THE PROFESSIONAL ACCOUNTANT
JANUARY/MARCH 2021

MEMBERS JOURNAL

THEME:
Challenges in the Financial Sector: **The Role of Credit Unions**

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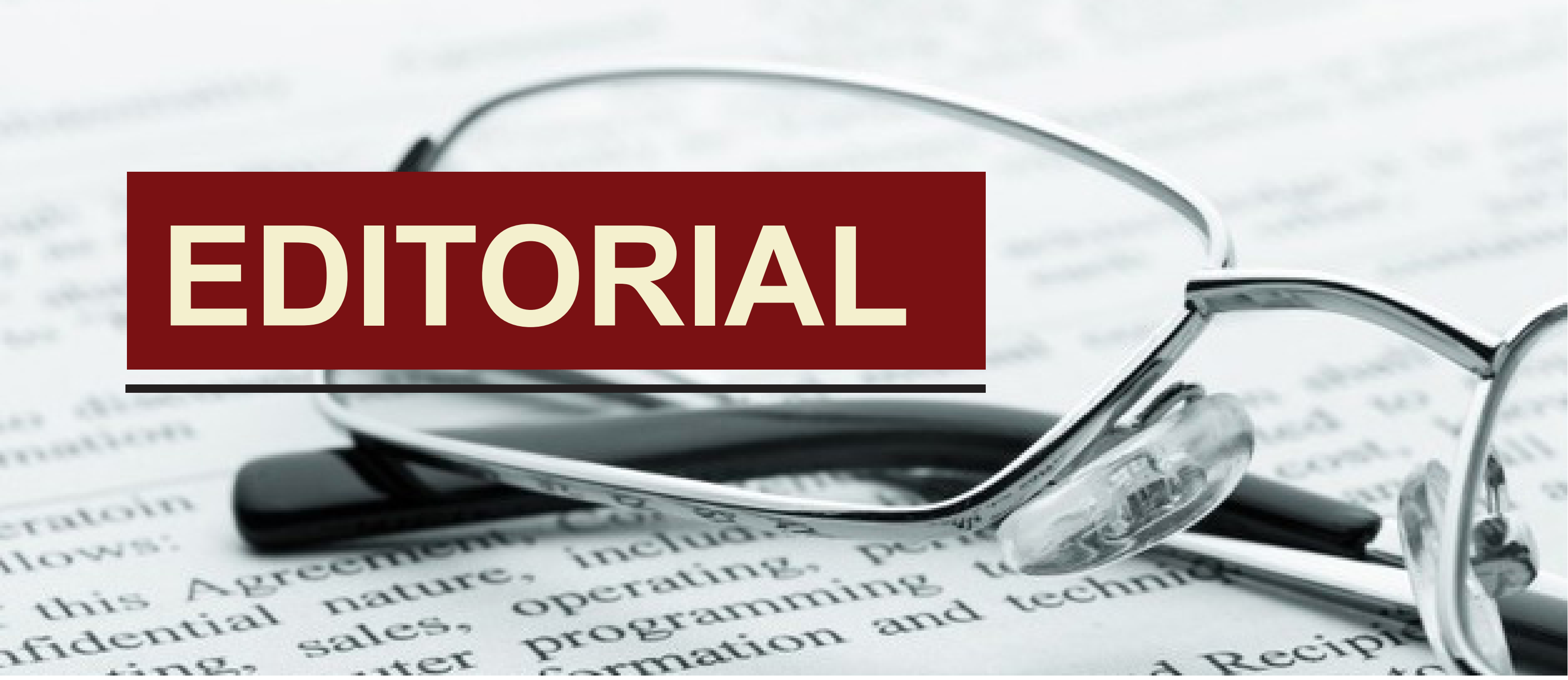

EDITORIAL

The IMF pursues various facets of its mandate in a number of ways. It promotes international monetary cooperation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems. This mandate gives the IMF its unique character as an international monetary institution, with broad oversight responsibilities for the orderly functioning and development of the international monetary and financial system. The IMF grants loans to countries that are experiencing economic distress to prevent or mitigate financial crises. The economic policy conditions attached to such IMF loans have become an important vehicle through which orthodox and market-oriented economic policies are carried out, especially in developing countries. Over time, the IMF has continued to be subjected to a range of criticisms, generally focused on the conditions of its loans and other financial assistance. The IMF has also been criticised for its lack of accountability and willingness to lend to countries with bad economic management and human rights records. The writer highlights how IMF policies are affecting the development of developing countries.

To ensure rapid economic development, especially in the area of infrastructure, a development bank is needed to bridge finance from end-savers to development projects. Such bridging should be done by a development bank at all levels. The writer argues that it was time to promote a development bank in Ghana. The recent financial crisis has opened space for national policymakers to support pro-development finance initiatives, and a momentum for the creation of a development bank, which could tap into global savings. Taking advantage of such opportunities is fundamental to supporting future development of the nation. A standard argument for why a development bank should be promoted is that such a bank can fill the gaps left by private financial institutions, which are often geared towards commercial activities. The main gap is usually insufficient finance for economic transformation

In business operating environment, the digital arena forms a large proportion of the actors in the environment in the 21st century terrain. The digital arena or space is the technological factors that influence the business environment when analyzing it from the external perspective. Modern and highly sophisticated technologies are being used in the banking and financial sector, health sector, the manufacturing sector, auditing and forensic analysis, service delivery and more. There is a commercial sense in obtaining and using digital technologies in businesses. This calls for the accountant then to be more knowledgeable about these digital technologies and how these technologies affects their duties.

These and many more others are presented in this edition. You may submit your comments and contributions on this edition to: ofori.henneh@icagh.com or abigail.armah@icagh.com

UK FRC & IESBA Jointly Issue Staff Guidance to Highlight the Ethical and Auditing Implications Arising from Government-Backed COVID-19 Business Support Schemes

The UK Financial Reporting Council (FRC) and the International Ethics Standards Board for Accountants (IESBA) jointly released the publication, Ethical and Auditing Implications Arising from Government-Backed COVID-19 Business Support Schemes.

This staff publication highlights ethical and auditing implications arising from government-backed business support programs which have been utilized at unprecedented levels during the COVID-19 pandemic. The guidance sets out important ethical considerations for professional accountants who are called upon to assist their employing organizations or clients in applying for and using COVID-19-related funding or financial support. The document includes guidance for those who prepare related financial information and disclosures, as well as for those who independently audit or provide assurance services regarding such information.

The publication was developed by the Staff of UK FRC under the auspices of a Working Group formed by the IESBA and national ethics standard setters (NSS) from Australia, Canada, China, South Africa, the UK and the US. Chaired by Mr. Richard Fleck, former IESBA Deputy Chair, the Working Group's mandate is to develop implementation support resources to assist accountants effectively apply the International Code of Ethics for Professional Accountants (including International Independence Standards) when facing circumstances created by the COVID-19 pandemic. The publication benefited from input from IESBA Staff.

This staff publication, jointly released by the Staff of UK Financial Reporting Council (FRC) and the IESBA, highlights ethical and auditing implications arising from government-backed business support programs which have been utilized at unprecedented levels during the COVID-19 pandemic.

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The publication can be found on the IESBA COVID-19 resource page.

Source: https://www.ethicsboard.org/publications/ethical-and-auditing-implications-arising-government-backed-covid-19-business-support-schemes

IESBA Proposes Holistic Approach to defining a Public Interest Entity

Collaborates with the International Auditing and Assurance Standards Board (IAASB) to Seek Convergence on Related Terms and Concepts

The International Ethics Standards Board for Accountants (IESBA) has released for public comment the Exposure Draft, Proposed Revisions to the Definitions of Listed Entity and Public Interest Entity in the Code. The proposed revisions broaden the definition of a public interest entity (PIE) to include more categories of entities, given the level of public interest in their financial condition, for the purposes of additional independence requirements to enhance confidence in their audits.

“The PIE concept is central to the International Independence Standards as it determines whether the auditor of an entity should comply with additional independence requirements,” said IESBA Chairman Dr. Stavros Thomadakis. “As economies around the world evolve, capturing the appropriate types of entities as PIEs and doing so in a globally operable way is a matter of public interest. I am grateful for the good input provided by the IAASB, under our established arrangements for close coordination.”

Among other matters, the proposed revisions:

- Introduce an overarching objective for additional requirements to enhance confidence in the audit of financial statements of PIEs.
- Provide guidance on factors to consider when determining the level of public interest in an entity.
- Broaden the definition of PIE to additional categories of entities.
- Replace the term “listed entity” with the term “publicly traded entity” and redefine that PIE category.
- Introduce new requirements for firms to determine if additional entities should be treated as PIEs for independence purposes and to publicly disclose if an audit client was treated as a PIE.
- Recognize and encourage local regulators to refine PIE categories in regard to national conditions.

In the holistic approach adopted, the specifications for the PIE categories are set at a high level given the wide diversity in national PIE definitions which necessarily reflect local circumstances. Integral to this approach is the role the IESBA expects regulators, national standard setters or other relevant local bodies to play in refining these high-level categories so that the right entities in the local context are captured. To assist in understanding this prospective role, the IESBA will undertake outreach and education activities over the coming months, including guidance material in February and webinars in March.

How to Comment

The IESBA invites all stakeholders to comment on the Exposure Draft by visiting the IESBA website. Comments are requested by May 3, 2021. As part of this public consultation, the IAASB invites stakeholders to comment on aspects of the Exposure Draft for its consideration of the possible development of its International Standards.

Source: https://www.ethicsboard.org/news-events/2021-01/iesba-proposes-holistic-approach-defining-public-interest-entity

IPSASB Issues Two Lease-related Publications for Public Comment

Exposure Draft 75, Leases, and Request for Information, Concessionary Leases and Other Arrangements Similar to Leases

The International Public Sector Accounting Standards Board (IPSASB) has today released for comment Exposure Draft (ED) 75, Leases and Request for Information, Concessionary Leases and Other Arrangements Similar to Leases. Stakeholder comments on ED 75 and Request for Information sought by May 17, 2021.

ED 75 proposes an IFRS 16, Leases aligned model for lease accounting in the public sector. For lessees, as with the IPSASB’s previous proposals in ED 64, ED 75 proposes a right-of-use model that will replace the risks and rewards incidental to ownership model in International Public Sector Accounting Standard (IPSAS) 13, Leases. For lessors, ED 75 proposes to substantially carry forward the risks and rewards incidental to ownership model in IPSAS 13 in response to ED 64 comments and practical IFRS 16 implementation experience.

