



ISLAMIC BANKING
VERSUS TRADITIONAL
BANKING SYSTEMS



IDI COMMITTED TO THE
PROFESSIONAL GROWTH
AND ADVANCEMENT OF
ACCOUNTANTS

CPA CONNECT

WE CREATE IMPACT

The Student's Magazine for The Institute of Certified Public Accountants of Uganda (ICPAU)

ISSUE 13 - NOVEMBER 2024

— PRACTICAL TRAINING A PREREQUISITE FOR CPA DESIGNATION

HOW TO EXCEL
IN FINANCIAL
REPORTING



CPA
Uganda

EMPOWERING ACCOUNTANTS TO TRANSFORM COMMUNITIES

Beginning January 2024, the Institute of Certified Public Accountants of Uganda is implementing a new strategic plan which will last for five years until 2028. In line with our renewed purpose, our vision, mission, core values and tag line have changed.



VISION

A globally recognised promoter of accountants for sustainable economies



MISSION

To develop and regulate accountants for professional excellence and sustainable impact

CORE VALUES



Professional
excellence



Accountability



Integrity



Responsiveness

WE CREATE IMPACT

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It has been said that two things are certain in life, death and taxes. A tax is an amount levied on citizens, persons or property by a government to provide public goods and services such as security, infrastructure, health and education services, among others.



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CPA
Uganda

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MESSAGE FROM THE SECRETARY/CEO



Dear Student,

As you dive into this edition of the CPA Connect magazine themed, *We Create Impact*, I would like to thank you for the pivotal role that you are playing in impacting your communities.

At the beginning of the year, the Institute launched a new strategic plan for 2024 – 2028 and the tagline for this season is, *We Create Impact*. At the Institute, we see impact as more than what we achieve in our boardrooms; it is about shaping a future where skills, knowledge, and values facilitate positive change in the communities.

Therefore, I would like to express my appreciation to those who responded to the Institute's call to serve in the communities. Some of you joined the various Regional Members Networks, and you are actively participating in promoting the profession in the region and taking part in Corporate Social Responsibility (CSR) initiatives. There are 12 Regional Members Networks across the country, and we hope that more students can seize the opportunity to serve in your respective locations.

I would like to draw your attention some developments at the Institute.

In August 2024, the Institute of Certified Public Accountants of Uganda (ICPAU) approved the adoption of the IFRS Sustainability Disclosure Standards for Uganda. This follows the issuance of a comprehensive global baseline of disclosure standards by the International Sustainability Standards Board (ISSB) in 2023. The goal is to facilitate consistent and comparable disclosures on risks and opportunities related to sustainability and climate, referred to as IFRS S1 and IFRS S2, respectively. This means that Uganda joins the group of states that have pledged a commitment to promoting high standards in ESG reporting. In due course, the Institute will issue a roadmap to assist organisations with getting acquainted with the application modalities. You are encouraged to look out for developments in this regard.

In September, the Institute officially broke the ground to mark the commencement of the construction project on Plot 42, Bukoto Street Kololo. This followed the demolition

of the old structure on the same property to pave the way for the construction of a new building that supports the Institute's growth and expansion requirements. Scheduled for completion in November 2025, the new office block will be a contemporary facility with modern design principles to create a distinct facility that caters effectively to the needs of the Institute's growing stakeholder numbers. We thank you for your individual contributions to this milestone and we look forward to a successful project.

The Uganda Revenue Authority (URA) has commenced the enforcement of Section 16(5) of the Tax Procedures Code Act which requires a taxpayer with an annual turnover of UGX 500 million and above to furnish with the taxpayer's return of income audited financial statements prepared by an accountant registered by the Institute of Certified Public Accountants of Uganda. The Institute gladly receives the development. This has been the Institute's desire following the amendment of Tax Procedures Code Act, Cap. 343, over 10 years ago, to incorporate the relevant provision and we thank URA for enforcing this provision of the law. Accordingly, accountants hired by Directors through management to prepare financial statements will henceforth be required to sign off financial statements with their name and ICPAU Membership number. Similarly, auditors will be required to apply the manner and form of signing off of an auditor's opinion as prescribed under the Practice Statement – P1/16: Forming an Opinion and Reporting on Financial Statements, issued by ICPAU in 2016. Please note this key development as you transition from ICPAU students to Certified Public Accountants (CPAs).

The finance, accounting, and business landscape is changing at an unprecedented pace. Digital transformation, sustainability, and global interconnectivity redefine what it means to be a CPA.

As students, you are preparing not just for exams but to become problem solvers, critical thinkers, and ethical leaders. You are building the expertise that will enable you to create solutions that address complex financial challenges and drive strategic decisions that benefit both businesses and society. Some of these, and many other topics, are addressed in this publication.

As you step into your roles as future CPAs, remember that your impact goes beyond the numbers. It lies in how you use your skills to influence decisions, inspire others, and contribute to the greater good. Whether you work in public practice, industry, government, or non-profit organisations, your commitment to excellence and integrity will make a difference.

We encourage you to be bold, curious, and purposeful. The world needs professionals who are technically sound, visionary, adaptable, and driven by values. We believe in you and your potential to create a lasting impact.

ICPAU is committed to supporting you on this journey, ensuring that you navigate these changes with confidence and foresight.

I extend my heartfelt gratitude to each of you for choosing this path and your dedication to becoming the best versions of yourselves. Let's continue building a future where our collective impact resonates far and wide.

Keep learning, keep growing, and keep creating impact.

CPA Derick Nkajja

MESSAGE FROM THE DIRECTOR EDUCATION



Dear Student,

Welcome to the 13th edition of the CPA Connect magazine. As 2024 comes to an end, I would like to applaud you for your commitment to your studies during the year. We press on, regardless. Sometimes we fall, but we get back up – giving up is not an option. Bravo to you for remaining along this journey.

I know that the December 2024 exams are around the corner and you are engrossed in preparation. Do not be anxious. Examinations are there to test your knowledge and skills and help you progress to the next level of your professional journey. Think of them as a means for growth. With this in mind, I hope you are reinvigorated to tackle the said exams confidently.

I wish to express my gratitude to many of you who attended the student engagement webinars for 2024. Attendance improved this year and I am certain that those who participated found the interactions helpful. I hope you took down some notes that you can reflect on during this time.

Here are some updates for you to note as we head into a new year.

Examination Dates for 2025

We shall hold 3 examination diets, as follows:

Diet	Dates	
May	Monday 19 - Friday 23 May	All Courses, All Centres
August	Monday 18 - Friday 22 August	CPA, Kampala Centre Only
December	Monday 1 - Friday 5 December	All Courses, All Centres

You are encouraged plan well and register for the exams within the registration period. Remember to pay your annual studentship renewal fees by 31 March 2025, to be eligible for exam registration.

I wish you the very best in your examinations.

Transfer of ATD to UBTEB – Last Exam Diet with ICPAU Scheduled for 2025

As you may be aware, ICPAU transferred the assessment and conduct of ATD examinations to Uganda Business and Technical Examinations Board (UBTEB), with effect from 1 January 2024. However, ICPAU is cognisant that by the date of transfer of the course to UBTEB, there were continuing students on the course. Therefore, ICPAU will continue examining those students for two (2) years – 2024 and 2025 to enable those students to complete the course under ICPAU's examinations regime. Thereafter, ICPAU will no longer conduct ATD examinations.

ATD students are reminded to utilise the remaining period to complete the course before the assessment and conduct of ATD examinations are entirely transferred to UBTEB.

Student Engagement Webinars

To assist students in getting acquainted with the examination approach and other details pertaining to the various papers, we will continue to hold student engagement webinars prior to each examination diet. During the webinars, students will have the opportunity to interact with various tutors. Please look out for the webinar dates and plan to attend.

Practical Experience Training

As you plan to transition from studentship to membership, students are reminded of the requirement to demonstrate a minimum of 3 years of practical experience training for membership eligibility. This experience must be documented through the Practical Experience Training (PET) programme. You are encouraged to begin documenting your experience early to enable you qualify for membership enrolment once you complete your CPA studies. Log in to your ICPAU student account to begin the process.

Graduation

The 15th Graduation ceremony of the Institute of Certified Public Accountants of Uganda will be held on 6 March 2025. At the ceremony, all 2024 finalists will be awarded respective qualifications. Finalists of the 2024 masterclass for FAQ holders will also be awarded. Graduands are encouraged to register for the ceremony on time. Details will be announced in due course.

Masterclass for Holders of Foreign Accountancy Qualifications

Having successfully conducted the first masterclass for holders of Foreign Accountancy Qualifications (FAQs) this year, we will hold the second and final edition of the masterclass in 2025. The masterclass provides a simplified route to ICPAU membership for FAQ holders. It is a one-week programme through which successful participants can qualify to join the global network of Certified Public Accountants. Only holders of FAQ who completed their FAQ studies before 2024 will be eligible to apply. The dates for the 2025 edition will be communicated.

Research

The Institute has commissioned a study titled, *Underlying Causes of Performance by CPA students on core papers*. The study seeks to uncover the factors affecting student performance in CPA papers. Results will be used to form remedies for improved performance.

Bidding Farewell to John Bosco Ntangaare

As you may be aware, Mr John Bosco Ntangaare retired as the Director of Education on 30 June 2024. This was after a 26-year tenure of dedicated service at ICPAU. I believe that Mr Ntangaare impacted many of you in various ways – many have fond memories of fatherly counselling sessions in his office. We thank him for his service, and we wish him the very best for his next chapter.

With Mr Ntangaare's retirement, I assumed the role of Director of Education on 1 July 2024, and it is my pleasure to continue the great work that Mr Ntangaare started, guiding you as you along your education journey with ICPAU.

The Institute is committed to helping you progress and complete your studies. Remember to set clear goals, stay focused, and develop strategies to achieve them.

Eyes on the prize.

CPA Charles Bahakwonka Byaruhanga

EXPERTS



CPA Joseph Osako is a Finance Manager at GA Insurance Company. He is a dedicated Certified Public Accountant with a strong background in financial reporting and IFRS implementation. At GA Insurance Company, he oversees financial operations and previously led the IFRS 17 project at Pax Insurance. He holds a Bachelor's degree in Commerce from Makerere University and a CPA professional certificate from the Institute of Certified Public Accountants of Uganda. He is dedicated to professional development, community service, and training.



CPA Zedi Muyingo is a senior examiner at Bank of Uganda. He is an accomplished accountant with over 11 years of experience in finance and accounting. He has also taught various CPA papers. CPA Muyingo authored the Advanced Financial Reporting study material, enhancing students' understanding of financial reporting standards. He holds an MBA and he is a full member of ICPAU.



CPA Rehema Nakirembe is a Tax Administrator at Uganda Revenue Authority. Additionally, she is also a Certified Change Management practitioner. CPA Nakirembe is a member of the Events Management Committee of the Institute of Certified Public Accountants of Uganda.



CPA Budalah Nsubuga is a Senior Accountant at Vision Group and a Financial Modeling & Valuation Analyst. He serves on the Members Services and Financial Reporting Awards Committees of ICPAU. He is an ICPAU-accredited tuition provider. In 2022, CPA Nsubuga attained a Young Accountant of the Year award. He holds a Master's degree in Business Administration. CPA Nsubuga is a full member of ICPAU.



Dr Sulaiman Lujja is the Head of the Islamic Banking and Finance Department at Islamic University in Uganda. He is an Islamic finance and Shari'a expert with over 12 years of experience across government, universities, and commercial banks sectors. He has played a key role in developing Uganda's Islamic financial system and the Halal sector. Dr Lujja holds a PhD in Islamic Banking and several other degrees. He is a Certified Shari'a Adviser and Auditor.



Dr Irene Nalukenge is an Associate Professor of Accounting at Makerere University Business School, currently serving as Associate Dean of the Faculty of Commerce. She has 20 years of teaching experience. Dr Nalukenge is also a consultant, researcher, and she serves on multiple boards. She holds a PhD and professional accountancy qualifications; CPA and ACCA.



CPA Mustapha B. Mugisa, CFE, MBA is the Founding President of ACFE Uganda Chapter and CEO of Summit Consulting Ltd. He delivers expert consulting in strategy, risk, and anti-fraud management across sectors. An EY alumnus, prolific speaker, and governance professional, he has advised top companies in the region. Mustapha is a publisher of the book, 7 Tools to Get on the Board and Add Value.



CPA Prosper Ahabwe is an Associate Director of Tax at Ernst & Young, with over 18 years of tax experience. He specialises in tax advisory, transfer pricing, VAT, and corporate tax compliance across various sectors. Formerly, he managed the domestic tax affairs for Warid Telecom Uganda. He holds an MBA and several professional qualifications, including FCCA and the Certified Tax Advisor qualification.



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



CPA Ambrose Kariyo Mugisha is the Head of Education and Training at the Institute of Certified Public Accountants of Uganda (ICPAU). He has 10 years of professional experience with ICPAU and focuses on developing accountants for professional excellence and sustainability. He was previously a Technical Officer at ICPAU. CPA Mugisha has extensive experience in executing compliance requirements with the IFAC's Statements of Membership Obligations (SMOs). He is a Certified Public Accountant of Uganda, a member of the Institute of Internal Auditors Uganda, and he was a member of the Uganda National Teachers Union. Prior to joining the Institute, CPA Mugisha was a Chemistry teacher for 10 years. He holds an MBA.



Ms Jackline Nabirye is a Communications Officer in charge of publications at the Institute of Certified Public Accountants of Uganda. With a strong background in communications, she holds a postgraduate degree in Public Administration and a Bachelor's degree in Mass Communication. She is passionate about enhancing communication strategies and effectively promoting the Institute's publications within the accounting profession, ensuring clarity and engagement.



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



Abraham Malinga is a Communications Intern at the Institute of Certified Public Accountants of Uganda (ICPAU) where he supports impactful communication initiatives. He holds a degree in Mass Communication from Uganda Christian University (UCU) with over five years of experience in journalism and Communications. He also holds a Data Analysis Certificate from Aga Khan University. He is passionate about climate action.

EDITOR'S NOTE



Dear reader,

We are excited to publish another edition of your favourite magazine, the CPA Connect.

It is that time of year when we wind up our projects and take much-needed breaks as we prepare to usher in a new season.

For students of the Institute of Certified Public Accountants of Uganda, I know you have yet one fundamental task before you - the December examinations. If you prepared well, you need not be anxious. Remember that exams are set to test your knowledge and help you advance to the next level - think of them as enablers of progress. Therefore, remain confident as you approach the exams. Remember to pray, for God blesses the work of our hands.

In this edition, we bring you news from the Institute. Did you know? The Institute has broken the ground for constructing a new office building on Plot 42, Bukoto Street. Works have commenced and in due time, we shall have a contemporary facility to serve you more effectively and efficiently. You will find herein an article with details of the project.

In September this year, the Institute pronounced itself on the adoption of IFRS Sustainability Disclosure Standards for Uganda. This development will complement the Environmental, Social and Governance (ESG) efforts in the country. In an article titled, *IFRS Sustainability Disclosure Standards Set to Transform Businesses in Uganda*, we explore the next steps for Uganda regarding implementation.

On a sombre note, in June this year, the Institute bade farewell to long-time serving Director of Education, John Bosco Ntangaare. After 26 years of exceptional service, Ntangaare took his retirement. I know that many of you benefitted from his fatherly counsel at some point in your studies. JB, as we fondly called him, impacted many of us through his diligence, wisdom, camaraderie and humour - we laughed hard as he told his funny stories. We will surely miss him. Nonetheless, we wish him the best in his next chapter. Effective July 2024, CPA Charles Bahakwonka Byaruganga took on the role of Director Education.

On the technical front, we discuss Practical Experience Training (PET). If you have not begun on PET or are experiencing difficulties, we have compiled some resources for your guidance. Have you been struggling with Financial Reporting? In this edition, a CPA 7 & CPA 12 expert shares some tips for passing the papers. In tax, we delve into the significance of tax advisory services and the opportunities in this field, while for our employer feature, the team from the Infectious Diseases Institute (IDI) shares how the organisation prioritises the professional growth and advancement of accountants. You can read on to find out about possible opportunities at the IDI.

I commend you on your milestones for the year, and I wish you the very best in your exams.

Merry Christmas.

Nancy Akullo
Head of Communications



By Caroline Nassuuna
Communications Officer
Institute of Certified Public Accountants of Uganda

SLIGHT DECLINE NOTED IN PERFORMANCE OF AUGUST DIET



The Institute of Certified Public Accountants of Uganda (ICPAU) has announced results from the August 2024 Certified Public Accountants (CPA(U)) Examinations. The results were released on 16 September 2024 at Protea by Marriott Kampala Skyz, Naguru.

The Examinations were conducted from Monday, 19 to Friday, 23 August 2024, in Kampala and were written by a total of 4,401 candidates. 2,438 of these were female and 1,963 were male.

According to the Public Accountants Examinations Board (PAEB), the average pass rate was 31.0% compared to 32.9% for the August 2023 diet, implying a slight decline from the August 2023 Examinations diet.

In terms of gender distribution, a total of 32.2% of scripts written by female candidates registered passes compared to 29.6% registered to have been written by their male counterparts. In terms of age, the highest passes (39.6%) were registered by candidates in the age bracket of 25–29 years, followed by 15.8% registered among candidates aged 30 years and above, and the remaining 15.6% passes were registered among candidates between 18–24 years.

While delivering her speech, the Chairperson of PAEB, CPA Prof. Laura A. Orobias, noted that the candidates' poor preparations have contributed to the poor performance in some subjects registered in this diet.

