

BDO Insights

Jordan | Iraq | Syria

Trust, Assurance and Financial Integrity

Table of contents

▶ BDO Insights

- 1

Senior Partner’s Perspective
Trust Is Built Before the Audit Opinion
- 2

Jordan Insight
IFRS 18: The Real Readiness Question Is Not Only Accounting
- 3

Iraq Insight
Financial Integrity Is Becoming a Business Issue, Not Only a Regulatory One
- 4

Syria Insight
Reliable Financial Information Is Part of Business Recovery
- 5

BDO Global Insight
IFRS 18: The Clock Is Ticking — What Changes in Practice
- 6

Audit Feature
What External Audit Actually Adds
- 7

Internal Controls
A Control Is Only Useful If It Works When It Is Needed
- 8

Editor’s Perspective
The Value of Asking the Right Question
- 9

Our experts
- 10

Connect with BDO
BDO Jordan | BDO Iraq | BDO Syria

Senior Partner's Perspective

Trust Is Built Before the Audit Opinion

An audit opinion is issued at the end of the reporting process, but the quality of the information behind it is determined long before the auditor signs the report.

That distinction is important.

Reliable financial reporting is the result of many things working properly throughout the year: accounting records that are maintained consistently, reconciliations that are actually resolved, estimates that are supported by reasonable assumptions, controls that operate in practice and management that understands the information it is receiving.

In well-run organizations, the auditor is not the first person to identify that something does not reconcile or that an assumption no longer reflects current conditions. Management already knows where the sensitive areas are. It understands the movements in the numbers and is able to explain the judgements behind them.

That changes the nature of the audit.

Instead of spending time reconstructing information or resolving issues that should have been addressed earlier, the discussion can focus on the areas where independent challenge and professional judgement add the greatest value.

This is particularly relevant today because financial statements contain more judgement than many users realize. Impairment, expected

credit losses, valuations, provisions and going-concern assessments are not simply mechanical calculations. They rely on assumptions about what is happening in the business and what may happen next.

The auditor does not make those assumptions for management. The auditor tests whether they are reasonable, whether the supporting evidence is sufficient and whether the resulting financial information fairly reflects the circumstances.

The same principle applies to internal controls.

A procedure written in a manual does not necessarily mean the risk is controlled. What matters is whether the control operates consistently, whether exceptions are visible and whether management responds when something goes wrong.

That is why audit readiness should not be treated as an exercise that begins a few weeks before year-end.

The stronger approach is to see it as part of financial management throughout the year.

Across Jordan and Syria, businesses are operating in very different environments, but the underlying requirement is the same: financial information becomes reliable when management discipline, sound controls and independent assurance reinforce one another.

The audit opinion is important.

But the trust behind it is built much earlier.



Mazen Jaber

Senior Partner

Audit & Assurance, CMC

BDO JORDAN | IRAQ | SYRIA

Jordan Insight

IFRS 18: The Real Readiness Question Is Not Only Accounting

For Jordanian companies, IFRS 18 is no longer a distant technical change. With companies under the supervision of the Jordan Securities Commission required to submit readiness assessment plans by 30 November 2026, the focus is now shifting from understanding the standard to implementing it.

The challenge extends beyond accounting. IFRS 18 may affect reporting systems, data, chart-of-account structures, management-defined performance measures, internal controls and governance.

For management, boards and audit committees, the key question is therefore not only whether the technical requirements are understood, but whether the organisation is operationally ready to produce the information the new standard will require.

[Read the Jordan insight](#)



Iraq Insight

Financial Integrity Is Becoming a Business Issue, Not Only a Regulatory One

As Iraq’s financial sector continues to evolve, financial integrity is becoming increasingly relevant to how institutions are assessed by investors, lenders, correspondent banks and international partners.

The discussion is no longer limited to compliance. Reliable financial information, transparent ownership, sound governance and the ability to address identified weaknesses all influence confidence — and confidence, in turn, affects access to financing, partnerships and wider markets.

For Iraqi businesses, the message extends beyond banking: financial integrity is becoming part of commercial credibility and institutional readiness for growth.

[Read the Iraq insight](#)



Syria Insight

Reliable Financial Information Is Part of Business Recovery

For businesses rebuilding after prolonged disruption, reliable financial information becomes part of the recovery itself.

Management needs a current and credible view of assets, liabilities, receivables, inventory, cash needs and operating controls. Historical records may no longer reflect the condition of the business, and earlier assumptions may need to be reassessed against today’s operating reality.

This becomes especially important when companies seek financing, investment or new commercial relationships, where confidence depends on the quality of the information behind the decision.

For Syrian businesses, restoring financial records and rebuilding effective controls is therefore not only an accounting task. It is part of restoring decision-making capacity, access to capital and business confidence.

[Read the Syria insight](#)



BDO Global Insight

IFRS 18: The Clock Is Ticking — What Changes in Practice

IFRS 18 becomes effective for annual reporting periods beginning on or after 1 January 2027, introducing significant changes to how financial performance is presented and explained.

While the standard does not change recognition and measurement requirements, its practical impact may extend across operating profit, management-defined performance measures, cash-flow classifications, disclosures, systems, controls and external communications.

In its latest technical bulletin, BDO Global examines the implications through practical reporting scenarios and highlights the areas management, finance teams and audit committees should address ahead of implementation.

Read the full BDO Global insight





Audit Feature

What External Audit Actually Adds

External audit does more than confirm whether financial statements have been prepared appropriately. Its broader value lies in reducing information risk for shareholders, lenders, regulators, boards and other users who rely on financial information they did not prepare themselves.

