2014 ICAN EXECUTIVE MCPE

IFRS AMENDMENTS AND INTERPRETATIONS EFFECTIVE 2014 & 2015

OBJECTIVES

At the end of this session, participants are expected to:

- Be aware of recent changes to major Standards under IFRS and their interpretations especially those that are effective from 2014 and 2015;
- Understand the likely impacts of the changes on their financial reporting;
- Get clarity on some of the grey areas relating to the changes; and
- Discuss the impact of future trends and changes to IFRS reporting.

AGENDA

1. Overview
2. Emerging trends in IFRS
3. Revised standards and interpretations effective 2014 & 2015
4. Other changes
5. Case study

Time: 2hrs 30 mins

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OVERVIEW

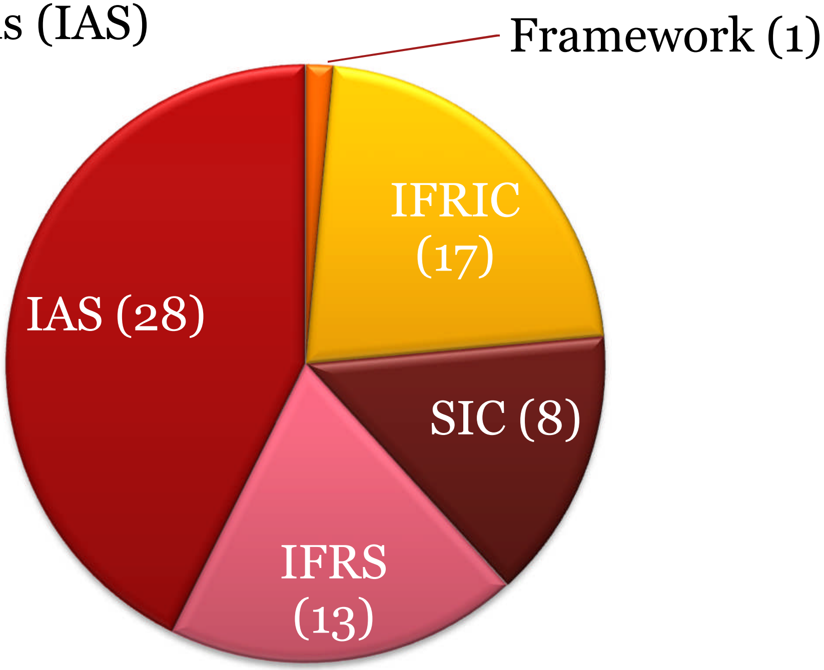
Overview
IFRS shaping financial reporting globally

- IFRSs are developed by the International Accounting Standard Board (IASB)
- Primary objective is to meet the information needs of investors
- The IASB, a successor body to the International Accounting Standard Committee (IASC), is a not-for-profit Foundation created under the laws of the State of Delaware, USA, on 8 March, 2001
- The IASC itself was established in June 1973 in London. Its existence could be traced back to the 10th World Congress of Accountants
- Members of the IASB are drawn from:
  - North America (4);
  - Europe (4);
  - Asia/Oceania (4);
  - Africa (1);
  - South America (1); and
  - 2 members appointed from any area, subject to maintaining overall geographical balance.

Overview

A set of standards developed primarily to meet the information needs of investors. IFRS is made up of:

- The Framework
- International Financial Reporting Standards (IFRS)
- International Accounting Standards (IAS)
- Interpretations (IFRIC and SIC)



Slices of the 'handbook' pie

Overview of IFRS

IASs	Description
1	Presentation of Financial Statements
2	Inventories
7	Statement of Cash Flows
8	Accounting Policies, Changes in Accounting Estimates & Errors
10	Events after the Reporting Period
11	Construction Contracts
12	Income Taxes
16	Property, Plant and Equipment
17	Leases
18	Revenue
19	Employee Benefits
20	Accounting for Government Grants and Disclosure of Government Assistance
21	The Effects of Changes in Foreign Exchanges Rates
23	Borrowing Costs

Overview of IFRS

IASs	Description
24	Related Party Disclosures
26	Accounting and Reporting by Retirement Benefit Plans
27	Separate Financial Statements
28	Investments in Associates and Joint Ventures
29	Financial Reporting in Hyperinflationary Economies
32	Financial Instruments: Presentation
33	Earnings per Share
34	Interim Financial Reporting
36	Impairment of Assets
37	Provisions, Contingent Liabilities and Contingent Assets
38	Intangible Assets
39	Financial Instruments: Recognition and Measurement
40	Investment Property
41	Agriculture