Issued alongside ED 75, the Request for Information will provide the IPSASB with further information on the issues that need to be considered in accounting for concessionary leases and other arrangements similar to leases that are quite common in the public sector. This will then allow the IPSASB to determine the nature and extent of the additional guidance required in phase two of the Leases project.

"In light of the responses to ED 64, Leases, and emerging practical experience with implementing IFRS 16, the IPSASB decided to revise its overall approach to the Leases project," said IPSASB Chair Ian Carruthers. "The proposals in ED 75 will improve the transparency of lease accounting in the public sector, while allowing it to benefit from the private sector experience in implementing IFRS 16. The Request for Information will provide the IPSASB with further background on the more complex lease-related transactions common in the public sector, enabling the Board to decide what further guidance is required."

How to Comment

To access the Exposure Draft, its summary At-a-Glance document, and the Request for Information or to submit a comment, visit the IPSASB website, www.ipsasb.org. Comments are requested by May 17, 2021. The IPSASB encourages IFAC members, associates, and Network Partners to promote the availability of this Consultation Paper to their members and employees.

Source: https://www.ipsasb.org/news-events/2021-01/ipsasb-issues-two-leases-related-publications-public-comment

Dynamic Leader Sought For IESBA Chair

IESBA Looking to Build on Strong Foundation Laid by Dr. Stavros Thomadakis

The global search for an individual to lead the International Ethics Standards Board for Accountants (IESBA) has begun and applications from qualified candidates around the globe are being accepted.

An essential element of the IESBA Chair's role is to ensure that the activities of the IESBA maintain a public interest focus while developing high-quality ethics, including independent standards. The Chair brings a strategic mindset to the development and implementation of Board objectives and fulfills several interrelated roles, serving as leader, spokesperson and stakeholder liaison. The incumbent will facilitate the consultative processes that underpin the board's credibility and activities. He or she will also develop and maintain effective relationships with international oversight authorities and regulatory bodies, national standard setters, investor and corporate governance communities, preparers and other professional accountants in business, accounting firms, professional accountancy bodies, international policy makers and other key stakeholders.

The IESBA Chair must have significant and senior experience and will be well recognized within the professional and regulatory communities. He or she has effective leadership, diplomacy, communication and strategic skills; demonstrated professional competency; and a strong commitment to the IESBA's mission to protect the public interest.

In line with recommendations of the Monitoring Group detailed in the Strengthening The International Audit And Ethics Standard-Setting System, the IESBA Chair will lead the board through the transition while maintaining the continued effective execution of the IESBA Strategy and Work Plan 2019 - 2023.

ICAG NEWS TIT BITS

Inauguration of Akuapem District Society (ADS)

Background

The Akuapem area stretches from Sakyikrom, through Nsawam, Brekuso, Mangoase, Okorase, Osabene (near Koforidua), Aseseeso, across the towns situated on the Akuapem Ridge from Peduase to Apirede. The Akuapem area covers 4 electoral constituencies (Nsawam/Addoagyiri, Akuapem North, Akuapem South and Okere), 4 Municipal and District Assemblies (Nsawam/Addoagyiri, Akuapem North, Akuapem South and Okere) and lies exclusively in the Eastern Region of Ghana.

Due to its close proximity to Accra the nation's capital and Koforidua, the Eastern regional capital, the Akuapem area has a high rate of urban settlements. With the increasing number of chartered accountants hailing from and residing in the Akuapem area, there has been the need to have a society to serve the needs of these members.

Formation of the District Society

It was the dream of Mr. Nyantakyi Kofi Kye and other senior members from the Akuapem area, to form a society that will attend to the well-being of members, enhance their professional development as well as promote and enhance the image of the accountancy profession in the Akuapem area; while contributing to public policy and local economic development of the area.

This dream was nurtured in 2016 when some young professionals (including student members) led by Richmond Asare Tieku, Albert Ekuful, George Asare and Rita Botty created a WhatsApp group to spearhead discussions and carry forward the realization of a dream – the creation of Akuapem District Society.

Although the year 2020, offered a challenging period for group organisation, gatherings and interactions due to CoVID-19 restrictions and protocols, the team's relentless effort to see the dream come true, resulted in the formal approval by ICAG for the formation of the Society in November 2020.

First Executives

With a membership of 36, ADS held her maiden meeting virtual via Zoom on 12th December, 2020 followed by an in-person meeting on 28th December, 2020, with 18 persons attending. It was an atmosphere of hope, enthusiasm and expectations in Akropong-Akuapem as members of the yet-to-be inaugurated ADS elected their first set of leaders.

By popular acclamation executives of the ADS were elected. Mr. Kofi Kye, the first elected Chairman of the society, led ensuing discussions and encouraged members to actively participate in the society's activities. This he urged, would help foster good relations among members and sustain the growth of the society.

The vice-chairman elect, Dr. Felix Nana Sackey, encouraged members to connect with senior professionals in the area on retirement, pay them visits and learn from their experiences.

The first executives elected to office include:
- Mr. Kofi Kye Nyantakyi - Chairman
- Dr. Felix Nana Sackey- Vice Chairman
- Mr. George Asomdwoe Asare - Secretary
- Mr. Richmond Asare Tieku -Assistant Secretary
- Mr. Samuel Tetteh - Organizer
- Mr. Michael Aduamah- Assistant Organizer
- Mrs. Winnie Mandela- Finance Secretary
- Mrs. Patricia Lawutey- Treasurer
- Mr. Albert Ekuful- Public Relations Officer
- Mr. Ignatius Egbofome- Assistant Public Relations Officer
- Mr. Isaac Adjin Bonney- Ex-Officio

Nii Adjei was appointed as Chairman of the Organising Committee for the inauguration scheduled for February 2021 a role he received with joy and pledging to ensure a successful inauguration. He added that ADS will provide the opportunity for indigenes of the Akuapem state to visit home more often.

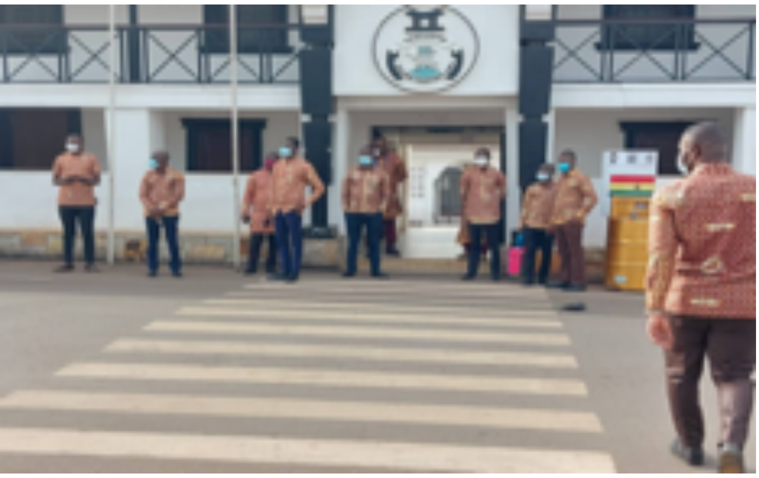
Conclusion

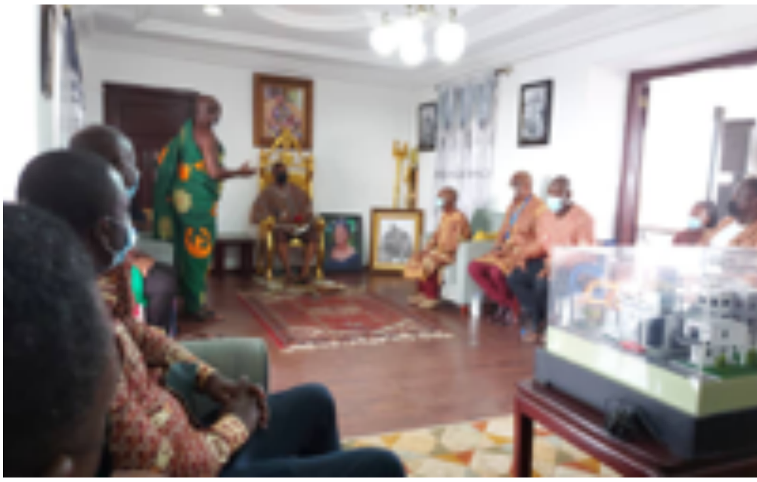
The creation and birth of any new idea or opportunity is received with joy and happiness. As planned, Akuapem District Society was successfully inaugurated on 20th February, 2021. The society has assured the Institute that it will contribute its quota significantly towards the advancement of the accountancy profession in the Akuapem Area.

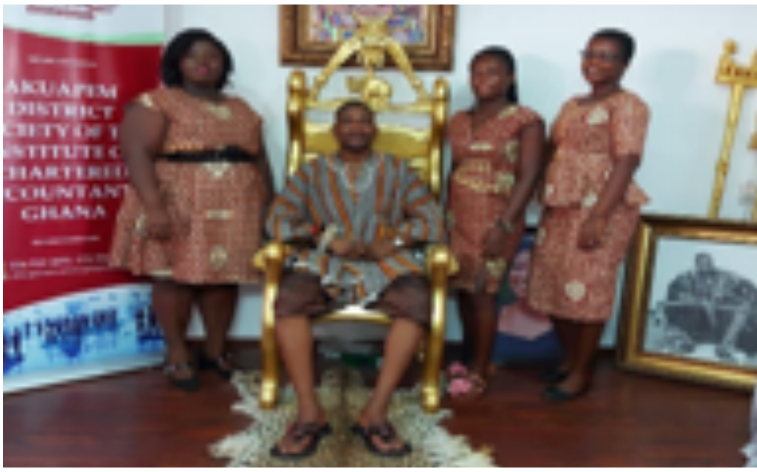
The executives and members expressed their gratitude for mentorship provided by the Coordinator of District Societies, Mr Isaac Adjin Bonney.

Tweriampon!
Long Live Akuapem District Society!

