

# IASCA Newsletter

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YOUR GATE TO ACCOUNTING, AUDITING AND CODE OF ETHICS

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## Abu-Ghazaleh and Kharabsheh Sign a Contract to Implement Audit Methodologies Development Project



*Abu-Ghazaleh: The Society and the Bureau are partners in implementing the project with the support of the World Bank*

*Kharabsheh: The Bureau considers TAG-Org as one of the national institutions that serve the national economy*

**AMMAN** – The International Arab Society of Certified Accountants (IASCA), chaired by HE Dr. Talal Abu-Ghazaleh, and the Audit Bureau chaired by HE Dr. Abed Kharabsheh, signed the contract of the audit methodologies development project for Jordan Audit Bureau in the presence of the representative of the World Bank Mr. Jad Mazahreh.

This contract has come after the Society won the tender of strengthening the institutional capabilities of the employees of Jordan Audit Bureau through the development of the audit methodologies conducted in the Bureau financed by the World Bank. This project involves the preparation of operating procedures manuals, guidelines and

workshops. In addition, it would apply leading audit projects to the state-owned businesses according to the best international standards and practices; taking into account the applicable legislations. It also includes auditing of major projects of the public-private partnerships.

The contract aims to implement the Bureau's plan for executing development projects and increasing level of professionalism in some specialized fields of audit including the financial audit of the government-owned businesses, the audit of the major projects of the public-private partnerships as well as the enhancement of the quality of the audit outcomes and

the administration letters as a part of the financial audit and the audit methodology that manages the major projects for public-private partnerships.

Dr. Abu-Ghazaleh stressed “the Society and the Bureau are partners in implementing this project with the support of the World Bank that always focuses on the sustainable and capacity-building projects.”

He thanked President of the Bureau for his prominent role in safeguarding the public assets, pointing out to the importance of the project in achieving this goal.

He clarified “this agreement is a true embodiment of the public-private partnership that His Majesty King Abdullah II persistently called for, pointing out that education is a constant need that does not stop at a certain point.

He added: “We, at TAG-Org, continuously concentrate on training and development. Our main mission is to build capacities at the Jordanian and world levels to achieve education democracy for all in different places and regions through Talal Abu-Ghazaleh University.”

Meanwhile, Mr. Kharabsheh expressed his happiness for signing the contract and thanked Dr. Abu-Ghazaleh for his work and knowledge in the field of auditing and for being one of the famous personalities in many professional fields in Jordan and the world.

He stated “the Bureau considers TAG-Org as one of the national institutions that serves the national economy and

one of the highly-qualified leading competitive institutions”, expressing his happiness with this cooperation in the development of the accounting profession.

He also stressed that “this agreement is a progress toward professionalism through the public-private mutual efforts as a tool to improve the quality of performance, support and ongoing development for the state institutions.

On his part, Representative of World Bank Mr. Mazahreh stressed “the World Bank is always happy with these partnerships whose mission is to serve the national economy”, expressing hopes that “this project will achieve the best results at the end of its application.”

The project consists of three phases: implementing the audit procedures manuals, holding workshops for training on manuals and applying manuals through field audit of a sample of the state-owned and partially state-owned businesses.

According to the tender, International Public Sector Accounting Standards Book, which is to be translated by the Society, will be distributed to the Bureau’s employees.

It is noteworthy that the Society started with the second phase of the Bureau’s first tender which it won before, relating to the preparation of training courses for the institute affiliate of the Bureau.





# IPSASB Strengthens Standard-Setting Process, New Consultative Advisory Group (CAG) Established, Inaugural CAG Chair Announced

# IPSASB

International Public  
Sector Accounting  
Standards Board®

**NEW YORK** – The International Public Sector Accounting Standards Board® (IPSASB®) announced the establishment of a new forum—the IPSASB Consultative Advisory Group (CAG)—that will have representatives of public and private sector organizations and individuals who are interested in or affected by the IPSASB’s work, including those engaged in the preparation, audit, or evaluation of public sector financial reports.

The CAG will provide advice to the IPSASB on:

- The IPSASB’s strategy and work plan;
- IPSASB’s projects, including views on technical issues or matters that may impede adopting and implementation of International Public Sector Accounting Standards™ (IPSAS™); and
- Other matters relevant to the IPSASB standard-setting activities.

The inaugural meeting of the CAG is provisionally planned for June 2016 in Toronto, Canada.

“The formation of the CAG marks an important milestone in further strengthening of the governance arrangements for the IPSASB following the creation of the Public Interest

Committee (PIC) earlier this year. The CAG’s establishment responds to a key recommendation in the governance review group’s report and will serve to further strengthen the IPSASB’s standard-setting processes by enabling additional dialogue with key stakeholders,” said IPSASB Chair Andreas Bergmann.

