

Accountant's Gazette

VOLUME I ISSUE I 2004

19 March 2004

- 1st Quarterly General Membership Meeting Set
- Special Update from PICPA KSE Scholarship Foundation
- Profiles of 2004 Council Members
- Accounting Forum on GAAPs
- Accounting Updates

Chapter Elects 2004 Council Members; Committee Chairmen Named

The Chapter held its election of Council members for calendar year 2004, on 07 December 2003 at Chow King Restaurant—Al Khobar.

The elected Council members were headed by the President for 2004, Mr. Rodolfo Buenavista of Saudi Hollandi Bank.

The other elected officers are as follows:

Exec. Vice-President / VP for Khobar	Jose Rene de Pano
Vice-President for Dammam	Remegio Abaigar
Vice-President for Dhahran	James Tan
Vice President for Jubail	Oscar Cifra
Secretary	Nestor Dadulla
Asst. Secretary	Peter San Diego
Treasurer	Jose Pitz Dino
Asst. Treasurer	Carlito Mullan
Business Manager	Isagani Antonio
Asst. Business Manager	Rudy Yee
PRO	Urbiztondo Manlquez
Asst. PRO	Gaspar Tutanés
Auditor	Reine Centeno
Asst. Auditor	Noel Anglaser

After the elections, the Council members took their oath of office during their induction.

During the first regular Council meeting on 11 January 2004 held at the PICPA Office in Al Khobar, the Council appointed the chairmen for its various working committees.

The following appointments were made:

Chairman-Committee on Publications	Jose Rene de Pano
Chairman-Committee on CPE	James Tan
Chairman-Committee on Community Services	Remegio Abaigar
Chairman-Committee on Membership	Peter San Diego

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Chapter Elects 2004 Council Members; Committee Chairmen Named (*continued...*)

Chairman-Committee on Finance

Jose Pitz Dino

Chairman – Committee on Sports

Urbiztondo Manliguez

1st Quarterly General Membership Meeting Set

The Council has scheduled the Chapter's 2004 first quarter General Membership Meeting on 19 March 2004 to be held at PHILCOSA, Al Khobar.

The general assembly will be a full-day affair, with two seminars slated for the day, to be conducted by the resource speakers.

The seminar topics are ACCPAC Fundamentals in the morning session, and Business Seminar in the afternoon session. Open forum will follow after each session.

Other planned activities include keynote address from Chapter President Rodolfo Buenavista, presentation and formal election of nominees for the 2004 Board of Trustees for the PICPA KSA Scholarship Foundation, and fellowship dinner.

There will be a special raffle of prizes in the afternoon. Tickets were distributed for sale by the Council members. The prizes are mostly electronic goods and household appliances.

PICPA KSA Welcomes Second Philippine Labor Attache to Eastern Province

Last 18 February 2004 at the PHILCOSA, Al Khobar, the PICPA KSA Eastern Province Chapter, represented by Chapter President Rudy Buenavista and EVP Jose Rene de Pano, joined other Filipino organizations in welcoming the second Philippine Labor Attache to the Eastern Province, KSA.

The second Philippine labor attaché, Honorable Delmar Cruz, delivered his initial address to the Filipino community after he was formally introduced by the first labor attaché, Honorable Angel Borja.

In his address, Labat Cruz emphasized the need for unity among the various Filipino organizations in the Eastern Province. He also wished to push through with the programs of the Philippine government through its official agencies in the Kingdom, towards implementing the reintegration process for OFWs as well as taking positive action on the pending cases involving Filipino migrant workers in the Kingdom.

There was also an idea brought out regarding possible creation of a Secretariat to coordinate the various activities of the Filipino organizations covering professional, civic, social, economic and sports undertakings of the OFWs.

After his speech, several questions were fielded to him during the open forum that followed, mostly tackling urgent and sensitive issues on the plight of fellow OFWs getting involved in unfortunate incidents while staying in the Kingdom. Labat Cruz promised to give his best efforts in helping out the migrant workers needing assistance from the Philippine government.

