



Accountants &
business advisers

PKF Jordan and PKF Iraq

PKF ProGroup
PKF Khattab & Co.
PKF Planning Tax Advisory
PKF Human Resource Consulting
PKF Risk Management

Newsletter

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PKF

Accountants &
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25
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Time Management – The Compass Vs. the Clock

Time management is the basic premise of **'First Things First'**. It does not matter how well you manage your time, how productive you are, etc. What matters is if you are doing what is most important to you. If you don't, you will be unhappy, stressed, frustrated, demotivated, etc.

You can fill your day with countless important (or seemingly important) matters and activities. But you need to consider what it is that you really want – connect with your inner vision.

Traditional time management suggests that by doing things more efficiently you will eventually gain control of your life, and that increased control will bring the peace and fulfillment you're looking for. But on the other hand basing our happiness on our ability to control everything is futile. While we do control our choice of action, we often cannot control the consequences of our choices. You need to manage yourself, never be afraid to sit a while and think to keep first things first.

When we talk about time management, it seems ridiculous to worry about speed before direction, about saving minutes when we may be wasting years. This idea provides a key insight into the frustration people have had with traditional time management approaches to life.

The concept of time management includes the **Clock and the Compass**, and **The Urgency Addiction**. In life, we are directed by the clock and the compass which represent the following in our day-to-day life:

The Clock

Represents our commitments, appointments, schedules, goals, activities – what we do with, and how we manage our time.



The Compass

Represents our vision, values, principles, mission, conscience, direction – what we feel is important and how we lead our lives.

The struggle comes when we sense a gap between these two – **when what we do, does not contribute to what is most important in our lives**. There are specific methods which help make better use of our available time such as **Prioritizing** and **a Personal Action Plan**.

In order to prioritize, you need to decide what is important, what is urgent and what is both urgent and important:

I. Quadrant I – includes those things that are urgent and important

This is the quadrant of **Crises Management**.

Examples include meeting a deadline or getting heart surgery!

We will by necessity spend time on these activities, but we also need to realize that many important activities become urgent through procrastination, or because we don't spend enough time planning.

With proper planning you should be able to refocus your energy and avoid these 'crises' so that important activities do not become urgent.

Time Management | The Compass Vs. the Clock – Cont.

II. Quadrant II – includes activities that are important, but not necessarily urgent

This is the quadrant of **Quality**.

Here you could include exercise, spending more time with your family, planning ahead, preparing for meetings or presentations, etc. Only you can decide what is important.

Increasing time in this quadrant increases your ability to do. Ignoring it feeds and enlarges Quadrant I.

Quadrant II does not act on us, we must act on it.

III. Quadrant III – Urgent but not important matters

You need to identify what is urgent but not important.

This is the quadrant of **Deception**. The noise of urgency creates the illusion of importance.

But sometimes the activities in this quadrant are only important to other people. Although you may have to spend time on these activities, it should not be your focus.

There are ways to avoid things becoming urgent.

IV. Quadrant IV – Neither important nor urgent activities

In this quadrant you need to identify how much of your time is spent on activities that are neither important nor urgent.

This is the equivalent of **Waste** and includes the time wasters.

Is that program on TV really important? Could you not use that time to exercise? How important is it to read that e-mail message the moment it pops up on your screen?



The **Result of this if most of your time is spent in each of these quadrants** is as stated in Stephen R. Covey's '7 Habits of highly effective people':

I. Quadrant I

- Stress
- Burnout
- Crisis management
- Always putting out fires

II. Shrinking Quadrant I size by spending more time in Quadrant II

- Vision, perspective
- Balance
- Discipline
- Control
- Few crises

III. Quadrant III

- Short term focus
- Crisis management
- Reputation – chameleon character
- See goals and plans as worthless
- Feel victimized, out of control
- Shallow or broken relationships

IV. If in Quadrant III and IV

- Total irresponsibility
- Fired from jobs
- Dependent on others or institutions for basics

We can see from the above that Quadrant II is the heart of effective personal management. It deals with matters that are not urgent, but which are important.

Time Management | The Urgency Addiction

There are two primary factors that drive our choices concerning how we use our time – **Urgency and Importance**. Although we deal with both, one of them is the basic paradigm through which we view our time and our lives.

