

المجمع الدولي لعشبي للمحاسبين القانونيين

The International Arab Society of Certified Accountants (IASCA)

عضو في طلال أبوغزاله فاؤندينشن
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YOUR GATE TO ACCOUNTING, AUDITING AND CODE OF ETHICS



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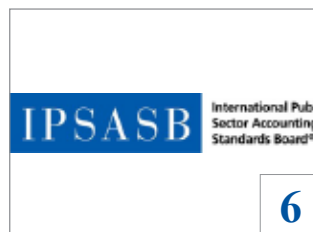
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Abu-Ghazaleh: Partnership with the Danish Refugee Council for Refugee Literacy

AMMAN - Arab Society for Certified Accountants (ASCA)/ Jordan, a member of Talal Abu-Ghazaleh Foundation, and the Danish Refugee Council (DRC), signed the 'Financial Literacy Training of Trainers (TOT) for Illiterate Beneficiaries' project contract.

The contract, signed by ASCA Executive Director Mr. Salem Al Ouri, and DRC Country Director Ms. Ermes Frigerio, aims at designing and delivering financial literacy training curricula for illiterate beneficiaries.

HE Dr. Talal Abu-Ghazaleh, chairman of the Society, expressed his pride at cooperating with the Danish Refugee Council represented by its Country Director Ms. Frigerio, affirming that this project is compatible with the role and mission of the Society in promoting accounting and financial awareness and providing beneficiaries with the latest internationally applied standards and financial methods.



The programs seeks to improve the financial knowledge, conduct and skills of the beneficiaries by introducing them to proper financial planning enabling them to understand the cost and value of purchases, in addition to enhancing their financial practices with the goal of achieving aspired financial results.

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 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 recent developments in accounting and auditing.

The Danish Refugee Council (DRC) is a humanitarian, non-governmental, non - profit organization founded in 1956 that works in more than 30 countries throughout the world. It provides direct assistance to conflict-affected populations – refugees, internally displaced people (IDPs) and host communities in the conflict areas of the world.

ASCA (Jordan) Holds «Finance for Non-Financials» Training Course

AMMAN- The Arab Society of Certified Accountants ASCA (Jordan) held a training course for a group of employees at Dar Al Omran company in Amman, Jordan entitled «Finance for Non-Financials». During the course, participants were introduced to the basic concepts of accounting and modern financial management

to enable them to deal with the outputs of the financial accounting system with confidence and a better understanding of their meanings, as well as the basic financial statements and how to deal with them to



analyse the financial health of a company or institution according to a proposed approach to achieve this objective. In addition to training participants on how to obtain financial information and use them to analyse the effectiveness and

financial efficiency of the company for the purposes of planning, control and performance evaluation. At the end of the course, participants stressed that the training topics were in line with their requirements and practical needs.

Participant in ASCA (Jordan) Qualifying Course Acquires JCPA

AMMAN- ASCA / Jordan congratulates Ms. Mais Samir Hamdan who acquired the JCPA Certificate for practicing the profession of legal accounting in Jordan after having obtained the qualifying course session for this certificate held by the Arab Society of Certified Public Accountants (Jordan).

The training course included topics related to laws, legislations, accounting and auditing, which were delivered by a group of professional trainers and faculty members of Arab universities with extensive experience in accounting, auditing, and related sciences.



Advantages and disadvantages of Transformation of Companies by Rafiq Tawfiq Al Dweik

Companies may consider transforming the legal status of the company from one attribute to another, such as transforming a limited liability company into a public shareholding company, without knowing the advantages and disadvantages of the transforming process. To this end, here are highlights on the advantages and disadvantages of transforming processes to help companies' managements to make the right decision and to protect the interests and rights of the company and its shareholders / partners.



Limited Liability Companies

First: Advantages of limited liability companies vs. public shareholding companies:

Limited liability companies have less procedural and regulatory issues than public shareholding companies, including:

1. Non-mandatory publication of the financial statements of the limited liability company.
2. The attendance of the representative of the Companies' Controller shall not be required for Ordinary and Extraordinary General Assembly Meetings.
3. Legal requirements in accordance with the Companies Law and the regulations of the JSC in the case of the limited liability company are less than in the case of public shareholding companies in relation to the financial treatments of the limited liability company's status in various areas, especially with respect to the following:

- a. Revaluation of the company's assets if the company wishes to do so or requires to do so.
- b. Solving accumulated loss incurred if it amounted to more than (50%) of the company's capital.
- c. Treatment of capitalization of profits and increase or reduction of capital needs less procedures, as it does not require the approval of the Jordan Securities Commission in this case and needs not to freezing transfers of shares during the period from the date of the decision of the General Assembly in this regard and the completion of the approval procedure at Jordan Securities Commission.
4. The legal requirements for meetings of the Board of Directors of the limited liability company are lower than in the case of public shareholding companies, as well as the conditions and restrictions on membership of the Board of Directors.
5. No requirements to comply with the regulations and disclosure requirements of JSC in respect of the following matters:



- a. Restrictions on the implementation of IFRS, IAS and International Standards on Auditing applicable to Public Shareholding Companies.
 - b. Disclosure of shares of the Company and its subsidiaries and associated companies owned by the Chairman and Members of the Board of Directors, their parents, children, and wives.
 - c. Amounts received by the Chairman and Members of the Board of Directors for salaries, bonuses and allowances.
 - d. Disclosure of the organizational structure of the company and the requirements and qualifications of the key positions in the company.
 - e. Requirements for the preparation and submission of quarterly financial statements within short and specific time periods.
 - f. Inform the Jordan Securities Commission and the Stock Market of every significant action taken by the Company in terms of its shares traded by the Chairman and Members of the Board of Directors and other matters related to operational, managerial, organizational and structural issues.
 - g. Subjecting the company to financial penalties amounting to several thousand dinars in case of violation of the provisions of the JSC Law and regulations or the Disclosure Regulations or any similar matters.
6. Lack of restrictions and requirements related to the increase and reduction of capital as in the case of public shareholding companies.
 7. There is no need for an audit committee from non-executive Board Members as in the case of public shareholding companies.
 8. There are no restrictions on listing of shares in the Stock Market and freezing transfers of shares when making any amendment to the capital structure as in the case of public shareholding companies.
 9. The company's funds shall not be regarded as public funds, as in the case of public shareholding companies, and not to be subjected to civil and legal liability with the same gravity in the case of public shareholding companies.
 10. Easier control and more control over the entry of new partners to the limited liability company, where it is not possible to control the entry and exit of shareholders through the Stock Market in case of offering shares of public shareholding companies for sale.
 11. Greater control over the (husas) price in the limited liability company case, unlike the public shareholding companies where the market factors control the price, in addition to the absence of speculation on the price of (husas) as it took place in case of stock trading in the Stock Market.

Second: Public Shareholding Companies

Advantages of the transformation process to a public shareholding company:

As is known, transformation the company into a public shareholding company can achieve all or some of the following advantages:

1. Investors consider public shareholding companies to be preferred because of the number of regulatory bodies that supervise their performance such as; the Jordan Securities Commission, the Securities Depository Center, the Amman Stock Exchange and the Ministry of Industry and Trade. The law also considers the public shareholding companies' funds to be public property, and has immunity. Therefore, the laws require transparency in the dissemination of information and governance in public shareholding companies to reassure investors and protect their money.
2. Providing the freedom to dispose of shares in public shareholding companies where the shareholder can exit or continue as shareholder in the manner that suits him, unlike the limited liability company that complies with the right of pre-emption granted to the partners, where there are restrictions on selling (husas) and determining their fair price.
3. To provide liquidity to the shareholder easily by selling share to other investor through Stock Market, unlike companies with limited liability, which require several steps to transfer ownership of (husas).
4. When listing shares of public shareholding companies on the Stock Market, the shares become subject to daily supply and demand and within the Stock Market mechanism. If the public shareholding company enjoys excellence performance, perform profits, and have a successful management, this inevitably achieves a distinction in its share price.
5. Any company needs to provide sources of financing to manage its projects and future expansions. The chances of public shareholding companies to participate in borrowing from banks or granting loans are larger and more comprehensive than the limited liability



companies that find it difficult to obtain such loans, in addition to diversifying the risk of borrowing.