A high-quality audit starts with understanding the business — its revenue model, financing, systems, significant judgements and the areas where material misstatement could arise. Audit effort is then directed to the matters that carry the greatest risk, supported by appropriate evidence, professional judgement and professional scepticism.

This is why independence, materiality and evidence are fundamental. The auditor must be able to challenge assumptions, assess whether conclusions are sufficiently supported and reach an objective view even where that view may differ from management's expectations.

For management, a well-prepared audit also creates a more useful discussion. Current reconciliations, documented estimates, supported balances and early attention to unusual transactions allow the audit to focus on the areas that genuinely require judgement.

The statutory requirement may create the audit. Independence, evidence and professional judgement create the confidence.

[Read What External Audit Actually Adds](#)



Internal Controls

A Control Is Only Useful If It Works When It Is Needed



The easiest way to describe external audit is to say that it provides an independent opinion on financial statements.

That is correct, but it does not fully explain its economic role.

The more useful way to think about audit is that it reduces information risk.

Shareholders, lenders, regulators and boards routinely make decisions using financial information they did not prepare themselves. Audit introduces independent professional scrutiny into that relationship.

A good audit therefore does not begin with the balance sheet.

It begins with understanding the business.

The auditor needs to understand how revenue is generated, how the organization is financed, where management exercises judgement, which systems produce the financial data and where material error or fraud could realistically occur.

Only then does the testing make sense.

This is why audit effort is not distributed equally across every account.

Some areas deserve more attention because they involve judgement, unusual transactions, complex estimates or weaknesses in the control environment.

Materiality also matters.

An audit is not designed to verify every transaction. Its purpose is to obtain reasonable assurance that the financial statements are free from material misstatement; meaning errors or omissions significant enough to influence the decisions of users.

That requires professional judgement.

Evidence is equally important.

The auditor does not simply accept management explanations. Conclusions need to be supported by appropriate evidence, whether through documentation, external confirmations, analytical procedures, inspection, recalculation or other audit work.

And where judgement is significant, professional scepticism becomes particularly important.

Scepticism does not mean assuming management is wrong.

It means not accepting an explanation simply because it sounds reasonable.

It means asking whether the evidence really supports the conclusion.

This is ultimately where independence matters.

The external auditor must be capable of reaching a conclusion that may differ from what management would prefer.

Without that independence, assurance loses its value.

For management, the audit process also becomes more useful when the organization is prepared.

Current reconciliations, documented estimates, properly supported balances and early discussion of unusual transactions allow the audit to focus on the areas that genuinely deserve attention.

That produces better conversation.

And that is where external audit has its greatest value.

The legal requirement may create the audit. Independence, evidence and professional judgement create the confidence.



Editor’s Perspective

The Value of Asking the Right Question

Audit and assurance are naturally associated with answers.

Are the financial statements reliable?

Are the controls working?

Are the requirements being met?

But while working on this edition of BDO Insights, I found myself thinking more about what comes before the answer.

Sometimes the quality of the conclusion depends on the quality of the question.

“Are we compliant?” is necessary.

But it may not tell management what it most needs to know.

A better question may be:

What risk is this requirement actually trying to address?

The same applies to controls.

We can ask whether a control exists.

But I am often more interested in:

If it stopped working tomorrow, how quickly would we know?

Or financial reporting.

An estimate may be technically correct, but which assumption would change the conclusion if the market moved?

A management report may be accurate, but

did it reach the decision-maker early enough to matter?

These questions change the conversation because they move us away from checking whether something has been completed and toward understanding what sits behind it.

That is where assurance becomes more useful.

Numbers contain assumptions. Controls depend on behaviour. Policies can be overridden. Information can be technically correct and still fails to tell management something important.

For boards and management teams, assurance therefore creates an opportunity not only to confirm, but to challenge.

Before accepting a recommendation, ask what evidence supports it.

Before approving an investment, ask what assumption could change the decision.

Before adding another control, ask what specific risk it is supposed to address.

And before concluding that something is technically correct, ask:

What does this mean for the business?

That is the kind of conversation I would like BDO Insights to encourage.

Not more questions for the sake of asking them.

Better questions; the kind that improves the quality of the decision that follows.

Our experts



The perspectives presented in this edition draw on multidisciplinary experience in investment, economic development, financial advisory, institutional strengthening, governance, risk and implementation.

Our Partners



MAZEN JABER
Senior Partner; CMC



AHMAD ALRAMAHI
Audit Partner; JCPA



HASSAN AL-SADI
Audit Partner; CPA, CMA, CICA, CFC, CFE, CIA, CGMA, CPFA, DipIFR



RAED BAKEER
Audit Partner; CPA

Our BDO Team



NESREEN YOUNIS
Director of Risk, Ethics & Compliance; CPA



MOHAMMAD YOUNIS
Senior Audit Manager



SAED ABU SAIR
Senior Audit Manager



KAMAL JABER
Senior Audit Manager



QUSAI SHAQO
Senior Audit Manager



MOHAMMAD KHATIB
Senior Audit Manager

Produced and edited by



Editor and Publication Lead,
BDO Insights

RAWYA SAMI
Senior Manager – Consulting, MA

- Technical proposal leadership
- Consulting delivery
- Institutional capacity strengthening
- Editorial direction
- Marketing and communications



Executive sponsor
RAMI SAMMAN
Managing Partner

Stay informed

Follow BDO Jordan, BDO Iraq and BDO Syria for further business, regulatory and market insights.

[Follow us on LinkedIn](#)
[Subscribe to BDO Insights](#)