Overview of IFRS

SICs	Description
7	Introduction of the Euro
10	Government Assistance – No Specific Relation to Operating Activities
15	Operating Leases – Incentives
25	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders
27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
29	Disclosure – Service Concession Arrangements
31	Revenue – Barter Transactions Involving Advertising Services
32	Intangible Assets – Wes Site Costs

Overview of IFRS

IFRSs	Description
1	First-time Adoption of IFRS
2	Share-based Payment
3	Business Combinations
4	Insurance Contracts
5	Non-current Assets Held for Sale and Discontinued Operations
6	Exploration for and evaluation of Mineral Resources
7	Financial Instruments: Disclosures
8	Operating Segments
9	Financial Instruments
10	Consolidated Financial Statements
11	Joint Arrangements
12	Disclosure of Interests in Other Entities
13	Fair Value Measurement
14	Regulatory Deferral Accounts

Overview of IFRS

IFRICs	Description
1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
2	Members’ Shares in Co-operative Entities & Similar Instruments
4	Determining whether an Arrangement contains a Lease
5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
6	Liabilities arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment
7	Applying the Restatement Approach under IAS 29
10	Interim Financial Reporting and Impairment
12	Service Concession Arrangements
13	Customer Loyalty Programmes
14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements ad their Interaction

Overview of IFRS

IFRICs	Description
15	Agreements for the Construction of Real Estate
16	Hedges of a Net Investment in a Foreign Operation
17	Distributions of Non-cash Assets to Owners
18	Transfers of Assets from Customers
19	Extinguishing Financial Liabilities with Equity Instruments
20	Stripping Costs in the Production Phase of a Surface Mine
21	Levies

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EMERGING TREND IN IFRS

Integrated Reporting

- Integrated reporting (IR) has emerged as an important development in corporate reporting since the onset of the global financial crisis.
- There is a strategic steering committee of the high-level International Integrated Reporting Council (IIRC) which issued a consultation document on a draft framework in September 2011.
- This framework is now gaining ground with about 80 organisations selected initially for the pilot phase with a few more now adopting the framework
- The emerging integrated reporting model is intended to reflect the interconnected nature of economic and financial performance with environmental, social and governance factors in organisations' annual reporting.

Integrated Reporting

- The IIRC describes IR as being ‘a holistic approach to enable investors and other stakeholders to understand how an organisation is really performing. Addressing the longer-term consequences of decisions and actions, an integrated report makes clear the link between social, economic and environmental value’.
- Communicating the relationship between an organisation’s strategy, governance and business model is central to the model, alongside an analysis of the impacts and interconnections of material financial and non-financial opportunities, risks and performance across the value chain.

Extensible Business Reporting Language

- XBRL is a member of the family of languages based on XML, or Extensible Markup Language, which is a standard for the electronic exchange of data between businesses and on the internet.
- Under XML, identifying tags are applied to items of data so that they can be processed efficiently by computer software. It enables unique identifying tags to be applied to items of financial data, such as ‘net profit’.
- However, these are more than simple identifiers. They provide a range of information about the item, such as whether it is a monetary item, percentage or fraction. XBRL allows labels in any language to be applied to items, as well as accounting references or other subsidiary information.

Extensible Business Reporting Language

- XBRL is a potential way of facilitating the reporting of standardised information and the accessing of that information in a flexible and efficient way.
- It is expected that in the future, rather than one report, many versions could be produced in formats to suit the needs of different stakeholders **(a la carte accounting)**.
- IFAC and other organisations are already discussing a common global approach to XBRL auditing standards.
- Their initial focus is on XBRL financial statements and regulatory reports.
- XBRL offers major benefits at all stages of business reporting and analysis. The benefits are seen in automation, cost saving, faster, more reliable and more accurate handling of data, improved analysis and in better quality of information and decision-making.