6. Broadening the base of shareholders and increasing their number in the public shareholding company enriches the company with multiple opinions and experiences and expands the base of official and civil relations.
 7. The ability to attract more capital from public or private offering, diversification of investment fields and greater opportunities for competition.
 8. Distribution of investment risks among larger number of investors rather than limited to a limited number as in limited liability companies.
 9. To benefit from the increase in the value of the company's assets by revaluing and calculating goodwill of the company when it is converted into a public shareholding company.
 10. The right of the company to practice insurance or banking business, since the law does not permit the practice of such business except by a public shareholding companies.
 11. The ability to capitalize the company's payables (subject to the approval of the creditors) or capitalization of the convertible bonds and thus the ability to reduce the financial burden on the company - if any -.
 12. Possibility to allocate part of the company's unsubscribed capital to be offered to the employees of the company as an incentive (stock options).
 13. Take advantage of the treasury shares so that the company intervenes to buy its shares from the market to maintain the market value of the shares and benefit from the profits of the sale in case a market price increase of share took place.
 14. The existing shareholders of the public shareholding company could benefit from the private offering (as priority towards others) in case of increasing capital by private offering to limit the benefit to the existing shareholders.
- b. The private shareholding company may decide to list its shares and corporate bonds and other securities in the Stock Market and to trade them through the Stock Market in accordance with the JSC by-laws and regulations. However, JSC at present:
 1. Do not allow trading shares of Private Shareholding Companies in the Stock Market and does not allow its issuance of corporate bonds, and is not expected to allow such in the foreseeable future.
 2. JSC allows Private Shareholding Companies only to issue shares to a strategic partner or to issue shares through private offering, but does not permit the issue of shares for public offering and does not permit trading of shares in the Stock Market.
 - c. The private shareholding company may issue several types and categories of shares that differ among themselves in terms of:
 1. Par value
 2. Voting power
 3. How to distribute profits and loss to shareholders
 4. Rights and priorities of shares when liquidation of the company
 5. The ability of the types of shares to be converted to other types of shares (i.e., from a type that does not have a voting power to a type with voting power, or a kind with a par value to another type of different par value, or a type having rights and priorities at liquidation or at any other time different from the other type) provided to state such options in the Company's Articles of Association.
 - d. The private shareholding company may issue Redeemable Shares, either at the request of the Company or the holder of the share or upon the availability of certain conditions, as provided in the Memorandum of Association and the Articles of Association of the Company.
 - e. Shares may be issued with a preference in the distribution of profits on other shares or to be entitled to a lump sum or a certain percentage of profits on terms and times agreed upon Memorandum of Association and the Articles of Association of the Company, or a certain type of shares may have the right of priority to receive profits for any year, while no dividends are distributed, in addition to the profit to be distributed in the same year for such type of shares (as in the case of the Concession Shares).
 - f. The Company may buy its issued shares (treasury shares) and may either reissue or sell the shares

Third: Private Shareholding Company

Advantages of Private Shareholding Company Compared to Limited Liability Company:

Main advantages of Private Shareholding Companies compared to limited liability companies:

- a. A private shareholding company may issue shares and corporate bonds and other securities.
- f. The Company may buy its issued shares (treasury shares) and may either reissue or sell the shares

it bought at a price deemed appropriate by the Board of Directors, or to cancel them, and reduce its capital by such shares in accordance with the provisions of the Securities Law and the regulations issued pursuant thereto (this feature is currently not verifiable by JSC).

- g. The Company may issue stock options that allow its holder to buy or claim the Company issuing shares for them (this feature is currently not verifiable by JSC).
- h. The Company shall issue official financial statements every 6 months.
- i. Provisions relating to the Public Shareholding Company with respect of disclosures shall apply in the event of the issuance of (Stock Options) to the Company's employees or to their Provident Fund before the transfer of ownership of such shares to employees or to the Provident Fund. Such provisions include:
 - 1. Issuing full financial statements for the Company prior to issuing the shares
 - 2. Detailing of the risks that may result from investment in shares of the Company and the tax effects of this investment.
 - 3. Detailing of restrictions relating to the transfer of ownership of shares.
 - 4. Detailing of the mechanism of valuation of shares on sale and the mechanism of evaluation periodically.
 - 5. Detailing of the method of payment of the value of shares and the mechanism of valuation of share price.
- j. In case of listing shares in the Stock Market, the shares shall be subject to the provisions of the Jordan Securities Commission Law and the regulation issued pursuant thereto.

