

المجمع الدولي المحاسبين القانونيين

The International Arab Society of Certified Accountants (IASCA)

عضو في طلال أبوغزاله فاؤندينشن  
Member of TAG-Foundation



# IASCA Newsletter

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



IASCA and Talal Abu-Ghazaleh Organization Discuss Means of Cooperation with the Central Bank of Iraq

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## IASCA and Talal Abu-Ghazaleh Organization Discuss Means of Cooperation with the Central Bank of Iraq

BAGHDAD - A delegation representing Talal Abu-Ghazaleh Organization (TAG-Org) and the Arab International Society of Certified Accountants (IASCA), agreed with the Governor of the Central Bank of Iraq (CBI), Mr. Ali Mohsin Ismail Al-Alaq, on various means of cooperation.

Al-Alaq emphasized that CBI is fully prepared to cooperate with TAG-Org, especially where consistent with CBI's objectives related to the implementation of work practices compatible with the best international standards.

Discussions with Al-Alaq incorporated the need to develop a plan for the training and the development of CBI's human resources in the field of Information Technology, as well as CBI's extensive efforts to obtain implementation of IT technologies certification based on international standards.

Al-Alaq stated that the general approach now is to develop banking services and to introduce new banking products and e-payment systems based on advanced technologies to meet challenges facing the banking sector and to set up an advanced monitoring system of all e-banking activities and services.



During the delegation's visit to TAG-Org Baghdad Office, Mr. Salem Al Ouri, Executive Director of the Arab International Society of Certified Accountants (IASCA), discussed a training agreement with Iraq Private Banks League that aims at providing specialized training to Iraqi banks' staffs on risk management.

On the sidelines of the visit, the League held a workshop entitled «Development of Information Technology» based on CBI's instructions, that was attended by 90 employees of the Iraqi banks.

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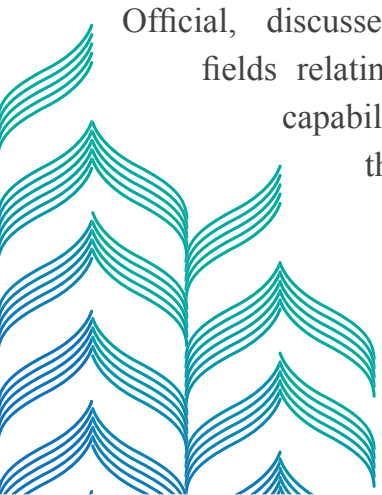
## University of Jordan and the International Arab Society of Certified Accountants (Jordan) Discuss Cooperation

AMMAN - In his meeting with President of University of Jordan, Professor Azmi Mahafzah, Executive Director of the International Arab Society of Certified Accountants (IASCA), Salem Al-Ouri, discussed the possibility of signing a memorandum of understanding (MoU) outlining a roadmap to boost cooperation in the fields of academic, training cooperation and exchanging experience between both parties.

Mahafzah and Al-Ouri, in the presence of Omar Al Batayneh, IASCA Development and Marketing Official, discussed cooperation in various fields relating to training and building capabilities of graduates by making them gain the hands-on skills which enable them to meet labor market requirements.



Al-Ouri highlighted IASCA's vision, its services and the proposals it seeks to achieve for youth community and university students. He affirmed that IASCA gives top priority to the youth and voiced keenness to bolster cooperation with the University of Jordan due to its strong reputation and position among the local, Arab and regional peers.



# The Impact of Interest Rate on the Economy from the Viewpoint of Banking Managers: Empirical Evidence from Jordan

By Dr. Reem Shaher Al Araj - IASCA BOD Member

The research aims at investigating the role and impact of interest rate on Jordanian economy from the viewpoint of banking managers in Jordan. The methodology is descriptive and analytical using mean, standard deviation, t-test and percentages as statistical tools. The study concludes that the impact of interest rate on Jordanian monetary policy is restricted by two factors: pegging Jordanian dinar to the American dollar which limits the effective role of interest rate on Jordanian monetary policy and the dual banking system of traditional and Islamic banks where Islamic banks do not deal with interest rate.

Moreover, the study concluded that what determinates interest rate in Jordan are money supply, demand for money, inflation and economic conditions. In order to have an effective role for interest rate on monetary policy, the researcher recommends pegging the Jordanian dinar to a basket of currencies.

For more information, please click [here](#)



## ASCA (Jordan) Holds Training Courses in the Field of Accounting and Auditing

AMMAN – The Arab Society of Certified Accountants (ASCA/ Jordan) held several training courses in the field of accounting and auditing, including planning, financial analysis, budgeting, and advanced financial analysis using Excel for a group of public and private sectors employees in addition to a number of graduates. The training courses tackled several topics that helped participants acquire practical application. Participants received a certificate of attendance at the end of each training course.

preparation and presentation of the financial statements in accordance with the International Financial Reporting Standards and another course entitled “Cost Analysis and its Role in Decision-Making”. A specialized course will be also held in the field of financial analysis and use of Excel worksheets and another in developing financial performance and preparation of financial plans.



The various sites of the Association are spread through the Kingdom to train a large group of their financial department.

preparation of consolidated financial statements, financial statements and disclosures, accounting for non-accountants, cost accounting, the International Financial Reporting Standard 9 (financial instruments), the International Accounting Standards and their recent amendments, audit procedures according to the Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities (ISAS For SMEs), financial statements and disclosures.

