

2nd Forum of Accountants: Role of the accountant in Economic Development. Extract of speech by MIPA President – Panna Jhugroo

Our theme is like a loose electron within an atom which represents our environment.

Hence our varied topics being presented today. From the management of Cyber Security, the damage to the profession caused by rogue accountants, the need of adequate Public Financial Management, Good Governance and the future of the profession.

There is a paradigm shift within financial reporting where disclosure of non – financial or qualitative information contain as much, if not more information than financial information about the outlook of the enterprise.

There is a concern amongst the Profession that our role as Accountants in the Society as number crunchers is likely to decline in the next few years. Society now requires as much non – financial assurance as financial ones. Enterprises' reputations can take a blow when ignoring qualitative aspects.

Technological advance will render some of the Accountant's routine work obsolete. Assurance on non – financial information will replace our current approach. I don't want to sound fatalist, but Accountants will need to make concerted plans to adapt to the changing environment.

In justification of this, IFAC has during its last conference in November 2016 established eight goals for sustainable development for the Accountancy profession. These include such diverse goals such as Gender Equality & Quality Education and will be included in the profession's curriculum.



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These objectives are derived from the Sustainable Development Goals agreed by the UN in 2015 which themselves follow from Millennium goals.

In the Mauritius profession we have one of the highest global concentrations of accountants with one professional accountant for less than 500 inhabitants. Most public & private enterprises employ Accountants.

MIPA's role is to ensure that it has the structure and resources to support members to attain these goals. We have provided MIPA the platform to achieve these as we are now a full IFAC member.

Our strategy now is to ensure that MIPA has adequate resources to fulfill its objectives.

I'll make a plea to the Minister to entertain our representations made to the Government to pay for the MIPA dues of Government Officers who are MIPA members and who according to the FRA are exempt from MIPA dues.

MIPA will have a training programme such to fulfill membership CPD requirements.

We will require qualifying bodies setting examinations in Mauritius to contribute somehow to MIPA's resources as their members need MIPA registration. This may be shocking but we estimate that there are more than Rs 300m outflow from Mauritius to overseas PAOs compared to MIPA's budget of less than Rs 4m.

In the medium term, MIPA plans to set admission papers in Mauritius Tax and Company Law.

MIPA is presently in the process of setting up various committees for Investigation & Disciplinary, Ethics, Education, IPSAS & Technical matters



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With adequate resources MIPA will be an effective, efficient and above all respected regulator of the Accounting profession.

A strong MIPA we will not only play but be seen to play a critical role in the country's economic development.

I've been told in the past that MIPA is a toothless hound, but the hound was just a puppy & it's growing now.

This Forum has a strong taste of PFM. The Finance Bill has included provisions for Modernization of Accounting in the Public Sector.

This reform will consist of phasing out the present cash accounting & the implementation of accruals accounting which are contained in IPSAS. This is long overdue if you consider the evolution of accounting standards.

In a nutshell, just look at the consequences of not accounting correctly for Govt expenditure & debt in Greece. This was fatal to the economy.

MIPA will spearhead the coordination of implementation of the standards between the departments to ensure a harmonious transition.

On this, I wish to congratulate the GAO & MRA for pioneering IPSAS implementation Mauritius.