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**DEPUTY MINISTER
HAMAD CHANDE**
LAUNCHES NBAA
GOVERNING BOARD

**SUSTAINABILITY
REPORTING AND
THE GREENWASHING
CHALLENGE**
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SUCCESSFUL CAREER



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From the **Executive Director's Office**

Greetings

It is my great pleasure to bring to you the July to Dec 2024 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 2023 and May 2024 was 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 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. giving our 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 also Professional Diploma in Internal Auditors review classes from August 2024, 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**
The Executive Director, NBAA

The Future of the Chartered ACCOUNTANCY PROFESSION IN 2024

By Antje Derks
writing for Chartered
Accountants
Worldwide

The Chartered Accountancy profession is heading for some big changes this year as emerging technologies and societal trends create new opportunities as well as disruptions. This article delves deeper into the key developments shaping the future of the profession.

Extensive Adoption of AI and Automation

The Chartered Accountancy profession stands at an inflection point, with several forces shaping its future trajectory. While new technologies like Artificial Intelligence (AI), automation and blockchain will disrupt existing audit and tax processes, they will also open up opportunities to add more strategic value. As routine tasks get automated, Chartered Accountants will have more bandwidth for business insights,

advanced analytics and holistic advisory services tailored to each client's needs.

Indeed, according to an article and webinar from International Federation of Accountants (IFAC), AI and intelligent automation are leading many companies to invest in digital transformation based on intelligent automation to drive exponential business growth, meet customers' expectations and enable people to focus on their human strengths to create greater fulfilment. IFAC suggests that professional accountant roles and responsibilities in technology-driven work environments are changing for the better. AI and automation provide the foundation for substantially increasing efficiency and increasing customer and employee satisfaction.

Surge in Advisory and Consulting Services

Deloitte suggests that advisory and consulting will become the fastest

growing segment for Chartered Accountants. With in-depth operational knowledge and analytical skills, Chartered Accountants are well positioned to provide technology implementation, cybersecurity, data analytics, supply chain transformation, ESG strategy and other high-value advisory services. The "Big Four" firms are already ramping up their capabilities through acquisitions of advisory firms. Small and medium-sized Chartered Accountancy firms will also expand consulting offerings.

Demand for advising clients on carbon strategies, sustainability measurement, integrated reporting, and meeting ESG goals will likely rise sharply. Dedicated ESG consulting teams will emerge. More Chartered Accountants may get involved in financial advisory roles as well. Advanced certifications in disruptive technologies will be highly valued.

Auditors may shift towards continuous advisory and real-time auditing rather than periodic compliance audits.

Mainstream Adoption of Hybrid Work Models

The shift towards flexible remote work that began during the pandemic will accelerate further this year. As per Deloitte, hybrid arrangements allowing a mix of office and remote work will become mainstream. For effective collaboration, firms will need to look to modernise communication tools, set goals for virtual teams, redesign processes for remote auditing and reporting, and focus on cybersecurity.

Demand for professionals with human-centred leadership and emotional intelligence skills will rise to manage hybrid teams. Firms may also hire independent Chartered Accountants through freelancing arrangements, thus gaining greater access to global talent. Audit procedures will need rethinking to maintain quality controls and oversight with offsite team members. Training programmes will most likely continue to pivot to self-paced e-learning modules.

Surging Prominence of Sustainability Reporting and Assurance

With stakeholders demanding greater environmental and social accountability, sustainability reporting and assurance will skyrocket as per IFAC, potentially becoming a \$700 billion global market by 2025. More jurisdictions will mandate climate-related disclosures as risks intensify. Chartered Accountants will need to develop in-depth expertise in reporting frameworks like the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), integrated reporting, and the Task Force on Climate-Related Financial Disclosures (TCFD). Key skills the profession will need to adopt include calculating carbon emissions, auditing climate risks, developing internal carbon pricing mechanisms, mapping disclosures to SDGs and advising clients on ESG strategies. Resources like the Chartered Accountants Worldwide sustainability hub and the sustainability roadmap will help with upskilling.

Lifelong Learning and Regular Upskilling

IMA emphasises that with the scale of technological and regulatory changes

underway, Chartered Accountants will need to commit to lifelong learning and regular upgrading of their skills. Key capabilities to build through micro-credentials, certifications, virtual coaching and more include digital acumen, data analytics, critical thinking, advisory mindset, sustainability accounting and specialised technical skills in disruptive technologies. Soft skills like communication, empathy and adaptability will also be increasingly critical. Firms will need to invest heavily in continuous employee development to retain talent and maintain their relevance in an increasingly crowded workplace.

By embracing technology, flexibility, sustainability and continuous growth, the Chartered Accountancy profession can turn disruption into an opportunity to make a real difference. Equipped with a versatile skillset and an enterprising mindset, Chartered Accountants are poised to transform into strategic partners guiding clients to tangible long-term value. The future remains bright for those who proactively upskill, diversify, and align with the needs of an increasingly complex, and connected world.

Financial Consequences OF A CYBER ATTACK

Some of the relevant questions to ask ourselves

- i) How prepared are organisation for a Cyber-attack?
- ii) How often does the organisation's cyber security preparedness undergo review and testing and who does the testing?
- iii) How often do we fund the IT department as per budgeted?
- iv) Do we understand the consequence of slashing the IT budget?
- v) Do Organisations know their data? Do they know their sensitive data?

vi) How often to the Boards of Directors discuss about Cyber security in meetings?

Today many organisations are in the midst of digital transformation. Digital transformation is giving rise to new risks and challenges. Cyberattack is one of such risk and this risk can shut down an organisation within seconds no matter its Financial ability.

Cyber attack is now one of the top five risks an organisation needs to solve urgently. A Cyber attack can affect the going concern of an entity no matter how much Money it has.

In 2021 according to Statista, 15% of the cybercrime victims worldwide had no option than to shut down their entire business.