"We believe that among other things, students had not prepared

well. We therefore call upon candidates intending to attempt the December 2024 examinations to intensify their preparations for better outcomes," noted CPA. Orobias.

She further advised students who intend to enrol for the CPA (U) to do so while they are still younger, to ensure fair competition with their peers.

In her speech, delivered by CPA Ronald Mutumba, the Vice President of ICPAU; the President of the ICPAU Council CPA Josephine Okui Ossiya congratulated the candidates who passed their examinations and applauded them for their dedication, hard work, and perseverance.

"This milestone signifies the start of a path into a profession crucial to the integrity, efficiency, and success of businesses and the broader global economy," remarked CPA Ossiya.

CPA Derick Nkajja, the secretary/CEO, emphasised the crucial role ICPAU plays as the promoter of the accountancy profession in the country. He also cautioned the public against referring to individuals as accountants unless they are recognised as such under the Accountants Act, which clearly defines who qualifies to be an accountant in Uganda.

PAEB revealed the role played by student engagement webinars in improving students' performance. The webinars are interactive sessions between students and specialists, organised to assist students with preparation for examinations, especially regarding the question approach. PAEB called upon candidates to attend these arrangements.

The August 2024 Examinations diet was held in the Kampala Centre alone for CPA (U) candidates only. This diet registered 80 finalists.

For the year 2024, PAEB scheduled three (3) examination diets: May, August, and December. The first diet (May) results were released in June, and the results for the second diet (August) have been released. The third and final examination diet this year will be written in December, between 2 and 6. ♦



By Jackline Nabirye

Communications Officer-Publications
Institute of Certified Public Accountants of Uganda

ICPAU BREAKS GROUND FOR NEW OFFICE BUILDING



The Institute of Certified Public Accountants of Uganda (ICPAU) has officially broken the ground to mark the commencement of the construction project on Plot 42, Bukoto Street Kololo.

This followed the demolition of the old structure on the same property to pave the way for the construction of a new building that supports the Institute's growth and expansion requirements.

The new ICPAU offices, expected to cost Shs 10 billion, will serve as a central hub for accountants and symbolise their professional achievements.

While officiating at the groundbreaking ceremony on 19 September 2024, CPA Hon. Henry Musasizi, the Minister of State for Finance, Planning and Economic Development (General Duties) emphasised the need for increased cost efficiency in government projects.

Musasizi highlighted the lessons this project can provide for managing government infrastructure efforts, particularly in controlling costs. He urged government engineers to re-evaluate how they calculate unit costs for public projects, noting that discrepancies exist — for example, a road costing 6 billion while a building costs 60 billion. He stressed the need for more effective public spending practices.

Musasizi praised ICPAU for its commitment to advancing the accounting profession in Uganda and acknowledged the Institute's financial independence, congratulating them on

raising funds internally for this new project. He assured the Institute of continued government backing for the initiative.

CPA Josephine Ossiya, President of ICPAU explained that the groundbreaking ceremony represented the conclusion of a ten-year plan to expand office space for the Institute's increasing membership and staff. She stated that as ICPAU grew, it became clear that additional office space was necessary to better serve its members.

Ossiya mentioned that the Institute had prudently saved funds over the years to ensure the project could proceed without delays.

"We aimed to avoid starting the project and then having to pause," she said.

"With adequate funding in place, we initiated the design process and received the necessary approvals, which took about a year," she added.

Ossiya also highlighted the importance of engaging certified professionals in large projects, advising project managers to confirm that engineers, architects, and builders are registered with their respective professional organisations.

"Opting not to hire qualified professionals might seem like a cost-saving strategy, but it often leads to higher expenses later on," Ossiya warned.

The project is expected to be completed in November 2025. ♦

EXAMINERS' COMMENTS

CERTIFIED PUBLIC ACCOUNTANTS (CPA)



CPA 1: FINANCIAL ACCOUNTING

Candidates are advised to;

- a) Attempt the required number of questions and show all the workings
- b) Cover the syllabus in order to attempt Section A well.
- c) Understand all the formats of the components of financial statements.
- d) Master end-of-year adjustments and appreciate how they affect the preparation of financial statements.

CPA 2: Economics and Entrepreneurship

Candidates should:

- Conceptualise the aspect of the business environment with its features. They should also be able to segment the internal factors that affect business operations from the external factors.
- Internalise the specific concepts in economics like price mechanism and factor costs which are core to the understanding of the subject.
- Comprehensively explore the requirements of the questions so as to maximise scores.
- Try out as much as possible computational numbers in economics to improve their scores.

CPA 3: Quantitative Techniques

Candidates are advised to:

- a) Use the 15 minutes allocated to read the instructions provided on both the question paper and answer booklet carefully and make good choice of question(s) to be attempted.
- b) Use the list of formulae provided at the end of the question booklet where necessary.
- c) Use the squared papers provided for any graphical work.
- d) Always apply the specified method on any given question.
- e) Make use of scientific calculators appropriately in computational questions that demand a degree of accuracy.
- f) Attempt only the required number of questions as stated in the instructions.
- g) Identify the basic concepts or terms used in each question in order to answer the questions appropriately.

- h) Adhere to basic standard definitions within the context of the topic examined.

CPA 4: Management & Information Systems

- Candidates are encouraged to read, interpret and tailor their answers to suit the scenario questions.
- They should practice the collect format of saving files.

CPA 5: Business & Company Law

- Candidates are reminded that this examination tests the knowledge of legal principles, their application in different practical scenarios, and the skill to identify only the relevant issues from the given facts.
- Candidates should improve their answers by focusing more on the relevant contentious legal principles in the case study questions.
- Candidates are encouraged to prepare for all areas of the syllabus.

CPA 6: Cost & Management Accounting

- Candidates at this level are expected to apply the principles, concepts and techniques of Cost and Management Accounting to generate information for decision-making. Accordingly, candidates are advised to:
- Comprehensively read the whole syllabus to enable them to make the best choice of the examination questions set and seek expert guidance from lecturers and practitioners.
- Comprehensively discuss previous examination questions and examiners' reports to understand the examiners' expectations.
- Properly utilise the first 15 minutes to understand the questions. This gives the candidates proper planning and formatting of their answers. Most candidates get stuck due to poor comprehension of the question and explicating the information therein.
- Read, comprehend and practice computational areas and all other technical aspects of this paper such as computing labour cost using both Halsey

and Rowan bonus schemes, EOQ, cost of managing inventory, absorption and marginal costing among, other areas.

- Abide by the instructions regarding the number of questions to be attempted so that they are able to maximize time doing the required number of questions.

CPA 7: Financial Reporting

Candidates should:

- Understand the application of the relevant accounting and financial reporting standards and their integration in a practical environment.
- Equip themselves with the knowledge of preparing journal entries relating to how the effects of the various accounting and financial reporting standards affect the elements of financial statements.
- Understand how the various accounting and financial reporting standards affect the preparation of financial statements.

CPA 8: Financial Management

Candidates are advised to:

- Read the syllabus in totality and avoid spotting as questions are examined from the entire syllabus.
- In the theory part of the question, they should give and explain a good number of points if required so as not to limit themselves to a few which easily leads to the loss of marks.
- Use the list of formulae provided at the end of the question booklet where necessary.

CPA 9 - Auditing Ethics & Assurance

Candidates are advised to:

- Give relevant and applicable answers as opposed to the generic answers that do not relate to the scenario or concepts examined in the questions.
- Utilise the time allocated properly, (including the reading time) such that they can internalise the question requirements to avoid misinterpretation.
- Always read instructions considering the changes in the syllabus. It is important to note that section A currently has two compulsory case study questions.

- Continuously update themselves on the current business and technological trends.
- Give sufficient points to enable them to score above average.
- Enhance their knowledge about the different bodies in Uganda that are concerned with regulating ethical behaviour that may affect accountants and their applicable regulatory frameworks.
- Enhance their knowledge of business and environmental ethics and the roles of accountants in ensuring ecofriendly business practices using the different ethical approaches.
- Enhance their knowledge of the topics of “Public sector and Private sector auditing” and the respective guiding standards being a new examinable area on the syllabus.
- Make use of the Public Sector Audit guidelines as issued by ICPAU.

CPA 10: Management Decision and Control

Candidates are advised to:

- Cover over 90% of the syllabus areas and learning outcomes.
- Read the examiners’ reports to understand the examiners’ expectations on each question and explanation of performance.
- Provide detailed workings for their solutions. Solutions should be presented in an orderly manner because it is an indicator of professionalism.
- Balance their attempt on computational and discursive requirements.

CPA 11: Taxation

Candidates are strongly advised to broaden their study resources by consulting supplementary examination materials, including examination reports, and practising past exam questions to enhance their understanding. Additionally, it is recommended that candidates stay updated with relevant tax laws, as they are subject to annual amendments.

As a standard practice, the tax rates applicable to any question correspond to the rates in effect at the beginning of the financial year to which the question relates. For instance, if an examination question

pertains to a financial year ending on December 31, the applicable tax rates are those in effect at the beginning of 2022. This understanding is crucial for the accurate application of tax regulations and calculations in exam scenarios.

Candidates are further advised to utilise the ICPAU study guides as they offer practical scenarios for examination practice, which can be highly beneficial for preparation.

CPA 12: Advanced Financial Reporting

- Candidates are encouraged to appreciate and practise the requirements of the various financial reporting standards on the syllabus. They should have an in-depth coverage of the relevant IFRS, and pay attention to the disclosure requirements for various standards. Emphasis should be placed on all sections of the reporting standards so as to fully understand their guidance in financial reporting.
- Candidates should interpret and report results from the computations through the different reporting avenues like reports, memos, discussion papers, etc. Whenever you compute and leave it at that, it means you have not communicated to management.

CPA 13: Public Financial Management

Candidates are advised to:

- Appreciate and seek guidance of double entry system and principles and end of year adjustments in the preparation of financial statements and familiarise themselves with Government of Uganda Reporting Templates, 2021.
- Seek and acquaint themselves with Institutional and Regulatory Frameworks for public financial management in Uganda such as the Institute of Certified Public Accountants of Uganda and Accountant General and their contribution to the standards setting process.
- Familiarise themselves with the Public Procurement and Disposal of Public Assets Act (PPDA) 2003, as amended and its Regulations, 2014 and Regulations, 2023 and the National Procurement policy 2019.
- Pay attention to the budgeting and reporting processes in public sector and the guidance of

IPSAS 24—Presentation of Budget Information in Financial Statements during the budgeting process.

- Familiarise themselves with the relevant and examinable International Public Sector Accounting Standards (IPSAS) on the course syllabus.

CPA 14: Strategy, Governance and Leadership

Candidates are advised to:

Read beyond the traditional strategic management models taught at other levels. At this level, the focus should be on applying appropriate tools to address strategic organisational problems.

Read widely and pay attention to all aspects of the syllabus. This can help them to possess knowledge on any aspects that may be examined in the paper as long as they are part of the syllabus.

Acquaint themselves with the facts in the case as a way of enabling them to relate their answers to the case provided. General responses to questions often fetch very basic marks that may not enable one to score a pass in the examination. Read the questions at least twice before responding to it. This will enable you to reflect and think critically about how to approach a question.

Pay attention to the examiners' comments about previous diets so as to avoid a repeat of the mistakes that were committed in the past by similar cohorts.

CPA 15: Advanced Financial Management

At this level, candidates are expected to demonstrate adequate knowledge and skills in financial management which is necessary for advanced financial analysis and decision making. Accordingly, candidates should:

- Read and understand the key areas of the syllabus most importantly capital budgeting, financing decisions, risk management and financial markets as these form the core of the paper as well as the role of finance managers.

- Pay attention while presenting solutions to computational questions. It is good examination practice to show workings as professional marks are awarded for demonstrating the principle even if the candidate has made numerical errors.
- Ensure full coverage of the syllabus in line with the learning objectives.
- Update themselves with new developments in the financial management field and develop the ability of applying financial management principles in the day-to-day operations of the business.
- Comply with instructions pertaining to the number of questions to be attempted so as to circumvent unnecessary wastage of time.
- Attempt the theoretical parts of the questions as the chances of misfiring on such questions are lower compared to computational questions.

CPA 16: Audit Practice and Assurance

Candidates are advised to prepare adequately for the exam, using ICPAU study material. Ensure to cover the whole syllabus. Additionally, you can get technical resources for Paper 16 from the ICPAU website including past papers and examiner reports.

CPA 17 - Advanced Taxation

Candidates are advised to read widely and understand the application of the updated Income Tax Act (ITA) Cap 340, VAT Act (VATA) Cap 349, the Tax Procedures Code (TPC) Act 2014, Stamp Duty Act, 2014, Excise Duty Act, 2014 and the East African Customs Community Management Act (EACCMA) 2004 in preparation for examinations.

CERTIFIED TAX ADVISOR (CTA)



CTA 1: Business Accounting

- Candidates are advised to conceptualize the items involved in the preparation of a bank reconciliation statement and how the specific items like unpresented and uncredited cheques affect the process.
- Candidates are advised to appreciate how to adjust and then apportion the different costs to different cost centres during the preparation of manufacturing cost statement and statement of profit or loss.
- Candidates are advised to appreciate the theoretical aspects of the syllabus such as the conceptual framework for financial reporting, the role of the IASB, the accounting assumptions and all other theory related topics that do not require computations.
- Candidates are advised to appreciate the double entry principles under accounting for property, plant and equipment. In addition, candidates should put more emphasis on the various depreciation method

CTA 2: Business Law

Candidates are advised to;

- Pay attention to how to identify relevant issues in a case study and appropriate remedies for every situation.
- Practise question approach with past paper questions as well as previous solutions to understand what the examiner expects of the candidates.

CTA 3: Principles of Taxation

- Candidates are advised to read widely and understand the application of the Income Tax Act (ITA) Cap 340, VAT Act (VATA) Cap 349, the Tax Procedures Code (TPC) Act 2014, Excise Duty Act (LED), Stump Duty Act, International Taxation aspects such as the Double Taxation Agreements (DTAs), East African Community Customs Management Act (EACCMA) 2004 and case laws in preparation for examinations.
- In addition, candidates should always keep themselves updated with the new tax amendments but never forget the applications of the previous or repealed tax provisions since some tax cases or tax audits look at periods before the implementations of the new tax amendments and periods after the tax amendments especially when the tax authorities carry out tax audits for different tax periods.
- Candidates are therefore advised to give attention to partnership taxation and how to determine the tax payable by each partner and the tax laws applicable since candidates' performance hasn't been good in this syllabus area over time.
- Candidates are therefore advised to pay attention to the tax period in the question and get to understand how the tax amendments are implemented in the substituted year of income and their effective dates of adoption in order to provide appropriate tax advice to their clients where applicable.

CTA 4: Managerial Economics & Public Finance

The candidates are advised to concentrate on revising the subject matter being examined. This could perhaps enable them to acquaint themselves with the issues being examined and consequently enabling them to improve on their performance.

CTA 5: Business Accounting 2

The candidates are advised to:

- Appreciate the double entry that relates to joint ventures and the necessary ledger accounts that are normally prepared.
- Candidates are advised to appreciate the accounting standards like IAS38: Intangible assets, IFRS 16: Leases
- Candidates are advised to pay more attention to the computational sections of the syllabus.

CTA 6: Indirect Taxes - Paper 6

Reference to the relevant sections of the applicable tax laws and cases earn candidates marks.

Candidates are encouraged to consider attending classes and engaging in group discussions to enable them to understand the proper question approach as well as the interpretation of the provisions of the VAT Act Cap 349, Excise duty Act 2014, Stamp duty Act 2014 plus Lotteries and Gaming Act, 2016.

CTA 7: Customs

- Candidates are encouraged to pick interest in the emerging issues in international trade and current affairs generally, such that they can ably answer such questions whenever they are examined.

CTA 8: Income Tax

- Candidates are advised to read and understand cases decided by courts. Case law not only sets a precedence but also provides interpretative source of tax laws. While the wordings in the main Act remain intact, their interpretation, scope and application are in most cases detailed by case law. Case law is also a precursor to Tax Amendments especially where a lacuna is detected.
- Candidates are advised to read widely and understand the application of the Income Tax Act (ITA) Cap 340 (including Subsidiary Regulations and Practice Notes) and the Tax Procedures Code (TPC) Act 2014) in preparation for sitting examinations.
- Candidates are further advised to provide adequate detail when citing a reference by quoting the Act, Section, Subsection (and paragraph) whenever possible. Candidates are warned to desist from a habit of quoting wrong sections of the laws as this

may lead to loss of marks.

- Candidates are advised to be abreast with the amendments of the current year tax laws and other developments as they impact on application of some provisions of the Tax laws.

CTA 9: Tax Compliance & Ethics

Candidates are encouraged to be familiar with recent developments in Uganda's taxation, including recent court rulings, tax amendments and new compliance procedures as stated in the laws and enforced by the Uganda Revenue Authority. Past paper questions and suggested answers can guide on how to answer questions.

Candidates should read widely and understand the application of the Income Tax Act (ITA) Cap 340, VAT Act (VATA) Cap 349, the Tax Procedures Code (TPC) Act 2014, the East African Community Customs Management Act, Double Taxation Agreements, and International Tax Conventions. Please desist from citing wrong provisions.

CTA 10: International Taxation

Candidates are encouraged to be precise and thorough in their handling of questions as this is a good indicator of a satisfactory understanding of the principles/concepts under examination and their relevance to the concepts presented in the facts.