The President's Address

By President Rudy Buenavista

Our distinguished Ex-Presidents, the leaders who guided PICPA in the past 15 years: Ex-Pres. Tony Mandrique, Ex. Pres. Dado Caritos, Ex-Pres. Boy Tuazon, Ex-Pres. Vir Evangelista, Ex-Pres. Sonny Briones

Our outgoing President, Mr. Boy Millete, during whose term I had the privilege of serving as Executive Vice-President

The newly-inducted Council Officers with whom I will have the honor of working with and will help me lead and guide PICPA in the next 12 months

To our PICPA members (both present and absent) whose commitment, involvement, participation, and financial support are indispensable in the success of our Chapter activities as well as its survival

To my wife Babes whose support and inspiration is my strength

To the wives of our distinguished colleagues who have supported their husbands in the discharge of their duties as officers or members of PICPA

Ladies and gentlemen:

In the next 12 months, the newly-inducted Council officers and I will lead PICPA to year 2005. I humbly accept this challenge with mixed emotions. It is an honor and privilege to be the next President of the Philippine Institute of Certified Public Accountants – KSA (Eastern Province) Chapter - the first PICPA chapter in Saudi Arabia and in the Middle East. At the same time, this great honor and privilege brings enormous duties and responsibilities which cannot be effectively discharged without the cooperation and support of the members, council officers, and past presidents

Without your support and cooperation, I will not be able to effectively discharge these enormous responsibilities. Together, we can easily deliver the benefits expected from PICPA and perform the tasks expected from council officers. Our Chapter is like a joint venture corporation of our members. Each of us is a shareholder who must share the responsibility of helping to ensure the well-being of the Chapter, and more importantly, our members.

It is this quality of caring, sharing, and daring for each other that is the defining quality of what is called "civic responsibility." Caring and sharing may be easy enough for us Filipinos to do, because we are naturally hospitable, compassionate, generous and friendly.

But daring to take active part in PICPA's concerns, daring to commit oneself to civic tasks, daring to give more than to take, daring to reform oneself to make a difference, daring to take collective action for the common good, these are the real, the ultimate tests of responsible membership and civic leadership.

In everything we do, we must focus our thought for the betterment of our Chapter - much better than it has ever been. PICPA is your joint venture and is the only organization of accountants in this part of the world. We need your support so we can fulfill our OBJECTIVES.

MAJOR OBJECTIVES during my term as 2004 President are:

FIRST, starting this year, your Chapter plans to establish PICPA WELFARE FUND. This is a restricted fund that is intended to alleviate, in case of death, the financial difficulties of the family of ANY member in good standing. We intend to source the fund from our annual BINGO earnings and from a fixed percentage of each Chapter DUES collected from members. For a long time, members have been clamoring for benefits. For a long time, our annual Bingo earnings were shared with our PICPA Scholarship Foundation. This time, earnings from our annual bingo will go to PICPA WELFARE FUND.

The death of ExPres Bert Icamina was an eye opener, a WAKE-UP CALL, and a painful lesson for PICPA and his family. It was a painful lesson for PICPA because we have to ask members for ABULOY instead of drawing the money from a special fund like the PICPA WELFARE FUND. Early this week, we lost another ExPres in the person of Bong Estella, our 1998 President. With the noble intention of caring for our members and as a token of my serious intentions, I am putting SAR 1,000/ from my hard-earned savings as initial seed money for the PICPA WELFARE FUND.

Our SECOND OBJECTIVE is to provide "GROUP LIFE INSURANCE" for Chapter members in good standing. If you know of any insurance company in Saudi Arabia or in the Philippines who offer "group life insurance" please coordinate with us. If this idea is feasible, we plan to hold a second bingo event this year to raise the seed money for this purpose. We will study all offers from insurance companies and then your council officers will deliberate on how to raise the required funds.

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The President's Address *(continued...)*

THIRD OBJECTIVE. As per the directive of PICPA Manila, we will classify members as ACTIVE and INACTIVE and this LIST shall henceforth be provided to PICPA Manila on an annual basis. Corollary to this objective, we aim to launch a MEMBERSHIP DRIVE to recruit new members and encourage inactive members to become active again. I urge everyone to encourage inactive members within your social circles to attend PICPA meetings and activities.

FOURTH OBJECTIVE. PICPAns, we observed are no longer interested in boring lectures. So your 2004 Council will give you what you need - MORE SPORTS and SOCIAL ACTIVITIES are lined up for this year BUT entry fees will be higher so these events will become SELF-LIQUIDATING events. This will be a tough job for our SPORTS COMMITTEE but I am sure it is DOABLE. For a long time, your Chapter has been subsidizing most of our sports and social activities. It is time to change.