Fourth: The disadvantages of the transformation from a Public Shareholding to a Limited Liability company:

- 1. Requirements for evaluating both companies, in terms of time, effort and cost.
- 2. The need to own more than 75% of the Limited Liability Company's capital at all times to ensure the voting power of the company over the key issue matters, while in many cases, the ownership of less than (40%) in the Public Shareholding Company can control significantly the course of things in the company.
- 3. Difficulties and restrictions on the transfer and sale of capital shares in the Limited Liability Company compared to the Public Shareholding Company,

Fifth: Transformation requirements:

- 1. Call the Extraordinary General Assembly of the company to approve the transformation process.
- 2. Preparation of the study which shows the reasons and justifications of transformation based on economic and financial study on the company's conditions and the situation after the transformation pursuant to the provisions of paragraph (b) of Article 217 of the Companies Law No. 22 for the Year 1997 as amended.
- 3. Preparation of the company under transformation's annual financial statements for the last two financial years.
- 4. To carry out revaluation of the company's fixed assets (furniture, equipment machinery, tools and goods) in accordance with the provisions of paragraph (e) of Article 217 of the said law.
- 5. Submit the request for transformation to the Companies' Controller attached to the documents mentioned in items (1-4) above.
- 6. The Companies' Controller shall appoint "Revaluation Committee" to revalue the Company's assets and liabilities as of the date of approval of transformation by the Extraordinary General Assembly.
- 7. The said committee shall use specialized experts to revalue the assets of the company.
- 8. The "Revaluation Committee" shall prepare its technical report and submit it to the Companies' Controller for the approval of the Minister of Industry and Trade to approve the transformation process.
- 9. The capital of the company shall be agreed upon after the revaluation of the net assets of the company and determination of its capital after transformation. The legal requirements shall be met in terms of:
 - a. Publishing transformation official decision in the Official Gazette and local newspapers.
 - b. Prepare for the Extraordinary General Assembly Meeting of the Company to approve the report of the "Revaluation Committee", approve the transfer expenses, elect the Board of Directors of the transformed company and elect the external auditor.
 - c. Preparation of the Memorandum of Association and Articles of Association of the transformed company.

Report the Companies' Controller of the above decisions and to submit the Memorandum of Association and Articles of Association to the Companies' Control.



IFRS Expert Examination Results of February 2018 Announced

AMMAN- The International Arab Society of Certified Accountants (IASCA) announced the Examination Results of the International Financial Reporting Standards (IFRS Expert) February 2018 cycle.

A significant number of students sat for the IFRS Expert exam from around the Arab world, the pass rate in this cycle was 20%.

It is worthy to mention that the IFRS Expert certificate aims to build and develop the necessary knowledge capacities related to the theoretical and conceptual aspects of the International Financial Reporting Standards, to be able to professionally apply the IFRSs in accounting, and enable the continuous professional development in the IFRSs field and follow up relevant amendments and updates.

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



IPSASB Proposes New Lease Accounting Model for the Public Sector Call for Comment on Exposure Draft 64, Leases

NEW YORK-The International Public Sector Accounting Standards Board® (IPSASB®) released for comment Exposure Draft (ED) 64, Leases.



ED 64 proposes a single right-of-use model for lease accounting that will replace the risks and rewards incidental to ownership model in IPSAS 13, Leases. ED 64 also proposes new public sector specific accounting requirements for leases at below market terms (also known as “concessionary leases”) for both lessors and lessees.

- a. Continuing to recognize and measure the leased asset according to the applicable IPSAS; and
- b. Recognizing a lease receivable and a liability (unearned revenue) as a result of the lease contract, except for short-term leases.

For lessees, ED 64 proposes accounting requirements that are converged with the International Accounting Standards Board’s IFRS 16, Leases, by requiring the recognition of a right-of-use asset and a lease liability for all leases, except for short-term leases and leases of low-value assets.

The proposals in ED 64 address common public sector lease contracts where a lessor and a lessee are part of the same economic entity.

“Leases, including concessionary leases, are very important financing mechanisms in the public sector and in international organizations,” said IPSASB Chair Ian Carruthers. “The proposals in ED 64 will provide better information on the financial impacts of leases and therefore enhance both the accountability of an entity for its management of resources and improve the quality of information for decision-making.”

For lessors, ED 64 proposes a right-of-use model specifically designed for public sector financial reporting that differs from the risks and rewards incidental to ownership model for lessors in IFRS 16 by:

Comment Deadline: June 30, 2018



IFRS 16 Compliance Presents the Choice to be Outstanding



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One of the main regulations governing leasing arrangements is IFRS 16. In January 2016, the International Accounting Standards Board issued a new accounting standard for leases, called IFRS 16, replacing the old IAS 17 scheme

The new regulation describes the recognition, measurement, presentation and disclosure of leases for both parties to a contract. The main difference between the new mandate and its predecessor is that IFRS 16 brings most leases onto the balance sheet for reporting purposes.