PICTURES FROM THE INAUGURATION





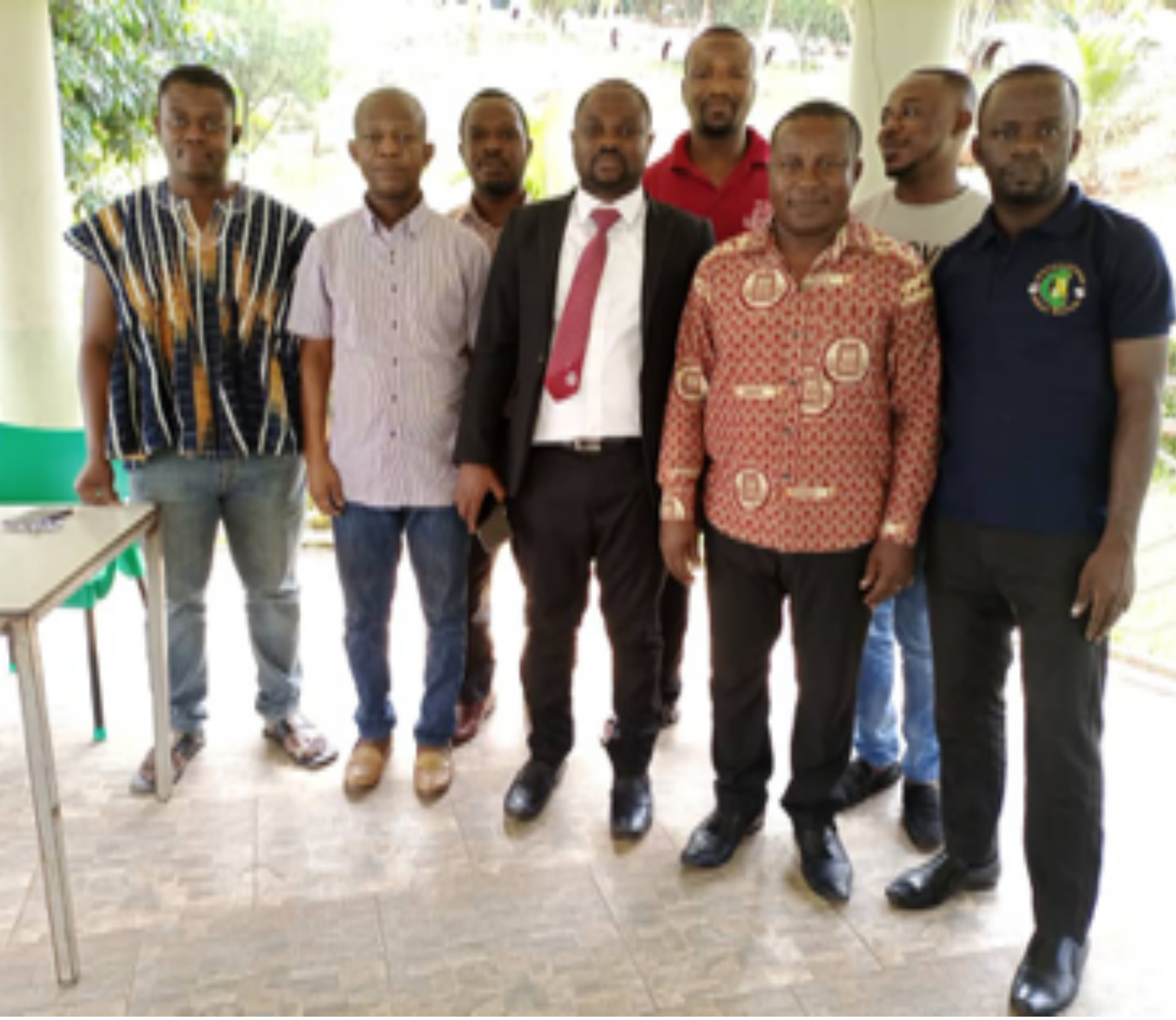


Formation of Western North District Society

Some members of ICAG domiciled in the Western North enclave have mooted the idea of creating a district society at Sefwi Wiaso.

The purpose for establishing the Society, is to foster unity among ICAG members working in the Western North region and reduce their long distance travels to Takoradi or Kumasi to attend society activities.

The pioneering group promoting the formation of the society are well motivated and have received the Institute's approval to establish the district society. The proposed date for inauguration was set for 19th February, 2021.



AWAG NEWS
Executive Elections

The tenure of the current Executive Committee of the Association of Women Accountants, Ghana (AWAG) ended in February 2021. AWAG's constitution requires that members of the executive committee be nominated and elected into office.

To avoid skewing the elections to one district society and in Accra only, the out-going executives encouraged nominations from members in all the district societies across the country. Nominations were submitted via google forms using a link (https://forms.gle/axbWM4iesikWxn5S7) provided for that purpose.

Rules for free and fair elections were applied. After the elections, the following ladies were elected as AWAG executives:

President	- Mrs. Elsie Bunyan
Vice President	-Mrs. Patience Mawushie Dzikunoo
Treasurer	-Mrs.Elizabeth Ohene Bampoe
Secretary	- Mrs. Akua Bonsu Owu

Effects of Strings attached to IMF Loans to Developing Countries

By Julius Opuni Asamoah (BSc MBA CA)

The International Monetary Fund (IMF) is an independent international financial organisation founded at the Bretton Woods conference in the United States in 1945. It is a cooperative of 190 member countries, whose objective is to promote world economic stability and growth. The member countries are the shareholders of the cooperative, providing the capital of the IMF through quota subscriptions. In return, the IMF provides its members with macroeconomic policy advice, financing in times of balance of payments need, and technical assistance and training to improve national economic management.

The IMF pursues various facets of its mandate in a number of ways. It promotes international monetary cooperation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems; facilitates the expansion and balanced growth of international trade, and contributes thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy; promotes exchange stability, maintains orderly exchange arrangements among members, and to avoid competitive exchange depreciation; assists in the establishment of a multilateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions which hamper the growth of world trade; gives confidence to members by making the general resources of the IMF temporarily available to them under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity; and shortens the duration and lessen the degree of disequilibrium in the international balances of payments of members.

This mandate gives the IMF its unique character as an international monetary institution, with broad oversight responsibilities for the orderly functioning and development of the international monetary and financial system. In becoming members of the IMF, countries agree to pursue economic policies that are consistent with the objectives of the IMF. The IMF's Articles of Agreement confer on it legal authority to oversee compliance by members with this obligation, making the IMF the only organisation that has a mandate to examine on a regular basis the economic circumstances of virtually every country in the world. The IMF provides concessional loans to low-income member countries to help support these countries' efforts to eradicate poverty. In this venture, the IMF works closely with the World Bank and other development partners. In this area the IMF also plays a critical catalytic role to mobilise external financing and donor support for the countries' balance of payments and development needs.

The IMF is the central institution in the international monetary system. It serves as a forum for consultation and collaboration by members on international monetary and financial matters, and works with other multilateral institutions to devise international rules that would facilitate the prevention and orderly resolution of international economic problems. Technical assistance and training are provided in the core areas of IMF expertise to help member countries design economic policies and improve economic management capabilities, which in turn can help reduce the risk of policy failures and the countries' resilience to shocks, and facilitating programme design and implementation. These activities are particularly important in developing countries, where resources are scarce and institutions often weak.

The IMF grants loans to countries that are experiencing economic distress to prevent or mitigate financial crises. The economic policy conditions attached to such IMF loans have become an important vehicle through which orthodox and market-oriented economic policies are carried out, especially in developing countries. The economic policies which are designed and integrated into their loans and grants have been widely criticised by all manners of professionals, academics, civil societies and all other social movements. Critics concur that the conditions required by IMF often undermine national policy autonomy and economic development of the borrower. In fact, the inherent conditionalities of IMF loans to developing countries have failed to create the right incentives for development-oriented policy reforms.

Economists and finance professionals are always looking forward to the IMF to rise up to the challenge of fundamentally rethinking the monetary and fiscal policies it recommends to developing countries. In other words, will the IMF's loan policies continue to be an obstacle or conduit for fundamental changes in the economic paradigm which have resulted in recurring financial crises of borrowers? Nowhere in the global economy are the IMF's influence and the negative anti-developmental impacts of its policy prescriptions are more evident than developing countries. In most of the times, IMF's induced policies debar related countries from accessing finance from private capital markets, to adjust their balance of payments disequilibria by maneuvering their exchange rates. In such circumstances, the IMF becomes the only borrower of funds to these developing countries.

Even though the IMF always claims that they are assisting the developing world in terms of development, surviving in economic and financial crisis and in various other ways, their presence are often questioned. They are criticised by practicing bad governance, marginalising the developing world, biased policies, providing hurting and painful technical and financial assistance, protecting interests of the west and so on and so forth. Critics are not only from economic and financial aspects but from far and wide areas. Despite IMF's attempts to reform the way it does business with developing countries, still the fundamentals have not changed. The key problems associated with implementing a pro-cyclical macroeconomic framework have not changed. Critics argue that IMF's involvement has overstepped its mandate as an international lender for balance of payment problems.

Trade liberalisation and privatisation are also serving interests of the developed countries and increased poverty. There is also a strong condemnation from developing countries who see IMF programmes as threat to their economic and political sovereignty. The researchers on economic expansion, development, and richness generally agree that the way to economic success is economic autonomy built on a well-built rule of law. Almost all highly industrialised countries such as Japan and United States had developed their economies by intelligently and selectively shielding some of their industries up to the point they become tough enough to defend their market share against foreign companies. When it comes to developing countries, whether it is a difficult time that they are struggling with economic crisis, or in their normal conditions. Most of the times experts from IMF and western countries read specific and selective pages of the history of developing countries in economic development platforms, to convince them that the only way to improve economic conditions is through lifting all kinds of trade and capital barriers or opening their markets to the rest of the world. As far as the economic freedom is concerned, conditionality, the conditions that global leading figures oblige to countries to reach standard that it can take loan from IMF, weaken national independence. Loosing economic sovereignty not only gives the West access to loot resources of that country, but it also undermines service delivery of those governments. Moreover, the IMF aims to enhance economic growth and stability by providing technical support and financing to member countries with economic difficulties. Using its structure, and membership, the IMF attempts to provide more stability and certainty for the globalised economy. Since globalisation influences the developing economies through trade in goods, flows of capital and migration of people, the IMF is heavily expected to be involved in the development processes of member countries. Given the numerous strong arguments against their efforts elucidated in discourses, their positive contributions seem insignificant. Although they have operated over half-a-century in developing countries, what the IMF messed up is much, more enormous. Apparently, the structure of this institution, which is western designed and dominated, show that it is not intended to help the developing world, but serve for the West. The developing countries have clear minority in the administration and they are marginalised in power sharing, decision making, designing projects and policies, problem solving and even operating in the field. Not only the IMF protects the interests of the West, it is also said to be used as imperialism tool.

