

The Impact of the Development the International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA) on the Tax Legislation in the Jordan

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Abstract:

This study is to highlight the impact of the developing the International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA) on the Tax Legislation in the Jordan

This study found that there is a statistical evidence of the IFRS on the tax legislations, with the presence of some weak impact from the point of view of the study sample related to the fair value and the extent of its use in the investments, assets, and the financial instruments. And there is no impact with statistical evidence of the external auditing standards on the tax legislations, with the presence of some difficulties related to the evaluations and the future values which necessitate the external auditor to take them into consideration during the external audit.

The study recommended that is very important to understand the necessity of the awareness for external auditors with what's related to the importance of the most convenient planning and the importance of analytical revision in external auditing activities with what corresponds with the goals on which external auditing has been used in order to achieve harmony between IFRS and tax legislations. The necessity of awareness for accountants and external auditors with the importance of the fair value and its impact on financial data and information through showing the financial data risks that are related to the application of the fair value and its impact on reporting financial reports and the accounting acknowledgement of financial data. The study also recommended to Increasing the coordination and collaboration between the legal association of accountants and the income and sales tax department for the purposes of standing on all the obstacles that occur without the acceptance of all the certified accounts from external auditors in the patrol and without auditing from the ISTD.

Key Words: IFRS, ISA, ISTD, JORDAN

Introduction

The World Financial Crisis in 2008 is considered to be one of the worst financial crises that impacted the world significantly after the World War II. With the increase in damage that was caused by this crisis in a number of facilities, that are large, medium or small, and in a number of different economies, several questions were addressed: "what are the reasons that lead to the occurrence of the World Financial Crisis?", "Did the World Financial Crisis lead to the development in the financial reporting standards and external auditing?", and "Did the tax legislation in the kingdom get affected by these changes?"

Several specialists and researchers pointed out to several economical and financial issues from several countries and showed that there are a number of reasons that lead to the World Financial Crisis; some related the cause to moral reasons, others related the cause to managerial and insurance issues, and others saw that accounting and auditing play an important role in relation to the occurrence of the World Financial Crisis.

On the other hand, there were a number of questions regarding the role of accounting and auditing in relation to the occurrence of the World Financial Crisis and the main question on hand was : "Did the changes that accompanied financial reporting and the methods of presentation, preparation, and measuring in the shadow of the financial reporting standards (IFRS) after the World Financial Crisis have an impact on tax legislations specifically in what's related to the legal income and sales taxes, in which each of the new laws have been activated since the start of 2010. The Jordanian economy is considered to be one of the smallest economies and suffered from a small impact after the World Financial Crisis in relation to other economies in other countries in the world. However, the impact that was generated from the World Financial Crisis required the support of several areas that were related to Jordan to study what is happening around it to reduce the impact to the lowest possible and to avoid what can be avoided, in which the country has tried hard to protect the price of Jordanian Dinar and the Financial, Investment, and Banking sectors. They also aimed to contain all the inflationary pressures to fund the inability in the current account for the balance of payments.

The Central Bank of Jordan has pointed out instructions several times since the occurrence of the World Financial Crisis that the bank has worked on reporting a group of wide financial instructions and nonfinancial instructions, which requires dramatic changes in its structure and content, to become more convenient, less complicated, and more concentrated in order to emphasize the role of financial markets, and to provide sufficient reports with credibility, and high quality to protect the public interest and the rights of owners and related parties.

The problem:

The problem of this study can be presented through the following questions:

- 1) Are there variables with statistical evidence that are related to the developments and changes in the international financial reporting standards (IFRS) that impacted the tax legislations in the kingdom?
- 2) Are there variables with statistical evidence that are related to the developments and changes in the international standards on auditing (ISA) that impacted the tax legislations in the kingdom?

The objective:

The study aims to achieve the following:

- 1) Measuring the extent of existence of impact caused by the financial reporting standards (IFRS) on the tax legislations in Jordan.
- 2) Measuring the extent of existence of impact caused by the external auditing (ISA) on the tax legislations.

The importance:

The importance of this study is based on the importance of the topic it medicates in which it aims to show the extent of the impact existence to develop the financial reporting standards and external auditing in the tax legislations and that's from the point of view of corporations that are registered in Amman's Stock Exchange as from 1/1/2012.

Literature Review

We cannot discuss the impact of the developing of the international financial reporting standards (IFRS) and the international standards on auditing on the tax legislation in Jordan without examining various factors that determine accounting rule in the society.