We have circulated a survey on sports, seminars and activities. Please take time to answer them so we will know what and how to address your concerns. Submit the survey before leaving Park Hotel tonight.

My fellow PICPAns, the task is daunting and the challenges are enormous. Let us join hands to achieve these OBJECTIVES. Support your joint venture. Support your CHAPTER. Without your support, PICPA-KSA EASTERN PROVINCE CHAPTER, the mother of all PICPA Chapters in Saudi Arabia and in the Middle East, WILL DIE A NATURAL DEATH.

Before I close my acceptance speech, I challenge you: WILL YOU ALLOW PICPA TO DIE A NATURAL DEATH? MY FELLOW ACCOUNTANTS, THE ANSWER LIES IN YOUR HEARTS, THE ANSWER LIES IN YOUR COMMITMENT AND SUPPORT. THE ANSWER WILL BE KNOWN AT THE END OF 2004.

I HOPE THAT BY THE END OF 2004, WE WILL NOT REPEAT THE ANNUAL PREDICAMENT OF LACK OF CANDIDATES FOR COUNCIL OFFICERS. I HOPE THAT BY THE END OF 2004, WE WILL HAVE ACHIEVED OUR OBJECTIVES.

MARAMING SALAMAT AT MAGANDANG GABI SA INYONG LAHAT.

Accounting for Non-Accountants Seminars Held

As part of the Council's community services, a series of Accounting for Non-Accountants seminars were held for the IPSA PTA officers every Friday morning starting from 23 February 2004 at IPSA, Al Khobar,

The seminars were composed of modules with accounting topics designed to teach the audience the basic accounting concepts, equation, journalization, posting to ledgers and trial balance, and preparation of financial statements.

The seminar modules were presented by the Chapter officers / members, as follows:

Module 1	Accounting Equation and Values	Presenter: Jose Rene de Pano
Module 3	Journalizing and Posting	Presenter: Jose Pitz Dino
Module 4	Financial Statements	Presenter: Noel Echano
Module 5	Financial Statement Analysis	Presenter: Rudy Buenavista

After the accounting modules were presented, the attendees were given written examinations to test their familiarity with the accounting fundamentals.

Other groups are being lined up for the Council's next series of accounting seminars.

Khobar Area Gears Up for Collection and Membership Drive

In a special planning session held by Council members based in Al Khobar in February 2004, setting the agenda for the Council's collection and membership drive for the year, the Khobar group members formed themselves into teams in preparation for their tasks in the coming months.

The Khobar area is composed of eight Council members, including the Chapter President. Dividing themselves into four teams with two members each, they employed a buddy system in order to make it more effective for each one to carry out his assigned task of collecting membership dues as well as try to motivate members to actively engage with the Chapter this year.

Each team was allotted a certain number of Chapter members in Al Khobar from whom to follow up collection of their membership dues. Also, each team member was instructed to coordinate with his buddy on the matter of laying out their planned collection and membership drive, going over such details as contacting the Chapter members for follow-up collection, or scheduling a visit to members and prospective members to motivate them to become active PICPAns.

The members of the Khobar area with their respective team buddies are as follows:

Rudy Buenavista—Jose Pitz Dino

Gani Antonio—Lito Mullan

Noel Anglacer—Urbing Manliguez

Rene de Pano—Nestor Dadulla

The Khobar area will hold their monthly coordination meeting at the same time during the regular Council meeting.

Special Update from PICPA KSA Scholarship Foundation (by Ronnie Dayos)

Financial Highlights

Cash on Hand and in Banks	PHP 99,486	Unearned Interest Income	PHP 3,567
Investment-Treasury Bills	2,130,100	Restricted Funds	1,800,000
		General Funds	425,919
Total Assets	2,229,486	Total Funds	2,229,486

The total earnings from investments in Treasury bills during the fiscal year amounted to PhP105,303. In addition, cash donations totaling SR5,160 were received during the year representing audit fees performed for the DTG (Ruben Reynoso and Ronnie Dayos) SR1,700, SAEA-Dhahran (Danny Bustamante, Benny Paulino, Claro Recio, Dado Caritos, and Ronnie Dayos) SR2,960, and SAEA-Abqaiq (Marvin Oanes) SR500. Total scholarship grants during schoolyear 2003-04 amounted to PhP102,248.

