

المجمع الدولي لعشبي للمحاسبين القانونيين

The International Arab Society of Certified Accountants (IASCA)

عضو في طلال أبوغزاله فاؤندينشن  
Member of TAG-Foundation



# IASCA Newsletter

April 2017 - Issue 29

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



**Dr. Talal Abu-Ghazaleh**

Announces the Personal Grant Offered to Qualify the Arab World Accountants



# IN THIS ISSUE



1 Abu-Ghazaleh Provides Scholarships to Qualify Accountants in the Arab Countries



5 IAESB Strategy Focuses on Accounting Education Standards Development



2 Abu-Ghazaleh Chairs the 28th Board of Directors Meeting of ASCA (Jordan)



6 IASB Outlines Steps to Improve Disclosures in Financial Statements



3 Abu-Ghazaleh Supports IFAC's Study on the Positive Role of Accountants in Reducing Corruption



7 IASCA Participates in Job Fairs at Jordanian Universities



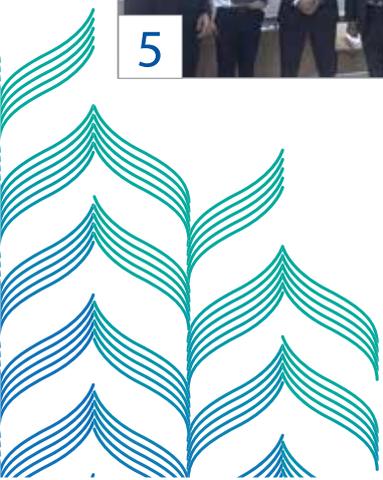
4 Former Sudanese President Field Marshal Abdul-Rahman Swar Al-Dahab Honors Talal Abu-Ghazaleh



8 Global Organizations Convene to Strengthen Public Financial Management



5 ASCA (Jordan) Organizes "Internal Audit" Training Course



## In his capacity as Chairman of the International Arab Society of Certified Accountants (IASCA)

### Abu-Ghazaleh Provides Scholarships to Qualify Accountants in the Arab Countries



AMMAN – HE Dr. Talal Abu-Ghazaleh, chairman and founder of the International Arab Society of Certified Accountants (IASCA), announced a personal grant he is offering to Arab accountants and graduates.

He said that he will personally bear 50% of the registration fees for the International Arab Certified Public Accountant (IACPA) certificate in Jordan, Lebanon, Syria, Iraq, Yemen, Egypt, and Sudan as well as the other Arab countries in North Africa.

Dr. Abu-Ghazaleh stated that any accountant or university accounting graduate is eligible to join IASCA to obtain the benefit from the offer, Towards the goal of encouraging accountants and university graduates to develop their academic and professional skills and capacities.

It is worth reminding that Dr. Abu-Ghazaleh has previously provided similar scholarships to accountants in countries experiencing hardships such as Palestine and Libya.

IACPA diploma has been developed in accordance with the Certified International Professional Accounting Qualification curriculum of the United Nations Conference on Trade and Development (UNCTAD), with the participation of experts from the Arab Society of Certified Accountants (ASCA), the Association of Chartered Certified Accountants, the Certified General Accountants Association of Canada, European Commission, Institute of Chartered Accountants in Scotland, the Accounting Standards Board of Poland, the International Federation of Accountants and representatives of academic organizations and international accounting companies which participated in their own capacity.

The International Arab Society of Certified Accountants (IASCA) was established on January 12, 1984 as a non-profit professional accounting association in London, UK. It was officially registered in Amman on February 24, 1994. IASCA aims at advancing the profession of accounting, auditing and other related disciplines on the international level.

# Abu-Ghazaleh Chairs the 28th Board of Directors Meeting of ASCA (Jordan)



**AMMAN** – The Arab Society of Certified Accountants (Jordan) / a member of the Talal Abu-Ghazaleh Foundation, held its 28th meeting chaired by HE Dr. Talal Abu-Ghazaleh, Chairman of ASCA Board of Directors, at Talal Abu-Ghazaleh Knowledge Forum (TAGKF).

During the meeting, Dr. Abu-Ghazaleh welcomed members of the ASCA (Jordan) Board of Directors, particularly its founders and main supporters for 33 years, and praised their efforts in the development of the Society’s work and activities. The Society has been the only educational, qualifying and training institution in the region that operates in the field of accounting since 1984.

