

A SUPPLEMENT OF THE ACCOUNTANT JOURNAL

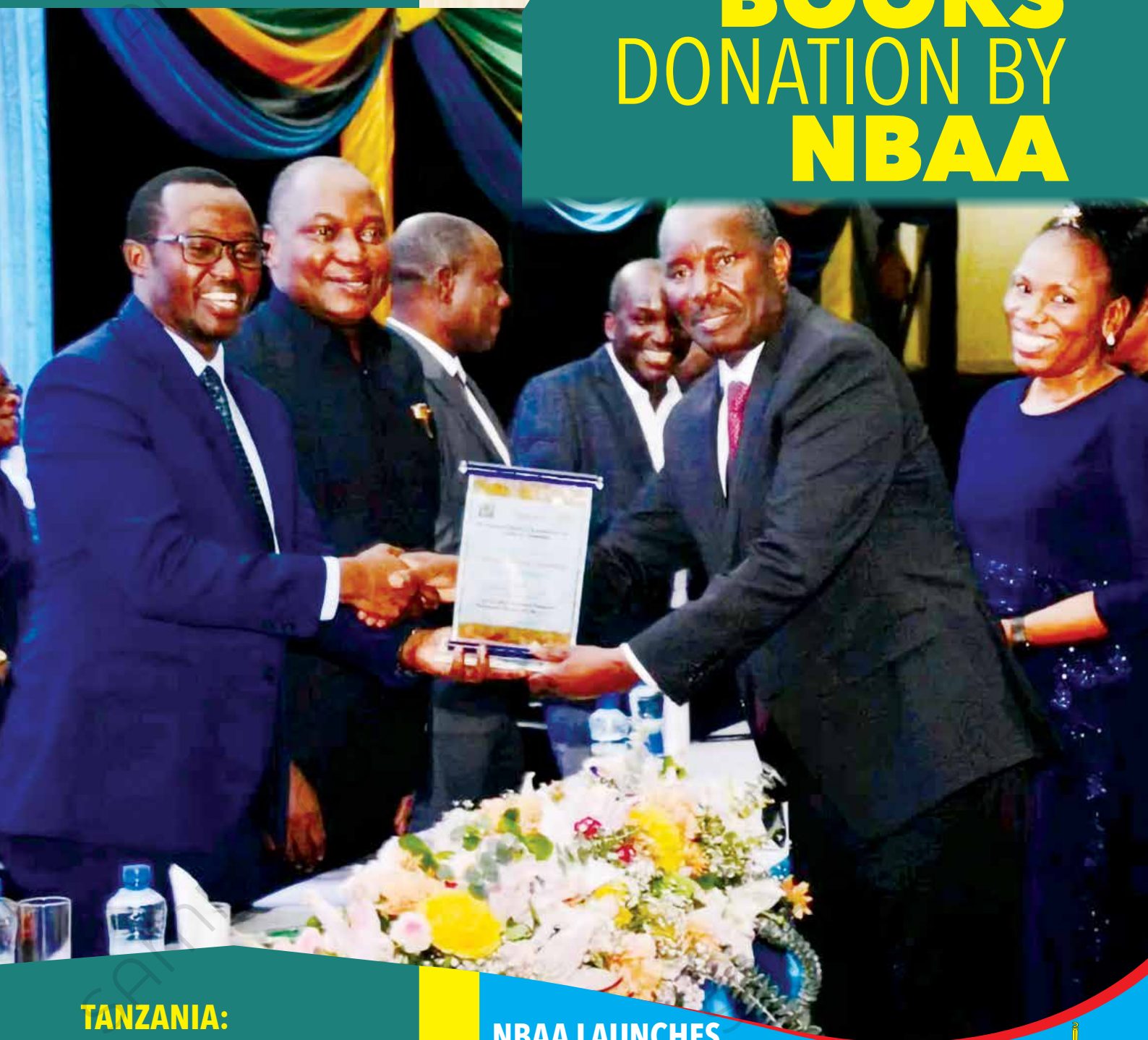
Accountant

Magazine

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TANZANIA:
MEASURES TAKEN TO EASE
US DOLLAR CRUNCH

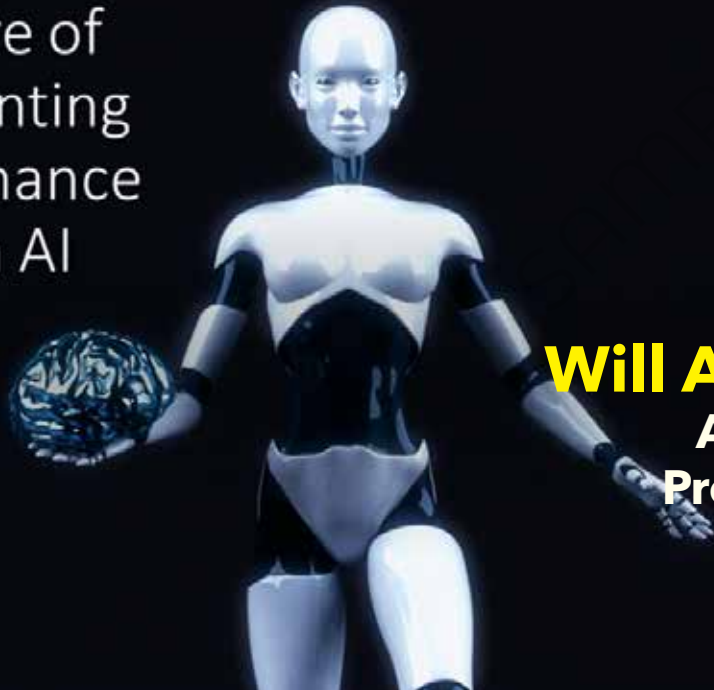
**NBAA LAUNCHES
INTERNATIONAL STANDARDS
FOR SUSTAINABLE DEVELOPMENT**





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From the **Executive Director's Office**

guidance on how to use Members and Examinations Management System (MEMS) has also been issued in order to allow smooth interaction with the system. In addition, from August 2020 MEMS is full accessible via smart phones. Accessibility via smart phones gives Board's stakeholders opportunity to register, apply, check status, process payment and access examination results online, hence increase performance, efficiency and integrity at individual level and the general public as a whole. NBAA has also introduced online diploma and Certificate in IPSAS review classes from March 2023, to avoid the challenges of opening physical classes everywhere particularly in the remote areas. Please enjoy NBAA services at individual/convenient location and time.

 **CPA Pius A. Maneno**

Greetings

It is my great pleasure to bring to you the July to December 2023 issue of the Accountant Magazine.

The Accountants and Auditors (Registration) Act, Cap 286 was amended and passed by the National Assembly on 3rd September, 2021 and assented by H.E. Samia Suluhu Hassan, the President of the United Republic of Tanzania on 28th September, 2021 and gazetted on 28th October 2021. These amendments were done to update the legal framework due to changing environment, the Act was amended last time in 1995.

NBAA has been able to increase its active membership to 7,455 with the following breakdown: Graduate Accountants 5,097,

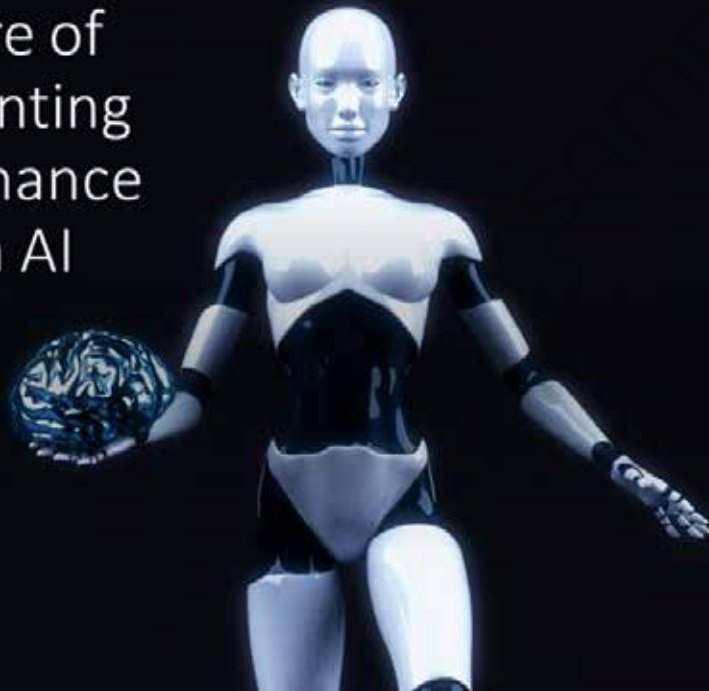
ACPA 1,301; ACPA-PP 765, FCPA 72; FCPA-PP125 and Temporary 95;

Number of NBAA candidates per session in both November 2021 and May 2022 is over 6000 per session, NBAA was able to conduct more than 20 CPD programmes including Web based Seminars (Webinars). More than 10 advisory programs were conducted to both private as well as public entities

The use of information and communication technology has dramatically increased in 2022. NBAA ICT strategy which was developed in 2011, has tremendously improved in terms of effectiveness, economy and efficiency. NBAA has developed Members and Examinations Management System (MEMS) for online application/registration. A

Will AI replace Accountancy Professionals?

Future of
Accounting
and Finance
with AI



With the seemingly constant development and implementation of technology in the workplace, it is a valid concern for many in accountancy, that artificial intelligence (AI) might eventually make their jobs obsolete, particularly ones where human error is a risk that could lead to serious consequences.

The likes of luminaries such as PwC and Oxford University have predicted that within 20 years, 97.5% of accountant clerk and bookkeeper jobs could be automated. However, those statements were made almost 10 years

ago, and it would seem that those early fears of AI making great swathes of accountancy professionals redundant, do not represent the reality of the 2020's. The question is, does AI still have the potential to replace professionals working in the field of accountancy, or is the very concept, fantasy?

According to the US Bureau of Labor Statistics (2018), there is nothing to fear when it comes to AI replacing accounting jobs. Indeed, the USBLS, actually projected a 7% increase in demand for accountancy jobs between 2020 and 2030, despite the presence of AI, suggesting that the additional time gained from not completing

the mundane tasks allows accountants to become more proficient in their advisory and analytical duties. This is quite a contrast from the claims made by PwC and Oxford University. Let's break down the pros and cons of AI in relation to the accounting profession.

