

Brexit, the Opportunities It Brings & the Accountant

“The International Federation of Accountants (IFAC) has always stressed that governments, businesses, and the regulatory community across the globe must work together, cooperatively, to respond to the challenges being faced by our interconnected financial markets and economies. Brexit makes this collaborative approach all the more vital, and the global accountancy profession must be engaged in bringing its experience and expertise to bear in many of the areas where work will be needed.”

- Fayezul Choudhury
CEO, IFAC



On June 23, the United Kingdom (UK) had a referendum to decide whether it should leave or remain in the European Union (EU). The leave vote had it at 52% to 48%. BBC reported that it was highest in the UK-wide vote since the 1992 general election with a registered 71.8% turnout, representing more than 30 million people. The projected departure of the UK will still leave 27 EU member states.

The decision brought turmoil to the financial and capital markets. Speculations on the state of the global economy, the EU, the UK, and the emerging markets have been discussed in different fora and have been captured by media. Various opinions have been expressed, yet it may still take time for the eventual UK departure from the common market. As this is the first departure of a major member state, processes and timelines will be drawn up and observed for the separation.

Any change brings with it opportunities. To the practicing professional accountant servicing clients with international businesses to include the UK, what will the change in the EU composition mean?

The mode of financial reporting of UK companies may not change much as the UK may still continue what has been in place, observing the globally accepted

financial reporting standards and practices. Jurisdictional laws, rules and regulations on trade and commerce, especially taxation as well as migration, will be affected. Going back to what they were before joining the EU (more than four decades ago) is not feasible. The cost of doing business in the UK will not be the same anymore. There will be a number of adjustments that should be aimed at making the stand-alone UK stronger than what it has been as EU member. This will be the battle-cry of those who pushed for *Leave the EU* and who will take the lead towards the new era for the UK.

The professional accountant needs to be attuned to all the developments and to be well versed on the changes to be able to provide the appropriate services to his/her clientele. Likely areas of professional practice that will be enhanced are the tax and advisory services. This will translate to more engagements and billable time charges.

As in any change, businesses, organizations and persons can be resilient to adopt to the evolving landscape. The professional accountant always has an important role to play in any era, circumstances and place.

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This column accepts contributions from accountants, especially articles that are of interest to the accountancy profession, in particular, and to the business community, in general. These can be e-mailed to boa.secretariat@gmail.com

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