Cyber attacks set to become "Uninsurable" Says Zurich Chief as there is a growing concern among industrial executives about large -scale strikes.

EY Centre for Board Agenda 2021 Report has reported cyber security oversight to be the no1. According to the Report 6 in 10 organisations suffered a material or significant cyber attacks incident in the previous 12 months.



“

Today many organisations are in the midst of digital transformation. Digital transformation is giving rise to new risks and challenges. Cyberattack is one of such risk and this risk can shut down an organisation within seconds no matter its financial ability.

What is Cyber space?

This is the digital space where things are done digitally/virtually.

We are used to the physical space where things are done manually and can be touched when there is a need to do so.

What is Cybercrime/ Cyber attack?

It is an attack in the cyberspace. These attacks occur due to weakness or absence of cyber securities in space.

In the physical space an example of an attack can be a thief entering your house or office due to weaknesses in your doors.

The difference here is that most of the time with the Physical attack; the thief is from the local area. A cyber attack can come from any country globally making it more serious.

What is Cyber Security?

Cyber Security is the security in the cyber space. Cyber security helps to prevent a cyber attack. It is the protection of software, hardware and data of the organisation for our case. It keeps organisation data and software safe, secure and used for the intended purpose. To be safe in the cyberspace, cyber security has to be intact.

To be safe in the physical space we lock our doors using keys, padlock etc. Door locks change frequently with changes in nature of crimes.

Financial Consequences of a Cyber-attack

Ransomware attacks

This attack usually requires a payment of huge amount of money such that may threaten the organ survival organisation will not be able to continue as a going concern. An organisation will have two choices. It can either refuse to pay the amount to their attacker and start over by establishing new data from scratch or pay for the attack and find funds for it to continue.

Fines, penalties

Fines and penalty for noncompliance to Privacy, Cyber laws and Regulation result into payments which were not budgeted for.

Court cases for breaching of customer data

Some customers may file claims at the court of law for breach of contract as personal data have been exposed. As a result, the organisation will have to incur unbudgeted cost.

Reputational loss

We do not hear about cyber attacks from organisations because

the disclosure of an attack compromises the reputation of the organisation.

Think of your bank reporting on a cyber attack what will you do to your money in the bank?

Business interruption resulting to loss of revenue

Think of an attack to a customer service window. The result is loss of revenue as customers are not getting the service.

Other Consequences of a Cyber-attack

Data encryption. Depending on the intention of the attacker, a cyber attack may result into organisations data be encrypted and we lose access to it



either temporarily or permanently. The worse is that encryption can go up to our backups.

Loss of intellectual property may occur.

Expose cooperate strategies to competitors.

Marketing sensitive information being exposed to competitors

Loss of sensitive data

Loss of shareholder's value.

Depending on the extent of the attack, both the server and backups may suffer a cyber attack making it impossible to recover data for the organisation to continue as a going concern.

Why should we take cyber attack seriously?

We cannot escape Computer driven operations

No matter the risk, it is difficult to escape from computer driven operations. Cybersecurity ventures projected that cybercrime to cost the world \$ 10.5 Trillion annually by 2025 (CNBC)

Cyber risk is constantly evolving

This risk has not come to an end and it is constantly evolving. It is impossible

to know what new threats could evolve next. New versions of existing threats emerge each day. Think of how serious an AI geared attack would be.

It is a threat that organisations face but it is not fully known, understood by all

Cyber security is an issue for the whole business. All employees are concerned but it is being left to the IT department alone. All employees need to be cyber-literate. The tone at the top should acknowledge it as a business risk and this will enable the strategies brought forth to be supported and bear fruits.

Lack of cybersecurity experts

Many organisations assume that any IT professional is also a cyber security expert. This assumption is not true as the IT professional has various specialities such as data analysts, programmers, computer scientists, computer maintenance and cyber security etc. It is therefore important to have cybersecurity experts in the IT department. However, (2025) fortinet

report show suggests that 54% of the firms struggle to hire cyber security experts making organisation vulnerable to cyber attack.

The "State of Cybersecurity 2024" report from ISACA Tanzania stated that 62% of organisations feel they are understaffed in terms of cybersecurity professionals. Adding further insult to injury, that study found that 60% of organisations have trouble holding onto qualified cybersecurity staff.

Employees lacking cyber awareness

In the physical space who leaves doors open for thieves to enter? The answer is any employee of the organisation can leave the door open. The concept is the same for the Cyber space. If employees are not trained to close doors and windows thieves will not find it difficult to enter. Well trained employee, prevent and detect cyber threat and hence reduce risks of attacks.

A security culture starts with awareness and includes everyone. Increased employee awareness about cyberattacks was cited by

cyber leaders who took part in the survey as the most positive influence on an organisation's cyber-resilience approach in the next 12 months. An organisation's cyber capabilities grow with its employees' understanding of cyber risks and their personal role and responsibility in helping to manage them.

Lack of cyber security trainings to staffs make the threat more likely to happen to the organisation. Trainings need to be continuous and not just a onetime event.

Cyber regulation vs a Cyber-attack

Cyber regulations are valuable, but the process of creating them takes time and they are outdated after a short period of time. It can take two years for a regulation to be developed. Standardization can take 18 months. As a result, even the cyber risk may have changed or evolved.

A cyber-attack takes seconds. The speed at which emerging technologies are implemented often outpaces our ability to

build security measures around them. We need to go beyond simple compliance with regulations if organisations are to be cyber resilient.

A Cyberattack could cause harm before cybersecurity experts have even worked out how the attack happened

Professionalized cybercriminal groups have continued to grow and create a higher volume of new attack types. The time it takes to develop a response creates an opportunity cost for an organisation's cybersecurity experts. cyber security teams sometimes feel forced to ignore strategically important activities to address immediate tactical issues.

