

# IASCA Newsletter

November 2015 - Issue 12

**YOUR GATE TO ACCOUNTING, AUDITING AND CODE OF ETHICS**

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## Abu-Ghazaleh Selected among 28<sup>th</sup> Most Influential Muslim Business Personalities in the World



**AMMAN** - The Royal Islamic Strategic Studies Center (RISSC), a Jordanian think tank, selected HE Dr. Talal Abu-Ghazaleh among the World's 28 Most Influential Muslims in business sector in 2016.

Dr. Abu-Ghazaleh was selected for his influence in the world in the business sector in the Middle East and North Africa.

According to the report issued by the Center, he is credited with introducing the concept of intellectual property into the Arab world.

Abu-Ghazaleh has been selected as deputy Chairman of the UN Global Compact, as well as being appointed by the UN as Chair of UN Global Alliance for ICT and Development.

The report also stated that the name of Dr. Abu-Ghazaleh is being listed in the IP

Hall of Fame in Chicago, USA. According to the Center, the selection and nomination of individuals depends on a number of criteria including their influence in the Muslim world and their ability to serve Muslims and their charitable causes in addition to their contribution in supporting science and scientists and in disseminating knowledge and awareness among the Islamic nations.

The Royal Islamic Strategic Studies Centre is an independent research entity affiliated with the Royal Aal al-Bayt Institute for Islamic Thought. The Royal Aal al-Bayt Institute for Islamic Thought is an international Islamic non-governmental, independent institute headquartered in Amman, the capital of the Hashemite Kingdom of Jordan.

Link of the list:

<http://themuslim500.com/download>

## IASCA Votes for New Members of IFAC Membership



### International Federation of Accountants

**SINGAPORE** – The International Federation of Accountants® (IFAC®), the global organization for the accountancy profession, announced its new Board members and associates, elected at its annual Council Meeting.

Four members were elected to IFAC’s Board: Bill Balhoff (United States), Alan Johnson (United Kingdom), Terence Nomembe (South Africa), and Dr. Zhiguo Yang (China). The IFAC Council also re-elected: Carol Bellringer (Canada), Norunn

Byrkjeland (Norway), Pamela Monroe Ellis (Jamaica), and Prof. In-Ki Joo (Republic of South Korea).

Welcoming the new Board members, IFAC President Olivia F. Kirtley said, “Through our global membership, IFAC represents nearly three million professional accountants who work in the public interest to strengthen organizations and enhance the global economy. The new and re-elected Board members represent the depth and breadth of the profession’s talent, as well as its diversity.”

The IFAC Council also voted to admit new associates from Africa and Asia:

- Ordre des Experts Comptables et Comptables Agréés du Burkina Faso (ONECCA-BF)
- The Vietnam Association of Certified Public Accountants (VACPA)

IFAC Chief Executive Officer Fayeze Choudhury said: “It is with pleasure that we welcome, after a comprehensive admission process, these IFAC associates. Our new associate from Burkina Faso is the first professional accountancy organization from that country to join IFAC, while VACPA is the second organization to join from Vietnam. We welcome them into the global profession and look forward to working together to advance IFAC’s mission of supporting global economic growth and development.”



## During the opening of the 1st branch of the IASCA– Al-Quds University (Palestine) Abu-Ghazaleh: “We seek to support Palestinian youth to build their professional capacities”

**JERUSALEM, Palestine** - The first branch of the International Arab Society of Certified Accountants (IASCA), presided and founded by HE Dr. Talal Abu-Ghazaleh, was inaugurated at the campus of the Al-Quds University in Abu Dis in Palestine under the patronage of the University President Dr. Imad Abu Kishk in the presence of Talal Abu-Ghazaleh Organization (TAG-Org) Executive Director and IASCA Board member in Palestine Mr. Jamal Milhem, in addition to a number of prominent personalities.

The branch was established to become an accredited training center at the University for Qualification Programs namely; the “International Arab Certified Public Accountant (IACPA)”, “International Arab Certified Management Accountant (IACMA), and other specialized training programs in the fields of accounting and auditing. Accordingly, the branch will be an accredited examination center to grant such professional certifications.

