



IASCA Newsletter

Special Edition 2017

YOUR GATE TO ACCOUNTING, AUDITING AND CODE OF ETHICS

IN THIS ISSUE

- Abu-Ghazaleh: ASCA- Jordan Issues the Arabic Version of the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements 2016-2017
- Abu-Ghazaleh: There is no Future for Educational Institutions without Embracing Digital Learning
- 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
- University of Jordan and the International Arab Society of Certified Accountants (Jordan) Discuss Cooperation
- Abu-Ghazaleh: IASCA's Participation in the World Standards Setters Conference Reflects our Commitment to Participate in the Future of the Profession
- Abu-Ghazaleh: IASCA Discusses Status of Audit Profession at IFAC's Meeting in Belgium
- More than 250 Candidates Take IASCA Exam in Twenty Centers in the Arab World

- Articles:-
Pages 16-18

Abu-Ghazaleh Chairs the Meetings of the Board of Directors and General Assembly of the International Arab Society of Certified Accountants



AMMAN - The International Arab Society of Certified Accountants (IASCA) held its annual meeting under the chairmanship of its Chairman HE Dr. Talal Abu-Ghazaleh.

The meeting was held in the presence of members of the Board of Directors and members of the General Assembly of the Society from various Arab countries including Lebanon, Egypt, Jordan, Palestine, Saudi Arabia, the United Arab Emirates, Tunisia, Syria, Libya, Iraq, Qatar, Yemen, Algeria, Bahrain and Sudan.

During the meeting, Dr. Abu-Ghazaleh stressed the importance of keeping up-to date with knowledge development and the evolution of the accounting profession. He pointed out that the Society will work on implementing plans in two directions to achieve this goal. The first is to set up a team to

formulate training programs required by the profession in response to rapid technological developments as well as developing existing training and qualifying programs.

He added that the second plan will focus on the formation of an action team to examine the mechanism for the digital transformation of the profession. The team will be composed of accounting experts and experts in information technology. He explained that the Society is capable of leading this transformation, changing the future of accounting, and keeping pace with the information revolution, through its distinguished members from all Arab countries.

He pointed out that the Society has worked on the digital transformation of many training and qualifying programs, and also noted that work is underway to transform

all available programs into digital ones and to design an electronic program for the Society's professional exams.

He announced that the Society is working on developing and updating «Talal Abu-Ghazaleh Accountancy & Business Dictionary», which was first launched by Talal Abu-Ghazaleh Organization in 1972 to include 15 thousand terms in all business fields, especially accounting, pointing out that updating this dictionary comes in response to emerging developments and updates in the profession. He also announced that the Society seeks to provide an Arab service in order to serve the profession and its members, by making the dictionary available free of charge through a smart phone application, by the beginning of 2019.

Mr. Salem Al-Ouri, Executive Director of the Society reviewed the annual report, which witnessed an

increase in the number of new members of the Society during the year 2017 with the joining of 23 new members, bringing the total number of members to 1516. He also highlighted the courses and qualifying programs held in the Arab world, which amounted to 327 training courses, benefiting 327 participants.

Additionally, he reviewed the services and activities provided by the Society during the year 2017 including conferences, seminars, workshops and job exhibitions held by the Society, as well as the cooperation agreements the Society reached with a large group of official bodies.

During the meeting, the 2017 annual report was reviewed and approved, as well as the balance sheet, the estimated budget and the activities of the Society still in progress.

Abu-Ghazaleh: ASCA- Jordan Issues the Arabic Version of the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements 2016-2017

AMMAN- HE Dr. Talal Abu-Ghazaleh, Chairman of the Arab Society of Certified Accountants (ASCA -Jordan) announced the issuance of the Arabic version of the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements 2016-2017.

He pointed out that ASCA -Jordan continuously seeks to develop both accounting and management sciences as well as all related principles applicable to all or some professional services. ASCA -Jordan also places a lot of effort to upgrade the competence, practice and code of ethics according to the highest professional levels through the issuance of accounting publications and following-up on the recent developments in accounting and auditing.

The most important changes of the 2016-2017 version are the changes in the operations and audit reports issued by the International Auditing and Assurance Standards Board (IAASB).

A. Add the following standards to enhance the communicative value of the auditor's report:

- ISA 260 (Revised), Communication with Those Charged With Governance;
- ISA 570 (Revised), Going Concern;
- ISA 700 (Revised), Forming an Opinion and Reporting on the Financial Statements;
- ISA 705 (Revised), Modifications to the Opinion in the Independent Auditor's Report; and

- ISA 706 (Revised), Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report.

B. In addition, the following standards have been revised for limited amendments as

a result of the new and revised standards in the Auditor Reporting project (ISA 800 (Revised), ISA 805 (Revised), ISA 810 (Revised).

C. Changes to certain number of ISAs as a result of the Disclosures project. The changes to the ISAs addressing disclosures are effective for audits of financial statements for periods ending on or after December 15, 2016.

D. Part I of the Handbook includes the Consideration of Laws and Regulations in an Audit of Financial Statements in response to the new requirements addressing non-compliance with laws and regulations (NOCLAR) in the International Ethics Standards Board for Accountants Code of Ethics for Accountants. These amendments address actual or perceived inconsistencies of the scope of laws and regulations and approach to identifying and dealing with NOCLAR.



Entitled “Towards an Efficient Profession”

Abu-Ghazaleh Participates in 5th Professional Conference for Accounting & Auditing



KUWAIT - Kuwait Accountants and Auditors Association (KAAA) organized the 5th Professional Conference for Accounting & Auditing entitled “Towards an Efficient Profession” in cooperation with the International Arab Society of Certified Accountants (IASCA), Gulf Cooperation Council Accounting and Auditing Organization (GCCAAO) and Arab Federation of Accountants and Auditors (AFAA).

The Conference held under the patronage of the Prime Minister of Kuwait His Highness Sheikh Jaber Mubarak Al-Hamad Al-Sabah. HE Khaled Nasser Al-Roudan Minister of Commerce and Industry represented the Prime Minister in the Conference, which was also attended by HE Salman Sabah Al-Hmoud Minister of State for Youth Affairs and HE Dr. Talal Abu-Ghazaleh.

