

The Lebanese Association of Certified Public Accountants - LACPA

An Active Association with a Clear Vision*

The LACPA is the sole professional body governing the public accounting profession in Lebanon. It was formed in 1994 under the decree number 364/94 issued on August 1st 1994. Qualified persons who wish to practice the audit profession in Lebanon should be licensed from the LACPA and meeting its professional requirements. Although it is a relatively young association with limited resources, it has paved its way into becoming globally recognized by the professional and financial community as well as an active member in the International Federation of Accountants (IFAC).

In May 2014, a new council, having a professional and ambitious program with a well-defined roadmap and vision for the advancement of the association was elected. This council's president, Elie Abboud, is an MBA and an American CPA holder with an institutional vision, leadership skills and an active personality.

The program of the council varied from (i) monitoring the professional development of its members and keeping pace with

the international professional requirements to (ii) creating partnership with regulatory authorities and (iii) building an effective presence within the regional and international professional accountancy organizations (PAO).

(i) Monitoring the professional development of its members and keeping pace with the

international professional requirements

In 2010, the LACPA adopted the Quality Control and Peer Review Manuals: two manuals issued by the association to help monitor the CPA firm's practice ("practice monitoring"). The goal of practice monitoring, and the program itself, is to promote quality in the accounting and

The image shows the cover of a publication titled "CONNECTING VOICES" by the World Bank Group. The cover features a large, detailed image of a water pipe with a valve. A quote in large yellow and white text reads: "We don't fix the pipes, we fix the institutions that fix the pipes." Below the quote, it identifies Junaid Ahmad, Senior Director, Water Global Practice, as the author of the quote (p.30). At the bottom of the cover, there are three small thumbnail images with captions: "New Social Contract? (p97)", "Magreb Interview (p44)", and "World Government Summit (p71)". The website www.cvmena.org is visible in the top right corner.

auditing services provided by the LACPA members and firms, thus serving the public interest and enhancing the significance of the LACPA membership.

This program resulted in several subsequent related events and programs. Therefore, during 2015, the LACPA developed the Audit File Manual and the related working papers to be used as guidance for small, medium and large practice firms as well as sole practitioners and before the application of the quality control program.

Once works on the manual were finalized, the LACPA worked on securing a training program for around 700 of its members all over the Lebanese territory. In parallel, the Quality Control Supervisory Commission, an independent commission in charge of the supervision and implementation of the Quality Control and Peer Review Program, was formed.

In November 2015, the LACPA organized a training workshop for 70 peer reviewers from Lebanon, Jordan and Egypt conducted by trainers from the American Association of Certified Public Accountants AICPA. Hence, the association took the initiative to widen the peer review vision in the region.

Moreover, the LACPA started opening several communication channels with leading international PAOs whereby it signed cooperation protocols with the Association of Chartered Certified Accountants (ACCA) in England and the Association of Accountants and the Financial Professionals in Business (IMA). As per those protocols, the LACPA members and trainees can now benefit from preferential rates on the certificates offered by these associations: Diploma in International Financial Reporting, Audit and Assurance, and Managerial Accounting certificates.

Additionally, in this context, and in order to maintain excellence and broaden service offerings of accounting professionals, the LACPA signed a cooperation protocol with the American Association of Certified Public Accountants (AICPA) to share information, training materials and expertise with the AICPA. This cooperation intended to offer the LACPA members a wide variety of continuing professional education publications, programs and certificates developed by the AICPA as well as to share different perspectives from articles of the AICPA Journal of Accountancy to be published in LACPA's publications.

ii) Creating partnership with regulatory authorities
Since the audit profession is closely related to various professional bodies in Lebanon, in the public and private sectors, the LACPA worked on strengthening the relationship with the local government and various regulatory bodies. This relationship was evidenced by their active participation in all LACPA activities.

Furthermore, the LACPA took the initiative in organizing, with the cooperation of the Special Investigation Commission and the Central Bank in Lebanon, the Anti-Money Laundering Forum which was addressed to the regulatory authorities, the business community and the external auditors.

The forum closed with recommendations regarding (i) the pursuit of good governance and the application of global governance and regulations associated to fight money laundering and terrorism financing and (ii) to speed up the passage of laws relating to amendment of the anti-money laundering and terrorism financing and (iii) the money-transfer law and (iv) the cross-border exchange of tax information.