Ultimately, it is clear that the mission and vision of the IMF are predetermined, and developing countries have no chance either to alter or to improve. The West sounds like "this is for you, but we know you better than yourself, so don't question our efforts". The interest of the donor countries always outweighs the need of the recipient. The reliability of IMF's reports, and its predictions on economic performances have been under fire. Both investors and lending-countries often use IMF reports and policy documents as foundation of their decisions. The fact remains that, on granting of loans to developing countries, the IMF makes the loan conditional on the implementation of certain economic policies. These policies tend to involve reducing government borrowing especially from private borrowing, increasing taxes and lowering spending. Governments of borrowing countries are entreated to allow failing firms to go bankrupt. Structural adjustments like privatisation, deregulation, reducing corruption and bureaucracy are more often encouraged, which are really best practices. However, the problem is that these policies of structural adjustment and macroeconomic intervention can make difficult economic situations worse.

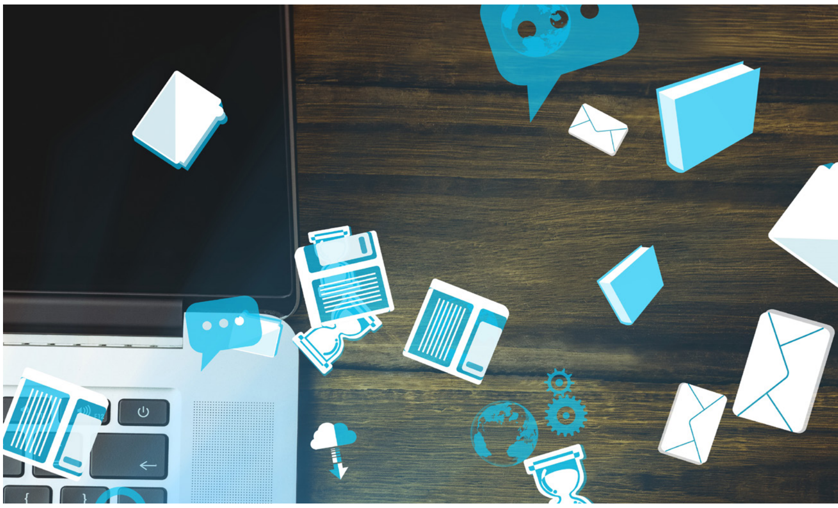
Over time, the IMF has continued to be subjected to a range of criticisms, generally focused on the conditions of its loans and other financial assistance. The IMF has also been criticised for its lack of accountability and willingness to lend to countries with bad economic management and human rights records. The criticisms of IMF's activities in developing countries keep on becoming topical when considering the effectiveness of its loans to the borrowing countries. IMF's modes of operation and inflexibility in negotiations infringe the sovereignty of states and alienate governments from the measures they are supposed to implement; that there is an increasing overlap with other donors; and between them that they are apt to swamp governments with policy conditions. Its credits and programmes are too small, expensive and short-term. The programmes are criticised as too short-term for economies whose balance of payment problems are rooted in structural weaknesses and who often face secular declines in their terms of trade. The credits are also criticised for their short maturity periods and the near-commercial rates of interest which they often bear; and as being too small relative to financing needs.

As well as the IMF is being criticised for implementing free-market reforms, others criticise the IMF for being too interventionist. Believers in free markets argue that it is better to let capital markets operate without attempts at intervention. They argue that attempts to influence exchange rates only make things worse, it is better to allow currencies to reach their market level.

Furthermore, there is also a criticism that bailing out countries with large debt creates moral hazard. Because of the possibility of getting bailed out, it encourages countries to borrow more. Some practitioners are of the view that the IMF has been criticised for imposing policy with little or no consultation with the affected countries. There is a school of thought that because the IMF deal with the economic crisis, whatever policy they offer, there are likely to be difficulties. It is not possible to deal with a balance of payments without some painful readjustment. In certain instances, the IMF has had some successes but the failures tend to be widely publicised and its successes are less so.
In conclusion, the IMF pays more attention to achieving a better balance between demand-management and supply-side measures, even in its short-term stand-by programmes, which now place greater weight on the goal of economic growth. In many cases, the privatisation or reform of public enterprises is stipulated to reduce budgetary pressures but also to raise productive efficiency. Price and subsidy reforms are also common

ingredients, raising petroleum prices or cutting food subsidies. It is believed that through the working of IMF and other activities such as the gathering of statistics and analysis, surveillance of its members' economies, and the demand for particular policies, the IMF works to improve the economies of its member countries. The IMF typically analyses the appropriateness of each member country's economic and financial policies for achieving orderly economic growth, and assesses the consequences of these policies for other countries and for the global economy. However, the IMF loans weaken the economic freedom and sovereignty of the recipient countries by imposing policies against their willingness. Transparency is another significant issue. The IMF is too obscured and have little to open to the world in terms of documents and information. The lack of transparency in decision-making, nonetheless draws more attention. The fact still remains that the IMF's lending operations are characterised by weak cost-benefit analysis and monetary and evaluation procedures. We can all agree at least that there is no country in this world, achieved economic development with the help of aid. It is argued that the IMF serves the interests of the West, and their policies often hurt the developing countries and hinder their development in general. It is therefore time for developing countries to consider more beneficial alternatives than to consider the IMF as the lender of last resort.

Businesses and digital technologies, the role of the accountant.



Emmanuel Kofi Ampong

In business operating environment, the digital arena forms a large proportion of the actors in the environment in the 21st century terrain. We will simply refer to the digital arena or space as the technological factors that influence the business environment when analyzing it from the external perspective. Modern and highly sophisticated technologies are been used in the banking and financial sector, health sector, the manufacturing sector, auditing and forensic analysis, service delivery and more.

Another line of businesses that frequently used digital technologies is the cluster of companies in many sectors referred to as E-businesses. All sectors including traditional in-house companies have accountants who are key in managing and running the financial transactions of the companies they represent. Digital technologies are an embodiment of vast technologies like electronic tools, systems, devices and resources that are available to achieve specific purposes. These technologies are been used to enter, process, store and retrieve data or information for financial transactions and commitments. Manual accounting primarily in the form of bookkeeping is gradually been replaced by highly efficient enterprise resource planning programs. There is a commercial sense in obtaining and using digital technologies in businesses. This calls for the accountant then to be more knowledgeable about these digital technologies and how these technologies affects their duties.

Although, most aspect of digital technologies seems to be more of concern to the information technology (IT) department of companies, it is important for accountants to be included in digital technologies acquisitions. Accountants are involved in digital technologies in the form of budgeting for the procurement of the digital technologies and been users of digital technologies. Digital technologies provide a form of digital identity to the people, things, devices and entities that use the technologies in their daily business operations. Digital technologies mostly used in the accounting field are modern ERP systems, cloud accounting, data storage and processing systems; block chain technology, automated accounting software etc. These new technologies available to businesses facilitates and makes tedious and mundane processes in accounting and its related fields to be a more flexible and easy handle. There are numerous benefits of digital technologies, some of which are fast and accuracy. By this, digital technologies available to businesses, on the click of a button, reports that will manually take days to reproduced can now be generated in minutes. These reports are sure of accurate results and less or no errors. The efficiency and effectiveness of these digital technologies used in modern operations of the accounting industry are unprecedented, making the role of the accountant in delivery his or her duties very comfortable and precisely.

In addition, digital technologies transform how employees work by empowering them to work better, faster and smarter. Digital technologies gives the competent qualified accountant the power and ability to work smarter within the laws and standards that govern the preparation of financial statements. Notwithstanding, the many benefits of digital technologies to businesses, they pose a number of threats. These threats referred to as cybercrime or cybersecurity threats. They include financial lost. This is one of the eminent threats that faced commercial banks and financial institutions of all sort in their operations. As financial institutions used these digital technologies to revolutionize their operations and the way financial transactions are carried out, it is the biggest sector that faces financial loss in terms of value per reports of most central banks. Most banks fall prey to cybercrime through wrongful financial transactions that result from social engineering or other illegal cyber means. This calls for the accountant in various roles to be very abreast on the medium used by these cybercriminals and how to eliminate or reduce the impact of the lost.

Another threat or problem that evolves from the use of digital technologies is loss of clients and investor confidence. Clients and investors will not be happy to associate themselves with institutions that have several records of digital technologies breaches. Therefore, as businesses embrace the use of digital technologies to make their operations and transactions smoothly and easy, the onus is on the systems accountant, the financial accountant and the management accountant with the collaborative effort from the system administrator or the information technology department to ensure that, the confidence in the digital technologies is ensured. These threats among others calls for businesses owners and accountant to be abreast on current measures to prevent digital technologies shortfalls and it accompanying costs.

Digital technologies protection can be physical as well as cyber. This means to maintain the purpose of the digital technologies is to ensure that the data of the financial transactions is available, confidential and the means of processing the information is secured. Some of the ways to form protection against the issues or troubles of digital technologies are authentication of the access to the system, the authorization to use the technologies, the certification of the technologies used by the business. These protections should be on electronic tools, systems, mobile devices, cloud systems and any other digital technology that is been operated by the business.

Businesses are always searching for means to look for smart and quick ways to operate and accountant plays critical and major roles in these processes. The search for new ways always settles on digital technologies as these radically changes some of the processes and ways of carrying out financial transactions. The quest to use digital technologies hence calls for accountant to be very vigilant in its use to prevent it from the hands of unscrupulous people. Businesses and the accounting profession is ever changing and will continue to change. We as accountant in our various roles must always be prepared to accept new digital technologies as and when they become necessary for advancement of accounting into a sophisticated contemporary profession.