The parameters of security that worked in the past are no longer relevant and we need to find new models to secure our networks

Conclusion

Management need to note that since the financial consequences of a cyber attack are huge it is important for them to take

cyber security seriously. A cyber attack can entirely affect the business going concern within seconds.

In today's world digitalisation, growth in internet and its web component has stimulated individual and business reliance in electronic processing in most of operations, however, cyber security measures are not in place to increase security in cyberspace.

Employees management and the Board need to understand what a cyber-attack means for their organisation. Too many business leaders still underestimate the impact a cyberattack can have on their operations, reputation and company as a whole.

It is important for the management to assess and report on the status of the preparedness of their organisation for the preventive and rescue preparedness in case of a Cyber-attack when assessing the going concern of an entity.

By CPA SANDRA CHOGO

Member National Risk Assessment Committee
Block chain and Cryptocurrency Consultant

Principal Auditor National Audit Office Tanzania

DEPUTY MINISTER HAMAD CHANDE LAUNCHES **NBAA GOVERNING BOARD**

Deputy Minister for Finance Hamad Hassan Chande (Mb) has called on the National Board of Accountants and Auditors of Tanzania (NBAA) to work professionally

reviewing the existing curricula to improve the accountancy profession so that it can contribute to economic growth.

The call was made by Deputy Minister for

Finance Hamad Hassan Chande (Mb) during the launch of the Governing Board of the National Board of Accountants and Auditors of Tanzania (NBAA), held on December 18,



Deputy Minister for Finance, Hamad Hassan Chande (Mb) (seated in the middle) in a group photo with the newly appointed Board Members. To his right is the Chairperson of the Board CPA Prof. Sylvia S. Temu followed by CPA Fredrick Msumali (Vice Chairman). To his left is the NBAA Executive Director CPA Pius Maneno, followed by CPA Leonard Mkude (Board Member). Standing from left are CPA Paul Bilabaye, CPA Aisha Kapande, CPA John Ndetico, CPA Salhina Mkumba, CPA Dr. Mwamini Tuli and CPA Issa Masoud all members of the Governing Board.

2024 at the APC Bunju Conference Hall in Dar es Salaam.

Hamad Chande (MB) said the job of the newly appointed Governing Board is to promote and develop the achievements and strategic plan of the organisation that was created and to conduct regular reviews.

He has also called on the Board to ensure that it effectively manages the construction of the NBAA office at the country's headquarters in Dodoma.

"In this time of commercial change, we have witnessed the growth of our country's economy. The goals of the sixth phase government are to continue to grow the country's economy and this profession of Accounting has a major contribution to achieving that, so for the members you have appointed, you should work while considering the goals of the Nation," said Chande

For her part, the Chairperson of the

NBAA Governing Board, CPA Prof. Sylvia Temu, said that the Board will ensure that it works effectively to manage and develop the accounting and auditing Profession in the country so that it can provide appropriate services as required.

On the other hand the NBAA Executive Director CPA Pius Maneno expressed his gratitude to the Deputy Minister for launching the NBAA Governing Board.



During the launch of the NBAA board of directors, the chairperson presented the overview of the NBAA to the Deputy Minister of the Finance. The event was held on 18 December 2024 at APC Bunju.

Best PRESENTED

Financial Statements

During the Accountants Annual Conference held on November 28, 2024 NBAA Awarded Certificates and other prizes to the best presented Financial Statements in the following categories:-

1. Banking (Large Banks)

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

2. Banking (Medium Banks)

- 1st - **Absa Bank Tanzania Ltd**
- 2nd - **Citibank Bank Tanzania Ltd**
- 3rd - **KCB Bank Tanzania Ltd**

3. Financial Institutions (Small)

- 1st - **Guaranty Trust Bank (Tanzania) Ltd**
- 2nd - **Kilimanjaro Cooperative Bank Limited**

4. Manufacturing

- 1st - **Tanzania Portland Cement Ltd**
- 2nd - **Tanzania Cigarette Public Limited Company**

5. Trading and distribution and communication

- 1st - **Vodacom Tanzania Plc**
- 2nd - **Swissport Tanzania Plc**
- 3rd - **Dar es Salaam Stock Exchange Plc**

6. Government agencies

- 1st - **Tanzania Revenue Authority**
- 2nd - **Tanzania National Roads Agency**
- 3rd - **Tanzania National Parks (TANAPA)**

7. Users of IFRS

- 1st - **Tanzania Electric Supply Company Limited**
- 2nd - **Air Tanzania Company Ltd**
- 3rd - **National Housing Corporation**



TRA management received 1st prize of the overall best presented financial statement using IPSAS on 2024 Accountants Annual conference

8. Insurance:
 - 1st - Jubilee Life Insurance Corporation of Tanzania Limited
 - 2nd - Sanlam Life Insurance (Tanzania) Limited
 - 3rd - Jubilee Health Insurance Company of Tanzania Ltd
9. Regulatory Authorities:
 - 1st - Tanzania Shipping Agency Corporation
 - 2nd - Land Transport Regulatory Authority
 - 3rd - Tanzania Civil Aviation Authority
10. Water authorities':
 - 1st - Moshi Urban Water Supply and Sanitation Authority
 - 2nd - Tanga Urban Water Supply and Sanitation Authority
 - 3rd - Kahama Water Supply and Sanitation Authority
11. Local government authorities':
 - 1st - Dar es salaam City Council
 - 2nd - Busokelo District Council
 - 3rd - Njombe Town Council
12. Higher Learning Institutions (Users of IPSAS)
 - 1st - Sokoine University of Agriculture
 - 2nd - Institute of Social Work
 - 3rd - University of Dodoma
13. Independent Government Departments:
 - 1st - Drug Control and Enforcement Authority (Vote 91)
 - 2nd - The Office of Treasury Registrar (Vote 007)
14. Ministries and other Government Departments:
 - 1st - The National Assembly (Vote 42)
 - 2nd - Ministry of Finance -Accountant General's Department
 - 3rd - Ministry of Finance -Treasury Services
15. Regional Administrative Secretariats:
 - 1st - Dodoma Regional Administrative Secretariat
 - 2nd - Manyara Regional Administrative Secretariat
 - 3rd - Kigoma Regional Administrative Secretariat



The photo shows the Dodoma Regional Commissioner Ms. Rosemary Senyamule receiving the prize after being the first winner in Regional Administrative Secretariat.

