by those charged with governance have been efficiently and effectively implemented by the executive/management and whether the taxpayers or citizens' clients have received valuefor money. It does not question the intentions and decisions of those charged with governance/legislature but examines whether any shortcomings in the laws/ policies and regulations or the manner in which they are implemented have prevented the specific objectivesfrom being achieved. Value for Money Auditing focuses on areas in which value can beadded for citizens/clients, and which have the greatest potential for improvement. It provides constructive incentives for the responsible parties to take appropriate action.

Value for Money Auditing promotes transparency by affording Parliament/board/shareholders, taxpayers/clients and other providers of finance, those targeted by government policies and the media/clients/shareholders among others an insight into the management and outcomes of different government activities. It thereby contributes in a direct way to providing useful information to the citizen, while also serving as a basis for learning and improvements.

Principles of Value for Money Auditing

Economy, Efficiency and Effectiveness

Economy, efficiency and effectiveness, often known as the three Es, form the theoretical platformfor the perspectives and the types of problems that are addressed in Value for Money Auditing. The International Organization of Supreme Audit Institutions (INTOSAI) describes the concepts as follows:[5]

Performance audit is an independent and objective examination of whether government undertakings, systems, operations, programmes, activities or organisations, are operating in accordance with the principles of economy, efficiency and effectiveness and whether there is room for improvement (ISSAI 300:9)

The principle of Economy means minimising the costs of resources. The resources used should beobtained at the least cost without compromising the quality of inputs. They should be available in due time, in appropriate quantity and quality at the best price.

The Principle of Efficiency means getting the most of the available resources. It is concerned with the relationship between resources employed i.e. inputs and out outputs delivered in termsof quantity, quality and timing.

The Principle of Effectiveness means meeting the objectives set in achieving the intended results.

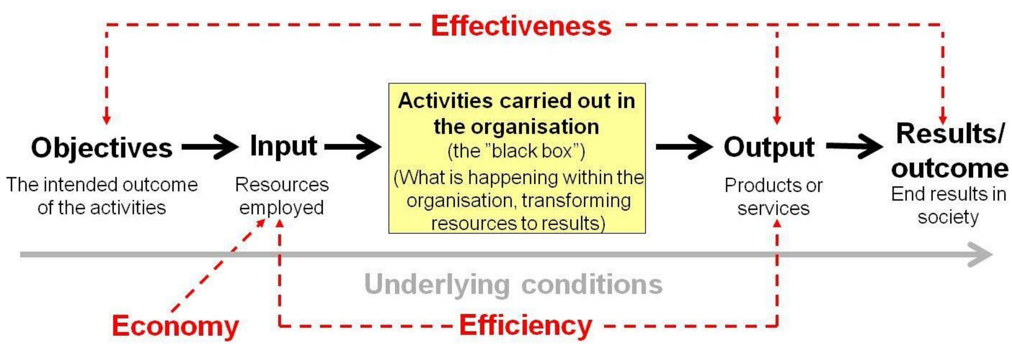
[3] ISSAI 300:9-10.
[4] ISSAI 300:12. See also ISSAI 3100, Appendix 2.2; and ISSAI 3000, Section 5.3, page 73.
[5] ISSAI 300:11. See also ISSAI 3000, Section 1.5.

The different concepts draw attention to different aspects of activities and programmes, and represent different purposes and perspectives in the audits. These concepts also encompass audits addressing environmental topics, equity or efficacy.

Value for Money audits often include an analysis of the conditions that are necessary to ensurethat the principles of economy, efficiency and effectiveness can be upheld. These conditions mayinclude good management practices and procedures to ensure the correct and timely delivery ofservices. Where appropriate, the impact of the regulatory or institutional framework on the performance of the audited entity should also be taken into account.[6]

The concepts of the three Es are illustrated through the input-output model in Figure 1.2.

Figure 1.2 The input-output model and the three Es



A basic understanding of the concepts of economy, efficiency and effectiveness forms the foundation for Value for Money Auditing. The concepts of the 3 Es clarify the problems or weaknesses which form a performance perspective which may be addressed by Value for Money Audits.

The concepts can also help auditors to orient themselves and avoid commenting on the effectiveness of entities, if the audit had focused on aspects of economy. The importance in termsof the practical use of the concepts should not be overestimated. It is not always easy to draw aclear line between economy and efficiency, on the one hand, and between efficiency and effectiveness, on the other. This is natural as the concepts are related to each other. The concepts are also directly related to how the organisations/activities are defined, and may change if this definition is modified.

It is rare for one Value for Money Audit to include all aspects of economy, efficiency or effectiveness. At the same time, it is common for audits to cover aspects related to more than one of the three Es. More important than putting the "correct label" on the audit, is to select a focus of the audit related to material performance problems – that is the three Es and properly address the causes of such problems in order to contribute to change and improvement.

Considering the risks of fraud and corruption in Value for Money Auditing

According to the 16th INCOSAI[7], auditors can and should try to create an environment that is notconducive for fraud and corruption. Auditors should make enquiries and perform procedures to identify and respond to the risks of fraud relevant to the audit objectives. They should maintain an attitude of professional scepticism and be alert to the possibility of fraud throughout the auditprocess.[8]

Value for Money Auditing is appropriate for analysing the operations of administrative and management systems to prevent fraud and corruption more effectively, but in general not designed to identify and/or investigate individual cases.

Value for Money Auditors should consider to what extent it is relevant to consider the risk of fraud and corruption in the audit, for example:

- To select **audit topics** that address systems where fraud and corruption are known or perceived to be;
- To define **audit questions** targeting factors or systems which are likely to explain poor performance and enable fraud and corruption.
- If relevant to the audit objective, **collect data** directly providing evidence that fraud andcorruption are likely to be a cause of poor performance.
- To **consider in the analysis** if fraud and corruption may be underlying reasons for observed performance problems, even if no direct evidence has been obtained; without evidence, the suspicions cannot be presented in the report, but the risks can explicitly or implicitly be considered in the analysis.
- In **developing recommendations,** consider how the performance can be improved, and prevent fraud and corruption.
- To **separately report observations or suspicions** of fraud and corruption to Audit Engagement Supervisors, regardless of whether the information has been used in the Value for Money Audit report or not. In such cases, the need to keep the detailed information confidential should be carefully considered, in order to enable other potentialforensic investigations.

