

## ALBANIAN INSTITUTE OF CERTIFIED ACCOUNTANTS/INSTITUTI I KONTABILISTËVE TË MIRATUAR

Country: Albania

Established: 2000 as the Liaison of Certified Accounting Professionals (LPKM)

Membership: 1715

Website: [www.ikm-al.com/page1.html](http://www.ikm-al.com/page1.html)

The Albanian Institute of Certified Accountants/Instituti i Kontabilistëve të Miratuar (IKM)'s mission is

- Organization of training courses in the fields of "National Accounting Standards," IFRS, audit, fiscal legislation, drafting business plans, information technology, etc. Organization of training courses required to obtain professional testimony "Approved Accounting" or professional evidence analog.
- In accordance with the program drawn up by the Council of Directors for each year IKM organizing and consulting assistance to National Accounting Standards (NAS) and International Accounting Standards (IAS) as a whole and for specific standards, provides assistance for problems arising the implementation of the Law "On Accounting and Financial Statements."
- The collection of comments and proposals for changes in the fiscal packages developed by the government each year and after their study, submission of suggestions and proposals to the Ministry of Finance and other relevant bodies.
- Organize meetings with the Chamber of Commerce and Industry and districts, to the relationships in support of business activity in connection with the legal provisions in the field of accounting and finance
- Provision of new legal provisions as well as the changes which have to do with the profession "Approved Accounting", Accounting, fiscal adjustment and distributes them to the branches and divisions in the districts.
- Making generalizations achievements and problems that arise during the operation of the association and membership through pamphlets items presented in its bulletin. Publication of its members for accounting problems, profession, etc.. in the magazine "Finance, Accounting & Audit".
- Participation in national and international activities organized by associations counterparts at home and abroad is part of the activities of the Institute.

**Q1. *What are some of the most significant challenges in Albania for development of the profession?***

The main challenges of the profession in Albania are related to the increasing number of members in the professional organizations, the strengthening of the role of professional organizations in professional and institutional capacity building, the fight against unfair competition in the profession, and the application of accounting and auditing standards. There is the challenge of application of the Code of Ethics. The accounting profession maintains and enforces high ethical standards in a self-regulatory regime, such as

issuing and enforcing codes of ethics. However, code of ethics are only a partial solution to the perceived problem of ethical behaviour. Codes can only guide one's behaviour; ethical decisions ultimately rest with individuals' choices. There is the challenge of the quality controls. Accounting standards that produce a high-quality financial statements have to be supplemented by strong and effective quality controls, as well as a profession-wide quality assurance mechanism.

**Q2. *What does IFAC represent for you and your organization? Why did you apply for associate status?***

IFAC is the international organization that joins professional accounting organizations worldwide. IFAC supports the accounting profession with regulations, standards, and codes, leads and directs the development of the accountancy profession in the world, ensuring the strengthening of professional accounting organizations. It also issues guidance to ensure high quality performance by professional accountants in business.

IKM has applied for membership because it thinks and judges that through this membership will provide support for the development of the accounting profession in Albania, will provide an international support and coordination in the way toward the profession, because it is convinced that by being member of IFAC, IKM is joining the world's most prestigious professional organizations, and will provide support and guidance in the right direction for its members. IKM is convinced that membership in IFAC is the only way for a rapid, safe, and qualitative accounting profession in Albania, and increasing the role of the accounting and accountants in their public interest service.

**Q3. *How do you think joining IFAC will impact your organizations and your members?***

IFAC membership will enable IKM to establish connections and relationships with professional organizations in other countries, enable the exchange of experience, getting the most appropriate tools and guidelines for organizing the profession and professional and institutional capacity building. This membership will increase the role and influence of IKM on national accounting organizations and government agencies toward the accounting regulations and accounting profession.

IKM members will benefit from the membership for the regulation of their organization and the regulation of the profession and professional activity. The education of the members of the IKM will be of a higher quality level and in coherence with that of most developed countries. In all its activity, IKM will have the possibility to use the experience of IFAC and IFAC members, the IFAC literature in education, regulation of the profession, codes and standards, so that will increase its capacity to its member and will create the condition to ensure high quality performance by the certified accountants that in their in business

**Q4. *IKM has made strides in accountancy education recently through a World Bank grant. What were the key challenges and success factors? What did the project entail?***

The Road to Europe: Program of Accounting Reform and Institutional Strengthening (REPARIS) is a regional program aimed at creating a transparent policy environment and effective institutional framework for corporate reporting within South Central and South East Europe. Participating countries/entities include [Albania](#), [Bosnia and Herzegovina](#), [Croatia](#), [Kosovo](#), Former Yugoslav Republic of [Macedonia](#), [Moldova](#), [Montenegro](#), and [Serbia](#).

The exchange of experiences in terms of training methods and programs development in continuing education training of accountants and the legislation regulation framework in the auditing and accounting was the key success in the activities developed in the framework of this program assisted by the World Bank specialists in education and audit profession.

**Q5. What has IKM been working on recently to address quality assurance?**

The board of IKM has recently created specific procedures to monitor and report the activities of individual accountants who are members of IKM. The committee has the obligation to make external reviews of the quality controls of accounting firms and individuals over their accounting and other services practices. In the end of each year should be an annual report on its activities, including the results of its monitoring of the quality assurance functions for the accounting profession.

Accounting firms and individuals accountants should implement uniform accounting methodologies throughout the organization. IKM has in its education plan to organize training courses with its member regarding to the quality control issues.

**Q6. IKM was sponsored for associate status by the Institute of Authorized Chartered Auditors of Albania (IEKA). What other projects or initiatives has IKM and IEKA cooperated on? How have your two organizations developed a good working relationship?**

IKM has had and continues to have a professional relationship and a useful cooperation with IEKA. IKM and IEKA in the future will continue to cooperate in the field of regulation of the profession of auditing and accounting, to coordinate their work under the project funded by the World Bank and the Swiss government to improve the regulatory framework of the professions, will cooperate in exchange of trainers in professional qualifications of both institutes, the organization of round tables on issues related to the profession, etc.