Scholars

Five students are currently enrolled under the Scholarship Program, each one receiving PhP10,000 per semester.

The following are the status of the five scholars:

Anthony S. Brilliantes is a 4th year student at the St. Louis University in Baguio City. He garnered a GPA of 87.75 in the previous semester.

Roselyn P. Ballaran is a 3rd year student at the Bicol University in Legazpi City. She garnered a GPA of 1.67 in the previous semester. She is sponsored by Nick Real, our member with Albank Alfransi.

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Update on Scholarship Foundation (*continued...*)

Raquel P. de Luna is a 3rd year student at the Polytechnic University of the Philippines. She garnered a GPA of 1.41 in the previous semester.

Leonardo H. Muriel is a 3rd year student at the Polytechnic University of the Philippines. She garnered a GPA of 1.69 in the previous semester.

Reynaldo H. Alfonso Jr. is a 2nd year student at the Devine Word College, Legazpi City. He garnered a GPA of 1.49 in the previous semester. Ex Pres. Boy Millete shoulders 50% of his scholarship grants.

Two scholarship slots will be open starting this coming school year. Emails were circulated last December 2003 to all members soliciting their nominations.

We solicit members to participate by nominating a candidate who meets the qualifications listed below:

- a. Must be a natural-born Filipino citizen;
- b. Family annual income does not exceed Php 100,000;
- c. High school graduate with at least 85% GPA;
- d. Willing to pursue BS Accountancy; and
- e. Not receiving any other scholarship grants.

Interested applicants are required to submit a duly accomplished application form along with a hand-written essay explaining why he/she deserves to be a scholar, and all other required documents listed at the bottom of the form. These documents must be received no later than 30 April 2004 for evaluation by the Board of Trustees.

Nominating members will be required to vouch for the authenticity of all documents presented by his or her nominated applicant.

The selected scholar will receive a grant of Php10,000 per semester.

The Board of Trustees approved a resolution to reduce the number of trustees from fifteen to nine members. The proposal was meant to address the recurring difficulty in soliciting enough members to run for office. The Articles of Incorporation and By-Laws are being amended to implement the approved resolution along with other changes to further improve the fundamental framework of the Foundation. These changes will be submitted for ratification by the members before filing the Amended Articles and By-Laws with the Philippine Securities and Exchange Commission.

Election of New Trustees

The term of office of the current Board of Trustees will expire on 31 May 2004. Election of new trustees is scheduled to be held during the first quarter general membership meeting. Mandy Verceles heads the Commission on Election that was formed to supervise the election. Seven incumbents are running for re-election. The following is the initial list of confirmed candidates:

- | | |
|---|---|
| 1. Gani Antonio - Saif & Sons Company | 11. Benny Paulino - Saudi Aramco |
| 2. Dado Caritos - Saudi Aramco | 12. Rene de Pano - Kooheji |
| 3. Ronnie Dayos - Saudi Aramco | 13. Nestor Dadulla - Saudi Ready Mix Concrete |
| 4. Dante Dino - Al Hoty Establishment | 14. Louie Suzara - Suhaimi Design |
| 5. Pitz Dino - Suwaif General Contracting | 15. Gary Gamboa - Jeraisy |
| 6. Tony Mandrique - Saudi Aramco | |
| 7. Sammy Tiongco - Saudi Aramco | |
| 8. Ely Almeria - Saudi Aramco | |
| 9. Resty Cabrera - Mody International | |
| 10. Ike Manuel - Saudi Aramco | |

Results of Survey on Chapter Activities

During the 4th Quarter 2003 Chapter General Membership meeting held on 05 December 2003 at Park Hotel, Al Khobar, a survey was conducted among members asking their preferred activities for the Chapter in the coming months. The survey results were as follows:

Category	No. of Votes Taken	Category	No. of Votes Taken
<u>Seminars</u>		<u>Sports</u>	
Business-related	22	Tennis	12
Self-improvement	10	Chess	11
Accounting	9	Bowling	10
<u>Social Activities</u>		Darts	7
Bingo	19	Table Tennis	6
Outing	14	Basketball	5
Ballroom Dancing	10		

The survey results revealed a likely tendency among members to engage more actively in recreational and sports activities within the Chapter, rather than in formal or technical courses.