Dr. Abu-Ghazaleh affirmed, “We always seek to develop accounting and management sciences through the Society”.

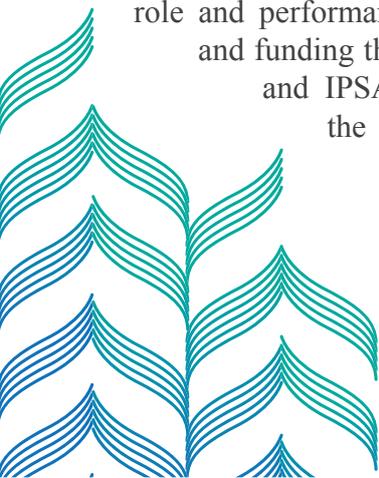
He also expressed his admiration for the Society’s role and performance in facilitating, developing and funding the translation of all IFRs, ISAs and IPSASs and other translations on the International Federation of Accountants (IFAC).

During the meeting, Mr. Salem Al-Ouri, ASCA/Jordan Executive Director, presented the Society’s administrative

report for the year ending December 31, 2016 as well as the future plans. The report contained information on the increase in the number of members and the privileges of each member, as well as the most important translated, printed and published professional publications including the monthly professional magazine, 2015 Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2015 Handbook of International Public Sector Accounting Pronouncements, 2015 Code of Ethics, Abu-Ghazaleh Accounting and Business Dictionary - Second Revised Edition and 2016 Handbook of International Education Pronouncements.

According to the report, projects based on the following tenders were implemented:

1. the design and development of training courses and the selection and training of trainers for the Jordanian Audit Bureau, funded by the international bank
2. the development of audit methodologies in specialized auditing fields for the Jordanian Audit Bureau, funded by the international bank
3. the course on audit guides for government-owned enterprises and public-private partnerships for the Jordanian Audit Bureau, funded by the international bank
4. the course on ISAs in the public and private sectors for the Jordanian Audit Bureau, funded by the international bank, and;
5. Home Pillars Trading Co.





Regarding qualification and training, the report stated, “Thirty one training and professional courses were held at the Kingdom level and benefited 328 trainers and trainees. Several cooperation and follow-up agreements were signed with different bodies.”

The meeting also included the approval of the administrative report, the final financial statements, the estimated budget and the election of an auditor for the Society.

## *In his capacity as IFAC Member*

# Abu-Ghazaleh Supports IFAC’s Study on the Positive Role of Accountants in Reducing Corruption



**NEW YORK** - HE Dr. Talal Abu-Ghazaleh, chairman of Talal Abu-Ghazaleh Organization (TAG-Org) stressed his support to a recent study by the International Federation of Accountants (IFAC) on the positive role of accountants in reducing corruption.

Dr. Abu-Ghazaleh stated that accountants do contribute to reducing corruption as part of their daily duties and that accounting profession and professional accountants’ main concern is to present the results of the private sector’s work with full transparency.

“We have been in this business since 1972 and we have always labeled this profession with high standards and integrity. The study by IFAC is comprehensive and plays a big part in understanding one of the major diseases that is plaguing our society and the world and that is corruption,” he said.

Dr. Abu-Ghazaleh is the first Arab to have served on the Board of IFAC, in addition to chairing the UN Committee of Experts on Professional Qualifications Standards and chairing the UN Intergovernmental Group of Experts on International Standards of Accounting and Reporting.

“Corruption hurts all countries and although several countries are trying hard to curb this phenomenon still it exists widely with no hope for any improvement but optimism is necessary,” Dr. Abu-Ghazaleh, Member of the Board of Trustees of the Arab Anti-Corruption Organization, added.

Dr. Abu-Ghazaleh has always called for adopting a charter of honor and a code of conduct by politicians, intellectuals, businessmen and professionals and legalizing



such instruments to ensure their enforcement and the criminalization of whoever violates their provisions in order to safeguard the unity of our society and our economic and social security.

According to Dr. Abu-Ghazaleh, independence of the accounting and auditing professions being the basis of any professional ethical system is vital, stressing the need for legislators and decision-makers to issue laws and legislation that daily fight corruption.

Meanwhile, and according to IFAC CEO Fayez Choudary, corruption is an economic cancer that disproportionately impacts those least able to absorb its malignancy and this study shows that the accountancy profession-acting in the public interest-is an important part of the cure.