Dr. Abu-Ghazaleh said that he was born in Palestine in 1938, fled to Lebanon in 1948 due to occupation, traveled to Kuwait in pursuit of job opportunity after graduation from the university; finally fled to Jordan in 1990 also due to occupation. Dr. Abu-Ghazaleh added that all of his past experience made him proud that he is an Arab who belongs to a great Arab nation.

He added: “Kuwait offered me great favors. I was first recruited in Kuwait, obtained first professional license in accounting, established the International Arab Society of Certified Accountants (IASCA), elected as a member in all international accounting councils, established all companies of Talal Abu-Ghazaleh Organization (TAG-Org), chaired United Nations Team for International Accounting and Reporting Standards and received the first Certified Accounting Shield in 1983.”

He concluded: “During my stay in Kuwait, Abu-Ghazaleh Intellectual Property

(AGIP) became the best intellectual property services provider worldwide and Talal Abu-Ghazaleh & Co. International (TAGI-Auditors) maintained its position among the Group of 20 Leading Professional Firms. Moreover, I learnt noble values, love and giving from the Kuwaiti people and I learned much from the great Emirs of Kuwait during the last thirty years.”

Al-Roudan addressed the importance of accounting and auditing, their role in improving the economy and the role of quality financial statements in economic decision-making.

KAAA Chairman Mr. Ahmad Al Faris (Conference Organizer) welcomed the attendants from professional Arab associations and international institutions and highlighted the Association’s role in improving accounting and auditing and professionally qualifying Kuwaiti accountants.

The Conference discussed various issues, including: promoting social responsibility and sustainability, the role of audit institutions in maintaining the countries’ economies, the government accounting on an accrual basis and its role in raising the financial system efficiency in the state, accounting disclosure and international standards of financial reporting and its impact on investment decisions and recent trends in the audit profession.

KAAA Chairman presented an honorary shield to Dr. Abu-Ghazaleh. On his side, Dr. Abu-Ghazaleh presented an honorary shield to the Kuwaiti Prime Minister (represented by Minister of Commerce and Industry) and an honorary shield to KAAA (represented by its Chairman Mr. Ahmad Al Faris).

It is noteworthy that IASCA and TAG-Org participated in an exhibition that was organized during the Conference.



Abu-Ghazaleh Highlights IASCA's Compliance with the International Federation of Accountants' SMOs



DEAD SEA - The International Arab Society of Certified Accountants (IASCA) participated in the workshop entitled “Exchanging Experiences and Taking Advantage of Challenges” organized by the Jordanian Association of Certified Public Accountants (JACPA), the International Federation of Accountants (IFAC) and the World Bank and attended by representatives of many Arab professional associations.

During the three professional sessions, the workshop shed the light on a number of key issues, challenges and opportunities in the world of accounting and businesses, in addition to the IFAC membership requirements and obligations. Other topics included the need to promote the adoption and implementation of the International Financial Reporting Standards (IFRS), collaborating with stakeholders to ensure the quality of the control systems and to implement them when adopting the international standards, as well as developing competencies and professional credibility.

Mr In-Ki Joo , Deputy President of IFAC discussed issues relating to the adoption of IFRS pointing out that they have not been adopted in all countries so far, and that the gradual process of adoption is still underway and will continue in the coming years.

HE Dr. Talal Abu-Ghazaleh expressed IASCA keenness to abide by the Statements of Membership Obligations (SMOs) assigned for professional associations members of IFACHe stressed that IASCA strives unceasingly to develop the profession and provide the Arab accountant, particularly IASCA members, with the latest amendments and changes in the profession at the international level.

Mr. Hatem Qawasmi, Chairman of JACPA welcomed the attendees and expressed his pleasure to meet representatives from international entities that support the adoption of international standards worldwide. Qawasmi delivered a presentation on the International Education Standards for Professional Accountants underscoring their importance in accounting educational system and provided a brief overview on the standards implemented in Jordan.

Mr. Salem Al-Ouri, Executive Director of (IASCA) and Mr. Jamal Melhem member and representative of IASCA in Palestine participated in the workshop. Mr. Jamal delivered a presentation highlighting the role of IASCA in developing and progressing the accounting profession in Palestine and the Arab region. He pointed out the significant role that IASCA played in inducing the government of the Hashemite Kingdom of Jordan to implement IFRS in the public sector.

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. Salim 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, “31 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.

Abu-Ghazaleh: There is no Future for Educational Institutions without Embracing Digital Learning

AMMAN - HE Dr. Talal Abu-Ghazaleh, chairman of the International Arab Society of Certified Accountants (IASCA), stressed the significance of digital learning saying that the educational institutions will cease to exist in the future without embracing digital education.

Dr. Abu-Ghazaleh’s remarks came during his patronage of the Science Day organized by the Faculty of Administrative and Financial Sciences at the University of Petra in the presence of President of the University Prof. Marwan Al Muwalla.

During the event, Talal Abu-Ghazaleh Organization and the University signed a cooperation agreement that authorizes and enables the University to hold training courses and diploma programs offered by TAG-Org and IASCA.

Dr. Abu-Ghazaleh called for the introduction of a new mandatory course at the universities that emphasizes the significance of smart utilization of ICT.

He also noted that the most valuable trademarks in the



world belong to knowledge and ICT-based companies, topped by Google, pointing out, “The future will be for knowledge based on ICT.”

For his part, Dr. Al Muwalla said, “The business world of today is characterized by the continuous change and transformations which contributed to enhancing competition between institutions and motivating them to find the appropriate solutions that require an academic methodology enhanced by a creative and innovative environment.”

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.

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.