In the next article, the process of VFM auditing standards and application shall be examined. TA

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[6] ISSAI 300:11.
[7] The INCOSAI congress which meets every third year is the supreme organ of INTOSAI, composed of all members.
[8] ISSAI 100:47; and ISSAI 300:37.

Technology-Related Revisions to the Code

The International Ethics Standards Board for Accountants (IESBA) recently released its final pronouncement on the final revisions to the International Code of Ethics for Professional Accountants (the Code). The technology-related revisions (hereafter referred to as the revisions) build on other recent revisions to the Code including the role and mindset revisions as well as those related to Non-Assurance Services (NAS) and the fee-related revisions which became effective in 2022. The revisions aim at enhancing the Code's robustness and relevance amidst rapid technological advancements. It is hoped that the revisions will guide professional accountants, both in business and public practice to take advantage of the opportunities created by technological advancements.

The Key Technology-related Revisions to the Code

The technology-related revisions to the Code maintain the principles-based approach in order to preserve the relevance of the Code amidst technological advancement. The revisions:

a) Strengthen the Code in guiding the mindset and behaviour of professional accountants when they use technology

The use of technology in the performance of professional duties presents complex circumstances thus the need for more guidance in the Code to help professional accountants navigate such circumstances.

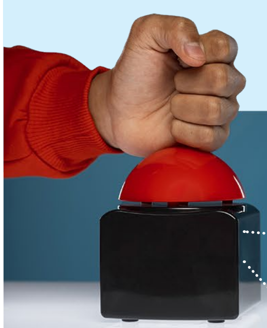
b) Provide enhanced guidance in relation to the fundamental principles of:

i) Professional competence and due care as well as dealing with circumstances of complexity

While the Code always had a requirement for serving clients and employing organisations with professional competence through the exercise of sound judgment in applying professional knowledge and skills, the new paragraph 113.1 highlights the fact that professional accountants also require interpersonal, communication and organisation skills in the execution of their professional duties.

However, the above are not the only professional skills needed by professional accountants during the execution of their professional duties. The technology-related revisions highlight the need for professional accountants to achieve a level of understanding relevant to the activities they undertake. Such skills should then always be applied in addition to the technical knowledge relevant to the professional activity at hand.

The revisions also incorporate the notion of complexity as part of exercising professional judgment when applying the conceptual framework in Section 120 of the Code. The revisions highlight that complexity is a factor to consider when exercising professional judgment, rather than a discrete circumstance that increases the challenges of applying the framework. Complexity is further described as the compounding effect of the interaction between, and changes in, elements of the facts and circumstances that were uncertain, and variables and assumptions that are interconnected or interdependent. In dealing with complexity, the revisions recommend:



- Making the firm or employing organisation and, if appropriate, relevant stakeholders aware of the inherent uncertainties or difficulties arising from the facts and circumstances.
- Being alert to any developments or changes in the facts and circumstances assessing whether they impact any judgement the accountant has made.

ii) Confidentiality

While subsection 114.1 generally maintains the principle of confidentiality of information acquired by professional accountants as a result of professional and business relationships, the revisions in this section:

- Introduce an explicit requirement for professional accountants to maintain the confidentiality of information obtained in the course of the entire data governance cycle (that is, from data collection to its use, transfer, storage, dissemination and lawful destruction).
- Further introduce a new definition of confidential information in the Glossary which states that its any information, data or other material in whatever form or medium (including written, electronic, visual or oral) that is not publicly available.
- Set out the circumstances in which a professional accountant should comply with the principle of confidentiality clearly explaining the circumstances in which confidential information may not be used or disclosed as well as the specific conditions under which it is possible

to disclose confidential information. Confidential information can only be disclosed by professional accountants when there is a legal or professional duty to do so or when authorised by the client or any person with authority to permit disclosure or use of the confidential information.

The revisions above do not impact the requirements of the Code in relation to responding to non-compliance with laws and regulations (NOCLAR). Professional accountants continue to have a right in paragraph 114.3 to make disclosure of NOCLAR or suspected NOCLAR to an appropriate authority under the conditions specified in Sections 260 and 360.

In regard to circumstances in which confidential information becomes available publicly, while that information no longer meets the definition in the glossary, professional accountants still need to comply with the principle of confidentiality as such information would have been acquired by professional accountants in the course of professional and business relationships.

iii) Strengthen and clarify the International Independence Standards (IIS)

The technology-related revisions to the Code seek to address the circumstances in which firms and network firms may or may not provide a technology-related non-assurance service to an audit or assurance client. When technology is used in performing a professional activity for an audit client, the revisions:

- Prohibit firms or network firms from assuming management responsibility for audit clients. Management responsibilities refer to actions regarding the acquisition, deployment and control of human, financial, technological, physical and intangible resources.
- Require that when performing professional activities, firms should ensure that client management makes all judgments and decisions that are the proper responsibility of management. This includes ensuring the client's management:
  - i) Designates an individual who possesses suitable skills, knowledge and experience to oversee the activities.
  - ii) Provides oversight of the activities and evaluates the adequacy of the results of the activities performed for the client's purpose.
  - iii) Accepts responsibility for the actions, if any to be taken arising from the results of the activities.

As professional accountants increasingly adopt new technologies in the execution of their professional duties, the technology-related revisions to the Code require professional accountants to:

- maintain an inquiring mind;
- exercise professional judgement; and
- use of the reasonable and informed third party test – a consideration by the professional accountant about whether the same conclusions would likely be reached by another party.

The revisions seek to guide the ethical mindset and behaviour of professional accountants during the execution of their professional duties as they take advantage of opportunities and adopt new technology. The revisions are effective for audits and reviews of financial statements for periods beginning on or after December 15, 2024. TA

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Combatting GREENWASHING – The Role of the Auditor

To some people, the term greenwashing could be a new and rare term. Honestly, many folks could have known about this possibly over the last few years due to the global pressure and publicity on humanity issues such as the environment, save-the-earth programmes, triple bottom line (profit, people and planet) and the like. The majority of people know about whitewashing, which is principally a cover-up of scandalous information through biased representation. So, we have the green and white now. You never know what the next could be – possibly indigo-washing or yellow-washing. Talk about terminologies! It is interesting, however, to know that this term was reportedly coined by Environmentalist Jay Westerveld in 1986, in a writing related to the controversy surrounding the "save the towel" movement in hotels that was simply making the hotels save laundry costs and offered nothing beyond that. So, before we go further, you have to be smart and not be fooled by communications that you see various businesses and organisations making today

What is greenwashing?