Extensible Business Reporting Language

Consider the financial information below:

CURRENT ASSETS	
Assets Held for Sale	100,000
Construction in Progress, Current	100,000
Inventories	100,000
Other Financial Assets, Current	100,000
Hedging Instruments, Current (Asset)	100,000
Current Tax Receivables	100,000
Trade and Other Receivables, Net, Current	100,000
Prepayments, Current	100,000
Cash and Cash Equivalents	100,000
Other Assets, Current	100,000
Current Assets Total	1,000,000

Extensible Business Reporting Language

Below is the translation to XBRL:


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Source: http://www.xbrl.org/how-xbrl-works-1

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REVISED STANDARDS AND INTERPRETATIONS EFFECTIVE 2014 & 2015

IAS 28 Revised
Equity Accounting

IAS 28 sets out the accounting treatment for investments in associates and joint ventures. All joint ventures and investments in associates should use the equity method, except for such interests held by:

- venture capital organisations (see para 27A.9); or
- mutual funds, unit trusts and similar entities including investment-linked insurance funds.

An exemption is available for these types of investment if the investments are designated as at fair value with changes in fair value recognised in profit or loss or classified as held for trading in accordance with IAS 39.

The IASB is of the view that, for these types of entity, fair value measurement provides more useful information for users of the financial statements than applying the equity method.

Changes apply for annual periods beginning on or after 1 January 2014.

IFRS 10
Consolidation

- IFRS 10 provides a limited scope exception for parents that are ‘investment entities’.
- Investment entities include venture capital organisations and mutual funds, unit trusts and similar entities.
- IFRS 10 exempts these investment entities from consolidating underlying investees that it controls; instead, parents are required to account for these subsidiaries at fair value through profit or loss under IFRS 9.
- The investment entities amendments to IFRS 10 apply for annual periods beginning on or after 1 January 2014; earlier application is permitted.

IAS 32
Offsetting

Offsetting is permitted if:

- The entity currently has a legally enforceable right to set off the recognised amounts.
- The entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

When derecognising a financial instrument from the balance sheet, this may result in recognition of a gain or loss, this should not be offset.

In December 2011, the IASB issued an amendment to the application guidance in IAS 32 to clarify some of the requirements for offsetting financial assets and financial liabilities in the statement of financial position. These clarifications are to be retrospectively applied, with an effective date for annual periods beginning on or after 1 January 2014.

IAS 36
Impairment

IAS 36 requires annual impairment tests for certain assets and for any non-financial asset where there is an indicator of impairment.

The principle of IAS 36 is that an entity's assets are carried at no more than their recoverable amount. Recoverable amount is the higher of the amount to be realised through the asset's use or sale.

Where the carrying value exceeds the recoverable amount the asset is impaired and an impairment loss is required to be recognised.

Where recoverable amount is determined on the basis of fair value less costs of disposal, the measurement guidance in IFRS 13 applies. This is effective for annual periods beginning on or after 1 January 2014

IFRIC 10
Interim financial reporting and impairment

An entity is required to assess goodwill for impairment at the end of each reporting period, to assess investments in equity instruments and in financial assets carried at cost for impairment at the end of each reporting period and, if required, to recognise an impairment loss at that date in accordance with IAS 36 and IAS 39.

However, at the end of a subsequent reporting period, conditions may have so changed that the impairment loss would have been reduced or avoided had the impairment assessment been made only at that date.

Consensus: An entity shall not reverse an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.

IFRIC 17
Distributions of non-cash assets to owners

When to recognise a dividend payable

The liability to pay a dividend shall be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity, which is the date:

(a) when declaration of the dividend, eg by management or the board of directors, is approved by the relevant authority, eg the shareholders, if the jurisdiction requires such approval, or

(b) when the dividend is declared, eg by management or the board of directors, if the jurisdiction does not require further approval

An entity shall measure a liability to distribute non-cash assets as a dividend to its owners at the fair value of the assets to be distributed.

IFRIC 21
Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities other than income tax and fines.

The obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation.

For example, if the activity that triggers the payment of the levy is the generation of revenue in the current period and the calculation of that levy is based on the revenue that was generated in a previous period, the obligating event for that levy is the generation of revenue in the current period. The generation of revenue in the previous period is necessary, but not sufficient, to create a present obligation.

The IFRIC is applicable from 1 January 2014

New Standards:
IFRS 10,11,12 and 13

- IFRS 10 Consolidated Financial Statements,
- IFRS 11 Joint Arrangements,
- IFRS 12 Disclosure of Interests in Other Entities, and
- IFRS 13 Fair Value Measurement.

