

TAG-Audit Newsletter

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TAGI Holds ‘IFRS 15 — Revenue from Contracts with Customers’ Course

AMMAN - Talal Abu-Ghazaleh & Co. International (TAGI) held a training course entitled “IFRS 15 — Revenue from Contracts with Customers” delivered by TAGI experts at the company’s offices in the UAE, Jordan, Kuwait, Lebanon, Palestine: Ramallah and Gaza, the KSA: Khobar, and Jeddah. The course will be held in the other offices in November 2018.

“IFRS 15 — Revenue from Contracts with Customers” course aims at introducing the participants to the core principle of IFRS 15, how and when an IFRS reporter recognizes a revenue, in addition to other related topics.



Abu-Ghazaleh: We are the Global Knowledge Organization of the World

AMMAN- Under the patronage of HE Dr. Talal Abu-Ghazaleh, the Talal Abu-Ghazaleh Organization (TAG-Org) held a meeting under the theme “Languages Proficiency & Computer Skills” with the participation of more than 100 directors and managers from its newly established offices around the world.

The meeting highlighted the latest developments and the continuous vision of Dr. Abu-Ghazaleh in presenting TAG-Org’s services through its offices opened in 2018 covering Japan, Russia, Indonesia, China, Malaysia, Bangladesh, Sri Lanka, Canada, Kazakhstan, Uzbekistan, Cameroon, Italy, Australia, Nigeria, Hungary, Brazil, Kenya, Tanzania and France.

In the opening session, Dr. Abu-Ghazaleh stressed the fact that TAG-Org is a Global Knowledge



Organization that is continuously evolving and embracing the latest technology in all its offices including the latest 19 offices established globally, promising that by the end of 2040 there will be an office in every major city in the world.

He added that TAG-Org seeks to maintain its advanced position in all fields and this expansion will continue globally with responsibility towards individuals as well as businesses and establishments in various sectors especially languages and computer literacy.

Dr. Abu-Ghazaleh stated that languages are an important aspect in the services provided by the Organization announcing the Arabic Fluency Test which examines Arabic language fluency.

His Excellency stated that the Organization went through two important phases since its establishment in 1972. The first phase was from 1972 till 1990 in Kuwait and the second phase was from 1990 till 2018 in Jordan, with its development continuing in the third phase from 2018 till 2040 to expand its services in all countries through the group's offices and representative offices, which requires direct and indirect investment.

Mr. Jassim Al Awadhi, Customer Relations Expert at the Business Registration & Licensing Sector (BRL) in the Department of Economic Development (DED), Dubai, was a guest on the second day and he gave updates on the partnership signed between TAG-Org and Dubai DED early this year to provide various services to government and private entities.

Al Awadhi demonstrated the success achieved by BRL in providing high quality services, including the Dubai Business Club (DBC), a facility rated 6-star according to the classification criteria of the Global Star Rating System. DBC offers 33 premium services of unsurpassed quality in line with global best practices to the business communities in Dubai. It serves as a one-stop shop for businesses to complete government transactions and non-government services.

TAG-Org is a Main Partner in “Arab Noor Conference” for Entrepreneurs and Initiators



Irbid- Held under the sponsorship of the Minister of Communication and Information Technology, Eng. Mothanna Gharaibeh, in the presence of the Saudi princess Kholoud bint Nasser Al Saud, and with the strategic participation of Talal Abu-Ghazaleh Organization (TAG-Org), the

“ArabNoor” conference for young entrepreneurs and initiators at the University of Science and Technology, concluded its work.

The participation of the Organization in the first of its kind Conference in the Northern

region of the Kingdom, aimed at achieving target development in all sectors via supporting entrepreneurship. The Minister, Mothanna Gharaibeh, highlighted the importance of the role of entrepreneurs in creating the future, enabling and motivating the youth to start their own projects, and pursuing innovation.

The Conference lasted for 2 days in the presence of Prof. Dr. Saeb Khresat, the President of the Jordan University of Science and Technology and Mohamed Abu Sheikha, the Executive Director of “ArabNoor” Company. The Conference was held in cooperation between Center of Excellence for Innovative Projects at the University and ArabNoor for Entrepreneurship.

The Organization presented, during the Conference, a workshop for students on intellectual property and its importance for the protection of inventions and copyrights. Some of the Organization’s available training programs were introduced including Management of small and medium enterprises, Cambridge English Courses, Talal Abu-Ghazaleh Diploma for Information Technology, and the offered MBA by Talal Abu-Ghazaleh University College for Innovation.

During the Conference, several training, professional and consultation services were introduced by the Organization, which are critical for helping students in the commencement of their enterprises, qualifying them for the labor market, providing them with the required basic skills for knowledge and helping them in entrepreneurship and innovation.

During the events of the Conference, the Executive Director Mr. Fadi Al-Dawood, participated in the Cognitive Forum of Talal

Abu-Ghazaleh, in a discussion titled “Women’s Entrepreneurship”, with the participation of Her Excellency princess Kholoud bint Nasser bin AbdulAziz Al Saud.