However, in the case of holding seminars, there was a major preference for courses relating to business or livelihood training. It might appear that most members would like to learn additional skills which they can apply to earn extra income or as their secondary occupation when they reintegrate in the Philippine society once they return home for good.

Another survey of same subject matter was conducted among members who attended the Special Systems Seminar held last 20 February 2004 at IPSA. From the 12 attendees the results of the survey showed their choices:

Category	No. of Votes Taken	Category	No. of Votes Taken
<u>Technical Courses</u>		<u>Non-Technical Courses</u>	
MS Access	10	Tilapia Culture	5
PC Assembly	5	Foodstall (Carinderia)	4
Relational Database	5	Bangus Culture	3
Data Security / Anti-Virus	4	Bakery	3

The second survey supplemented the first one in a sense that the seminar courses offered were more specific, both technical and non-technical.

Putting the analysis even further, the members could actually be guided to make more sensible choices once the key points of the offered courses are substantially explained or discussed with them during the survey.

The matter of motivating the members to decide on what is good not only for their personal interest, but more importantly, for their professional development, is an issue that should be explored more deeply in future surveys.

Special Systems Seminar Held

The Council conducted a one-day systems seminar last 20 February 2004 at IPSA, Al Khobar. The topics covered were Visual Basic and Networking fundamentals.

Invited resource persons presented the seminar to familiarize the attending members on the conceptual aspects and applications of the topics relating to the emerging trends in information technology. The speakers were Mr. Dax del Mar (for MS Visual Basic 6.0) and Engr. Tito Guevarra (for Networking). Both are current officers of PhilTech SA, an accredited NGO which is conducting similar technical workshop seminars to OFWs in the Kingdom.

Mr. Del Mar is a consultant from MonuTech Information Systems, while Mr. Guevarra is an entrepreneur, being the manager of Skab Computer Shop in Al Khobar.

Other seminars are being planned based on results of survey from Chapter members.

PPO Sports Tournament Slated

The Philippine Professional Organization, a federation of professional organizations in the Kingdom, including PICPA, through its Sports Committee, has organized a general sports tournament for the members of the organizations.

Different sports contests are planned to be held in the 2nd Quarter 2004. The following sports activities are included:

Sports	Scheduled Dates	PICPA Coordinator
Basketball	16 April-07 May 2004	Mr. Boy Millete
Bowling	30 April-07 May 2004	Mr. Boy Tuazon
Billiards	30 April-07 May 2004	Mr. Gani Antonio
Darts	30 April-07 May 2004	Mr. Garry Gamboa
Lawn Tennis	23 April-07 May 2004	Mr. Alex Navarro
Table Tennis	23 April-07 May 2004	Mr. Gas Tutanés
Chess	30 April-07 May 2004	Mr. Gani Antonio

Ground rules and mechanics of each sport are currently being finalized in preparation for the sports tournament.

Chapter members interested in participating in any sports event may contact the assigned PICPA coordinator to enlist himself with the PICPA team.

According to Boy Millete, PICPA coordinator for basketball, the members enlisted for the PICPA basketball team are mostly hold-overs from previous PICPA teams. Jun de Leon is the playing-coach for basketball.

Aside from PICPA, other member-organizations of the PPO are the Philippine Society of Mechanical Engineers (PSME), Philippine Institute of Civil Engineers (PICE), and Philippine Institute of Electrical Engineers (PIEE).

1st PICPA Chess Tournament Held *(by Gani Antonio)*

On 27 February 2004, eight PICPA chess players and eight guest players of Al Khobar Chess Group showed their brilliancy in chess competitions held at Chow King Restaurant-Al Khobar. Four teams with four players each team were formed to compete in the said chess tournament.

Blue Team was led by reigning Board 1 champion Ed Canete; while the challenger teams are as follows: White Team of Gani Antonio; Red Team of Lito Mullan; and Yellow Team of Ding Bermejo.

Blue Team emerged as the winner of the 1st 2004 PICPA Chess Tournament after beating all other teams while White Team did their best to grab the 1st runner-up title.

Team players are as follows:

	Blue Team	White Team
Board 1	Ed Canete	Gani Antonio
Board 2	Jimmy Aquino	Nelson Dalisay
Board 3	Dante Dino	Bert Vasquez
Board 4	Orren Samarita	Edwin Icogo
	Red Team	Yellow Team
Board 1	Lito Mullan	Ding Bermejo
Board 2	Nestor Buera	Lando Lara
Board 3	Ed Timbol	Boy Tuazon
Board 4	Adrian Suba	Manny Quizon

Trophies were awarded to the champion team and 1st runner-up team while medals were awarded to the board champions.

