

NAVIGATING THE CHALLENGES OF ACCOUNTING PRACTICE
COMMENTS OF DISCUSSANT – DR. (PRINCE) OYEBADE OYEDEPO, FCA
ON THE PAPER PRESENTED BY: MR. OLADELE OLADIPO, FCA

S/N	Challenges of Accounting Practice mentioned by Mr. Oladele Oladipo	Solutions on how to navigate the challenges proffered by Mr Oladele Oladipo	Other solutions to navigate the challenges proffered by Dr. (Prince) Oyebade Oyedepo
1.	Expectation Gap: • “The difference between what the public expects from the auditing profession and what the profession actually provides’	• Firms should invest in system of quality management – covers client acceptance/continuance, staffing, compensation, monitoring and supervision etc. • Enhanced quality monitoring reviews by professional bodies and regulators • Deepen advocacy with regulators, government agencies and media on the role of professional accountants	None

2.	Technology disruption and innovation: Increasing demand for; • Data analysts and scientists • AI and machine learning experts • Software and application developers • Digital marketing and strategy specialists • Process automation specialists • Big data specialists • Business development professionals • Digital transformation specialists • Information security analysts • Internet of Things (IoT) specialists • Cybersecurity experts Reducing demand	•Embrace technology and digital transformation •Invest in accounting and audit automation •Personal development, including attendance of ICAN MCPD	None
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	• Data entry clerks • Administrative and executive secretaries • Accounting, bookkeeping and payroll clerks • Accountants and auditors • Assembly and factory workers • Business services and administration managers • Client information and customer service workers • General and operations managers • Mechanics and machinery repairers • Material recording and stock-keeping clerks		

3.	Changing Standards, Law and Regulation: • Changes to accounting standards e.g. IFRS 17 (Insurance). • Updates to ethical standards e.g. IESBA Code of Ethics 2023 (Independence) • Companies and Allied Matters Act 2020 e.g. entities exempted from audit • Financial Reporting Council of Nigeria (Amendment) Act 2023. • IFRS S1 and S2 (Sustainability Standards). • New revised auditing standards e.g ISA 315 Revised (Risk Assessment), ISA 240 Reviewed (Accounting Estimates)	• Self-development on changing standards, laws and regulations, including attendance at MCPD • Deepen advocacy to influence the direction of changing laws and regulations • Active involvement in the standards setting process	None
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4.	Compliance with professional ethics and standards: • Scrutiny and sanction of auditors and company officials by regulators • Investigations of public officers by regulatory agencies and the legislature • Disciplinary investigations and sanctions by professional bodies e.g. ICAN	• Enhance ethical trainings • Encourage users of financial information to utilize the professional disciplinary process • Adequate sanctions for non- compliance	• Firms should establish a robust compliance system to avoid sanctions • They should regularly update themselves with new developments to align with changing regulations • They should set up a quality control section to monitor the implementation of ethics and standards and any subsequent changes
5.	Low fee base: • Professional accountant fees are perceived as low, relative to other professions • Feeling that accountants	• Review scale of professional fees • Broaden service offering to enhance earnings capacity • Don't underprice/undercut	• Embrace collaborations with colleagues and people of other professions to enhance income

	underprice/undercut Services seen as commodities		
6.	Talent Development and Retention: - Low remuneration for accountants. - Perceived difficult qualifying process. - Reduced interests in the profession in some part of the world. - Talent migration - japa	- Deepen collaboration with educational institutions - Provide mentoring and coaching - Expand service offering to give opportunities for wider experience - Improve the remuneration package - Improve security and infrastructure (Government)	- Give room for creativity and ingenuity to encourage staff - Create conducive work environment for staff to motivate them - Introduce retirement benefits, cooperative societies and life assurance policies to attract them to stay
7.	Globalization and remote working: - Global shared service centres sometimes result in lay-offs - Results in reduced	- Develop regional and global networks - Invest in technology and workplace culture that enable remote working	None

	quality of coaching and supervision • Remote working not yet optimized due to infrastructure challenges – electricity, internet connectivity • Loss of team spirit: negative impact on staff morale		
8.	Stunted Growth and lack of business continuity: • Sole partners' firm reluctance to merge • Most engagements are based on proprietors' personal relationships • Inability of firms to outlive the proprietor	• Invest in mergers and collaborations • Train and expose your staff	None

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OTHER CHALLENGES AND SOLUTIONS BY DR. (PRINCE) OYEBADE OYEDEPO NOT MENTIONED BY THE PAPER PRESENTER

S/N	CHALLENGES	CAUSES	SOLUTIONS
1.	Cybersecurity Risks	• The increasing frequency and sophistication of cyber threats pose a significant risk to the confidentiality and integrity of financial data • The hackers are continuously targeting the organization's data and confidential accounting information. The accountants are dealing with cyber threats on a regular basis. The target is not only accounting data but the contact list, clients and the connections	• The focus should be on utmost security of the accounting information and data. If there is a use of accounting software, it should be updated regularly to match up the security requirements. The user must restrict others while sharing specific data and any data that is no longer in use should be erased and avoided.

			• Firms can move information to the cloud which is the most secured option • Implement robust cybersecurity measures. Educate accounting staff on best practices for data security and ensure the use of secure, up-to-date software.
2.	Environmental, Social and Governance (ESG) Reporting:	The growing emphasis on ESG reporting adds another layer of complexity to financial reporting. Accountants are now required to disclose environmental, social and corporate governance structure and performance of any entity they audit than previously. The report on ESG is to increase corporate transparency about an	• Integrate ESG considerations into financial reporting frameworks and ensure organization's commitment to its principles • Deploy the use of sustainability reporting which is the disclosure and communication of environmental, social, and governance

		organization's performance, risks, and opportunities. Therefore, auditors and accountants are not only expected to report on financial activities of corporate organizations but also on environmental, social and governance structure and performance. This places a burden of knowledge and versatility on auditors and accountants as they have to understand the entire structure and workings of an organization in details, to be able to report on them effectively.	structure of an organization to its stakeholders. • Deploy the use of sustainability reporting tools in preparing the reports which are; annual reports, eco-labels, benchmarking and balanced score cards

3.	AI automation and accounting	One of the major accounting challenges of today is the inculcation of tech bones like AI and automation of accounting tasks. Rapid technological advancements have transformed the accounting landscape, with automation, artificial intelligence, and block chain disrupting traditional processes. The implementation of these technological advancements will help reduce the level of manual work by considerable benchmarks. It can be used to tackle complex accounting tasks. This is a major challenge to those who are not IT savvy	Embrace technology by investing in advanced accounting software, machine learning tools, and block chain applications. This not only streamlines routine tasks but also allows accountants to focus on more strategic, value-added activities
4.	Unhealthy competition	Aggressiveness of some professional bodies to take over accounting and other associated services from Accountants capitalizing on some legislative loopholes or lopsidedness. This leads to frustration, limited scope	- Stay focused - Improve skills and competencies to surpass competitors - Register with their professional bodies if it becomes compelling

		of operation and low income for Accountants	
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