Al-Dawood highlighted the importance of participation in Women’s Economic Empowerment indicating the big missing economic opportunity resulting from the low percentage of participation of women in the labor market, which does not exceed 14% in Jordan and is one of the world’s lowest percentages at 50% and reaching 23% in the Arab World.

During the Conference, Her Excellency Prince Kholoud bint Khalid Al Saud visited Talal Abu-Ghazaleh Organization Corner, and asserted her high appreciation of Talal Abu-Ghazaleh’s entrepreneurship story, his arduous journey from sufferance to world fame, and the establishment of his Organization, which has expanded around the world. Her Excellency highlighted that Talal Abu-Ghazaleh is one of the most inspirational and motivational figures for today’s youth.

In the same Conference, Prof. Dr. Saeb Khresat, the President of the Jordan University of Science and Technology, illustrated the role of the University in supporting entrepreneurship and creativity through the sponsorship of creativity conferences and activities that are concerned with the provision of a proper environment for entrepreneur success and creative thoughts and projects.

Eng. Mohamed Abu Sheikha, the Executive Director of ArabNoor Group, pointed out the fact that organizing the Conference was with the aim of transferring and enabling learning, knowledge, inspiration, technology, and entrepreneurship for all targeted classes.

IASB Amends Definition of Business in IFRS Standard on Business Combinations

LONDON - The International Accounting Standards Board (IASB) issued narrow-scope amendments to IFRS 3 Business Combinations to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets.

The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance.

Distinguishing between a business and a group of assets is important because an acquirer recognizes goodwill only when acquiring a business.



The amendments arose from a post-implementation review (PIR) of IFRS 3, an assessment carried out to determine whether an IFRS Standard works as intended. Following feedback from the PIR, the Board is also working on another project linked to IFRS 3 in which it is exploring possible improvements to the accounting for goodwill.

Companies are required to apply the amended definition of a business to acquisitions that occur on or after January 1, 2020. Earlier application is permitted.

www.ifrs.org

IAASB Revises Standard for Auditing Accounting Estimates



LONDON - The International Auditing and Assurance Standards Board (IAASB) has released a revised standard for auditing accounting estimates and several related disclosures.

International Standard on Auditing (ISA) 540 (Revised) aims to help auditors of banks, insurance companies and other financial services firm deal with new accounting standards from the International Accounting Standards Board and the Financial Accounting Standards Board

for loan provisions and insurance contracts, especially the estimates associated with them.

The revised ISA 540 standard is part of the IAASB's wider effort to improve audit quality around the world. It's also the first to be finished in a broader program known as "Addressing the Fundamental Elements of an Audit." Some of the main changes in the revised standard include:

- An improved risk assessment requires auditors to consider complexity, subjectivity and other factors, along with estimation uncertainty, more thoroughly, thinking more about the risks inherent in accounting estimates.
- There's a tighter link between the risk assessment and the data, methods and assumptions employed in producing accounting estimates, including the use of complex models.
- Specific material demonstrates how the standard can be applied to all kinds of accounting estimates.

- The standard emphasizes the need to exercise appropriate professional skepticism when auditing accounting estimates, encouraging a more skeptical and independent mindset for auditors.

ISA 540 (Revised) takes effect for financial statement audits for periods starting on or after Dec. 15, 2019.

The IAASB operates with the support of the International Federation of Accountants, Both the IAASB and IFAC have come under pressure in the past year from the Monitoring Group,

a group of financial and audit regulators from around the world, to open up the standard-setting process further to people from outside the accounting and auditing profession. The IAASB is encouraging other parties in the financial reporting supply chain, especially regulators, national standard-setters and firms, to work together on implementing the revised standard, which could have a far-reaching impact on the audit of financial statements. The IAASB said it would provide implementation support to help auditors navigate and apply the revised standard.

www.ifac.org

IASB Discusses Next Steps in Implementation Support for IFRS 17



LONDON - During its October meeting, the International Accounting Standards Board (IASB) discussed feedback it has received from stakeholders about the new insurance contracts Standard, IFRS 17. This feedback has allowed the Board and its technical staff to better understand the concerns relating to the implementation of IFRS 17, and whether further steps, including possible standard-setting, is required.

The Board remains committed to helping insurers implement the new Standard and has previously stated that it will respond to implementation challenges if required. In the October meeting, the Board considered whether to respond to the feedback received but was not asked by staff to make decisions about whether to propose any changes to the Standard.

At this meeting, the Board agreed on the criteria it will use in evaluating potential changes to IFRS 17, namely that any changes should not:

- result in less useful information for investors;
- disrupt existing implementation processes; and
- risk undue delays in the effective date of a Standard that is much-needed to address inadequacies in the current wide range of insurance accounting practices.

The Board will discuss whether there is a need to propose changes to IFRS 17 in the coming months. It is too early to say whether these discussions will result in any proposals to change the Standard.

If any changes were to be proposed, the Board will follow its normal due process for standard-setting, which includes a public consultation.

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