

IASCA Newsletter

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YOUR GATE TO ACCOUNTING, AUDITING AND CODE OF ETHICS

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Abu-Ghazaleh Calls for Upgrading the Internal Auditing Profession to Operate by Modern Technologies



DUBAI - HE Dr. Talal Abu-Ghazaleh, chairman of Talal Abu-Ghazaleh Organization (TAG-Org), affirmed that Internal Auditing is a strategic partner of modern management in the knowledge age, which makes it imperative to transform its operating modality to using modern technologies, so as to keep pace with the rapid developments occurring in the working methods in different parts of the world.

During his keynote speech at the 17th Annual Regional Audit Conference (ARAC) organized by the UAE Internal Auditors Association (UAE IAA), Dr. Abu-Ghazaleh said, "If we, as internal auditors, do not keep pace with the rapidly developing technologies, our profession - in its traditional image - will be obliterated and will leave no trace or impact behind."

Dr. Abu-Ghazaleh stressed on the need to change the name of this profession as internal auditor, on the grounds that the auditor's role also includes being part of the administration and in improving the working system of a company, institution or a nation in general. In addition, he underlined the need for internal auditors who know how to use tools of modern technologies, and familiarize themselves with Internet uses. Dr. Abu-Ghazaleh indicated that this is essential for transforming the role of the internal auditor from a traditional one to that of an expert level in Information Technology in order to be able to deal with the business movement of smart cities at the right progressive pace.

Dr. Abu-Ghazaleh pointed out that Dubai is the only selected city named as a smart city among the Arab world and included on a list

of about 20 smart cities from all over the world, which makes it inevitably compelling for all its internal and external auditors to change and adapt in line with the knowledge revolution. Dr. Abu-Ghazaleh indicated that the UAE has played a leading role at Arab and regional levels in the field of Internal Auditing, and has become today a strong rival for many countries on the global level – thanks to the creative and innovative approach followed by the government, and in striving to streamline in all areas of business on both the public and private levels.

Dr. Abu-Ghazaleh expressed his thanks to HE Mr. Abdul Qader Obaid, Chairman of the Board of the IAA in the UAE, for inviting him to participate in the conference. The ARAC in its current session was held under the slogan “Innovation at Work” in all areas and at all government and private institutions. It was attended by more than 1,000 internal auditors, compared with 750 internal auditors last year. Furthermore, the ARAC is considered the largest “Smart” conference concerned with Internal Auditing in the Middle Eastern region.

IASCA Participates in the 10th Annual Forum of GCCAAO: “A Profession without Borders”



Kuwait – The International Arab Society of Certified Accountants (IASCA) took part in the 10th Annual Forum of GCC Accounting & Auditing Organization (GCCAAO): held under the theme “A Profession without Borders” with special focus on the role of regional and international professional organizations in the advancement of the accounting profession.

The Forum gathered many elite figures in the accounting and audit professions, including representatives of the

International Federation of Accountants (IFAC), the Institute of Chartered Accountants in England and Wales

(ICAEW), a member of Professional Accountants in Business Committee of IFAC and Division President-Sub-Saharan Africa at MasterCard Worldwide Middle East & Africa Region, Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), management of GCCAAO and the National Authority of Qualifications & Quality Assurance of Education & Training (QQA) in Bahrain.

Ms. Kelly Anerud, Director of Intellectual Capital IFAC discussed the Arabic translation of IFAC publications and pointed out the importance of the role that Middle East partners play in supporting such projects.

Ms. Anerud also highlighted IASCA’s focal role in translation of IFAC publication into Arabic, making them accessible to non-English speakers. By doing so, IFAC insures proper, easy and in-depth understanding of the content of such publications, advancing audit and accounting professions and facilitating their application and use.

Act Now: May is International Internal Audit Awareness Month



MAITLAND - Internal auditors around the world are joining together to build awareness about the importance of internal auditing this May during International Internal Audit Awareness Month.

Awareness month efforts offer internal auditors a heightened opportunity to advocate for the

profession, both within their organizations and in their communities. The Institute of Internal Auditors (IIA) and its

chapters and Institutes are actively promoting the value internal auditing brings to organizations, hosting forums and roundtables, and so much more! But beyond this annual monthly recognition of our profession, internal auditors must make a conscious effort to enhance awareness year-round.