Abu-Ghazaleh: The Hashemite Vision Enabled Jordan to be Ranked 1st at Regional Level in Combating 'Money Laundering and Financing of Terrorism' Index

AMMAN - HE Dr. Talal Abu-Ghazaleh expressed his pride of the Hashemite leadership for its continuous efforts enabling the Kingdom to be ranked 1st at the Arab level on combating 'Money Laundering and financing of Terrorism' Index by Basel Institute on Governance which is specialized in studying anti-corruption, public governance, anti-money laundering, criminal law enforcement, as well as stolen asset recovery.

Dr. Abu-Ghazaleh affirmed that this great accomplishment was only possible as a result of HM King Abdullah II unique vision at all levels. The process started when the Kingdom established the Anti-Money Laundering and Counter Terrorist Financing Unit making the current ranking of the Kingdom at No. 36 internationally out of 149 countries.

Dr. Abu-Ghazaleh's remarks were part of his speech at the Annual Forum on Fighting Money Laundering, Terrorism Financing, and Tax Evasion, in Amman, organized by the World Union of Arab Bankers in cooperation with the Association of Banks in Jordan and with an extensive Arab participation.

Dr. Abu-Ghazaleh urged the Forum participants to introduce mechanisms to fight money-laundering and to eliminate, though partially, terrorism financing by drying its resources. He further urged the important concept of (Know Your Client) by investigating actions that cannot be justified or prove not to be compatible with clients' economic activities.

Dr. Abu-Ghazaleh also advised the necessity of updating the client's information periodically. He called on the concerned entities to activate the Compliance Officer Department (Integrity) to revise the financial transactions constantly; to increase the level of awareness of all banking sector employees about



money-laundering, financing terrorism, and means of detection. That can be achieved, he said, by organizing periodical training courses to all sector employee as well as conducting fake money-laundering procedures to check their ability to detect them.

Further, Dr. Abu-Ghazaleh stressed the significance of developing bank monitoring procedures by the Central Banks, creating close channels between auditors, to check on any suspicious transaction, as auditors are the independent entities which can investigate financial transactions, along with clients accounting records and financial statements.

Dr. Abu-Ghazaleh called for imposing stringent penalties income and sales tax evaders, facilitating and accelerating litigation procedures, building database of all the Kingdom employees so all are committed to present data about their activities even if they are not entitled to pay taxes, and forcing all service sector employees to issue invoices with their institution tax number.

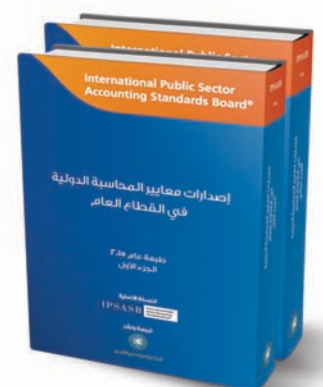
Abu-Ghazaleh: ASCA/Jordan Issues the Arabic Version of International Public Sector Accounting Standards 2016 Handbook

AMMAN - HE Dr. Talal Abu-Ghazaleh, Chairman of the Arab Society of Certified Accountants (ASCA -Jordan) announced the issuance of the Arabic version of the Handbook of International Public Sector Accounting Standards (IPSAS) 2016.

Dr. Abu-Ghazaleh affirmed that ASCA -Jordan continuously seeks to develop both accounting and management sciences. ASCA -Jordan also exerts effort to upgrade the competence, practice and code of ethics according to the highest professional levels

through the issuance of accounting publications and following-up on the recent developments in accounting and auditing.

The Handbook contains the complete set of the International Public Sector Accounting Standards Board (IPSASB) pronouncements on public sector financial reporting.



The most important change of the 2016 version is the inclusion of the Recommended Practice Guideline 3 “Reporting Service Performance” which was approved by IPSASB.

This Recommended Practice Guideline (RPG) provides guidance on reporting service performance information in General Purpose Financial Reports (GPFs). Service performance information assists users of GPFs (hereafter termed “users”) to assess the entity’s service efficiency and effectiveness.

Abu-Ghazaleh: IASCA’s Participation in the World Standards Setters Conference Reflects our Commitment to Participate in the Future of the Profession



LONDON - The International Arab Society of Certified Accountants (IASCA) participated in the annual conference of the World Standards Setters convened by the International Financial Reporting Standards (IFRS) Foundation.

HE Dr. Talal Abu-Ghazaleh in his speech stressed that the participation is consistent with the vision of the Society in providing the Arab market with internationally qualified Arab accountants. The conference highlighted a number of important topics, including the IFRS 17 “Insurance Contracts” and the positive results of the application of this standard, IFRS “Lease contracts” disclosure initiative and the problems arising from this process, the need to use the concepts framework to support the basic principles and the consistency in the adoption of IFRS to prepare financial reports and focusing on the basic principles of the conceptual framework, as well as amendments to international standards that will be

included in the coming years for several Standards, including International Reporting Standards 9, 3, and International Accounting Standards IAS 8, 16.

The conference included several sessions that discussed the requirements of translation, adoption and dissemination of the Standards around the world, working with legislative bodies to support the adoption and application of international standards, as well as practical cases of financial performance reports.

The International Accounting Standards Board (IASB) organizes an annual conference for the standards setters all over the world to exchange expertise in the fields of approval, adoption, application of international standards for the preparation of financial reports, consulting about the agenda of the International Accounting Standard Board, making some updates on the developments of international standards and reviewing of received opinions about the drafts of the presentation of new standards and discussing them during the conference.



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.

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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.

Abu-Ghazaleh: IASCA's Selection to Join IFAC's Auditing Profession Development Committee Reflects our Commitment to Strengthen Arab Presence

NEW YORK-The International Federation of Accountants (IFAC) has selected the International Arab Society of Certified Accountants (IASCA), represented by its Chairman of the Board HE Dr. Talal Abu-Ghazaleh, to join the 12- member Committee of the Institutional Development of the World's Chartered Accounting Agencies, a permanent committee of the Federation from 2018 to 2020.

Each member of the committee represents a different world region and aims to upgrade the regulatory standards of the auditing profession on a global level.



IASCA was selected to join the 12- member committee following the end of tenure of four members. The committee also includes one member that represents all the regions of the world.