In this literature review, we are going to examine and review various views of researchers of every related concept to this topic of discussion.

Adhikari and Tondkar (1992) posit that;

"Accounting reporting and disclosure standards and practices do not develop in a vacuum but reflect the particular environment in which they are developed"

This implies that Accounting processes and procedures are conditioned by both environmental and historical factors but also by the level of the society accounting and economic development. Therefore, adopting accounting as a language of a business must be clear and well understood to meet the need of the users in every investment decisions. A nation that has unstable economy and economy forecast are prone to questionable accounting practices as a result of some of its drastic changes while on the order hand a consistent and stable economy will promote a sound conceptual accounting system and standards.

Meek & Saudagaran, (1990); Gernon & Meek, (2001). Iqbal (2002) are of the opinions that the "degree of economic risk exposure to the investors and creditors in a country is directly related to the degree of economic instability of the country."

A country's level of inflation is another determinant that shapes accounting systems and causes accounting diversity; in most countries, the historical cost concept is used for initially recording transactions. In times of generally rising prices, inflation exerts an enormous pressure on historical cost accounting and attracts a great deal of attention in reporting the effects of changing prices as it happened in the late 20th century in the U.S. and the U.K.

Iqbal,(2002; Saudagaran, (2004).

An Ernst & Young survey of the Global 1000 companies Iqbal, (2002) argued that political system and philosophy has direct relationship with economic system, the stability of both are direct dependable and that if economic stability aids development of accounting system and standards in the same vein therefore, political stability remains a facilitating factor for developing accounting standards .

Iqbal (2002) posits "the political instability of a country is often a result of the deterioration of economic conditions. The development of a comprehensive and sophisticated accounting system is difficult under such a set of circumstances."

Legal system is another vital factor that explains the diversity in accounting reporting and standards. In some countries, the setting of accounting standard are the responsibility entrusted in the private sector. Gernon and Meek (2001) further explained the dichotomization of the accounting world into the following; some countries are with a code-law orientation such as continental Europe and South America, while some are based on common-law orientation such as the United Kingdom and the United States of America.

Saudagaran (2004) argued that the quality of education plays an important role in the adoption of accounting standards. He further posits that there is a direct relationship between the level of economic development and the quality of accounting education of country, also that both the political and economic relationship with other country are equal the function its accounting education which in turn boost the reputation of that country's accounting profession. Culture also plays an important role in the development of an accounting system;

Hofstede (1980) defined culture as "the collective programming of the mind which distinguishes the members of one human group from another." Culture in general is a very difficult construct to define and measure. Equally difficult is the relationship between cultural factors and accounting development. Several studies conducted by Hofstede (1980), and Gray (1988) have sought to examine such a link using traditional constructs of individualism versus collectivism, large versus small power distance, strong versus weak uncertainty avoidance, masculinity versus femininity, and Confucian dynamism. Gray (1988) identified the four accounting values of "professionalism, uniformity, conservatism, and secrecy" and argued that these values interact with the institutional consequences of culture such as capital markets in order to have a final set of accounting systems that include financial accounting reporting practices and professional structure.

Language also has a cultural impact on accounting diversity. Pierera (1994) supported the idea raised by Gerhard G. Mueller that accounting seems to flourish in English speaking countries and languish in others, particularly Romance language countries. However, as with most elements of culture, it should be noted that language is not a causal factor per se but a correlate of other factors too. (Saudagaran & Meek, 1997).

Hypothesis:

This study will be based on the following hypotheses:

- 1) There is an impact with statistical evidence for the financial reporting standards (IFRS) on the tax legislations.
- 2) There is an impact with statistical evidence for the external auditing (ISA) on the tax legislations.

Methodology:

The researcher depended on the descriptive and analytical methodology to attain the secondary data, and on scanning a group of resources and books and patrols that are related to the study.

Developments were made on the inquiries through the awareness on a number of previous studies and performing personal interviews with a number of financial managers and employees in insurance issues, and on a number of legal auditors.

The society and sample of the study:

The society and sample of study consists of all of the financial corporation's which are registered in Amman's Stock Exchange at 1/1/2012 in which it included all the companies in the banking, insurance, commercial and the financial services sectors. This sector is highly sensitive to the financial reporting standards and tax legislations due to the constant increase in the average imposed taxes on these sectors.

