

# IASCA Newsletter

April 2015 - Issue 5

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

## IN THIS ISSUE

Awareness Sessions and Workshop in Palestine and the Northern Region of Jordan **2**

IFRS Foundation publishes updated guide to IFRS use around the world **3**

Middle East and North Africa 'need more accountable public services' **4**

IAASB'S Revised Standard ISA 720 Enhance Auditor Focus on Annual Reports In Light Of Increased Investor Focus on Qualitative Disclosures **6**

## Bahrain Honors Abu-Ghazaleh with the Shield of Dilmun



In recognition of his role in strengthening the brotherly relations between the Hashemite Kingdom of Jordan and the Kingdom of Bahrain, the Ambassador of the Kingdom of Bahrain to Amman HE Mr. Nasser Rashid Al-Kaabi presented the Shield of Dilmun to HE Dr. Talal Abu-Ghazaleh.

The Shield, represents the historical name of the Kingdom of Bahrain, was awarded by the Bahraini Ministry of Foreign Affairs to Dr. Abu-Ghazaleh in recognition for his efforts and contribution for the development of the Arab relations as a whole and the

Jordanian -Bahraini in particular.

Ambassador Al Kaabi commended the distinctive relations between Jordan and Bahrain at all levels as well as the special ties with Talal Abu-Ghazaleh Organization and its various activities in the Kingdom of Bahrain.

For his part, Dr. Abu-Ghazaleh expressed his high appreciation for this Bahraini recognition from the brothers in the Kingdom of Bahrain, led by His Majesty King Hamad bin Isa Al Khalifa, HRH the Crown Prince, the Bahraini government, and all Bahrainis.

## Awareness Sessions and Workshop in Palestine and the Northern Region of Jordan

*Palestine Ahliya University holds a workshop on the International Arab Certified Public Accountant "IACPA"*

The continuous education center at Palestine Ahliya University held a workshop, in cooperation with the International Arab Society of Certified Accountants, on the International Arab Certified Public Accountant Certificate in addition to a collection of courses and international scientific qualifications provided by IASCA in cooperation with the continuous education center at Palestine Ahliya University.

*In addition, an awareness session was held in Yarmouk and JADARA universities in the Northern Region of Jordan on the importance of professional qualification for accounting graduates*

An awareness session was held in Yarmouk and JADARA universities in relation to the accounting profession and its role in the development of the economies of Arab and foreign countries, as this profession is considered one of the pioneer professions in the present time and is a main component of the operation of organizations and entities of all types. Almost all establishments or organizations, whether private or public, have an accounting division and a significant number of accountants. The accounting graduate can work, in addition to working as an accountant, in several fields such as auditing, banking, financial and tax consultancy and accounting education.

Dr. Bassam Ma'ali indicated that the accounting specialization was ranked fifth in terms of tertiary enrollment rates. The minimum enrollment rate in a public university reached in a year to 94%, which indicates that this specialization is well esteemed and required in the local and regional labor markets.

Mr. Salem Ouri –IASCA Manager- began his speech in the workshop by clarifying the advantages of obtaining



## IFRS Foundation publishes updated guide to IFRS use around the world



The IFRS Foundation, responsible for the governance and oversight of the International Accounting Standards Board (IASB), has published the 2015 edition of IFRS as Global Standards: a Pocket Guide. Written by former IASB member Paul Pacter, the guide provides a summary of the use of International Financial Reporting Standards (IFRS) in 138 countries around the world, representing over 97 per cent of the world's Gross Domestic Product (GDP).

The Pocket Guide is an updated version of the guide published in 2014 and adds information on an additional eight jurisdictions. The

summaries are condensed versions of the full Jurisdiction Profiles, which are available on the ifrs.org website, and provide a snapshot of where and how IFRS is used globally.

Of the 138 jurisdictions surveyed to date, 114 require use of IFRS for all or most domestic listed companies and banks. Only 10 do not require or permit IFRS.

In addition to the Jurisdiction Profile summaries, the Pocket Guide also summarises what IFRS is; the benefits of global accounting standards; the history of the development of IFRS; the standard-

setting process; the requirements of current IFRSs; and links to further information resources.

### Hans Hoogervorst, Chairman of the International Accounting Standards Board, commented:

"International Financial Reporting Standards bring transparency, accountability and efficiency to global financial markets. In the 14 years since the IFRS Foundation and the IASB were created, we have been successful not only in developing those Standards but also in promoting their adoption around the world. The 2015 Pocket Guide documents the remarkable progress we have made toward a single set of truly global accounting standards."

A PDF of the Pocket Guide can be downloaded from the IFRS Foundation's website.