As IIA President and CEO Richard Chambers said in a blog post, “Every time you undertake a risk assessment, launch an engagement, conduct an interview, or publish a final report, you must strive to deliver internal audit as an ‘indispensable resource.’ Otherwise, the words of those extolling internal audit’s value will ring hollow.” Access the Building Awareness Toolkit for resources and tools to help you start your efforts today.

Intensive Activities by IASCA - Ramallah



RAMALLAH – The International Arab Society of Certified Accountants (IASCA), Ramallah is becoming remarkably dynamic in introducing IASCA and its contribution of services delivered to the support and development of accountancy and audit profession in Palestine.

Under the patronage of Palestinian President Mahmoud Abbas, the International Book Fair was held in Ramallah with participation from Arab and foreign countries, public and private institutions in and outside Palestine and more than four hundred Palestinian and Arab publishers.

IASCA also conducted a scientific workshop targeting students in the Master's degree of accounting and taxation. The workshop was conducted at Al-Quds University campus, Abu-Dis with presence of the Head of the Accounting Department. In addition, IASCA took part in the annual Career Counseling Day at Bethlehem University sponsored by Palestine Investment Bank.

Another workshop titled "International Accounting Standards and Transformation towards International Financial Reporting Standards" was conducted at Palestine Technical University-Kadoorie in Tulkarm. The workshop targeted a number of accounting students at the Faculty of Business and Economy with presence of host of the Faculty members. A presentation on International Accounting Standard 1 (IAS 1): Presentation of Financial Statements was delivered to explain targets and scope of IAS 1 in addition to the way of how these Standards are adopted and amendments made to them.

In addition to introduction of professional certificates issued by IASCA and other professional certificates that strengthen their holder's competencies and capacities.

No More "Government Business Enterprises" in IPSASs



NEW YORK - Government Business Enterprises (GBEs) used to be an important concept in International Public Sector Accounting Standards. Previously, these standards applied to all public sector entities other than GBEs. The IPSAS Board (IPSASB) stated that GBEs applied International Financial Reporting Standards (IFRSs), which apply to profit-oriented entities, and are issued by the International Accounting Standards Board (IASB).

However, IPSASB found that its definition of GBEs proved to be ambiguous and had been interpreted inconsistently. In a recent publication, The Applicability of IPSASs, the Board announced that it has replaced the term "GBEs" with the concept of "commercial public sector entities", and removed statements that IPSASs do not apply to GBEs. The simultaneously revised Preface to International Public Sector Accounting Standards lays out the characteristics of public sector entities for which IPSASs are designed.

In brief, such entities should be responsible for the delivery of public services and/or the redistribution of income and wealth; should finance activities mainly through taxes and/or transfers from other levels of government, social contributions, debt or fees; and should not have a primary objective to make profits.

By adopting this change, IPSASB better acknowledges the role of national authorities in determining the accounting standards to be applied by different entities in their jurisdictions. Since there is no definition or description of "commercial public sector entities" in IPSASs, authorities will need to develop their own criteria to classify public sector entities, that is, to determine which entities shall apply IPSASs and which shall apply IFRSs or national accounting standards. This could be a challenging task for less developed countries with limited resources and capacities. Concerns of decreasing consistency among jurisdictions may arise, because different countries can use different criteria. Coordination among jurisdictions on this issue might prove necessary in the future.

Nevertheless, the comparability of public sector consolidated financial statements between different jurisdictions will not be influenced by this change, as long as they all apply IPSASs. According to the standards, when producing consolidated financial statements, controlled public sector entities-whether they be commercial entities or non-commercial entities-should apply the same accounting policies and be consolidated.

About the IPSASB

The IPSASB develops accounting standards and guidance for use by public sector entities. It receives support (both direct financial and in-kind) from the Government Accounting Standards Board, the Asian Development Bank, the Chartered Professional Accountants of Canada, the South African Accounting Standards Board, the New Zealand External Reporting Board, and the governments of Canada, New Zealand, and Switzerland.

IASCA Participates in Awareness Sessions and Job Fairs at Jordanian Universities



AMMAN - The International Arab Society of Certified Accountants (IASCA) participated in awareness sessions and job fairs at different universities in Jordan. IASCA presented the importance of accountancy profession and its role in advancement and development of economies of Arab and foreign countries. Currently, accountancy is one of the pioneering professions and forms fundamental element in organizations and institutions of all types. In addition to working as an accountant, a graduate of accounting can

work in different fields like audit, banking, financial and tax consultations and accounting education.