The theoretical framework:

The World Financial Crisis is considered to be one of the most significant challenges faced by the world and it can be said that the American economy was the initial causer for the occurrence of the World Financial Crisis. The American economy was followed by several economies in the rest of the world and it was further followed by a number of plans and projects to save the world financial system and the intervention of world leaders to reduce the impact of the crisis.

The American president has interfered by signing on the project of American law of saving the financial American system in 2009.

The Lehman Brothers Bank is considered to be one of the largest victims of the world crisis which announced its bankruptcy on 15/9/2008 which lead to the significant inflation of the financial crisis.

On the accounting side of the occurrence of the World Financial Crisis, several specialists see that the application of the American accounting standards 157 (International Accounting Standards 39) which is about the fair value is

considered to be one of the most important reasons that lead to the occurrence of the world financial crisis especially with the presence of doubts about the misuse of the standards.

From there, several articles have included the rescuing plan which included two parts 132 and 133 which are related to the fair value. Article 132 requires that the SEC should stall the application of the standard 157 for any corporation reporting financial statements; if the SEC sees that brings public benefit and protects investors.

Based on article 133, the SEC has made a well- developed study about the accounting standards related to the fair value in which it included a questionnaire after the standards on the balance of the financial corporations, based on this accounting method on banks which bankrupted in 2008.

On the other hand, there were several supporters that defended the standard of fair value through noticing that stopping the fair value standard is not in favor of the capital markets ,and that it would deteriorate the financial reporting in which there would be less transparency and the ability of comparison would weaken. Hence, it would weaken the trust of investors in the capital markets and the fair value and the international accounting standards will aim to communicate with investors and therefore it is not in the interest that is related to the World Financial Crisis.

On the EU level and on the basis of a special inquiry that was prepared by a group of financial specialists and the results that were sent to the French president to inform him with the adjustments that were made to the accounting standards related to the fair value, a reduction in the investors trust in the European banking system which won't improve the sustainability of the market and the standards that have been developed in order to supply the users of financial data with an honest expression about the truth and that the political changes related to the standards will reduce the transparency, duplicate the acceptable accounting standards worldwide and therefore the commitment to such standards and what accompanies it from sufficient explanations would allow the investment specialists to evaluate the financial safety of corporations and the convincing circumstance on financial performance won't solve the issue.

On contrary, a number of specialists have discovered the association of companies that are listed in the financial market to mislead its investors and the users of its financial statement through their irregularities of the known accounting standards through the replaceable accounting standards and the flexibility that is offered by the International Accounting Standards, demanding at the same time the financial market to strictly object these illegal acts.

Some specialists mentioned the exploitation of the flexibility in the investment standards, for example the act of certain facilities to transfer its investments from being available into being intended for trading and the opposite for the transfer of the financial impact for its results on the income statement and the statement of financial position and thereby affecting the net profit (or net loss).One of the examples in which the accounting practices are not isolated from the World Financial Crisis.

Certain financial specialists figured that the flexibility in accounting standards result from the numerous way of accounting measures for financial acts and its evaluations for example , a financial product offered by a company that is not traded in the market which means the absence of a fair market value. In this case, the auditor pursues to accept the evaluation of the company for the price of such a product and that's on contrary to the standards that requires the evaluation to be reported from a neutral side which generates a conflict of interest and leads to external auditing and the importance of external auditing related to the World Financial Crisis.

Others have seen that the World Financial Crisis have clearly focused its impact on the financial components that consists of the future evaluation such as the investment articles and creditors.

Moreover, others have related the occurrence of the World Financial Crisis to politicians that make the economical decisions and present solutions to motivate economical solutions. Regarding the economical conflicts between countries and the transfer of the Financial Crisis impact from another country, there is no way to evaluate this conflict but the question remaining on hand in the Middle East about the negative impact on the world countries and the Arabic countries receiving negative impacts from the crisis of American rental loans specially from the negative impacts on countries that are not very involved in trading with UK such as Sudan, Yemen, Syria, Tunisia , Morocco , and Mauritania.

The central American economy in the worldwide economy has conquered more than 25% from the worldwide production and since the American market is considered to be the largest consumption market of commodities in the world as it has reached a total commodity imports 1 trillion and 968 billion dollars in 2007 and 2 trillion and 112 billion in 2008 . Based on that, those imports represent an opportunity for most of the industrial and developing countries.