These new standards generally took effect from annual periods beginning on or after 1 January 2013.

IFRS 10 – Consolidated Financial Statements
Overview

- The IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements.
- It also includes the issues raised in SIC-12 Consolidation — Special Purpose Entities. What remains in IAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements.
- The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27 .
- Therefore, IFRS 10 may change which entities are within a group.

IFRS 10 – Consolidated Financial Statements

Objectives of IFRS 10

- The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
- These changes were made by the IASB, in part, in response to the financial crisis, when there was heavy criticism of accounting rules that permitted certain entities to remain off-balance sheet.
- In June 2009, the US Financial Accounting Standards Board (US FASB) responded to this criticism by making changes to US GAAP to improve financial reporting by entities involved with variable interest entities, and is now proposing further changes.
- The major changes reflected in IFRS 10 relates to the definition of control which in turn dictates the items to be disclosed in the financial statement.

IFRS 10 – Consolidated Financial Statements

New Definition of Control

Control is determined by the following factors:

1. The extent of power over investee which is described as having existing rights that give the current ability to direct the activities of the investee that significantly affect the investee's returns (such activities are referred to as the 'relevant activities')
2. Exposure, or rights, to variable returns from its involvement with the investee
3. Ability to use its power over the investee to affect the amount of the investor's returns

CONTROL = Power Over Investee + Exposure to Variability in Returns + Level of Influence

IFRS 10 – Consolidated Financial Statements

Differences between IAS 27 and IFRS 10

IAS 27

↓

Consolidation is determined by choice of accounting policy

IFRS 10

↓

Consolidate if Control is established.

IFRS 10 – Consolidated Financial Statements
Differences between IAS 27 and IFRS 10

- IFRS 10 introduces a significant change from IAS 27 relating to the unit of account for which control is assessed.
- Similar to IAS 27, under IFRS 10, an investor is generally assessing whether it has control over an investee in its entirety.
- However, IFRS 10 goes beyond this point and states that, when assessing control, an investor also considers whether it has power over a portion of an investee, that is, whether the investor has power over specified assets of an investee, and whether this portion of an investee is considered to be a separate 'deemed entity' (often referred to as a 'silo').
- In substance, if all of the assets, liabilities and equity of the deemed entity are ring-fenced from the rest of the investee, control over such portion is assessed separately.
- Thus, under IFRS 10, control could exist at a level below a legal entity, resulting in consolidation or deconsolidation of those specified assets, but not the entire legal entity.

IFRS 10 – Consolidated Financial Statements
Grey area

- The major grey area revolves around **CONTROL**
- IFRS 10 (which shall be subsequently discussed) provides the basis for which an entity should be consolidated. It places emphasis on *control* as against *share holding*.
- The grey area not considered by the standard is a situation where two or three entities are incorporated by certain group of individuals but none of this companies have shares in one another.
- Here, it is evident that the same individuals control these companies and can manipulate the decisions as they please. They could use one of these entities as a special purpose vehicle to hide losses or raise capital for another entity.
- IFRS 10 was introduced to curb this but as it is, the only requirement by IFRS for this arrangement is IAS 24 which requires disclosures of related party.
- Clearly, the standard has failed to adequately cover all basis on control as the example above shows that control is present but consolidation is not possible - no cost of investment in subsidiary or related party.

IFRS 11 – Joint Arrangements

Overview

- IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 uses some of the terms that were used IAS 31, but with different meanings.
- Thus, there may be some confusion as to whether IFRS 11 is a significant change from IAS 31. For example, whereas IAS 31 identified three forms of joint ventures (i.e., jointly controlled operations, jointly controlled assets and jointly controlled entities), IFRS 11 addresses only two forms of joint arrangements (joint operations and joint ventures) where there is joint control.
- IFRS 11 provides investors with greater clarity about an entity's involvement in joint arrangements by requiring entities to recognise the rights and obligations arising from their joint arrangements.
- Parties to a joint operation should recognise on the balance sheet their rights and obligations arising from the arrangement as assets and liabilities.

