

# TAG-Audit Newsletter

Issue 73 - March 2024

[tagi.com](http://tagi.com) | [tag.global](http://tag.global)

*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.*

## IN THIS ISSUE



The Specter of High Inflation Looms Over the Eurozone Economy 2



Dr. Abu Ghazaleh Launches 2nd Phase of the Libyan Audit Bureau's Personnel Capacity Building Project 3



IASB consults on proposals to improve reporting of acquisitions 4



IFRS Foundation publishes IFRS Accounting Taxonomy 2024 5



IESBA Staff Releases A High-Level Summary Of Prohibitions In The IESBA Code For Audits Of Public Interest Entities 6

# The Specter of High Inflation Looms Over the Eurozone Economy

The economic outlook for the Eurozone is fraught with challenges in the near term according to European Central Bank reports. It is largely driven by weak domestic demand, rising inflation, and tightened financing conditions. Consumers face rising prices for goods and services, leading to a decrease in purchasing power, while companies find it increasingly difficult to obtain affordable financing for expansion or capital expenditure.

The specter of high inflation looms over the economy of the region, further exacerbating the challenges imposed by weak domestic demand, as rising prices erode consumers' purchasing power, consequently slowing down consumer spending.

Furthermore, companies are facing increased input costs, leading to reduced profit margins and constraints on investment in expanding capacities or innovation. The persistence of high inflation poses a significant barrier to economic recovery and may dampen growth prospects



across various sectors.

The manufacturing sector faces significant headwinds, with both local and external factors working to dampen output. Overcoming these challenges will require concerted efforts from policymakers, companies, and consumers alike.

The manufacturing sector, a vital element in the region's economy, bears the burden of the contraction, as both local and external factors significantly impact production. Weak domestic demand has led to decreased orders for manufactured goods, while weakened external demand, exacerbated by global economic headwinds, has imposed further restrictions on export-oriented industries. As a result, production in the manufacturing sector has

faltered, exacerbating overall economic slowdown.

Tight financing conditions add another layer of complexity to the economic landscape in the region. Financial institutions, concerned about inflationary pressures and economic uncertainty, adopt a cautious approach to lending, making access to credit more costly for both companies and consumers alike.

While short-term forecasts may be uncertain due to uncertainty, proactive measures and strategic interventions can pave the way for a flexible and dynamic regional economy in the long term, provided that targeted fiscal and monetary measures are implemented to support demand, address supply chain disruptions, and enhance innovation and competitiveness.

## Dr. Abu Ghazaleh Launches 2nd Phase of the Libyan Audit Bureau's Personnel Capacity Building Project

AMMAN - HE Dr. Talal Abu-Ghazaleh, chairman of the Arab Society for Certified Accountants (ASCA-Jordan), has launched the second phase of the project aligned with the International Organization of Supreme Audit Institutions (INTOSAI) standards aimed at improving the skills of



Libyan Audit Bureau (LAB) personnel, funded by the United States Agency for International Development (USAID). The launch ceremony was organized in the presence of Mr. Nael Chparro, director of the USAID's Libyan Public Financial Management (LPFM). It was also attended by representatives from the project team: Mr. Adel Al-Qassar, Mr. Tariq Al-Aidoudi, and Mr. Muhammad Al-Maghribi.

During the ceremony, the first group of the 'Certified Performance Auditors' was graduated, which was part of the project's first phase that aimed at enhancing the skills of the LAB cadres in accordance with INTOSAI standards. The training of the auditors covered three types of auditing: Financial, compliance, and performance auditing.

In his remarks, Dr. Abu-Ghazaleh expressed his gratitude to the LAB for entrusting and selecting ASCA as the contributing entity for implementing the project. He emphasized the importance of the project in enhancing the professional skills of LAB employees, noting that it represents a significant milestone in the Bureau's endeavors to enhance the capabilities of the Libyan auditors, and it will contribute to protecting the interests of the Libyan people. In a recorded speech, LAB President, Mr. Khalid Shakshak stressed LAB's ongoing commitment to developing the skills of its professionals, highlighting the project's goal in sharpening the workforce's technical and professional capabilities to achieve an advanced level of control methodologies. Additionally, he expressed his full confidence in ASCA.