Candidates should keep up-to-date with current developments in relation to international taxation and the business world to have a more practical approach to issues presented. You should study the international taxation principles contained in the domestic laws of Uganda alongside international taxation principles while comprehending how the two interconnect and apply in practice.

Candidates are further advised to read the questions carefully and limit their responses to principles being tested to manage their time well.

Further, candidates should avoid providing two contradicting responses to questions which require outright selection of one course of action/outcome. This points to ill preparation and a limited appreciation of the principles forming part of the international taxation discourse.

ACCOUNTING TECHNICIANS DIPLOMA (ATD)

ATD 1: Principles of Accounting

Candidates are advised to;

- Prepare adequately for the examination and need to give more attention to the fundamental principles of double entry as it is the bedrock for accounting.
- Comprehend the formats for the components of financial statements and their elements.
- Appreciate how to account for depreciation using the different methods.
- Appreciate the different ledgers/ source documents used in maintaining the financial information.

ATD 2: Business Communication

- Candidates should endeavor to always prepare for their examination. They should always equip themselves with knowledge and also look beyond textual knowledge. They need to update themselves with the current trends of the day-to-day business scenarios which are prevalent around them.
- Candidates ought to work on their language expression through reading widely and listening to various exemplary speakers particularly in the business world.

ATD 3: Principles of Business and Company Law

- Candidates should note that this examination tests the knowledge of legal principles and how they are applied in different practical scenarios, as well as the ability to identify relevant issues from the given facts.
- The candidates are reminded that they are expected to prepare for all areas of the syllabus, taking note of changes that are made from time to time, in order to score good marks.

ATD 4: Business Mathematics and Statistics

Candidates are advised to always read and follow instructions on both the question paper and the answer booklet. They should also pay attention to the following:

- Present their solutions in a logical order.
- Show all necessary working to their computations and adhere to the required degree of accuracy.
- Endeavour to use the appropriate formulae provided at the back of the question paper.
- Use graph paper in all cases where set questions



require graphical work.

- A lot of practice is required in areas relating to probability theory and mathematical analysis of finance.

ATD 5: Principles of Cost & Management Accounting

Candidates are advised to:

- Comprehensively read the syllabus to enable them to make the best choice of the examination questions set and also seek expert guidance from

lecturers and practitioners.

- Familiarise themselves with the technical aspects of the paper for example, determining the value of closing stock and total labour cost for production, reconciliation of cost and financial accounts, applying methods of cost separation, preparation of profit/contribution statements, and comprehension of target costing and its implementation, cash budget and the budgeting process among other areas.
- Discuss previous examination questions so as to get a feel of the examiners' expectations.
- Use the first 15 minutes of the exam to understand the questions and allocate the examination time to the marks. This will allow you to properly plan and format your answers.

ATD 6: Economics and Entrepreneurship

- Candidates are advised to clearly differentiate between factors for evaluating a business and factors for operating a successful business venture. These factors seem similar, but the application differs. Emphasis should be put on the use of such terminologies in a question.

ATD 8 & 9: Financial Accounting

Candidates should:

- Endeavour to understand the preparation of financial statements together with their formats. More emphasis should be put on how to make adjustments before using these values to prepare the financial statements.
- Pay attention to the roles of public officers who are accountable to the public. Their roles are specified in the Public Finance Management Act (PFMA), the Local Government Acts, Companies Act for public and private companies' legal operations.
- Pay attention to all topics in the syllabus particularly the application of the rule in Garner V Murray in partnership accounts.
- Understand depreciation of non-current assets, the different methods of depreciation and disposal of those non-current assets.
- Adequately understand the syllabus, theory, and computational especially the Generally Accepted Accounting Principles (GAAP) and the conceptual framework.

ATD 10: Principles of Taxation

- Candidates must prioritise all sections of the syllabus. Examiners strive to maintain balance by testing various sections. Effective preparation entails comprehensive reading, practicing under exam conditions, and diversifying study resources. The ICPAU study guide provides practical scenarios for exam practice, which can greatly aid preparation efforts.

ATD 11: Principles of Finance

- At this level, candidates are expected to demonstrate adequate knowledge and skills in Principles of Finance which is necessary for financial analysis and decision making.

Accordingly, candidates are advised to;

- Read and understand the key areas of the syllabus most importantly investment appraisal techniques, cost of capital, Risk and return analysis, Working capital management, Time value of Money, financing decisions and financial markets as these form the core of the paper.
- Read and understand the questions asked prior to attempting any question. This will help candidates to make good choice of questions to attempt and avoid misfiring and providing irrelevant answers.
- Be keen during the computational questions. It is good examination practice to show workings as professional marks are awarded for demonstrating knowledge the principles even if the candidate has made numerical errors.

ATD 12: Principles of Auditing

Candidates are advised to;

- Enhance reading in the overall areas covered by auditing starting from developing the audit strategy and the considerations, contents and considerations of an audit plan, the tests and procedures when executing an audit engagement for the different items of the financial statements, the available opinions and ethical considerations of auditors and other assurance services that can be provided by auditors other than auditing.
- Embrace themselves with knowledge in regard to auditing using computer assisted auditing techniques and auditing in a computerised environment because of the current technological developments and trends in the world that greatly affect auditing and auditors when carrying out their work.



By CPA Joseph Osako
Finance Manager,
GA Insurance Company

MY EXPERIENCE IN PET DOCUMENTATION



CPA Joseph Osako is the Finance Manager at GA Insurance Company. He documented his Practical Experience Training (PET) and was enrolled as a full member with the Institute of Certified Public Accountants of Uganda (ICPAU) FM4058.

He shares his PET experience. We believe that from this article, at whatever level you are, you will be able to seek and document your experience, complete your CPA course and be a recognised Certified Public Accountant.

1. What specific types of tasks and responsibilities should I be undertaking during my Practical Experience Training?

There are 7 technical areas, 3 are only required to demonstrate your competences. There are 3 non-technical skills and all should be documented on. To know more details on the technical and non-technical skills, please login on the website with your ID and password.

2. How can I ensure that my Practical Experience Training meets the ICPAU's competency requirements?

- ✓ Through continuous training and consultations with your mentor and ICPAU.

3. Are there any recommended or required milestones I should achieve during my training period?

- ✓ Yes. You must be working in order to record your experience.

4. What resources are available to help me with my Practical Experience Training?

- ✓ My job description at work
- ✓ Guidance from the mentor
- ✓ Trainings conducted by ICPAU

5. How often should I meet with my supervisor to discuss my progress?

- ✓ Recommended time is every after 6 months.
- ✓ However, any time there is a need to review the work.

6. Can I switch supervisors during my Practical Experience Training, and if so, what is the process?

- ✓ Yes you can, provided that you notify the outgoing and incoming supervisor.
- ✓ ICPAU will need to know the reasons to effect the change.

7. What happens if my training activities are not aligned with the ICPAU guidelines?

- ✓ One may seek guidance from ICPAU by writing to pet@icpau.co.ug.

8. Are there any specific forms or documentation I need to submit periodically to ICPAU during my training?

- ✓ Yes. All your submissions are done on your logbook by visiting your student's portal with your ID and password.

9. How will my Practical Experience Training be assessed and evaluated?

- ✓ Through the following assessment methods done on your portal.
 - 1) Logbook or experience journal: record your daily or weekly tasks.
 - 2) Evaluation and confirmation by the supervisor.
 - 3) Feedback from the supervisor.
- ✓ The evaluation is done through the following.
 - 1) Technical competence: Here the trainee is demonstrating knowledge and application of technical skills.
 - 2) Professional skills: The trainee displays skills such as communication, teamwork and problem-solving.
 - 3) Ethical awareness and leadership plus initiative skills.

10. What support does ICPAU offer if I encounter challenges or issues during my Practical Experience Training?

- ✓ ICPAU team will provide guidance to resolve your PET issues.

11. Are there any specific deadlines or timelines I need to be aware of to complete my Practical Experience Training?

- ✓ You should document your experience acquired in a period of 3 years before you can apply for ICPAU membership. If you have more than three years of experience, please choose only 3 most recent years.

12. Can I complete my Practical Experience Training with multiple employers, and how would that work?

- ✓ Yes, it is possible to complete your PET with multiple employers, but it is essential to follow the guidelines set by the ICPAU which include the following:
 - 1) Variety of experience: Ensure exposure to diverse areas of accounting and financial management.
 - 2) Supervision: You are required to work under the supervision of a qualified accountant.

ICPAU will need to approve your movements from employer to employer.

13. What should I do if I feel my supervisor is not providing adequate guidance or feedback?

- ✓ You may request for ICPAU's intervention, or change in the supervisor.

14. Is there a requirement for the amount of time or duration I need to spend on certain types of tasks during my training?

- ✓ Yes, the good news is that the 3-year period of practical training may be acquired before, during or after exam qualification. However, if you already have related experience, it can be documented at any time of choice before applying for ICPAU membership, and this has to be reviewed by the mentor.

15. How does ICPAU handle extensions or adjustments to the Practical Experience Training requirements due to unforeseen circumstances?

- ✓ To request for an extension or adjustment, trainees must:
 - 1) Submit a written application to ICPAU via your student account.
 - 2) Provide supporting documentation
 - 3) Explain the impact of the unforeseen circumstances on their practical experience training

ICPAU will evaluate each request on a case-by-case basis, considering the severity of the circumstance, impact on the trainee's ability to complete the PET and availability of alternative arrangements.



By CPA Mustapha Bernabas Mugisa
Chief Executive Officer,
Summit Consulting Ltd

STRATEGIC PLANNING

CONNECT THE DOTS BETWEEN THE STRATEGY AND THE NUMBERS



Let me be clear of one thing straight from the start: Strategic planning, in itself, is overrated. Yes, I said it.

Everyone is obsessed with these grand five-year plans, ten-year visions, and “transformational” roadmaps or blueprints. But if your corporate performance is not hitting its targets today, why should anyone trust your shiny future projections? If you do not have a clear financing plan for your shiny “aspiration” strategic documents, why should you be taken seriously? A strategy is needed when there is a strategic challenge to overcome or an opportunity to tap into amidst constraints – legal, inadequate capabilities or otherwise.

If you are an accountant, senior leader, or board director in Uganda or anywhere in the world, you have seen this game countless times. Companies hire consultants, hold retreats, and churn out impressive PowerPoint decks filled with buzzwords like “synergy” and “digital transformation,” but when you look at the financials - the actual numbers - it is a different story. Most of these grand strategies are as useful as a bicycle in a swamp.

The measure of a great strategic plan is the ease of its execution. To be clear, strategic planning has no impact on corporate performance. It is strategic execution that delivers the results.

Why Planning is Overrated

Here is the ugly truth: Most strategies fail, not because they were poorly thought out, but because they were never really executed. Think about it - when was the last time you saw a failing company whose strategic plan admitted, “We

just didn't execute?" Never. It is always blamed on market conditions, unforeseen disruptions like COVID-19, or competitors who "didn't play fair." It is rarely ever the fault of the plan. But I will tell you - it is always about execution. Remember, Uganda Telecom Limited (UTL) kept pointing fingers at MTN. And you know now what became of UTL. Did they have a strategic plan? Yes. Did they execute the strategic plan? No. Now you get the gist.

Strategic planning becomes this intellectual exercise where leaders and directors feel good about themselves for creating visions of the future. Meanwhile, the day-to-day operations crumble because no one is watching the financials, no one is managing working capital, and no one is executing on the fundamentals. You can have a big-name "consulting firm" facilitate your strategic plan crafting, which becomes useless the moment they exit. Why? Planning is not important. It is the execution. And great consultants stick around to make it work.

Let me be clear - your strategic plan does not matter if you are not getting the basics right. It is akin to worrying about which fuel you will use for a car when the wheels are falling off. If your cash flow is unstable and your debt is skyrocketing, no amount of strategic planning will save you. Period.

Enter Uganda Telecom, a Case of Strategic Delusion

Let us bring this closer home. UTL - an iconic case of failed strategy. Once considered one of the biggest players in East Africa's telecom market, UTL had grand ambitions backed by strategic plans to dominate the sector. They had a blueprint to revolutionise telecom services, expand regionally, and provide cutting-edge technology.

But what happened? They drowned in debt, failed to collect on their receivables, and ultimately slid into insolvency. By 2017, UTL was a shell of its former self. They were so buried in liabilities that the Ugandan government had to step in to salvage what little remained.

Here is what went wrong: their strategic plan was disconnected from reality. While they were drafting grand visions of the future, their balance sheet was deteriorating, and their financial health was rotting from the inside. Cash flow issues went unaddressed, liabilities piled up, and operational inefficiencies choked the life out of the company.

The lesson - a strategic plan does not matter if it is not aligned with the financial realities. As accountants and financial leaders, your job is not to rubber-stamp some fanciful strategy - your job is to interrogate it. Look at the current ratio and the quick ratio, and ask, "Can we fund this strategy, or are we on the brink of collapse?"

MTN Uganda, a Case of Strategic Execution

Now let us contrast UTL's story with MTN Uganda's. MTN did not just talk about being a telecom leader - they executed. They invested in infrastructure and customer service, and crucially, they managed their financials with precision. Their capital expenditures (CapEx) were tightly controlled, and their return on assets (ROA) consistently reflected their efficient use of capital.

MTN did not rely on pie-in-the-sky strategic visions. They focused on execution - getting it done, and making sure that the strategy translated into real numbers. Look at their Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) margins. Look at their return on capital employed (ROCE). These metrics are the real scorecards of how well a strategy is working. Not the glossy decks or media statements.

This is the difference: MTN Uganda aligned its strategy with real, measurable financial metrics, not just wishful thinking. As an accountant, it is your job to connect the dots between the strategy and the numbers. Is the gross profit margin improving? Are we seeing better operating margins year over year? If not, it does not matter how visionary the plan is - it is a failure.

Accountants are the True Custodians of Strategy

Here is what most accountants get wrong: they think their job is to report the numbers, not question the strategy. Wrong. If you are in the accounting and finance world, you are the last line of defence between strategic delusion and corporate disaster. It is not enough to report on financial performance - you need to challenge the assumptions behind the numbers.

For example, if the strategic plan calls for aggressive expansion but you are staring at financials that show negative cash flow and rising debt, it is your responsibility to raise the red flag. A company expanding while bleeding cash is like someone trying to run a marathon with a broken leg - it is not going to end well.

Strategic plans need to translate into improved working capital, stronger profitability ratios, and sustainable debt management. If the financial reports are telling a different story, the strategy needs to be scrapped or drastically reworked. Strategy without financial discipline is a fantasy.

Nakumatt, the Cost of Ignoring Financial Reality



Let us not forget Nakumatt - the Kenyan supermarket giant that expanded aggressively into Uganda and East Africa. Their strategy was regional domination. On paper, it sounded fantastic. But their financial mismanagement was a ticking time bomb. Nakumatt over-leveraged, expanded too quickly, and failed to manage cash flow and inventory turnover.

By 2017, they were knee-deep in unpaid supplier debts and cash shortages, ultimately leading to their collapse. Nakumatt's strategic plan was not the problem. Their inability to match strategic ambitions with financial health was. Their debt-to-equity ratio was absurdly high, and their current ratio was consistently below 1, meaning they could not even cover short-term liabilities.

The hard lesson is that grand expansion strategies are meaningless if your balance sheet is screaming for help. Accountants, this is where you must shine. Look at the liquidity ratios. If they are dangerously low, it does not matter how much revenue the company is projecting - trouble is brewing. As they say, cash is king, and Nakumatt's top honchos ignored this fundamental rule at their peril.

Financial Reporting is your Strategy Scorecard

Accountants need to see financial statements as actual strategy documents. When the cash flow statement shows declining operating cash, that is a signal that something is wrong with your operational strategy. When debt levels are rising, but profit margins are not improving, that is a red flag.

The income statement, balance sheet, and cash flow statement are not just compliance documents - they are your guide to how well the company is executing its strategy. The financial health of a company is the ultimate barometer of how effective a strategy is. Do not let anyone tell you otherwise.

Stop Worshiping the Strategy - Focus on Execution

The cold hard truth is that your strategic plan is useless if it does not improve the numbers. End of story. Corporate performance is not measured by how well you plan - it is measured by how well you execute. You do not need a 50-page document filled with flowcharts and vision statements. You need clear metrics that align with actual financial performance. What exactly is your strategy? What is your business or future-proof model that details how your company will create, deliver and sustain customer value? What is your strategic ambition and what will you do to make it a reality? What is your revenue growth strategy? How will you finance your strategy? When you match your ambition with financing, you execute strategy. And it shows in the numbers.

If the operating margin is not improving, you are failing. If liquidity ratios are weak, you are in trouble. If your return on assets (ROA) is declining, you are losing efficiency. These are the metrics that matter. Not the plan, not the vision - the results. Why do I say so? Every leader I have met has an idea of where they want to be. And where they are now. The difference between a great leader and an average one is effective execution. Strategic planning positively impacts financial performance only if it is executable. We have seen very many "strategic plans" that got covered by cobwebs in the drawers because they had no meaningful input from the people at the frontline.

As accountants and leaders, your job is to ensure that strategy is rooted in financial reality and business context. Do not let the boardroom distract you with high-level strategy talk if the fundamentals are not being executed. Look at the financials - they never lie. If the numbers are not improving, strategy is just a fancy word for failure.