It is important to note that Dr. Abu-Ghazaleh held the first Arab position on IFAC's Board of Directors in 1990.

“The election of IASCA in the committee reflects our ambition and commitment. Through the committee, we seek to strengthen the Arab presence at IFAC and help the Arab region to benefit from the international experience and keep pace with the guidance of the profession, in addition to ensuring the effective contribution of Arab countries to the global development of the profession,” Dr. Abu-Ghazaleh said.

Mr. Jamal Melhem, member of IASCA Board of Directors and Executive Director of Talal Abu-Ghazaleh Organization (TAG-Org) in Palestine, will represent IASCA in the committee.

According to the directives of IASCA's Chairman Board of Directors, it provides help and technical support for all professional associations in the Arab countries which seek to enhance their capability to comply with requirements of IFAC.

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, aiming at upgrading the profession of accounting, auditing and other relevant disciplines in the member states of the Arab League. IASCA also aims at maintaining the professional independence of Arab accountants and ensuring their protection, as well as the enforcement of professional supervisory standards.

IFAC is a New York-based global organization for the accountancy profession dedicated to serving public interest by strengthening the profession and contributing to the development of strong international economies. IFAC is comprised of over 175 members and associates in more than 130 countries, representing almost 3 million chartered accountants in the world.

Abu-Ghazaleh: IASCA Discusses Status of Audit Profession at IFAC's Meeting in Belgium

BRUSSELS - The International Arab Society of Certified Accountants (IASCA) participated in the International Federation of Accountants (IFAC) Annual Council Meeting held in Brussels.

IASCA was represented by member of the Board and representative of IASCA in Palestine Mr. Jamal Melhem and IASCA Executive Director Mr. Salem Al Ouri.

During the meeting, participants discussed the status of the audit profession, plans and projects to develop high-quality international standards for professional auditors and accountants as well as suggested amendments to the mechanism of preparing and developing such standards.

Moreover, they discussed the performance of the Federation documented through annual reports and reports of affiliate committees, in addition to the 2018 Work Plan and professional studies and specialized papers, as well as a plan for supporting and developing the Palestinian Association of Certified Public Accountants.

HE Dr. Talal Abu-Ghazaleh, Chairman of IASCA, praised the Society's supporting role, since its establishment in 1984, in developing accounting and audit professions in the Arab world in addition to building capacities of national professional societies and associations in these countries for the implementation of international standards and compliance with IFAC's good practices that contribute to the economic and social development in the Arab region.

The IFAC Meeting was attended by representatives of the World Bank and a host of international organizations concerned



with the development of accounting and audit in the world, as well as representatives from 102 member countries of the Federation.

IASCA representative Melhem was selected to be a member of one of the main committees dealing with development of the profession in the world for the 2018-2021 cycle which will enable IASCA to contribute to the profession's development worldwide and present the professional developments in the Arab region to IFAC members from other regions.

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. IFAC is comprised of over 175 members and associates in more than 130 countries and jurisdictions, representing almost three million accountants in public practice, education, government service, industry and commerce.



AAU and IASCA Discuss Means of Cooperation in Academic and Training Fields

ABU DHABI - In the context of developing training and academic fields Al Ain University of Science and Technology –Abu Dhabi represented by Dr. Amer Qasem, AAU Vice President, received Mr. Salem Al-Ouri executive director of the International Arab Society of Certified Accountants (IASCA), accompanied with Mr. Ahmad Al Jabouri –senior supervisor and Mr. Salah Al Areed, director of Professional Services at Talal Abu-Ghazaleh Organization, in the presence of Dr. Abdullah Al Shwabkeh, deputy dean of the College of Business, Mr. Zaydoon Hatamleh, director of the Continuing Education Center, and Mr. Hazem Hussain, administrative trainer at the Center.



The two parties discussed the cooperation aspects in the training and academic fields such as acknowledging the University to become a training center, providing certified examinations for accounting and audit programs offered by IASCA.

The AAU Vice President stressed the importance of providing practical training to the University students at Talal Abu-Ghazaleh Organization's affiliate centers and enhancing cooperation in the field of accounting and audit research for training staff at the University by facilitating the process of obtaining necessary information and data for their research.

Trainees can obtain through IASCA one of the following professional certificates, IACPA, IACMA, CIMA and IFRS Expert. In addition to specialized courses in accounting and audit such as VAT Specialist which is considered one of the most important courses in the UAE.

<https://aau.ac.ae/en/news/2017/aau-discusses-cooperation-aspects-of-academic-and-training-fields/>

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.

banking sector and to set up an advanced monitoring system of all e-banking activities and services.

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.

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), signed 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.

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



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.

IASCA Participates in “Reality and Challenges” Conference on Business Environment



AMMAN - The International Arab Society of Certified Accountants (IASCA) took part in the 11th International Professional and Scientific Conference entitled “Reality and Challenges” held in Amman by the Jordan Association of Certified Public Accountants.

The Conference was held as a response to the international development and changes in the international standards for preparing financial reports and auditing, and to keep up with such developments so that a certified accountant in the Arab world would be aware and knowledgeable of the latest updates in this field; this would reflect positively on the quality of work and financial data that many entities rely on in making financial and managerial decisions.

As part of IASCA professional responsibility towards certified accountants in Jordan and the Arab countries, it participated in the Conference as a professional partner, emphasizing that its role is integral with professional societies in all Arab countries. IASCA presented visitors to its booth with professional accounting publications.

The Conference tackled many relevant issues, including family businesses, “opportunities and challenges” business integration and combination of financial statements (IFRS 9 and 10), as well as internal audit, capacity building and management skills development.

More than 250 Candidates Take IASCA Exam in Twenty Centers in the Arab World

More than 250 candidates applied in twenty centers in the Arab world to take the following qualifying exams of the International Arab Society of Certified Accountants (IASCA).