This word is generally used to mean false or deceitful marketing or promotion of an organisation as environmentally friendly when in reality it is not. It is making false sustainability claims, through biased and exaggerated sustainability or environmental credentials – and this could be intentional or unintentional. It is green marketing gone wrong. You will agree with me that some businesses are just clueless, and could unintentionally misreport, and you do not need to crucify them anyhow without first checking the circumstances under which such misreporting occurred.

Weak laws in various global jurisdictions sometimes make organisations careless in what they do, and nobody calls them to order. Greenwashing, therefore, could be an intentional disguise when in reality there is serious environmental damage. It could be a greenwash noise to fight competition, misguided greenwash due to ineffective communication, or indeed real and scientifically strategic sustainability statements. I think we keep this greenwashing definition here, otherwise, we could step into brain-damaging complexities.

Cited examples of greenwashing and penalties

Big names have been mentioned here. Chevron's 'People Do' campaigns in the 1980's was flagged as an intentional disguise. Major global brands such as IKEA, Coca Cola, Starbucks, Volkswagen, ExxonMobil, BP, Nestlé etc. have all been culprits of greenwashing. Volkswagen was forced to pay a fine of $125m in a strong message by an Australian court in 2021. Walmart was fined $3m for misleading consumers on its use of bamboo and rayon. Now, let me sound a warning here! Smaller businesses should not rejoice that the big guys are guilty and so they (small ones) can as well commit similar sins.

Impact of greenwashing

Greenwashing has various adverse effects. When **an entity** misleads consumers and society in general, this could damage the business brand with potential serious backlash, reputation problems and the bottom line of return on investment. Loss of trust and possible legal action could arise, including the entity's inability to build brand confidence in the future. **Consumers and society** also lose value and could lose trust in other sustainability-related claims even by genuine entities, including losing trust in regulators. They could also be exposed to health risks due to such falsehood. The human mind rarely forgets bad things. **Investors** lose money and could also invest in valueless projects based on wrong information. The **global economy** suffers adverse effects on innovation and healthy competition. The environment suffers and some of these negative impacts take ages to correct. You can see that the impact is pervasive.

How do you spot greenwashing?

Greenwashing can be spotted by identifying distractive intentions in messages and paying attention to wording, being familiar with various recognised certifications, and not taking for granted green colours or nature-based images in product messages, among others. There could also be vague, irrelevant and meaningless labels, carbon offsetting, hidden trade-offs and selective disclosures. Understanding the true beneficial ownerships of entities also matters as some culprits hide and trade under other names to avoid identification. You could also try and analyse what you are not being told.

The auditors' role regarding greenwashing

Though auditors have over many decades largely focused on financial information, the growing focus on sustainability reporting and disclosures in terms of enterprise value or impacts – is rapidly moving towards parity with financial information. Hitherto uncommon terminologies such as 'carbon neutral', 'climate-friendly' and 'nature positive' are now gaining value among accounting professionals globally.

- **Auditors as gatekeepers need to align integrated reporting of financial and sustainability issues into integrated assurance.** With some IPO's (such as Deliveroo – socially poor treatment of workers) failing due to ESG misreporting and other factors, there is a growing need for mandatory regulations regarding audit of sustainability reports.
- **Public expectation of auditors is increasing. The external audit is one critical line of defence for both financial assurance and sustainability assurance, in addition to internal lines of defence such as internal audit, management reviews and control frameworks.** Many multinationals today have elaborate ESG Minimum Control Standards (MCSs) which are enforced globally within their entities.
- **There is a growing demand for mandatory sustainability assurance.** Though jurisdictions differ, and it could still be some decades before compliance is forced in some global locations, the momentum is already up. The European Commission, for example, will from 2024 demand limited assurance on sustainability reports. Reporting sustainability data through means such as GRI (Global Reporting Initiative) Standards, ISSB (International Sustainability Standards Board) Standards, SEC climate regulation, European Sustainability Reporting Standards (ESRS), the TCFD (Task Force on Climate-Related Financial Disclosures) framework, are already in the works.
- **Auditors also play a role in ensuring that their clients and business partners can spot, avoid and act on greenwashing.** Greenwashing misleads investors and consumers, increases business risks due to contingent discovery of the realities, leads to misallocation of investments, and ultimately affects the bottom line of profit, people and the planet. Accountants should seriously interrogate data and information including sustainability-related material balances in the books, that lead to investment decisions for their clients. They should confirm that sustainability-related claims are true and are independently certified.

Greenwashing is an ill in the business world and society and it is everybody's responsibility to identify and combat it. Business at whatever level has to be run with some reasonable level of integrity and accountability, and certainly intentional greenwashing does not fit into this. Entities and individuals who have been greenwashing should change, while those planning to start greenwashing should decide not to do so. Just as we do not like fake people in our lives, we do not like fake businesses that manipulate people's psychology.

If you are an exception to my views, I invite you to send me an email and we can discuss. Cheers!

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CPA Clayton Mwaka,
Partner in Clayton & Company CPA

PAFA President CPA Keto Kayemba Shares her Plans for Accountancy in Africa

At the 46th Annual General Meeting of the Pan African Federation of Accountants (PAFA) on 14 May 2023, CPA Keto Kayemba was elected as the president of PAFA for a two year term, 2023 - 2025. CPA Kayemba, who previously served as the PAFA Vice President since 2021, succeeded former President, Cosme Goundété of Benin. She shares her plans for Africa.

1. Briefly tell us about who CPA Keto Kayemba is.

I began my career as an auditor and have now assumed the role of President of PAFA from 2023 to 2025. I hold an M.Sc. in Energy Management, MBA and Bcom. In terms of professional qualifications, I am a Certified Public Accountant (CPA) in Uganda, a Fellow of the Chartered Certified Accountants of the UK and a Certified Information Systems Auditor (CISA).