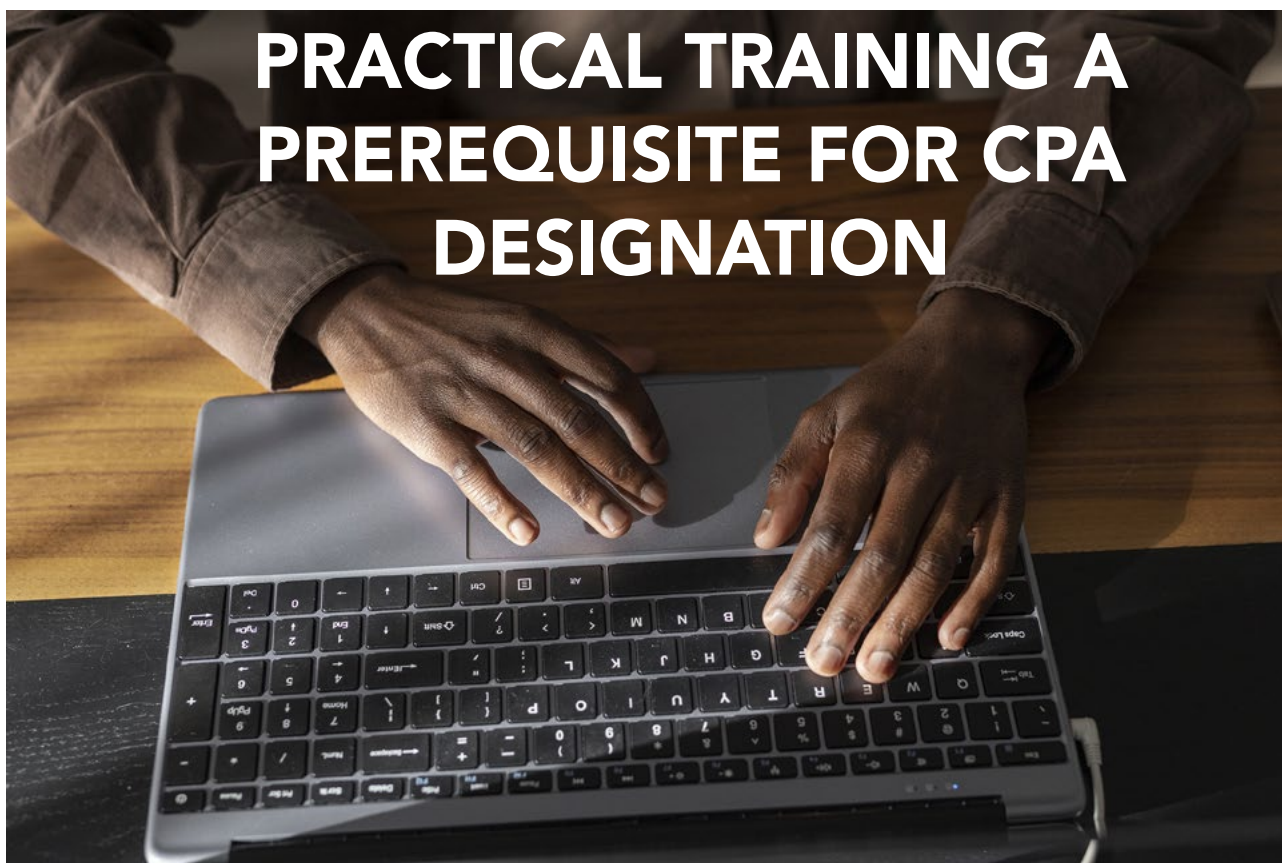
Numbers Do not Lie - Strategists Do

Let us wrap this up: Stop being dazzled by strategic planning. It is the execution that counts. In Uganda, we have seen enough companies with brilliant strategies crash and burn because they could not align their plans with the financial realities on the ground. It is the job of accountants and financial leaders to hold the line. Focus on the metrics that matter - cash flow, profitability, and debt management because those are the true measures of corporate performance. The plan is nothing without the numbers.



CPA Ambrose Kariyo Mugisha
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Institute of Certified Public Accountants of Uganda (ICPAU)

PRACTICAL TRAINING A PREREQUISITE FOR CPA DESIGNATION



Did you know that practical experience requirements are an integral part of gaining a CPA designation status and a compulsory part of the CPA course?

The ICPAU Practical Experience Training programme (also known as PET) is enshrined in the Accountants Act, 2013. The PET programme provides students with the opportunity to demonstrate the knowledge and skills gained at work. Documenting your practical experience means that you are one step closer to your goal of becoming a CPA.

What is needed?

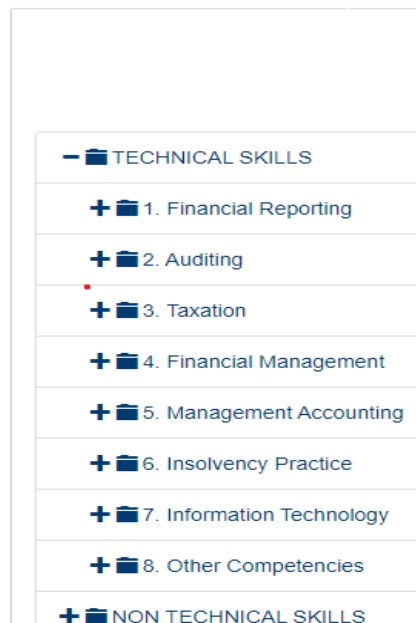
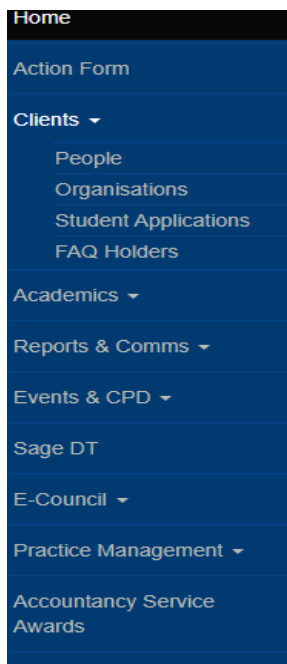
- a) Visit the ICPAU portal and log in with your student details.
- b) Apply for PET within your student account/page. The application requires the name of the employer and the FM number of the mentor, who should be a full member of ICPAU.
- c) Complete a minimum of 3 years of relevant full-time experience or equivalent part-time.
- d) Demonstrate achievement of competence in only 3 technical areas of your choice and all the non-technical areas.

» Documentation of skills

A. Technical Skills

A student of the Certified Public Accountants (CPA) course or an Associate member (one who has completed CPA but is yet to attain the minimum required experience) is required to document experience obtained in 3 of the following technical areas.

- Financial reporting;
- Auditing;
- Taxation;
- Financial management;
- Management accounting;
- Insolvency practice; and
- Information technology



B. Non-technical Skills

A trainee must demonstrate experience in all the following non-technical areas:

- Communication skills;
- Personal skills and professional behaviour; and
- Interpersonal and organisational skills.

Please note that one is required to state a reflective statement biannually.

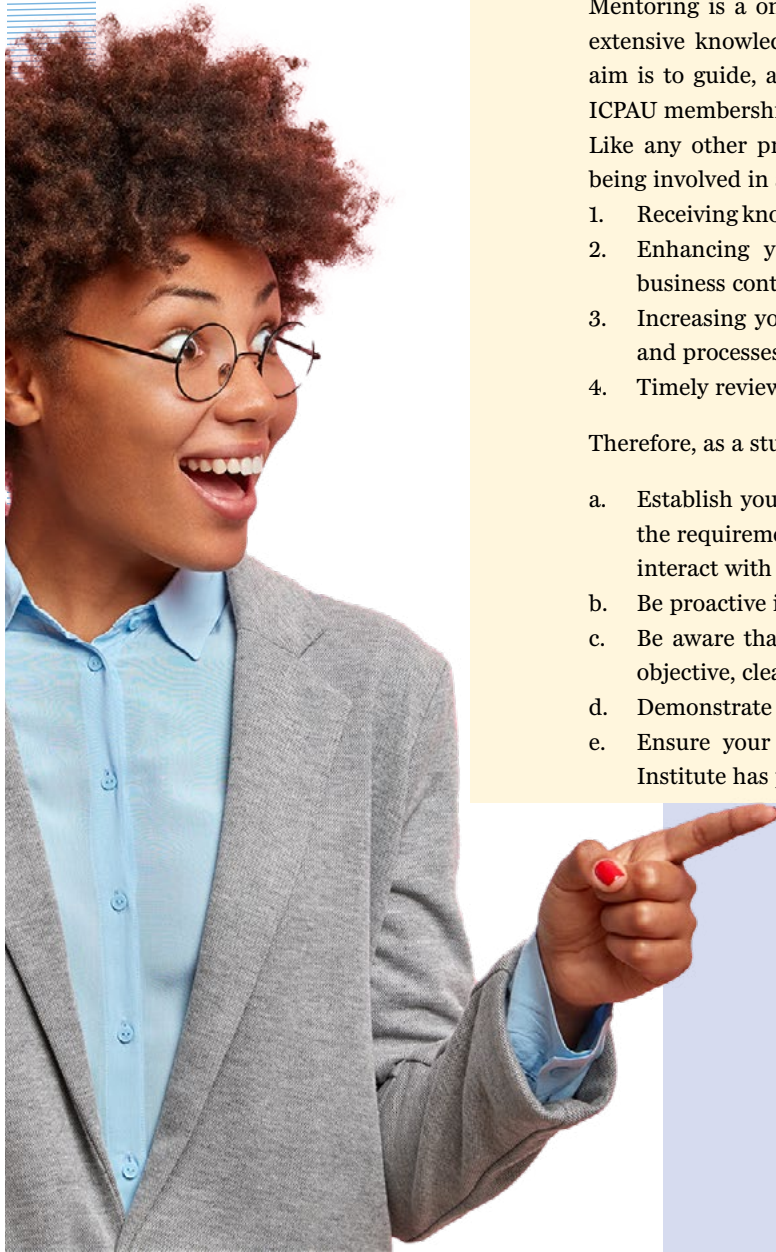
Reflective Statement		
Year 1, First Half	-	PENDING
Year 1, Second Half	-	Not Attempted
Year 2, First Half	-	Not Attempted
Year 2, Second Half	-	Not Attempted
Year 3, First Half	-	Not Attempted
Year 3, Second Half	-	PENDING

Where do I Capture my Practical Experience Requirements?

You will need to go to <https://icpauportal.com/index.php/login> or copy and paste it to your browser, and log in to your account. In case you have not registered for PET, you have to apply by clicking on “you are eligible for practical experience training” in your account. In case you are already registered, select the programme, follow the steps to browse the PET syllabus, tap on the job roles you have performed and begin adding your experience plus updating the period of experience.

All PET correspondences are made on the student account on the ICPAU portal.





Relationship with your Mentor

Maintaining a healthy relationship with a mentor is key to completing the PET exercise smoothly.

Mentoring is a one-to-one relationship between you and someone with extensive knowledge and experience within the accountancy field. The aim is to guide, advise and support you as you work towards attaining ICPAU membership and achieving your career goals.

Like any other profession, there are many benefits you will gain from being involved in a mentorship relationship, such as:

1. Receiving knowledge and insights from a more experienced individual
2. Enhancing your career opportunities by expanding professional business contacts
3. Increasing your knowledge of the organisational settings, structure and processes of the workplace.
4. Timely review of your PET record.

Therefore, as a student/associate, you will need to:

- a. Establish your relationship with the mentor such as being aware of the requirements from the mentor, developing your personal plan to interact with the mentor either physically or virtually.
- b. Be proactive in your role as a mentee.
- c. Be aware that communications with the mentor must be accurate, objective, clear, concise, constructive, complete, and timely.
- d. Demonstrate achievement of the required skills on the portal.
- e. Ensure your mentor has verified the documented skills and the Institute has performed subsequent review.

Remember to;

- a. Apply the technical knowledge gained during your studies across the four levels of the CPA course.
- b. Develop your personal effectiveness
- c. Develop business awareness skills
- d. Exercise professional judgement
- e. You can continue the relationship with the mentor once you finish your practical training requirements.
- f. Consider the implications of changing your mentor or employer before completing the PET requirements, such as asking your previous mentor to verify the documentation before the current mentor.
- g. Focus on what you want to achieve - attain ICPAU membership.
- h. Ask for guidance when you need to.

In our next issue, we will discuss what it means to demonstrate your personal effectiveness and leadership skills. ♦



By **CPA Zedi Muyingo**
Senior examiner,
Bank of Uganda

EXCELLING IN FINANCIAL REPORTING PAPERS



Financial Reporting papers are the most critical subjects for aspiring accountants in Uganda and in the accounting profession globally. They involve the; preparation and presentation of financial statements, which are essential for stakeholders, investors, creditors, and regulators, among others. The papers provide the essential knowledge needed for decision-making in entities. Proficiency in Financial Reporting is a prerequisite for advanced roles in accounting and finance, such as financial analysts, auditors, Chief Financial Officers. They are integral to corporate governance and accountability.

Excelling in these papers requires a deep understanding of accounting principles, attention to detail, and the ability to apply accounting concepts in various scenarios, in addition to the combination of theoretical knowledge, practical application, and strategic exam preparation. This article seeks to provide guidance on excelling in both **Financial Reporting – Paper 7** and **Advanced Financial Reporting – Paper 12**, examined by the Institute of Certified Public Accountants of Uganda (ICPAU). Let's now sail through how you can excel in these challenging yet rewarding papers.



Understand the syllabus and examination structure

As a starting point, a candidate is expected to thoroughly understand the syllabus and the examination set-up. ICPAU issued a new syllabus in 2023, expected to run for a period of 5 years. The syllabus outlines the key topics and learning outcomes that the examinations will cover. Each paper has its specific learning outcomes and the examinations are set to assess achievement of the said learning outcomes.

Over the years, the examinations have demonstrated that the key syllabus areas for Paper 7 are; IAS 1, IAS 7, IAS 16, IAS 21, IAS 12, IFRS 10, IFRS 15, IFRS 16 and analysis and interpretation of financial statements. The key syllabus areas for Paper 12 are; IFRS 10, IFRS 8, IFRS 9, IFRS 2, IAS 33, regulatory & conceptual framework for financial reporting, integrated thinking, and sustainability reporting.

Upon understanding these syllabus areas, the candidate is required to familiarise themselves with the examination structure for each paper. Both papers consist of two (2) sections A & B. **Section A** (compulsory) of paper 7 carries 40 marks and usually tests candidates on their ability to; prepare and present financial statements of both single and group of entities, and analysis and interpretation of financial statements. **Section B** (optional) of the same paper tests candidates on the rest of the learning outcomes, covering financial reporting standards not examined in Section A in

addition to liquidation & receivership. This section carries **60 marks** and a candidate is expected to answer only 3 questions.

Paper 12 consists of 2 Sections A & B, carrying 50 marks each. **Section A** (compulsory) tests candidates on preparation and presentation of consolidated financial statements of a complex group, regulatory & conceptual framework for financial reporting, as well as joint arrangements. **Section B** (optional) examines candidates on the rest of the learning outcomes not covered in Section A, with key emphasis on the core syllabus areas mentioned above. Since this is an advanced paper, candidates are expected to possess knowledge of paper 7 as well. As such, Paper 12 always contains at least **one question** covering syllabus areas studied in Paper 7.

Having adequately understood the syllabus and examination structure, let us now share key insights on how to excel in these papers:

Start the journey of each paper by studying the conceptual framework for financial reporting, which will give you the foundational principles that guide financial reporting. Then, move on to the specific standards, ensuring you understand the; name of the standard, what the standard is about, key definitions, scope of the standard, recognition, measurement and presentation criteria, and

- disclosure requirements. Over the years, examiners have raised concerns that candidates tend to neglect revision of disclosure requirements under each standard. Disclosures are examinable, and candidates are urged to pay adequate attention to them.

Master the Financial Reporting Standards (IAS & IFRS) – These are the backbone of these financial reporting papers. A significant portion of these examination papers will test the candidate's ability to apply these standards in various scenarios. Therefore, it is crucial to have a deep understanding of the key standards mentioned above. As you embark on mastering standards, emphasis should be put on; what the standard is about, scope of the standard, recognition, measurement, and presentation criteria, as well as disclosure requirements.

Develop strong analytical skills – Beyond knowing the standards, candidates must be able to analyse and interpret financial statements and information. This is particularly important in Section A of paper 7 that examines analysis and interpretation of financial statements. Developing analytical skills is a process and not an event. It requires candidates to frequently work out questions testing them on analysis of financial statements from various sectors, compute ratios in their key categories of profitability, liquidity, solvency, efficiency and investor ratios, and constantly review case studies that require them to interpret financial data and make informed judgments.

Regular practice – The significance of practice cannot be underestimated. Past paper questions, mock examinations, and practice questions contained in the ICPAU study material are invaluable resources for preparing for these papers. Continuous practice will help you understand the exam format and the types and quality of questions examined, identify areas for improvement and consolidation, and improve your time management skills during the examinations.

Test yourself in an examination environment – As you conduct your regular practice, set a timer and attempt to complete past examinations within the allocated time. Thereafter, review your answers against the solutions, focusing on any misinterpretations, mistakes and areas that proved complicated to you. This will help you refine your knowledge and enhance your examination technique.

Stay updated with current developments – Financial reporting standards are dynamic, and changes can occur due to new pronouncements or amendments to existing standards. It is essential to stay updated with these developments. Follow updates from ICPAU, the International Accounting Standards Board (IASB), International Sustainability Standards Board (ISSB), and other relevant bodies. Attend student engagement seminars, workshops and webinars on financial reporting organised by ICPAU to


apprise yourself about the recent changes in the financial reporting space.

