

**SUB-REGIONAL COURSE ON
ACCOUNTING, AUDITING AND
FINANCIAL MANAGEMENT FOR POST-
CONFLICT COUNTRIES**

KEYNOTE ADDRESS

BY

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LADIES AND GENTLEMEN

1.0 Introduction

On behalf of His Excellency, President Ernest Bai Koroma, the Government and people of Sierra Leone, I welcome you all to the opening ceremony of this **Sub-Regional Course on Accounting, Auditing and Financial Management for Post-Conflict Countries** organized by the West African Institute for Financial and Economic Management (WAIFEM) and the Bank of Sierra Leone.

I bid a special welcome to the representative of the Director General of WAIFEM, Mr. Ankrah and his team who are organising this important course. It is noteworthy that WAIFEM is relentlessly pursuing its programme of capacity building for post-conflict countries in the sub-region. In the past few months, two (2) specialized courses to build and strengthen capacity in data management and the management of microfinance operations for officials from Liberia and Sierra Leone, respectively have been organized by WAIFEM.

Specifically, a National Course on Research Methods, Survey Methodology and Data Management for Post-Conflict Countries was organized in April/May 2007 in Sierra Leone and a Sub-Regional Course on Microfinance Operations for Post-Conflict

Countries was organized in Liberia in August 2007. The commitment of WAIFEM is commendable and I extend my gratitude to the Institute for organizing this third course on accounting, auditing and financial management, and to the African Capacity Building Foundation (ACBF) for sponsoring the courses.

Ladies and Gentlemen,

This course is both very relevant and timely for the two participating countries. It will serve to promote public sector management in Liberia and Sierra Leone. I intend to expatiate on this against the backdrop of the reconstruction efforts of post-conflict countries, especially in Sierra Leone.

2.0 Post-Conflict Reconstruction Efforts

Ladies and Gentlemen,

Following the cessation of hostilities in 2002 and 2004 in Sierra Leone and Liberia, respectively the two countries immediately began addressing pressing postwar economic and social issues. The reconstruction of social and economic infrastructure and the development and growth of the economies of the two countries were pursued as national priorities.

For instance, in Sierra Leone, it was critically important to boost government revenue, prioritize public expenditure, and maintain fiscal discipline. Thus, measures were put in place to address capacity constraints on policy implementation, accelerate the pace of structural and social reforms, strengthen investor confidence and develop the private sector. Substantial financial and technical support was provided by the international community.

The United Nations (UN), International Monetary Fund (IMF), World Bank, European Commission and the UK Department for International Development (DFID) extended support to the Government and people of Sierra Leone in diverse ways. For example, the IMF Emergency Post-Conflict Assistance Programme, launched since the late 1990s, has been a valuable source of funding for building up the disrupted institutional and administrative capacity and for urgent balance of payments support. Also, under the Poverty Reduction and Growth Facility (PRGF) of the Fund, a poverty reduction strategy paper emphasizing sound economic policies and practices to attain

macroeconomic stability within an overall framework of good governance has been under implementation.

The UN Development Assistance Framework for Sierra Leone also, provided support towards democratic governance, poverty reduction and peace and development.

Over the years, the reconstruction efforts have achieved noticeable progress in the country. In the economic sector, gross domestic product (GDP) in current terms increased from US\$805.6m in 2001 to US\$1.4 billion in 2006. Over the period 2004 – 2006, annual GDP growth rate increased at an average rate of 7.5 percent. Inflation rate dropped from 14.4 percent in 2004 to less than 10 percent in 2006. On the social front, a World Bank data profile on Sierra Leone for 2000 and 2005 reveals that over the period, life expectancy at birth increased from 40.2 years to 41.4 years and child mortality rate per 1,000, a significant index, decreased from 286 to 282. Primary school enrolment increased by more than threefold over the period.

3.0 Strengthening Public Sector Management Ladies and Gentlemen,

The tasks of economic and social re-construction of the post-conflict economies will be facilitated, inter alia, by an efficient public sector management which features consolidation and modernization of financial systems; improved quality of financial information, financial data and information standards; internal controls and legislation on financial operations and organizations as matters of the highest priority.

The goal, therefore, must be the improvement of financial management to best practice standards in all aspects of government financial operations: budget formulation and execution, financial operations and analysis, financial systems, grants management, information resources management, and procurement etc. Needless to say, an extensive range of personnel with core competencies in accounting, auditing and financial management is a desideration in the public sector.

Ladies and Gentlemen,

It is no longer enough to perform routine standard accounting, auditing and financial management functions. Most professional bodies now recognize that specialists must also possess creative, problem-solving and analytical skills, including management skills.

Financial management in the public sector will be greatly enhanced if these attributes are pursued and internalized by accountants, auditors and financial managers working in the sector.

4.0 Increasing Role of Information Technology

Ladies and Gentlemen,

In today's Management environment, the use of computer assisted tools is growing rapidly in all professions and disciplines. Faced with growing workload and heightened awareness of the need for accountability, an increasing number of accountants, auditors and financial managers have discovered that computer assisted tools and techniques can offer significant help in their operations.

For example, internal auditors advise organizations on internal control attributes and ways to gain assurance from information. Organizations must critically analyse their financial statements including the supporting data. Modern audit technology tools facilitate a granular analysis of this data for more accurate information.

Traditional audit sampling methods have relied on extracting small data sets as basis for deriving conclusions about the entire transactions. However, using software tools, the auditor is free to examine the totality of the data and filter it in any way necessary to produce the reports or results the organization needs. Automated tools provide auditors with the ability to work with large volumes of data and with data that is more complex. Further uses and advantages of comprehensive data testing include the ability to identify financial leakage, policy non-compliance and mistakes or errors in data processing such as duplicate vendor payments, fraudulent transactions and circumvention of invoice approval limits.

Similar benefits are derivable from modern electronic software that supports accounting and financial management operations. Accountants, auditors and financial managers will do well to upgrade their knowledge and skills in relevant information management tools.

5.0 Conclusion

Ladies and Gentlemen,

A country's professional crop of accountants, auditors and financial managers is critical to national development and this course will certainly make a welcome contribution to strengthening this class of professionals in post-conflict countries in the sub-region.

I urge you all to apply yourselves assiduously to the tasks presented in this course for the benefit of your organizations and countries.

On this note, it is my singular honour to declare open the **Sub-Regional Course on Accounting, Auditing and Financial Management for Post-Conflict Countries.**

Thank you for your attention.