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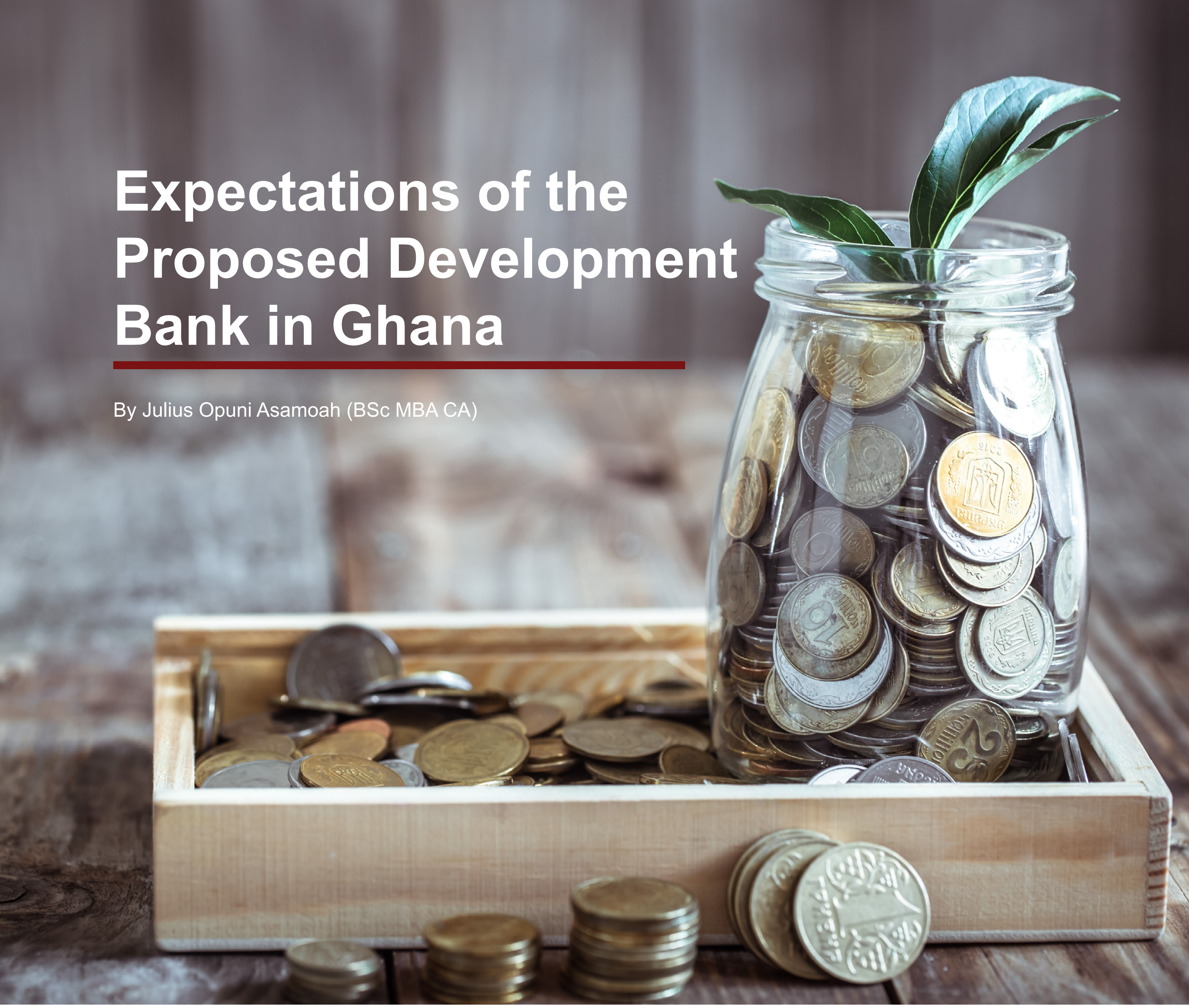
Expectations of the Proposed Development Bank in Ghana

By Julius Opuni Asamoah (BSc MBA CA)



Governments all over the world are working towards the development of their nations and the growth of their economies as well. The areas of economic growth straddle poverty eradication, education for all, full employment, reduced inequality, and accelerated development of infrastructure. The truth is that economic transformation is critical to make these socioeconomic goals achievable and sustainable. Ghana's recent strides in development provide a good illustration of the nexus between transformative growth and social goals. The Ghanaian economy keeps growing but this growth does not create jobs as expected. In reality, Ghana's growth has been based on the expansion of the services sector, to the detriment of manufacturing. With these challenges to the Ghanaian economy, the government of Ghana proposed to the World Bank about the establishment of a development bank in Ghana. So on the 29th day of October 2020, the World Bank approved in Washington, the United States, US$250 million from the International Development Association to support the establishment of the Development Bank of Ghana to increase access to long term finance and boost job creation in key sectors including agribusinesses, manufacturing, and high-value services. This is supposed to form an integral part of the government's efforts to promote sustainable growth and development in Ghana.

Economic transformation requires long-term investment to support the expansion of productive capacities, as well as infrastructure development that underpins industrial activities and reduces bottlenecks. Rapid and transformative growth will also require a more autonomous development strategy, in the light of the fragile world economic recovery and uncertainty about foreign direct investments. There is a rationale behind the role of development banks in promoting long-term development. Such banks have been a major feature of the development finance architecture for many years and in many countries. The post-Second World War era saw the emergence of the World Bank and regional banks. Since their creation, these banks have played a fundamental role in funding global and regional public goods, and in providing long-term finance to developing countries. It has been hoped that they will continue to do so by helping address the financing needs of developing nations, together with other sources of financing for development, such as grants and other financing assistance, which are part of global development finance.

To ensure rapid economic development, especially in the area of infrastructure, a development bank is needed to bridge finance from end-savers to development projects. Such bridging should be done by a development bank at all levels, to provide the financing needed in Ghana's development. A development bank can, thus, be the key player for development by providing long-term financing directly from their funding sources, by tapping into new sources, and by leveraging additional resources, including private, through the co-financing of projects with other partners.

The time is ripe to promote a development bank in Ghana. The recent financial crisis has opened space for national policymakers to support pro-development finance initiatives. There is a new momentum of initiatives for the creation of a development bank, which could tap into global savings. Taking advantage of such opportunities is fundamental to supporting the future development of the nation.

A standard argument for why a development bank should be promoted is that such a bank can fill the gaps left by private financial institutions, which are often geared towards commercial activities. The main gap is usually insufficient finance for economic transformation. The latter typically involves large-scale projects with long maturation periods, which require long-term finance and thus imply risks that commercial banks are unwilling to undertake. Also, many large-scale projects generate positive externalities and therefore social returns are greater than private returns, so it is often economically imprudent for commercial banks to finance such projects. The provision of long-term finance in Ghana is also lacking due to the funding of financial institutions, which is often short-term. That is, long-term finance requires maturity transformation, which involves a risk that banks usually prefer to avoid. For these reasons, development banks are designed and mandated to fulfil this role. At the national level, development banks can be instrumental not only in addressing market failures, such as the lack of provision of long-term finance due to the risks and uncertainties involved but as a critical tool in supporting a proactive development strategy.

Moreover, a development bank provides finance for long-term investment in capital-intensive industries. Besides, such a bank provides both lending and equity participation, meaning that they have a clear interest in the close monitoring of projects, thus developing a special form of relationship banking. That is, the banks have a hands-on approach whereby they not only provide close project monitoring but also are in a position to nominate directors to the boards of the companies to which they lend and in which they have an equity stake. Moreover, developing banks have in-house technical expertise that allows them to participate in decisions involving choices of technology, scale, and location. Development banks can also help raise capital elsewhere by underwriting the issuance of equity securities. Development banks can leverage resources by attracting other lenders that do not have the same technical capacity to assess a project's viability and potential, as well as by providing guarantees. In addition, development banks can play a countercyclical role, helping sustain overall investment levels and protect the productive structure of a country during economic downturns. Protecting existing industries is important in facilitating a more rapid recovery and because doing so facilitates the emergence of new and innovative industries critical for economic transformation, given the complementarities between new and established industries.

Practitioners define a development bank as a bank or financial institution with state-owned equity that has been given an explicit legal mandate to reach socioeconomic goals, sector, or particular market segment. Another school of thought on public development banks defines development banks as financial institutions from the State whose mandate consists of promoting socioeconomic development through the financing of activities, sectors, or specific economic segments.

In practice, a development bank is a financial institution that has a clear mandate to support developmentally oriented projects and a funding base whose liabilities are predominantly long-term and thus aligned with bank mandates. Development banks extend loans to social ends or, more recently, in providing countercyclical financing in some developing countries in the wake of the global financial crisis. In the discussions on country experiences, the banks under analysis are often, but not in every case, those that are publicly owned; have a funding mix in which long-term liabilities often dominate the funding base; can resort to central bank financing to address liquidity needs arising from maturity mismatches, and have a clear mandate to support long-term projects that generate both economic and social benefits.

France and Germany, have greatly benefited from their development banks that provided not only capital but also entrepreneurial skills and technological expertise. These constituted vital elements in their process of industrialisation. In France, Credit Mobilier, founded by the Pereire brothers, played that role while, in Germany, universal banks became heavily involved in the country's industrial development by providing maturity transformation and other services. During periods of liquidity problems, due to their maturity transformation activities, these banks had access to last-resort lending from the German Central Bank. The universal banks were private, joint-stock banks that were also instruments of the State, acting on its behalf in return for large-scale liquidity support. The role these banks played was hugely transformative. They supported the build-up of thousands of miles of railroads, drill mines, factories, canals, and ports. Above all, these banks conceived far-sighted plans, decided on major technological and locational innovations, and arranged for mergers and capital increases.

Development banking, in addition to having played a major role in the past when countries were experiencing industrial take-off, continues to play such a role. That is, such institutions do not necessarily disappear once development crosses a certain threshold. A clear example is that of the publicly owned Kreditanstalt fur Wiederaufbau (KfW) in Germany, established in 1948 to support the reconstruction of the country. Despite its initial mandate, KfW has evolved as an important component of long-term financing for infrastructure and has continuously revised the focus of its activities. Currently, KfW is a promotional bank for the German economy and a development bank for developing countries. In its initial years, KfW was geared to meeting the financing needs of large firms in core industries and was responsible for financing 15% of net real capital formation in 1950. However, as industrialisation gained momentum, and banks once again took on their financing role, the attention of KfW shifted to small and medium-sized industries.

In developing countries, development banks have emerged and evolved to play a similar role, namely providing long-term capital to support growth and economic transformation. That is, such banks are key in those countries embarking on accelerated economic growth and thus facing challenges in terms of financing for capital-intensive projects and maintaining institutions that can anticipate new needs, overcome technical and entrepreneurial limitations and help coordinate multiple investments taking place simultaneously. However, although in most cases such banks have shared such common goals and functions, they can be seen as a diverse group in terms of ownership, funding structure, and the types of projects and activities they specifically support.