Urgency addiction is a self-destructive behavior and temporarily fills the void created by unmet needs. The tools and approaches of time management (example 'to do lists') often feed the addiction, instead of meeting our unmet needs.

Urgency addiction often stems from our work environments – we almost fuel our own self-worth and sense of importance by being 'busy'.

Urgency addiction is as dangerous as other recognized dependencies. The following extract is from recovery literature which is not even connected with time management but deals with the addiction to things such as chemical substances, gambling and overeating – note the similarities:

- Creates predictable, reliable sensations
- Becomes the primary focus and absorbs attention
- Temporarily eradicates pain and other negative sensations
- Provides artificial sense of self-worth, power, control, security, intimacy, accomplishment
- Exacerbates the problems and feelings it is sought to remedy
- Worsens functioning, creates loss of relationships

As varied as the theories on time management, as varied are the tools to help you manage your day. **Without some sort of tool, any attempts at managing your time and activities will be in vain.**



Some solutions which might help are:

- Determining a plan to take charge of the available time in your day. Decide what is important, urgent, both, or neither. Plan accordingly, and live your plan – plan your day, week, month, etc. as necessary.
- One possible solution is to record your activities for a day or two, noting how long you spend on each.
- Record the phone calls, when you received them, with what you were busy at the time, how this interruption impacted your day, how much time you spent reading and responding to e-mails, etc.
- Analyze these activities, and based on the questions above, decide whether you can change anything to become more efficient.
- Using a diary / organizer
- Do not open your mail first thing in the morning – it tends to dictate your day
- Limit access to specific times a day
- Immediate response – 'delete', 'defer', 'delegate', 'do'
- Do not multi-task

For further information or to request a training, please contact us, PKF Human Resource Consulting.

Tax Diagnostic Review

What is Tax Diagnostic Review?

Tax Diagnostic Review (TDR) is conducted to assist in identifying and evaluating all potential tax risks and exposures that might arise from operations. It is performed to verify the soundness of tax treatment, improve current tax management, and ensure that tax activities are in accordance with the applied regulations with the aim of reducing tax risks, gaining future tax optimization and applying the law to the best interest of the client whereby benefiting from any tax exemptions and/ or deductions.

In the diagnostic a full review of the relevant years is conducted through applying standard techniques and standard procedures to test the tax compliance and assist in acquiring the best usage of the applicable Income and Sales Tax Law to benefit the client. The documentation is also reviewed in detail including but not limited to the following:

- Reviewing tax returns filed by the client with the Income and Sales Tax Department for the relevant years.
- Obtaining copies of all audits, determination and other correspondence pertaining thereto.
- Reviewing financial statements, chart of accounts and the classification of various expenses to see if they are in accordance with the Income and Sales Tax Law, in addition to reviewing other information to avoid any unnecessary obligations.
- Conducting interviews with key personnel.
- Reviewing: Income tax, Sales Tax, Employees' and Payroll taxes, Social Security, Property taxes, Withholding taxes, Foreign taxes, if any

The objective is to:

- Understand the business and analyze the associated tax implications. Delve into the client's audit history, assess the adequacy of internal compliance processes and identify and quantify liabilities.



- Determine prospective tax issues and opportunities. Consider strategies, techniques and solutions which may offer tax savings on a prospective basis, such as income tax credits and incentives, and purchase price allocations.
- Obtain a schedule describing any ongoing tax disputes, together with copies of revenue agents' reports, correspondence, etc., with respect to any pending income or sales tax with regard to open years or items relating to the client.
- Obtain an analysis of any deferred taxes.
- Obtain schedules reconciling book income to taxable income for the relevant years.
- For personal and real property taxes, Obtain a schedule setting forth the most recent period for which tax payment was made, and the date on which such payment is due and payable each year.
- Obtain details of the amounts and expirations of any carryovers of net operating or capital losses, investment tax credits, foreign tax credits and other tax credit carryovers.

The Result:

A comprehensive Tax Diagnostic Review report that can help the client prepare proper tax planning for the coming years and deal with the tax issue in the best way to gain future tax optimization.