PAFA is a federation of 56 member organisations in 45 countries in Africa. Through our member organisations, the PAOs, we represent thousands of professional accountants – each a potential agent of change in their organisations, towards a future-fit Africa.

2. What motivated you to stand for Presidency at PAFA?

My decision to run for the Presidency at PAFA was primarily driven by my strong sense of gratitude towards my region and the desire to serve at a continental level. Having had the opportunity to travel across the world and experience diverse cultures and development levels, I felt compelled to contribute my expertise to bring positive change to Africa. My extensive experience as an accountant, including serving as Assistant Auditor General and actively participating in national and international professional bodies, further reinforced my motivation to serve the accounting profession at a continental level.

3. Walk us through your journey to becoming a leader at regional level

My journey started with active participation in committees at the Institute of Certified Public Accountants of Uganda (ICPAU). Through my involvement in these committees, I gained valuable experience and knowledge in the field of accounting and finance.

Following this, I had the opportunity to represent the Office of the Auditor General as a Council member at ICPAU for over 10 years. This role allowed me to contribute to the governance and decision-making processes of the Institute.

I also served at the Information Systems Audit and Control Association (ISACA), initially as a member of the first Board of the Kampala Chapter. Later on, I had the privilege of serving at the international level on a subcommittee of ISACA's International Board. I eventually became the President of the ISACA Kampala Chapter, where I had the opportunity to lead and guide the local chapter's activities.

In addition to my involvement in professional organisations, I had the honour of serving at the International Federation of Accountants (IFAC) at the Professional Accountancy Organisation Development Committee (PAODC) for several years. Initially, I served as a member for three years, representing both ICPAU and the Association of Chartered Certified Accountants (ACCA). Later, I was appointed as the Deputy Chair of PAODC for another three years. PAODC is an IFAC board committee which provides strategic guidance to the Board on the development of the accountancy profession worldwide.

Simultaneously, I held the position of Deputy Auditor General, where I played a key role in strategising, guiding, directing, and leading the office. This position allowed me to develop leadership skills and gain a deep understanding of the public sector and the auditing profession.

In 2020, I was elected as the Vice President of PAFA. This role provided me with a platform to contribute to the development and advancement of the profession at the continental level.

Finally, in 2023, I was appointed as the President of PAFA, which marked a significant milestone in my journey as a regional leader. As President, I have the opportunity to shape the strategic direction of PAFA, advocate for the profession, and collaborate with stakeholders across the region to drive positive change.

Overall, my journey to becoming a leader at the regional level has been marked by active involvement in professional organisations, serving in key positions, and continuously seeking opportunities to contribute to the development and advancement of the accounting and finance profession.

4. What do you view as the present challenges for the profession in Africa?

Professional accountants in Africa have both a public interest responsibility and a transformative opportunity to lead change. In December 2022, PAFA issued a call to PAOs in Africa to adopt strategies that support professional accountants for people, planet, and prosperity[1]. The call highlights five areas of focus that professional accountancy organisations (PAOs) should consider in developing their future strategies to support the development of future-fit professional accountants for Africa:

i. *Leading sustainability reporting and assurance*

The State of the Profession in Africa report[2] revealed that professional accountants across Africa are less optimistic about their contribution to reports on the impact of business activities on the environment and society. A key factor for this lack of confidence is their limited understanding of ESG (Environment, Social, Governance) and what is required of them in this space.

It is essential that the accountancy profession advocates for smart sustainability-related policymaking and regulation, adopts an integrated mindset, is proactive on climate reporting, and builds and demonstrates sustainability-related skills and competencies[3].

ii. *Strengthening governance, transparency, and accountability in the public sector*

The State of the Profession in Africa report 2022 highlights the slow progress towards the professionalisation of the public sector. Stakeholders who participated in the study called on the accountancy profession to play a more significant role in influencing public policy and to serve as trusted advisors to governments on socioeconomic development initiatives. PAOs must play a key role in strengthening public sector accountancy capacity. The African Professionalisation Initiative offers a sustainable economic, efficient and effective solution to PAOs.

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1 Call on PAOs to Develop Strategies for People, Planet, and Prosperity | PAFA

2 State-of-the-Profession-in-Africa | PAFA

3 Time for Action on Sustainability: Next Steps for the Accountancy Profession | IFAC

iii. . Enhancing the quality of accountancy services

The International Auditing and Assurance Standards Board (IAASB) has raised the bar for quality management. Three new international standards – which became effective on 15 December 2022 – aim to strengthen and modernise quality monitoring in an increasingly complex accountancy ecosystem.

A country-level quality review system is key to ensuring quality accountancy services critical for enhancing confidence in business, trust in government, foreign direct investment, and the effective use of development assistance. In many countries in Africa, these systems do not exist or need strengthening, and where they are functioning effectively, they need to be updated for the new standards.

PAOs have a public interest responsibility to support professional accountants to implement the new standards, and to strengthen country-level quality review systems.

iv. Realising Africa's growth objectives through the Africa Continental Free Trade Area Agreement (AfCFTA)

The report, Journey to AU2063 – Professional Accountants Empowering the AfCFTA[4], revealed that, if Africa is to achieve its grand agenda for trade liberalisation, professional accountants must understand better how to interpret key priorities for transforming the accountancy profession in the context of the African Union's agenda 2063. The study identified critical steps that must be prioritised by the profession in harnessing its strengths and developing its capacity to play a much-needed role in enabling intra-continental trade, leveraging the AfCFTA.

v. Fighting corruption and economic crime

Corruption and related economic crime, such as money laundering, bribery, tax evasion and fraud, illicit flows, are significant obstacles to economic growth and human development and, ultimately, realising the African Union's agenda 2063 and the United Nations' sustainable development goals. The accountancy profession is well placed in business, the public sector, and society to help fight these crimes. The profession is also well placed to support an ecosystem of key actors and policymakers that strive to counter corruption and economic crime. By leading in these two roles, the profession serves the public interest as an enabler of The Africa We Want.[5]

To assist PAO's to move from commitment to action, the Call recommends actions related to each of the five areas of focus. Furthermore, PAFA is uniquely positioned to harness its comparative advantages to assist PAO's in implementing strategies that support future-fit professional accountants.

