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**Our Ref:**

**Your Ref:**

**December, 2017**

Dear Sir,

**RESPONSE TO THE EXPOSURE DRAFT ON PROPOSED REVISIONS TO THE CODE PERTAINING TO THE OFFERING AND ACCEPTING OF INDUCEMENTS.**

Association of National Accountants of Nigeria is very pleased to comment on the Exposure Draft on Proposed Revisions to the Code Pertaining to the Offering and Accepting of Inducements.

**Specific Comments**

**Our responses to Question for respondents are set out below:**

**Question 1**

The Association of National Accountants of Nigeria (ANAN) supports in totality the proposals in Section 250.

ANAN is also in full support of the proposed guidance to determine whether there is an intent to improperly influence behavior, and how it is articulated in the proposals. The reason being the comprehensive nature of the proposed revision as contained in Sections 250.7 to 250.14 A2.

This standards when passed will deterred Accountants from accepting unsolicited gift that could influence the Accountant's judgment negatively, and thus, bring the profession to ridicule..

## **Question 2**

ANAN agrees that the proposed provisions relating to inducements for PAPPs should be aligned with the provisions of PAIBs in Section 250 because ANAN believes that both PAPPs and PAIBs are exposed to the same working conditions and situations.

The Association also agrees that the proposals in Section 340 achieve this objective because of its adequacy.

## **Question 3**

ANAN supports the restructuring changes and proposed conforming amendments in proposed sections 420 and 906 provided the value of the inducement is trivial and inconsequential and registering it, whether offered or accepted, in a log monitored by senior management of the firm or another individual responsible for the firm's ethics compliance for the purposes of transparency.

## **Question 4**

ANAN believe that the IESBA should consider a project in the future to achieve further alignment of Sections 420 and 906 with proposed Section 340 because it is the believe of the IESBA that the proposals represent a significant strengthening of the extant provisions and guidance relating to the offering and accepting of inducements, and will contribute to further enhancing public trust in the profession.

## **General Comments**

The Association is of the opinion that the IESBA should endeavor to standardize the definitions of SMEs and SMPs because there are divers definitions adopted by different nations in describing the nature and size of SMEs/SMPs. In some countries, the definitions is in relation to the staff strength while in some other climes, the volume of turnover is adopted and still yet in some others they prefer to use volume of capital of the organization concerned. ANAN is of the opinion that there should be unification so that the definitions should be aligned together.

## **ABOUT ANAN**

Association of National Accountants of Nigeria (ANAN) is a statutorily recognized Professional Accountancy body in Nigeria. The body is charged among others, with the responsibility of advancing the science of accountancy.

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The Association was founded on 1<sup>st</sup> January, 1979 and operates under the ANAN Act 76 of 1993(Cap A26 LFN 2004), working in the public interest. The Association regulates its practising and non-practising members, and is overseen by the Financial Reporting Council of Nigeria.

Active ANAN members are 20,049, who are either FCNA or CNA and are found in Business, Practice, Academic and Public Sector in all the States of Nigeria and Overseas. The members provide professional services to various users of accountancy services.

ANAN is a member of the International Federation of Accountants (IFAC), International Association for Accounting Education & Research (IAAER), The Pan African Federation of Accountants (PAFA), and Associate of Accountancy Bodies in West Africa (ABWA).

Yours faithfully,

**ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA**



**DR. SUNDAY A. EKUNE, FCNA**

*Registrar/Chief Executive*