

المجمع الدولي لعشبي للمحاسبين القانونيين

The International Arab Society of Certified Accountants (IASCA)

عضو في طلال أبوغزاله فاؤندينشن  
Member of TAG-Foundation



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



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## Abu-Ghazaleh delivers concluding remarks at MIT's SciTech conference, meets Arab students at institute

BOSTON - His Excellency Dr. Talal Abu-Ghazaleh delivered the concluding remarks at the 2018 Scitech Conference at the Massachusetts Institute of Technology (MIT) in Boston, USA, organized recently by the Arab Students Organization at the university.

Abu-Ghazaleh's remarks focused on his future vision of humanity as being dependent on its progress in the field of artificial intelligence (AI), drawing an analogy between AI and the nervous system in the human body.

He emphasized the need for Arabs to invest, in terms of knowledge and technology, in the artificial intelligence sector, which he described as "the main feature of the current century." He pointed out the great responsibility of educational institutions, foremost among which is MIT, in ensuring that AI will be put at the service of humanity to ease human life, not the opposite.

Moreover, he said that the relationship between man and machine will evolve further in future, when machines will be able to exhibit a greater understanding of human needs due to an advanced level of AI, rendering them capable of performing various tasks with minimal need for human guidance.

He pointed out that he is now working on a book about artificial intelligence containing analysis and providing an insight into its future and how it can be utilized to support knowledge and strengthen its tools worldwide.



In his speech, Abu-Ghazaleh expressed his willingness to support Arab talents in the field of AI in a way that serves science, education, creativity and innovation. He urged Arab students at MIT to support this trend by transferring knowledge to their countries and compatriots.

He pointed out the need to transform civil societies into creative societies that support and encourage innovation as the most effective way to build and maximize wealth, stressing that the richest firms in the world are knowledge-based rather than oil companies, banks or any other economic sector companies.

"All you imagine is achievable with knowledge and will," said Abu-Ghazaleh, urging Arab students at MIT to play a role parallel to their success in joining the best university in the world, by unleashing their potentials as creative and innovative young men and women.

Abu-Ghazaleh Group, which has a global presence through its 100 plus offices and branches across the world, participated in the Scitech with its conference pavilion showcasing a number of its advanced educational programs and professional services. The pavilion received great interest by specialists in the fields of science and technology.

During a dinner held in honor of the participants, Dr. Abu-Ghazaleh was presented with a plaque from the Arab Students Organization at MIT, in recognition of his efforts in the world of technology and invention, and his continuous support in the fields of knowledge and education.

On the sidelines of the conference, Abu-Ghazaleh discussed the idea of establishing innovation incubators and advanced study programs in the Arab world, and pledged, in this regard, to dedicate TAG-Org headquarters in Arab countries as venues for such projects.



## ACFE/Canada Includes IACPA among its Recognized Professional Certificates

AMMAN –The Association of Certified Fraud Examiners (ACFE) has included the International Arab Certified Public Accountant (IACPA) certificate among its recognized professional qualifications.

The IACPA has been approved by the ACFE for 10 points towards the Certified Fraud Examiner (CFE) exam eligibility.

It is worth mentioning that 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 formally registered in Amman on February 24, 1994. IASCA aims at advancing the profession of accounting, auditing and other related disciplines internationally, and maintaining the professional independence of Arab accountants and their protection, as well as the application of professional supervisory



measures as a way to promote the professions of accounting and auditing.

The Association of Certified Fraud Examiners (ACFE) is the world's largest anti-fraud organization and premier provider of anti-fraud training and education. Together with nearly 85,000 members, the ACFE is reducing business fraud worldwide and inspiring public confidence in the integrity and objectivity within the profession.

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## IASCA Holds IACPA Exam

AMMAN- The International Arab Society of Certified Accountants (IASCA) held the International Arab Certified Public Accountant (IACPA) certificate's (IACPA) qualification exams in May 2018.

The IACPA curriculum has been developed according to international accounting and auditing standards, with the participation of experts from the International Arab Society of Certified Accountants. The qualification has been approved by a group of Arab countries to practice the profession of auditing with the purpose of licensing the practice of public accounting profession. These countries include Jordan, UAE, Yemen, Syria, Lebanon, Sudan, Qatar, and Kurdistan Region (Iraq).



The results of the May session exams will be announced by the end of June 2018 on the Society's website.