Virtually all large organizations use rentals or leasing to obtain access to assets, which means they will be affected by the new standard. The IASB has imposed a deadline of January 1 of next year for businesses to have this transition completed. The Financial Accounting Standards Board has its own version of the leasing standard, which also takes effect next year for public companies.

The change will be significant, both in terms of the additional manual workload, such as the heavy lifting that is manual contract review, as well as repapering. This is a change not only in how organizations pursue and report on leases, but is also a fundamental shift in overall outlook, placing more assets and corresponding liabilities onto the balance sheet.

There is a real opportunity for the new regulatory requirements, which will notably change how balance sheets are represented, to also yield an epiphany in

how contractual data unlocks opportunities that contribute to the balance sheet itself.

In the IFRS 16 process, organizations will likely uncover long-forgotten lease agreements, auto-renewals or other areas where money that has been bleeding can be recovered.

Ensuring leases are IFRS 16 compliant

The first step of the IFRS 16 compliance process is finding and collecting all of an organization's leases no matter where they may reside. In some organizations leases may have already been brought together in one place, while in others they may be spread across multiple servers and file systems.

Regardless of where they may be found, it is necessary to pull specific information out of these documents to start the compliance process and that requires them to be contained in a single, searchable location.

The latest software designed for the analysis and discovery of contracts can automate a large part of the process, automatically finding leases across an entire contract corpus. Once found, a search-readable .pdf version of a lease can be created and brought into any existing contract lifecycle management system. Simultaneously, discovery and analytics systems can also be employed to extract key contract metadata, thus creating an efficiency that otherwise could not be achieved.

Accounting Today Online

Jonathan Drew

8 February 2018

1102 words

English

ACTOT



جمعية المجمع العربي للمحاسبين القانونيين (الأرون)
عضو في طلال أبوغزاله فاونديشن



2018

March

آذار - مارس

#	عنوان الدورة	الساعات التدريبية	تاريخ الانعقاد	الايام	الرسوم بالدينار
١	الدورة التأهيلية لشهادة التمويل الإسلامي "CIMA"	٨٠	٢٠١٨/٣/١٨	الأحد - الخميس	٧٠٠
٢	التدقيق الداخلي والرقابة المالية	١٦	٢٠١٨/٣/٧-٤	الأحد - الأربعاء	٢٥٠
٣	التحليل المالي وتقييم الشركات	١٦	٢٠١٨/٣/٧-٤	الأحد - الأربعاء	٢٥٠
٤	اعداد وعرض القوائم المالية	١٦	٢٠١٨/٣/٧-٤	الأحد - الأربعاء	٢٥٠
٥	التحليل المالي لأغراض تخفيض التكاليف الإدارية	١٦	٢٠١٨/٣/١٤-١١	الأحد - الأربعاء	٢٥٠
٦	ضريبة الدخل والمبيعات وتطبيقاتها من الناحية المحاسبية	١٦	٢٠١٨/٣/٢١-١٨	الأحد - الأربعاء	٢٥٠
٧	أساسيات التدقيق الداخلي وإعداد السياسات	١٦	٢٠١٨/٣/٢١-١٨	الأحد - الأربعاء	٢٥٠
٨	اساسيات معايير المحاسبة الدولية وكيفية تطبيقها	١٦	٢٠١٨/٣/٢٨-٢٥	الأحد - الأربعاء	٢٥٠
٩	تطبيقات المحاسبة العملية وتأهيل المحاسبين إلى سوق العمل	٢٤	٢٠١٨/٣/٢٩-٢٤	السبت - الخميس	٢٥٠
١٠	المحاسبة لغير المحاسبين	١٦	٢٠١٨/٣/٢٨-٢٥	الأحد - الأربعاء	٢٥٠

خصم ١٠٪

- لأعضاء المجمع وجمعية المجمع العربي للمحاسبين القانونيين.
- للمؤسسات التي تقوم بتسجيل أكثر من مشارك

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يسر جمعية المجمع العربي للمحاسبين القانونيين دعوتكم لحضور
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تناقش جميع التشريعات والمعالجة الضريبية والمحاسبية
وآخر التحديثات عليهم

خصم ١٠٪

- لأعضاء المجمع وجمعية المجمع العربي للمحاسبين القانونيين
- للمؤسسات التي تقوم بتسجيل أكثر من مشارك

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▪ رسوم التسجيل (٢٥٠) دينار أردني للمشاركة

الرجاء تأكيد الحجز مسبقا - المقاعد محدودة

ص.ب: ٩٢١١٠٠ عمان ١١١٩٢، المملكة الاردنية الهاشمية

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