1. International Arab Certified Public Accountant (IACPA)
2. International Financial Reporting Standards Expert (IFRS Expert)
3. International Arab Certified Management Accountant (IACMA)

The IASCA qualifications aim to equip the Arab accountants with the highest accounting qualifications, through specialized professional certificates issued in Arabic in the fields of accounting, auditing and international financial reporting standards, and to provide accountants, auditors and financial managers with the highest practical and professional levels they need in the labor market.

500 Trainees in Different Arab Countries in 2017

The International Arab Society of Certified Accountants (IASCA) launched professional training in the field of accounting, internal and external auditing, taxation and other related legislation, as well as financial advisory) where the number of participants in 2017 reached 500 trainees in different Arab countries.

IASCA also makes major organizations, companies and corporations involved in the development of training programs to meet labor market requirements by keeping communication channels open and by conducting regular field visits to these entities.

Thanks to our professional approach and our commitment to develop training courses in accordance with the latest and most important amendments to the International Financial Reporting Standards and International Accounting Standards, we have been the ideal choice for a large number of major Arab companies and institutions.

Our partners in 2017:-

- Qicard Company-Iraq
- Iraq Private Banks League-Iraq
- The Royal Society for the Conservation of Nature-Jordan

- MOHAMED BIN HAMAD HOLDING COMPANY (MBHH)-Qatar
- The National Center for Diabetes, Endocrinology and Genetics-Jordan
- Central Trade & Auto Co.-Jordan
- Tiger Group- United Arab Emirates
- Arabian Yemen Cement Co. Ltd.-Yemen
- Jordan Engineers Association-Jordan
- Long Term Investment Portfolio-Jordan
- Saudi e-Tabadul- Saudi Arabia
- Jerash Pharmaceuticals Ltd. Co.
- AL ITQAN Language Training Center
- Jordan Armed Forces
- Trading & Investment Co.
- Modern Cement & Mining Co.-Manaseer Group
- Arab Bank
- The Jordan National Red Crescent Society (JNRCS)
- Jordanian Egyptian FAJR for Natural Gas Transmission & Supply
- Aqaba Water Co.
- Vileda
- Aqaba Transport & Logistics Services Co.
- Aqaba Container Terminal (ACT)
- Cities and villages Development Bank
- Budget
- Pikasso Jordan

IASCA Members in 2017

- Dr. Mahmoud Hasan Haj Mahmoud Okkeh
- Dr. Akram Ismail Abedulfatah Rahhal
- Ms. Hala Abdalla Elsayed Mohamed
- Mr. Tareq Ibrahim Sabri Alozom
 - Mr. Ismail Misbah Moh'd Hajeir
 - Mr. Mohammad Fatehi Mohammad Almitwali
 - Mr. Majdy Deeb Fayez Enayah
 - Mr. Emad Ibraheem Alsibai
 - Dr. Talal Abdul Wahab Suhail Mohana AL-Suhail
 - Mr. Wael Shehadeh Othman Atawi
 - Mr. Bader Mohammad Shehdeh A. Zatari
- Dr. Loay Mohammad Abdullah AL-Tabib
- Dr. Hassan Abd Alla Ali Salem
- Mr. Elsiddig Ahmed Elsiddig Minallah
- Mr. Bilal Mohammad Bashir Hakmi
- Mr. Zaki Ibrahim Mohammad Dar Nasser
- Mr. Ghassan Shoukri Mohammad Jamoos
- Dr. Darwish M. D. AL-Jakhab
- Mr. Yakoub Mohammad AL-Sakamat
- Mr. Abdelrahman Ahmad Mohammad Barham
- Mr. Younis Ali Mohamed Hassan Almulla
- Dr. Saeed Rabea Ali Baatwah
- Mr. Ahmad Mustafa Abdel Karim AL-Zoubi
- Mr. Firas Hikmat Hassan Abu Odeh

- Mr. Hani Ahmed Attia EL-Morsi El-Ghandour
- Ms. Maha Mohammad Naeem Alia
- Mr. Munzer Mazin Ismail AL-Ratrout
- Mr. Nashat Fawzi Asad Ali Atiath
- Mr. Haitham “Moh’d Shafiq” Rateb AL-Nazer
- Mr. Bashar Ahmad Hussein Hussein

- Mr. Rami Ali Said AL-Shamali
- Mr. Nabeel Hassan Daif AL-Yassin
- Mr. Faisal Fadel Mustafa Abdul Salam
- Mr. Mohammad Farouq Mohammad Asad
- Mr. Ibrahim Ali Mohammad Alzghoul

IASCA Participates in Various Activities in 2017



AMMAN – The International Arab Society Certified Accountants (IASCA) participated in 2017 in awareness sessions and job fairs in different Jordanian universities where the significant role of accounting in the development of national economies was highlighted.

the Society including IACPA, IACMA and IFRS certifications.

At these events, IASCA delivered detailed presentations about the programs that qualify accountants to meet labor market requirements and briefed students and visitors on its services and courses in addition to how the students can benefit from such courses for employment purposes.

This workshop is one of the awareness workshops provided by IASCA and Talal Abu-Ghazaleh Organization for students at various universities and knowledge centers, which aim at providing the Palestinian students with the required skills to obtain job opportunities at the rapidly evolving labor market.

IASCA Participates in Various Activities in 2017

In Ramallah, IASCA held, in cooperation with the Palestine Technical University – Kadoorie, an awareness workshop entitled, “Success Skills and the Art of Job Interviews”.

In addition, an introduction to the professional certificates issued by IASCA and the other professional certificates that enhance the individual professional qualifications and competencies was conducted.

The workshop targeted a group of the Faculty of Business and Economics students from different academic majors. IASCA briefed students on the professional certificates issued by



Redeemable Shares

By Dr. Rafiq Tawfiq Al Dweik- ASCA (Jordan) BOD Members



AMMAN- Article (68 /b bis) of the Jordanian Companies Law No. (22) for the year 1997 as amended titled (types of shareholding options) provided that: The Memorandum of Association of a Private Shareholding Company may stipulate its right to issue redeemable shares either upon the Company or shareholder's request or upon the availability of certain conditions.