16. Non-governmental organisations
(Users of IPSAS)

- 1st - **Management and Development for Health**
- 2nd - **Uamsho wa Wakristo Tanzania**
- 3rd - **Mtandao wa Vikundi vya Wakulima Tanzania**

5.15. Social Security Funds:

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



Overall Winner (User of IFRSs) - CRDB Bank Plc
Overall Winner (User of IPSASs) - Tanzania Revenue Authority

From high school Dropout to financial Accountant:

The Unlikely Journey of CPA. FADHILI NTAMULYANGU

By Magazine Reporter

Fadhili John Ntamulyangu's journey to becoming a Certified Public Accountant (CPA) and MBA graduate is a testament to the power of passion, dedication, and a little nudge from family.

From his early days at Nsumba Secondary School, where a fascination with numbers first took root, to his current role as a Financial Accountant, Fadhili's story is one of continuous growth and unwavering ambition.

Inspired by his father an accountant himself and his siblings' success in accounting, Fadhili pursued his studies with a clear vision.

"My father, who was an accountant himself, inspired me to love accounting, he encouraged us to develop an interest in the field." Fadhili recalls

Fadhili's academic pursuits led him to St. Augustine University of Tanzania, where he earned an Advanced Diploma in Accountancy in 2019. He began his career as an Assistant Accountant at a Civil and Building Construction Company, he then knew that he wanted to reach higher. He set his sights on the prestigious Certified Public Accountant CPA certification, a offered by the NBAA, qualification that would not only validate his expertise but also open doors new opportunities.

However, the path to becoming a CPA is not for the faint of heart. Fadhili recalls the demanding nature of the programme, which commitment and hours of preparation in accounting principles, tax laws, financial reporting, and a myriad of other complex concepts.

"The CPA programme was much more rigorous and practical than I anticipated," he said. "It wasn't just about knowing the standards—it required applying them in complex, real-world situations."

The CPA programme was far more than just theoretical knowledge; it demanded practical application, critical thinking, and exceptional time management skills. For Fadhili, who

was juggling between a full-time job and CPA preparations, the challenge was particularly acute.

He remembers the long hours of study, often late into the night, as he meticulously worked his way through the NBAA study texts and past papers. These resources, he emphasizes, were invaluable to his success.

The NBAA books were the best," he says. "They were my primary source of information, along with the past papers. I didn't need anything else." He adopted a disciplined approach to his studies, dedicating at least four hours each day to focused preparation.

He preferred the quiet intensity of solo study sessions, allowing him to maximize his limited time and delve deeply into the subject matter.

"I spent and dedicated a lot of time prioritizing my studies and preparing on my own, without participating in group discussions or attending review classes," he explains.

"I was strictly committed to my study

schedule." This self-directed approach proved highly effective, enabling him to grasp complex concepts and develop the problem-solving skills necessary to tackle the rigorous CPA exams.

Fadhili's journey was not without its hurdles. He speaks candidly about the challenges of balancing his demanding work schedule with his studies.

"The challenge I encountered is inconclusive work environment that did give adequate time for my reading," he admits, "and this led me to spend a lot of time working and studying without resting properly." However, his unwavering commitment to his goals and his deep passion for accounting kept him going. "What drives me is setting ambitious goals and working hard to achieve them," he says.

His hard work and perseverance paid off handsomely. Fadhili successfully completed the CPA programme in a relatively short period of time, a testament to his dedication and strategic approach to studying.

His achievement was quickly recognized by his employer, who promoted him to the position of Financial Accountant.

This promotion was a clear indication of the value that Fadhili's newly acquired skills and knowledge brought to the company.

"My CPA studies have significantly contributed to my professional growth by providing a solid foundation in accounting principles, financial management, and auditing," he added. "After completing CPA exams in 2024 I was promoted to work as Financial Accountant in my current employment where I was working as assistant accountant."

The CPA qualification has been a transformative force in Fadhili's career. It has not only enhanced his technical expertise but also boosted his confidence and opened up new avenues for professional growth.

He sees his CPA as a stepping stone to a leadership role in the future. "In the next 5 to 10 years, I see myself in a senior leadership role within the accounting

and finance field, such as a Finance Manager, Financial Controller, or even a CFO,” he shares.

Beyond his professional aspirations, Fadhili harbours a deep desire to give back to his community. He dreams of building a strong and happy family, achieving financial independence, and mentoring young professionals who are beginning their careers in accounting.

He is particularly passionate about promoting financial literacy among young people, believing that everyone should have the knowledge and skills to manage their finances effectively. He also expressed a desire to work with NBAA in any capacity.

“

I spent and dedicated a lot of time prioritizing my studies and preparing on my own, without participating in group discussions or attending review classes.



BALANCING PRIESTHOOD AND PROFESSION

Duties: The Journey of Fr. Engelbert Jacob Nyandwi

By Accountant Magazine Reporter

In the bustling city of Mwanza, amidst the daily operations of Bugando Medical Centre, resides a man of dual vocations – Fr. Engelbert Jacob Nyandwi.

As a diocesan priest from the Kigoma Diocese, he not only tends to the spiritual needs of his congregation but also serves as the Director of Finance and Planning at the medical institution owned by the Tanzania Episcopal Conference.

Additionally, he plays a pivotal role as an external auditor with Pamak Consulting, ensuring financial integrity beyond the walls of Bugando.