IFRS 11 – Joint Arrangements
Overview

- IFRS 11 *Joint Arrangements* outlines the accounting by entities that jointly control an arrangement. Joint control involves the contractually agreed sharing of control and arrangements subject to joint control are classified as either a joint venture (representing a share of net assets and equity accounted) or a joint operation (representing rights to assets and obligations for liabilities, accounted for accordingly).
- IFRS 11 was issued in May 2011 and applies to annual reporting periods beginning on or after 1 January 2013.
- The creation of joint arrangements, incorporated joint ventures, unincorporated joint ventures is very common in projects
- that typically:

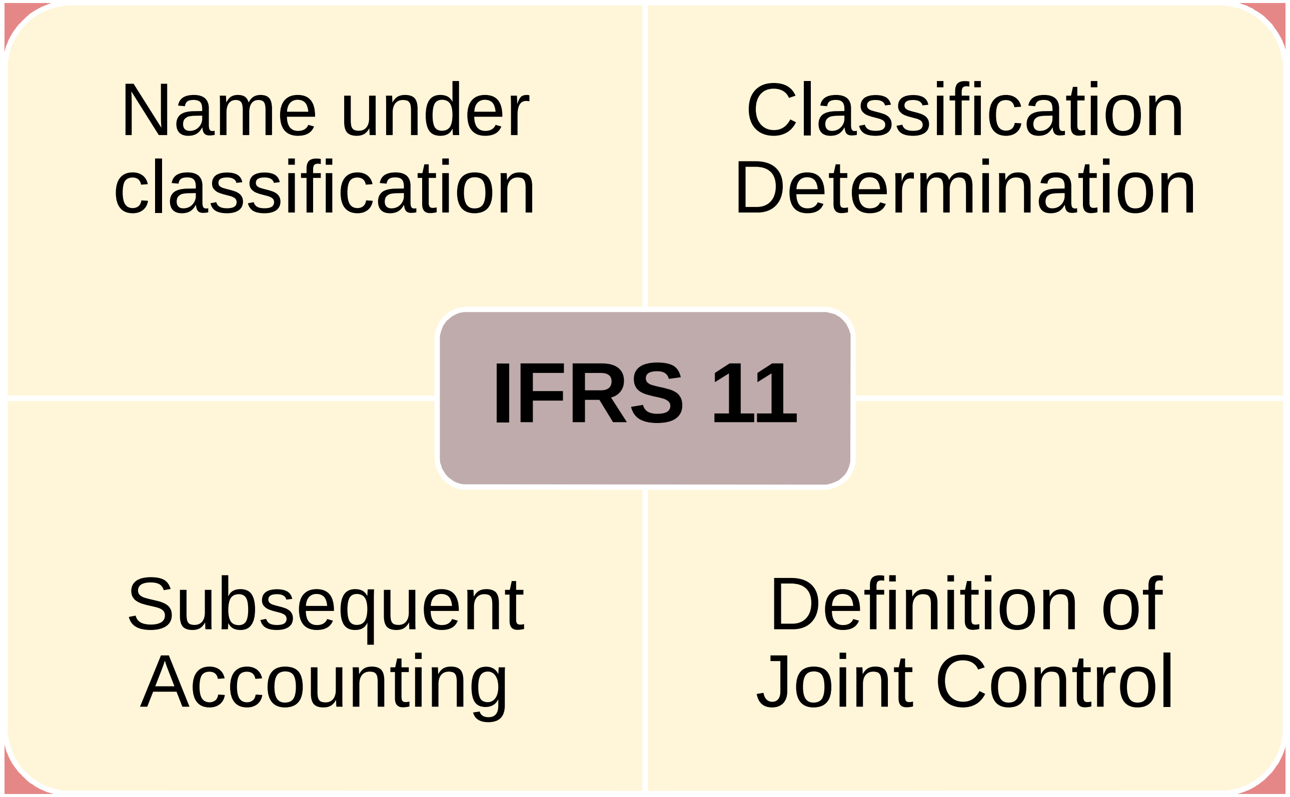
❑ Require significant funding

❑ Involve significant project risk

❑ Require collaboration among investors to share expertise and resources

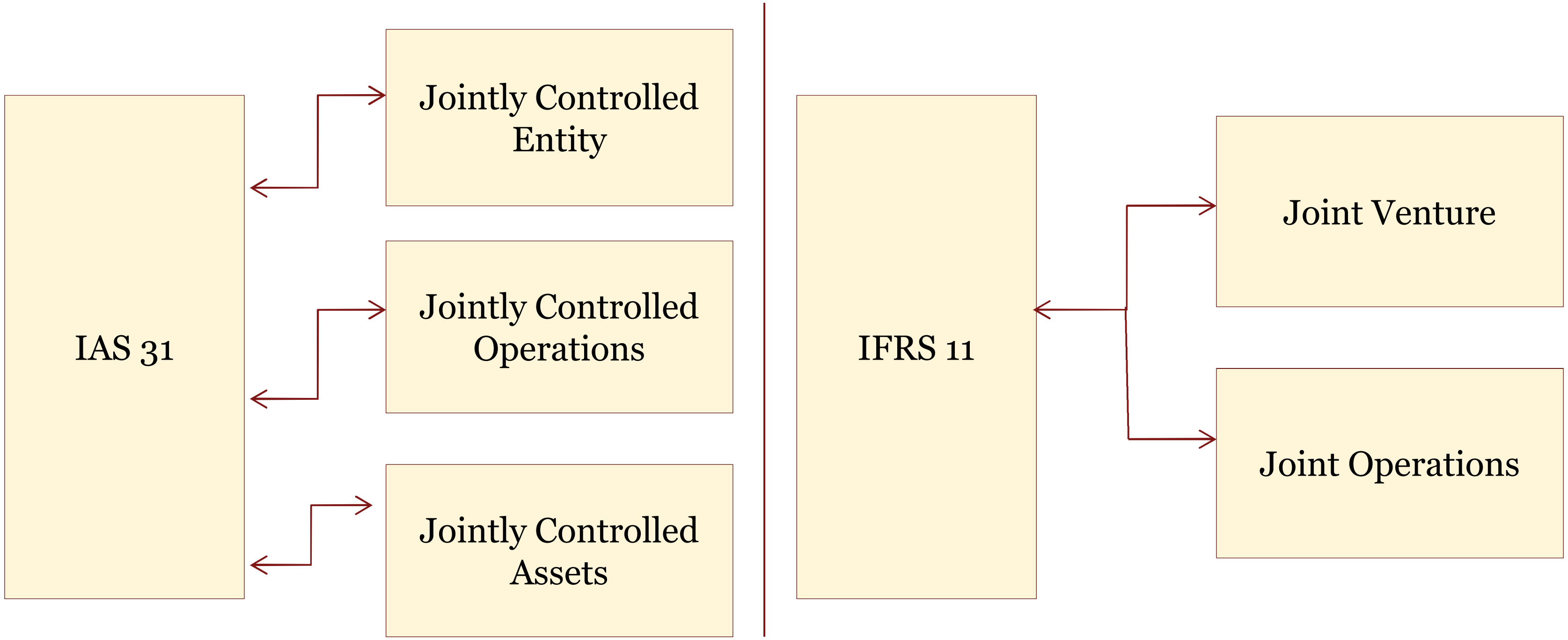
IFRS 11 – Joint Arrangements

Key notes under IFRS 11



IFRS 11 – Joint Arrangements

Key notes under IFRS 11



Number and name of classification under IFRS 11:

- ✓ Classifications reduced from three to two.
- ✓ Jointly controlled entities are now termed joint ventures.
- ✓ Jointly controlled operations and jointly controlled assets are now termed joint operations.

IFRS 11 – Joint Arrangements

Other Changes

Key notes	IAS 31	IFRS 11
Classification Determination	In all instances where a separate entity is established, these joint arrangements are classified as jointly controlled entities.	The establishment of a separate entity does not on its own determine the classification of a joint arrangement.
Subsequent accounting	Jointly controlled entities can subsequently be accounted for by either: – Equity method – Proportionate consolidation	The equity method is the only method for the subsequent accounting for joint ventures
Definition of joint control	Control is the power to govern the financial and operating policies of an economic activity so as to obtain benefits from it	An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee

IFRS 11 – Joint Arrangements

IFRS 11

Classification of a joint arrangement: assessment of the parties rights and obligations arising from the arrangement

Structure of the joint arrangement

Not structured through a separate vehicle

Structured through a separate vehicle

An entity shall consider:
(i) The legal form of the separate vehicle;
(ii) The terms of the contractual arrangement; and
(iii) When relevant, other facts and circumstances

Joint operation

Joint venture

IFRS 12 - Disclosure of Interest in Other Entities
Overview

- An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.
- The objective of IFRS 12 is to require the disclosure of information that enables users of financial statements to evaluate: the nature of, and risks associated with, its interests in other entities, the effects of those interests on its financial position, financial performance and cash flows.
- Where the disclosures required by IFRS 12, together with the disclosures required by other IFRS's, do not meet the above objective, an entity is required to disclose whatever additional information is necessary to meet the objective.