5. How do you intend to address these challenges during your tenure?

The PAFA Board comprises committed, experienced, and influential representatives from PAOs across the continent – Burkina Faso, Burundi, Democratic Republic of the Congo, Kenya, Mauritius, Morocco, Nigeria, South Africa, Tunisia, and Uganda. They possess expertise in a wide range of areas and represent a variety of cultures, backgrounds, and perspectives.

I plan to harness their valuable insights and guidance to assist PAFA and the accountancy profession in Africa to progress the five key areas of focus mentioned above. Furthermore, my Board colleagues' extensive networks and relationships within the accountancy profession, as well as with policymakers, regulators, and other stakeholders will be instrumental in advocating for our aspirations.

6. What are your priorities for the next 2 years?

As the new PAFA President, my priorities over the next 2 years will be aligned with the five key areas of focus mentioned above. I will harness my extensive expertise and experience in the public sector to ensure impactful progress in these areas across all sectors.

In addition, I will urge the PAFA Board and Secretariat to add the attractiveness of the profession as a sixth area of focus. There can be several reasons why the attractiveness of the accountancy profession in some countries in Africa is declining. The reasons – which differ from country to country, continentally, and internationally – need to be identified and explored.

Addressing the challenges would require a multi-faceted approach involving educational institutions, PAOs, governments, and the business community; and significant efforts to increase awareness, enhance the quality of accountancy education, promote the value and versatility of the accountancy profession, and create favourable career pathways.

7. How can Uganda contribute to the achievement of the priorities listed above?

ICPAU is a founding member of PAFA and an essential partner in advancing PAFA's key areas of focus in Uganda, East Africa, and beyond. Furthermore, as a full member of the International Federation of Accountants (IFAC) – represented on its various boards and committees over the years – ICPAU is leading the adoption and implementation of international standards on accountancy education, ethics, financial reporting, auditing, and assurance, as well as accountancy quality assurance and investigation and disciplinary systems, in Uganda. And it will follow the same with the new international standards on sustainability.

With their world-class professional qualification, ICPAU's over 4,000 members are part of a global network of professional accountants, and each is a potential agent of change. In fulfilling their public interest responsibility, I believe that they will continue to acquire and apply the skills and competencies necessary to evolve from doing the same things, to doing the same things differently, to doing different things.

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[4] Journey to AU2063 – Professional Accountants Empowering the AfCFTA | PAFA

[5] Action Plan for Fighting Corruption and Economic Crime | IFAC

8. How can women get to high leadership positions, especially in line with their professions?

To support women in attaining high leadership positions aligned with their professions, here are some insights:

- Education and Skill Development: Women should prioritise continuous learning and skill development to enhance their knowledge and expertise in their respective fields. Pursuing advanced degrees, attending relevant workshops and conferences, and staying updated with industry trends can contribute to their professional growth.
- Networking and Mentoring: Building strong professional networks is crucial for career advancement. Women should actively seek out networking opportunities, join professional organizations, and participate in industry events. Additionally, finding mentors, both male and female, who can provide guidance, advice, and support can be immensely beneficial.
- Leadership Development Programmes: Taking part in leadership development programs or executive education courses can help women enhance their leadership skills, gain confidence, and expand their perspectives on effective management and decision-making.
- Self-Promotion and Advocacy: Women should learn to effectively promote their achievements and capabilities. They should showcase their accomplishments, take credit for their work, and confidently articulate their value to their organisations. Additionally, advocating for oneself and seeking opportunities for growth and advancement is crucial.
- Seek Supportive Work Environments: Women should look for organisations that prioritise diversity and inclusion and have supportive policies and practices in place. Companies that offer mentorship programmes, flexible work arrangements, and equal opportunities for career progression are more likely to provide an environment conducive to women's advancement.
- Challenge Gender Bias and Stereotypes: Women can actively challenge and combat gender bias and stereotypes in the workplace. By raising awareness, addressing unconscious biases, and promoting equal opportunities, women can create a more inclusive and supportive environment for themselves and future generations.
- Balance Personal and Professional Life: It is important for women to establish a healthy work-life balance that aligns with their personal priorities. Setting boundaries, managing time effectively, and seeking support from family, friends, and colleagues can help navigate the challenges that come with balancing multiple responsibilities.

Remember, the journey to high leadership positions may not always be linear, and challenges may arise along the way. However, by staying focused, persevering, and supporting each other, women can continue to break barriers and achieve their professional goals.

9. You served as a member of the Council of ICPAU for over 15 years. What makes volunteer service fulfilling?

Volunteer service is very fulfilling, and personal beliefs and values can play a significant role in enhancing fulfillment in giving back. Here are a few factors that contribute to the fulfillment of volunteer service:

i. Sense of Purpose and Meaning: Engaging in volunteer service allows one to align their actions with their personal values and beliefs. It provides a sense of purpose and meaning by making a positive impact on others and the community. This sense of purpose has brought me a deep level of fulfillment and satisfaction.

ii. Personal Growth and Development: Volunteer service provides opportunities for personal growth and development. It allows individuals to develop new skills, gain diverse experiences, and broaden their perspectives. Through volunteering, one can enhance ones leadership abilities, communication skills, empathy, and cultural understanding.

iii. Building Relationships and Community: Volunteering often involves working alongside like-minded individuals who share similar passions and interests. It provides an opportunity to build meaningful relationships and connections with people who have a common goal. The sense of community and camaraderie that emerges from working together towards a shared purpose can be deeply fulfilling.

iv. Gratitude and Appreciation: Engaging in volunteer service can foster a sense of gratitude and appreciation for the opportunities and privileges one possesses. It allows individuals to acknowledge their blessings and give back to others who may be less fortunate. This gratitude and appreciation can bring a profound sense of fulfillment and joy.

v. Learning and Sharing Knowledge: Volunteering offers opportunities to share your knowledge, expertise, and experiences with others. By imparting knowledge and skills to individuals or organizations, you can contribute to their growth and development. Simultaneously, you can also learn from others, gain new insights, and expand your own knowledge base.