However, the said law did not include any clarifications, controls or provisions related to the issuance of this type of shares and the method of dealing with them in terms of accounting and legal methods of disposition of this type of shares. Also no any by-law or regulations were issued until the date pursuant to the said law to support the provisions of the law to address the deficiency referred to.

Following are some lights on this type of stock and some of the provisions related to it according to the practices applied in other countries and what is stated in the literature regarding the redeemable shares:

- Redeemable shares includes a purchase option that allows the issuing company to dispose of these shares exclusively on or after the agreed upon call date (call option). These shares are called back by cancellation and payment of their current value in addition to the accrued dividends.
- Call Date of shares for payment or exchange with another type of shares:
 1. The call date of shares for payment or replacement is not necessarily the date of amortizing of the shares, as this may be done at a later date as the date mentioned is the first date for taking a possible action in this regard, and the issuer company in this case can determine the date of payment or replacement at any later date, or not to set any date at all.
 2. In some cases, the date of amortization or replacement to be decided by the Board of Directors of the issuing company.

3. If the prospectus contains a maturity date, the issuing company in this case shall be bound by the amortization or payment process.
- The prospectus for the issue of redeemable shares should include:
 1. The Call (Date of payment) and related options.
 2. The party that has the right to determine the Call Date is it the right of the shareholder or the right of the issuing company?
 3. The price of the payment is it at par value or at the present value of the shares as at the Call Date?
 4. The percentage of dividends and the method and timing of payment, including the right of the issuing company to accumulate dividends in case of lack of liquidity for distribution.
 5. Options available to the shareholder either to exchange redeemable shares by ordinary shares or to any other type of issued shares and / or liquidating their value at the Call Date.
 6. Preferential treatment enjoyed by the redeemable shares in terms of receiving periodic dividends and of receiving of the shares' value in the event of liquidation of the company or any other related matters.
 - The Company issues Preferred redeemable shares for a specified period of time. These shares are often issued when the company has plans for growth or expansion; in this case, capital increase is used rather than leveraged to avoid the consequences of more debt.
 - The shareholders may choose the right time to redeem the value of the redeemable shares at the end of the agreed period (Call Date). The shareholder has the option, either to exchange of shares with ordinary shares, or to receive the shares' value in cash. In this case, the shareholder will redeem the par value of the redeemable share in addition to the shares' dividends.
 - The Call Option of the redeemable shares may be of the right of the issuing company. Therefore, the issuing company exercises this right if the borrowing interest rates are reduced and become less than the proportion of the dividends of the agreed upon redeemable shares. In this case, the company will replace the shares with debt.
 - Redeemable shares are usually given preferential treatment over other categories of shares. These include preferred payments on ordinary shares. These repayments include periodic dividend payments, as well as repayments made when the company is eventually liquidated. Creditors' rights are first repaid and then after the more are used to repay redeemable preferred shares.

In most cases, redeemable preferred shares are preferred to other categories of preferred shares as well.

- In some cases, the Call Option depends on the occurrence of a certain event, such as the death of the shareholder, in such case, if the option of amortizing option is the right of the issuer, it is likely to exercise this right if it has sufficient liquidity and the issuer wants to reduce the number of shares of capital. As the redeemable shares are amortized, the company will shrink the value of the dividends without affecting the normal return on the ordinary shares.

Redeemable shares represent a hybrid model for the following reasons:

- Although this type of shares has the priority to be paid back, but it does not have a voting power in the General Assembly Meetings, as it is often considered redeemable shares a hybrid form of sources of funds that falls between the shares and debt.
- This type of shares is issued for a fixed period of time just like debt, and holders of these shares are paid dividends instead of interest.
- The redeemable shareholders have no rights in the assets of the company nor the right to interfere in the management of the company.

Changes in shares prices:

- The prices of both ordinary shares and redeemable preferred shares remain volatile, mainly due to the change in the company's profitability position.
- Retrospective redeemable shares have the right to receive specific dividends, while ordinary shares will receive all remaining dividends and returns after payment of the rights of creditors and redeemable shareholders.
- The redeemable shareholders must carefully assess the potential differences in the price before they can exchange their redeemable shares with ordinary shares.

Reasons for issuing redeemable shares

1. Not to increase the ceiling of leveraged transactions.
2. Flexibility in determining the percentage of distributable dividends.
3. Finding a type of shares that do not have voting power.
4. Make room to issue shares to administrators, employees or family members.

Articles of the Jordanian Companies Law relating to redeemable shares

1. Article (68 bis) of the Jordanian Companies Law No. (22) for the year 1997 as amended provides as follows:

Share Types and Shareholding Options

- A. Subject to any provisions in this part, the Company may, according to its Memorandum of Association, issue various types and categories of shares which differ in their terms of nominal value, voting force and method of profit and loss distribution among shareholders. These shares also differ in respect of their rights and priorities upon liquidation and their aptitude to be converted into other types of shares besides their related rights, advantages, priorities and other restrictions, provided that these be implied or summarized in the shares' certificates if found.
- B. The Memorandum of Association of a Private Shareholding Company may stipulate its right to issue redeemable shares either upon the Company or shareholder's request or upon the availability of certain conditions.
- C. Any type or category of the Company's shares may have priority over other categories and types regarding profit distribution. Furthermore, these shares may be entitled to a lump sum or a specified percentage of the profit that are subject to conditions and periods set by the Memorandum of Association. Moreover, any of these types and categories may have priority in receiving profits due to them, for any year during which no profit was distributed, in addition to profits due in that fiscal year.
- D. The Memorandum of Association of a Private Shareholding Company may provide for the possibility of converting or replacing any share type or category issued by it into any other type or category upon the request of the Company or a shareholder or upon the fulfillment of a certain condition according to rates and method set in the Company Memorandum of Association.
- E. A Private Shareholding Company may buy any shares it had previously issued. It may also re-issue or sell same for the price deemed proper by the Board of Directors or cancel them and accordingly decrease its capital on the basis set out in its Memorandum of Association and this Part. Company owned shares shall not be taken into consideration for the purpose of ascertaining a quorum for attendance at the General Assembly's meeting and for taking decisions therein, provided that the Securities Law and regulations and instructions issued pursuant thereto are observed.
- F. Subject to the Company's Memorandum of Association, the Securities Law and regulations and instructions issued in pursuance, a Private Shareholding Company may issue share options that permit their holders to buy or request the Company to issue shares. The options' conditions, date of implementation and implementation prices of same shall be determined in the Company Memorandum of Association or pursuant to a decision by the Board of Directors provided that it



is authorized to do so by the extraordinary General Assembly.