IASCA was keen to present details on programs to qualify candidates for the labor market and provide students and visitors with the opportunity to be introduced to IASCA's services and courses in addition to how they can benefit from such courses for employment purposes.

Accountants, Lawyers Resolve to Fight Corruption

Professions Recognize Cost of Corruption to Citizens and Global Economy



NEW YORK – Ahead of the Anti-Corruption Summit London 2016, the International Federation of Accountants® (IFAC®) has signed a joint statement deploring corruption alongside professional accountancy organizations and the legal fraternity in the United Kingdom.

Welcoming the joint statement, IFAC President Olivia F. Kirtley said: "Defeating corruption—and thus immeasurably improving the lives of citizens—can only be achieved through re-energized collaboration between, and commitment of, leaders from both the public and private sectors.

"Both sectors require transparent, consistent and robust anti-corruption measures, and effective internal controls that are critical to good governance and holding officials accountable. A greater focus on strong governance and compliance structures will help cultivate self reporting cultures that empower individuals to do the right thing," she said.

In March, Ms. Kirtley addressed the OECD Anti-Bribery Ministerial Meeting on behalf of the global accountancy profession. At the meeting, she highlighted the importance of greater international collaboration on whistle-blower protection laws, and the role strong organizational governance plays in identifying, preventing and addressing corruption.

"Success in the fight against corruption can only be achieved when everyone plays their part: governments and regulators ensuring that safe harbors and whistle-blowing protections are provided, and other professions ensuring that their members embrace the challenge.

"Today's joint statement highlights the vital role professional accountants and lawyers play in fighting corruption and our deep commitment to combatting it by continuing to work with governments, regulators, law enforcement agencies, and other international organizations," she said.

About IFAC

IFAC is the global organization for the accountancy profession, dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies. It is comprised of more than 175 members and associates in more than 130 countries and jurisdictions, representing almost 3 million accountants in public practice, education, government service, industry, and commerce. 'International Federation of Accountants' and 'IFAC' are registered trademarks of IFAC in the US and other countries

Arabic Translation of IFRS 2014 is Now Available Free-of-Charge



LONDON - In cooperation with IASCA and IFRS Foundation, IFRSs 2014 are now available free-of-charge on the official webpage of the Foundation <http://ifrs.org/>, IAS 1–41 and IFRS 1–13 were published, unaccompanied with the other documents.

Talal Abu-Ghazaleh International Award for Excellence in the Accounting Programs Granted to Canisius College's Tyler Owen



Talal Abu-Ghazaleh Center for Business Research at Canisius College.

In receiving the award, Mr. Owen expressed his gratitude to HE Dr. Abu-Ghazaleh for supporting the study of Accounting internationally. He also expressed his admiration of Dr. Abu-Ghazaleh and his accomplishments in building the Talal Abu-Ghazaleh Organization in a critical part of the world. Mr. Owen also stated that HE Dr. Abu-Ghazaleh should be the example for all accountants to follow.

BUFFALO, NEW YORK - The Talal Abu-Ghazaleh International Award for Excellence in the Graduate Accounting Programs at Canisius College was presented during the Annual Accounting Banquet. This year's recipient is Mr. Tyler Owen who will graduate from the MBA Program in Accounting at Canisius College in Buffalo, New York.

This prestigious award is given to a graduating student who has not only excelled in the rigorous academic program of Canisius College, but who has demonstrated the potential for contribution to the accounting profession. The award was presented on behalf of HE Dr. Talal Abu-Ghazaleh by Dr. Edward J. Gress, the Director of the

In presenting the award Dr. Gress thanked HE Dr. Abu-Ghazaleh for seeing in Canisius College an accounting program that is worthy of his support.

The Talal Abu-Ghazaleh International Award for Excellence in the Graduate Accounting Programs at Canisius College was established in 1989 and has been given each year to a graduate from the MBA Program in Professional Accounting, or from the 150-Hours MBA Program in Accounting. Outstanding graduating students who meet certain criteria are invited to apply for this prestigious award and the winner is selected by a committee from the Canisius College Council on Accountancy.



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