Ultimately, the fulfilment derived from volunteer service is subjective and may vary from person to person. For me, it is rooted in personal values, spiritual beliefs, and a desire to contribute to a profession I am passionate about.

CPA Keto Kayemba was interviewed by Ms. Caroline Nassuuna, Communications Intern - ICPAU

Opportunities await you at the West Nile Regional members Network

In 2013, the Institute of Certified Public Accountants of Uganda (ICPAU) introduced regional member networks to improve member engagement by acting as a communication link between the Institute and its members.

The West Nile Regional Network was launched in April 2013 to serve students, associates and members of the Institute of Certified Public Accountants of Uganda (ICPAU) in the West Nile region. A team from Today's Accountant magazine caught up with CPA Stephen Candia, the chairman of the network.

1. What activities are members engaged in?

Members are engaged in offering training support to CPA students in the region through Arua Business School which was formed by the network. We promote the ICPAU courses, in liaison with the Institute, through community engagements with schools and tertiary institutions in the region. Through our Corporate Social Responsibility (CSR) programme, we support the community through initiatives in healthcare, education and livelihood improvement. We also create awareness about current and upcoming reforms in the accountancy profession, and we offer support towards members' social events like graduations, weddings and funerals.

2. How does the network engage with the Secretariat?

In 2019, the Secretariat launched a constitution to regulate the regional networks, therefore the constitution forms the framework for our engagement with the Institute. We assist the Secretariat in organising and participating in radio programmes, organising ICPAU events in the region, for example, the ICPAU@25 and the ICPAU@30 celebrations in West Nile, organising regional Continuing Professional Development (CPD) workshops, and we also participate in the Institute's Career Guidance Outreach programme.

3. What is the relevance of such networks to the profession?

Regional member networks provide a platform for increasing awareness of the Institute's activities. They support member growth and development and promote social cohesion.

4. What achievements have you registered as a network?

We have recorded growth in membership from 10 to 90 loyal members. We have 90% access to members in the region. There is enhanced visibility of the CPA brand in the region. The region re-

(L-R) Deputy City Clerk-Arua City Jobile Cornelius, Associate Prof. Simon Anguma Katrini, Vice Chancellor-Muni University, Dr. Alice Akello, RCC-Arua City, CPA Prof. Laura A. Orobia- Council member ICPAU, CPA Charles Lutimba-Director Standards & Regulation ICPAU and CPA Stephen Candia- Chief Finance Officer for Maracha District Local Government celebrating ICPAU @ 30 in West Nile.

painted a pedestrian crossing and signage on Kampala road in Arua city. This has been beneficial to road users, especially pupils of Arua hill primary school. Due to our community engagement efforts, the network has built close working relations with the local authorities. There is enhanced knowledge of the profession among technical and political leaders in the region.

5. What efforts have you made to promote the profession in the region?

We have promoted the profession through participating in the Institute's Career Guidance Outreach programme, provision of tuition to ICPAU students, counselling students, assisting students with enrolment and access to study material, engaging with practitioners to encourage the creation of opportunities for Practical Experience Training, and holding engagements with the community and the local authorities.

6. Please share a final word with members who have not yet joined the West Nile Network.

Genuine friends, a rich knowledge bank, and career opportunities await you at the West Nile Network. TA

CPA Stephen Candia,
Chief Finance Officer for Maracha District Local Government

Kidney Health

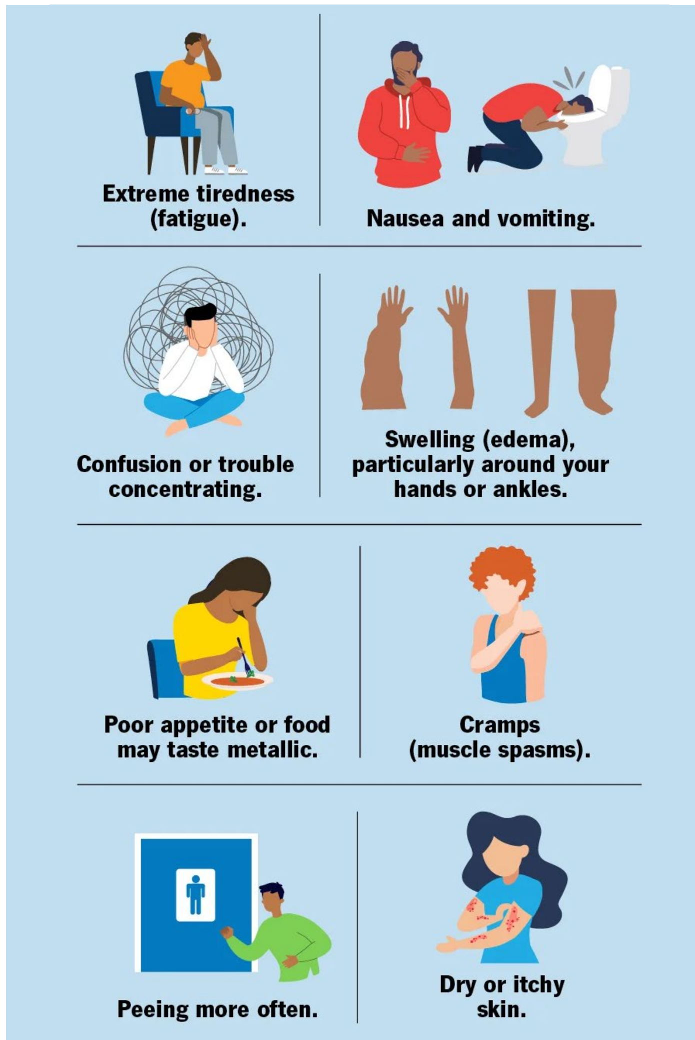
Strictly speaking, the kidneys are small bean shaped organs which are paired and located in a part of your body called the flanks at the border of your lower back and the thorax. The kidneys function to remove wastes and excess water from the blood. These wastes and fluids are combined to form urine. Many vital body functions are dependent upon the proper functioning of the kidneys. The kidneys also control the amount of sodium, potassium, phosphorous, calcium, and other chemicals in the body.