The quality of loans to infrastructure and other projects should be an important priority for a development bank, as it will maximise the developmental impact of such projects and minimise the risk of default. The latter can help a development bank obtain a good rating and improve it over time. Moreover, the ability to earn profits will help a development bank expand its capital base and therefore increase lending in the future. Another important issue is related to the degree of financial sophistication of the instruments used. The more complex the products, the longer they take to be designed and implemented. While plain vanilla loans can be issued more quickly than more complicated loan structures, transactions involving equity take even longer, although they have desirable features, such as capturing part of the upside if projects are profitable. Therefore, it might be desirable to start with simple products, since these can help build a portfolio of assets more quickly.

In terms of ownership, development banks tend to be fully owned by the State, yet in a significant number of cases, the private sector owns up to 49% of the total shares of such banks and, in a few cases, over 50%. In Brazil, the country's main development bank, Banco Nacional de Desenvolvimento Economico e Social, has always been fully owned by the State. At the other end of this continuum of the degree of ownership, the Industrial Development Bank of Turkey has from the start been fully owned by the country's private banking system although, the Government had, at least initially an important role in influencing its functioning. The Industrial Development Bank of Turkey, which is wholly privately owned, is the largest in Turkey. The bank, established in 1950 with World Bank support, was initially owned by six commercial bank funds. During Turkey's First Five-Year Development Plan (1963 –1967), the Industrial Development Bank of Turkey accounted for as much as 12% of private capital formation in the manufacturing sector. As did many other development banks, the Industrial Development Bank of Turkey both provided loans and invested in the equity of the private firms that it supported.

Furthermore, the Industrial Development Bank of Turkey is closely linked to the Turkish State, deriving resources from the government and World Bank, and making loans and investments based on consultations. Interest rates on such loans are kept low, and the Industrial Development Bank of Turkey is not permitted to accept deposits and could not issue bonds in the market, since that would imply a mismatch between the cost of funds and the interest charged on its loans. This makes the Industrial Development Bank of Turkey largely a vehicle to implement the State's policies of promoting, manufacturing, and influencing the allocation of investment, although as noted, it is not publicly owned.

The funding structures of such banks are diverse and can take different forms, such as the following: deposit-taking from the public; resources from financial institutions, including multilateral organisations; debt issuance in national or international capital markets; equity issuance; institutional savings; and government transfers. The establishment of a development bank is a timely and welcome initiative, not only for the reasons indicated above but also for its potential role in strengthening a network of development banks at different levels and of helping fill the financing gap for infrastructure and development more broadly. It is timely, given the current levels of global liquidity available as a result of asset purchase programmes by the central banks of advanced countries and, more fundamentally, due to the large amount of foreign reserves held by China and other emerging economies, savings that are partly placed in sovereign wealth funds and invested in low-yield assets from developed countries.

Development banks may have specialised mandates. Those with broad mandates often provide finance for a wide range of sectors and activities that are in line with their mandate of supporting a country's socioeconomic development. Within their broad mandates, such banks can diversify risk over time and build technical expertise in different areas. Specialised banks focus on specific sectors, such as agriculture or export activities, or specific market segments, such as Small and Medium-sized Enterprises (SMEs). Their exact funding mix greatly influences how their resources are mobilised, that is, the kinds of projects they fund and the interest rates they charge on their loans. Banks that have a greater reliance on market sources of finance tend to give greater weight to market considerations when funding projects, and less so to their social and developmental benefits.

In conclusion, a development bank can play a critical bridging role between savings and financing needs and thereby contribute significantly towards the achievement of the Sustainable Development Goals. Unlike commercial financial institutions, geared towards short-term projects and returns, development banks are by design providers of long-term finance. Their funding is predominantly in the form of long-term liabilities, they have the technical expertise to take a leading role in the design and execution of development projects and they have the financial means to attract other players to co-financing. In the future, they should continue to be a key feature in the development finance landscape. In addition to long-term finance, development banks can provide countercyclical lending, thereby making economies more resilient to shocks and downturns. In doing so, they can help countries protect their productive capacities for their next expansionary phases. Over the years, national development banks have been key levers for national economic transformation and, in particular, for industrialisation. Brazil, the Republic of Korea, India, and China, are most currently among the largest development finance institutions in the world. They, therefore, have considerable firepower to ignite the creation of new industries and provide support to a more inclusive development strategy. Therefore, if Ghana wants to pursue real growth and development across all sectors of the economy, it is very apt for the government to establish a development bank and live to its core activities.

Social Responsibility Should Not Be an Obstacle: It Should be Part of How We Operate

Jose Luis Kuri

Throughout time, an enterprise's purpose has been associated with creating value for its shareholders. In today's day and age, however, shareholders should be replaced by stakeholders in such definition. Actions and decisions of an enterprise have an impact in a wider population, defined as stakeholders. In our present world, a company or firm has responsibilities that extend beyond its profit-generating capabilities and into the effect it has in its environment and society. In the acknowledging and complying with this commitment, a firm is able to engage in corporate social responsibility (CSR), making it socially accountable — to itself, its stakeholders, and the general public.

In the past, there has been a dissociation between CSR and a company's profitability. Sustainability has been seen as an obstacle, rather than an opportunity, mainly because of the costs associated with operating in a corporate and socially responsible way. In today's business environment, however, CSR has proven to contribute to a firm's profitability. As a result, the cost associated with becoming sustainable should not be regarded as a cost, but rather, as an investment. By engaging in corporate citizenship, and therefore sustainability, a company becomes well-equipped to deal with the uncertainty the future holds. The world is following a path where environmental, social, and governance (ESG) principles are at the forefront of business, and, therefore, a company that practices CSR has acquired a slot as a player in its industry's future. A sustainable company is a more profitable company: sustainability leads to longevity, and longevity leads to more profits.

In addition to this and with a special relevance to publicly traded companies, being classified as a company with a CSR business model facilitates the collection of capital and funds. For example, Larry Fink, CEO of BlackRock, recently revealed in his letter to shareholders, that the firm is placing ESG at the forefront of its investing strategy. BlackRock is a giant in the investment and financial industry, with almost US$7.5 trillion in assets under management. Another company that has placed sustainability at the core of its business is MSCI. MSCI is a leading global provider of indexes, and its focus on ESG indexes has benchmarked sustainable companies and has facilitated investment vehicles for them to receive funds. These strategies, employed by huge players in the finance industry, means that the modern investor is recognizant of the social impact and environmental footprint of companies, and is increasingly convinced that superior returns accompany sustainability.

Accountancy is in a frontline position to prevent, detect and correct any non-compliances in an enterprise's social responsibility. The role of an accountant in an organization is to compile, measure, and report data related to its business operations.

These functions are correctly associated with the organization's financial information; however, the role of an accountant goes beyond solely the analysis of a company's finances. Accountants are equally qualified to perform these functions on the information surrounding an organization's social responsibility and engage in social accounting. By continuously monitoring features of the firm, like transparency, corporate governance, and carbon emission, an accountant can implement the required changes in the organization's internal controls and guide it in a sustainable direction. Ultimately, it can be the accountant's responsibility to identify the risks in a company's business environment, quantify their impact, and mitigate their effects. This equally applies to the social risks forming part of the same business environment.

Based on the importance of sustainability and corporate social governance in today's business world, the ever-increasing relevance it will continue to gain in the future, and the qualities of the accounting profession, social accounting is a defining quality of what makes up the accountant of tomorrow. It is the profession's responsibility to take ownership of this category of accounting and continue to enhance decision-making and guide companies in the right direction, now using a wider spectrum of responsibilities. Despite having their origin and foundation in economic responsibilities to their shareholders, companies are interwoven with society and the environment, and now acknowledge social and environmental responsibilities as part of their purpose. It is necessary for the accountancy profession to recognize this and continue to evolve while continuing to be the backbone of every business.

The global spread of Covid-19 has set the United Nations (UN) member states unprecedented challenges to meet their commitments under the 17 Sustainable Development Goals (SDGs), ranging from reducing global poverty, achieving gender equality and institutional transparency to mitigating climate change. At the same time, the pandemic has made all member states realize the importance of durability for the global economy, society and the environment. The crisis obviously will cause the measurement of organizational performance, accountability and transparency to shift, allowing accountants and auditors to play significant roles. Importantly, accountants and auditors can create a world of transparency in the process of implementing the SDGs in the post-Covid-19 era.

Covid-19 undermining SDGs

Before the Covid-19 pandemic started, the UN 2030 Agenda already prompted tensions and debates among member states, corporations and global civil society organizations over how to solve those global problems highlighted in the SDGs. The pandemic has now increased poverty, inequality and human rights violations, notably slavery, while the world is simultaneously experiencing greater concerns over corruption and poor governance in many countries. Public trust in member states, corporations and even in professional bodies is declining at an alarming rate. While most developing nations have already experienced corruption and lack of transparency,1 undermining SDGs such as poverty reduction, equality, emission reductions, the spread of Covid-19 is fueling the existing corruptions and adding new kinds of corruption, particularly in Asia and Latin America.

Long before Covid-19 (since the inception of the SDGs in 2015), UN member states began taking a range of initiatives (including regulatory initiatives) to hold concerned parties (in particular businesses and public sector organizations) transparent and accountable for implementing SDGs. Professional Accountancy Organizations (PAOs), along with other professional bodies in the law and other areas, have run awareness programs and introduced policy guidelines for their members. In the post-Covid-19 era, PAOs in particular can do more and play a significant role in creating SDG-related transparency in both the private (business) and public sectors across the globe.

Accountants' due diligence for SDG-related transparency

One particular area where PAOs can contribute, that I would like to highlight here, is via a due diligence framework for SDG-related transparency. PAOs can pioneer such a framework for their members, businesses and public organizations. I highlight here a non-exhaustive framework, to provide food for further thought.

The due diligence process should require an entity to identify, prevent, mitigate, and account for how they address any threat to sustainability.2 In any

SDG activity that presents a risk of contributing to corruption or lack of transparency, as a precautionary measure due diligence is necessary to mitigate these potential adverse impacts.

The basic framework I propose may include five tasks:

- establish sound management systems with self-assessment tool/s for SDGs
- identify and assess corruption risks in the attainment of the SDGs
- design and implement an integrity strategy to respond to identified corruption risks
- carry out independent third-party audit of SDGs at identified points in the attainment of SDGs
- report on SDG-related impacts and ensure transparency to the wider community.