What is AI useful for in accounting?

AI can automate tasks such as data entry, report generation, payroll, bank reconciliation and contract interpretation. These tasks are typically repetitive and if you are working for a firm with a substantial workload, it's a relief to know you can rely on tools such as AI to manage repetitive tasks quickly and with accuracy while you dedicate

your time to other aspects of the business.

What are some potential issues with AI?

1. It goes without saying that AI can work better than humans in many ways, but don't give up on the humans just yet - AI does of course have shortcomings:
2. AI isn't quite as smart as some would have you believe - for example, AI is unable to make strategic
3. AI is unable to determine the reliability of data sources - If an employer wanted to, they could charge a personal expense under the guise of a company expense, and AI would likely not think twice about it, allowing suspicious activity to go unnoticed.
4. There are security and ethical concerns surrounding the use of AI - According to the Centre for

Is AI really comparable with humans?

Although AI will be able to complete some accounting tasks more efficiently and without human error, it does not mean accountants are going to be made redundant. There are still human elements of accounting that could not possibly be achieved by a computer. Let's have a look at them:



decisions. While AI can deal with all the number crunching, it doesn't have the capability to advise a business owner what to do with the numbers. The strategic decisions based on the data have to be made by humans who understand how to interpret them.

Data Ethics and Innovation (CDEI) (2019), bias was highlighted as a major ethical concern with AI because "machine learning systems can, intentionally or inadvertently, result in the production of already existing biases".

1. Instinct - This comes with experience. A well-seasoned accountant will possess the ability to recognise problems before they start to materialise, and take the necessary measures to eradicate them.

2. Experience - What's great about us humans is that we can draw on previous experience with clients to better assist present and future clients. Although AI could use simulations, it does not have the capacity to reflect and apply the relevant knowledge to immediate circumstances.
3. Trust - Unlike software, it is in our nature to develop relationships with people we interact with. As we all know, fostering positive relationships with clients is key to a successful business, and this would not be achieved with AI.
4. Interaction - Although AI can communicate with clients, it may take longer to get to the root of the issue relying on a process of elimination rather than a reciprocal conversation, leaving the client feeling frustrated and helpless. It may be preferred by most people to speak to a real person so they can have their needs addressed immediately.
5. Compassion - Quite frankly, computers do not understand humans. They have no clue about a client's stake in the company, nor can they interpret human emotions... because they're software. Again, this could lead to a lack of trust between client and company because of the impersonal nature of communication.



Conclusion

The bottom line is that AI can provide immense value to organisations in completing repetitive tasks, that will ultimately free up time for accounting professionals and add value for clients. Indeed, Gartner has suggested that AI will actually create more jobs than replace them! Clearly the human element is still fundamentally vital to the successful operation of an accountancy business. Contrary to the initial view of PwC and Oxford University, it seems the common understanding now is that AI may transform accounting, but it's our view that for the foreseeable future it's unlikely to replace accountancy professionals.

**@Written by Kent Height for
clinked.com**

[https://blog.clinked.com/
could-ai-replace-accountancy-
professionals](https://blog.clinked.com/could-ai-replace-accountancy-professionals)

AI can automate tasks such as data entry, report generation, payroll, bank reconciliation and contract interpretation. These tasks are typically repetitive and if you are working for a firm with a substantial workload, it's a relief to know you can rely on tools such as AI to manage repetitive tasks quickly and with accuracy while you dedicate your time to other aspects of the business.

Accounting for Unsubmitted Grant Reimbursement Claims and Related Auditing and Reporting Considerations

Accounting Considerations

A reimbursement grant is almost universally classified as a conditional contribution and, accordingly, unrecognized (but disclosed, similar to a contingent asset) until all grant recognition conditions have been met (generally when qualified grant expenditures are made). Although it is possible to view timely billing as such a condition required by the grant document, I prefer to consider only the making of qualified expenditures as the “conditions” necessary for recognition of grant reimbursements as contribution revenue similar to a performance obligation, as would be the case had ASC 606 been applicable to contributions. I believe it is more consistent with the economic substance of the circumstances described above—and therefore preferable—to treat the failure to bill timely for the grant reimbursement not as a contribution recognition condition, but rather as a credit loss; this results in recognizing the grant as contribution income for qualified grant expenditures when made and a bad debt expense for the estimated uncollectible

portion, most commonly after the billing deadline has passed. Once the degree of uncertainty about collectability after the deadline passes (which tends to increase over time) becomes such that the estimated uncollectible portion—and therefore, the required allowance—becomes 100%, the effect on the reported change in net assets would, of course, be the same under either recognition alternative interpretation described above.

In this case, because of the uncertainty as to pending acceptance and approval of the billing by the grantor, collectability necessarily became more susceptible to estimation by management. Because the estimated uncollectible portion would not relate to either unexpended reimbursable amounts or, as it might for an exchange transaction, to cash payments received in advance of delivery of goods or services, the full contribution income should be recognized, and the related balance sheet credit should not be recorded as either “contract liabilities” (as is provided in ASC 606 for exchange transactions, but

not for contributions) or as any acceptable alternative liability classification such as “deferred revenue.” If the required allowance is 100% of the gross asset, it need not be grossed up in the balance sheet, but note disclosure is recommended even if the gross asset is only borderline material. If such required allowance is less than 100% of the gross asset, the asset should appear in the balance sheet net of a disclosed contra-asset (i.e., an “allowance” similarly to what is ordinarily associated with a billed receivable), with “bad debts” recorded as an offsetting expense.

It is, of course, both permissible and common for unbilled revenue to be recorded and carried as a receivable or similar asset in the balance sheet net at its estimated probable (generally viewed as >50%) collectible value, providing—in the case of reimbursement grants—that management has adequate evidential support for its belief that they represent qualified expenditures (i.e., that all the applicable conditions for recognition have been met by the grantee). Typically, however, estimating uncollectability can be



significantly more challenging for unbilled amounts than it is for billed receivables.

It should be noted that under the circumstances described here, the unbilled asset technically should not be referred to as a “receivable,” because a reimbursement grant request is virtually always subject to review or audit and acceptance by the grantor of the supporting documentation submitted. Until that acceptance happens, I prefer the term “unbilled grant reimbursements” (or “unbilled grant reimbursement claims”). However, if the net recorded unbilled amounts are judged to be not material, I believe it would not be misleading—and, therefore, would be acceptable—to include them

with grant reimbursement claims receivable that have been billed and accepted by the grantor but are as yet unpaid. Likewise, it would not be correct to use the ASC 606 term “contract asset,” which would be appropriate for a grant classified as an exchange transaction but not for a contribution.

Auditing and Reporting Considerations

It is clear that serious consideration should be given to reporting the failure to bill for grant reimbursement when due as attributable to a material internal control weakness for financial reporting purposes which, of course, would be the case without regard to the actual quantitative materiality

“In assessing collectability, an auditor might wish to enquire of the grantor whether the funding for the grant has yet been received from the donor who agreed provide it and whether such funds are still available; or, if not, whether the grantor is reasonably assured that the funds are still likely to become available to pass through to the grantee.

of the exceptions observed when the potential of the weakness could have resulted in a material loss to the organization.

The two principal financial auditing challenges are obtaining adequate assurance as to whether: 1) the expenditures for which reimbursement is claimed are qualified for reimbursement under the grant terms, and 2) management's estimate of the probability of collection and the necessary allowance is reliable. As for the latter, I recommended starting with a discussion with someone of sufficient authority at the grantor to make a reasonable assessment of the probability of its acceptance of a

submission for reimbursement at such a late date. If the response warranted it, I advised that I would also make an independent assessment of the probability of disallowance of any significant amount of submitted costs. (Of course, to be able to evaluate that, unless already adequately done in the prior audit, an auditor would have to examine enough supporting evidence, including—but not necessarily limited to—whatever will be or has been submitted to the grantor.)

In assessing collectability, an auditor might wish to enquire of the grantor whether the funding for the grant has yet been received from the donor who agreed provide it and

whether such funds are still available; or, if not, whether the grantor is reasonably assured that the funds are still likely to become available to pass through to the grantee.

Lastly, if the control deficiency that had been observed was with regard to a grant for a federally funded program subject to audit for Single Audit Act purposes, the finding would probably likewise need to be reported as attributable to a compliance control deficiency. Depending upon the circumstances, there might be Single Audit Act audit and reporting implications of this matter if applicable to the prior year as well.



ACCOUNTING

Dollar Hegemony



Since the end of World War II, the US dollar has been the world's most important means of exchange. It is the most commonly held reserve currency and the most widely used currency for international trade and other transactions around the world.

The US dollar is the largest reserve currency in the world – that is, the currency most held by central banks – and is the currency used to price many commodities, including oil, gold and copper. Major commodities such as oil are primarily bought and sold using U.S. dollars, and some major economies peg their currencies to the dollar.

It is referred to as the world currency as it dominates global business. Economists call it the "global reserve currency," a fancy title the dollar got about 80 years ago that has brought some pretty serious perks to the U.S. economy.

The dollar has been the world's principal reserve currency since the end of World War II and is the most widely used currency for international trade.

Almost 60 percent of global foreign exchange reserves are held in dollars, with the euro a distant second at around 20 percent. Around 90 percent of transactions in foreign exchange markets are invoiced in dollars, as is half of international trade. Reinforcing the dollar's standing is its status as a safe haven currency

during times of crisis.

According to IMF's Currency Composition of Official Foreign Exchange Reserves (COFER), the US dollar accounted for 55 per cent of global foreign exchange reserves in the first quarter of 2023, followed by the euro at 18 per cent.

How it climbed the ladder to the top

The dollar's role as the leading global currency stems from actions taken after the World War II. It was a carefully engineered plan that unfolded in the mountains of New Hampshire nearly 80 years ago. At the time the British Pound Sterling was the international currency. A title it had held for decades.

The dollar's rise happened pretty suddenly at the Bretton Woods International Monetary Conference in 1944. Bretton Woods was a gathering of world leaders at the end of World War II. They came together to try and establish an international system for trade and finance, to help bind the world together and increase prosperity for all.