## IFRS 9 bringing unpredictable changes



Beyond banks, the new financial benchmark means detailed adjustments that will collectively alter how sectors interact, writes Nuntawun Polkuamdee

International Financial Reporting Standard 9 (IFRS 9) will have an impact on banks' provisions and financial statements and could jeopardize macroeconomic growth momentum, as the rise in bank provisions might make it harder for small and medium-sized enterprises (SMEs) to obtain loans.

IFRS 9, expected to replace International Accounting Standard 39 at the start of next year, was announced by the International Accounting Standards Board in response to the 2008 global financial crisis.

In July 2014, the board finalized the impairment methodology for financial assets and commitments. The mandatory effective date for implementation is Jan 1, 2018, with many countries already adopting the practice, especially in Europe.

Thai financial institutions are expected to increase provisions significantly, which could affect operating results and act as a headwind against the recovering economy, said Jakkrit Parapuntakul, president of the Federation of Accounting Professions (FAP).

As the domestic financial sector needs more time to adjust to the stringent regulations, Thailand is likely to adopt IFRS 9 on Jan 1, 2019.

### PROFOUND CHANGES

IFRS 9 introduces changes across three areas with profound implications for financial institutions. These include the classification and measurement of financial assets; the introduction of a new expected

loss impairment framework; and the overhaul of hedge accounting models to better align with risk management activities.

Jakkrit said Thailand's accounting industry is preparing for the impact from IFRS 9. Apart from banks, other businesses poised to be shaken by the new accounting standard include leasing, non-bank and listed companies.

The FAP has surmised five key points for banks and other businesses preparing for IFRS 9.

First and foremost, businesses will have to arrange financial instruments to reflect business operations and strategies. The approach is aimed at equipping management executives with proper financial statements in order to facilitate investment decisions.

Second, the fair value method is used to assess a company's real value and amortize costs by using real interest rate calculations to reflect cash flow valuation throughout a lifetime contract.

Third, IFRS 9 will use a calculation of loss allowance as an evaluation basis for a company's future payment ability. This information is considered an assessment of reasonable loss over time, aiming to help investors foresee clearer risks occurring in financial institutions on possible future losses derived from delays in debt repayment.

Fourth, IFRS 9 practices will compel banks to be more cautious in providing loans based on banks' financial status and borrowers' credit risk and keep a lid on non-performing loans in an economic cycle.

Lastly, IFRS 9 contains clear items on accounting risk protection and corporate risk management.

"The most significant impact of IFRS 9 will be on impairments, as the new standard will be reduced to three stages from the current six stages endorsed by the Bank of Thailand," Jakkrit said. "Banks might consider making term loans shorter than in the past to control loan credit risk."



SMEs will likely have more difficulty obtaining bank loans because of new limitations on credit risk exposure.

Related organizations have to find a solution for SMEs to seek other funding sources, Jakkrit added.

## UNDERLYING IMPACTS

Banks will face greater difficulty when doing business, yet they cannot rely heavily on corporate loans and their slimmer margins.

According to a survey conducted abroad, the impact of IFRS 9 could cause medium-sized and small banks to consolidate or liquidate, while banks could set up subsidiaries to buy and manage bad loans, said FAP assistant secretary-general Chaiyuth Angsuwithaya.

Another survey noted that 20-25% of the provision increase stems from IFRS 9 adoption in European banks, but there is no information available for Thai banks yet, Chaiyuth said.

Looming over all this, blockchain and robotics are disrupting traditional banking services and are poised to chip away at banks' net profit in the coming years.

Jakkrit said major banks are ready to adopt IFRS 9 after beefing up provisions over the last few years.

Still, the IFRS 9 impact is unpredictable and smaller banks remain unclear about their adoption readiness.

“We can adopt IFRS 9 next year without any problem, as we have 6-7 months to prepare and most accounting members have been practicing over the past three years,” Jakkrit said. “But the impact on bank provisions and SMEs is a key issue that should be considered.”

Financial regulators have to evaluate the economic impact and send their assessments to the FAP, he said.

Some countries such as Indonesia have postponed adopting IFRS 9 until 2022 because businesses and financial institutions are not prepared. On the other hand, Japan has applied IFRS 9 but has yet to implement all items.

## PREPARATION KEY

S&P Global Ratings has said it does not expect widespread changes to banks' issuer

credit ratings as they increase credit-loss provisions in line with the new accounting standard.