The impact of American imported commodities and the American service imports have reached 408 billion in 2008. In which the American recession status from the end of year 2007 until now is expected to continue till this year and will result in the reduction of tourism based on the American touristic imports to 80 billion dollars in 2008.

Based on the retraction phase that affected the worlds European countries, a reduction in external tourism occurred and the same goes to Japan, Korea, and others.

The direct investments that came out of America to the rest of the world in 2007 reached 314 billion dollars. Based on that, the crisis has caused the deterioration of cash flows. The same goes for the American investments in the world stock market which reached 234 billion dollars in 2007.

With the lack of trust, liquidity and the prevention of the American banks to lend the corporations in America, a reduction in the average lending funds outside the United States and that is a behavior that was accompanied by several European banks. Despite the actions made by European and Asian central banks to provide liquidity in the markets and supply rescue plans to other countries, a large sum of cash was made to insure banks and to motivate them to lend inside their country. However, the response from banks until now for lending is still limited because of the domination of factors of fear and precaution and the weakened trust, especially with the unclear vision related to the finalization of the financial crisis.

With all that being mentioned, it has been clear that America's damage has impacted developed countries such as Europe and Asia and the rest of the developing countries that are in relation with America. The developing countries were affected from developed countries in tourism, direct investments, indirect investments or its transfers or even the acceptance of help from them, which lead to the transfer of the impact to the rest of the world countries based on the conflict between economies. This is the same factor that lead to the transfer of the negative impact of the financial sector to the sectors of real activities such industrial activities, agricultural activities, and the services in general.

We can summarize the most significant features that resulted from the World Financial Crisis which is expected to continue until 2009 as follows:

- 1) The increase in the reformation of corporation's structure of small, medium, and large sizes in general.
- 2) The decrease in the worldwide demand on commodities.
- 3) The decrease in the petrol price.
- 4) The decrease in stock prices in the financial stock markets.
- 5) The decrease in the exchange of stocks in the financial stock markets.
- 6) The decrease in the number of employees in corporations due to the termination of their contracts and the prevention of renewal of other contracts.
- 7) The spread of unemployment in the economical sectors.
- 8) The major losses of the active production sector of which are most significant like the production of electricity and the production of cars.
- 9) The reduction in the average economical growth.

The analytical side of the study:

The resources for the data collection:

It has been relied on a group of resources of books and patrols that are related to the matter in order to collect data, and for the basis of this study, a questionnaire has been designed to collect data that is related to the extent of financial standard impact and the external auditing standards impact on the tax legislations.

The unit of the study analysis:

To achieve the goals of this study a questionnaire has been designed which consists of:

Part 1: questions that contain personal information and that are the gender, educational qualification, the employment position, and the years of experience.

Part 2: questions about the extent of impact of the financial reporting standards on tax legislations.

Part 3: questions about the extent of the impact of external auditing standards on tax legislations.

For the purposes of attaining the average mean, it has been specified on the base of (Five Point Likert Scale) as follows:

Levels of acceptance	Very high	High	medium	low	Very low
The relative weight	5	4	3	2	1
The relative percent	100%	80%	60%	40%	20%

The reliability and sustainability of the measuring tool:

The reliability test has been chosen through the use of (Cronbach alpha) for the basis of measuring the reliability and sustainability of the measuring tool used in the study and that is through the questionnaire made for measuring the degree of consistency and credibility between the answers of the questions. This study has reached 73% which is an acceptable percentage because it exceeded 60%.

Measuring the normal distribution of data:

The test (K-S) has been used to detect the flow of data for normal distribution in which it has been clearly shown that the values relative to the variables have exceeded the level of significance (0.05).

To detect the absence of the intervention in the study form, the Conditional Index (CI) has been used in which the value has reached (26.74) and it is less than (30) which lines with the measuring base which implies that the values that have been calculated, if less than 30, give significance to the reliability of the study form, and the absence of problems in relation to the variables.

The statistical methods used:

The following statistical methods have been used through the following questionnaires:

- 1) The descriptive statistical methods that represented recurrences and relative recurrences and that it to identify the characteristics of the sample studies.
- 2) The average mean has been used to identify the importance of each article from the articles related to the variables based on the assumed mean (3). That was made through the comparison with the average mean of the answers related to the variables of the study.
- 3) The standard deviation has been used to identify the amount of dispersion of answers from the average mean.
- 4) The analytical statistical methods that were represented in the T-Test to experiment the hypothesis of the study.