While PAOs have a role to play, emphasizing the importance that concerned organizations (whether private firms or public entities) conduct due diligence for the SDGs, in particular they should suggest accountants and accounting firms adopt the framework in their own SDG practices. While many consider due diligence the life-blood of every integrity compliance program, professional accountants may involve themselves directly in the last two tasks in my suggested framework (SDG auditing and SDG impact reporting).

SDG auditing: A call to arms

The Covid-19 crisis has increased the call for transparency in a country's performance against the SDGs. This gives PAOs opportunities to develop a new kind of social audit or SDG audit integral to the due diligence framework, as an instrument to achieve broader transparency in relation to particular SDG activities. An important implication is that, if professional accountants wish to get involved in SDG auditing, they must be expected to look beyond the numbers: this should, in turn, enhance collaborations with members of other professions and communities, including environmentalists, lawyers, development activists, human rights activists, and sociologists, to name a few interested parties. Accordingly, SDG auditing (the fourth task above) will be the crucial part of the due diligence framework, requiring entities to:

- evidence their contributions towards and impacts on the 17 specific SDGs
- engage community members and broader stakeholders to create awareness and understanding in relation to the SDGs and
- consider SDG-related collaboration, align vested interests and engage with suppliers, business partners, cross-sector partners, government, and non-governmental organizations (NGO).

In the post-Covid-19 era, the roles of professional accountants must change: we must look more carefully at ethical dilemmas already considered high risks such as corruption/bribery, money laundering, conflicts of interest, manipulations of financial statements, and tax avoidance. With the spread of Covid-19, corruptions associated with public spending and (governments') stimulus packages/ recovery plans in several countries are just one example of an additional dilemma presenting high risk not only for government agencies and regulators but also for concerned auditors and accountants. As Covid-19 has made existing ethical dilemmas more visible and produced new challenges for PAOs and their members, as a part of tackling the new challenges a due diligence framework is highly desirable.

In the years ahead of us, civil societies across the globe are expected to be more vigilant, watching progress toward achieving the SDGs in the context of recovery from Covid-19. Positive and constructive involvement by PAOs will give them more visibility within those societies, and in turn enhance the reputation of the accountancy profession.

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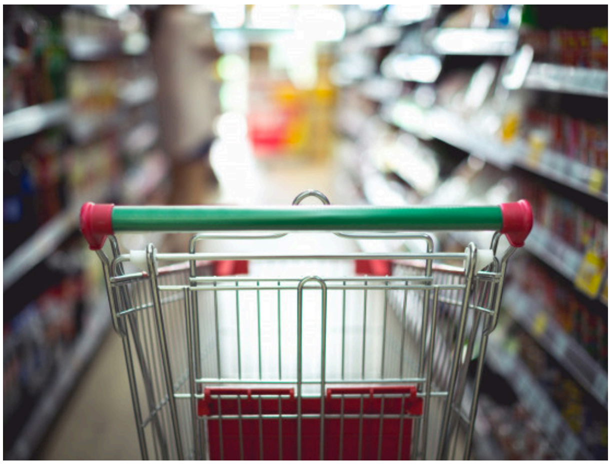
YOU AND YOUR HEALTH

We should always follow a good food and nutrition guidelines for a healthy life procedure. Let's face it, no type of eating or dietary habit can boost our immunity against COVID-19 infection and that's the reason we all need to stay home. But good food and a healthy lifestyle inside the house will keep our body and mind in balance so that we can function well even when locked down in a coercive environment.

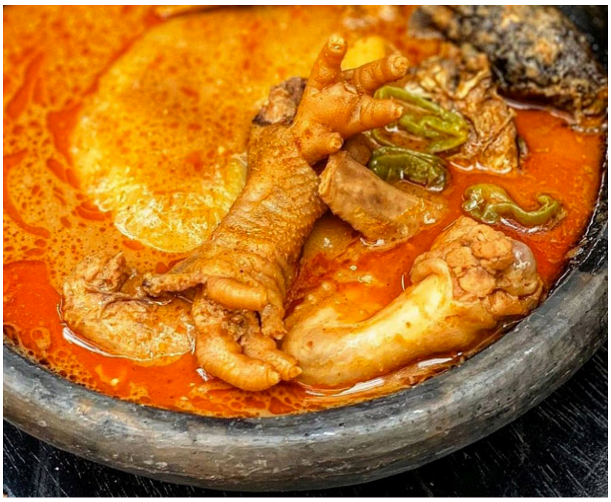
Especially, for researchers, it is important to be in good mental health because we have so much of stress and pressure while working on our research, looking for publishers, and thinking of deadlines. A sane and healthy lifestyle will help us stay updated. Following a few tips on nutrition can ease up matters when you have to choose your diet carefully not only based on nutrition but also availability.

Choose Whole Grains over Refined Grains– Whole grain items are always fiber rich so they keep the digestive system well-functioning. During a lockdown period, when your body is mostly at rest; not having chances to go to the gym or workplace; when natural motion is restricted, digestive problems, bloating etc. are common in the body. High fiber diet helps reduce stomach and gastritis issues. Also, whole grains like brown rice, wheat flour meals, steel-cut oats etc. are very filling, so you need to eat less amount to fill your appetite; that also helps immensely in saving ingredients during a lockdown.



Do not Over-purchase – Shopping is another thing that needs our attention during a pandemic situation. Panic buying behaviour stacks up our refrigerators, increases cost of products, fuels overeating, unequal distribution of products and has many such bad effects on you and the economy. Buy only what you need. Buy ingredients which can be cooked at home like whole grains, pulses etc. which will last longer and also provide nutrition to your body. But there is no point in buying 20 bags of rice when another person cannot get even one. Be mindful.

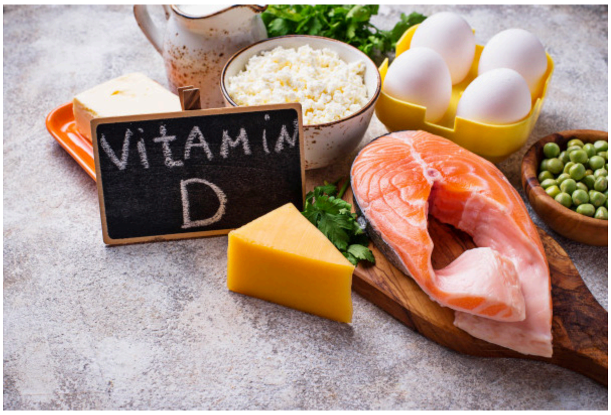
Try Eating Fresh– Well, though WHO can advise people to concentrate on fresh fruits and vegetables, but in reality, this is impractical. When many stores across the world are cut down on fresh supplies of meat, fish and vegetables, dieting on fruits and vegetables cannot be an option, especially when you are locked down in your houses. We all know that fresh supplies won't last long and we have to go to market often if we are on fresh fruits and vegetables alone. But eating fresh doesn't only mean you have to buy from store all the time. If you have some garden space, try growing some vegetables. Bell peppers, tomatoes, cabbages and cauliflowers are easy to grow and they are totally organic. Buy fresh fruits which have a skin like banana, watermelon, orange etc. where you can remove the skin. Eat vegetables after soaking them in hot water, and then cooking them properly. By eating fresh, I mean, cook your food well and do not eat processed food, and balance your diet with all kinds of vitamins.



Cook Food at Home – Many countries across the world are culturally motivated to buy ready meals, processed food and eat out. As during a pandemic, options for eating out are highly limited, also, contact with restaurateurs, cooks, and delivery men can increase your chances of infection, it is better to cook your own food. That way you can ensure your food is rightly cooked to kill all germs; also you can avoid encounter with the outside world.

Reduce Animal Protein – you have to have a balanced diet; you cannot be eating animal proteins all the time, if your body needs to be healthy. Also, you cannot be omitting them, if your brain needs to function systematically. But during a virus infection in the world, fresh fish and meat are limited; you cannot be sure of what you are buying. Moreover, chances are that animals may also be infected with the virus, so even though animal proteins are essential, we may have to reduce them during a lockdown.

Reduce Fat Intake – When your body is having fewer chances to sweat out, you have to be mindful about what you eat. Researchers at home have to be careful about their health especially when they have to keep at the mighty task of carrying on a research during a pandemic and that too from home. Replace saturated fat with unsaturated fat, if you cannot cut it down altogether.



Take Vitamin D – When we are having fewer chances to go out, and expose ourselves to sunlight, we need to take care of Vitamin D in our bodies. Eat foods that are rich sources of vitamin D. You can take supplements as well.

In general, staying hydrated with water, avoiding sugar content in food and things like that can keep our bodies and minds healthy. We can keep working on our researches and keep attending to journal call for papers, if we are mindful about what we eat, how much we eat, what we buy and how much we buy. This helps us as well as our families.

Adopted from International Journal of Business Management (IJMB)

Source: https://www.theijbm.com/7-food-and-nutrition-tips-to-stay-healthy-during-covid-19-pandemic/

TECHNOLOGY CORNER

7 Importance of Technology in Our Life Today

Technology has become an inevitable part of our lives. We cannot imagine to survive without technology in today's fast-moving world. When employment, socialization and cultural propagation happens with globalization, we cannot survive without technological involvements. The Corona virus pandemic has moreover proven, how important technology is for us, to stay connected, work, communicate and basically survive. In fact, this can be an opportune moment for researchers to attend to journal call for paper with the topic of technology becoming an inseparable part of our lives, such that soon we will move, eat, sleep technology.

However, let us reflect on 7 most important reasons for which we require technology:

1. **Communication** – The first and foremost purpose that technology serves is communication. Social media and other technological applications have brought families together. Today we can find long lost school mates over Facebook, twitter, Instagram and we can reinstate our communication. In fact, we can even communicate with world leaders, prominent figures over these platforms. Communication is required in professional fields as well, and technology ensures that we can communicate with the world from wherever we are. We cannot imagine our lives without a smart phone, but there was a time when there were no mobile phones at all. Families are much less worried about their children these days, because phones give them the information about the whereabouts of children, so they are much more relieved about their safety than they were before.

2. **Technology Helps in Legal Work–** With our safety comes the safety of the community and the prime responsibility falls upon legal systems. Technology has helped a lot in improving law and order. Today we have phone cameras, CCTV cameras etc. which testify for crime scenes. We have the computer and internet to find any criminal from anywhere with a global database. Improved technological gadgets have helped in improving forensics, cybercrime treatment to a great extent.

