

TAG-Audit Newsletter

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Talal Abu-Ghazaleh & Co. International (TAG-Audit) is a leading global accounting and auditing firm. It is considered as an independent member company of Talal Abu-Ghazaleh organization (TAG-Org). TAG-Audit provides a complete range of internal auditing, external auditing, taxation, and other financial services based on international professional standards.

Abu-Ghazaleh” Provides Internal Audit Services to Ministry of Health in Bahrain

MANAMA - Talal Abu-Ghazaleh Organization (TAG-Org) and Bahrain Ministry of Health (MoH) signed cooperation agreement to provide Internal Audit services to the Ministry.

The agreement was signed by TAG-Org Bahrain Executive Director, Mr. Saif Al-Bawab and MoH Assistant Secretary General for Human Resources and Services Ms. Fatima Abdel Wahed Al Ahmad.

According to the agreement, TAG-Org provides the Ministry’s Internal Audit Unit with eight professional internal auditors who will work for three years under the supervision and guidance of Head of the Internal Audit at the Ministry.

Al-Bawab highly appreciated the Bahraini Ministry’s confidence in TAG-Org, pointing out that the Organization provides various services through its office in Bahrain noting that it offers continuous training to its staff to keep abreast with the latest international standards.

TAG-Org through its member firm Talal Abu-Ghazaleh & Co. International (TAGI) provides



various internal audit services including the examination and evaluation of the firm’s activities that are related to its policies, in addition to providing the management with guidance and advice on its performance and internal systems and procedures as well as evaluating if the internal policies are followed and implemented by the firm.

TAG-Org seconded internal auditors would be involved in developing and installing procedure, preparing records, making management decisions and engaging in other activities to which they can usefully contribute, provided such activities do not compromise their independence. The seconded internal auditors are entitled to review and appraise all polices and records pertaining to activities reviewed.

The International Arab Society of Certified Accountants (IASCA) Organizes a Training Course Titled “IFRS 9” for TAGI Employees

AMMAN – The IASCA (Jordan) organized a training course titled (The International Financial Reporting Standard 9 - Financial Instruments (IFRS-9)) for TAGI auditors.

The course themes focused on the reasons behind the issuance of IFRS 9, the objectives and scope of IFRS 9, along with the initial recognition of financial assets, the classification of financial assets, how to classify financial liabilities and subsequent assessment thereof on the date of preparation of financial statements, and applications on the recognition of profits and losses resulting from the assessment of financial assets.

The course focused mainly on the comparison between the requirements of the new standard and the requirements of the International Accounting Standard 39 (IAS 39). Hedge accounting was also addressed where many practical applications on the requirements of IFRS 9 have been implemented.

At the end of the course, all participants received certificates of attendance and offered assurance that they have become fully aware of the requirements



of IFRS 9 and are completely ready for the practical application of the standard on their work.

It is noteworthy that the IASCA always seeks to develop the sciences of accounting and management along with the related principles applicable to some or all professional services. The IASCA also seeks to enhance the level of efficiency, practice, and ethics in order to match the highest professional levels through its keenness to issue accounting releases and keep up to date with all latest updates in accounting and auditing.

At the Annual Meeting of the International Arab Society of Certified Accountants Abu-Ghazaleh: We Have to Globally Launch a Revolution in the Accounting and Auditing Profession, Starting with the Arab World

DUBAI - The International Arab Society of Certified Accountants (IASCA) held the annual meeting of its Board of Directors and the General Assembly under the chairmanship of HE Dr. Talal Abu-Ghazaleh in Dubai in the attendance of a host of society members from various Arab countries.

During the meeting, the 2018 annual report was reviewed as well as the balance sheet and budget in addition to discussing several central issues, most importantly the necessity to start a revolution in the accounting and auditing profession to keep up to date with rapid technological development in this sector.

In this regard, Dr. Abu-Ghazaleh said that we have to lead this revolution by introducing and incorporating Information Technology in the accounting profession and by developing programs that assist accountants



and auditors in accomplishing their work more accurately, faster and at a lower cost with the support of Artificial Intelligence (AI) revolution.

Dr. Abu-Ghazaleh declared that Talal Abu-Ghazaleh Organization (TAG-Org) has already started to design its own program to serve as a model for other companies and institutions that introduce technology into the profession.

Additionally, Dr. Abu-Ghazaleh underscored the need for introducing technology in university accounting education which should also keep abreast of developments in the business world calling on

universities to include the International Financial Reporting Standards (IFRS) into their curriculum and rely on professional accounting and auditing courses similar to the ones developed by IASCA.

Furthermore, Dr. Abu-Ghazaleh announced the launch of a set of e-services that comes in line with the Society's vision to transform into a professional society that adapts to technological advancement in this field. Accordingly, IASCA will digitally offer its training courses, in addition to replacing

its traditional paper exams with an electronic examination system early next year.

At the end of the meeting, it was announced that IASCA will hold the next international conference in Egypt in cooperation with Delta University under the theme "Digital Accounting Education" to discuss the transformation of accounting education into the digital phase which will dominate education all over the world in the coming period.

New Standard on Leases Now Effective

IFRS 16 Leases was issued in January 2016 and is effective for annual reporting periods starting on or after 1 January 2019. It replaces IAS 17 Leases and related Interpretations.

IFRS 16 changes the accounting substantially for lessees. The new Standard eliminates a lessee's classification of leases as either operating leases or finance leases. Instead, almost all leases are 'capitalised' by recognising a lease liability and right-of-use asset on the balance sheet. There is little change for lessors.

Leasing is a common form of finance. The Effects Analysis, published alongside the Standard in 2016, described the likely costs and benefits of IFRS 16. This analysis estimated that listed companies around the world have around \$3 trillion worth of future



payments for leases, which were not recognised on the balance sheet applying the previous accounting requirements.

IFRS 16 will increase visibility of companies' lease commitments and better reflect economic reality. The Standard will also make it easier for users of financial statements to compare companies that lease their assets with companies that borrow money to buy their assets, creating a more level playing field.

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