The analysis of the characteristics of the sample study:

Gender:

Table 1 show that the number of males in the sample of the study has reached 41 with a percentage of 85.42% while the females in the sample of the study have reached 7 with a percentage of 14.58%.

Table-1 (Gender)

Gender	Recurrence	Relative recurrence
Male	41	85.42%
Female	7	14.58%
Total	48	100%

Educational qualifications:

Table 2 shows that the majority of the members of the study are those who hold bachelors degree in which their number has reached 35 with a percentage of 72.92% and then the holders of the master degree.

Table-2 (Educational Qualification)

Educational Qualification	Recurrence	Relative Recurrence
Less Than Bachelors Degree	0	0%
Bachelors Degree	35	72.92%
Master Degree	8	16.67%
High Diploma	3	6.25%
PHD	2	4.16%
Total	48	100%

Scientific major:

Table 3 shows that the members of the sample with a percentage of 25% are those specialized in the issues of credibility and those with a percentage of 37.5% are those known to be as financial managers. Moreover, the study included internal auditors with a percentage of 8.33%.

Table-3 (Scientific Major)

Major	Recurrence	Relative Recurrence
Manager of credibility	12	25.00%
Financial manager	18	37.50%
The headmaster of accounting	5	10.42%
Major accountant	9	18.75%
Internal auditor	4	8.33%
Total	48	100%

Years of experience:

Table 4 shows that those members of the study with 5 or less years of experience have a percentage of 6.25% however, those that have years of experience between 10-15 years have a percentage of 47.92%. Moreover, those who have an experience from 15-19 years have a percentage of 14.58% and those who have more than 20 years of experience have a percentage of 12.50%.

Table-4 (years of experience)

Years of Experience	Recurrence	Relative Recurrence
Less than 5 years	3	6.25%
5-10years	9	18.75%
10-15 years	23	47.92%
15-19 years	7	14.58%
More than 20 years	6	12.50%
Total	48	100%

Factors related to the financial reporting standards:

The variable has been measured through the statements shown in table number 5 and through finding each of the average mean and the standard deviation , the main factors related to the financial reporting standards and the impact on tax legislations on each of the following articles have been deduced:

Table-5 The directions of the respondents to the paragraphs related with the existence of impact after the development of the financial reporting standards on the tax legislations in the Kingdom:

Order	standard deviation	Average mean	Statement	Number
6	1.54	2.07	Continuous adjustments and developments in the (IFRS)	1
5	1.88	2.10	Flexibility that is offered from the application from the IFRS	2
10	2.45	2.86	Reduction in transparency in the IFRS	3
9	1.45	1.98	Absence of clarity in the application of the IFRS	4
3	1.98	2.23	Replacements for the accounting measurement based on the IFRS	5
4	1.64	2.21	Insufficiency in some of the IFRS being updated with the economical developments	6
7	1.87	2.05	Future evaluation problems that is proposed by some of the IFRS	7
8	1.96	2.01	The variety of the accounting measurements ways of the financial events in IFRS	8
1	1.18	2.98	Application of the fair value to measure assets & investments in the IFRS	9
2	1.75	2.94	Application of the fair value in the accountancy of derivatives and financial instruments	10
	1.77	2.243	General Mean	

It has been shown through table 5 that the average mean for all variables was less than the hypothetical mean which reached (3) which means that the directions of the respondents of the sample of the study to the related statements of the impact of financial reporting standards on the tax legislations was negative.

Related to standard deviation it has been shown through the table that a reduction in the value of standard deviation shows a reduction in the dispersion of the answers of the respondents on the questions related to the extent of existence of the impact of IFRS on the tax legislation.

It has been shown through table 5 that the application of the fair value to measure the assets, investments, and financial instruments has represented more of the most impacted statements, and if the variables related to those dimensions didn't exceed the hypothetical mean, an indicator would show that this standard had a great impact on the tax legislations, and this accompanies the latest adjustments in each of the income tax law and sales tax number (28) and number (29) for year 2009 which indicated in more than field in the rule of law that the market value is a way to measure through which the tax accountability can be deduced.