Milhem stated that TAG-Org, represented by its Chairman Dr. Abu-Ghazaleh, seeks to make this center the first of other centers to be established at other Palestinian universities. These centers aim to support Palestinian youth in building their professional capacities and provide training sessions to sharp their skills and develop their qualifications to grant them equal

Tuesday 27 October 2015

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### افتتاح فرع المجمع الدولي العربي للمحاسبين القانونيين بجامعة القدس



القدس كمؤسسة أكاديمية ممثلة بدائرة المحاسبة والمجمع الدولي العربي للمحاسبين القانونيين، بحيث سيقوم فرع المجمع بتقديم العديد من الدورات المهنية للتخصصية والمؤهلة للحصول على شهادات مهنية عالمية في مجال المحاسبة والتدقيق كشهادة محاسب دولي عربي قانوني معتمد (IACPA) وشهادة محاسب اداري دولي عربي معتمد "IACMA" بالإضافة الى شهادة خبير في معايير التقارير المالية الدولية "IFRS". كما تم عقد ورشة عمل بعد الافتتاح بعنوان: "مدى تطبيق معايير المحاسبة الدولية في فلسطين" شارك فيها ملحم ودعود وقام كامل أبو كويك بإدارتها ، بحضور د. ساهر عقل رئيس دائرة المحاسبة وطالبة كلية الأعمال والاقتصاد ، بالإضافة الى الطاقم الأكاديمي للكلية.

العملية ، مؤكداً على أن هذا المجمع لطيفة الجامعة أولاً ثم للمجتمع الفلسطيني ثانياً. وحث أبو كوشك الطلبة على الاستفادة من هذا المجمع ، واستغلال سنواتهم الدراسية في الجامعة لتطوير قدراتهم. وفي ذات السياق ، أوضح جمال ملحم ، أن الهدف الأساسي لافتتاح هذا الفرع هو تعزيز قدرات الطلبة ، وتوسيع مداركهم، وتأهيلهم للحياة العملية، وأشار إلى أن جامعة القدس هي أول جامعة فلسطينية تعتمد في برامجها في تدريس تخصص المحاسبة على معايير للمحاسبة الدولية، وأن هذا يتيح لطلبتها أن تكون لديهم الجاهزية والمنافسة في سوق العمل. ويأتي افتتاح هذا الفرع للمجمع ، كخطوة هامة لتعزيز الشراكة والتعاون بين جامعة

القدس - افتتحت أمس ، جامعة القدس فرعاً للمجمع الدولي العربي للمحاسبين القانونيين في مكتبة منيب الصري ، بحضور الأستاذ الدكتور عماد أبو كوشك رئيس الجامعة والمدير التنفيذي لمؤسسة طلال أبو غزالة وممثل المجمع جمال ملحم وأحمد دعود ممثلاً عن جمعية مدققي الحسابات القانونيين الفلسطينية، والأستاذ الدكتور محمود الجعفري عميد كلية الأعمال والاقتصاد والدكتور رشيد الجبوسي مدير مكنتبات الجامعة ، بالإضافة الى أعضاء هيئة التدريس في كلية الأعمال والاقتصاد وممثلين عن المجتمع المحلي والطلبة . وعبر أبو كوشك عن سعادته بافتتاح هذا الفرع ، إذ أنه الفرع الوحيد للمجمع داخل جامعة فلسطينية، سيقدم دورات تدريبية في تخصص المحاسبة تصقل مهارات الطالب

opportunities at local and international markets by receiving IASCA international professional certificates.

Mr. Milhem praised the University's efforts in elevating the quality of accounting education and promoting graduates' capacities with the view of increasing their chances in business fields. At the

same time, he stressed IASCA and TAG-Org's willingness to cooperate and help by all means to achieve this goal.

On his part, Dr. Abu Kishk expressed his gratitude to TAG-Org and IASCA for their support in establishing IASCA's center in Al-Quds University; highlighting the importance of this center in raising

the academic level of institutions in Palestine, by introducing modern teaching methods to the academia and developing the educational environment and educational methods as well as providing students with **extracurricular** activities, in addition to enhancing education with practical case

studies in all fields .

The opening ceremony was attended by Prof. Dr. Mahmoud Al Jaafari, Dean of the Faculty of Business; Dr. Saher Aqael, Head of Accounting Department; Dr. Sari Shqour, IASCA – Palestine coordinator; Dr. Rasheed AL Jayousi, Director of Libraries

at the University; and Mr. Ahmad Dadou, Board member of Palestinian Association of Certified Public Accountants in addition to a number of university staff, representatives of civil society institutions, and university students from various specializations in the Faculty of Business.

## IASCA Participates in the International Conference on Accounting: “Cooperation Today - Tomorrow’s Reality”



ORGANISED BY



**KUALA LUMPUR** - The Arab International Society of Certified Accountants (IASCA) participated in the annual International Conference held under the theme (Cooperation Today - Tomorrow’s Reality), the Conference was organized by the Malaysian Accounting Foundation (MIA), and attended by around 2700 participants from 30 countries around the world.

Through sixteen professional sessions and presentations given by 60 speakers from business and financial leaders of the world, the Conference highlighted a number of important topics and the most pressing

issues, challenges and opportunities in the world of accounting and business today. One of these topics is the role of accountants in enhancing transparency in the public sector, and in the management of financial and economic crisis in the era of social media.