Statistically, kidney disease is one of the fastest growing chronic diseases and is projected to be the 5th leading cause of years of life lost by 2040. Unfortunately, most people are not aware that they have kidney disease until it is advanced. The only way to know for sure if you have kidney disease is to get tested

What are the Signs and symptoms of kidney disease?

Kidney disease is often asymptomatic until the advanced stages of the disease when greater than 80% of the functional units of the kidney are lost/damaged. Finding out if you have kidney disease relies heavily on blood tests to estimate the functions of the kidneys and also assessment of urine to check for presence of proteins. The blood test that is most commonly used to check the level of kidney function is the creatinine concentration. As kidney function goes down, the creatinine concentration in the blood goes up. The most common urine tests are for protein or albumin in the urine. Imaging tests like ultrasound of the kidneys can also reliably differentiate between acute kidney injury and chronic kidney disease and establish if there is an obstructive cause for the kidney injury.

Sometimes, people with kidney disease will develop swelling, most commonly around the feet and ankles, before any other symptoms appear. When Kidney disease is detected early, it is usually an incidental finding as part of routine investigations for other illnesses. Patients with kidney disease present with diverse signs and symptoms including, high blood pressure, general body weakness, getting tired easily, vomiting and body itching. With advanced kidney disease, you may develop edema (swelling of the feet, ankles, or legs), loss of appetite, increased sleepiness, nausea, vomiting, confusion, and difficulty in thinking. Patients often develop blood chemistry (electrolyte) abnormalities such as a high potassium concentration, anaemia (a decrease in red blood cells, which can cause fatigue and other symptoms), and bone disease. Even when kidney failure is advanced, most people still make a normal or near-normal amount of urine; this is sometimes confusing. Urine is being formed, but it does not contain sufficient amounts of the body's waste products.



What are the risk factors for kidney disease in Africa?

A number of factors can increase the risk of developing kidney disease, including:

- Diabetes mellitus
- High blood pressure
- A family history of kidney disease
- Obesity
- Smoking
- Older age
- Having protein in the urine
- Having disease which affect the immune system/autoimmune disease

Diabetes and high blood pressure or hypertension, are responsible for two thirds of chronic disease cases. Diabetes occurs when your blood sugars remain too high. This over time damages your organs including the kidneys, heart, blood vessels, nerves and eyes. In addition, uncontrolled or poorly controlled high blood pressure is the leading cause of stroke, heart attacks and chronic kidney disease requiring dialysis. Also, chronic kidney disease can cause high blood pressure.

In Uganda, the high rate of infections especially HIV and Malaria are risk factors for development of kidney disease. Having Sickle cell disease as well adds to the list. In pregnant women, having poor nutrition and a pregnancy-induced high blood pressure called pre-eclampsia are known risk factors for development of kidney disease.

Other causes of kidney disease include enlarged prostate in men causing obstruction or repeated urinary tract infections which can also damage the kidneys.

How do you find out if you have kidney disease?

A healthcare provider may use several tests usually during routine medical consultations for sickness or wellness to find out if you have kidney disease and determine if there is a treatable underlying cause. These include the following:

1. *Kidney function tests:* from this blood test, doctors will calculate the glomerular filtration rate (GFR). This gives an approximate measure of the overall filtering abilities of the kidneys.
2. *Urine tests* — The presence of albumin or protein in the urine (called albuminuria or proteinuria) is a marker of kidney disease. Even small amounts of albumin in the urine may be an early sign of kidney disease in some people, particularly those with diabetes and high blood pressure.
3. *Imaging studies* — Imaging tests such as ultrasound may be recommended to determine if there are any obstructions (blockages) of the urinary tract, kidney stones, or other abnormalities, such as many large cysts.
4. *Kidney biopsy* — With a kidney biopsy, a small piece of kidney tissue is removed and examined under a microscope. The biopsy helps to identify abnormalities in kidney tissue that may be the cause of kidney diseases.

KIDNEY DISEASE TREATMENT

The first step in the treatment of kidney disease is to determine the underlying cause. Some causes are reversible, like use of medications that impair kidney function, blockage in the urinary tract, or decreased blood flow to the kidneys. Treatment of reversible causes may prevent kidney disease from worsening. Get assistance of a nephrologist, a doctor who specializes in kidney diseases. Early referral to a nephrologist decreases the chance of developing complications associated with kidney disease.

Other interventions include:

- Improving lifestyle changes (healthy eating). This involves meeting with a dietitian to make a kidney-healthy eating plan.
- Appropriate use of prescribed medications to lower blood pressure and avoiding conditions or exposures that can cause harm to the kidneys or sudden drop in function called acute kidney injury such as kidney infections, certain pain killer medications like Naproxen, diclofenac, ibuprofen or over the counter medications and some antibiotics. Notably, it's important to keep away from herbal supplements as well and also dye during imaging tests.

PREPARING FOR DIALYSIS

Some people with kidney disease progressively get worse over time and will eventually need to consider starting dialysis/blood cleaning or getting a kidney transplant. There are two types of dialysis: hemodialysis and peritoneal dialysis. Uganda has established centres providing this hemodialysis services mostly in central region with only Lira and Mbarara as regional peripheral centres. Some patients may also choose not to start dialysis when it is unlikely to extend their life.

Kidney transplantation is also an option for some people with chronic kidney disease even before ever starting dialysis. Patients should talk with their doctors about getting an evaluation for a kidney transplant long before they are getting close to needing dialysis.

An important component of treatment for patients with chronic kidney disease is planning for dialysis in advance. Although kidney transplantation is the treatment of choice in most cases, many people must wait months or years for a kidney to become available and usually the procedure is expensive. Uganda has passed the organ and transplant bill into law, and we shall most likely have kidney transplants this year. Dialysis will likely be needed, often for an extended period as someone waits for a transplant.

How do I prevent myself from getting kidney disease?