Talal Abu-Ghazaleh & Co. International (TAGI-Auditors), has maintained its membership in the Forum of Firms International Federation of Accountants (IFAC) for the 9th consecutive year, being the only Arab organization that is part the Forum of Firms (FOF) – among the top 20 leading professional firms worldwide.

Entitled “The Accountancy Profession-Playing a Positive Role in Tackling Corruption,” the study builds on two earlier reports: Nexus 1: The Accountancy Profession, Behind the Numbers and Nexus 2: The Accountancy Profession: A Global Value Add which examine both the size of the global profession and its contribution to the global economy.

## Former Sudanese President Field Marshal Abdul-Rahman Swar Al-Dahab Honors Talal Abu-Ghazaleh

**KUWAIT** - On the sidelines of the Fifth Professional Conference for Accounting and Auditing held recently in Kuwait entitled “Towards an Efficient Profession”, former President of Sudan Field Marshal Abdul-Rahman Swar Al-Dahab presented the honorary shield of the Sudanese Accountancy and Audit Profession Organization Council (SAAPOC) to HE Dr. Talal Abu-Ghazaleh in recognition of his valuable efforts in developing and advancing the accounting profession.

Dr. Abu-Ghazaleh, expressed his appreciation for receiving the award, and highly commended the great efforts made by the Republic of Sudan to support the accounting profession and its keenness to keep up with various developments in this field. He also underlined the importance of the accounting and auditing profession and the role it plays in improving the economy, noting in particular the impact of financial statements and their quality on the economic decision-making process.

On his part, Field Marshal Swar Al-Dahab expressed his admiration and respect of Dr. Talal Abu-Ghazaleh for the great role he plays in developing the accounting profession through his long service in various positions, especially



through the International Arab Society of Certified Accountants (IASCA), in addition to his role in disseminating knowledge about this discipline.

The Fifth Professional Conference for Accounting and Auditing was organized by the Kuwaiti Accountants and Auditors Association in cooperation with IASCA, the Gulf Cooperation Council Accounting and Auditing Organization (GCCAAO) and the Arab Federation of Accountants and Auditors. The Conference was held under the patronage of the Kuwaiti Prime Minister His Highness Sheikh Jaber Al-Mubarak Al-Hamad Al-Sabah.

## ASCA (Jordan) Organizes Internal Audit Training Course

AMMAN - The Arab Society of Certified Accountants (Jordan) held a training course in Amman for members of the National Center for Diabetes, Endocrinology and Genetics Entities (NCD) on “Internal Audit”.

During the course, an audit plan and program were established to enable auditors to collect confirmations in order to issue a report regarding the fairness of financial statements in accordance with the International Standards of Audit.

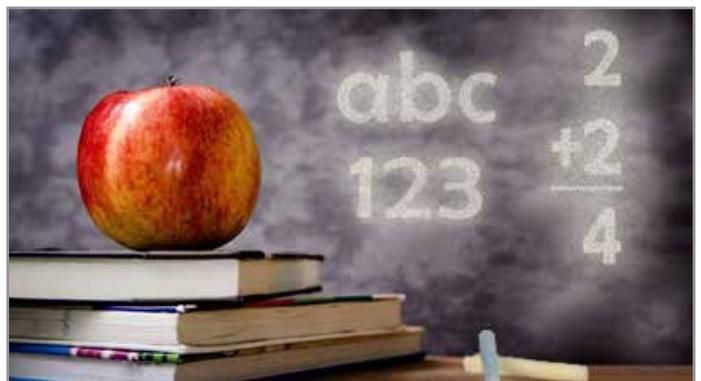
At the end of the course, participants stated that the training provided them with significant and added value knowledge and practice.



## IAESB Strategy Focuses on Accounting Education Standards Development

LONDON - The International Accounting Education Standards Board™ (IAESB™) released its Strategy for 2017-2021 and Work Plan 2017-2018. Approved by the Board at its November 2016 meeting and by the Public Interest Oversight Board during its February 2017 meeting, the Strategy and Work Plan reflects extensive consultation and valued feedback from a wide range of stakeholders.