Everyone agreed that in order to ease international trade, there needed to be a common currency, a standard everyone could use.

At the time of the conference, the British economy was in shambles. The costs of fighting a war on its own soil had been enormous. It was clear that the

British Pound Sterling could not be the currency everyone counted on.

On the other hand, the US was in a better economic condition than any other country. This economic prosperity helped make the dollar the world's strongest currency, meaning it was more valuable than any other international currency at the time.

The Bretton Woods Conference further secured this position when 44 nations agreed upon a set of rules placing the US dollar at the centre of the new global economy.

Under this arrangement, most other currencies were pegged to the dollar, making their value depend on the USD's value. Demand for the US dollar rose to unprecedented levels as a result.

Pains elsewhere as it soars to record levels

As the global economy was recovering from the impacts of COVID-19 pandemic, Russia-Ukraine war began disrupting global supplies sending prices of basic commodities such as oil and fertilizers soaring. This meant that countries had to spend more foreign currencies, mostly US dollars, to foot their import bills and increasing its demands.

The war added heavily to the inflationary pressures building up across the world during the post-pandemic recovery and pushed up consumer prices,

especially for energy.

The spill-over effects of the war across the world have been summed up well by the IMF's Director for African Department, Abebe Aemro Selassie, the Director of the European Department at the International Monetary Fund, Alfred Kammer and co-writers in their article titled 'How War in Ukraine Is Reverberating Across World's Regions' on IMF blog.

They say the conflict is a major blow to the global economy that will hurt growth and raise prices.

According to them, the entire global economy will feel the effects of slower growth and faster inflation because disruptions to global supplies will lead to higher prices for commodities like food and energy that will push up inflation further, in turn eroding the value of incomes and weighing on demand.

Economies will be affected by disrupted trade, supply chains, and remittances as well as an historic surge in refugee flows they say adding that reduced business confidence and higher investor uncertainty will weigh on asset prices, tightening financial conditions and potentially spurring capital outflows from emerging markets.

“ Given the dominant role of the US dollar in the international monetary system, the Fed's aggressive stance towards monetary policy tightening spelt trouble for EMEs that are inextricably linked to global financial markets. Policy tightening had direct negative ramifications for EMEs and LICs with open capital accounts, sizeable current account deficits and high levels of external debt.



Russia and Ukraine are major commodities producers, and disruptions have caused global prices to soar, especially for oil and natural gas. Food costs have jumped, with wheat, for which Ukraine and Russia make up 30 percent of global exports, reaching a record.

To contain the economic fallout of the COVID-19 pandemic, the Federal Reserve (Fed) took a broad array of actions, including expansionary policy (slashing policy rates to near zero) and large-scale buying of bonds and securities. This process, along with maintaining a low interest rate, is called "quantitative easing (QE).

However, the Fed could not endlessly purchase securities and pump money into the economy. When US economy recovered sufficiently, they work on winding down asset purchases or "tapering." The tapering of the Fed's asset-purchase programme was the first significant step toward normalising its ultra-loose monetary policy. After completing the tapering process, the Fed initiated policy rate hikes and began reducing the size of its balance sheet, a process known as quantitative tightening (QT).

The tapering process began in December 2021, with monthly asset purchases reduced from \$120 billion to \$105 billion. Surprisingly, within two weeks, the Fed decided to double the pace of tapering in response to rising inflation and a stronger economic recovery. On

December 15, Fed Chairman Jeremy Powell announced that the Fed would reduce monthly asset purchases by \$30 billion. As a result, the Fed's net new bond purchases will be completely phased out in March 2022, three months ahead of the previous schedule.

The US Fed has committed to maintaining interest rates near zero until inflation averages 2% over time and maximum employment is achieved. Nonetheless, primarily due to inflationary pressures resulting from supply chain disruptions and high commodity prices, the Fed took a more hawkish stance and raised the federal fund rates further.

According to the inflation data released by the US Bureau of Labor Statistics, the consumer price index increased by 7% in the 12 months ending December, 2021; the highest 12-month increase since 1982. The upcoming employment cost index, which provides data on wage growth, added further to the Fed's pressure to usher in higher interest rates in early 2022.

With no signs of inflation abating, the Fed hiked rates four times in 2022, beginning in March, and another four times in 2023. The Fed's December 14-15 meeting minutes indicate that its officials were willing to pursue a much more aggressive policy tightening.

The Fed's triple threat of policy tightening – tapering asset purchases, raising the target range for the federal funds

rate and shrinking its balance sheet – poses downside risks to a large number of emerging markets and developing economies (EMDE) and low-income countries (LIC).

The spill-over effects of policy tightening on emerging markets

Given the dominant role of the US dollar in the international monetary system, the Fed's aggressive stance towards monetary policy tightening spelt trouble for EMEs that are inextricably linked to global financial markets. Policy tightening had direct negative ramifications for EMEs and LICs with open capital accounts, sizeable current account deficits and high levels of external debt.

A more hawkish policy stance by the Fed was highly disruptive to emerging markets for several reasons. Firstly, an aggressive financial tightening raised US yields and strengthened the US dollar against other currencies. As a result, portfolio flows abruptly reversed. The US-based global investors pulled money out of emerging markets and invested in "safe-haven" US assets, a la the infamous 2013 "taper tantrum" when global investors dumped financial assets in emerging markets en masse and moved their capital to safe-haven assets in the developed markets after the erstwhile chairman of the Federal Reserve, Ben Bernanke spoke of possible financial tightening.

TANZANIA: MEASURES TAKEN TO EASE US DOLLAR CRUNCH

 **By Accountant Magazine
Reporter**

US dollar crunch is a global problem. Most of world economies are grappling with the shortage of the currency, the lifeblood of global trade that is impeding commerce and piling pressure on local currencies and sovereign debtors.

Tanzania's economy has not been spared. There have been reports that fuel and oil importers were struggling to import the commodity because of the dip in the supply of foreign currency.

The Energy and Water Utility Regulatory Authority (EWURA) raised fuel prices by at least 17 per cent in August where petrol prices reached 3,199/- per litre in Dar es Salaam up from 2,736/-. Diesel price rose to 2,935/- per litre in Dar es Salaam up from 2,544/-

EWURA Director General, James Andindile said the upwards review of the prices

was caused by dollar shortage in the East African nation and the global crude oil prices.

The authority assured Tanzanians in September that there will be no shortage of fuel as there is enough stock to last for 19 days and some more fuel tankers have docked at the port ready to offload the petroleum products.

The US dollar shortage could also be seen in delayed payments to tobacco farmers. Last July, the Tanzania Tobacco Board (TTB) Director General Stanley Mnozya was quoted by media as admitting that the delays in payments to farmers had been caused by the shortage of the currency.

Last July, the Bank of Tanzania admitted the economy is experiencing shortage of the US dollars but it said the problem has not reached alarming rates as claimed in some quarters.

"The Bank of Tanzania has been and will continue taking measures aimed at ensuring that the shortage of foreign

currency, which is global, does not affect our economy severely," said the BOT Governor, Emmanuel Tutuba in a meeting with some bureaux de change owners.

Mr Tutuba said, despite the ongoing shortage globally, Tanzania had enough foreign reserves capable of meeting the country's import obligations for four months. As of July 14, 2023 Tanzania's foreign currency reserves amounted to 5.55 billion US dollars, which is an import cover for about five months.

According to BoT's Monthly Economic Review for July 2023, the stock of foreign reserves had increased to 5.28 billion US dollars at the end of June 2023, from 5.1 billion US dollars in the similar period in 2022.

The reserves remained adequate, covering 4.8 months of projected imports of goods and services, above the country benchmark of at least four months and the EAC benchmark of at least 4.5 but lower than that of SADC of at least 6 months.

To curb the shortage of dollars and safeguard the stability of the financial system, the central bank imposed a raft of restrictions on foreign-currency dealings which included banning of unlicensed international foreign-currency brokers and a requirement that all forex transactions exceeding 1.0 million US dollars in the retail market be traded within the interbank foreign-exchange market at the prevailing rate.

The central bank said in its Economic Bulletin for the quarter ending June 2023 that during that quarter it maintained a less accommodative monetary

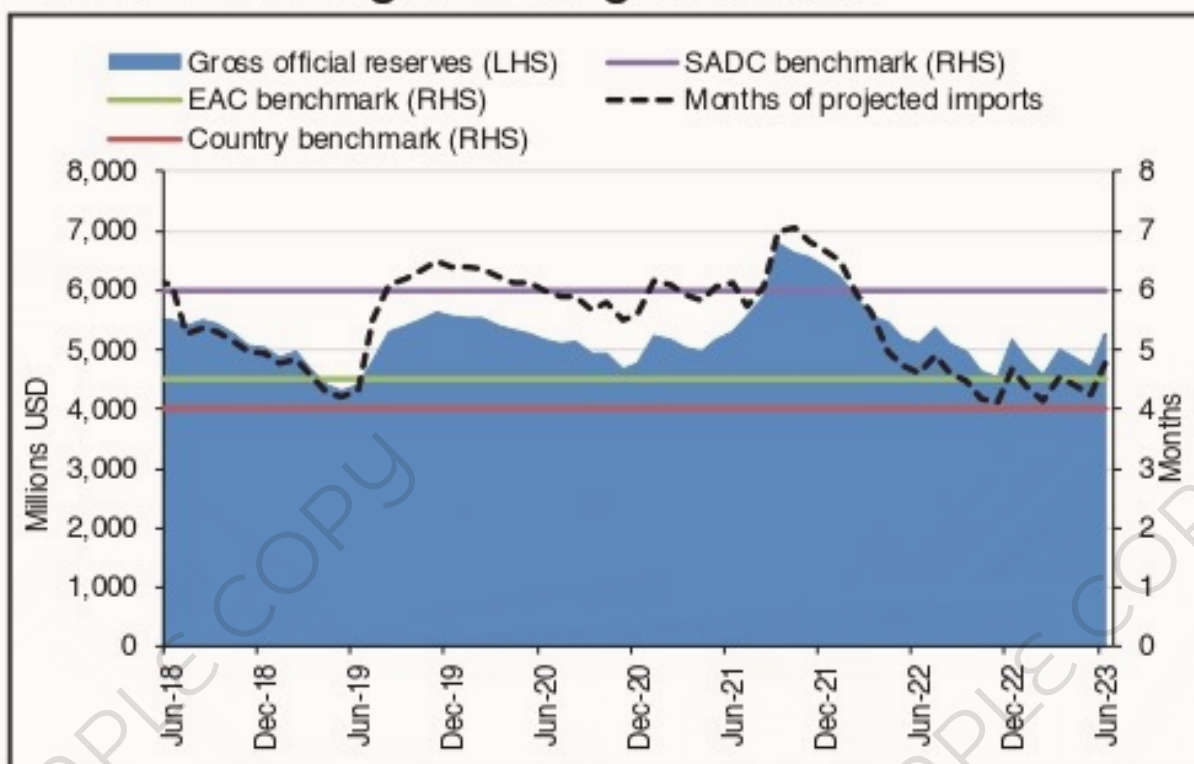
policy stance to address the impact of global shocks while continuing supporting economic activities. The policy stance also aimed at maintaining an appropriate level of shilling liquidity in the economy to reduce domestic demand pressure on foreign exchange.