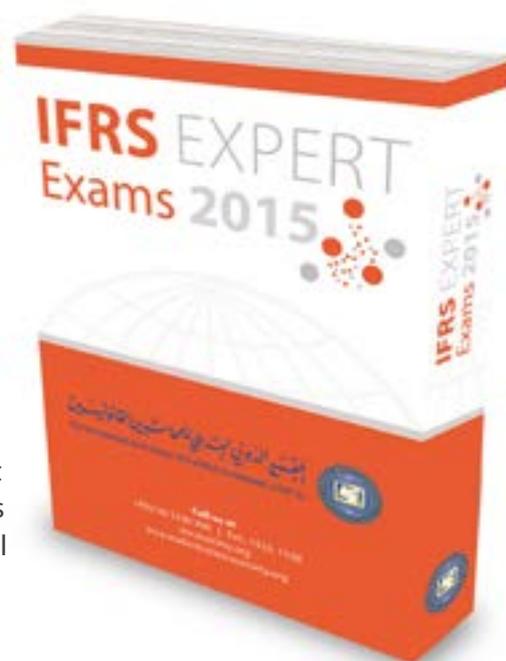
## IASCA holds the "IFRS Expert" Exam for the First Time

The International Arab Society of Certified Accountants held the "International Financial Reporting Standards Expert" Exam for the first time in April 2015 throughout the Arab world.

This qualification aims to build and develop the necessary knowledge capabilities related to understanding the theoretical and conceptual aspects of the International Financial Reporting Standards, improve the ability of implementing IFRSs in the practical accounting professionally, enable the continuous professional development in the field of standards and follow up the amendments and updates made to IFRSs.

This exam targets the accountants and financial managers responsible for preparing financial reports, auditors specialized in the field of audit and financial business, employees in the investment and banking sectors in addition to lecturers specialized in the field of International Financial Reporting Standards.

For further information, [click here](#)



# Middle East and North Africa 'need more accountable public services'

By Judith Ugwumadu



Accountability produces better public services and is essential for long-term stability in the Middle East and North African region, the World Bank has argued.

The bank warned in a new report that essential public services in the MENA region were failing to meet the needs of the citizens.

Its Trust, Voice and Incentives said a lack of accountability from service providers and limited channels for citizen feedback produced a 'corrosive' effect.

Hafez Ghanem, World Bank vice president for the MENA region, said young people in particular were too often let down by schools that do not prepare them for the jobs market.

'The problem is not a lack of resources but the wrong motivation, as public servants are not judged by their ability to meet the needs of citizens. Breaking the cycle of poor performance will be essential for rebuilding the relationship between citizens and governments and allowing the region's youth to reach their full potential.'

In its search for solutions, the bank identified local examples of service delivery and shared lessons learned in its report.

For example, the Kufor Quod Girls' Secondary School in

the rural West Bank is a top performer for maths and science. This is because of parental and community engagement and the ability of the school's principal to build and maintain a motivating work environment for teachers, despite the poverty and instability that surround them, the World Bank said.

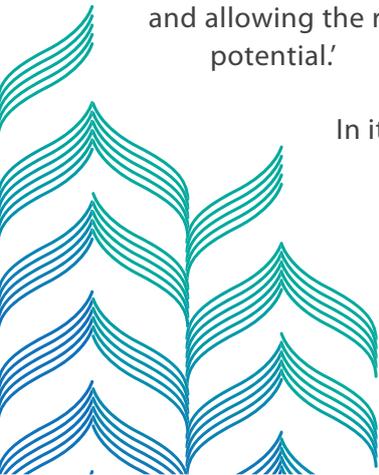
It cited schools and health clinics in Jordan and Morocco, which use citizen experience to find better ways to provide services.

'Improvements in services will not come simply through policy reforms and investments,' said Hana Bixi, World Bank lead for public service delivery and lead author of the report.

'It will require making public servants and providers accountable to citizens and promoting citizens' trust in and engagement with public institutions. Our case studies reveal the impact of solutions designed to fit local contexts: local leaders, motivated school principals and health clinic staff, and communities can effectively join forces and make services work.'

The World Bank said it would provide support to the governments and people of the MENA region to develop inclusive institutions and efficient service delivery.

See more at: <http://www.publicfinanceinternational.org/news/2015/04/middle-east-and-north-africa-need-more-accountable-public-services/#sthash.9KdJGpae.dpuf>



# IPSASB Publishes Recommended Practice Guideline on Reporting Service Performance Information

The International Public Sector Accounting Standards Board® (IPSASB®) has published Recommended Practice Guideline 3 (RPG 3), Reporting Service Performance Information.

RPG 3 provides good practice guidelines on reporting service performance information. Development of this RPG reflects the IPSASB's commitment to addressing public sector-specific reporting issues, including those that relate to information additional to the financial statements.