Accounting education standards development is the centerpiece of a five-year strategy that also includes implementation support, a post-implementation review of existing standards, and strategic engagement and communication with the board’s stakeholders. The primary goal is to ensure that the accounting profession has the necessary skills to meet the ever-changing demands of business and the public sector, and thereby increase public confidence.



firms, and the academic community on this work plan and ambitious agenda.”

In 2017 and 2018, the IAESB will advance existing projects on continuing professional development and professional skepticism, start new work on information and communications technology and public sector accounting, and maintain the relevance of the International Education Standards™ by evaluating the evolving accountancy profession landscape and engaging a wide range of stakeholders.

“I am confident that this strategy will serve the public interest well,” said Chris Austin, IAESB Chair. “I and the rest of the IAESB look forward to engaging with professional accountancy organizations, IFAC member bodies, professional accounting

In conjunction with the release of the Strategy and Work Plan, the IAESB has published a video overview with Mr. Austin describing the Board’s focus for the next five years, and setting out how the work plan will help address the challenges the accountancy profession faces. A staff-prepared

Basis for Conclusions, explaining the rationale for decisions, is also available.

<https://www.ifac.org/news-events/2017-03/iaesb-strategy-focuses-accounting-education-standards-development-support>

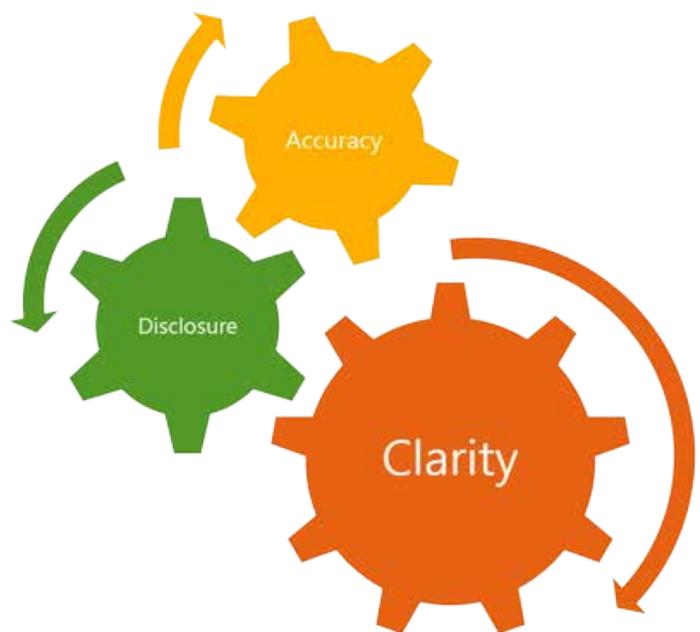
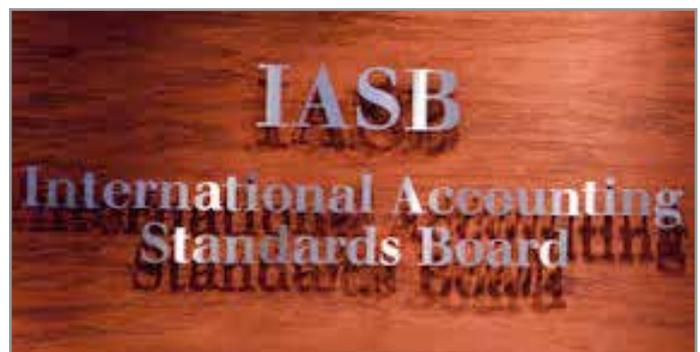
## IASB Outlines Steps to Improve Disclosures in Financial Statements

**LONDON** - The International Accounting Standards Board (IASB) has published a Discussion Paper that suggests principles to make disclosures in financial statements more effective.

The Discussion Paper Disclosure Initiative—Principles of Disclosure seeks public feedback on disclosure issues the Board has identified through outreach as well as its preliminary proposals to resolve these issues. Ultimately, it is expected that the Discussion Paper could lead to amendments to IAS 1, the Standard covering general disclosure requirements, or the development of a new general disclosure Standard.