Accompanying this announcement of the formation of the IPSASB CAG is a call for nominations of representatives from organizations, or individuals, interested in serving as a member of the IPSASB CAG. The IPSASB is particularly interested in nominations of users of public sector financial reports and representatives of governments and other public sector entities, including preparers. Nominations are also encouraged from parliamentarians, public sector auditors, regulators, non-governmental organizations, and other regional and international organizations. The call for nominations will remain open until February 19, 2016. Further information about the call for nominations is available on the IPSASB web site.

The IPSASB today also announced the appointment of Thomas Müller-Marqués Berger as the inaugural Chair of the IPSASB CAG. He will serve as appointed CAG Chair for up to two years during the

initial meetings of the CAG until arrangements are in place by which the CAG will elect a chair from its own membership.

“I welcome the important challenge of leading the CAG in its formative period and ensuring it has a stable foundation to provide the IPSASB with timely input to help contribute to the development of high-quality IPSAS,” said Mr. Müller-Marqués Berger.

Mr. Müller-Marqués Berger brings a wealth of leadership and public sector accounting experience to the CAG. Currently, he is the Global Head of International Public Sector Accounting for Ernst & Young and the Chair of the Public Sector Group of the Fédération des Experts-comptables Européens. Mr. Müller-Marqués Berger has a long and distinguished record of participation in dialogue on public sector accounting and accounting standard setting nationally and internationally, including former service on the IPSASB.

“The IPSASB is fortunate that Thomas has agreed to become the CAG’s inaugural Chair. He is a leader in the field of public sector accounting and is deeply involved in key initiatives, including the European Public Sector Accounting Standards project.” said incoming IPSASB Chair, Ian Carruthers.

The Public Interest Committee (PIC) welcomes these developments from a public interest perspective.

## IASCA Honors Students Participating in IACPA Qualification Course



**RAMALLAH, Palestine** –In cooperation with the International Arab Society of Certified Accountants (IASCA), the Center of Continued Education at the Ahliya University in Palestine honored the students of the University who attended the qualification course for IACPA . The course comes as a part of the cooperation agreement signed between the IASCA and the Palestinian Ahliya University in the field of professional training services. The ceremony took place in the

presence of Mr. Imad Al Zeer, director of the Center of Continued Education, Dr. Sari Shqour, IASCA – Palestine coordinator; Prof. Fayez Abu Amria, dean of the Faculty of Business and Ms. Asma Subaih, coordinator of the Center of Continued Education, in addition to a number of instructors, trainers and participants.

Mr. Al Zeer inaugurated the ceremony by welcoming the attendance and extending gratitude to IASCA for its continuous

corporation and full support for this course to be successful, and its provision of the various professional training services to the University students. He also stressed the importance of continued and joint cooperation with IASCA to hold future courses in the fields of accounting and auditing.

On his part, Dr. Shqour explained to the students the importance of such professional courses and how they promote their job opportunities in local labor market. He also highlighted the main professional certificates and qualifications provided by the IASCA such as IACPA, IACMA and IFRS.

In her speech, Ms. Subaih clarified that the course lasted for five months; April to October 2015; with 160 training hours on subjects of IACPA qualification such as; Finance and Economics, Accounting, Auditing and Legislations. Moreover, she stressed the continuation of such training courses in financial and accounting fields.

## Saudi Arabia to Require Use of IFRS Standards in 2017 and IFRS for SMEs in 2018

**LONDON** - IFRS Standards will be the financial reporting framework for all listed companies in Saudi Arabia starting in 2017, and the IFRS for SMEs will be the reporting framework for unlisted companies starting in 2018.

Adoption of IFRS Standards is part of a 'Project for Transition to International Accounting and Auditing Standards'. Currently, the Saudi Arabian Monetary Authority (which is the Saudi Arabian central bank) requires banks and insurance companies in Saudi Arabia (both listed and unlisted) to report using IFRS Standards.



# ASCA (Jordan) Issues the Arabic Translated Version of the International Financial Reporting Standards 2015



**AMMAN** - The Arab Society of Certified Accountants (Jordan) issued the latest Arabic translated version of the International Financial Reporting Standards.

The only official printed edition of the consolidated text of the IASB's authoritative pronouncements as issued on January 1, 2015.