Fr. Engelbert Jacob Nyandwi, ACPA-PP, boasts an impressive academic background. He holds a Master's in Business Administration from the University of Dar es Salaam and is a certified Associate Certified Public Accountant in Public Practice by the National Board of Accountants and Auditors (NBAA) in Tanzania.

His foundational degrees in Accounting and Finance with Honour were earned at St. Augustine University of Tanzania, complemented by a Diploma in International

Public Sector Accounting Standards (IPSAS) from NBAA.

Moreover, Fr. Engelbert pursued theological studies with dedication, earning bachelor's degrees in Theology from the Urbaniana University in Italy, an Advanced Diploma in Theology from St. Paul's Senior Seminary in Kipalapala, Tabora, and a Diploma in Philosophicum from Kibosho Senior Seminary in Moshi.

His multifaceted knowledge enriches both the church and the wider community.

With over 18 years of experience as a Catholic priest, Fr. Engelbert gained valuable insights into auditing practices during his tenure at Deloitte. He continues to serve as a resource person at the NBAA, contributing his expertise in training and professional capacities.

Fr. Engelbert Nyandwi's journey epitomizes seamless integration between his priestly calling and professional responsibilities.

When asked about the challenges of balancing these roles, he reflects with serene assurance:

"It has never been a difficult task, nor have I ever struggled to fulfill my priestly, accounting, and auditing responsibilities, as I have a deep love for these vocations," Fr. Nyandwi shares. "In fact, I believe I am called to these roles, and I find joy in executing them with integrity and dedication."

He emphasizes, "Serving the people of God as a priest is my foremost calling. By ensuring a harmonious balance between my church duties and professional commitments, I strive to enrich both realms without compromising either."





Get Ready for the Future of Auditing

The increasing use of technology is changing how businesses operate, which methodology and technology auditors use, and what career paths they follow. But the future of audit is not only digitization and automation but also the increased interest of stakeholders—employees, investors, and customers—in an organisation's sustainability positioning, thinking, and actions. The demand for reporting to better understand a company's performance and related risks is being coupled to technology to accelerate change in the audit profession.

Three key areas of transformation will be critical for the profession:

- ❖ The scope of what auditors are analyzing is broadening beyond financial information to include environmental, social, and governance (ESG) topics, as well as advanced and automated technologies.
- ❖ Technology and automation are increasingly being used to enable the audit.

- ❖ Auditors will need next-generation skills to use these new technologies and audit these new areas.

Even as the profession evolves, the primary objective remains the same: Auditors serve the capital markets, even as the markets demand nonfinancial information. External reporting plays a tremendous role in the capital markets by providing assurance over comprehensive, comparable, and objective financial statements as well as a check and balance for procedural and regulatory compliance. To prepare for the future of audit, firms should emphasize the core auditor skill set and continued focus on independence while evolving to meet the expanding needs of the capital markets, including ESG assurance and managing risks through digital transformation.

Broadening the Scope of Audited Data

In today's dynamic capital market system, both investors and companies are increasingly focusing on the role corporations

play, not only as profit generators, but also as responsible corporate citizens. Stakeholders are calling for fair reporting of information about climate; diversity, equity, and inclusion; and community impact.

Trustworthiness is key as companies report on an increasing variety of information, including ESG, technology, and non-GAAP information. Technology is influencing business outcomes, ESG strategies, and long-term resilience.

Companies are voluntarily preparing and presenting ESG information not only at the industry level, but also to the market more broadly. With the new proposed SEC requirements in mind, corporations are describing their long-term value creation strategies and outlining how they will meet the demands of investors and other key stakeholders. Much of this information, such as greenhouse gas emissions data and climate-related risk disclosures, has traditionally been outside of audited financial statements. But auditors need to be well positioned to assure ESG data. Auditors are independent and

professionally skeptical, and they have significant experience in evaluating internal systems for processing data and testing whether reported data provides reliability, comparability, and relevance.

To prepare to provide non-financial assurance services effectively, CPA firms should proactively invest in ESG training for CPAs. As an example, KPMG, the authors' firm, is investing \$1.5 billion globally to train its professionals on ESG in collaboration with NYU Stern's Center for Sustainable Business, University of Cambridge's Judge Business School and other institutions.

Using Technology to Enhance the Audit

Technological changes are happening quickly. In the 2021 KPMG Finance and Audit Technology Survey, nearly all executives (98%) said their external audit firm uses advanced technology in the audit process (<https://bit.ly/3IkdaEI>). Just three years prior, only 74% of executives reported this.

Technology assurance professionals systematically look at the risks and controls related to all aspects

of technology in order to increase investors' and other stakeholders' confidence in the completeness and accuracy of financial data. The 2021 KPMG Survey indicated that 60% to 70% of manual controls will be automated within the next five years. This wide-scale automation effort presents a huge and growing need to test automated controls to ensure information is complete and accurate. Auditors must meet the need for complex attestations of robotic process automation, cloud computing, and more. There is an increased demand for specialized System and Organisation Controls (SOC) services for areas such as blockchain, cybersecurity, and supply chain.

Technological tools enhance audit quality and the client experience by eliminating or reducing time-consuming tasks. Automation and other data and analytics technologies free up auditors' time to prioritize strategic, high-level thinking. For example, machine learning, a form of artificial intelligence (AI) that adapts through experience as it uses algorithms to draw

inferences from large data sets, and natural language processing, a branch of AI focused on computers understanding the nuances of text and speech, can automate tasks that previously required time-consuming manual oversight.

Moving Forward

To stay a step ahead of corporate transformation, auditors must be agile and achieve technological fluency with data and analytics, AI, and robotic process automation.

According to the Center for Audit Quality's research, evolving areas such as ESG reporting benefit from the core approach and skill set of auditors, including independently evaluating information, evaluating internal processes for gathering and reporting data, understanding business processes, and assessing and responding to risk. Even as technology evolves, these remain foundational skills.