3. **Security** – Technology provides us security. Several home security devices like spy scam, door cam, anti-theft applications are linked with our smart phones. Most of them are electronically built for better safety and security purposes. Today we use a camera to see who stands outside our door, in place of an eye-hole. We can in fact, talk to the person before opening the door. Again, mobile phones make us very confident on streets. When we have a gadget of communication, we know we can make a call whenever in trouble.

4. **Internet**– Globalization wouldn't have been possible without internet. The fact that we can connect and work from any part of the world is

because we have internet. We can have client meets and requirements from all over the globe and we can assimilate information and process delivery because we have internet. In fact, Covid has proven that internet can keep our lives going even when we are locked down in houses, barely anything is affected for our work, if it is internet based.

5. **Knowledge** – Gone are those days, when we had to run from one library to another within our city to find books and materials for our school-college projects. Even then we would not get the appropriate information required in research work. But today, with the help of Google, we are able to browse, any type of and any amount of information required for attending journal call for paper. Even for enlightenment and knowledge, we can browse the web. We can learn if we want at any age, anywhere, because we have internet and computer.

6. **Education** – Technology has shown us how we can overcome the barriers of time and place with computer and internet. This has made education more accessible and affordable to people across the world. Today, one person in India can learn from Harvard or MIT, even from their home, because of online educational platforms which enriches learning. Online school and college is not just an idea or luxury; it is a necessity especially when there is a pandemic situation. Online learning is much for cost effective for students and universities, so every other university has shifted their programs online. This is in fact, gen-next education system where schools will move online for affordable and uninterrupted learning. Besides technological gadgets like kindle and tablet are making reading and writing easier and lighter.

7. **Entertainment** – Technology has contributed heavily to the world of entertainment. From video and computer games to smart televisions, a wide range of technological inventions have helped us engage our free time. Even today, movie watching is no longer limited to a theatre space. The way we read on a computer, we watch movies on digital platforms. Online streaming platforms and applications are moving the entertainment world to a complete digitization mode.

Research has found evidences on the contribution of technology to our daily lives. In fact, technology can save lives. Major operations, scans and medical diagnoses happen through scientific and technological discoveries. Communication, work and education are almost impossible without technology today. For researchers and academicians, journal call for paper are more readily available because of digital publication platforms, all of which involve technology. Technology has filled our time with meaningful content and entertainment so that we feel satisfied and happy. But technology also have some ill-effects like most other consumptions. So we must embrace the good aspects of technology in our lives while selectively avoiding the inappropriate results.

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Challenges in the Financial Sector: The Role of Credit Unions

Dadson Awunyo-Vitor and Abdulai Suglo

Introduction

The financial sector of any economy consists of financial markets, financial intermediation and financial instruments or financial products. In any economy a financial system facilitates the flow of funds amongst the various units (Holden and Prokopenko, 2001). The surplus units within the system provide funds to the areas of deficit, which forms the economic foundation of a system. The sector contributes to the economic growth by providing funds and encouraging investment and other sustainable activities.

The Financial Sector in Ghana

There has been huge transformation within the financial sector in Ghana since the implementation of Financial Sector Assessment Program (FSAP) in 2003 (BoG, 2007). The number of intermediaries has increased in number and the scale of operation, particularly banking, insurance, micro finance and capital market activities including investment companies. Furthermore, there has been an increase in the range of services provided by the intermediaries, and commercial and universal banks with foreign shareholding have increased within the banking and insurance space within the sector (Mensah, Awunyo-Vitor & Sey, 2012) Reforms have been implemented to enhance the financial system resilience in the face of growth within the sector. For the banking and insurance entities, new regulations were developed and enacted. In addition, trading and settlement infrastructure were modernized and a framework for systemic liquidity management was developed including institutions to improve the enforcement of creditors' rights (ISSER, 2010)

Challenges of the Financial Sector

Despite the improvement and growth of the sector over the period, it has faced serious challenges that have seen the collapse of some banks, consolidation of others and revision of regulations governing the sector. This has affected some investment companies as well. The main issue has to do with solvency challenges, poor corporate governance practices, weak risk management practices, liquidity challenges, and regulatory breaches (Besley, 1995; Aryeetey, 2008). Another major issue is the deficiencies in the risk management, supervision and insolvency regimes. In addition, internal controls and risk management practices of the banks have not kept pace with their growth and development as well as the changing risk dynamics within the sector Beck, Demirgüç-Kunt & Levine (2007)

Corporate governance: Some of the banks have endorsed poor corporate governance practices. This, coupled with poor risk management practices, has led to some damaging effects. The main issue is that only a few shareholders exercising absolute authority and in some cases, the directors lack requisite knowledge to govern these banks. In this vein, directors in this situation are unable to appreciate their responsibilities to their stakeholders (including depositors) under the law. In some cases, the depositors' funds are used to finance the businesses of their shareholders and affiliates via loan facilities with huge non-payment rates, which put depositors' funds at risk.

Solvency: In some of the banks, the liabilities are more than the assets of the institution, thus depositors' funds were used to finance their activities and to operate their businesses. The depositor's funds being held by these banks are at risk and, consequently, the whole financial system as well. Clearly some of the banks have inadequate capital hence they cannot provide a cushion against any unforeseen problems they could face. This has led to the collapse of some banks while others are working their way out of this challenge.

Liquidity: Risk management in some banks is very poor resulting in liquidity shortfalls. Thus, they are unable to settle their obligations as they fall due. Similarly, weakness in the enforcement of prudential regulations has led to the build-up of substantial loan concentrations. This has compounded the high risk associated with credit as a result of legally complex, time consuming, costly and unpredictable procedures for taking collateral and enforcing creditors' rights.

Non-performing loans: Some banks have huge loans that are non-performing, meaning that these banks are unable to recover the loans they have given to their customers. Consequently, they are unable to generate enough income to support their operations. The government's domestic arrears has been the major source of non-performing loans within the banking sector, the banks continue to rely on the government guarantees to offer credit facilities to the entities who provide services to government including contractors.

Credit Unions and their Role in Filling the Gap Created by the Challenges

Over the years, credit unions played a vital role in the nation's efforts to deepen financial inclusion. It has also provided a safe haven for individuals to save money and access credit at low interest rates compared with traditional banks and other finance houses. According to Africa Centre for Economic Transformation (ACET), the cooperative credit union is in the unique position to promote financial inclusion and serve as a substitute for banks Awunyo-Vitor, 2016)

Thus, the credit union is expected to play a key role in filling the gap created by the challenges in the financial sector. They are to ensure sustainability of the provision of financial services, particularly to the underserved persons and communities. In view of this, the primary societies must step up their financial intermediation and build the confidence of their members and stakeholders. Their role should include undertaking activities that would revamp the sector and serve customers better. They also need to demonstrate their ability to provide appropriate services and products that meet the needs of their members and clients. The optimum role of the credit union can be achieved via the following strategies.

Corporate governance: They need to demonstrate their commitment to ensuring that the appropriate corporate governance structure is in place within the society. The union must ensure that persons with adequate knowledge of financial management, high moral character and who are desirous of improving integrity are elected to serve on their boards. This would enable the credit union to play their roles as financial intermediaries of choice as they would benefit from constructive advice from their board and gain the trust of their members and stakeholders.

Use of qualified technical and administrative staff: The primary societies need to employ the services of highly qualified management and technical staff who appreciate the enforcement of all prudential regulatory requirements and follow them through. This is one way by which they can build their stakeholders' confidence.

Membership drive and customer services: They need to embark on a membership drive via education and provision of appropriate customer services. A customer services desk may be created to serve the purpose of educating existing and potential members and resolving complaints and issues in a time. The education should be tailor-made, nevertheless issues such as saving, business management and basic bookkeeping may be considered to promote growth and maintain sanity within the credit union and the finical sector at large. This will improve the membership of the primary societies and promote a strong financial base. The customer service unit should likewise manage the expectation of members to promote trust and retain members.

Cost reduction and improvement in returns: The union needs to work towards offering an adequate return on savings and equity in order to maintain their members and attract new members. Reduction in costs and improvement on returns is important to enable the primary societies to play their role in supporting the fragile financial sector. Reduction in costs can be achieved by a review of key elements of their operational costs and thereafter begin to reduce and, if possible, eliminate some unreasonable expenses. They should furthermore consider the use of Information and Communication Technology (ICT) tools in driving down costs over time by forming strategic alliances with the financial technology companies. This should be accompanied by a stronger risk management culture and cyber and information security at all times.

Transparency and disclosures: There is the need to implement effective accounting policies and disclosure rules. This would aid accountability and limit insider dealings, which may jeopardize the members' trust in the decision making of the board and management.

Expansion of services and product: The primary societies need to expand their services to fill the gap created by the challenges as enumerated above. The credit unions needs to develop and introduce new products and services to satisfy the demand within the financial sector. They moreover need to review the existing products and services to ensure that they satisfy the needs of their customers; and need to undertake due diligence and assess credit applicants before granting them loans to minimize non-performing loans.

Finally, compliance with the regulatory requirements is very important. Although such compliance is becoming more difficult and frustrating to adhere to due to the regulators imposing new requirements on a regular basis, it is a necessary evil to remain in business.

Concluding Remarks

Firstly, there is the need for higher regulatory standards due to the fact that the credit unions are now intermediating significant financial resources and assuming greater risks in the face of the challenges within the banking sector.

Secondly, there is the need to improve the system of co-operative governance, risk management and information disclosure. The regulator must initiate this by developing a system to ensure that these are adhered to on a regular basis. This can be incorporated into the bye-laws of the CUA and the primary societies.

Thirdly, the unions must improve its competitive position in the face of the challenges facing the banking sector by expanding the range of services and products as well as investment opportunities that are available to its members.

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Quotes

"It is during our darkest moments that we must focus to see the light."
–Aristotle

"The best and most beautiful things in the world cannot be seen or even touched - they must be felt with the heart."
-Helen Keller

"Do not go where the path may lead, go instead where there is no path and leave a trail."
-Ralph Waldo Emerson

"The future belongs to those who believe in the beauty of their dreams."
-Eleanor Roosevelt

"Don't judge each day by the harvest you reap but by the seeds that you plant."
-Robert Louis Stevenson

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