For his part, Mr. Nael Chparro underscored the collaborative relationship among the LAB, ASCA, and USAID over the two years of implementing this project. He highlighted the commitment to a participatory and an integrated approach to bolster the LAB's efforts in safeguarding Libyan public funds.

### **The Arab Society for Certified Accountants (Jordan)**

The Arab Society for Certified Accountants (ASCA-Jordan) was established in 1986 by a group of prominent Arab accountants as a professional accounting nonprofit organization. Its primary goals is to uphold professional independence, safeguard the interests of accountants, and enforce standards of professional oversight to elevate the standards of the accounting and auditing professions.

### **Libya Audit Bureau**

The Libyan Audit Bureau is Libya's highest authority for financial oversight and accounting. Functioning as an independent and impartial professional entity with legal autonomy and financial accountability, its core objective is to ensure the effective oversight of public funds and verify their appropriate utilization. This is achieved by examining and scrutinizing accounts and assessing the performance of all entities under its supervision.

## IASB consults on proposals to improve reporting of acquisitions

The International Accounting Standards Board (IASB) has published a package of proposals aimed at enhancing the information companies provide to investors about acquisitions.

Acquisitions continue to play a significant role in the global economy, with deals totalling US\$3.2 trillion announced in 2023, according to data from Bain & Company[1]. Investors need to understand the management decisions behind important acquisitions.

The proposals in the Exposure Draft published respond to stakeholder feedback that reporting on acquisitions poses difficulties for both investors and companies:

- Investors lack sufficient and timely information about acquisitions and post-acquisition performance.
- Companies seek to provide useful information to investors but see risks and costs in providing some information, particularly commercially sensitive information that could be used by competitors.

Stakeholders have also expressed concern about the effectiveness and complexity of the impairment test for operations which have been allocated goodwill.

The IASB is proposing amendments to IFRS 3 Business Combinations. The proposed amendments would require companies to report the objectives and related performance targets of their most important acquisitions, including



whether these are met in subsequent years. Companies would also be required to provide information about the expected synergies for all material acquisitions. However, companies would not be required to disclose information that could compromise their acquisition objectives.

The IASB also proposes related amendments to IAS 36 Impairment of Assets to make targeted improvements to the impairment test.

Andreas Barckow, Chair of the IASB, said:

*More transparency about acquisitions is critical to investor confidence. In developing this package of proposals, the IASB has maintained an active dialogue with all stakeholders. Our aim is to ensure a balanced approach to enhancing the information companies provide to investors about acquisitions, while also considering the risks and costs to companies.*

<https://www.ifrs.org/news-and-events/news/2024/03/iasb-consults-on-proposals-to-improve-reporting-of-acquisitions/>

# IFRS Foundation publishes IFRS Accounting Taxonomy 2024



The IFRS Accounting Taxonomy enables the digital reporting of financial information prepared in accordance with IFRS Accounting Standards. Companies can use the IFRS Accounting Taxonomy to tag disclosures, making them easily accessible to investors who prefer to receive financial information digitally.

The IFRS Accounting Taxonomy 2024 is based on IFRS Accounting Standards as at 1 January 2024, including Standards issued but not yet effective. Digital subscribers can now access the taxonomy layer of the 2024 Issued and Required Standards in the IFRS Accounting Standards Navigator.

The IFRS Accounting Taxonomy 2024 includes changes to the IFRS Accounting Taxonomy 2023 to reflect new or amended presentation and disclosure requirements arising from:

International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12), issued in May 2023;

International Tax Reform-Pillar Two Model Rules (Amendments to Section 29 of the IFRS for SMEs Accounting Standard), issued in September 2023;

Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7), issued in May 2023; and

Lack of Exchangeability (Amendments to IAS 21), issued in August 2023 (IFRS Accounting Taxonomy 2023—Update 1).

