



# **ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS**

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# The Federation of Mediterranean Accountants (Federation des Experts Comptables Méditerranéens ) (FCM)

- The Federation of Mediterranean Accountants (Federation des Experts Comptables Méditerranéens) (FCM) has been created on October in 1999 in order to improve the cooperation between Professional Accountancy Organizations in the Mediterranean area.

# FCM's mission:

- To promote co-operation among the professional accountancy bodies in the region, both in the private and in the public sector,
- To share knowledge
- To provide technical assistance to members to help them achieve and maintain high professional and quality assurance standards.
- To contribute to the economic developments of the region and to the implementation of a more integrated and competitive market between the Mediterranean countries.
- To consider the professional themes in the regional context.

# FCM

- FCM is observer member and an acknowledged accountancy group of IFAC, established permanent links with the World Bank, the Union for the Mediterranean, UNCTAD, ACEMA, MENA, Euro-Mediterranean industrial cooperation and number of relevant stakeholders in the Mediterranean wide area.

# FCM

- FCM believes that the accountancy profession, in its global dimension and with an advisory responsibility for business around the world, has the possibility to play a key role in addressing the integration and development challenges in the Mediterranean market. Accountants have the privileged position to understand the business' needs and can act as a facilitator of a fruitful cooperation between the public authorities and the business community. Through FCM, the accountancy profession is deeply committed to play a significant role in the development of a Mediterranean market.



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# ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- Economy and investment in particular in the framework of the macro economy are an adding made to the country's power production. In other word, it is a growth. At the other extreme, an increase in producing power of businesses or individuals in terms of the economy, even all of the expenses providing the sustainability are located in "investment" group. This means the growth of the relevant entity

# ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- In the economy that investment and saving decisions are given by different authorities, converting savings into investment (fund transfer) and thus ensuring the function of economic development are made by financial system. Financial system consists of money and capital markets



# ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- Economic decisions are made on the basis of financial information. When deciding about commercial business, accounting data are the information to be examined first. Because accounting data shows the current status of the business and results of operations
- There are many other users of accounting information. Users: suppliers, employees, public, governments, stakeholders and executives officers that expect interests.

## ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- A sound financial reporting system is perceived as a vital part of the infrastructure necessary for economic development fair and efficient capital markets in all countries.

# ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- In today's business world shaped by globalization, while the impacts of investors on companies are increasing, the power of manager begins to be restricted

# ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- International companies want to be monitored the same accounting methods and policies and to be submitted by being used the same principles in order to compare and evaluate their activities in different countries and the results of these activities. They want to use the same language in the accounting of activities in other words, different countries

## ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- It is required to be accuracy and credibility of the financial statements for the development of the capital market.
- For this purpose, it is essential to have audited financial statements

# ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- Economic integration is a key force pushing for change. Key role of reliable financial information in this process has become one of significant actor of accounting profession
- The accountancy profession plays a critical role in building an investment climate of trust, which is vital to economic stability and growth. It does so by first and foremost acting in the public interest

# ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- Accounting profession play an important role for the healthy growth of the national economy and the development of international cooperation in a globalized world and the development of accountancy audit

## ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- It is necessary to promote SMPs that are established by professional accountants having such a function; to strengthen their capacities; and to create demands for their services in the market.



# ROLE OF ACCOUNTING AND AUDITING IN GROWTH PROCESS

- Steps to be taken in this regard contribute greatly to the growth of the economies of both countries and entities



**THANK YOU  
FOR ATTENTION**