Mr. Paul Thompson, director of global accounting profession support at the International Federation of Accountants (IFAC) also spoke of the auditor’s report underlining that “the annual report is an important document for investors as it is in the public interest that the auditor would conduct a “smart reading” of the annual report in the context of the overall knowledge obtained during the audit and review process, and to implement specific measures to ensure that the annual report is not substantially inconsistent with the audited financial statements.”



# IFAC Study Shows Accountancy Strongly Linked to Prosperity, Improved Living Standards

*Study Finds Accountants Contribute A Half Trillion Dollars to Global Economy*



## International Federation of Accountants

**SINGAPORE** – The accountancy profession is strongly linked to national economic growth and improved living standards, and it contributes USD \$575 billion annually to the global economy, according to a report by the International Federation of Accountants® (IFAC®), the global organization for the accountancy profession.

Fayez Choudhury, IFAC Chief Executive Officer, said, “This report highlights the scale of the profession’s importance to the global economy. It confirms a particularly exciting economic opportunity in the rapidly developing Asian and South American regions. And the findings verify the profound importance of IFAC’s mission—and that of the global profession—to help strengthen accountancy capacity in developing countries, where accountants have a significant role to play in strengthening the institutions and architecture that will improve peoples’ lives.”

accountancy profession to improved living standards for citizens.

Launched at the Singapore Accountancy Convention, Nexus 2: The Accountancy Profession—A Global Value Add, a study conducted by the independent Center for Economics and Business Research (Cebr), found that:

- Global regions with a higher share of accountants in total employment have a higher per capita GDP.
- The correlation between the share of accountants in total employment and the UN Human Development Index (HDI) is even stronger. The HDI measures a number of indicators including life expectancy, years of schooling, and income.
- The global accountancy ecology—which includes members of IFAC professional accountancy organizations (PAOs) as well as people who identify their roles as accountancy or accountancy support—contributes an estimated \$575 billion gross value added (GVA) annually to the global economy and, of this

amount, IFAC PAO members contribute 43%.

- Highly developed countries in North America and Europe dominate the GVA of the global accountancy ecology; Asia’s contribution is third highest.
- There are 640,000 members of IFAC PAOs in Asia—but with an estimated 2.6 million accountants employed in Asia in 2013, a significant opportunity exists to strengthen the profession in a unified voice.

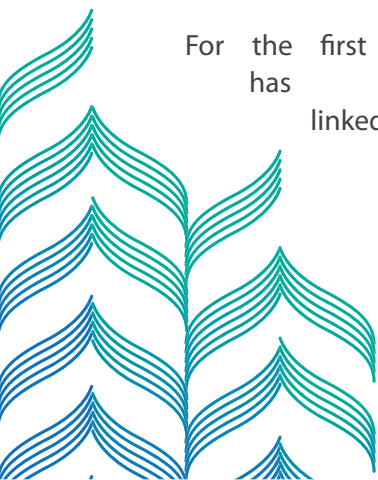
“Professional accountants contribute to better information, reporting, measurement and decision making. When nations have a robust system to track the flow of money in government, within businesses, and between organizations, transparency and accountability are improved, organizations are strengthened, and economies are enhanced,” Mr. Choudhury said.

A panel of leading regional and global figures in the accounting profession presented the report’s findings to an audience comprised of leaders in the public and private sectors.

### Methodology

Cebr calculated the gross value added (GVA) of the accountancy sector using official datasets, or where data was poorer, by comparing average wages and then computing GVA per capita across the economy.

For the first time, IFAC has definitively linked a strong



## Various Workshops Held at IASCA's First Branch in Jerusalem and Ramallah



**JERUSALEM, Palestine** - The International Arab Society Certified Accountants (IASCA) held a workshop entitled "The extent of applying the International Accounting Standards in the Public Shareholding Companies in Palestine". The workshop was held in cooperation with Al-Quds University in Abu Dis campus and attended by the Chair of Accounting Department Dr. Saher Aqel, and administered by the staff member of the Accounting Department Mr. Kamel Abu kuwiek, as well as students of the College of Business and Economics and the academic staff.

The workshop was presented by Mr. Jamal Milhem, the Executive Director at Talal Abu-Ghazaleh Organization and IASCA representative in Palestine where he addressed the application of the international accounting standards in Palestine.

During the workshop, Mr. Milhem also explained

the applications and use of the international accounting standards around the world, in general, and in Palestine in particular. He stressed the importance of using the international accounting standards in the auditing operations carried out by the Palestinian auditing firms. Mr. Melhem also pointed out that Al-Quds University was the first Palestinian University to adopt the international accounting standards in its accounting academic program, which enables the students to be ready and competitive in the labor market.