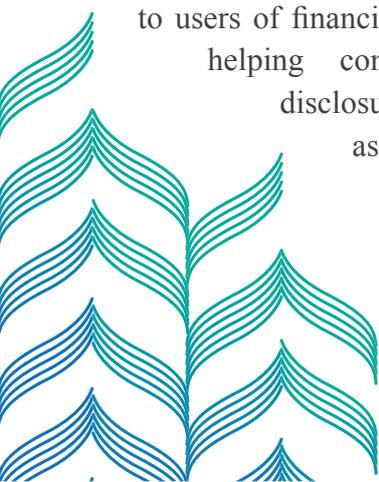
Stakeholders have said that financial statements sometimes include too little relevant information, too much irrelevant information and information disclosed ineffectively.

The Board believes that the development of clear principles governing what, how and where information should be disclosed in the financial statements will improve the information provided to users of financial statements. It will do so by helping companies communicate their disclosures more effectively and by assisting the Board in improving disclosure requirements in IFRS Standards.



Some specific suggestions in the Discussion Paper include:

- seven principles of effective communication, which could be included in a general disclosure standard or described in non-mandatory guidance;
- possible approaches to improve disclosure objectives and requirements in IFRS Standards; and



- principles of fair presentation and disclosure of performance measures and non-IFRS information in financial statements, to ensure that such information is not misleading.

Hans Hoogervorst, Chairman of the International Accounting Standards Board, said: “Investors and companies have told us that there is room for improvement in the disclosures in the financial statements. Agreeing which principles underpin effective disclosures is a vital step towards encouraging the behavioral changes required to make financial statements better communication tools in the future.”

The Discussion Paper is the latest instalment of the Board’s Disclosure Initiative, which was established in 2013 with a ten-point plan to deliver tangible improvements to disclosures in financial reporting. The Principles of Disclosure project complements a number of other projects already taken by the Board, including amendments to IAS 1 Presentation of Financial Information and IAS 7 Statement of Cash Flows, and the development of guidance to help companies make materiality judgements when preparing their financial statements.

<http://www.ifrs.org/Alerts/PressRelease/Pages/iasb-outlines-steps-to-improve-disclosures-in-financial-statements.aspx>

## IASCA Participates in Job Fairs at Jordanian Universities



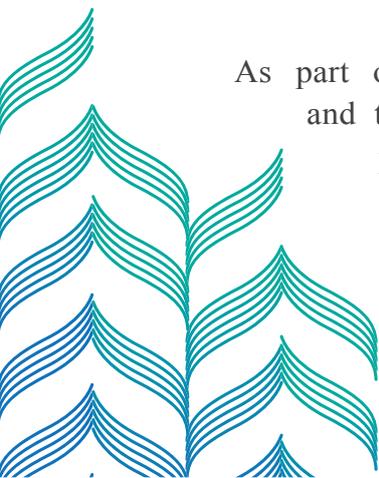
**AMMAN** - The International Arab Society of Certified Accountants (IASCA) participated in the job fairs held at several Jordanian universities:-

- The University of Jordan (UJ)
- German-Jordanian University (CJU)
- Al-Ahliyya Amman University
- Middle East University (MEU)

supporting the graduates of Jordanian universities, the Society has been always keen to provide the labor market with professional qualifying programs. By participating in the job fair, the Society was able to brief students and visitors on its services and the courses it offers, as well as how students can take advantage of such courses for the purpose of employment.

As part of the social responsibility and the integrated role with the professional institutions provided by IASCA in

IASCA booth received many students and visitors who were interested to know more about the professional courses offered by the Society.



# Global Organizations Convene to Strengthen Public Financial Management

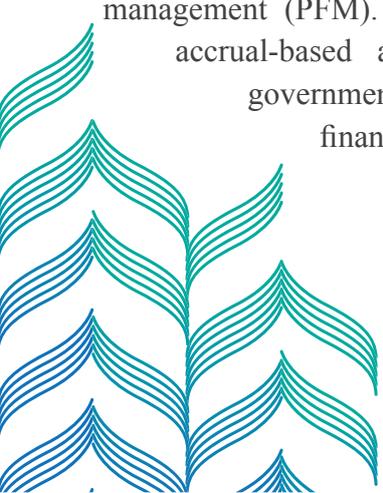


**WASHINGTON** – Delegates from the World Bank, International Monetary Fund (IMF), International Public Sector Accounting Standards Board (IPSASB), and International Federation of Accountants (IFAC) convened in Washington, DC, for an international seminar, *Transparency and Beyond: Harnessing the Power of Accrual in Managing Public Finances*.