Leverage study groups and discussions – Studying in isolation can be challenging, especially when preparing for financial reporting papers. Joining study groups allows you to discuss difficult concepts and clarify doubts with fellow candidates, exposes you to different perspectives and approaches to solving complex case studies, and can also be a source of knowledge on recent developments. As you attend discussion groups, ensure that the discussions are focused and productive, decide on specific topics to cover during each discussion session and prepare in advance to contribute effectively.

Manage your time during exams – Failure to manage time has over the years proved to be the biggest challenge to candidates. As a way of excelling in exams, I appeal to candidates to allocate time wisely across different sections of the paper. Prioritise questions by starting with the questions you are most confident about to boost your overall confidence and secure marks early in the examinations. Regularly check on the time to ensure that you are on course to complete the examination. Avoid spending too much time on a few questions at the expense of others. Reserve at least **15 minutes** to review your answers to ensure appropriateness.

Practise writing clear, concise and professional answers – Your answers must be precise, concise, factual and relevant. As you write your examinations, use proper financial reporting language, and avoid jargon that might confuse the marker. Start your answer by quoting the relevant financial reporting standards, briefly talk about the recognition and measurement criteria, then relate the standards to the case studies and make relevant computations, pass the journal entries, and finally advise on accounting treatment by showing the financial statements where to report each of the relevant amounts computed.

Seek guidance from your tutors and ICPAU – Challenges are always expected in your journey to success, but once they come up, do not hesitate to seek help from tutors or ICPAU. Such guidance will provide valuable insights, clarify complex concepts, and guide you on how to approach the examinations appropriately.

Excelling in financial reporting examinations requires a strategic approach. Candidates must master core concepts, practice extensively with past paper questions, and thoroughly understand relevant financial reporting standards. Candidates must develop a disciplined study routine intended to grasp the principles and concepts instead of relying on rote learning. Effective time management during examinations, and other refined examination techniques discussed above will lay the groundwork for excelling in financial reporting examinations. 



By CPA Rehema Nakirembe
Tax Administrator,
Uganda Revenue Authority

STAYING AHEAD: KEEPING UP WITH THE LATEST TAX DEVELOPMENTS IN UGANDA



Change is the only constant in life and professionals who fail to keep abreast of changes in dynamic fields like accounting and taxation, can face significant challenges. Fellow professionals, if you refuse to move with the tide, you expose yourself to increased risk of errors, non-compliance, loss of credibility and trust, missed opportunities

and stagnation in professional growth. Another constant is the obligation to pay taxes by business entities. Therefore, as accountants representing these entities, staying abreast of the latest tax developments is a critical aspect of providing accurate and valuable advice to clients ensuring that their businesses remain compliant for sustainable success.

The Dynamic Nature of Uganda's Tax Environment

As Uganda's economic landscape continues to evolve, so does its tax environment. The Uganda Revenue Authority (URA) has embarked on the Financial Year 2024/25 with a number of tax amendments that include revisions to Income Tax, Value Added Tax Act (VAT) and the Tax Procedures Code Act (TPCA). In this article I throw some insights on the key changes and the rationale behind them.

Driven by both domestic revenue mobilization efforts and global economic pressures, the URA has been proactive in expanding the tax base to include previously untapped

sectors or activities. This they have done through enhancing compliance mechanisms, and adapting to the digital economy. It is no surprise therefore that the recent tax amendments reflect the government's commitment to increasing domestic revenue collection while also addressing emerging economic, social and environmental challenges. The 2024/25 tax amendments are also strategically aligned with the budget theme of *"Full Monetization of the Ugandan Economy through Commercial Agriculture, Industrialisation, Expanding and Broadening Services, Digital Transformation and Market Access"*.

The following Tax Amendments are effective since 1st July, 2024.

INCOME TAX (AMENDMENT) ACT

1. The definition of retirement fund has been expanded to include; "a pension or provident fund established as a permanent fund maintained solely for the provision of benefits for members of the fund in the event of termination of service.

Substitution of the definition of a **"branch"** with the term **"Permanent Establishment"** (PE)

2. A PE is defined as a fixed place of business through which the business of a non-resident enterprise is wholly or partly carried on or through the period of time during which the enterprise operates in Uganda.
3. Expansion of the scope of **income derived from sources in Uganda** to include:
 - An annuity paid by a non-resident person as expenditure of a business carried on by the non-resident person through a permanent establishment in Uganda. And,
 - Income derived by a non-resident from insurance premiums received if the premium relates to the insurance or reinsurance of a risk in Uganda.
4. 10% withholding tax on **commission paid to payment service providers** (including a banking agent or any other agent offering financial services). The payment service agents will be expected to file tax returns annually, with a credit allowed for the 10% advance tax withheld.

5. **Income tax exemptions: The following income has become exempt;**

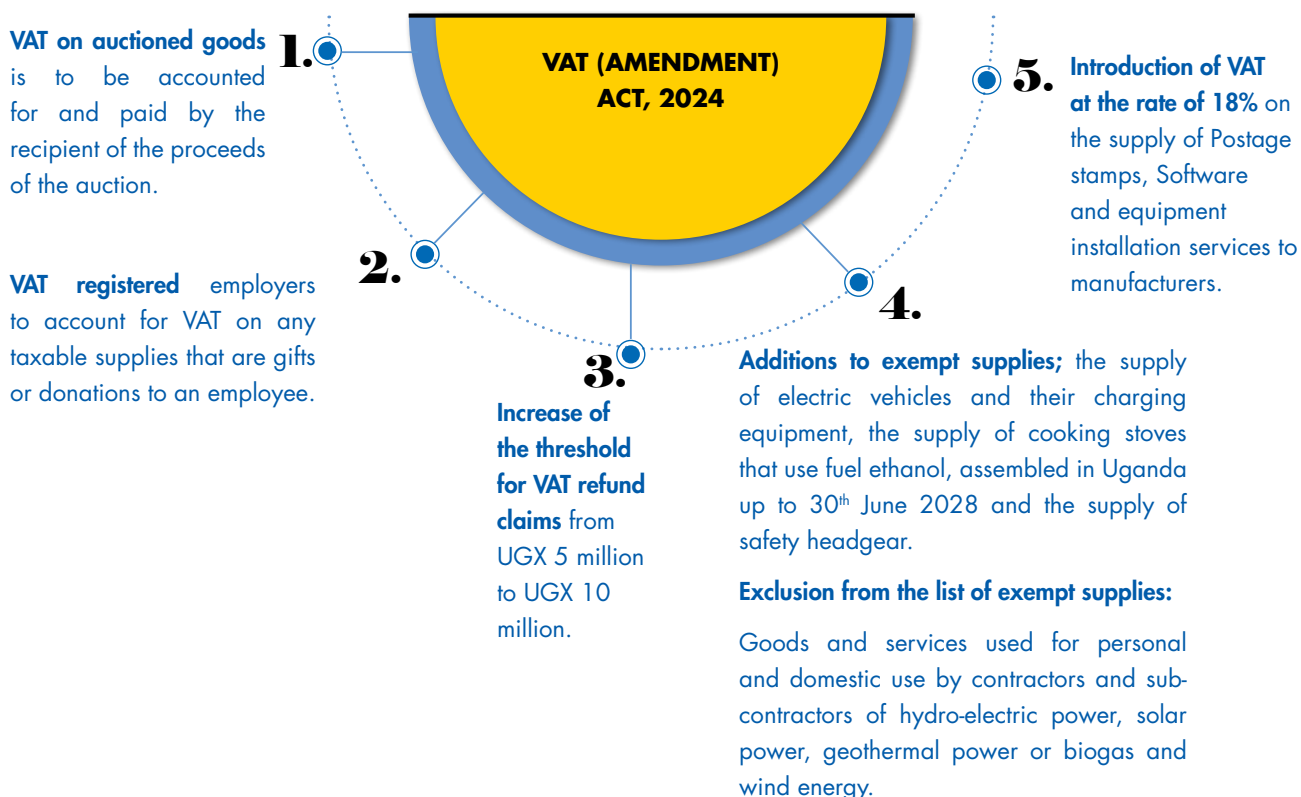
- Income derived from or by private equity or venture capital fund regulated under the Capital Markets Authority Act, Cap.84
- Income derived from the disposal of government securities on the secondary market.

6. **Additions to the list of exempt strategic investments entitled to ten- year income tax exemptions:**

- Manufacture of electric vehicles, electric batteries or electric vehicle charging equipment or fabrication of the frame and body of an electric vehicle.
- Operation of a specialised hospital facility.

7. **Expanding the list of Listed Institutions to include:**

African Reinsurance Corporation (Africa Re), International Regulatory Board of the East African Power Pool and The Islamic Cooperation for the Development of the Private Sector. The same has been added to the **list of public international organisations in the first schedule of the VAT Act.**



TAX PROCEDURES CODE (AMENDMENT) ACT, 2024

- 1.** Requirement that taxpayers intending to claim a deduction on destroyed goods as a result of damage, expiry, or obsolescence to inform the Commissioner, in writing, before the destruction.
- 2.** Extension of Waiver of interest and penalty outstanding as of 30th June 2023 upon payment of principal tax by 31st December 2024

For more on amendments in regard to the Excise Duty Act, Stamp Duty Act and Customs Duties introduced with the major aim of protecting the local industry, please grab yourself a free copy of the URA brochure on Tax Amendments 2024-2025 available on www.ura.go.ug.

As Accountants therefore, let us protect our clients' interests and drive their success in a competitive market as Tax adjustments can have significant implications on cash flow management, investment decisions, and overall business strategy. ♦



By CPA Prosper Ahabwe
Associate Director Tax,
Ernst & Young

EXPLORING THE OPPORTUNITIES IN TAX ADVISORY AND THE SIGNIFICANCE FOR BUSINESSES



It has been said that two things are certain in life, death and taxes. A tax is an amount levied on citizens, persons or property by a government to provide public goods and services such as security, infrastructure, health and education services, among others. It is the responsibility of citizens to pay their taxes as Jesus Christ in the bible said, “Give to Caesar what belongs to Caesar and to God what belongs to God.”

Before a tax is paid, one needs to be aware of its existence and the rules that govern how to determine the right amount of tax to be paid to the government. Paying less tax attracts penalties and interest which are more costly than paying the right principal tax. Paying more tax than you should, on the other hand, decreases the investors’ return on investment and the operational cash flows of a business.

Tax is a creature of law. Article 152 of the Constitution of the Republic of Uganda stipulates that no tax shall be imposed

except under an Act of Parliament. Laws, by their nature, require interpretation considering the facts to which they relate. It takes significant time and effort to appreciate the workings and interactions of various tax laws alongside the tax administrative practices to realise the optimal tax position for a business or transaction.

In addition, tax laws and practices are constantly changing as governments seek to expand their tax base, reduce tax leakages and keep taxes relevant to the ever-changing business environment and practices. Such changes provide opportunities for tax savings and pose tax risks to businesses. For example, the recently assented to Tax Procedures Code (Amendment) Act 2024 provides taxpayers with an opportunity for tax savings through the waiver of interest and penalties outstanding as at 30 June 2023 if a taxpayer pays the principal tax by 31 December 2024. Where part payment of the principal tax is paid by 31st December 2024,

interest and penalties shall be waived on a pro-rata basis. On the other hand, businesses that are not aware of tax legislative changes may not take the necessary compliance measures to implement the tax changes in time and end up incurring higher tax costs in the form of penal tax and interest. Thus, tax advisory in its different forms is beneficial for business survival and growth in the following ways:

<div data-bbox="143 367 303 531"></div> <p>a) Tax compliance services help a taxpayer to pay the right tax and file their returns on time by identifying eligible tax deductions, credits, and exemptions to minimise the tax cost to a business. A good tax compliance record facilitates business growth in cases where tax clearance certificates are a prerequisite to participate in bids and tenders.</p> <div data-bbox="143 674 303 838"></div> <p>b) Tax health checks support businesses in identifying areas of tax risks and provide ways to manage those risks. They entail a detailed review of how well the business complies with the tax laws and regulations in its daily dealings.</p> <div data-bbox="143 960 303 1124"></div> <p>c) Assistance during tax audits conducted by tax authorities ensures that the appropriate information and responses are provided to the tax authority in a timely manner. This minimises the risk of additional assessments being issued against the business due to inadequate or insufficient information and explanations resulting in lengthy and costly objection and appeal procedures. This saves the time of finance personnel, allowing them to focus on their business with peace of mind.</p> <div data-bbox="143 1389 303 1553"></div> <p>d) Transfer pricing compliance services assist a business that has transactions with its associates to demonstrate that it priced the transaction in the same manner as it would have priced it if it was dealing with an independent person (i.e. at an arm's length price). It reduces the risk of tax disputes that may arise in case of a tax audit and helps to protect the reputation of a business as being compliant rather than a tax avoider.</p> <div data-bbox="143 1757 303 1921"></div> <p>e) Business tax advisory services provide various strategic tax planning solutions for complex domestic and international business transactions such as mergers and acquisitions, demergers, corporate restructuring, and business model review, among others. Most of these</p>	<p>are high-value transactions and have a high tax impact if no tax considerations are made prior to the transaction. Tax advisory benefits businesses through preservation of loss tax losses, deductions and credits, maximisation of rollover reliefs, minimising capital gains tax and the impact of other taxes such as withholding tax, Value Added Tax, stamp duty, and customs duties on business transactions.</p> <div data-bbox="798 797 957 960"></div> <p>f) Tax due diligence services provide a vendor or purchaser of a business with insight into the tax risks of the business that they intend to sell or purchase. Tax risks impact the value or price of a business that is the subject matter in a sale and purchase agreement and the value of the necessary protection warranties that a purchaser should seek from the seller in respect of the historical tax matters of the business. This facilitates strategic decision-making for businesses that expand through acquisitions or intend to exit a market through sale.</p> <div data-bbox="798 1185 957 1349"></div> <p>g) Tax training provides up-to-date practical tax knowledge and skills that empower persons tasked with tax compliance and oversight roles in an enterprise to execute their responsibilities effectively and confidently, taking on tax-saving opportunities and minimising tax risks for their businesses.</p> <p>The above forms and benefits of tax advisory are not exhaustive and may come at a cost to the business that chooses to retain the services of a tax professional. However, the cost of tax advisory services is usually far lower than the cost of the tax that the business could incur without the valuable input of a tax expert.</p> <p>It is advisable that businesses connect and closely collaborate with their tax advisors as they are in a better place to support the business to optimise its overall tax costs and maximise shareholders' value rather than focusing on managing the cost of tax advisory services.</p> <p>Are you considering a career in tax? The Institute of Certified Public Accountants of Uganda offers the Certified Tax Advisor (CTA) course to equip prospective Tax Advisors with the requisite competencies to support businesses and the economy. Find out more about the CTA programme here.</p>
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By CPA Budalah Nsubuga
Senior Accountant,
Vision Group

BEWARE OF THE RISKS OF INSIDER DEALING

Insider dealing, also known as insider trading, refers to the process of buying and selling securities of a certain company leveraging on information that is not available to the public. This practice is prohibited in many jurisdictions because it is wrong to allow unfair competition from insiders, and it is distasteful and detrimental to the health of financial markets.

Insider trading has become a buzzword and scandal that generates much attention and infamy. It is at the very heart of discrimination since it empowers a small group, which is typically already more advantaged than others, to make decisions, which effectively lock out the rest of society from equal access to information or even opportunities.

The offences stemming from employing privileged information for making a profit (or to minimise a loss) at the detriment of others are immoral and unlawful. The elimination of this practice is the key to unlocking the efficient workings and functions of any market apart from the society. It is also absolutely essential that all markets eliminate any suggestions of impropriety as a precondition for attracting investment inflows.

According to the Insider Trading Rules 2008 (Uganda Securities Exchange), the term - insider refers to:

- (a) A person who is a Board member, member of senior management, an employee in the finance department or any senior manager who, by virtue of their duties, would likely gain access to unpublished price-sensitive information. A senior manager is



- an employee who is part of the organisation's top management.
- (b) A person who has access to unpublished price-sensitive information by virtue of their employment office or profession; or
- (c) A person who is an immediate family member of the persons mentioned in (a) and (b) above. For the avoidance of doubt, "immediate family member" shall be construed to mean spouse and child.
- (d) A person who has access to unpublished price-sensitive information from any of the persons mentioned in (a) or (b) above.
- (e) All corporations, partnerships, trusts or other entities owned or controlled by any of the above persons

The following acts tantamount to insider dealing according to the same rules;

1. Any person dealing in price-affected securities as a result of non-public information that has come into his/her possession.
2. Encouraging another person to deal in securities that are (whether or not that other person knows) price-affected securities in relation to the non-public information;
3. The person dealing relies on a professional intermediary or is himself acting as a professional intermediary with regard to utilisation of non-public information.
4. Any person disclosing information other than in the proper performance of the functions of his/her employment, office or profession to another person.



Here are the risks associated with insider dealings:

Here are the risks associated with insider dealings:



1. Legal Risks



- ❖ **Criminal Prosecution:** Insider trading is prohibited in nearly all countries and considered a criminal activity. Penalties are typically expressed in fines, imprisonment, or both, depending on the seriousness of the conviction.
- ❖ **Civil Penalties:** Law enforcement agencies like capital markets authorities in collaboration with other agencies, may offer civil remedies such as fines and profit recovery for anyone who engages in insider trading.
- ❖ **Bans and Disqualifications:** Those found guilty of insider trading may never be allowed to serve on the board of directors or as officers of public companies. Professionals involved in the online trading can lose their licenses to practice in the industry or be barred from being employed as brokers.