To prevent and find out early if you have kidney disease, you need to have good health seeking behaviour. If you are at risk, get tested early and ask your doctor to test your blood and urine. If you have diabetes, it's important to get tested yearly. Important health tips to lower your risks include:

- Lose weight if you are overweight. This involves eating a healthy diet and exercising. Physical activity helps control blood sugar levels.
- Quit smoking, get checked for kidney disease and if you are on any medications, take as directed.
- Keep your blood pressure below 140/90 or consult your doctor on what best blood pressure target is suitable for you.
- If you have diabetes, stay in your target blood sugar range as much as possible since keeping sugar level and blood pressure under control has been linked to lower risk of developing kidney disease in people living with diabetes.
- Check your blood cholesterol levels and stay in your target as discussed by your doctor. Managing blood pressure, blood sugar and cholesterol levels is very important since they are as well risk factors for stroke and heart disease
- Lastly, eat food lower in salt and eat more fruits and vegetables.

Given the rising burden of kidney disease worldwide, it's important to increase assess to screening for early diagnosis since the disease is usually asymptomatic until late in the course/stage. Diabetes and hypertension are two important risk factors which must be adequately controlled to prevent the development of kidney disease in people with high blood pressure and diabetes. Lifestyle intervention remains the cheapest way to reduce the risk of kidney disease.

TA

Dr Dan Oriba Langoya,
MBChB, MMED
Specialist Internal Medicine Physician,
St. Mary's Hospital Lacor &C-Care IMC Gulu.

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA
LIST OF MEMBERS ADMITTED BETWEEN JANUARY – JUNE 2023

S/ No	Name	Membership Registration Number	Admission Date
1	Samuel Opio	FM4032	06/02/2023
2	Umar Kisuule	FM4033	06/02/2023
3	Angelline Agwang	FM4034	06/02/2023
4	Racheal Irene Nabutsale	FM4035	06/02/2023
5	Alfred Mwumva Sebahire	FM4036	06/02/2023
6	Ritah Nankonzi	FM4037	06/02/2023
7	Karthik Avinash Belle	FM4038	06/02/2023
8	Jacob Kabigumira	FM4039	06/02/2023
9	Baker Kanyangoga	FM4040	06/02/2023
10	Rogers Ndyahika Muhumuza	FM4041	06/02/2023
11	Jane Babirye	FM4042	06/02/2023
12	Bright Lasiati	FM4043	06/02/2023
13	Tom D.sam Bakole	FM4044	06/02/2023
14	Josephine Mbabazi	FM4045	06/02/2023
15	Justus Musimenta	FM4046	06/02/2023
16	Luvai Kago Muyesu	FM4047	06/02/2023
17	Samuel Mutuma Kaaria	FM4048	06/02/2023
18	Patrick Byakatonda	FM4049	03/04/2023
19	Aron Adula	FM4050	03/04/2023
20	Geoffrey Walker Oyuu	FM4051	03/04/2023
21	Ronald Oyepa	FM4052	03/04/2023
22	Jane Frances Amase	FM4053	03/04/2023
23	Charlotte Naisubi	FM4054	03/04/2023
24	Christine Nsekanabo Khisa	FM4055	03/04/2023
25	Stephen Kiwanuka	FM4056	03/04/2023
26	Denis Ignatius Oula	FM4057	03/04/2023
27	Joseph Osako	FM4058	03/04/2023
28	Stella Atwine	FM4059	03/04/2023
29	Frank Kabuye	FM4060	03/04/2023
30	Mathias Ssekiranda	FM4061	03/04/2023
31	Irene Ayebale	FM4063	03/04/2023
32	John Balitebiya	FM4064	03/04/2023
33	Joseph Mugyenyi	FM4065	03/04/2023
34	John Jonah Omiji	FM4066	03/04/2023
35	Emily Kamaranzi	FM4067	03/04/2023
36	Nina Lydia Nassuna	FM4068	03/04/2023
37	James Kiberu	FM4069	03/04/2023
38	Efrance Penelope Nandugga	FM4070	03/04/2023
39	Robert Kakooza	FM4071	03/04/2023

S/ No	Name	Membership Registration Number	Admission Date
40	Stanley Wamala	FM4072	03/04/2023
41	Simon Peter Oola	FM4073	03/04/2023
42	Faith Batwala Mutesi	FM4074	11/05/2023
43	Arthur Tumusiime Asiimwe	FM4075	11/05/2023
44	Edward Mutema	FM4076	11/05/2023
45	Rose Nakigozi	FM4077	11/05/2023
46	Johnie Muhumuza	FM4078	11/05/2023
47	Peter Kigongo	FM4079	11/05/2023
48	Lawrence Lutaaya	FM4080	05/06/2023
49	Alim Bwambale	FM4081	05/06/2023
50	Geoffrey Bujara Byarugaba	FM4082	05/06/2023
51	Patience Mujuni Natuhwera	FM4083	05/06/2023
52	Eva Namutebi	FM4084	05/06/2023
53	Sudi Nangoli	FM4085	05/06/2023
54	Anna Maria Kisa Naggujja	FM4086	05/06/2023
55	Jannet Majjorie Nagadya	FM4087	05/06/2023
56	Beatrice Nalumansi	FM4088	05/06/2023
57	Stella Lovina Nabatanzi	FM4089	05/06/2023
58	Beatrice Wanyirigira	FM4090	05/06/2023
59	Latim Emmanuel	FM4091	05/06/2023
60	Stephen Magola	FM4092	05/06/2023
61	Crescent Mwetware	FM4093	05/06/2023
62	Sarah Nantongo	FM4094	05/06/2023
63	Zaweria Wanjiru Karanja	FM4095	05/06/2023
64	Peace Anna Auyat	FM4096	05/06/2023
65	George Martin Asaya	FM4098	26/06/2023
66	Milly Nabalwa Basala	FM4099	26/06/2023
67	Tomson Ochare	FM4100	26/06/2023
68	Pamela Muhanguzi Kembabazi	FM4101	26/06/2023
69	Sharon Nuwasiima	FM4102	26/06/2023
70	Horace Muhabuzi	FM4103	26/06/2023
71	Catherine Gwoktcho Atim	FM4104	26/06/2023
72	Pheonah Kakuru Nasasira	FM4105	26/06/2023
73	Catherine R Nyafwono	FM4106	26/06/2023
74	David Nsumba	FM4107	26/06/2023

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With these as your strategic business advisers, you can be sure to grow your enterprise.

To find a licensed accounting firm, visit www.icpau.co.ug or scan the Code

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