The Bank of Tanzania's Monetary Policy Committee (MPC) held its 227th Ordinary Meeting on 31st August 2023, to assess the recent implementation of the monetary policy and noted that the less accommodative monetary policy succeeded to contain liquidity within the desired levels.

The MPC also observed that, the economy experienced shortage of the foreign exchange, particularly the US dollar, due to the global shocks. However, it noted that owing to adequate foreign reserves and measures adopted to increase supply of the foreign exchange in the market, the situation is expected to improve.

The MPC said the private sector should be encouraged to boost production to increase exports and import substitution.

Chart 2.7.1 Foreign Exchange Reserves



Source: Bank of Tanzania

Note: LHS denotes left hand scale; RHS, right hand scale; EAC, East African Community; and SADC, Southern African Development Community

Most important recent developments in the accounting industry

by Bakhyt Weeks for
clinked.com

Over the last year, accounting businesses worldwide saw a continued shift towards digitalization and automation, as companies adapted to remote work and changing economic conditions. The demand for technology-based accounting solutions increased, as well as for virtual and outsourcing services. The pandemic also highlighted the importance of financial management and planning, leading to an increased focus on financial reporting and analysis.

Despite these changes, the overall demand for professional accounting services remained strong, providing opportunities for growth and expansion in the industry.

Here are top 5 trends and developments affecting the accounting industry worldwide:

1. Increased adoption of Artificial Intelligence (AI) and machine learning (ML) in accounting and financial reporting
2. Greater focus on sustainability and non-financial reporting
3. Increased regulatory focus on financial reporting and corporate governance
4. Emphasis on real-time financial reporting and real-time data analysis
5. Expansion of cloud-based accounting software and related services

Increased adoption of AI and machine learning (ML)

There was a significant rise in the adoption of AI and ML in accounting and financial reporting. This was driven by the need for more efficient, accurate and timely financial reporting and the availability of new technologies that could support this goal.

The use of AI and ML in accounting and financial reporting involves automating tasks such as data entry, reconciliation, and financial analysis, which can reduce the risk of errors and increase efficiency. Additionally, these technologies can also help companies generate insights and make more informed business decisions.

This shift towards the use of AI and ML in accounting and financial reporting is expected to continue in the coming years, as companies seek to improve their financial reporting processes and make better use of the vast amounts of financial data they collect.

Greater focus on sustainability and non-financial reporting

We have been witnessing a growing focus on sustainability and non-financial reporting in the accounting industry. This trend was driven by increased awareness of the importance of environmental, social and governance (ESG) factors

in business and investment decisions, and the need for better information to support these decisions.

To meet this demand, accounting firms and organizations began to develop new reporting frameworks and standards to help companies measure and communicate the impact of their operations on the environment and society. This increased focus on sustainability and non-financial reporting also led to an increased demand for accountants with expertise in ESG analysis and reporting.

The trend towards greater focus on sustainability and non-financial reporting in the accounting industry is expected to continue in the coming years, as stakeholders demand greater transparency and accountability on ESG issues.

Increased regulatory focus on financial reporting and corporate governance

There is a significant increase in regulatory focus on financial reporting and corporate governance in the accounting industry. This trend was driven by several factors, including:

Heightened investor scrutiny: Investors are demanding greater transparency and accountability from companies, leading to increased pressure on the accounting industry to improve the quality of financial reporting.

Changes in accounting standards: The adoption of new accounting standards, such as IFRS 17, increased the complexity of financial reporting and the need for higher quality information.

Heightened concerns about corporate governance: Scandals and instances of unethical behavior by corporate leaders have led to increased public and regulatory scrutiny of corporate governance practices, particularly in the areas of board independence, risk management, and financial reporting.

Increased enforcement of financial reporting regulations: Regulators are taking a more proactive approach to enforcing financial reporting regulations, including increased fines and penalties for non-compliance.

Overall, these factors have resulted in a heightened focus on financial reporting and corporate governance within the accounting industry, as companies seek to maintain investor trust and comply with regulatory requirements.

Emphasis on real-time financial reporting and real-time data analysis

The 'always-on' business lifestyle created a massive demand for real-time financial reporting and real-time data analysis. This trend was driven by several factors, including:

1. Rise of digital transformation: The growth of digital technologies has made it possible for companies to collect, process, and analyze financial data in real-time, providing greater visibility into their financial performance.
2. Increased demand for real-time information: With the rapid pace of business, stakeholders including investors, regulators, and managers are increasingly seeking real-time information about a company's financial performance.
3. Need for faster and more accurate decision making: With real-time information, companies can make quicker and more informed decisions, leading to improved financial performance.
4. Emergence of cloud-based accounting solutions: The rise of cloud-based accounting solutions has made it easier for companies to access and analyze real-time financial information from anywhere.

These factors will continue to drive demand for real-time financial reporting and real-time data analysis, as companies seek to stay competitive and make data-driven decisions.

Expansion of cloud-based accounting software and related services

And finally, we have to mention the expansion of cloud-based accounting software and related services. The growth of cloud-based solutions was driven by the increasing need for flexibility and accessibility in financial reporting, as well as the desire for lower costs and improved scalability.

Cloud-based accounting solutions allow companies to access financial information from anywhere, at any time, and collaborate with their accounting team in real-time. Additionally, these solutions can also integrate with other business systems, such as client portals, invoicing, payroll, and project management, to provide a more complete picture of a company's financial health.

The recent expansion of SaaS (Software as a Service) offerings also led to an increased demand for accountants with expertise in these solutions and the ability to provide cloud-

based accounting services to their clients. The trend is expected to continue in the coming years, as companies seek to improve their financial reporting processes and better manage their financial data.

Here are 10 examples of cloud-based accounting software:

1. Xero
2. QuickBooks Online
3. FreshBooks
4. Zoho Books
5. Wave Accounting
6. Sage 50cloud
7. KashFlow
8. MYOB
9. Intuit Online Payroll
10. FreeAgent.

Client and document portals compliment cloud-based accounting software

Most accounting firms are benefiting from the operating synergy of accounting software and client portal software, both cloud-based. For instance, Clinked is a cloud-based client portal platform that can be

used by accountants alongside their existing professional software to improve client service and communication. Clinked can help your firm with the following:

- 1. Collaboration:** Allow clients to collaborate on projects, tasks, and financial information in real-time.
- 2. Document Management:** Store, organize, and share client documents and files securely in the cloud.
- 3. Task Management:** Assign, track and manage tasks and deadlines with clients.
- 4. Secure Data:** Ensure the security and privacy of client data through the use of encryption and secure data storage in the cloud.
- 5. Communication:** Improve communication with clients through internal messaging, discussion forums and notifications.



NEW FINANCE

Act, 2023

The Finance Act, 2023 (FA2023) was passed by the National Assembly on 26 June 2023. On 30 June, the President assented to the Bill, which then became the Finance Act, 2023 (the Act) and came into operation on 1 July 2023.

The FA 2023 follows the National Budget Speech for the financial year 2023/24 (Budget Speech) delivered by the Minister for Finance (Minister) in Dodoma, Tanzania on 15 June 2023

With the issuance of the Finance Act 2023, there are various tax and non-tax changes to our laws that have been enacted. It is important that taxpayers, accountants and auditors familiarize themselves with the changes.

Tax amendments

INCOME TAX ACT (CAP 332)

The FA 2023 amends the Income Tax Act (ITA) as follows:

- 1. Change in control provisions under section 56 - In July 2012, section 56 was amended to tax transactions involving disposals of overseas entities with direct or indirect interest in Tanzanian entities resulting in a change in control of more than 50% in a period of three consecutive years. This understanding is based on the objects and reasons set out in**

the Finance Bill 2012, which is stated as follows:

'Part VII proposes amendment to the Income Tax Act, Cap. 332 with a view or widening tax base by including in tax net gains on sale of shares or securities held in a resident entity to counteract the current tax avoidance practice of selling local companies through overseas holding companies.....'

Due to what seemed like ambiguous wording of section 56, the provision has been the subject of dispute between taxpayers and the Revenue Authority, specifically on whether or not direct disposals of membership interest

resulting in a change in control of Tanzanian entities falls within the scope of this section – especially because such transactions are already taxed under another provision of the ITA.

The FA 2023 now excludes the following transactions from the scope of section 56: (i) ‘allotment of new membership interest of a local entity’ and (ii) transactions where the change of underlying ownership is ‘a sole result of transfer of membership interest of a resident entity to another resident entity’.

- ❖ Allotment of new membership interest – The FA 2023 intends to clarify that allotment of

new shares in a Tanzanian entity resulting in more than a 50% change in control should not trigger the application of section 56 on the local entity. While this is a commendable change for an entity that is already incorporated, it is often preferable to transfer membership interest rather than issue new shares to the incoming investor due to the quantum of the amount often being offered.