Mr. Ahmed Dadoa, Board Member of the Palestinian Auditors Association presented during the workshop a paper on the application of auditing standards in Palestine and the applications of the international standards on auditing. He explained the types of risks facing the auditor in the accounts auditing process and mentioned the following risks: inherent risks, control risks and disclosure risks.

At the end of the workshop, Mr. Sari Chakour, Coordinator of the International Society in Palestine presented brief about the International Arab Society of Certified Accountants and introduced the students to the qualifications and professional certificates granted by the international Society. Besides, all professional publications released by the International Society were introduced. The workshop also addressed the importance of training courses for the graduates of the Faculty of Commerce in the area of accounting and the main advantages gained by the participant from such courses and the scientific qualifications that help secure jobs and senior positions in the labor market.

IASCA branch has held, in cooperation with the Modern University College, an introductory workshop about the International Arab Society and tackled various issues including the introduction of international professional certificates: IACPA, IACMA and IFRS.

The workshop also discussed the international professional publications and books issued by the International Society and membership benefits.

Moreover, Ms. Lubna Sbaih, deputy dean of the Modern University College said: "This workshop is part of the College's constant efforts aimed at establishing contacts and networking with active organizations inside and outside the country so as to enrich knowledge of the students at both the theoretical and practical levels."

# Abu Dhabi Leads the Way in Adopting Sustainable Accounting Standards



Fayeze Choudhury  
IFAC chief executive

ABU DHABI - Thanks to policymakers, Abu Dhabi's economy has evolved beyond recognition in the past half-century and is well-positioned for continued growth.

At the core of the Emirate's success is its sustainable development plan: Economic Vision 2030, a long-term roadmap for economic progress and high quality public services. A critical component underpinning the Emirate's long-term success is the modernization of its public sector financial management.

Enhancing public financial management, including improved accounting and reporting arrangements, is essential to supporting more effective and efficient public services, increasing economic growth and minimizing the incidence of fraud and corruption. Earlier this year, Sheikh Mohammed bin Zayed, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the Armed Forces, issued a directive to the Abu Dhabi Accountability Authority to create an anti-corruption unit to maintain a financial and administrative system based on transparency and integrity, among other responsibilities.

This positive step reflects the emirate's commitment to public governance, transparency, accountability and sustainable high-quality public services for its citizens. Optimizing government operations is a priority for Abu Dhabi, and by actively encouraging strong public financial management, the government is supporting its long-term sustainable development efforts and attracting increased investment.

In many parts of the world today, including in the Middle East and North Africa, the state of public-sector accounting

hinders effective public service delivery and economic growth because available financial information does not provide the full picture necessary for public officials to make informed decisions. And without comprehensive financial information, no one really knows where the money is going. Cash accounting simply records cash inflows and outflows without taking, for example, future obligations into account.

This lack of information causes a short-sighted view of public finances, obscures the actual financial position and can lead to crippling debt that fundamentally affects the lives of future generations. A crucial step forwards, and common practice in the private sector, is adoption of accrual accounting, which takes future obligations into consideration when looking at a country's financial standing, providing a much more comprehensive picture.

Full disclosure under comparable and consistent accounting principles builds awareness of the longer-term fiscal consequences of policy decisions. In addition, improved public-sector reporting provides investors with better, more complete information and a clear picture of a government's ability to achieve its objectives



and meet its obligations.

Most countries require private-sector organizations to prepare accrual-based financial statements and have them audited in accordance with rigorous international standards. Remarkably, many of those countries do not abide themselves to similar standards in the public sector – but they should.

Governments throughout the world, including some in the Mena region, are already working towards improving their financial management to align with 21st Century needs by adopting accrual accounting to provide better-quality financial information and increased financial transparency to make better policy decisions and attract more private investment. Abu Dhabi is adopting International Public Sector Accounting Standards (Ipsas) and has already developed a new chart of accounts.

More than 80 jurisdictions throughout the world have adopted transparent accounting practices, and according

to the international accounting firm PwC, seven in 10 governments intend to use accrual accounting-based Ipsas within five years.

This is welcome news. To encourage full implementation of accrual-based IPSAS, IFAC has established a global coalition under the Accountability.

Abu Dhabi's commitment to modern, disciplined public financial management and sustainable public services for its citizens is a model for others throughout the region. I encourage all governments to improve their financial management, including adopting better accounting standards that enable transparency and accountability. The sooner governments do this, the sooner they will be able to make better, more informed decisions that benefit their constituents, improve resource allocation and stimulate economic growth.

**Fayez Choudhury is chief executive of the International Federation of Accountants.  
Abu Dhabi Media Company**

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