Banks reporting under the IFRS are required to apply a more forward-looking approach to provisions for credit losses under IFRS 9.

“The higher credit-loss provisions will be reflected immediately in our capital measures fully for 2018, but we don't expect widespread changes to our ratings on initial adoption, given that it is a change in reporting, not a change in underlying economic activity,” Osman Sattar, an S&P Global Ratings credit analyst, said in a report titled “The Adoption of IFRS 9 and Bank Ratings”.

In the view of Christopher Saunders, a banking partner at KPMG Thailand, IFRS 9 will take time, effort and money for banks.

“A further issue for banks and investors in banks will be the impact on regulatory capital ratios,” Saunders said. “Banks will need to be prepared to respond to questions from analysts and regulators, so factoring this into capital planning activities is key.”

Nick Bellamy, head of KPMG Financial Services in Thailand, said insurers must plan for new standards dealing with financial instruments and insurance contracts over the next few years.

“The overall effect cannot be assessed until the insurance standard is finalized over the next 12 months,” Bellamy said. “But a significant change in financial reporting for most insurers should be expected.”

Piyapong Sangpattarachai, executive director for financial risk management at KPMG Thailand, said other companies should not assume that the impact of the classification, measurement and impairment requirements of the new accounting standard will be small.

Furthermore, many Thai companies do not adhere to fair value accounting or hedging principles in relation to derivatives used in hedging activities, so the adoption of IFRS 9 could introduce significant earnings volatility and accounting complexity, Piyapong said.

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## The Arab Society Certified Accountants (Jordan) Holds ‘Cost Accounting and Accounting for Non-accountants’

AMMAN- The Arab Society Certified Accountants (Jordan) held a specialized training course entitled “Modern Techniques in Cost Accounting and Decision-making” for a group of employees and accountants. The course aimed at introducing participants to modern techniques of costs analysis and their favorable impacts on monitoring as well as feeding the management with adequate inputs for making right decisions. In addition, the course aimed to provide the participants with practical mechanisms to reduce idle capacities as a way to cost cuts. At the end of the course, Certificates of Attendance were presented to all participants.

Moreover, ASCA (Jordan) held a specialized training course entitled “Accounting for Non-accountants” for a group of participants from different business sectors. The course aimed to introduce participants to basic accounting concepts, approaches of recording



and deferring accounting entries and inventory settlements. It aimed also to explain the basic financial statements and the significance and benefits of every financial statement and how to analyze financial statements for the purpose of managerial decision-making. At the end of the course, all participants received Certificates of Attendance.

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## IASCA Participates in Job Fairs at Jordanian Universities

AMMAN – The International Arab Society of Certified Accountants (IASCA) participated in job fairs held in a number of Jordanian universities including the World Islamic Sciences and Education University (WISE) and Amman Arab University (ARU).

As part of its social responsibility in supporting the graduates of Jordanian universities, IASCA is keen to provide the labor market with professional qualifying programs; therefore, the Society’s representatives met the students and visitors at the job fairs and briefed them on its services, courses and certificates.



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





## Join us to obtain

1

Reduced Fees Up to 50% on Membership Fees

2

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3

Discount on Publication and Training Course

4

Attending Professional Workshops,  
Seminars and Conference

5

Opportunity to Participate in Research,  
Studies and Newsletter and to Take Advantage of them



