

IASCA Newsletter

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YOUR GATE TO ACCOUNTING, AUDITING AND CODE OF ETHICS

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Abu-Ghazaleh Provides Scholarships to Accountants in Syria, Iraq, and Yemen

AMMAN – HE Dr. Talal Abu-Ghazaleh, chairman and founder of the International Arab Society of Certified Accountants (IASCA) announced the provision of scholarships to accountants and university graduates in Syria, Iraq, and Yemen.

Dr. Abu-Ghazaleh will personally bear 50% of the exam registration fees for the International Arab Certified Public Accountant (IACPA) certificate.

Dr. Abu-Ghazaleh's generous gesture came in response to the difficult circumstances occurring in Syria, Iraq, and Yemen, and out of his belief that education is the best way to overcome suffering.

In accordance with the scholarship, every accountant and university graduate with a specialization in accounting will have the right to register through IASCA to obtain the IACPA certificate at the expense of Dr. Abu-Ghazaleh.

It is worth mentioning 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 who participated in their own capacity.

IFAC Global Survey Reflects Growing Accountancy Talent and Technology Challenges

NEW YORK – Accountants working in small- and medium-sized practices (SMPs) around the world are facing heightened staffing challenges, according to the latest IFAC Global SMP Survey results. While attracting new clients, keeping up with new regulations/standards, and pressure to lower fees remained key challenges faced by SMPs, attracting new/retaining existing staff made the top four challenges for the first time since the survey was conducted in 2011.

Additionally, the anticipated impact of technology developments over the next five years increased substantially in 2016 over 2015. Staying current with new hardware and software, as well as moving to the cloud, topped the list of technology challenges.

Despite these challenges, SMPs' future performance expectations increased slightly from a year ago in three of the four service areas, with the exception of tax. Growth is expected to be driven by advisory/consulting services, along with accounting, compilation, and other non-assurance/related services, with 45% and 44%, respectively, predicting fee revenue increases in these areas in 2017.

“The ever-increasing pace of technological change represents both a challenge and opportunity for SMPs,” said IFAC CEO Fayez Choudhury. “As trusted business advisors to small- and medium-sized entities or SMEs, a sector critical to global economic stability and growth, SMPs need to consider how they can best leverage technological advances to reduce costs and offer value-added services to meet clients' changing demands and expectations. In addition, SMPs that keep pace with developments in technology are likely to do better in attracting, retaining, and nurturing talent.”

Additional key findings from the survey include:

SMPs recognize the value of offering business advisory and consultancy services.

- A significant majority of respondents provide some form of advisory services, with corporate advisory (48%), management accounting (46%), and human resource/employment regulations (30%) being the most common.

SMEs continued to be challenged by economic uncertainty and rising costs.

- Consistent with 2015, the top challenges facing SME clients were economic uncertainty and rising costs



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(with 61% and 59%, respectively, rating these as a high or very high challenge).

SMP performance in 2016 improved slightly over 2015.

- In 2016, 30% or more of SMPs reported moderate or substantial increases in fee revenue across services areas, compared to 27% or more in 2015.

Some regions, countries, and larger SMPs were not well represented in the survey results; caution should be exercised when attempting to generalize survey results to specific countries or regions, or SMPs of all sizes. See the full results, including breakdowns by region and size of practice, and subscribe to receive SMP updates, on the IFAC website: www.ifac.org/SMP.

About the Survey

The 2016 IFAC Global SMP Survey received 5,060 respondents, representing 164 countries. It was conducted October–November 2016 in 23 languages. The survey design and reporting were undertaken in collaboration with Sarah Webber and Donna L. Street, lead researchers from the University of Dayton (US). The survey's translation and distribution were only possible with the support of IFAC member organizations and partners. The next IFAC Global SMP Survey is expected to open in 2018.

Designed to be completed by senior SMP professionals, whose clients are predominately SMEs, the survey takes a snapshot of key issues, and tracks important trends and developments, facing this critical sector. The survey results help IFAC and its members gain an understanding of the specific challenges and opportunities faced by SMPs and SMEs globally, and as a result, better serve them. To this end, IFAC develops and facilitates the sharing of tools and resources to help build SMPs' capacity, including publications to support practice management and international standards implementation. These and over 400 original articles and 10,000 links to related resources can be accessed in the IFAC Global Knowledge Gateway.

<https://www.ifac.org/news-events/2017-03/ifac-global-survey-reflects-growing-accountancy-talent-and-technology-challenges>



Jordanian Association of Certified Public Accountants Praises Role of Abu-Ghazaleh in Serving Accounting Profession

AMMAN - Members of the Jordanian Association of Certified Public Accountants (JACPA) and its Chairman, Mr. Hatem Qawasmi, extended their gratitude to HE Dr. Talal Abu- Ghazaleh for his role in serving the accounting profession and accountants across the Arab world.

In a letter recently directed to Dr. Abu-Ghazaleh, in his capacity as the Chairman of the ASCA (Jordan), Mr. Qawasmi commended ASCA (Jordan) strategic contributions for the translation of the international standards publications and the transfer and provision of knowledge to Arab accountants to keep them updated with the latest development in the international standards.