2. Reputational Risks



- ❖ **Damage to Personal Reputation:** Insider trading implies a loss of trust, often resulting in a person's loss of opportunities to work in a certain sphere or company and the denial of the right to win the trust of others.
- ❖ **Damage to Company Reputation:** For instance, if insider trading is realised within a certain firm, then this has a social cost of undermining the

reputation of the firm in question, hence, losing investors' confidence and eventually lowering the value of shares in the company and the number of investors who would be willing to invest in it.



3. Financial Risks



- ❖ **Loss of Employment and Compensation:** Penalties that come with insider trading include demotion or termination of employment, loss of bonuses and any other incentives. A portion of the earnings gained from the prohibited trading activities may have to be returned.
- ❖ **Legal Costs:** As it has been described, the defense of insider trading charges is not cheap, and it will always cost a lot of money in terms of legal expenses and everything that goes with it.
- ❖ **Fines and Disgorgement:** Where a person has been convicted, severe penalties include fines, and the culprits must surrender all their gains from insider trading, thus incurring high costs.



4. Operational Risks



- ❖ **Disruption to Business Operations:** Legal cases can hinder business operations if important executives or the employees of the organisation are involved in insider trading investigations. This can lead to lack of concentration, slowness and reduced productivity.



- ❖ Increased Regulatory Scrutiny: One of the consequences of insider trading that may affect a specific company is higher regulatory attention – regulators may tighten their focus on the company in accordance with the insider trading laws, thus necessitating frequent audits or investigations, among other compliance demands.



5. Market Risks

- ❖ Market Manipulation and Unfair Advantage: Insider trading is particularly considered a violation of the financial markets' integrity as insiders can gain much profit on transactions while other market players do not have any information about the particular case.
- ❖ Market Volatility: Such activities destabilise the market and cause fluctuations in stock prices, which may lead to low investors' confidence and financial market instability.



6. Ethical Risks

- ❖ Violation of Fiduciary Duties: Most insider



trading involves legal breaches of contract where the officers and employees who carry out the trade have a duty of loyalty to the shareholders and the company.

- ❖ Erosion of Trust: Insider trading is equally unhealthy for the financial market, as it shows that people's actions are motivated not by the common good and fairness, but by the opportunity to gain a quick buck at the stock exchange.



7. Impact on Stakeholders



- ❖ Harm to Shareholders: The actions committed by insiders may have a negative impact on the shareholders, as the latter are likely to lose money that they invested in the stocks due to the manipulation of the stock prices or unfair trading.
- ❖ Negative Impact on Employees: If a company is associated with insider trading it is likely to demoralise its employees making them lose confidence in the management, which is likely to lead to high turnover and low productivity.



In accordance with the Insider Trading Rules 2008 on penalties on inside trading;

On suspicion of any contravention of these rules by an insider, the Uganda Securities Exchange shall:

1. Carry out its investigations and depending on the outcome;
 - (a) Stop any trade by an insider if settlement of the trade has not yet been effected. Settlement refers to the end of the three-day cycle when payment for the trade is made.
 - (b) Where the person involved is an employee or representative of the Exchange, the Exchange shall commence relevant disciplinary proceedings against such person.

- (c) Freeze the securities that are the subject of investigation.

Any person involved in the insider trade shall pay a penalty that shall be commensurate to the amount of money that he/she has made as a result of the insider trading.

2. Send a detailed written report of the case to the Capital Markets Authority.

Altogether, insider trading is characterised by legal, financial, reputational, and ethical consequences. These risks do not only negatively affect the individuals involved, but they also affect the organisations and the key stakeholders. It is important for companies to ensure that insider trading laws are complied with and that the companies have adequate measures to curb insider trading. Policies and procedures on insider dealing should be current, depicting all regulatory changes, and communicated within firms. ©



By Dr Sulaiman Lujja
Head of the Islamic Banking and Finance Department,
Islamic University in Uganda (IUIU)

ISLAMIC BANKING VERSUS TRADITIONAL BANKING: IS THERE A CONVERGENCE?



Despite its name, Islamic banking is not a religious product. It is rather banking products and services developed to meet the requirements of people in a way that does not contradict Shari'ah (Islamic law) including among others; interest, speculation, gambling, excessive uncertainty, and harmful products. These aspects are strongly prohibited in all divine arrangements.

Rather than competing with the traditional banking system, Islamic banking complements the traditional banking system. Economies that have embraced it over the last 40 years have found it more robust and viable in fostering socio-economic justice, cooperation among economic agents, and equitable distribution of resources.

Comparison between Islamic and Traditional Banking Systems

Dimension	Islamic Banking	Traditional Banking
Economic substance	Financial intermediation linking between deficit and surplus spending units	Financial intermediation linking between deficit and surplus spending units.
Underlying contract	Various contracts categorised into; partnership-based, sale-based, and contracts of security, among others.	Lending at interest
Business returns	Depends on contract used. It may be profit (money charged on real economic activity), rent, fee, etc.	Interest (money charged on money)
Role of money	Not a commodity (because it does not have intrinsic value) but earns a return when effort is devoted and risks and liability are shared.	Tradable commodity.
Treatment of penalties	Channelled to charitable causes but not to benefit the bank beyond compensation of the actual monetary damages.	Income to the bank because interest is considered a price of credit.
Governing Laws	Two layers of governance; Government laws and Islamic laws (<i>Shari'ah</i>). Thus, a Shari'ah Advisory Board is appointed to ensure Shari'ah compliance of transactions.	One layer of governance - Government laws, which are prone to human error.
Basis	Religious-based; Shari'ah, which abolishes interest (<i>riba</i>), uncertainty (<i>gharar</i>), and gambling (<i>maysir</i>).	Secular-based whose backbone is interest (<i>riba</i>), uncertainty (<i>gharar</i>), gambling (<i>maysir</i>), and other man-made laws.

Is Islamic Banking meant for only Muslims?

The broad message of Shari'ah (Islamic law) is directed to both Muslims and non-Muslims. This is truer especially in universal ethical conduct involving honesty, justice and fairness, which form an essential part of Islamic banking. Islamic banking adopts Shari'ah/Islamic law only to the extent of Islamic commercial transactions but it does not extend to the domain of Islamic religious affairs.

Due to the above factor, Islamic banking has gained universal acceptance. Many non-Muslim countries have adopted it, including, among others, the USA, the UK, Bosnia, Denmark, France, Germany, Holland, Luxembourg, Russia, Switzerland, Australia, Spain, and Canada. Meanwhile, due to its resilience to financial shocks, major international banks have adopted the Islamic banking system, including HSBC, JP Morgan, Barclays Capital, Lloyds TSB, ANZ Grindlays, Citi Group, West Bromwich Building Society, Yorkshire Bank, and Standard Chartered Bank, among others.



Who Benefits from Islamic Banking?

- 1) Financial products consumers in form of greater supply of risk-based capital. They will now share their financial losses with banks.
- 2) Community through economic growth when banks engage in real economic activities such as; trade, commerce, industry and agriculture. This will promote joint venturing and partnerships.
- 3) The poor who have vibrant business ideas but do not have collateral, such as farmers through Salam (forward sale), where farmers are paid in advance before harvesting.
- 4) A segment of the population who have been financially excluded due to fear of interest (riba). Besides Muslims, all other divine arrangements prohibit interest (ribah).
- 5) Financial institutions, by mobilising a large pool of resources on Shari'ah compliant schemes such as partnership and sale among others.
- 6) The government, through programme funding without having to incur huge fees and capital costs. The government shall gain a platform to issue Islamic sovereign bonds (Sukuk) that are aimed at diversifying the way public infrastructure is developed.

What have others said about Islamic Banking?

The ethical principles on which Islamic finance is based may bring banks closer to their clients and to the true spirit which should mark every financial service - Pope Benedict IVX

The theory of interest has for a long time been a weak spot in the science of economics, and the explanation and determination of the interest rate still gives rise to more disagreement among economists than any other branch of general economic theory - (Gottfried Haberler, 1939)

If you lend money to one of my people among you who is needy, do not treat it like a business deal; charge no interest - Exodus 22:25

Islamic Banking is for all mankind and not a push for Islamic laws, the fact that you are seeing it in the media now is not because Muslims are pushing it, it is because it makes sense - Dr. Ziyaad, South Africa

It is well enough that people of the nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning - Henry Ford, 192

It is well enough that people of the nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning - Henry Ford, 1922



Do we need Islamic Banking?

All economies aspire to realise optimum growth, full employment, equitable distribution of wealth, and financial stability. For this purpose, regulators tend to impose robust restrictions on financial institutions. During the 2007/8 global financial crisis, Islamic banking proved its vibrancy through its resilience to financial shocks. This is due to its strong Islamic economics backbone which ensures that all human endeavours (including banking) are value-loaded by not only abolishing interest, but also considering other concepts such as the problem of the consumer and the firm, market structure, and economic development.

How can Islamic banking benefit emerging economies like Uganda?

In traditional banking, injustice is perpetuated when the bank is guaranteed a positive return (interest) without sharing in risk, or bearing liability, or devoting effort in the borrower's undertaking. That said however, Islamic banking does not completely reject all traditional banking practices. There are common grounds for both Islamic and traditional systems because Shari'ah intends to fulfil the public interest.

Thus, Islamic banking will create harmony and expand economic opportunities for all Ugandans. This is because Islamic banking has been proven by the most reputable economic and financial experts including the World Bank, to be a reliable system of financing development worldwide.



By Caroline Nassuuna
Communications Officer
Institute of Certified Public Accountants of Uganda

JOHN BOSCO NTANGAARE AWARDED ICPAU HONORARY MEMBERSHIP, CPA KETO KAYEMBA WINS GOLD AT 2024 ASA



HCPA John Bosco Ntangaare (C), flanked by his wife, Prof. Mercy Ntangaare (L)

John Bosco Ntangaare, the former Director Education at the Institute of Certified Public Accountants of Uganda (ICPAU) has been awarded the inaugural ICPAU Honorary Membership award.

Among other accomplishments, Ntangaare is credited with developing a robust Continuing Professional Development programme in line with the benchmarks of the International Federation of Accountants (IFAC), establishing the Practical Experience Training (PET) programme, overseeing the qualification of 6,996 students, and establishing the research function of the Institute which has so far concluded 4 projects.

“I thank the Council for this recognition. The Institute has been my home for 26 years and 3 months and I am happy to continue making a contribution,” said Ntangaare.

Honorary Membership is the highest distinction of honour conferred upon a non-accountant and is exercised only in exceptional cases to recognise an individual for exceptional

service and contribution to ICPAU and or accountancy profession in Uganda.

Section 5 of the Accountants CAP 294 prescribes the membership of the Institute as being (a) full members; (b) associate members; (c) retired members; and (d) any other category of members, as may be determined by the Council.

Regulation 8 of the Accountants Regulations 2016 states that “The Council may award honorary membership to a person who makes an outstanding contribution to the field of accountancy.”

According to CPA Josephine Okui Ossiya, the President of ICPAU, Ntangaare can now use the title HCPA before his name, that is, HCPA John Bosco Ntangaare. HCPA refers to Honorary Certified Public Accountant.

HCPA Ntangaare was recognised with the Honorary Membership honour at the 2024 Accountancy Service Awards (ASA) of ICPAU on 6 September 2024. The Awards were held at the Imperial Resort Beach Hotel, and online.

- CPA Keto Kayemba, the President of the Pan African Federation of Accountants was presented with the ICPAU Gold Service Award at the 2024 Accountancy Service Awards (ASA).

She was honoured for her service to the accountancy profession in Uganda as a member of ICPAU for over 21 years, strong leadership in public sector audits and being a strong proponent of public value management in service delivery to citizens during her time as Assistant Auditor General of Uganda, promoting good working relations between the Institute and government entities, as well as the creating the ICPAU Women in Accountancy Forum, among other credits.

“I appreciate the accountancy fraternity for not only nurturing me but also for recognising me. I look forward to employing the position I hold and using the services offered by accountants for the development of Africa,” noted Kayemba while delivering her acceptance speech.

The ICPAU Gold Service Award is the highest award bestowed upon individuals who have made outstanding contributions to the accountancy profession in Uganda.



CPA Keto Kayemba (L) receiving the ICPAU Gold Service Award from ICPAU President, CPA Josephine Okui Ossiya

The CPA of the Year award was conferred upon CPA Ruth Doreen Mutebe, the Head of Internal Audit at Umeme and President of the Africa Federation of Institutes of Internal Auditors. CPA Mutebe Nseko has served the accountancy profession in Uganda for over 17 years, she was a member of the Council of ICPAU and Chairperson of the ICPAU Disciplinary Committee. She has continually supported the development of ICPAU membership, and she has promoted all areas of accountancy.

CPA Mutebe Nseko thanked God for her supportive network including her husband, parents, employers and ICPAU.

“Aluta continua, this is just the beginning, and I will continue to impact wherever I can,” she committed.

In 2024, the Institute introduced the Woman Accountant of the Year Award to elevate the recognition of female accountants' contributions.



CPA Ruth-Doreen Mutebe Nseko
Head of Internal Audit – Umeme

CPA Mary Theresa Kiggundu, a consultant with KMAILT Enterprises Ltd and the former Director of Finance and Accounts at the National Agricultural Research Organisation (NARO) emerged as the inaugural winner of this award. She was recognised for her integrity and professionalism, offering exceptional solutions and quality advice to management, mentoring many young accountants particularly the women accountants, commitment to lifelong learning, and maintaining a high level of professionalism in her work even after retirement.

CPA Kiggundu thanked her family and the team at NARO for their support.

“This award motivates me to continue coaching and mentoring young people, and I hope that they will be able to get to where I have been,” she said.



CPA Mary Theresa Kiggundu (C) receiving the award from ICPAU 6th President, CPA Patrick Kagoro

For his role as Team Leader for the International Financial Reporting Standard - IFRS 17 Insurance Contracts Implementation Project and his support in the application of the accounting standard, CPA Joseph Osako, the Finance Manager at GA Insurance Company scooped the Young Accountant of the Year award.



CPA Joseph Osako
Finance Manager - GA Insurance Uganda

The Finance team of PostBank Uganda Limited received the Finance Team of the Year award. The team was recognised for playing a critical role in the transformation of PostBank over the past 4 years, delivering a transformed integrated report for the entity that resulted in several recognitions at the ICPAU Financial Reporting Awards, and their commitment to professionalism through sponsoring team members to pursue the Certified Public Accountants (CPA) course.

Postbank Chief Financial Officer, CPA Peter Ssenyange said, “Our purpose as a team is to show that ordinary

- » Ugandans can run ordinary Ugandan institutions and run them very well.”

The Accounting Firm of the Year award was given to YM partners for demonstrating tremendous uptake of commendable quality management systems, and embedding quality within its operations to drive business growth.

For supporting its staff with education and training to enhance their careers in professional accountancy, offering practical experience training to students, partnering with ICPAU in organising events, and being a consistent participant of the Financial Reporting Awards, the Uganda National Oil Company (UNOC) received the Institutional Partner Award.

In her acceptance speech, the CEO of UNOC, Ms Proscovia Nabbanja said, “We have committed that we will make Uganda proud because we know we are going to contribute quite immensely to the National Development Plan and the industrialisation agenda so we do not take this award lightly.”

The Regional Members Network of the Year award was given to the Ankole Regional Members Network. The network was recognised for working closely with the Institute, holding activities in the region geared towards promoting the profession and the CPA Uganda brand, creating partnerships with other stakeholders in the region, and mentoring and steering the activation of 2 other regional members networks.

Pastor Gary Skinner, founder of Watoto Child Care Ministries received the Unique Humanitarian Service Award. This award recognises individuals who have impacted the community. In 1984, Pastor Gary led the creation of a ministry in Kampala to provide hope and life to the people. Thirty years later, many lives have been saved and transformed. The Ministry has facilitated the education of many children, who have become professionals, serving the country and other economies.

While delivering her speech, the Chief Guest, Ms Mercy Kainobwiso, the Registrar General of the Uganda Registration Services Bureau emphasised the significance of regard for community and the environment.

“Building stronger communities requires a sense of purpose, a sense of self-discipline, a sense of respect for humanity, a sense of respect for animals, a sense of respect for water resources, and a sense of respect for land resources,” she noted.

Ms Kainobwiso encouraged respect for people’s time, a sense of purpose, development of self and the people around us to contribute to a greater good for the nation and the world, as well as social connectedness and involvement in the lives of others.

CPA Josephine Ossiya thanked the URSB for their support in harmonising name registration for accounting firms. She called on the URSB to expedite projects in the pipeline, such as the cleaning of the register for accountancy consultancies and accounting firms to ensure harmony with the register of accounting firms on the Institute’s database and what URSB has, since offering of accountancy services to the public is licensed by ICPAU, as well as the development of a Unique Document Identification (UDN) for purposes of verifying the authenticity of financial statements and auditors’ reports accessed by members of the public.

Organised by ICPAU, the ASA were introduced in 2015 as premium annual awards of excellence aimed at recognising persons or entities that have made outstanding contributions to the advancement of the accountancy profession in Uganda and beyond. ♦



PostBank CFO, CPA Peter Ssenyange (2nd R) receiving the award. He is flanked by some members of the PostBank Finance team.