### The Royal Society for the Conservation of Nature

ASCA (Jordan) held a training course on the

ASCA (Jordan) plans to hold several training courses in the coming period: among which are the qualification course for the Jordanian Certified Public Accountants (JCPA), the qualification course for the International Arabic Certified Public Accountant, preparation and presentation of financial statements,



## New IFAC Guidance Helps Organizations Navigate the Complicated Terrain of Accountancy Regulation

LONDON - Navigating the national regulatory environment is a crucial part of establishing and developing an effective professional accountancy organization (PAO). The right accountancy regulation model is vital to ensuring a well-functioning profession that produces high-quality financial information, supports economic growth and development, and is relevant to professional accountants and their clients. In light of regulatory evolution in recent years and the ongoing need for PAOs to adapt to, and actively influence, their environment, the International Federation of Accountants (IFAC) released new guidance to support PAOs in these efforts.

“There is no ‘one-size-fits-all’ solution for accountancy regulation; there are many different models in place around the world that work effectively,” said IFAC Executive Director Alta Prinsloo. “Understanding the key principles of accountancy regulation, and how they function in practical terms, helps PAOs and their key constituents ensure the profession’s long-term sustainability, and their ability to continue to function in the public interest.”

Making Regulation Work: Principles and Models for the Accountancy Profession explores the scope of accountancy regulation, why it is needed, and key



principles for consideration, as highlighted in IFAC Public Policy Position 1, Regulation of the Accountancy Profession and From Crisis to Confidence: A Call for Consistent, High-Quality Global Regulation. It also provides regulatory model examples used in a number of countries, with further information available in country profiles on the IFAC website.

The guidance is part of the PAO Capacity Building Series, which includes guidance on PAO governance, advocacy and public policy, partnerships, and engaging professional accountants in business. It also builds on one of the key findings of the MOSAIC PAO Global Development Report, which cites strengthening PAOs’ legal and regulatory foundations and internal capacity as a critical need for the global accountancy profession.

<https://www.ifac.org/news-events/2017-08/new-ifac-guidance-helps-organizations-navigate-complicated-terrain-accountancy>

## Regional Banks Urged to Consider Assurance of Capital Numbers

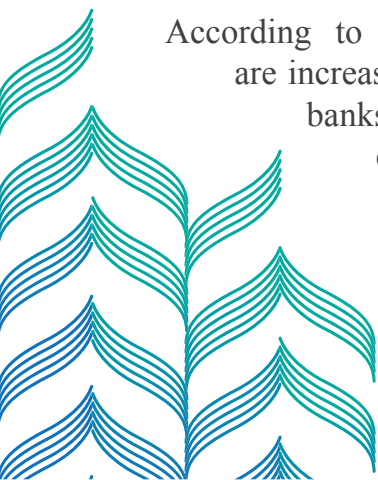
DUBAI - The Institute of Chartered Accountants in England and Wales (ICAEW) has urged banks in the Middle East to follow its newly published framework for assuring bank capital numbers. The framework aims to deliver confidence in the resilience measures being undertaken by regional banks. Drawn up in consultation with banks, auditors and regulators, the framework can be applied to all regulatory ratios, including capital, liquidity and leverage.



According to ICAEW, foreign investors are increasingly looking for their local banks to produce information to comparable international high standards. Capital ratios, which are produced alongside banks’ financial information, are regarded

by many as a key indicator of a bank’s safety and soundness.

Iain Coke, head of ICAEW’s Financial Services Faculty, said: “Capital ratios are one of the most important ways to assess a bank’s stability, but they are not audited. It is absolutely crucial that people



can have confidence in them. Using this framework would mean the public, regulators and banks themselves can have more trust in these numbers.”

The regulatory ratios framework, which was published in May 2017, sets some overarching principles for providing assurance in a robust way, while allowing flexibility to apply it to most risk types, whether that is operational risk, credit risk or liquidity risk. The framework was carefully designed so it can be applied worldwide, including in the Middle East.

Michael Armstrong, FCA and ICAEW Regional Director for the Middle East, Africa and South Asia (MEASA), said: “Most banks in the GCC region are capitalized well above the minimum Basel III regulatory requirements but only a few of them have audited capital ratio numbers. There

is still room to improve the banking industry in the region so it can compete on the international stage and attract further foreign investors.”

The ICAEW assurance framework is designed to be modular, to allow users to tailor the scope of assurance work to meet their particular needs, and so it can be used by internal as well as external auditors. Although designed for banks, the guidance could also be applied to other businesses facing prudential regulation such as investment firms.

ICAEW prepared the framework at the request of the UK Prudential Regulation Authority (PRA) in 2014. The assurance framework can be found at

<http://www.icaew.com/en/technical/financial-services/inspiring-confidence-in-financial-services/banking-regulatory-ratios - SG Next Page>

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## Results of IFRS Expert Examination of August 2017 Announced

AMMAN- The International Arab Society of Certified Accountants (IASCA) announced the Examination Results of the International Financial Reporting Standards (IFRS Expert) - August 2017 cycle.

A significant number of students sat for the IFRS Expert exam from around the Arab world.

It is worthy to mention that the IFRS Expert certificate aims to build and develop the necessary knowledge capacities related to the theoretical and conceptual aspects of the International Financial Reporting

Standards, to be able to professionally apply the IFRSs in accounting, and enable the continuous professional development in the IFRSs field and follow up relevant amendments and updates.

IASCA congratulates the successful students and wishes success in the next cycle to those who did not pass the exams.



**25%  
OFF**

# IACMA

## October 2017 Exam



The International Arab Society of Certified Accountants

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