"Service provision is the primary function of the vast majority of public sector entities," said IPSASB Chair Andreas Bergmann. "Service performance information is essential for users to evaluate the services provided and public sector entities' efficient and effective use of resources to deliver those services. RPG 3 provides guidance to support the quality of service performance information already reported by entities and offers a useful framework for entities that have not yet started to report service performance information."

RPG 3 provides principles applicable to the presentation of service performance information and definitions that establish a standardized service performance information terminology. It addresses the reporting entity and reporting period for service performance information. RPG 3 also provides guidance on the choice of performance indicators that show an entity's achievements with respect to its service performance objectives, disclosures about the basis of the reported information, and service performance-related narrative discussion and analysis.

RPG 3 states that service performance information may be presented, either in the same report as the financial statements or in a separate report, and identifies factors to consider when making that decision.

## About the IPSASB

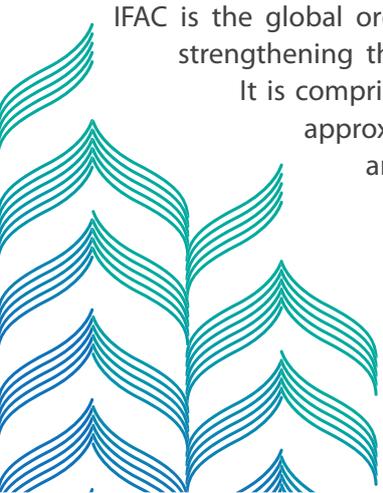


The IPSASB develops accounting standards and guidance for use by public sector entities. The structures and processes that support the operations of the IPSASB are facilitated by IFAC. The IPSASB receives support (both direct financial and in-kind) from the World Bank, the Asian Development Bank, the Chartered Professional Accountants of Canada, the South African Accounting Standards Board, and the governments of Canada, New Zealand, and Switzerland.

## 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 over 175 members and associates in 130 countries and jurisdictions, representing approximately 2.5 million accountants in public practice, education, government service, industry, and commerce.



# IAASB'S Revised Standard ISA 720 Enhance Auditor Focus on Annual Reports In Light Of Increased Investor Focus on Qualitative Disclosures



IAASB

**International Auditing  
and Assurance  
Standards Board™**

The International Auditing and Assurance Standards Board® (IAASB®) today released International Standard on Auditing™ (ISATM) 720 (Revised), The Auditor's Responsibilities Relating to Other Information. The revisions aim to clarify and increase the auditor's involvement with "other information"—defined in the standard as financial and non-financial information, other than the audited financial statements, that is included in entities' annual reports.

"The annual report is a critical document for investors. It is in the public interest that an auditor undertakes an 'intelligent read' of an annual report, in the context of the knowledge obtained in the audit, and perform certain procedures to ensure the annual report is not materially inconsistent with the audited financial statements," explained Prof. Arnold Schilder, IAASB Chairman.

The standard also includes new requirements related to auditor reporting on other information that complement the changes arising from the IAASB's new and revised Auditor Reporting standards, issued earlier this year. Concurrent with those standards, ISA 720 (Revised) will be effective for audits of financial statements for periods ending on or after December 15, 2016.

"Which documents have been read and considered by the auditor and the results of the auditor's work on those documents will now be transparent to auditor report

users," explained Kathleen Healy, IAASB Technical Director. "Specifically articulating the auditor's responsibilities for other information, including the fact that the auditor's opinion does not cover this information, will also give users the appropriate context in which to consider an entity's annual report." The standard also seeks to address the practical challenges that may arise when some or all of the other information is not available as of the date of the auditor's report, and prescribes additional communications in auditor's reports for listed entities in these circumstances.

The staff-prepared Basis for Conclusions, which explains the IAASB's rationale for its decisions, and an At a Glance document, which explains the main changes from the extant ISA, are also now available.

## **About the International Auditing and Assurance Standards Board**

The IAASB develops auditing and assurance standards and guidance for use by all professional accountants under a shared standard-setting process involving the Public Interest Oversight Board, which oversees the activities of the IAASB, and the IAASB Consultative Advisory Group, which provides public interest input into the development of the standards and guidance. The structures and processes that support the operations of the IAASB are facilitated by the International Federation of Accountants® (IFAC®).

---

## **FOR MORE INFORMATION**

Tel: (0962-6) 5100900

Fax: (0962-6) 5100901

Or you may reach us electronically through our website:  
[ascasociety.org](http://ascasociety.org)

And our emails:

[asca.jordan@iascasociety.org](mailto:asca.jordan@iascasociety.org)

[salouri@iascasociety.org](mailto:salouri@iascasociety.org)

[www.facebook.com/ASCAsociety](https://www.facebook.com/ASCAsociety)

This Newsletter is Published by  
the International Arab Society of Certified Accountants (IASCA)

© IASCA 2015

Reproduction is permitted provided  
that the source is acknowledged.

[ascasociety.org](http://ascasociety.org) | 6