Major Contracts



Relief International

PKF Jordan signed a contract with Relief International to render financial advisory services



State Audit and Administrative Control Bureau

PKF Jordan provided an audit against fraud training for a number of SAACB employees and developed a customized manual on auditing for fraud prevention to be applied by SAACB in Palestine



Studios Ayen Media Production



Arab Telemedia Pictures Limited

Major Contracts



Jordan Projects for Tourism Development (JPTD)

Jordan Projects for Tourism Development (JPTD)

PKF Jordan signed a contract with Jordan Projects for Tourism Development (JPTD) to render Risk – Based Internal Audit Services. The audit scope covers JPTD along with four of its subsidiaries, namely:

- Moon Beach (Radison SAS Hotel Aqaba)
- Golden Beach (Marina Plaza Hotel - Aqaba)
- Tala Bay for Maintenance and Services
- ORYX Hotel Aqaba

Qatar Jordanian Tourism Investment

KI Sadagah, Certified Public Accountants & Consultants



Sadagah, Certified Public Accountants and Consultants

PKF Jordan signed an agreement with Sadagah | Certified Public Accountants and Consultants by which it rendered a business valuation for Jeddah Knowledge International School

First Industrial Technologies Group

Ranko Company for Diversified Investment

Success Stories

When closing a project nothing beats a thank you letter from a client who appreciates our continued work and commitment



Aqaba Development Corporation (ADC)

ADC certifies that PKF Jordan has completed all the required in accordance with the RFP documents of the project "Preparation of RFP and Business Documents for Investment Opportunities". PKF Jordan team performance was professional; they committed to the project and the deliverables were satisfactory

Thank you



UNDP

We would like to express our appreciation for the professional conduct of PKF Jordan consultants and their high level deliverables which acquired our satisfaction in the project "Conducting a Salary Survey for Service Contract Holders and Setting a New Remuneration Scale"

About Us

PKF Jordan and PKF Iraq, member firms of PKF International, are regional, multidisciplinary business advisory firms with industry specific services. We offer outstanding opportunities, by providing international standard based services, to dramatically position our clients as pioneers in a rapidly growing business environment. PKF Jordan and PKF Iraq play a major role in business advisory including Consultancy, Auditing, and Tax Services.

Areas of experience include Finance, Taxation, Market Research, Strategic Planning, Organizational Development, Human Resource Development, Investment, Technology and Information Management, Quality Management, and Socio-Economic Studies. We also initiate an added value component where integration, consistency and reliability are effectively enforced. PKF Jordan and PKF Iraq high quality services help clients identify their business needs, improve, excel, cope with business fluctuations and accomplish their anticipated goals and excel.

Our team approach enables operating as integrated cells exposed to diverse industries. Words like creativity, innovation and flexibility generate great success within the firms' services and culture, where PKF Jordan and PKF Iraq promise of quality, accuracy, speed, and value remain applicable in all deliverables. Relying on PKF Jordan and PKF Iraq beliefs makes our caliber professional. And experiencing our services makes clients distinguishable.

PKF Jordan and PKF Iraq services are designed to look after the best interest of the clients and protect their wealth. Our advisors thoroughly investigate the organization's business cycle to innovate the most rewarding solutions within our following services:

- Assurance and Advisory**
- Tax Consultancy**
- Corporate Finance**
- Forensic Accounting**
- Financial Planning**
- HR & Management Consultancy**
- IT Consultancy**
- Umbrella Services**