2. Article 86 (bis) of the same law provides that:

Gross Losses

“If a Private Shareholding Company is exposed to gross loss so that it becomes unable to meet its obligations towards its creditors, the Board of Directors shall invite the Company extraordinary General Assembly to a meeting to issue a decision, either to liquidate the Company, or issue new shares, or any other decision which would guarantee its ability to fulfill its obligations. If the General Assembly is unable to take a definite decision in this respect during two consecutive meetings, the Controller shall give the Company a one-month grace period to take the required decision. In the event the Company fails to do so, it shall be referred to the Court for compulsory liquidation in accordance with the provisions of this Law”.

3. Article (89/a) of the same law provides that: Application of other Provisions “Provisions related to Public Shareholding Companies stipulated in this Law shall apply to a Private Shareholding Company, unless an express provision is provided for in this Part, or Articles or Memorandum of Association. ”
4. Article 186 of the same law stipulates that:

Distribution of Profit and Compulsory Reserve

1. The Public Shareholding Company may not distribute any dividends to its shareholders except from its profits, and after settling the rotated losses of the previous years. The Company shall deduct an amount equivalent to 10% of its annual net profit for the compulsory reserve account. No profits shall be distributed to shareholders before the deduction of such an amount. These deductions may not cease before the total amount accumulated in the account of the statutory reserve has become

equal to one quarter of the Company subscribed capital. However, the Company may, with the approval of the General Assembly continue to deduct this annual ratio until this reserve equals the subscribed capital of the Company in full.

2. A Public Shareholding Company may not distribute its compulsory reserve amongst its shareholders. However, the Company may use the said reserve to secure the minimum limit of profits as required by the agreement of Companies having concessions, for any year, where their profits at the said year cannot secure that minimum limit. The Company’s Board of Directors must return to that reserve the amounts which have already been deducted there from whenever the profits of the Company allow that in the following years. The Council of Ministers may, shall the need arise, partially use the compulsory reserve of the Company, as the case may be, to cover its payments for the purpose of settling surplus profits realized for the government that are in excess of the profit stipulated in accordance with the concession agreement in which it is a party provided that such reserve is returned in accordance with the provisions of paragraph (a) of this Article.

Accounting standards that address redeemable shares

1. IFRS did not address the accounting treatment of this type of shares.
2. The Accounting Standards Codification ASC 480 issued by the Federal Accounting Standard Board (FASB) addresses the accounting treatment of this type of shares under the following principles:
 - A. If the terms of issuing redeemable shares include any condition that may ultimately result in the payment of such shares, the shares in the financial statements shall be classified as liabilities rather than equity instruments.
 - B. If the terms of the issuing redeemable shares may ultimately result in non-payment of the value of these shares, the shares are classified in the financial statements as temporary equity instruments and are classified as equity in a separate item.

The Impact of Interest Rate on the Economy from the Viewpoint of Banking Managers: Empirical Evidence from Jordan | *By Dr. Reem Shafer 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](#)

A Holistic Look at IFRS Standards: the Role of Post-implementation Reviews

By Gary Kabureck, Member, International Accounting Standards Board

At the International Accounting Standards Board (Board), developing new IFRS® Standards to improve financial accounting and reporting is our stock in trade. However, no matter how comprehensive the development process is, for a variety of reasons there may be a need to make subsequent amendments.

Mostly these amendments have been either narrow in scope or transaction-specific in nature and come to us from a variety of sources such as recommendations from our IFRS Interpretations Committee. But we also stand back and take a holistic look at an entire Standard after it has been in use for some time. We call this activity a Post-implementation Review (PIR).

These are a relatively new process for us. To date, we have completed PIRs on IFRS 3 Business Combinations and on IFRS 8 Operating Segments. Currently, we are asking stakeholders to provide information to our third PIR, which is on IFRS 13 Fair Value Measurement, with comments and other input due on 22 September.

The PIR process in a nutshell

The Board's Due Process Handbook outlines why, when and how we conduct PIRs. First, let's be clear: a PIR is not intended to be a cover-to-cover reconsideration of the entire underlying Standard. It starts with an initial assessment of how well the new Standard is performing in practice and includes outreach to the Board's consultative network.

Whilst not reopening the Standard, we look at a number of things, including: have the Standard's objectives been achieved? Are the Board's requirements on the most difficult or conscientious issues performing as intended? Have new issues emerged since the Standard was issued? Are the compliance costs consistent with expectations?

After the initial assessment, the Board may determine no additional research is necessary. However, if important issues are identified, we then publish a formal Request for Information (RFI), seeking input on specific topics from any interested constituent. After the RFI responses are analyzed, the Board then determines the next steps, which could range from standard-setting to a conclusion that no additional work is necessary.

For example, our PIR on IFRS 3 Business Combinations identified important



challenges with its definition of a business and in evaluating goodwill for potential impairment. On the first issue, we are near finalization of a revised definition of a business, and on the second, we are deep into a research project on the subsequent accounting for acquired goodwill, including potential improvements to our impairment testing requirements.

The possible outcomes of the process are summarized as follows:

1. IFRS Practice Statement 2: Making Materiality Judgments (Practice Statement) provides companies with guidance on how to make materiality judgements when preparing their general purpose financial statements in accordance with IFRS Standards.
The need for materiality judgements is pervasive in the preparation of financial statements. IFRS Standards require companies to make materiality judgements in decisions about recognition, measurement, presentation and disclosure.
2. The Practice Statement:
 - provides an overview of the general characteristics of materiality;
 - presents a four-step process companies may follow in making materiality judgments when preparing their financial statements; and
 - provides guidance on how to make materiality judgements in specific circumstances; namely, how to make materiality judgements about prior-period information, errors and covenants, and in the context of interim reporting.