## تعلن عن خططها التدريبية للنصف الثاني من عام ٢٠١٨

#	اسم الدورة	الساعات	التاريخ	الايام	الرسوم (بالدينار)
<b>الدورات المهنية</b>					
١	الدورة التأهيلية لشهادة محاسب دولي عربي قانوني معتمد "IACPA"	١٣٢	٢٠١٨/٧/٨	الأحد / الثلاثاء / الخميس	٦٠٠
٢	الدورة التأهيلية لشهادة مزولة مهنة المحاسبة القانونية في الأردن "JCPA"	١٢٤	٢٠١٨/٧/١٦	السبت / الإثنين / الأربعاء	٥٠٠
٣	الدورة التأهيلية لشهادة خبير معايير المحاسبة الدولية لإعداد التقارير المالية "IFRS Expert"	١١٢	٢٠١٨/٨/١٣	السبت / الإثنين / الأربعاء	٦٠٠
٤	الدورة التأهيلية لشهادة محاسب إداري دولي عربي معتمد "IACMA"	١٢٠	٢٠١٨/٩/٩	الأحد / الثلاثاء / الخميس	٦٠٠
٥	الدورة التأهيلية لشهادة التمويل الإسلامي "CIMA"	٨٠	٢٠١٨/١١/١١	الأحد - الخميس	٧٠٠
<b>الدورات المتخصصة</b>					
<b>دورات شهر تموز (يوليو)</b>					
١	المحاسبة لغير المحاسبين	١٦	٢٠١٨/٧/٤-١	الأحد - الأربعاء	٢٥٠
٢	المعيار الدولي لإعداد التقارير المالية ٩ (الأدوات المالية)	١٦	٢٠١٨/٧/١١-٨	الأحد - الأربعاء	٢٥٠
٣	معيير المحاسبة الدولي - الزراعة رقم ٤١	١٦	٢٠١٨/٧/١٨-١٥	الأحد - الأربعاء	٢٥٠
٤	استراتيجيات فحص وتقييم هيكل نظم الرقابة الداخلية في المؤسسات	١٦	٢٠١٨/٧/١٨-١٥	الأحد - الأربعاء	٢٥٠
٥	التحليل المالي للأسهم	١٦	٢٠١٨/٧/٢٥-٢٢	الأحد - الأربعاء	٢٥٠
٦	معايير المحاسبة الدولية والتعديلات الحديثة عليها	١٦	٢٠١٨/٧/٢٥-٢٢	الأحد - الأربعاء	٢٥٠
<b>دورات شهر آب (أغسطس)</b>					
٧	إعداد وتحليل قائمة التدفقات النقدية	١٦	٢٠١٨/٨/٨-٥	الأحد - الأربعاء	٢٥٠
٨	المعيار الدولي لاعداد التقارير المالية - الإيرادات من العقود المبرمة مع العملاء رقم ١٥	١٦	٢٠١٨/٨/٨-٥	الأحد - الأربعاء	٢٥٠
٩	الأدوات المالية ومحاسبة التحوط	١٢	٢٠١٨/٨/١٤-١٢	الأحد - الثلاثاء	٢٠٠
١٠	المعايير الدولية لممارسة مهنة التدقيق الداخلي	٢٠	٢٠١٨/٨/٢٣-١٩	الأحد - الخميس	٣٠٠
١١	دراسة الجدوى الإقتصادية وتقييم المشاريع	١٦	٢٠١٨/٨/٢٢-١٩	الأحد - الأربعاء	٢٥٠
<b>دورات شهر أيلول (سبتمبر)</b>					
١٢	التحليل المالي وتقييم الشركات	١٦	٢٠١٨/٩/٥-٢	الأحد - الأربعاء	٢٥٠
١٣	المعيار الدولي لاعداد التقارير المالية - عقود الإيجار رقم ١٦	١٦	٢٠١٨/٩/١٩-١٦	الأحد - الأربعاء	٢٥٠
١٤	التحليل المالي في القطاع المصرفي	١٦	٢٠١٨/٩/١٩-١٦	الأحد - الأربعاء	٢٥٠
١٥	إجراءات التدقيق وفقاً لدليل التدقيق والمنشآت الصغيرة ومتوسطة الحجم ISAS for SMEs	١٦	٢٠١٨/٩/٢٦-٢٣	الأحد - الأربعاء	٢٥٠
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٢٥٠	السبت - الخميس	٢٠١٨/١١/٢١-١٨	٢٤	تطبيقات المحاسبة العملية والتأهيل الى سوق العمل	٢٧
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- خصم يصل لغاية ٣٥٪ لطلاب الجامعات اللذين على مقاعد الدراسة وحديثي التخرج.
- خصم ١٥٪ للمسجلين عن طريق صفحتنا على الفيسبوك.
- خصم ١٠٪ للمؤسسات التي تقوم بتسيب أكثر من مشارك.
- خصم ١٠٪ لأعضاء الجمعية والمجمع الدولي العربي للمحاسبين القانونيين.

### لمزيد من المعلومات:

هاتف: (٠٩٦٢ ٦٥١٠٩٠٠) - فرعي: ١٢٢٨ / ١٢٢٥ / ١٢٢٠ | فاكس: (٠٩٦٢ ٦٥١٠٩٠١)

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