PKF Network Worldwide

Around 50 years of experience

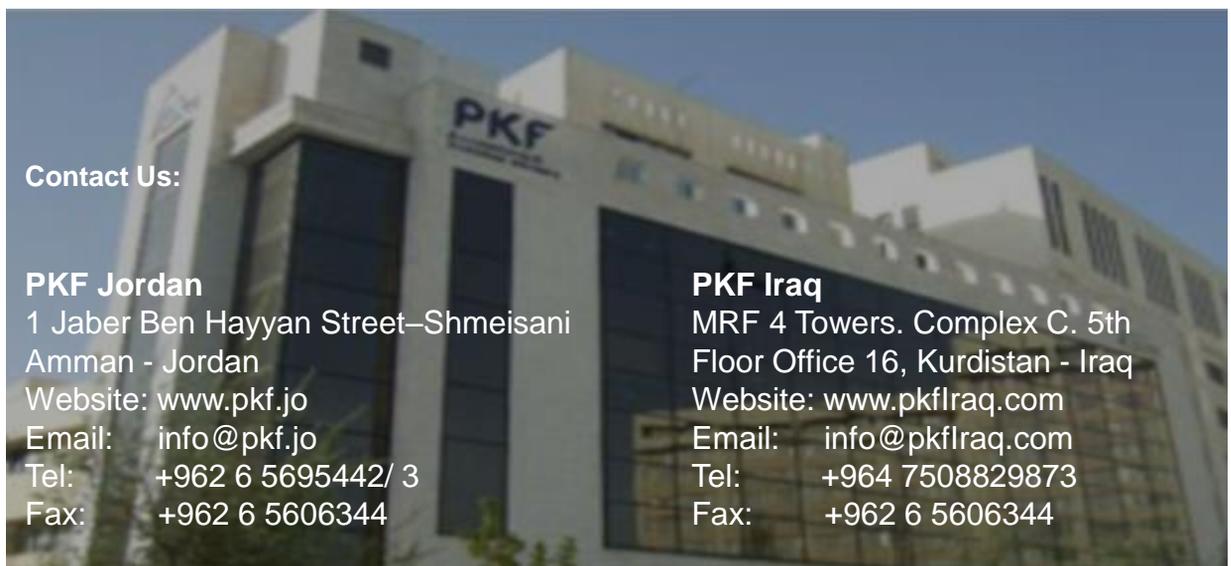
21,000 people

440 offices

150 countries

US\$ 2.6 billion turnover

Top 10 assurance & advisory firm worldwide



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About Us

PKF Jordan & PKF Iraq deliver a full spectrum of services:

Assurance and Advisory

- Statutory audit
- Accounting services
- Non-statutory audit
- Sarbanes Oxley assurance
- Compilation of financial statements
- International accounting standards
- Assurance engagement
- Internal audit
- Business risk services

Tax Consulting

- Tax planning and tax manual
- Income tax
- Sales tax
- Withholding tax
- Employee's tax
-

Corporate Finance

- Privatization and Build - Operate - Transfer (BOT) services
- Private placement memorandum
- Business plans
- Finding and securing finance from the most appropriate sources (such as private equity firms)
- Business valuations
- Preparation of financial projections and financial cash flow forecasts
- Investment agent
- Provide ongoing advice and support with flotation, mergers and acquisitions, management buy-outs / buy-ins and disposals
- Due diligence
- Advice on reorganizing and restructuring existing businesses, commercial and tax considerations and fundraising options
- Feasibility studies

Forensic Accounting

- Appraisal of financial losses resulting from fraud
- Appraisal of damage resulting from prejudicial acts
- Preparation of expert opinions and second opinions
- Assisting solicitors in the financial aspects of cases
- Intervention as arbitrators or mediators in dispute resolution

Umbrella Services

Financial Planning

- Retirement planning
- Savings and investments
- Medical and life insurance
- Business assurance
- Property purchase

IT Consultancy

- Business process design
- Disaster recovery planning
- Managing Information Technology (IT) expenditure - budgeting and control
- Project management of business requirements
- Packaged software / Enterprise Resources Planning (ERP) selection and implementation
- Information Technology (IT) security and crisis planning
- Risk analysis and management
- Information Technology (IT) policies and procedures

Management Consultancy

- Strategic planning to achieve a sustainable competitive advantage
- Risk - measurement strategies, risk management plans and crisis handling
- Institutional assessment and upgrading plans
- Reviewing business processes for efficiency, control and effectiveness
- Organizational restructuring
- Competency-based human resources management and development
- Performance scorecards and indicators
- Marketing and market communication plans
- Market studies, research and surveys
- Customer satisfaction programs development
- Financial policies and procedures including procurement, accounting, and budgeting
- Corporate governance manuals
- Costing systems
- Internal audit manuals
- Operations manuals
- Quality management services
- Monitoring, evaluation, and impact assessment studies