- ❖ Transfers between residents – While the provision could have been more

clear, the indication is that it intends to cover transfers between resident persons due to the use of the words ‘to another resident entity’. If this is the case, then the question is whether direct transfers between non-residents or between non-resident and resident persons will trigger the application of section 56 in addition to the capital gains tax payable under section 90 of the ITA. An additional observation is on the use of the words ‘is a sole result of ...’ which appears to indicate that,



for the exclusion to apply, the relevant change in underlying ownership will need to have resulted entirely from transfers between residents. For instance, where there is a 51% change in underlying ownership made up of both transfers between residents and transfers between non-residents, the question is whether this exclusion will still apply to the transfer between residents, following which the only change to be considered for purposes of applying section 56 will be that relating to transfers between non-residents.

2. Non-resident providers of electronic services:

The FA 2023 has amended sections 69 and 90A to align with the VAT scope which covers 'electronic services'. Prior to this amendment, these provisions made reference to services rendered through a digital marketplace. In addition, the due date for filing returns and making payment by non-resident suppliers of electronic services has been amended to the twentieth day of the following month of return - previously the due date was the

seventh day of the following month. The definition of 'gross payment' has also been amended to clarify that it covers payments made by individuals that are not conducting business.

3. Exemption on internal restructuring of mining companies:

Gain derived from internal restructuring of mining companies pursuant to the requirements of a framework agreement entered between the Government and investor to form a partnership entity are exempt from income tax.

4. Disposal of land and buildings without evidence of costs incurred:

A person realising an interest in land or buildings who is unable to provide evidence of costs incurred will be subject to 3% income tax on the consideration or approved value of the asset, whichever is higher. This means the standard 10% tax on gain (i.e. the difference between income and cost) will not apply.

5. Withholding tax on payments made to artisanal miners and holders of primary mining licences:

A 2.0 % final withholding tax will apply on payments made to holders of primary mining licences and artisanal miners.

6. Withholding tax on payments made in respect of verified carbon emission reduction:

10% final withholding tax will apply on payments made to a resident person in respect of verified carbon emission reduction.

7. Reinstatement of the exemption for individuals to withhold tax from investments returns:

The requirement for individuals to withhold tax from investments returns (i.e., dividends, interest, natural resources, rent and royalty) that was removed by the Finance Act 2022 has now been re-introduced.

8. Revision of income tax regime on individual transporters:

Section 65T of the ITA on taxation of individuals engaged in transportation businesses has been repealed. These individuals will now be taxed under the presumptive tax regime at fixed tax amounts.

9. Exemption of NHIF investment returns:

Income derived by NHIF from investment returns (i.e. interest from fixed deposits, treasury bonds, treasury bills and dividends) is now exempt from income tax.

EMPLOYMENT TAXES

The FA 2023 amends the Vocational Education and Training Act (CAP 82) as follows:

1. Reduction of Skills Development Levy (SDL):

The rate for the SDL has been reduced from 4% to 3.5%. This is a welcome amendment as it is likely to reduce employment costs.

2. Removal of filing requirement to certain employers:

Employers who are not obligated to pay SDL (i.e. employers with less than 10 employees) will not be required to file monthly SDL returns.

3. Minister may exempt certain employers:

The Minister has been granted powers to exempt any person from the requirement to pay the levy, upon consultation with the Minister for Education, provided that the exemption is in the public interest.

VALUE ADDED TAX ACT (CAP 148)

The FA 2023 amends the Value Added Tax Act as follows:

1. Non-resident suppliers of electronic services:

The definition of 'electronic services' under section 51 has been expanded

to include online intermediation services and online advertisement services.

2. VAT deferment on capital goods:

As proposed in the Budget Speech, VAT deferment has been extended to locally manufactured 'capital goods'. Previously, this relief was available on imported 'capital goods'. In addition, the VAT deferment relief on imported capital goods will cease on 30 June 2026.

3. Zero rating of goods:

To apply a zero rate on the supply of locally manufactured garments made from locally grown cotton for one year from 1 July 2023 to 30 June 2024.

4. Exemption under section 6:

Expanding the scope of VAT exemption upon application on importation of raw materials (Heading 39.02 and 39.07) used to manufacture packing materials of pharmaceutical products and importation of prefabricated structures (HS Code 9406.20.90) for use in poultry farming, to the extent that there are performance agreements with the Government.

5. Exemptions under the Schedule to the VAT Act:

Various items have become exempt from VAT including the sale of a house not exceeding TZS 50 million by a real estate developer; the supply of aircraft, aircraft engine, aircraft parts and aircraft maintenance to a local operator of air transportation; the supply of automobile accessories used in the conversion of motor vehicle fuel systems to natural gas or electricity to persons engaged in the conversion of such motor vehicles; and precious metals, gemstones and other precious stones at refineries, buying stations or mineral and gem houses designated by Mining Commissioner.

EXCISE (MANAGEMENT AND TARIFF) ACT (CAP 147)

The FA amends the Excise (Management and Tariff) Act as follows:

1. Inflation adjustments on specific rates:

Specific rates to be adjusted for inflation and other macroeconomic indicators after a three-year period to provide stability. Previously, the Act allowed for an annual adjustment of these rates.

2. Filing of excise returns by service providers:

The Act has been amended to include an explicit requirement for service providers to file monthly returns. In practice, however, most services providers have been filing such returns.

3. Adjustment of the specific excise duty rates of non-petroleum products:

A general increase in duty rates by 20% on beer (except beer from locally grown barley) and tobacco products, and by 10% on other non-petroleum products.

4. Introduction of excise duty:

Amendment to introduce excise duty on some items such as: excise duty of 20/- per kilogramme on imported and domestically manufactured cement; excise duty of 30% on locally manufactured and imported water pipe tobacco (famously known as shisha); excise duty of 30% on locally manufactured and imported electronic cigarettes and similar personal electric vaporising devices; and excise duty of 30% on smoking pipes and cigar or cigarette holders and parts thereof.

5. Reduction of excise duty:

Amendment to reduce the excise duty rate on various items such as vodka.

TAX ADMINISTRATION ACT (CAP. 438)

The FA 2023 amends the Tax Administration Act as follows:

1. Penalties in relation to issuance of fiscal receipts:

Amending the penalty imposed on failure to use fiscal devices to 20% of the value of sales or TZS 1 500 000 whichever is higher. Prior to this change, the penalty was between TZS 3 000 000 and TZS 4 500 000. In addition, the FA 2023 has amended the penalty for failure to demand a fiscal receipt or reporting a failure of issuing fiscal receipts to the higher of 20% of the tax evaded or TZS 30 000. Prior to this change, the penalty was between TZS 30 000 and TZS 1 500 000. The concern remains on whether the penalty of 20% of the value of sales is punitive and the possible implementation challenges due to the use of the term 'tax evaded', in the event of inadvertent non-compliance.

2. Disclosure of contractor information by construction and extractive sectors:

Entities engaged in the construction and extractive industries are now required to disclose the names of all persons contracted and sub-contracted within 30 days from the date of executing a contract. Prior to this amendment, there was no timeline within which such information should be disclosed to the Commissioner.

3. Maintenance of storage facilities:

The Amendment has introduced two definitions as follows: (i) 'storage facility' to mean warehouse, godown or any other storage facility, which is used to keep own or other persons' goods for business purposes, provided that such warehouse, godown or other facility is not part of a shop, factory, industry or farm; and (ii) 'owner' to mean a person who establishes or operates and is in control of the facility and in possession of the storage facility or a person to whom the storage facility has been leased or sub-let. This amendment appears to provide clarity that on-site facilities owned for purposes of storing manufactured products do not fall within the scope of registration with the Commissioner.

4. Requirement to maintain a primary data server:

Amendment of section 35 to include physical, virtual or any other server under the definition of 'primary data server'. In addition, the requirement to maintain the primary data server has been extended to 1 January 2024. There remain challenges in terms of costs associated with acquiring and maintaining the servers as well as uncertainties as to how access to such servers can be granted to the Commissioner General as required under this section.

5. Application for refund of tax:

The timeline to apply for a tax refund now includes the date a tax decision or other decision giving rise to a tax overpayment is made. This change will now allow taxpayers to claim confirmed overpaid tax relating to prior years within three years of the decision confirming the overpayment. Prior to this change, the timeline to apply for a refund of tax was three years from the date of overpayment, which may have been impractical where the tax position is confirmed after the expiry of three years of payment of the tax.

6. Bed night levy returns:

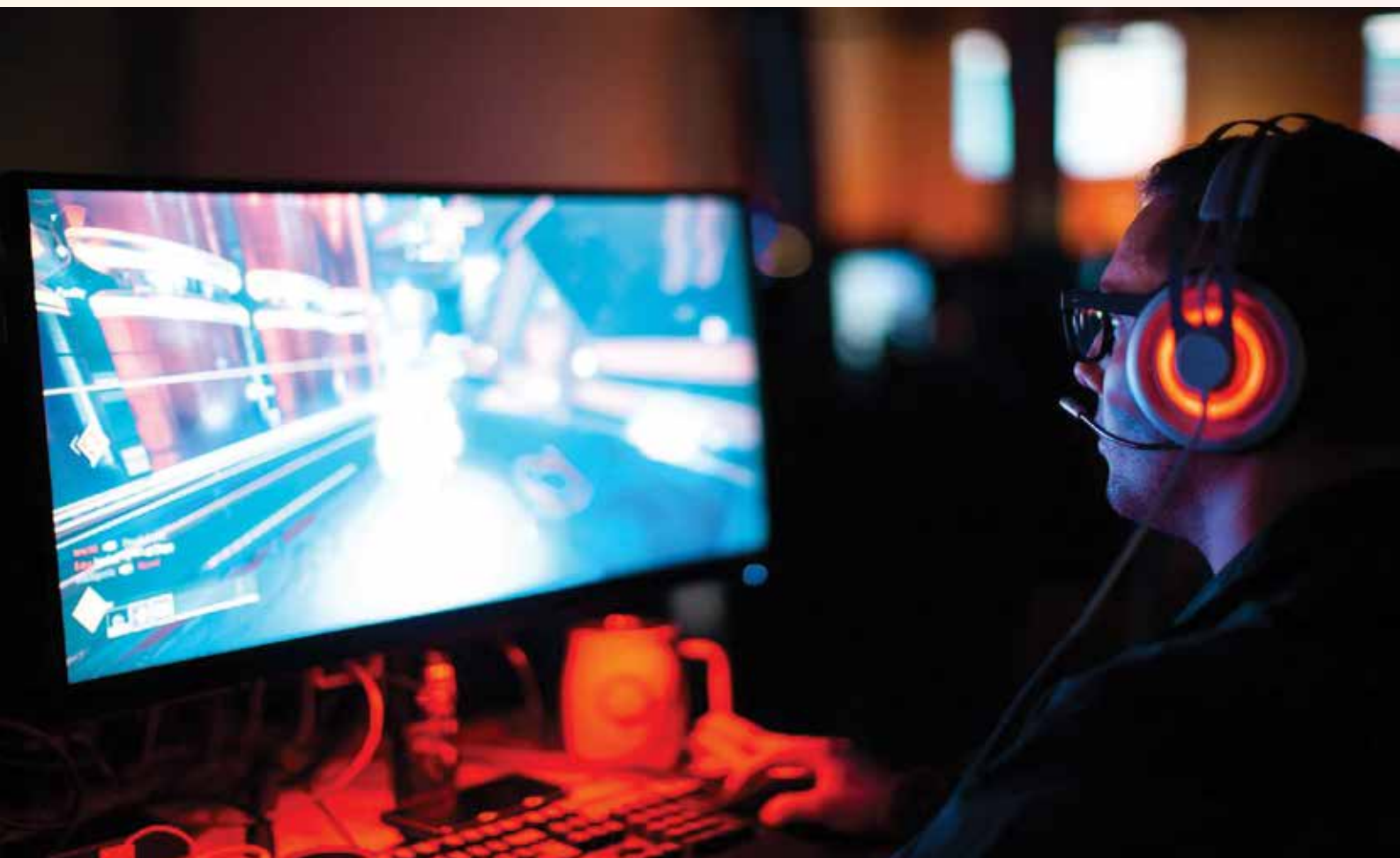
Such returns as filed under the Tourism (Tourism Development Levy) Regulations will now be subject to the provisions of the Tax Administration Act.