IFRS 12 - Disclosure of Interest in Other Entities
Overview

- IFRS 12 combines the disclosure requirements for an entity's interests in subsidiaries, joint arrangements, associates and structured entities into one comprehensive disclosure standard.
- Many of the disclosure requirements were previously included in IAS 27, IAS 31, and IAS 28, while others are new.
- The requirement in IFRS 12 is more expansive than the requirement in IAS 27, which only required entities to disclose circumstances where:
  - ✓ a subsidiary was consolidated and the parent owned less than a majority of voting rights; and
  - ✓ an investee was not consolidated, and the investor owned more than a majority of voting rights.

IFRS 12 - Disclosure of Interest in Other Entities

The objective of IFRS 12 is for an entity to disclose information that helps users of its financial statements evaluate:

- ❖ The nature of, and risks associated with, its interests in other entities
- ❖ The effects of those interests on its financial position, financial performance and cash flows.
- ❖ Whether it has control, joint control or significant influence over another entity.
- ❖ The type of joint arrangement (i.e., joint operation or joint venture) when the joint arrangement is structured through a separate vehicle.
- ❖ A special purpose entity is now required to disclose the nature and extent of, and changes in, the risks associated with its interests in both its consolidated and unconsolidated structured entities which is a significant change from the disclosures required under SIC-12.

IFRS 13 - Fair Value Measurement

IFRS 13 defines fair value as:

The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Existing IFRSs define fair value as:

The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value is relevant in helping users to assess the effect of current economic events on an entity.

What to disclose in respect of fair value

Fair Value Hierarchy (FVH):

Level 1 Quoted prices	Level 2 Observable inputs	Level 3 Unobservable inputs
Quoted prices in active market for the same instrument	Similar instruments Inactive market Interest rates, yields, volatilities, credit risk	Reporting entity's assumptions and own data
E.g.: listed share	E.g.: interest rate swap	E.g.: private equity

Other changes effective 2014 & 2015

Revised Standards

Revised standards	Issue date	Transition date
IFRS 2 Share-based Payment: *Definition of vesting condition.* IFRS 3 Business Combination: *Accounting for contingent consideration in a business combination* IFRS 8 Operating Segments: *Aggregation of operating segments* *Reconciliation of the total of the reportable segments' assets to the entity's assets* IFRS 13 Fair Value Measurement: *Short-term receivables and payables* IAS 16 Property, Plant and Equipment: *Revaluation method—proportionate restatement of accumulated depreciation*	Dec 2013	1st July 2014

Other changes effective 2014 & 2015

Revised Standards

Revised standards	Issue date	Transition date
IAS 24 Related Party Disclosures: *Key management personnel services* IAS 38 Intangible Assets: *Revaluation method—proportionate restatement of accumulated amortisation.*	Dec 2013	1st July 2014
IFRS 1 First-time Adoption of International Financial Reporting Standards: *Meaning of effective IFRS's* IFRS 3 Business Combinations: *Scope exceptions for joint ventures* IFRS 13 Fair Value Measurement: *Scope of paragraph 52 (portfolio exception).*	Dec 2013	Ist July 2014

Other changes effective 2014 & 2015

Revised Standards

Revised standards	Issue date	Transition date
IAS 40 Investment Property: *Clarifying the interrelationship between IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property*	Dec 2013	1st Jan 2014
Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)	Dec 2011	1st Jan 2014
Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27	Oct 2012	1st Jan 2014

Other changes effective 2014 & 2015

Revised Standards

Revised standards	Issue date	Transition date
Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)	June 2013	1^{st} Jan 2014
Recoverable Amount Disclosures for Non-Financial Assets (Proposed amendments to IAS 36)	May 2013	1^{st} Jan 2014
Defined Benefit Plans: Employee Contributions (Proposed amendments to IAS 19)	Nov 2013	July 2014