As a result, auditors must remain ahead of their clients in emerging technologies. As companies continue to innovate, auditors will continue to modernize their approach to

auditing. For example, continuous auditing can provide timely and quality analysis of critical controls and ensure that a company can keep up with the pace of change in a highly dynamic environment.

As CPA firms develop next-generation auditors, they should also aim to develop a diverse and talented work-force. Firms and individual CPAs should devote themselves to ensuring that young people from underrepresented groups can build their careers and advance into leadership positions.

As auditors contemplate the evolution of the profession, they need to ask themselves the following questions:

- ❖ Do we have the technological and data analytics skills to meet our clients' needs?
- ❖ Do we have a strong understanding of the emerging nonfinancial standards (e.g., proposed ESG regulations or standards) and the demands of stakeholders for reliable and consistent information?
- ❖ Have we structured

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our operating models to scale and leverage the use of automation and specialists?

- ❖ Do we understand our clients' industries and trajectory of change? Are we proficient with the emerging technology our clients use?

Overall, CPAs must anticipate how trust and assurance will be provided in the future. Firms should think proactively about what the market needs before the market needs it. In addition, leading firms will focus on modernizing the audit to provide a better experience for their clients and their people, all with the goal of providing meaningful insights for our clients and an even higher-quality audit to protect the capital markets.

NBAA training TO NAOT STAFF

The National Board of Accountants and Auditors of Tanzania (NBAA) has conducted a five-day training workshop for staff of the National Audit Office (NAOT) with the aim of ensuring that they are in line with changes in International Auditing Standards in their audits.

The workshop participants discussed important issues such as auditing standards, fair financial reporting, and the use of new sustainability standards as well as technological changes in the accounting field.

Speaking at the opening, NBAA Executive Director, CPA Pius Maneno, said Tanzania is

leading in public financial management issues according to the International Federation of Accountants, ranking first alongside Nigeria in the use of International Public Sector Accounting Standards (IPSASs).

He added that this achievement has enabled neighboring countries Mozambique. NBAA to be provided with consultancy to train civil servants from neighbouring countries such as Mozambique.

The Assistant Auditor General of Government Accounts, Isaya Jeremiah, said that the training is important for the staff as it aims to improve their performance and ensure that they meet

international standards in auditing government finances.

He added that the training is in line with the requirements of the Board to ensure that auditors remain "relevant" in their profession.

Participants in the seminar, expressed their joy for participating in the training, saying that they have been of great help especially during that time of auditing public finances.

"This training gives us new knowledge and helps us to enable the Controller and Auditor General of Government Accounts to produce high-quality reports."



NBAA ANNUAL CONFERENCE — 2024 —

The Accountant General of Tanzania, CPA Leonard Mkude, has urged accountants to adhere to the National Board of Accountants and Auditors of Tanzania (NBAA) guidelines on how to report on climate change issues and use existing

opportunities to improve economic productivity and contribute to sustainable development in the country.

Speaking in Dar es Salaam at the 2024 Annual Conference of the National Board of Accountants and Auditors

of Tanzania (NBAA), CPA Leonard Mkude explained that Accountants have an important role in the economic production chain, especially in responding to technological changes such as the use of artificial intelligence in economic growth.



"Accountants are a key link in financial planning and spending, especially in Tanzania's efforts to achieve zero carbon emissions within 50 years," said CPA Mkude.

On the other hand, NBAA Board Chairperson, CPA Prof. Sylvia Temu said that the conference had two main objectives, first, is for accountant to exchange knowledge and professional experience second, to identify opportunities

and challenges facing the accounting profession.

"We have also discussed the direction of the country for the next 25 years, where Accountants should actively participate in identifying opportunities to develop our national economy and make a valuable contribution to the development of the country," said Prof. Temu

NBAA Honorary Member, CPA Saimon Sayore has urged the youth

to love the Accounting profession, serve it faithfully and ensure that they take good care of the finances of the Institute and the nation as a whole.

The conference included various presentations and discussions aimed at providing solutions regarding the contribution of Accountants in coping with technological changes and enhancing sustainable development.



Accountant General, CPA Leonard Mkude delivering the opening speech of the 2024 General Conference of Accountants and Auditors organized by the National Board of Accounting and Auditing (NBAA) held at the APC Bunju Hotel in Dar es Salaam. The Accountant General, CPA Leonard Mkude represented the Permanent Secretary, Ministry of Finance, Dr. Natu El-maamry Mwamba.



The Chairperson of the National Board of Accountants and Auditors of Tanzania (NBAA), CPA. Prof. Sylvia S. Temu speaking about various strategies for managing the Accounting and Auditing Profession during the opening of the 2024 Annual Conference.



The Executive Director of the National Board of Accountants and Auditors of Tanzania (NBAA), CPA Pius A. Maneno reading a message to the guest of honour on how they manage accountants and auditors while at work to protect their profession during the opening of the 2024 Annual Conference, 2024 at the APC Bunju Hotel in Dar es Salaam.

NBAA SHOULD CONTINUE TO EXPAND THE SCOPE AND BE A ROLE MODEL IN THE COUNTRIES OF THE EAST AFRICAN COMMUNITY AND SADC

The Deputy Minister of Finance, Hamad Hassan Chande, has encouraged the National Board of Accountants and Auditors (NBAA) to continue to expand its scope and become a role model for East African countries and the Southern African

Development Community (SADC) in promoting the accountancy profession in the country. Minister Chande said this while addressing 1,216 graduates at the 46th NBAA Graduation ceremony held at the APC Hotel, Bunju, in Dar es Salaam.



In his speech, the Deputy Minister explained that the number of qualified accountants in the country still does not meet the needs of the public sector, let alone the private sector. He emphasised that NBAA has a responsibility to ensure that its graduates get high-quality skills so that they can contribute productively to the national economy. He asked them to add value and grow their practice to qualify for public practice to start private companies and follow legal procedures, while the Government commit to support their efforts by preparing a business-friendly environment.