## What's New?

This edition is presented in two volumes, parts: A and B. It includes the following changes made since January 1, 2014:

- One revised Standard—IFRS 9 “Financial Instruments,”  
In response to requests

from interested parties that the accounting for financial instruments should be improved quickly, the IASB issued the completed version of IFRS 9 in July 2014, which includes:

- A. A model for classifying financial assets that is driven by an asset's cash flow characteristics and the business model in which it is held;
- B. A model for classifying financial liabilities, including recognition in other comprehensive income, rather than in profit or loss, of gains (and losses) that are due to the deterioration (improvement) in an entity's own credit risk on financial liabilities that an entity has elected to measure at fair value;
- C. A single, forward-looking ‘expected loss’ impairment model for financial assets not measured at fair value through profit or loss that requires entities to account for expected credit losses from when the financial assets are first recognized, and to recognize full lifetime expected losses when credit risk has increased

significantly since initial recognition; and

- D. A hedge accounting model that more closely aligns the accounting treatment with the entity's risk management activities and (in IFRS 7 Financial Instruments: Disclosures) provides enhanced disclosures about risk management activity.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with earlier application permitted.

- Two new Standards—IFRS 14 “Regulatory Deferral Accounts” and IFRS 15 “Revenue from Contracts with Customers”;
- Annual Improvements to IFRSs 2012–2014 Cycle (which contained separate amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34); and
- Amendments to the following Standards: IFRS 10, IFRS 11, IFRS 12, IAS 1, IAS 16, IAS 27, IAS 28, IAS 38 and IAS 41.
- This edition includes amendments to Standards that have an effective date after January 1, 2015. It does not contain Standards that are being replaced or superseded but remain applicable if the reporting entity chooses not to adopt the newer versions early.

## Toward Good Regulation—From Crisis to Confidence

### IFAC Paper Examines Principles of Good Regulation Ahead of Roundtable Discussions



**NEW YORK** – The evolving global regulatory environment and its role in improving growth, investment, and stability is the subject of a new International Federation of Accountants® (IFAC®) discussion paper that was launched, entitled “From Crisis to Confidence: the Role of Good Regulation”.

The paper focuses on the importance of globally consistent “good regulation” to underpin confidence in the global economy. It examines the impact, benefits, and costs of the current



regulatory landscape, and compares internationally recognized principles of good regulation.

“Good regulation is essential to the fairness, efficiency, and effectiveness of economies. Making regulation work in the public interest is a never-ending mission,” said Fayezul Choudhury, IFAC Chief Executive Officer. “Our discussion paper will facilitate a focused conversation on how regulatory responses to

financial crises have played out, where the issues stand today, and what the lessons are.”

“During the immediate pressure of crisis decision making, such reflection is not always possible,” said Mr. Choudhury. “Taking stock now is essential. Strengthening the global financial system’s capacity to anticipate, respond, and collaborate is paramount—especially before the next inevitable shock to challenge

the global economy.”

IFAC is seeking written comments from the research community on key regulatory issues including: What has been achieved, what is working well, and what problems are emerging? What are the main costs and impacts? What is good regulation? Please contact Amir Ghandar, Senior Policy Adviser, Public Policy and Regulation, at [AmirGhandar@ifac.org](mailto:AmirGhandar@ifac.org) for more information.

## IAESB CONSULTS ON GLOBAL ACCOUNTING EDUCATION NEEDS, SEEKS FEEDBACK ON FUTURE STRATEGY AND PRIORITIES



**New York** – The International Accounting Education Standards Board™ (IAESB™) released a Consultation Paper, [Meeting Future Expectations of Professional Competence: A Consultation on the IAESB’s Future Strategy and Priorities](#).

The IAESB’s proposed vision and strategy for 2017-2021 builds on the foundation for quality education established by its revised IES™ and the Education Board’s work to support the effective implementation of these standards. The IAESB recognizes that professional accountants are operating in an environment that is continuously changing. These changes are having an impact on the initial and continuing

professional development needs of professional accountants and the demands placed on professional accountants globally.

“Accounting education remains a fundamental pillar in improving the quality of reporting and auditing financial statements,” said IAESB Chair Chris Austin. “The aim of the *2017-2021 IAESB Strategy and Priorities* is to enhance further the competence and judgment of professional accountants and contributes to a strengthening of public trust and confidence in the quality of their work.”

The IAESB is proposing its work be directed by four priorities, beginning in 2017:

- Enhancing existing standards;
- Developing new standards to fill identified gaps in professional

- accounting education;
- Preparing material to support adoption and implementation of the IES; and
- Facilitating thought leadership on relevant issues.

Comments are invited from all stakeholders interested in or affected by the quality and relevance of accounting education, as safeguarded through the IES. Feedback is especially encouraged from IFAC Member Bodies in all jurisdictions; stakeholders in public policy, regulatory, public accounting and other relevant communities; professional accountants in business, government, and academia; and employers of professional accountants.

### How to Comment

To access the Consultation Paper and submit comments, visit the IAESB’s website at [www.iaesb.org](http://www.iaesb.org). Comments are requested by March 8, 2016.



## **FOR MORE INFORMATION**

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