

Ardian Fullani: Brief presentation on accounting developments in Albania

Greeting address by Mr Ardian Fullani, Governor of the Bank of Albania, at the First Congress of Accountants and Financiers, Tirana, 10 January 2005.

* * *

Dear friends and colleges, greetings to you all!

Honestly I feel well being invited to take part in the first event of such magnitude of Albanian accountants. Moreover, I feel well being among lots of my colleges and friends, noticing also many newcomers among you.

Along the past years, we have frequently had the chance to debate about issues on accounting evidences. Along the planned economy collapse at end of 80's and along two or three first years of the subsequent decade, besides other things, created a kind of stagnation even in terms of financial accounting. The large economic transformation, rapid emergence of private enterprises, new concept of asset management and public enterprises, yet-unconsolidated state, lack of international experiences and numerous other causes created a confusion, which, I think, in spite of the years passing by, continues to accompany us even nowadays.

From my present position, I feel well to emphasize that banking business was among the first one to invest and was rapidly updated to international practices of this direction. Therefore, the accounting balance sheets and financial statements of these institutions are almost unified in advanced international patterns, making their accountability, transparency and reliability gain contemporary magnitude.

On the other hand, various decision-making circles, groups of economic opinion, national or international monitoring institutions have the idea that current accounting evidence in various segments of economy leaves much to be desired. Furthermore, frequently it serves as a leverage to materialize the endeavors for fiscal evasion, why not even for other illegal activities.

I understand that, above all, we have to do with an ethical professional problem, an intentional deformation which creates the premises to keep alive and increase informal economy endlessly.

I think that today's initiative is a positive development of major size, which above all will serve for a better evaluation of the accountant's figure. We should all accept now, without exception that for a higher responsibility and ethics of accounting expert, investment is needed. It is true that more support is needed to accounting expert and also more investments are needed in terms of training and qualification.

More attention should be shown to introduction of new up-dated literature on accounting and financial analysis techniques in general.

I am convinced that investment in knowledge on accounting experts will bring about a fast and safe return of your role in economy.

To sum up this brief presentation, I take advantage of the opportunity to appeal that it's the time now to have a unified standard of accounting evidence in economy, completely in compliance with International Financial Reports Standard (IFRS). Our financial statements should be accurate, fair, and easily comparable. Our accounting balance sheets should reflect genuinely the accounting position at end of the accounting period.

It would be much easier for the banking system to set up its lending policies if the balance sheets and financial reports were true, standardized and publicly known. Also, the equity market, we have largely dwelt with, would have a real development stage. A business may be capitalized only when it is fair and open, implying ethics and professionalism on your side.

You should think that your product constitutes basic documents from which the much desired statistical information will spring to make further generalizations and nourish the country's macroeconomic statistics.

On the other hand, fair balance sheets would better assist relevant authorities to control the information, evasion and undeserved profits.

I strongly believe that you will take more advantage out of this.

Therefore, I do not hesitate to once more congratulate you on this initiative and ensure that you will always find an open window of communication and mutual cooperation at the Bank of Albania.

Finally, I would suggest to all of you that have chosen this fair profession to make the slogan "fair authenticity" as your own.

Thank you!