The NBAA Executive Director CPA Pius Maneno, acknowledged the support NBAA receives from the Ministry of Finance including technical and professional advice. He pointed out that NBAA will continue to work closely with the Ministry for the purpose of promoting the accountancy profession in the country.



In addition, the Chairperson of the Board of Directors of NBAA, CPA Prof. Sylvia Temu, announced a plan to establish a special online diploma to increase training opportunities for accounting experts in the country. She stressed that integrity is an important foundation in the accounting profession, urging graduates to conduct their work ethically and uphold integrity.



In this event, 1,216 graduates attended the graduation ceremony of whom 640 were female and 576 were male.



SUSTAINABILITY REPORTING AND THE GREENWASHING CHALLENGE. CAN THE NEW INTERNATIONAL SUSTAINABILITY DISCLOSURE AND ASSURANCE STANDARDS ELIMINATE GREENWASHING?

**By Edward Esposito,
CPA/ABD, CFE, FSA**

In 2022, Elon Musk tweeted that “ESG is a Scam” because “Exxon is rated top ten best in the world” by the S&P 500 ESG Index, while “Tesla didn’t make the list!” (*New York Times*, 2022). While many companies and individuals would disagree that all Environmental, Social, and Governance (ESG) endeavours are a scam, it is nonetheless apparent that “greenwashing” has become prevalent, and the SEC believes it

represents a significant risk for investors. This article will provide an overview of the inaugural IFRS Sustainability Disclosure Standards and the IAASB proposal that addresses assurance services for sustainability reporting, both of which are intended to reduce the risk of greenwashing for the benefit of ESG investors guided by sustainability reporting and disclosure, many of whom are millennials and Gen Zer’s. Reporting on ESG in their sustainability reports and websites is a necessary challenge,

even if it is a headache for some public companies today. The new IAASB Sustainability Assurance Standard proposal, which provides a framework for sustainability assurance services, furnishes some hope that the practice of greenwashing may be kept in check in the future.

Greenwashing

In 2022, the Association of Certified Fraud Examiners (ACFE) and Grant Thornton ESG published an anti-fraud guide, *Managing Fraud Risks in an Evolving ESG*

Environment, which defined greenwashing as “the marketing of environmentally sustainable activity intended to attract ESG-conscious investors and consumers with material omissions or misrepresentation.” Furthermore, in addition to the three “ACFE Fraud Tree” branches of corruption, asset misappropriation, and financial statement fraud, greenwashing was added as a fourth branch labeled “non-financial reporting fraud.”

Greenwashing concerns arise when sustainability endeavours

and outcomes are reported without confirmatory assurances. The following are examples of assertions that may be construed as greenwashing: 1) a certain product is made with 100 % recycled materials, 2) Scope 1 Greenhouse Gas Emissions declined by a certain (given) percentage, or 3) the company plans to reduce their GHG emissions, offset by carbon credits, to net zero by an indicated future date. If independent CPA auditors or other assurance providers do not objectively verify a

company’s sustainability report, it is anyone’s guess if assertions are accurate or reliable.

An ‘Alphabet Soup’ of Sustainability Standards

In the United States, there is an “alphabet soup” of sustainability standards and frameworks. Companies are free to pick and choose among these voluntary sustainability standards and metrics, often leaving investors confused or puzzled by the inconsistencies. Some companies’ annual financial reports are not aligned with their



sustainability reports; for example, there may be different reporting cycles, assumptions, estimates, and definitions of materiality. It is especially concerning that most companies lack internal controls regarding their sustainability reporting. Thus, the current state of sustainability reporting in the United States lacks reliability, consistency, and comparability—all of which creates an environment where greenwashing can take root. With many public companies under scrutiny to completely eliminate their GHG emissions, CEOs may feel pressure to embellish their unverified “Net Zero” outcomes.

In 2023, California enacted two landmark climate disclosure and financial reporting laws: the Climate Corporate Data Accountability Act (Senate Bill 253) and the Climate-Related Financial Risk Act (Senate Bill 261). These climate accountability packages, which are scheduled to take effect beginning in 2026, impose new and unprecedented reporting requirements on large U.S. public and private companies doing business in California.

In March 2024, the SEC adopted its climate rule, known as “Enhancement and Standardisation of Climate-related Disclosures for Investors.” It requires public companies to report their direct carbon emissions (Scope 1), and indirect emissions (Scope 2) from energy purchased from utility providers. The requirement to report carbon emissions from a company’s value chain, or Scope 3 emissions, was not part of the SEC rule. On April 4, 2024, the SEC stayed this rule as it fights a Fifth Circuit Court of Appeals case challenging the SEC’s authority to make such climate rules.

The California regulations are much broader than the SEC’s requirements, in that they apply to both private and public companies that generate over \$500 million (for Senate Bill 253) and \$1 billion (for Senate Bill 261) in gross annual revenues and that encompass Scope 3 emissions disclosures. Considering that California is the largest U.S. state, with an economy that would rank fifth largest in the world it is interesting to note that a state’s requirements

could be much broader than federal disclosure standards. The California climate laws have a much wider reach and are stricter than the SEC’s climate rule. Although there is a lawsuit challenging the California climate laws, they have the potential to serve as the template for a national mandate for carbon emission disclosures.

The Establishment of the ISSB and Greenwashing

In November 2021, the IFRS Foundation established the International Sustainability Standards Board (ISSB) to work alongside the International Accounting Standards Board (IASB). The IFRS Accounting Standards, issued by the IASB, are followed by over 140 jurisdictions worldwide; every developed country follows these standards with one notable exception—the United States. The Public Monitoring Board, of which the SEC is a standing member, oversees the ISSB and the IASB.