GAMING ACT (CAP 41)

The FA 2023 amends the Gaming Act as follows:

1. Licensing condition to have 5% paid up share capital owned by Tanzanians:

The Gaming Act has been amended to include a requirement for the applicant of a gaming licence to have not less than 5% of its paid-up share capital owned by Tanzanians.



2. Definition of gross gaming revenue (GGR):

Defining GGR to mean 'amount of wagering or staking placed by the players minus the collective amount of winnings paid to players'. Prior to the amendment, the Gaming Act did not provide the definition of GGR for the purpose of calculating gaming tax.

3. Definition of commercial gaming undertaking :

This term has been defined to mean any gaming activity that is subject to gaming tax.

Other legislative changes

1. The Copyright and Neighbouring Rights Act, CAP.218 :

Vinyl, mini discs, compact discs, digital

video discs, and Secure Digital (SD) memories are subject to copyright levy at the rate of 1.5 per cent.

2. The Local Government Authorities (Rating) Act, CAP.289:

Property tax rates have been increased from TZS 12,000 to TZS 18,000 for ordinary single-storey buildings, and from TZS 60,000 to TZS 90,000 for multi-storey buildings.

3. The Export Tax Act, CAP.196:

An exporter of raw hides and skin with an Export Processing Zone license is not liable to pay export levy.

4. The Mining Act, CAP.123:

The royalty rate for salt has been reduced

from 3 per cent to 1 per cent. Refineries are no longer required to pay 1 per cent inspection fee.

5. The Road and Fuel Tolls Act, CAP.220:

Road and Fuel toll for petrol and diesel raised to TZS 513 per litre from TZS 413 per litre.

6. The National Payment Systems Act, CAP.437:

Electronic money transfer levy on sending and receiving money has been abolished.



NBAA LAUNCHES

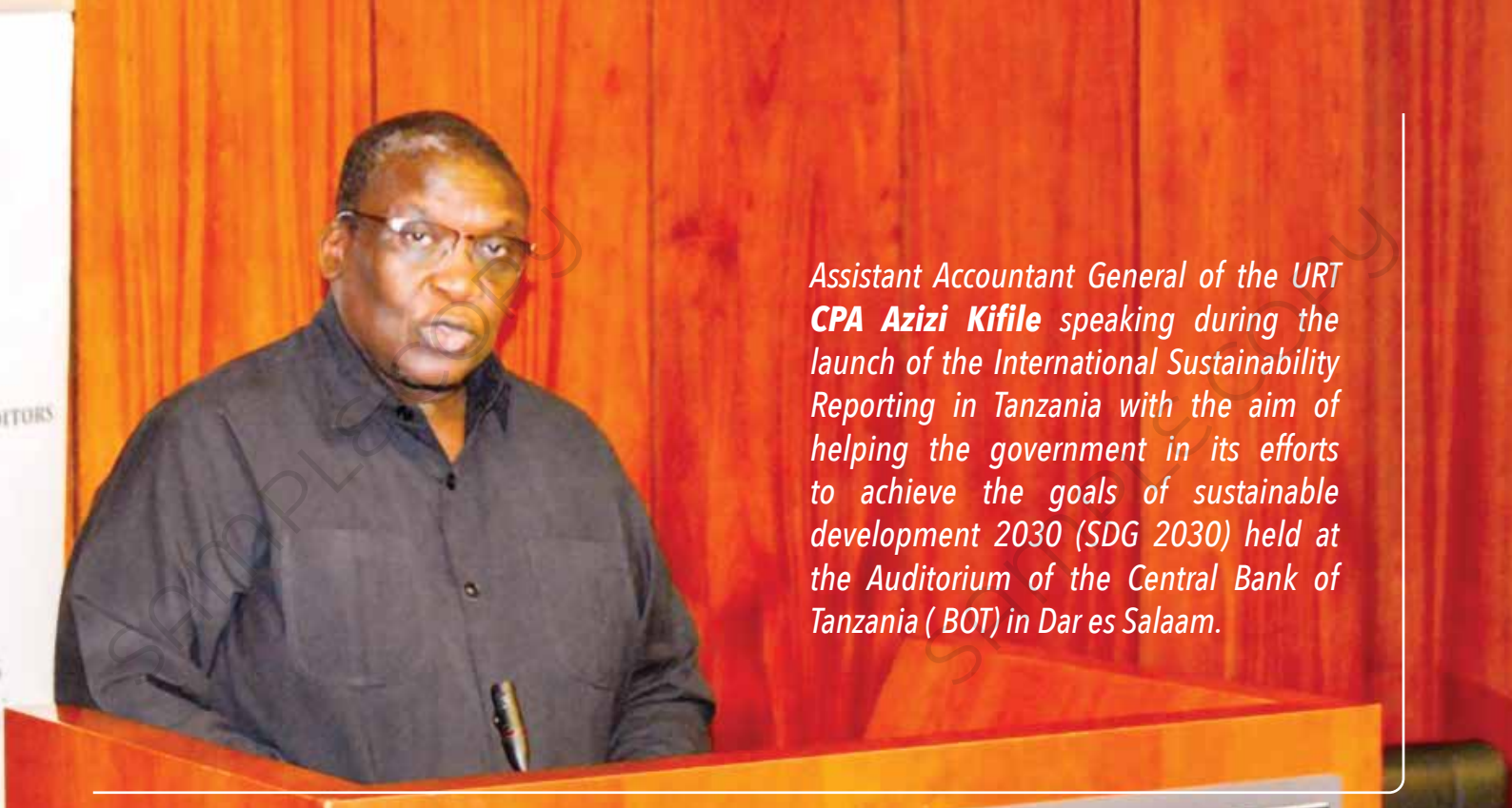
INTERNATIONAL STANDARDS

FOR SUSTAINABLE DEVELOPMENT



Guest of Honor, on behalf of the Permanent Secretary Ministry of Finance of the United Republic of Tanzania, Assistant Accountant General **CPA Azizi Kifile** (Left) pressing a button to mark the launching of adoption of the International Sustainability Reporting in Tanzania from January 01, 2024. Adoption of

the International Sustainability Standards will help the Government in its efforts to achieve the Sustainability Development Goals 2030 (SDG 2030). In the middle is the NBAA Governing Board Chairperson **CPA. Prof Sylvia S. Temu** and right is the Executive Director of NBAA, **CPA Pius A. Maneno**.



*Assistant Accountant General of the URT **CPA Azizi Kifile** speaking during the launch of the International Sustainability Reporting in Tanzania with the aim of helping the government in its efforts to achieve the goals of sustainable development 2030 (SDG 2030) held at the Auditorium of the Central Bank of Tanzania (BOT) in Dar es Salaam.*



*The Executive Director of the National Board of Accountants and Auditors (NBAA), **CPA Pius A. Maneno** speaking about how they planned to manage the International Sustainability Reporting in Tanzania and how NBAA will help various institutions in achieving goals, especially in using those standards.*



Official Guest Assistant Accountant General (Centre) of the Government CPA Azizi Kifile in a photo with the Chairman of the National Board of Accountants and Auditors Tanzania (NBAA), CPA. Prof. Sylvia Temu, Executive Director of the National Board of Accountants and Auditors (NBAA), CPA Pius

A. Maneno, the Board's staff as well as various stakeholders who attended the launch of the International Sustainability Reporting in Tanzania held in the hall of the Central Bank of Tanzania (BOT) in Dar es Salaam.

EAST AFRICA ECONOMIES

bullish despite *polycrisis*

There is optimism for growth prospects in East African Community (EAC) member states in 2023 despite adverse global economic situation.

The economies are currently reeling under polycrisis, a cluster of related global risks with their compounding effects which halted their steady recovery from Covid-19 pandemic.

A mounting climate crisis is posing grave threats to food and cash crop production and the war in Ukraine that has worsened the situation by disrupting global supply chain.

Like other developing

countries, they have also become vulnerable to higher borrowing costs, tighter credit conditions, and increased financial stress resulting from global monetary tightening policies implemented to soften inflationary pressure.

However, despite the gloomy situation, there is optimism on the growth prospects of the countries in East Africa.