The Practice Statement is a non-mandatory document. It does not change or introduce any requirements in IFRS Standards and companies are not required to comply with it to state compliance with IFRS Standards.

Companies are permitted to apply the guidance in the Practice Statement to financial statements prepared any time after September 14, 2017.

<http://www.ifrs.org/news-and-events/2017/09/role-of-post-implementation-reviews/>



The Arab Society of Certified Accountants (Jordan)
Member of TAG-Foundation

Has announced its Training Plan for the First Half of 2018



www.ascajordan.org

#	Course Title	Training Hours	Date	Days	Fees JD
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Professional Training Courses

1	International Arab Certified Public Accountant (IACPA) <i>~Limited Seats~</i>	160	4/2/2018	Sun/Tues/Thurs	600
2	«IFRS Expert»	112	5/2/2018	Sat/Mon/Wed	600
3	Jordanian Certified Public Accountant (JCPA) <i>~Limited Seats~</i>	124	12/2/2018	Sat/Mon/Wed	500
4	International Arab Certified Management Accountant (IACMA)	120	25/2/2018	Sun/Tues/Thurs	600
5	Islamic Finance	80	18/3/2018	Sun-Thurs	700

#	Course Title	Training Hours	Date	Days	Fees JD
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Specialized Training Courses
February Courses

1	Auditing and Control on Accounting Systems	16	4-7/2/2018	Sun-Wed	250
2	Budgeting and Cost Control	16	11-14/2/2018	Sun-Wed	250
3	Preparation and Presentation of Financial Statements	16	11-14/2/2018	Sun-Wed	250
4	IFRS 9 (Financial Instruments)	16	18-21/2/2018	Sun-Wed	250
5	Preparation and Analysis of Cash Flow Statements	16	18-21/2/2018	Sun-Wed	250
6	Financial Risk Assessment and Analysis, and Building Financial Strategies	16	18-21/2/2018	Sun-Wed	250
7	Cost Accounting	16	25-28/2/2018	Sun-Wed	250
8	Practical Application of Accounting & Qualifying Accountants to the Labour Market	24	17-22/2/2018	Sat-Thurs	250

March Courses

9	Internal Audit and Financial Control	16	4-7/3/2018	Sun-Wed	250
10	Financial Analysis and Corporate Evaluation	16	4-7/3/2018	Sun-Wed	250
11	Preparation and Presentation of Financial Statements	16	4-7/3/2018	Sun-Wed	250
12	Financial Analysis for the Purposes of Reduction Managerial Cost	16	11-14/3/2018	Sun-Wed	250
13	Income and Sales Tax and its applications in Accounting Terms	16	18-21/3/2018	Sun-Wed	250
14	The Fundamentals of Internal Audit and Policies Preparing	16	18-21/3/2018	Sun-Wed	250
15	The Fundamentals of International Accounting Standards and its applications	16	25-28/3/2018	Sun-Wed	250
16	Practical Accounting and Qualifying Accountants to the Labour Market	24	24-29/3/2018	Sat-Thurs	250
17	Accounting For Non-Accountants	16	25-28/3/2018	Sun-Wed	250

April Courses

18	Practical Applications on Cost Accounting	16	1-4/4/2018	Sun-Wed	250
19	Financial Analysis By Using MS Excel	16	1-4/4/2018	Sun-Wed	250
20	Finance for Non-Financial	16	8-11/4/2018	Sun-Wed	250
21	International Accounting Standards and the Latest updates	16	8-11/4/2018	Sun-Wed	250
22	Practical on Internal Control, Risk Assessment and Response to Assessed Risks	20	15-19/4/2018	Sun-Thurs	300
23	Practical Accounting and Qualifying Accountants to the Labour Market	24	21-26/4/2018	Sat-Thurs	250

May Courses

24	The Latest Methods of Cost Accounting and Decision-Making	16	6-9/5/2018	Sun-Wed	250
25	Auditing Procedures According to ISAS for SMEs	16	6-9/5/2018	Sun-Wed	250
26	Accounting For Non-Accountants	16	13-16/5/2018	Sun-Wed	250



The International Arab Society of Certified Accountants (IASCA)
Member of TAG-Foundation



IASCA EXAMINATIONS SCHEDULE



May 06-14, 2018

Economic & Finance - May 06- (9:00 AM - 12:00 PM)
Accounting (1) - May 08- (9:00 AM - 12:30 PM)
Accounting (2) - May 10- (9:00 AM - 12:30 PM)
Auditing - May 12- (9:00 AM - 12:00 PM)
Regulations - May 14- (9:00 AM - 12:00 PM)

December 02-10, 2018

Economic & Finance - Dec. 02- (9:00 AM - 12:00 PM)
Accounting (1) - Dec. 04- (9:00 AM - 12:30 PM)
Accounting (2) - Dec. 06- (9:00 AM - 12:30 PM)
Auditing - Dec. 08- (9:00 AM - 12:00 PM)
Regulations - Dec. 10- (9:00 AM - 12:00 PM)



February 01, 2018

1st Session- (9:00 AM - 11:00 AM)
2nd Session- (11:30 AM - 1:30 PM)

August 01, 2018

1st Session- (9:00 AM - 11:00 AM)
2nd Session- (11:30 AM - 1:30 PM)



April 01-03, 2018

Financial & Cost Accounting - Apr. 01- (9:00 AM - 12:30 PM)
Management Accounting & Financial Management - Apr. 03- (9:00 AM - 12:30 PM)

October 01-03, 2018

Financial & Cost Accounting - Oct. 01- (9:00 AM - 12:30 PM)
Management Accounting & Financial Management - Oct. 03- (9:00 AM - 12:30 PM)



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