Moreover, the LACPA organized

jointly with the Ministry of Finance the Specialized Technical Congress on The Application of the International Public Sector Accounting Standards (IPSAS) in collaboration with the World Bank regarding the application of the International Public Sector Accounting Standards (IPSAS). The three-day congress included several workshops which addressed the definitions and practical applications of the International Public Sector Accounting Standards (IPSAS) and was attended by about 150 participants including Certified Accountants, employees from the Ministry of Finance and the Public Sector.

These professional activities confirmed the credibility of the LACPA and its close cooperation with the governmental and official supervisory bodies where the association used its international network to serve Lebanon.

Furthermore, the LACPA had an active participation in the discussion of the draft amendment to the Lebanese Code of Commerce.

During these discussions, it was realized that some articles lack a clear vision. Therefore, in order to create a new dynamism in the legislation and a real

partnership between the regulators and private sectors. The LACPA signed a Memorandum of Understanding with the Beirut Bar Association where both associations contribute to the proposal and the study of laws, decrees, decisions and instructions of ministerial projects in the fields of public finance, taxation, trade and economy and financial markets, each within its competencies.

(iii) LACPA effective presence on the regional and international level:

As mentioned earlier, the LACPA took the initiative to spread the peer review vision regionally and discussed issues related to the regional challenges through active participation with all regional events.

On the other hand, the presence of the LACPA activated and strengthened the cooperation with all international regulatory as well as professional bodies: from active presence in the International Federation of Accountants (IFAC) meetings, to the professional practice



and the commitment to the statements of membership obligations (SMO) in IFAC. Moreover, and in the same context, it is worth to mention that the LACPA was ranked first in the MENA region and fifth in the top ten countries worldwide in responding to the IFAC Global SMP Survey in 2014, a survey that the IFAC conducts on annual basis with an objective to understand the business environment facing small and medium practitioners (SMPs) and their SME clients.

Moreover, the LACPA was an active participant with other international professional organizations as for example by providing work papers in the Public Interest Oversight Board (PIOB) forum in 2015 and in the ISAR-UNCTAD group of experts

meetings in Geneva in 2014. In an obvious turnaround and boost in its internal strategy and vision, the LACPA was able to prosper and stand

out as a pioneer in an otherwise challenging time and economic environment. Meeting the professional and developmental goals of its members has always been its

major motivational factor. The LACPA was able to become the beam of light projecting into a brighter future for the profession.

Evaluate your workplace organization by the 5S

One of the methods of determining an organizations approach to its business is to evaluate its workplace organization capability & visual management standards.

5S engages people through the use of 'Standards' and 'Discipline'. It is not just about housekeeping, but concentrating on maintaining the standards & discipline to manage the organization - all achieved by upholding & showing respect for the Gemba [workplace] every day.



The 5 Steps are as follows:

Sort: Sort out & separate that which is needed & not needed in the area.

Straighten: Arrange items that are needed so that they are ready & easy to use. Clearly identify locations for all items so that anyone can find them & return them once the task is completed.

Shine: Clean the workplace & equipment on a regular basis in order to maintain standards & identify defects.

Standardize: Revisit the first three of the 5S on a frequent basis and confirm the condition of the Gemba using standard procedures.

Sustain: Keep to the rules to maintain the standard & continue to improve every day.

Benefits of 5S workplace organization

5S relates to workplace organization and forms a solid foundation upon which many organizations base their drive for continuous improvement. It is equally applicable & successful in all sectors helping to achieve high impact results.

It is a systematic and methodical approach allowing teams to organize their workplace in the safest and most efficient manner.

The discipline to check & repair equipment is included & adopted. The entire process is managed through the use of team generated audit documents, completed on an agreed frequency by responsible owners within the Gemba.

To summarize:

Improved safety

5S becomes a fundamental business measure & key driver for Kaizen

Forms a solid foundation upon which to build continuous improvement

Employees gain a sense of ownership, involvement & responsibility

Reduction in waste

Improved performance in productivity, quality & morale leads to increased profitability

<https://www.kaizen.com/knowledge-center/what-is-5s.html>