IPSASB Chair Ian Carruthers remarked, “Coinciding with the 20th year of IPSASB’s standard-setting program, the seminar brings together global organizations committed to strong public financial management (PFM). IPSAS—high-quality global accrual-based accounting standards—enable governments to produce high-quality financial information that leads to better decision making and builds accountability and trust with citizens. The event is a crucial first step in deciding IPSASB’s strategic

direction for the next five years, the projects it will undertake, and how it will work with other global organizations to strengthen PFM globally.”

Delegates began by taking stock of the current PFM landscape, with a look at the new Organization for Economic Cooperation and Development (OECD)-IFAC report featuring OECD countries’ recent status and PFM reforms. Delegates emphasized the need to increase the availability and use of high-quality accrual information for transparency and decision making by public sector organizations themselves, as well as key stakeholders including parliamentarians, journalists, civil society, and capital market participants. The World Bank delegates highlighted the importance of implementing the standards, and the real challenges countries face in accounting and reporting, specifically, and broader public sector reforms required to actually achieve better decision making. Importantly, delegates concluded with commitments to continue to work toward influencing governments to pursue the needed



reforms, building on recent successes and growing evidence that supports the use of accrual reporting based on IPSAS.

IFAC Chief Executive Officer Fayez Choudhury said, “Government spending accounts for a significant portion of a country’s GDP, and many governments are incurring deficits that will have to be settled by future generations. We must address both the supply of, and demand for, better public sector financial information. Public sector leaders must embrace accrual-based IPSAS as the basis of transparent, accountable financial reporting, which is an essential component of strong PFM. And citizens must be encouraged to demand stronger PFM and hold their government officials to account.”

Mr. Christopher Towe, Deputy Director of the IMF Fiscal Affairs Department, said, “Comprehensive and high-quality fiscal reports, including financial statements that summarize the government’s financial position and performance, are necessary for governments, legislators, citizens, and markets to have a complete, up-to-date, and accurate understanding of a country’s fiscal position. Establishing a full balance sheet requires capacity to adopt accrual accounting standards, including valuation of assets and liabilities. This one-day seminar provided a valuable platform to bring together all key stakeholders, including standard setters, producers, and users of government financial statements. It facilitated a debate on various perspectives, opportunities, and challenges in adoption of accrual accounting by governments and provided a platform to discuss the way forward.”

Mr. Gabriel Quiros, Deputy Director of the IMF Statistics Department, said, “We are encouraged that several IMF members are pursuing a phased migration toward accrual accounting. However, we

are also cognizant of the challenges faced by some of the Fund’s members with regard to these reforms. For many years, Government Finance Statistics compiled on a cash accounting basis have supported measuring the liquidity constraint of governments. As the nature of fiscal activity has evolved in our members, the evolution of—and complementarities between—accrual-based statistical methodology and accounting standards for the public sector also will help countries ensure the sustainability of fiscal operations.”

We actively support and promote the use of accrual-based accounting standards in countries to enable sustainable, long-term change,” said Jennifer Thomson, Director in Operations Policy and Country Services at the World Bank. “Reliable data on government assets and liabilities, as well as revenue and expenditure, provides a strong foundation for public financial management, and serves as a key tool for facilitating implementation of broader reforms in the countries we support.”

World Bank Director, Governance Global Practice, Mr. Jim Brumby, said, “The IPSASB has done outstanding work in developing the accrual accounting standards. There are many implementation issues that countries encounter in adopting these standards and the World Bank Group remains ready to assist this process. As well as the technical and systems work this requires, a particular focus should remain on the best uses of this information—how accruals can assist governments in doing a better job with the resources they mobilize and how citizens can better hold their governments to account.”

[http://www.ifac.org/news-events/2017-03/global-organizations-convene-strengthen-public-financial-management-1?utm\\_source=IFAC+Main+List&utm\\_campaign=4992cec6a5-EMAIL\\_CAMPAIGN\\_2017\\_03\\_06&utm\\_medium=email&utm\\_term=0\\_cc08d67019-4992cec6a5-80264841](http://www.ifac.org/news-events/2017-03/global-organizations-convene-strengthen-public-financial-management-1?utm_source=IFAC+Main+List&utm_campaign=4992cec6a5-EMAIL_CAMPAIGN_2017_03_06&utm_medium=email&utm_term=0_cc08d67019-4992cec6a5-80264841)



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