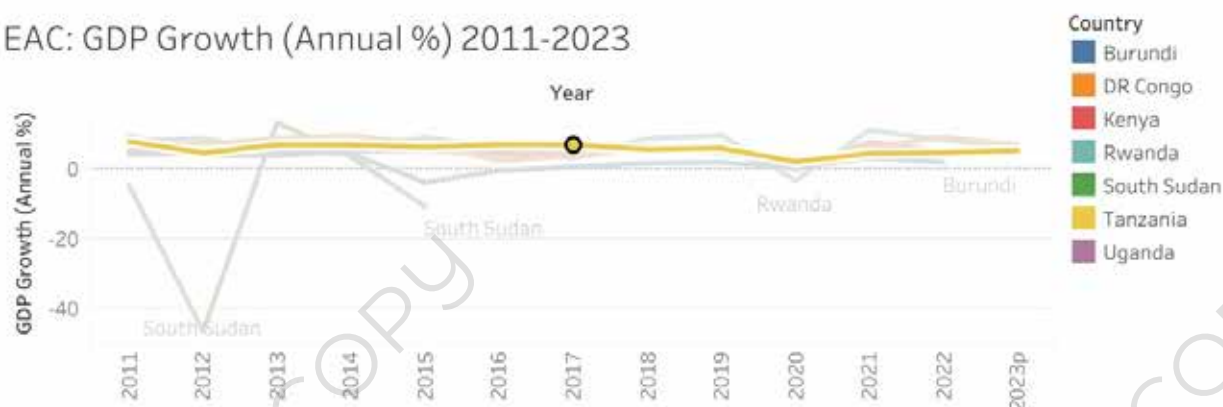
African Development Bank projected that the region will register the highest regional economic performance on the continent in 2023 and 2024, with growth figures at over 5 percent, according to its 2023 East Africa Economic Outlook.

The report, launched in July, projects mid-term economic growth in the region to accelerate to 5.1 per cent in 2023 and 5.8 per cent in 2024, outpacing all the other African regions. This will be largely driven by growth in Rwanda, Uganda, Ethiopia, Kenya, Djibouti, and Tanzania.

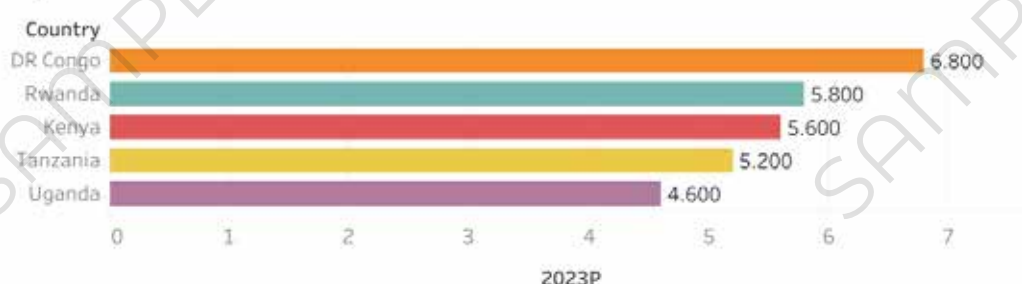
Burundi

Burundi's economic activity remains fragile and vulnerable to shocks. GDP growth is projected to be 2.9 per cent in 2023 from 1.8 per cent in 2022 driven by agriculture and services, according to the World Bank economic outlook of the country.

EAC: GDP Growth (Annual %) 2011-2023



Projected Growth in 2023



Agricultural production is expected to recover, assuming favorable rainfall and good distribution of fertilizer. Growth in the services sector will continue to be supported by transport, telecommunications, and the financial sector. Industry growth remains weak due to disruption of mining activities and the energy deficit.

DR CONGO

After peaking at 8.9 per cent in 2022, real GDP growth in the DRC is expected to reach 6.8 per cent in 2023.

The mining sector remains the main driver of growth although mining output growth is projected to slow to 11.7 per cent in 2023 (from 22.6 per cent in 2022). Growth in non-mining sectors (particularly services) is expected at 4.2 per cent in 2023, from 2.7 per cent in 2022.

KENYA

With a GDP growth at 4.8 percent in 2022, economic performance softened after the strong rebound from the COVID-19 crisis at 7.5 percent in 2021, according to World Bank economic outlook of the largest

economy in the region.

The growth momentum was driven by the service sector which contributed about 80 percent of the increase in total GDP. Financial services, tourism, and transport sectors performed especially strongly

RWANDA

Rwanda has remained one of the top performers in Africa. The country experienced a decline in real GDP growth from 10.9 per cent in 2021 to 8.2 per cent in 2022. The drop in GDP growth during this period was attributed to rising international commodity prices and poor harvest.

Rwanda's economy grew by 9.2 per cent in the first quarter of 2023, following 8.2 per cent growth in 2022. But recent floods, resulting in the loss of life and destruction of infrastructure, are expected to moderate this momentum to 5.8 per cent in 2023 against a pre-disaster forecast of 6.2 per cent.

TANZANIA

The World Bank said in its 19th Tanzania Economic Update launched in Dar es

Salaam recently that growth reached 4.6 per cent in 2022 and is projected to rise to 5.1 per cent in 2023 before rising further to about six percent in the medium term despite global headwinds and regional droughts.

The growth will be supported by improving business climate and the implementation of structural reforms.

UGANDA

Uganda's economy has rebounded strongly, with all three sectors (agriculture, industry, and services) weathering recent successive shocks to push growth in gross domestic product (GDP) to 5.3 per cent during FY23 compared to 4.7 per cent the year before, according to World Bank's economic outlook for the country.

The Finance Ministry had focused the economy to expand by 6 per cent in the 2023/24 fiscal year, an increase from a projected growth of 5.5 per cent in the 2022/23 year, boosted by petroleum industry-related investments.





Preventing Data Breaches by Learning from Competitors

What's going on with competitors always comes up in conversations between CPAs and their clients. Even within companies, executive management continuously relies on financial executives to obtain information on how competitors deal with industry challenges. With increasing attention from the board of directors to cybersecurity risk, understanding competitors' preventive practices and security breaches enables executives to communicate their organization's security posture more effectively and, if needed, justify investments in their information security program.

Information Sharing

Government agencies and industry associations

recognize the need to share information to reduce the impact of breaches. On its website, the Cybersecurity and Infrastructure Security Agency (CISA) promotes the importance of information sharing to reduce overall risks. "Isolating cyber attacks and preventing them in the future requires the coordination of many groups and organizations. By rapidly sharing critical information about attacks and vulnerabilities, the scope and magnitude of cyber events can be greatly decreased"

Many critical sectors, including retail, real estate, financial services, and media, have sector-specific Information Sharing and Analysis Centers (ISAC) that "collect, analyze, and disseminate actionable threat information to their members

and provide members with tools to mitigate risks and enhance resiliency"

The complications, including legal ramifications and the embarrassment of suffering a breach, can understandably limit what competitors share; this assumes that they are open to the benefits of sharing. CPA firms, consultants, and cybersecurity vendors are essential in bridging this gap by publishing annual cybersecurity and breach reports that review prior-year activities and forecast upcoming and evolving challenges. Some view these reports as nothing more than marketing brochures; yet when written objectively and based upon input gathered from various sources, the report can garner confidence from the security community, which can then better

understand actual breaches rather than focus attention and resources on theoretical attacks that have only a small probability of occurring. For a risk manager, this is consistent with their mantra to allocate precious resources to threats that significantly harm the organization and its stakeholders.

aware of natural language learning models (LLM) due to the public release of ChatGPT and BARD, automatic web-based learning machines (Pedro Domingos, *The Master Algorithm: How the Quest for the Ultimate Learning Machine Will Remake Our World*, Basic Books, 2015).

convening a focus group of humans with expertise in the areas of auditing, tax, internal auditing, risk management, and forensic accounting to evaluate the responses of an AI to professional queries. We decided to use the Google-sponsored BARD system because it was more readily available to our team

Can Artificial Intelligence Become an Accounting Expert?



Artificial Intelligence (AI) traces its origin to antiquity, when humans attempted to use formal reasoning to predict the future of events. Today, AI has made great progress in perceiving, synthesizing, and inferring data in contexts by a machine-learning mechanism. The applications of AI are many and varied—from self-driving cars to human speech recognition to predictive decision-making investment tools. Most recently, the general public has become

Ethical debates about the proper application of AI have arisen from the very “natural” sounding responses generated by this newest generation of LLMs (e.g., Asimov’s Three Laws of Robotics and Machine Metaethics, Association for the Advancement of Artificial Intelligence (AAAI), 2005). Some have claimed that, even without much teaching, an AI-based LLM could become a lawyer, doctor, or accountant. The author decided to put this claim to the test by

of professionals (ChatGPT requires an invitation). Our purpose was to assess the current state of the BARD LLM as an example of LLMs overall. It is not a specific comparative assessment, but rather more of an experiment to answer the question: can an AI LLM be an “expert” in accounting?

BOOKS DONATION BY NBAA



The Chairman of the Board of Makurumla Secondary School Aristes Ranaji receiving business and accounting books from NBAA representative Mrs. Sawa Ngendabanka when the Board officials visited the

school and offered support of about 300 Business studies books as part of the 50th anniversary of the NBAA as well as encouraging the students to join accounting studies when they finish their secondary studies.



Picture of Books donations at Makurumla Secondary School.



NBAA Staff Mrs Sawa Ngendabanka sensitizing students at Makurumla Secondary to pursue accounting profession when they complete their Secondary Education.



Picture of Books donations at Makurumla Secondary School.

Staff from National Board of Accountants and Auditors (NBAA) in a group photo with the members of Makurumla Secondary School Board

led by the Chairman of the Board Aristes Rasuji (Second Right) immediately after the NBAA Board handed over 300 books of Business studies.

HOW AN ACCOUNTANT CAN EMPLOY HIM/HERSELF

Written by:
CPA, Dr. E. Christopher.

Accountants have various opportunities to employ themselves and build a successful career. Here are several paths an accountant can consider:

Freelance Accounting Services:

Provide accounting services on a freelance basis. This can include bookkeeping, tax preparation, and financial consulting. Use online platforms to find clients, or network within your local community.

Consulting:

Offer specialized consulting services, such as forensic accounting, business valuation, or financial advisory services. Help businesses improve their financial processes and systems.

Virtual CFO Services:

Act as a virtual Chief Financial Officer for small businesses that may not have the resources for a full-time CFO. Provide strategic financial advice, budgeting, and forecasting.