Receiving the Award for the Accounting Firm of the Year is CPA Shaban Amadile (left)



PR. Gary Skinner
Founder Watoto Child
Care Ministries



CPA Isaac Muzuora
received the award
on behalf of the
Network



Ms. Mercy K. Kainobwiso, Registrar
General, Uganda Registration Services
Bureau was the chief guest for the 2024
Accountancy Service Awards.



By Jackline Nabirye
Communications Officer
Institute of Certified Public Accountants of Uganda

ICPAU CELEBRATES JOHN BOSCO NTANGAARE'S LEGACY



Mr John Bosco Ntangaare (center) with his wife with ICPAU staff at the farewell dinner.

On 25 July 2024, the Institute of Certified Public Accountants of Uganda (ICPAU) honoured Mr John Bosco Ntangaare with a memorable farewell dinner at Protea Hotel by Marriott Kampala Skyz. The evening was a tribute to Ntangaare for 26 years of distinguished service and was attended by quite an array of guests, including ICPAU past presidents, Council members, representatives from Committees of the Council, and ICPAU staff.

Ntangaare, who joined ICPAU in 1998, has been a key figure in the development of the Education Directorate, growing it from a one-person operation into a vibrant team of over 15 skilled professionals. His contributions were particularly crucial during the formative years of the Certified Public Accountants (CPA) programme. He was also instrumental in the introduction of the Accounting Technicians Diploma (ATD) and the Certified Tax Advisor (CTA) courses.

CPA Derick Nkajja the Secretary/CEO of ICPAU expressed profound gratitude for Ntangaare's dedication and exemplary work throughout his tenure.

"Tonight, we celebrate not just a career, but a legacy of dedication and excellence," said Nkajja.

"JB's commitment and teamwork have set a benchmark for us all, his remarkable contributions have been instrumental in shaping the



Mr John Bosco Ntangaare (2nd Left) with his wife Prof. Mercy Ntangaare, ICPAU Vice President CPA Ronald Mutumba (Right) and ICPAU Secretary CPA Derick Nkajja at the farewell dinner.

Institute, and we are deeply grateful for his years of service," he added.

Ntangaare's tenure with ICPAU was distinguished by several notable achievements, including but not limited to the establishment of the Uganda Accountancy Qualifications Framework (UAQF). The UAQF, which is an appendix of the Uganda Higher Education Qualifications Framework was established to standardise the processes for



Mr JB Ntangaare was presented with a brick/paver maker. In the picture he displays an image of the paver maker.



CPA Derick Nkajja , Secretary ICPAU (L) handing over a gift to Mr. John Bosco Ntangaare (JB), Former Director Education ICPAU (C) and his wife (R) during his farewell dinner.

obtaining accountancy qualifications in Uganda. It provides clear progression pathways and outlines the various levels of accountancy education. The framework also offers a basis for assessing, recognising, and equating foreign accountancy qualifications, and clarifies the relationships between different accountancy courses. The UAQF received official approval in January 2023.

Ntangaare is credited with enhancing the examination standards and training programmes at the Institute. Notably, under his guidance, the marking time for examinations was significantly reduced from 30 days to 14. Additionally, he played a key role in establishing examination centres across Uganda, with ICPAU now conducting exams at seven centres; Arua, Fort Portal, Gulu, Kampala, Mbale, Mbarara, and Nkozi. Throughout his tenure, the Accounting Technicians Diploma (ATD) and CPA courses underwent 4 syllabus revisions, while the newly introduced Certified Tax Advisor Course (CTA) saw two updates to its syllabus.

Under his leadership, the Public Accountants Examinations Board (PAEB) was formed in 1997 deriving its powers from the Accountants Act, 1992, now the Accountants Act, 2013. At its inception, the Institute conducted one examination diet

in 1997, with 44 candidates sitting for the CPA examinations. By 1998, the Institute had introduced two examination diets per year, held in June and December, a practice that continued until 2015. In 2016, a third diet was added to facilitate the transition to the newly revised 2016 syllabus. Today, the Institute administers 3 examination diets annually. Additionally, in 2023, computer-based examinations were introduced for Paper 18 (Integration of Knowledge). Under JB's leadership as Director of Education at ICPAU, student numbers grew tremendously - over 6000 students qualified during his tenure. Each of these individuals has benefited from his stewardship and has been an integral part of the educational framework he meticulously built.

CPA Otete Albert presented Mr Ntangaare with a book titled Facts About the US Presidents from George Washington to Clinton by Joseph Nathan, while CPA Prof. Laura Orobia conveyed gratitude on behalf of the Public Accountants Examinations Board (PAEB). CPA Ronald Mutumba the Vice President of ICPAU recalled Ntangaare's inspiring quote, "I have failed is a mindset," which had a profound impact on him during his studentship with ICPAU.

CPA Frederick Kibeddi, the 8th President of ICPAU, celebrated Ntangaare's dedication and selfless work with a beautifully crafted poem. CPA Joseph Baliddawa, the 4th President, praised Mr Ntangaare's diligence and leadership.

Ntangaare took the opportunity to express his profound appreciation to the Institute for the unwavering support throughout his career. He offered gratitude to everyone who attended the farewell event and gave special recognition to the Secretariat team for providing him with a platform for growth.

Reflecting on his journey retrospectively, he recalled, "At a prime age of 34, I stepped into ICPAU's modest one-room office at Embassy House in 1998, carrying nothing but a heart brimming with bold hopes and dreams. Looking back, it has been an immensely fulfilling journey. I have had the privilege of working with colleagues of diverse backgrounds, who have become family and friends. I am grateful that the Institute offered me a staircase to ascend, enabling me to build my career and realise my dreams. I leave with a deep sense of fulfilment."

He added, "Although I am stepping away from my official role, I want you to know that I am not completely exiting. I remain available and committed to supporting the Institute in any way I can. This journey has truly been one of remarkable progress and growth."

The farewell dinner was a fitting tribute to a dedicated leader whose legacy will continue to influence the future of accountancy in Uganda. John Bosco Ntangaare, the former Director of Education at ICPAU retired from the service of the Institute on 30 June 2024. The Council appointed CPA Charles Bahakwonka Byaruhanga as the new Director Education effective 1 July 2024. ♦

Q&A WITH PROSPECTIVE EMPLOYERS OF PROFESSIONAL ACCOUNTANTS

IDI COMMITTED TO THE PROFESSIONAL GROWTH AND ADVANCEMENT DEVELOPMENT OF ACCOUNTANTS



IDI Finance Team

1. Briefly tell us about IDI and what the organization does

The Infectious Diseases Institute (IDI) is a national non-profit organisation wholly owned by Makerere University. Since 2002, IDI has been working to strengthen health systems in Africa to address current and future health challenges through research and capacity development. IDI's reach extends far and wide. With operations in 92% of Uganda's districts and strategic partnerships in 23 African countries and nine others worldwide, we are committed to delivering comprehensive healthcare tailored to the unique needs of the communities we serve.

At the core of IDI's mission are 6 key programmes: Prevention, Care and Treatment, Training and Capacity Development, Research, Health Systems Strengthening, Laboratory Services, and Global Health Security. These programmes are further refined by 3 specialised sub-programmes, ensuring a targeted approach to healthcare delivery. Through strategic partnerships and innovative approaches, IDI translates bold ideas into tangible impacts. The institute is not only a leader in clinical care and research but also a catalyst for change, reimagining healthcare in Africa.

2. What is the organisational culture like at IDI?

Our organisational culture is deeply rooted in the value of care, which serves as the foundation of everything we do. We prioritise the well-being and needs of our patients – whom we refer to as “Friends”– as well as those of our employees, stakeholders, funders, and the broader community.

Integrity and excellence are woven into all aspects of our work and are core expectations for all staff as they fulfil their responsibilities. Collaboration is also a key pillar of our culture. Across all levels of the organisation, you will find a strong sense of teamwork, collegiality, and camaraderie that fosters a supportive and dynamic working environment.

3. How does the organisation support the Initial and Continuing Professional Development of accountants?

From the moment one joins IDI, we provide a comprehensive onboarding and orientation programme that covers the Finance & Administration (F&A) department and the entire organisation. This ensures that new accountants are well-versed in all the different programme areas and support departments, their needs, processes, and standards from the outset.

We also offer opportunities like on-the-job training, workshops, seminars, and knowledge-sharing sessions to ensure that the team is up-to-date with industry practices and regulations. We further support the teams by allowing them to take study leave for those still pursuing professional certifications like the Certified Public Accountants (CPA) course. In certain instances, we have provided them with financial assistance when our budgets permit.

We also encourage mentorship and peer learning, as we believe on-the-job training plays a significant role in skills development. Through our regular performance review process, we are able to identify the staff’s developing needs, which then inform the development of learning and development (L&D) needs across the organisation.

4. How does IDI keep employees motivated and engaged?

We keep our employees motivated and engaged through a multi-faceted approach. One key area is open communication. We have an open-door policy throughout the organisation and encourage open dialogue. We actively seek our staff’s input through surveys to inform policy changes that may affect them, ensuring they feel heard and involved in decision-making.

We also hold regular town halls (mostly virtual due to our geographic spread) and conduct performance reviews. Through our town halls, we regularly remind staff of their significant role in transforming health systems in Uganda and across the continent.

Secondly, we are committed to promoting a healthy work-life balance and offer flexible work arrangements to staff whenever possible. We also have an Employee Assistance Program (EAP) that provides access to mental and physical health services for both staff and their family members.

We offer professional growth opportunities to help employees feel valued and empowered. We also provide opportunities to serve on various committees, deepening their knowledge and advancing their careers.

We encourage teamwork and collaboration across the institute, fostering a sense of community. We support team-building activities to maintain a motivated and engaged staff.

Through our recognition and reward programmes, we celebrate both individual and team achievements, such as through our One-IDI drive. This fosters a sense of accomplishment and pride among staff.

5. Can you describe the team structure and how accountants collaborate with other departments?

IDI uses a Business Partnership (BP) model to service our clients in other departments. Each BP team is assigned to a programme and a support department and provides a full range of financial management services at various levels. The teams consist of assistants, officers, and a Senior

Accountant, led by a Finance Manager to maintain strong internal controls.

6. What is the Finance team's role in achieving the organisation's goals?

Please share examples of some projects that the Finance team has handled. Under the Business Partnership (BP) model, the teams are expected to have a strong understanding of each department's strategic objectives and priorities, and the role of Finance in achieving these objectives.

7. IDI has previously participated in the Financial Reporting Awards. How does the organisation ensure compliance with financial reporting standards?

In line with IDI's broader values, we embed the concepts of quality, timeliness, accuracy, and integrity within all our business processes and teams. We collaborate with departments to understand specific operational contexts, which enable us to develop, strengthen, and maintain strong internal controls. We are a learning organisation and we embrace continuous improvement as we learn from regular internal/external audits, funder assessments, environmental scanning, and benchmarking. The strong Board Audit Committee is fully engaged in governance, risk management, sustainability, and ensuring management has oversight of internal controls at all times.

8. How is the Finance team using technology to enhance efficiency and effectiveness?

We utilise various systems and tools whenever possible to enhance our work, improve operational efficiency, and provide effective solutions. We recently upgraded our ERP from Microsoft Navision to Microsoft Dynamics 365 Business Central, which is cloud-based and has improved the team's ability to work remotely.

Our financial records are archived in both hard and soft copies. Maintaining soft copy records has significantly improved efficiency in document access, especially during assessments and audits. Other systems and applications include AI tools for research purposes, the MS Office 365 suite supporting planning, meetings, and collaboration between teams, mobile money payments through aggregators (replacing cash and related challenges), and an in-house developed grant management system.



Proscovia receiving a certificate from IDI Executive Director Dr Andrew Kambugu

9. What are some of the challenges faced by the Finance team? How do you address these?

- Varying funder requirements for financial reporting, such as timelines, formats, documentation standards, and accounting basis. To address this, we utilise our weekly learning hour (knowledge-sharing sessions), where subject matter experts within the team support others, and also through regular meetings to promote common understanding within the team.
- The feeling of career stagnation due to our young team and limited growth opportunities. We try to address this by increasing one's scope of work through taking on more projects to ensure the job is more enriching and there is an opportunity for one to learn new skills.
- Delivering on competing stakeholder needs while maintaining process and data integrity required by our policies, regulators, funders, and IFRS. We address this by being involved in strategic discussions to decide priority areas for the Institute, engaging continuously with stakeholders to understand their needs and tailor solutions within our framework, and conducting regular trainings and information dissemination to stakeholders.

10. Can you describe the typical career path for an accountant in your organisation?

Generally, we have six levels of growth, from Accounts Assistant to Chief Financial Officer (CFO).

Advancement to the next level is dependent on experience, skills (both technical and non-technical), professional qualifications, and scope of responsibility, among other factors. A typical growth path at IDI would be from either an Accounts Assistant or a graduate trainee to CFO.



Benard receives a certificate from IDI Executive Director Dr Andrew Kambugu

11. What qualifications and skills are desirable of an accountant seeking employment at IDI?

A combination of both technical and non-technical skills is desirable. At lower levels or when joining, technical skills and experience reflecting this are crucial to ensure a strong foundation to build on. As an accountant advances to senior levels, non-technical skills become increasingly important to serve the breadth of programmes and stakeholders.

12. How do soft skills such as communication skills, professional behaviour and interpersonal skills impact the performance of accountants in the organisation?

These soft skills play a crucial role in the performance and effectiveness of accountants within IDI. They complement their technical expertise. It is important to note that accountants do not only work with numbers. Effective communication with all relevant stakeholders, both internal and external to the organisation, is essential. Professional behaviour also builds trust and confidence in their outputs, particularly when dealing with donors, regulators, and bodies like the Uganda Revenue Authority (URA).

13. Does IDI currently have vacancies in the Finance department?

We will be advertising in September for an Accounts Officer to support a project in the South-Central region.

14. Testimonies from IDI Staff:

a) “I began my journey at IDI as an Accounts Assistant, driven by a desire to contribute to meaningful change. Over 13 years, I progressed to Finance Manager, where I now enhance processes that directly impact vulnerable populations in Uganda. Managing diverse teams has taught me the importance of empathy and communication. Knowing that my work supports life-saving initiatives is incredibly fulfilling. IDI has empowered me to transform challenges into opportunities for growth and impact.”

Benard Musana, Finance Manager, IDI

b) “I joined IDI after completing my CPA, eager to advance my career. Starting as a cashier, I embraced every challenge and ultimately became a senior accountant. This journey has deepened my understanding of finance and allowed me to make a direct impact on lives. Working with diverse teams has taught me patience and empathy. Knowing my work contributes to saving lives in the community is profoundly rewarding. This journey wouldn’t have been possible without IDI’s commitment to growth and development. I feel empowered not only to advance my career but also to make a meaningful difference in the lives of others.”

Proscovia Gidudu, Senior Accountant



Susan Lamunu Shereni
Head of Finance & Administration



Paul Rugambwa
Head of Human Resources

The IDI team was interviewed by Ms Jackline Nabirye, Communications Officer at ICPAU



By Caroline Nassuuna
Communications Officer
Institute of Certified Public Accountants of Uganda

ICPAU UNVEILS NEW STRATEGIC PLAN



The Institute of Certified Public Accountants of Uganda (ICPAU) has unveiled its new five-year strategic plan, which will guide the Institute's operations and growth from 2024 - 2028.

For this season, the Institute's renewed purpose is to empower accountants to transform communities under the tagline, we create impact.

CPA Derick Nkajja, the Secretary/CEO of ICPAU outlined the new vision of the Institute to be "a globally recognised promoter of accountants for sustainable economies." This new vision marks a shift towards a more global outlook while maintaining a strong emphasis on sustainability.

Alongside the new vision, ICPAU has also updated its mission and core values to better align with the strategic plan. The

new mission is to develop and regulate accountants for professional excellence and sustainable impact. The new core values are professional excellence, accountability, integrity, and responsiveness.

This is aimed at reinforcing the Institute's role not only as a leader in the accountancy profession in Uganda but also as an influential player on the global stage.

In line with its growth and strategic expansion, ICPAU announced plans for the redevelopment of its property at Plot 42 Bukoto Street. This redevelopment is part of the Institute's ongoing efforts to enhance its infrastructure, providing a modern and conducive environment for its operations and activities.

CPA Nkajja also provided insights into the evolving landscape of the accountancy profession, highlighting trends that are shaping the industry. He noted that technological advancements, workforce dynamics, and environmental considerations are among the key factors influencing the future of accountancy. He urged members to remain vigilant and proactive in updating their knowledge and skills to stay ahead of these trends.

"The Institute always needs you to remain updated with changes in regulation. These include changes in International Financial Reporting Standards (IFRS), tax regulations, data privacy laws, and cybersecurity," CPA Nkajja emphasised.

He underscored the importance of Continuous Professional Development (CPD) as a tool for maintaining professional relevance and competency. ICPAU follows a CPD calendar yearly and commends members for actively participating in these programs. Two upcoming CPD events; the Audit File Training Workshop and the Business Valuation Masterclass, are scheduled for October 2024, providing further opportunities for skill enhancement.

A critical focus is the activation and strengthening of Regional Member Networks. Currently, ICPAU has 12 regional networks, with seven regions actively operational (Acholi, Ankole, Central, Kigezi, Lango, Mid-Eastern, and West Nile). Two regions (Busoga and Teso/Karamoja) are in the activation process, while three regions (Southern Buganda, Rwenzori, and Bunyoro) are yet to be activated.