Digital Marketing for ACCOUNTING FIRMS

**By Lee Reinecke Flynn,
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PhD and Michael Dugan,
DBA**

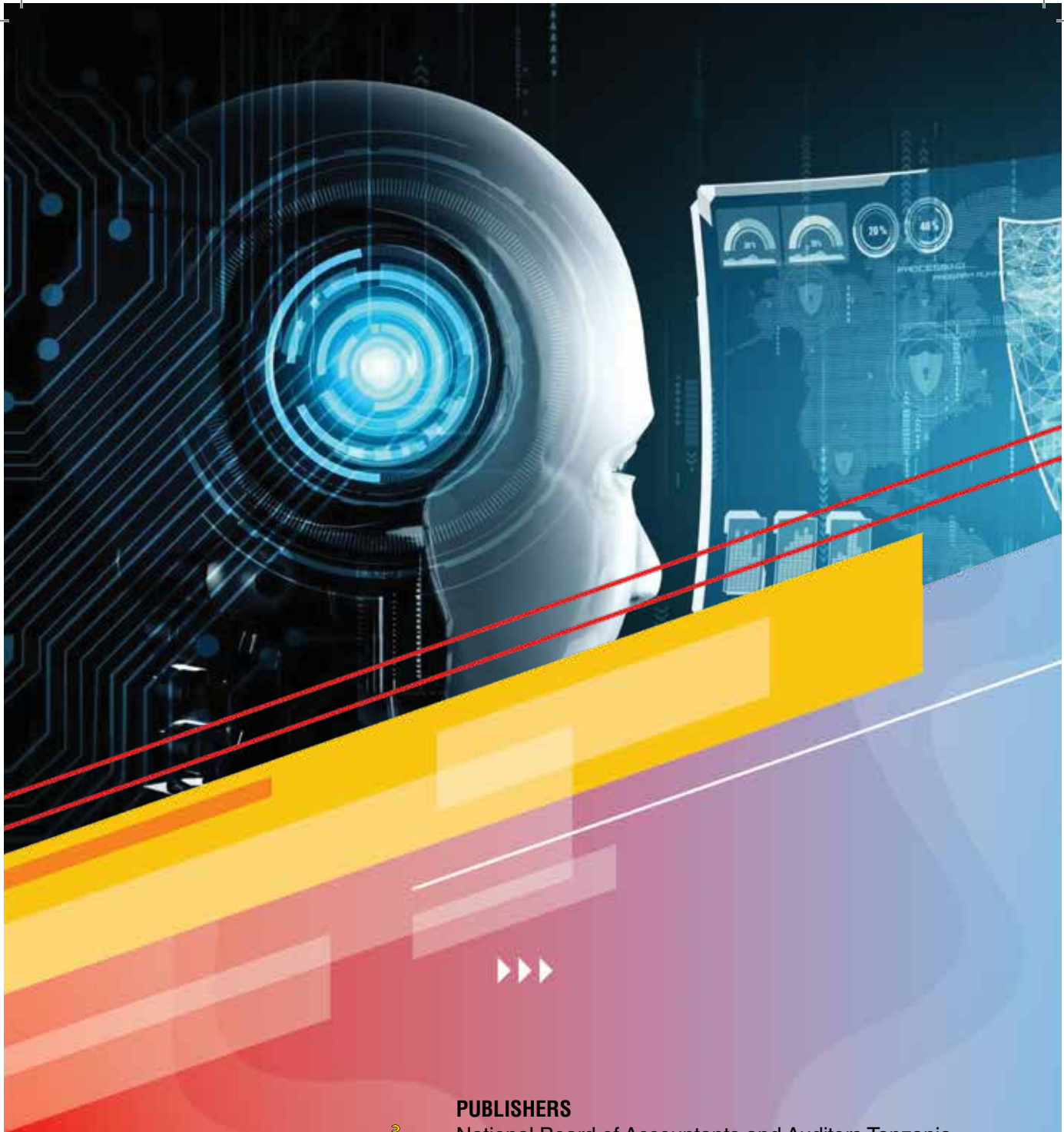
When students decide to major in accounting, marketing is not at the top of their minds. While accounting students are likely required to take a marketing class as a business core requirement, it is often seen as a throwaway. Marketing is not a section of the CPA exam. Marketing is not taught as part of the accounting curriculum. Nevertheless, most professional accountants work for clients. It follows that accountants need a way to attract and retain quality clients. Where do clients come from?

This is a function of marketing. Marketing is not just making and placing advertisements. Good marketing is not random messages launched out into the world. Marketing efforts are based on several different concerns. Maybe the most important consideration in any marketing effort is making

sure that it derives from the firm's strategic plan. How is the firm planning to grow? Where does it plan to be in five years? What does the firm want to become? This planning should guide any marketing program. With the strategic plan as a guide, much marketing effort is directed toward defining and finding one's target market—that is, what sort of a person or company the firm wants as a client or who needs the services the accounting firm offers. Accountants who have existing clients can describe them along dimensions such as the size of their businesses, personal worth, industry, and the geographic area in which they live or operate their businesses. This information can inform where a firm looks for more clients, where it should place marketing communications, and what should be communicated.

A substantial amount of marketing today is carried out digitally. While billboards, paper ads, and television and radio ads still exist, people are increasingly likely to view

marketing content via the internet, where the average user spends over six hours per day. Digital marketing has some important advantages over traditional media. One is the possibility of direct response. All of the forms of digital media discussed below have the option of linking directly back to the firm's website from the message. In addition, digital marketing efforts can be targeted towards specific viewers, making content more cost-effective than traditional distribution and broadcast outlets. Moreover, digital marketing content is flexible, and CPA firms can easily test the effectiveness of a message by experimenting with different versions tailored towards different customer groups. Another significant advantage of digital marketing is the ability to directly measure ROI. Detailed analytics, available through all platforms discussed in this article, provide valuable insights into how well marketed content is performing.



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