Other changes

- ✓ IFRS 14 Regulatory Deferral Accounts is a new IFRS standards to be implemented from 1st January 2016
- ✓ Research work proposed to be undertaken by the IFRS relating to:
  - Foreign currency translation
  - Liabilities- amendments to IAS 37
  - Income taxes
  - Financial reporting in high inflationary economies
  - Share based payments
  - Post employment benefits (including pension)
- ✓ IFRS 9 Financial Instruments includes requirements for recognition and measurement, derecognition and hedge accounting. The IASB is adding to the standard as it completes the various phases of its comprehensive project on financial instruments, and so it will eventually form a complete replacement for IAS 39 Financial Instruments: Recognition and Measurement

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CASE STUDY

Case Study

Question 1 - Which of the following may not qualify as a Joint Arrangement under IFRS 11?

A. Shared distribution network.

B. Shared use of an asset (such as an oil field or pipeline or football teams sharing a ground).

C. Consortia to jointly produce products (for example, aircraft and ships).

D. Property development, management or investment.

E. Pharmaceutical companies sharing research.

F. Venture capital organisations

Case Study - Question 2

Senator Jonathan (SJ) is a politician and a business mogul. SJ has businesses in all the major sectors of the economy from Oil & Gas to Telecommunication, and Banking. Due to his extensive connection with governments at all levels, SJ is able to obtain various incentives including tax holidays, waivers of import duties and so on.

SJ is known to divert profits from his various businesses to any of the entity that is under pioneer status in order to avoid taxes or to increase the profit of any entity for the purpose of obtaining a bank loan. This makes it difficult to determine the true financial position and performance of each entity in addition to significant transfer pricing manipulations by SJ to extract profits to his foreign entity in Bermuda.

Required:

- **In your opinion, is there a scope for consolidation of SJ entities?**
- **Discuss the possible ways IFRS may help address the accounting manipulation by SJ (if any).**

Profile – Taiwo Oyedele

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Mr Taiwo Oyedele is the Head of Tax and Regulatory Services at PwC Nigeria (the world's leading professional services firm with presence in over 150 countries). Mr Oyedele has been in the forefront as a thought leader and prominent speaker on key economic, accounting and tax issues including the tax implications of IFRS Adoption and Transfer Pricing. He is an ardent advocate of tax reforms with particular emphasis on tax simplification and transparency. He recently represented the Manufacturers Association of Nigeria at the National Economic Council (body of all 36 Governors and the Vice President) to successfully make a case for reforms to address multiplicity of taxes.

Mr Oyedele writes articles in leading national newspapers (including Guardian and BusinessDay), professional journals, international magazines and newsletters. He is a regular presenter and a highly sought after public speaker delivering over 200 speeches and presentations around the world in the past 3 years alone. Notable among these include presentations at the Africa Congress of Accountants (Kenya 2011 & Ghana 2013), Oil & Gas / Energy Conference (Houston 2011 & Dubai 2013), Series of Executive IFRS Training (London & Dubai 2011 - 2013), Global Transfer Pricing Conference (New York 2012), Mergers & Acquisition Conference (Istanbul 2012), BT Africa Conference (South Africa 2012), Nor Shipping Conference (Norway 2013), "Tax and Transparency" at the House of Commons in Westminster (London 2013), Africa Tax and Business Symposium (Mauritius 2013).

Mr Oyedele is the Head of PwC Tax Academy, Dean of the Direct Taxation Faculty of the Chartered Institute of Taxation of Nigeria, member of the Nigerian Taxation Standards Board and a member of the Taxation and Fiscal Policy Management Faculty Board of ICAN.

He is the author of the "Top 50 Tax Issues in Nigeria" and a contributor to the annual "Doing Business" report of the World Bank, and PwC "Paying Taxes" publication, as well as Worldwide Tax Summaries. In his roles on these projects, Mr Oyedele examines the various areas requiring reforms in the tax legislation, administration, policy and practice in Nigeria compared to over 180 countries around the globe. He also runs a blog on tax matters with thousands of followers from over 20 countries worldwide (www.pwc.com/nigeriataxblog).

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Mr Oyedele is a mentor to many young people and patron to a number of youth organisations including the JCI, Reformed Ambassadors Network, Unilag Tax Club, Students' Associations in various universities such as Obafemi Awolowo University, University of Lagos, and Yaba College of Technology. He is the Founder and President of Impact Africa Foundation, a non profit organisation established to support the education of less privileged students across Africa.