Tax Planning and Advisory:

Specialize in tax planning and advisory services to help individuals and businesses minimize their tax liabilities. Stay updated on tax laws and regulations to provide accurate and valuable advice.

Technology Integration:

Explore opportunities in integrating accounting software and technology solutions for businesses. Offer training and support for clients using accounting software.

Educational Services:

Provide accounting tutoring or teach accounting courses to students. Develop and sell educational materials, such as online courses or textbooks.

Writing and Speaking:

Write articles or books on accounting topics. Offer speaking engagements at conferences or workshops.

Specialized Niche Services:

Identify a niche market where you can provide specialized accounting services, such as working with specific industries or handling unique financial challenges.

Financial Planning:

Expand services to include financial planning and investment advisory services. Obtain relevant certifications if needed.

Networking and Building a Brand:

Build a strong online presence through a professional website and social media. Attend networking events to connect with potential clients and other professionals.

Entrepreneurial Ventures:

Consider starting a business related to accounting, such as a financial consulting firm, accounting software development, or an accounting training center.

E-commerce Accounting:

Specialize in providing accounting services for e-commerce businesses, which often have unique accounting needs. Before starting a self-employed venture, it's essential to conduct market research, create a business plan, and consider obtaining relevant certifications or licenses. Building a strong professional network and maintaining a commitment to ongoing learning are also crucial for success in the accounting field.

THE BEST PRESENTED FINANCIAL STATEMENTS FOR THE YEAR 2022

Introduction

Seventy-eight (78) reporting entities submitted their financial statements for the purpose of evaluation and competing for the Best Presented Financial statements for the year 2022.

The NBAA appointed a team of experts from reputable institutions within Tanzania to evaluate the financial statements received in order to select the “Best presented Financial Statements”.

1. Banking Category (Large Banks)

- 1st – CRDB Bank Plc**
- 2nd – NMB Bank Plc**
- 3rd – Exim Bank (Tanzania) Ltd**

2. Banking Category (Medium Banks)

- 1st – DCB Commercial Bank Plc**
- 2nd – Guaranty Trust Bank (Tanzania) Ltd**
- 3rd – KCB Bank Tanzania Ltd**

3. Financial Institutions Category (Small)

- 1st – Kilimanjaro Co-operative Bank Limited**

4. Manufacturing category

- 1st – Tanga Cement Public Limited Company**
- 2nd – Tanzania Portland Cement Public Limited Company**
- 3rd – Tanzania Cigarette Public Limited Company**

5. Trading and distribution category

- 1st – Air Tanzania Company Ltd**
- 2nd – Swissport Tanzania Plc**
- 3rd – Dar es Salaam Stock Exchange Plc**

6. Telecommunication category

- 1st – Vodacom Tanzania Public Limited Company**

7. Government agencies category Users of IPSAS

- 1st – Tanzania Revenue Authority**
- 2nd – Tanzania National Parks**
- 3rd – Tanzania Broadcasting Corporation**

Users of IFRS

- 1st – Tanzania Electric Supply Company Limited**
- 2nd – Tanzania Ports Authority**
- 3rd – National Housing Corporation**

8. Insurance categories:

- 1st – Jubilee Life Insurance Corporation of Tanzania Limited**
- 2nd – Sanlam Life Insurance (Tanzania) Limited**
- 3rd – Jubilee Allianz General Insurance Company of Tanzania Ltd**

9. Regulatory Authorities categories:

- 1st – Tanzania Shipping Agencies Corporation**
- 2nd – Land Transport Regulatory Authority**
- 3rd – Tanzania Commission for Universities**

10. Water authorities' category:

- 1st – Moshi Urban Water Supply and Sanitation Authority**
- 2nd – Babati Urban Water Supply and Sanitation Authority**
- 3rd – Mbeya Water Supply and Sanitation Authority**

Local government authorities' category:

- 1st - Dar es salaam City Council
- 2nd - Buhigwe District Council
- 3rd - Ubungo Municipal Council

12. Higher Learning Institutions:

Higher Learning Institutions (Users of IPSASs)

- 1st - Sokoine University of Agriculture
- 2nd - University of Dodoma
- 3rd - Institute of Social Work

Higher Learning Institutions (User of IFRSs)

- 1st - Kilimanjaro Christian Medical University College

13. Independent Government Departments Category:

- 1st - Office of the Treasury Registrar (Vote 007)
- 2nd - Drugs Control and Enforcement Authority (Vote 91)
- 3rd - Law Reform Commission (Vote 59)

14. Ministries and other Government Departments Category:

- 1st - Treasury Services (Vote 50)
- 2nd - The National Assembly Fund (Vote 42)
- 3rd - Accountant General's Department (Vote 23)

15. Regional Administrative Secretariats Category:

- 1st - Dodoma Regional Administrative Secretariat
- 2nd - Kigoma Regional Administrative Secretariat
- 3rd - Manyara Regional Administrative Secretariat

16. Non-governmental organizations Category (Users of IPSAS)

- 1st - Management and Development for Health
- 2nd - Uamsho wa Wakristo Tanzania
- 3rd - Comprehensive Community Based Rehabilitation in Tanzania

17. Pension Funds Category:

- 1st - Public Services Social Security Fund
- 2nd - National Social Security Fund
- 3rd - National Health Insurance Fund

Overall Winners:

User of IFRSs - **CRDB Bank Plc**
User of IPSASs - **Tanzania Revenue Authority**



THE 45th NBAA GRADUATION 2023

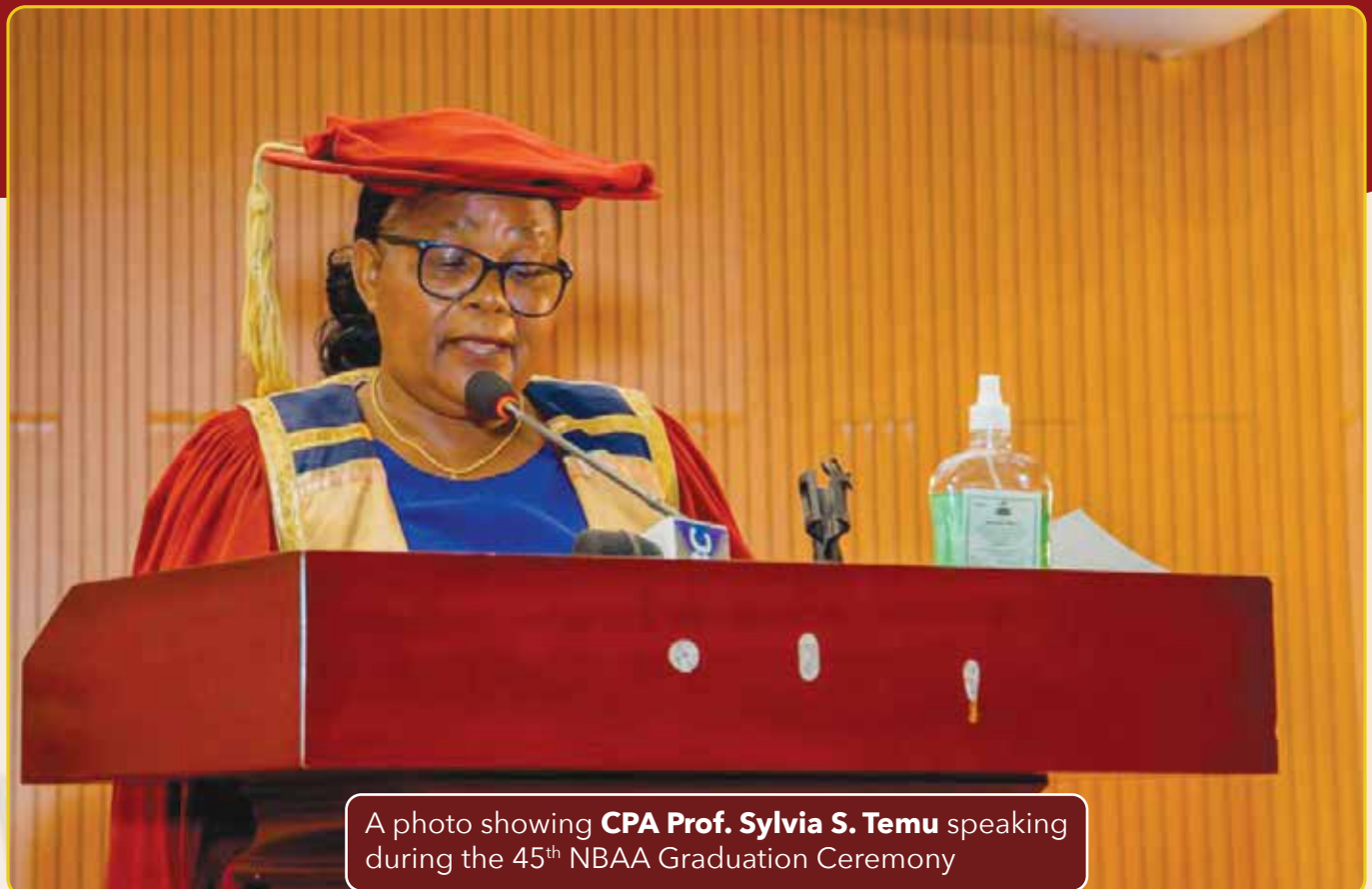
The 45th NBAA Graduation ceremony was held on 29th September 2023 at APC Hotel and conference center Bunju. The Guest of Honor for the ceremony was Deputy Permanent Secretary of the ministry of Finance **CPA Elijah Mwandubya**

In his speech the guest of honor insisted on various issues that need to be addressed among them is for NBAA to ensure it support the government to ensure the principles and guidelines of integrity are followed by all members. He insisted

that any person in the accounting field who goes against rules and regulations should be penalized accordingly.

On the other hand, the Chairperson of the NBAA Governing Board **CPA Prof. Sylvia S. Temu** argued the graduates to ensure they put into practice what they have studied.

Apart from awarding certificates to the Graduands the Guest of Honor also awarded certificates the best candidates for November 2022 and May 2023 examinations.



A photo showing **CPA Prof. Sylvia S. Temu** speaking during the 45th NBAA Graduation Ceremony



A cross - section photo showing the 45th NBAA Graduands





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