Factors related to the external auditing standards:

This variable has been measured through the statements shown in table 6 and through finding each of the average mean and the standard deviation, the main factors related to the impact of the external auditing on the tax legislations have been deduced as follows:

Table-6 the directions of the respondents to the statements related to the impact of the external auditing standards on the tax legislations:

Order	Standard Deviation	Average Mean	Statement	Sequence
8	1.94	2.01	Duplication of the independence of the external auditing in several circumstances	1
2	2.10	2.21	The choice of external auditors by board of directors	2
9	2.26	1.98	Absence of evaluation of auditors for future risks in an active form	3
13	1.28	1.89	Presence of deterioration in the procedures of external auditing	4
4	1.32	2.15	Absence of understanding external auditors for the nature of facilities work in a general convenient way	5
10	2.36	1.95	Absence of consideration of external auditing and rules that are applied	6
3	1.22	2.16	Absence of the use of analytical procedures of external auditing in a general and a convenient way	7
11	2.50	1.92	Absence of the use of external auditing by qualified specialists in certain circumstances	8
12	2.18	1.90	Caution of external auditing in receiving financial information specialized in certain facilities	9

6	1.76	2.10	Insufficiency in the process of planning and auditing	10
1	1.32	2.23	Presence of deterioration in the evaluation of the sensibility of the accounting expectations of the client	11
5	1.64	2.11	Presence of deterioration of the use of samples in external auditing	12
7	1.84	2.04	Duplication of investigation in procedures and contracts and commitments with the related client	13
	1.81	2.05	General Mean	

It has been shown through table 6 that the average mean for all variables was less than the hypothetical mean that reached (3) and that shows that the directions of the respondents of the sample of the study towards the related statements related to the impact of the external auditing on the tax legislations was negative.

The decrease in the standards deviation shows a decrease in the dispersion of the direction of the respondent about the questions related to the extent of existence of the impact of external auditing on tax legislation.

It has been shown through table 6 the evaluation of the reasonableness of accountancy and the choice of external auditors by the board of directors and the absence of the use of the analytical procedures were one of the highest variables despite that they didn't exceed the hypothetical mean, these indexes follow in coordination, to a certain extent, with the opinions of specialists that have seen that the accounting evaluations and replacements related to it from challenges that face external auditors, as well as the audit of taxation wont acknowledge these evaluations which would lead to what is known as tax gap.

Experiments of the hypothesis of the study:

The first main hypothesis:

There is an impact with statistical evidence for the accounting policies in the World Financial Crisis

For the purposes of experimenting the first hypothesis, the Test-T test was used in comparison with the average variables as it has been shown that the value T that has been calculated above the value of T in the table at (Sig**0.00) and based on it has been assumed that the replaceable hypothesis and the acceptance of the nihilism hypothesis have been rejected. This means that the IFRS did not have any impact with statistical evidence on the tax legislations.

The second main hypothesis:

There is an impact with statistical evidence of the external auditing in the World Financial Crisis:

For the purposes of experimenting the first hypothesis, Test-T has been used in comparison with the average variables as it has been shown that the value T calculated above the value T in the table at (Sig**0.00), and based on that the replaceable hypothesis and the acceptance of the nihilism hypothesis have been rejected. This means that the external auditing standards didn't have an impact with statistical evidence on the tax legislations.

Results:

We can summarize the main results of the current study as follows:

- 1) There is no impact with statistical evidence of the IFRS on the tax legislations, with the presence of some weak impact from the point of view of the study sample related to the fair value and the extent of its use in the investments, assets, and the financial instruments.
- 2) There is no impact with statistical evidence of the external auditing standards on the tax legislations, with the presence of some difficulties related to the evaluations and the future values which necessitate the external auditor to take them into consideration during the external audit.

Recommendations:

- 1) The necessity of the awareness for external auditors with what's related to the importance of the most convenient planning and the importance of analytical revision in external auditing activities with what corresponds with the goals on which external auditing has been used in order to achieve harmony between IFRS and tax legislations.
- 2) The necessity of awareness for accountants and external auditors with the importance of the fair value and its impact on financial data and information through showing the financial data risks that are related to the application of the fair value and its impact on reporting financial reports and the accounting acknowledgement of financial data.
- 3) Symposia that shows the importance of accounting practices which clarifies the mechanisms of interaction with the fair value to increase confidentiality and caution when attaining financial information, thereby achieving a fair presentation of financial information to describe the economical issues in facilities.
- 4) Increasing the coordination and collaboration between the legal association of accountants and the income and sales tax department for the purposes of standing on all the obstacles that occur without the acceptance of all the certified accounts from external auditors in the patrol and without auditing from the ISTD.
- 5) The necessity of awareness for the auditors of income and sales taxes with the importance of IFRS and the International Auditing Standards (IAS).

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