"The Council is passionate about activating Regional Members Networks," remarked CPA Nkajja, underscoring the importance of these networks in fostering member engagement and collaboration across different regions.

ICPAU continues to prioritise member welfare through various initiatives. New waivers and discounts on annual membership fees have been introduced to ease the financial burden on members. Additionally, the recently launched ICPAU Benevolent Fund, will provide bereavement support to members, reflecting the Institute's commitment to supporting its members in times of need.



CPA Nkajja also spoke about the actualisation of the objectives of the Uganda Accountancy Qualifications Framework (UAQF), which was approved by the National Council for Higher Education in 2023. The UAQF provides a standardised basis for assessing and comparing accountancy qualifications, ensuring consistency and quality in the profession, and among other aspects, it emphasises the weight of the Certified Public Accountants qualification in the recruitment of accountants

The CEO also called upon its members to participate in the thought leadership programme by writing and submitting articles for publication. This initiative is aimed at fostering a culture of knowledge-sharing and intellectual engagement within the profession.

Other updates from the Institute include the operationalisation of the category of honorary membership program to appreciate those who have significantly served the accountancy profession, encouraging a spirit of excellence and dedication.

CPA Nkajja urged accountants to take both individual and collective responsibility in safeguarding the integrity and relevance of the accountancy space.

CPA Nkajja was delivering updates from the Secretariat at the 29th ICPAU Annual Seminar running from 4 – 6 September 2024 at the Imperial Resort Beach Hotel, and online. Organised under the theme, Driving Sustainability and Trust the seminar, a hallmark event in the ICPAU calendar, provides a unique platform for accountants to engage in knowledge acquisition beyond technical skills, exploring areas such as health, personal finance, business, relationships, and parenting. ♦



By Abraham Malinga
Communications Intern,
Institute of Certified Public Accountants of Uganda

ICPAU PRONOUNCES ON THE ADOPTION OF IFRS SUSTAINABILITY DISCLOSURE STANDARDS



The Institute of Certified Public Accountants of Uganda (ICPAU) has pronounced itself on the adoption of the IFRS Sustainability Disclosure Standards in Uganda.

This follows the issuance of a comprehensive global baseline of disclosure standards by the International Sustainability Standards Board (ISSB). The goal is to facilitate consistent and comparable disclosures on risks and opportunities related to sustainability and climate, referred to as IFRS S1 and IFRS S2, respectively. The IFRS Sustainability Disclosure Standards address longstanding reporting challenges, equipping organisations and investors to better understand performance and comply with the ever-evolving regulations.

For Uganda, the adoption of the standards is set to revolutionise how organisations report on sustainability and climate-related risks, aligning the country with global best practices.

Speaking at the 29th ICPAU Annual Seminar on 4 September 2024, the President of ICPAU, CPA Josephine Ossiya noted the rationale for adoption as follows:

Improve the availability of reliable, comparable, cost-effective, and decision-useful information on material sustainability risks and opportunities of organisations.

Promote full disclosure of information material to investors' decisions to ensure investor protection.

Enable the use of other complementary reporting frameworks, such as the Global Reporting Initiative (GRI), to meet the information needs of different stakeholders.

Improve domestic entities' access to foreign capital markets and encourage foreign direct investment including access to green financing.

Support availability and flow of sustainability information across the supply chain.

Dr Ndidi Nnoli-Edozien, a member of the International Sustainability Standards Board (ISSB), who served as the keynote speaker at the Annual Seminar underscored the significance of the development, highlighting Africa's influential role in shaping sustainability reporting.

"The adoption of these standards marks a significant milestone for Uganda's corporate sector," said Dr Nnoli-Edozien.

"It's not just about compliance — it's about ensuring that organisations in Uganda are part of the global movement towards more sustainable and transparent practices," she added.

ICPAU's leadership in driving this adoption signals its commitment to fostering an environment where consistent and comparable sustainability reporting becomes the norm. Organisations will be required to disclose key information on their sustainability strategies, climate-related risks, and opportunities—critical for investors seeking to make informed decisions.

ICPAU's involvement also means that Uganda joins 23 other African nations in adopting the ISSB standards, reinforcing the continent's growing voice in global sustainability discussions. Dr Nnoli-Edozien noted the significance, stating, "Africa's voice has been absolutely pivotal in shaping these standards and we are proud to see Uganda take a leading role in this effort."

To ensure a smooth transition, the ISSB is committed to offering capacity-building support to help businesses integrate these standards effectively. Whether through voluntary or regulatory adoption, the ISSB will provide guidance to ensure that the standards are implemented in a cost-effective and meaningful way.



ICPAU will continue to work with other industry players, regulators, development partners and other stakeholders to ensure full preparedness towards compliance with the new standards.

The Uganda Integrated Reporting Committee working with the Professional Standards Committee of ICPAU Council will provide support to enhance the capacity of preparers and users of financial reports in interpreting and relaying sustainability and climate change related disclosures.

ICPAU will also issue the finalisation and Implementation guidance (roadmap) on adopting the Sustainability Disclosure Standards upon the conclusion of the ongoing public consultation.

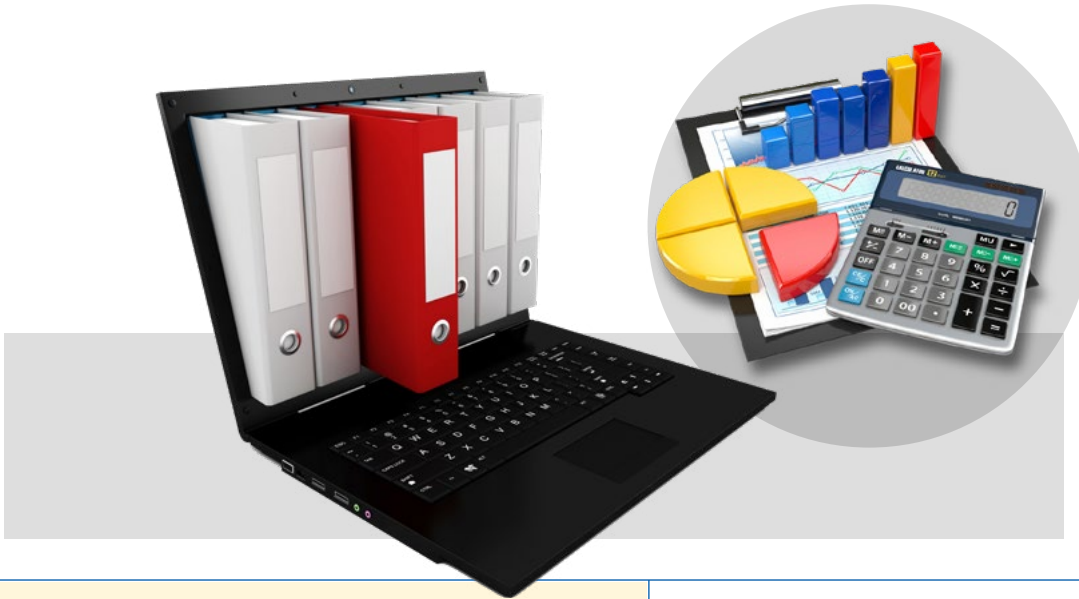
CPA Ossiya emphasised the need for collaborative efforts in the adoption process.

"I call upon all entities represented here, especially those that have been identified by Council to drive the implementation of the standards," said CPA Ossiya. ♦



By Dr Irene Nalukenge
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THE REALISM OF DOUBLE ENTRY



What is Double Entry?

There is a general agreement among accounting historians and accountants that the double entry book system is the foundation for modern accounting. The double entry system involves recording a financial transaction twice in at least two ledger accounts, the debit and credit accounts. A transaction in double entry has an effect on at least two accounts, a debit and credit and always the total debits equal to the total credits. As the double entry is fulfilled, the final effect is that assets equal to liabilities plus equity. As companies run their businesses and register a huge volume of transactions, the double entry system provides a reliable method for recording and organising company finances.

The background to Double Entry

Before the introduction of the double entry system, proprietors recorded their transactions on mere scraps of paper following the single entry system. The entries majorly reflected the cash collected and the changes in the debtors' and creditors' positions. From single entry it is believed that the next form of accounting for transactions was dual entry, where a transaction was recorded, for instance, in a debtor's account and another account, for example, the bank account without necessarily showing the location of the corresponding entry. The addition of the location of the corresponding entry resulted into the double entry system.

Scholars speculate on the origin of double entry bookkeeping, with challenges cited in trying to understand the source of double entry accounting before the 13th century. The wide usage of the double entry system is acknowledged in the 13th and 14th centuries by the Italian merchants and banks. There are many thoughts on how the double entry came to be and there is little evidence on the origin. Luca Pacioli is usually named the author of the double entry system, however, literature suggests that he formally codified an existing system, enabling others to study and use the system, and hence not regarded as the system's inventor.

Double entry is thought to have developed in response to some business needs which were not being fulfilled by the existing methods. One of the factors put forward for the emergence and widespread use of double entry was the increase in trade especially agency trading. According to Yamey (1947), agency bookkeeping played a key role in the development of double entry as agents had to keep books of accounts to show the balance owed to the principals. Agency bookkeeping involved keeping a personal account in the name of the principal, debiting it with expenses incurred by the agent on the principal's behalf and crediting it with sales made by the agent. This collaborates with Peragallo (1938) that the first double entry to appear was a ledger developed

from debtor and creditor relationships. This implies that recording of debtor and creditor transactions was foundational to the emergence of double entry. It is believed that as the needs of bookkeeping increased, the ledgers were made to include assets, liabilities, expenses and incomes.

Further, double entry is also thought to have emerged from the increase in bank transactions and expansion of banks to locations. This expansion led to new transactions such as book transfers (transactions where money does not necessarily change hands), such as transfer of money from one account to the other. It is believed that such transactions involving duality were vital to the development of double entry. Thus, it can be said that the emergence of the banking industry and growth in trade especially international trade, were critical elements that led to the development of modern accounting.

Principles of Double Entry

After looking at the history of double entry, we look at principles of the system.

Double entry is one of the topics that is mostly examined in the Financial Accounting paper of the Certified Public Accountants (CPA) course. This may be indirectly covered in topics such as depreciation, correction of errors and the suspense accounts, preparation of financial statements from incomplete records etc. Some questions especially those relating to showing the journal entries may require that you explain why you are debiting and crediting an account.

When a business transaction takes place, the aspects of this transaction are recorded on the debit and credit side. There principles that guide whether the transaction should be recorded on the debit or credit are varied. For example, some authors look at whether there has been an increase or decrease in the various elements of the financial statements (see Table 1) while other authors use the classification of real,

personal or nominal account to determine which account to debit or credit. As a student, it is important to stick to one method to avoid overload.

For the first method (where we consider whether elements of F/S are increasing or decreasing), when assets and expenses increase, this transaction is recorded on the debit side of the respective account and when they reduce, a credit entry is passed. For the remaining elements of the financial statements (income, equity and liabilities), they are credited when there is an increase and debited when there is a decrease. The principles are summarized in Table 1. There is a general misconception that all increases are debited and decreased credited. This principle applies to assets and expenses and vice versa for the remaining elements.

To illustrate the above, the following examples are used. When a business acquires a motor vehicle on credit from Ketcho motors, assets increase and liabilities also increase. When assets increase, this is recorded on the debit side of the asset account and when liabilities increase, this is credited (refer to Table 1). Thus, the motor vehicle account (asset) is debited and Ketcho motors credited (liability).

In another illustration, when a debtor pays cash, the balance due to debtors reduces (assets reduce) and the cash balance (which is also an asset) increases. When assets reduce, this is recorded on the credit side of the affected asset account hence the debtors account is credited. Cash (an asset) increased hence debiting the cash account.

For the third illustration, let us imagine that the business at the end of the month has salaries to pay but these are not yet paid. Salary is an expense to the business, which increases business expenses thus the salaries account is debited. Since the salaries are not paid, the liabilities of the business have also increased hence salaries payable is credited.

Table 1. Principles of double entry

Elements of financial statements	Increase	Decrease
Assets	Debit	Credit
Expenses	Debit	Credit
Liabilities	Credit	Debit
Revenue	Credit	Debit
Capital	Credit	Debit

The second alternative way of determining which account to debit or credit involves establishing the effect of a transaction on a personal, nominal or real account. A personal account shows dealings with persons such as debtors and creditors. An account is opened up for each person, recording transactions to and from that person (natural or artificial). Real accounts relate to properties or assets such as machinery, furniture, computers etc. An account is opened for each asset and acquisitions and disposals are recorded in this account. Accounts relating to expenses and incomes are referred to as nominal accounts. The rules for recording in such accounts are as follows;



For real accounts, debit what comes in and credit what goes out. For instance when a computer is bought using cash, the computer (real asset) is coming in hence debit the computer account and cash (real account) is going out thus credit the cash account.

For personal accounts, the account receiving is debited and the giver is credited. For example, if cash is received from a debtor, this will be treated as follows. Cash (real account) is coming in thus debited and debtors account will be credited (as the giver).

A nominal account is an account that you close at the end of the accounting period and this includes incomes and expenses. The coarse rule is to debit the account if the business has an expense. For incomes, credit the income account if the business records revenue.

For example, if a business receives cash commission, cash is a real account while commission income is a nominal account. Cash is debited because an asset is coming in and commission income credited since it is income to the business.

The benefits of using the double entry system

The double entry system offers numerous benefits. It enables

detection of errors. If a transaction is recorded in two accounts, the debit and credit side of the trial balance must balance. If they don't balance, it indicates an error, which could have occurred as a result of single posting (posting in one account) or an error made in balancing off accounts. Worth mentioning, is that the agreement of the trial balance may not necessarily imply that there are no errors since there are errors which are not detectable by the trial balance.

Secondly, double entry involves posting a transaction to two or more ledger accounts therefore an updated balance on each account can easily be obtained facilitating decision making. For instance, with double entry bookkeeping an updated balance on the debtors account can easily be retrieved and a decision is made whether to sell more goods on credit or not. The balance on the cash and bank account may also call for more efforts in cash inflow acceleration by giving discounts and other offers.

Thirdly, the double entry system enables preparation of financial statements. This benefit, single entry cannot provide. The application of double entry enables the accountant to be able to construct financial statements since the effect of a transaction on the statement of profit or loss or balance sheet is captured. The effect of a double entry system on the financial statements is instant when a computerized system of accounting is used.

Challenges of using double entry

Double entry as a system requires knowledge of accounting principles thus may not be used by small business owners. This calls for employment of accounting professionals to be able to apply such principles. The employment of accounting professionals in the business may be costly especially to small businesses but the advantages are realizable in the long run. As the double entry principles are applied for various transactions, this calls for development of accounting policies to account for transactions consistently. Lastly, determining the account to debit or credit is usually tough for transactions that are unusual in business such as asset swaps, receipt of grants etc. This may call detailed research, consultations with fellow accountants and auditors on which entries to pass for such transactions.

UGANDA ACCOUNTANCY QUALIFICATIONS FRAMEWORK:
BRIDGING THE GAP IN PROFESSIONAL ACCOUNTANCY

By CPA Laura Orobias Aseru

The National Council for Higher Education (NHCE) undertook a significant step towards enhancing the quality and comparability of qualifications in Uganda. On 20 January 2023, the NCHE approved the Uganda Accountancy Qualifications Framework (UAQF), a vital subset of the broader Uganda Higher Education Qualifications Framework (UHEQF). The UAQF aims to provide a standardised basis for assessing and comparing accountancy qualifications. By establishing a common framework, it addresses the misconceptions surrounding professional accountancy qualifications and their relevance in job selections. Whether you are an employer or an aspiring accountant, understanding the UAQF is crucial.

One of the key revelations within the UAQF is the compatibility between the Certified Public Accountant (CPA) qualification and the Postgraduate Diploma (PGD).

Contrary to popular belief, a CPA holds its own against a bachelor's. Employers seeking to hire accountants should take note. The UAQF recommends prioritising CPA holders, regardless of whether they possess a bachelor's degree for accountancy-related roles.

The Accountants Act, 2013 underscores the importance of professional accountancy qualifications. To be recognised as an accountant, one must hold such a qualification. The UAQF reinforces this requirement, emphasising that a bachelor's degree is optional. What truly matters is the profession of a CPA – a credential that signifies expertise and competence.

Today, HEIs recognise the value of a CPA. It has become a prerequisite for admissions into Master of Business Administration (MBA) and Master of Science (MSc) programmes in Accounting and Finance without necessarily one holding a bachelor's degree. Aspiring students should not underestimate the significance of the CPA qualification. It opens doors to advanced education and career opportunities.

In light of these developments, the public is urged to uphold the CPA professional accountancy qualification's role in the market. The UAQF ensures that accountants are evaluated fairly based on their expertise rather than their academic educational background.

As Uganda continues strengthening its educational landscape, the UAQF is a beacon of clarity and equity. Employers, educators, and aspiring accountants alike can now confidently navigate the path to success.

The author is a member of the Council of the Institute of Certified Public Accountants of Uganda, and the Chair, Public Accountants Examinations Board (PAEB)

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3	BEAMCO (U) Ltd	Andrew Eddy Kafeero	beamco.consultants@gmail.com	0701916155
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The Certified Public Accountants (CPA) course is a global professional accountancy qualification designed to produce competent Certified Public Accountants who are capable of applying the knowledge, skills and values in making impactful contributions to economies.

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA

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