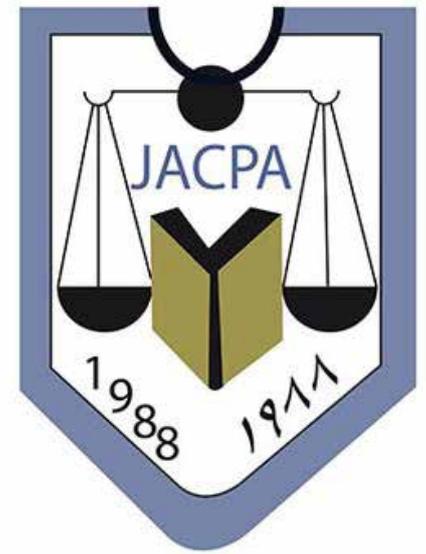
He also expressed his gratitude for Dr. Abu Ghazaleh's continuous support for JACPA in all fields, especially with regards to providing the translation of the professional publications with the best interests of ASCA members and the practitioners of the profession in Jordan.

For his part, Dr. Abu-Ghazaleh assured his ceaseless efforts to provide the best services following the latest methods and keep pace with the cutting-edge technology.

He also emphasized the importance of serving governments, organizations and businesses in various Arab countries, and based on his capacity as the Chairman of the ASCA (Jordan), he assured his willingness to serve such bodies in the various fields required.

ASCA Jordan is responsible for the translation and publishing of the International Accountings standards. ASCA Jordan provides accurate and reliable translation to help non- English speakers easily understand the content of such materials, distribute it to elevate and develop the profession of accounting, facilitate the implementation of international standards, and maintain the independence and protection of accountants and auditors.

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Accountants Offer Crucial Help in Reducing Global Corruption

New Study: Professional Accountants, Strong Governance Vital to Improved Outcomes

NEW YORK – A new study, *The Accountancy Profession - Playing a Positive Role in Tackling Corruption*, from the International Federation of Accountants (IFAC) shows professional accountants are playing a major, positive role in reducing corruption, along with other key actors in the global economy that support strong governance structures.



acting in the public interest—is an important part of the cure.

“The study confirms that the accountancy profession is a crucial part of strong national governance architectures that confront corruption, in partnership with good government and strong businesses. And vitally, the study shows professional ethics, education, and oversight—at

“Corruption is an economic cancer that disproportionately impacts those least able to absorb its malignancy,” said Fayez Choudhury, IFAC Chief Executive Officer. “This study shows that the accountancy profession -

the core of the global accountancy profession—are key to our positive impact in tackling corruption.

“Meaningful progress in this age-old fight will require three things: continued strong cross-sector collaboration; reinvigorated international interest in public financial management; and greater adoption of high-quality international standards on financial reporting, auditing, and ethics,” Mr. Choudhury concluded.

Among the key findings, the study reveals that a higher percentage of accountants in the workforce strongly correlates to better outcomes in Transparency International’s global Corruption Perceptions Index.

Examining the profession’s impact in nations with stronger governance structures, the correlation was

significantly greater in G-20 countries and member nations of the Financial Action Task Force.

And when professional accountancy organizations are present in an economy, having adopted the global profession’s ethical, educational, and investigation and discipline requirements, the positive correlation with Transparency International’s index rises even further.

Conducted by the Center for Economics and Business Research, 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 economic contribution to the global economy.

<https://www.ifac.org/news-events/2017-02/accountants-offer-crucial-help-reducing-global-corruption>

Enhancing Audit Quality Anchors Two Year IAASB Work Plan

LONDON - The International Auditing and Assurance Standards Board (IAASB) released its Work Plan for 2017–2018 following a public consultation with stakeholders. The continuing relevance of the Board’s strategic objectives was also confirmed with the IAASB release of a Supplement to its Strategy for 2015–2019: Fulfilling Our Public Interest Mandate in an Evolving World.

The Work Plan is guided by the three underlying strategic objectives set in the five-year Strategy:-

- a continued focus on International Standards on Auditing (ISAs) as the basis for high-quality audits;
- the importance of the IAASB’s standards for other services to address emerging needs of stakeholders; and
- the Board’s intention to strengthen collaboration with others to address public interest matters relevant to its work.

“The IAASB’s strategic objectives contribute to enhancing audit quality. The intent is for the audit standards and guidance being developed to further enhance that quality and to uphold the trust placed in audits and auditors,” noted Prof. Arnold Schilder, IAASB Chairman. “Respondents to the consultation stressed the importance of addressing key topics that contribute to high-quality audits in a changing business environment, influenced by technology, complexity, and demands for continued relevance of the audit.”

Work Plan Priorities

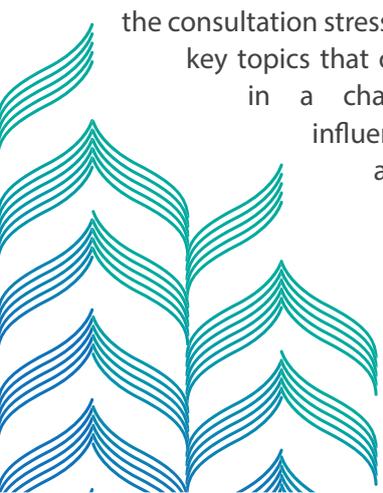
The Work Plan prioritizes addressing the most pertinent



public interest issues. The IAASB is also considering how quality can be further embedded in the way that firms approach audits and other engagements under the IAASB’s International Standards. The IAASB recognizes the importance of addressing the concerns of small- and medium-sized practices (SMPs), including considering how auditing standards can be effectively applied to audits of small- and medium-sized entities, and standards to support other services provided by SMPs.

The IAASB will publish a timetable of current projects on its website, to be updated on a quarterly basis, to maintain transparency on progression.

<https://www.ifac.org/news-events/2017-02/enhancing-audit-quality-anchors-two-year-iaasb-work-plan>



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