<https://www.ifrs.org/news-and-events/news/2024/03/ifrs-foundation-publishes-ifrs-accounting-taxonomy-2024/>

# IESBA Staff Releases A High-Level Summary Of Prohibitions In The IESBA Code For Audits Of Public Interest Entities



International  
Ethics Standards  
Board for Accountants®

The Staff of the International Ethics Standards Board for Accountants (IESBA) released a high-level summary of prohibitions in the International Code of Ethics for Professional Accountants, (including International Independence Standards) (the Code), especially in relation to independence for audits of public interest entities (PIEs).

The high-level summary is designed to highlight non-assurance services, relationships, interests or circumstances that are prohibited for PIE audits. It will be a useful reference to stakeholders, including regulators and audit oversight bodies, audit firms and individual audit practitioners, the corporate governance community, investors, preparers, and educational bodies or institutions.

The high-level summary is not a substitute for reading the Code. Footnote references to the relevant provisions in the Code have been provided to assist further understanding of the prohibitions.

## **About The IESBA**

The International Ethics Standards Board for Accountants® (IESBA®) is an independent global standard-setting board. The IESBA's mission is to serve the public interest by setting ethics (including independence) standards as a cornerstone to ethical behavior in business and organizations, and to public trust in financial and non-financial information that is fundamental to the proper functioning and sustainability of organizations, financial markets and economies worldwide.

Along with the International Auditing and Assurance Standards Board (IAASB), the IESBA is part of the International Foundation for Ethics and Audit (IFEA). The Public Interest Oversight Board (PIOB) oversees IESBA and IAASB activities and the public interest responsiveness of the standards.

<https://www.ethicsboard.org/news-events/2024-03/iesba-staff-releases-high-level-summary-prohibitions-iesba-code-audits-public-interest-entities>



TAGTech

# PRODUCTS

- Intel Core i5  
8th Generation
- 8 GB RAM  
DDR4
- 256 GB SSD



## FLIP



- Intel® Core i7  
10th Generation 1065G7
- 8 GB RAM  
DDR4
- 128 GB SSD  
+ 512 GB SSD



## PRO



- Intel Celeron N4100
- 4 GB LPDDR3
- 256GB SSD  
+ 64GB EMMC



## UNI



- Intel® Core i3  
10th Generation 1005G1
- 4 GB RAM  
DDR4
- 128 GB SSD



## EDU

- Intel® Core i7 10th  
Generation 10510U
- 8 GB RAM  
DDR4
- 128 GB SSD  
+ 1 TB HDD



## PLUS I

- Intel® Core i7 10th  
Generation 10510U
- 8 GB RAM  
DDR4
- 128 GB SSD  
+ 512GB HDD



## PLUS II



- Intel® Core™ i7  
1255U
- 8 GB RAM  
DDR4
- 256 GB SSD  
+ 1 TB HDD

- Intel® Iris®  
Xe Graphics

- 4500 mAh

- AX (wifi 6) BT 5.1

## PLUS III

### 7022

# New





Intel® Core™ i5  
1235U



Intel® Iris®  
Xe Graphics



8 GB RAM  
DDR4



5000 mAh



256 GB SSD  
+ 1 TB HDD



AC WIFI  
BT 4.2

**PLUS III**

**5022**

*New*



Spreadtrum  
SC7731E Quad-core



2 GB



32 GB



**TAG-TAB Kids II**



MediaTek MTK  
8788 octa-core



8 GB



128 GB



**TAG-TAB III**



Front: 16 MP  
Rear: 20 MP



6 GB



128 GB



**TAG-PHONE  
Special**



Spreadtrum  
SC9863 Octa-core



4 GB



64 GB



**TAG-DC**



Front: 8 MP  
Rear: 16 MP



4 GB



128 GB



**TAG-PHONE  
Plus**



Front: 16 MP  
Rear: 16 MP



6 GB



128 GB



**TAG-PHONE  
Advanced**

TAGTech.Global Building 7, Abdel Rahim Al-Waked Street, Shmeisani, Amman, Jordan  
TAGUCI Building 104 Mecca Street, Um-Uthaina, Amman, Jordan

+962 65100 250 info@tagtech.global For More Information: www.tagtech.global