Board 1 Champion	Ed Canete
Board 2 Champion	Jimmy Aquino
Board 3 Champion	Dante Dino
Board 4 Champion	Manny Quizon

Mr. Andy Reyes of Saudi Aramco-Abqaiq; immediate past overall chairman of AFSCCOM (All-Filipino Sports and Community Commission) directed the 1st 2004 PICPA Chess Tournament.

Feature

PICPA KSA (EP) Journal of Council Activities 2004

JANUARY 2004

- 11 First Regular Council Meeting
- Agenda Points:
- Copies of Chapter By-Laws distributed to Council members for their reference
 - Proposed Group Life Insurance (GLI) for Chapter members who are active and / or in good standing
 - Fund-raising (bingo social) to generate fund for the GLI
 - PICPA Welfare Fund created, with seed money of SAR 1,000 donated by Chapter president
 - Accounting seminar for non-accountants for IPSA PTA members set to start 23 Jan 2004
 - Treasurer's Report: Cash deficit incurred by Chapter in 2003 / collectibles from CPA Boar reviewees to be followed up Ex-Pres. Boy Millete
 - Appointment of chairmen for the 2004 Chapter working committees
 - Proposed reactivation of Chapter website
 - PICPA Middle East Convention in Bahrain - being considered for holding within 2004
- 22 First Special Council Meeting
- Agenda Points:
- Proposed bingo social in March postponed due to lack of venue
 - Other fund-raising option considered: Raffle draw during the 1st Quarter General Membership meeting in March 2004
 - Raffle ticket booklets to be printed and distributed to Council members to generate ticket sales, plus solicitation letters to selected companies
 - Proposed Special Systems seminar set on 20 Feb 2004: topics are Visual Basic + Networking fundamentals
 - 2nd Quarter Membership meeting scheduled on 28 May 2004 with prospective guest speaker Mr. Jun Corro or Mr. Ron Jacobe
 - 3rd Quarter Membership meeting scheduled on 27 Aug 2004

FEBRUARY 2004

- 11 Second Regular Council Meeting
- Agenda Points:
- Reports from the committee chairmen were presented
 - Follow-up and coordination on collection of membership dues and other collectibles / scheduled raffle draw as fund raiser / scheduled seminar on systems / Chapter website
 - Copies of minutes of 1st regular and 1st special Council meetings presented to Council members for their signing

Feature

Profiles of 2004 Council Members

Mr. Rodolfo Buenavista**Chapter President**

The Chapter president is employed as a Credit Relationship Manager in Saudi Hollandi Bank. He was born on 02 August 1953. He is married to fellow PICPAn Leticia Buenavista, and has five dependents.

Rudy is an Accounting graduate from Philippine College of Commerce (now Polytechnic University of the Philippines).

Rudy spends his leisure time reading and traveling. He has a passion for mountaineering and hunting. His favorite sports are track and field, running and walking. His motto in life is: "If it is to be, it is up to me."

Mr. Jose Rene de Pano**Executive Vice-President / VP - Khobar**

The officer next-in-line for Chapter presidency is currently working as Systems Audit Head in Kooheji Stores, a renown dealer of luxury watches in the Eastern Province. He was born on 01 October 1961 in Quezon City. He is married to Santa Melda from Batangas, and they have four children.

Rene is an Accounting graduate from the University of the East. He was enrolled in the Master of Science in Economics at Ateneo University but due to his plan to work overseas he had to stop his graduate studies for the time being.

Rene likes to read books on any subject. He used to ride his racer bike, but he also plays basketball, badminton, and darts.

Mr. Remegio Abaigar**Vice President – Dammam**

The VP for Dammam is working as Project Controller in Worley Arabia Ltd. Still single, he was born on 18 September 1966.

Rey is a graduate of the University of the East. He spends his free time listening to music, surfing the Internet, and loves adventure. He has an interest in programming and networking, and plays lawn tennis as his sport. His motto is: "Love others as yourself."

Mr. Jaime Tan**Vice President – Dhahran**

The VP for Dhahran is connected with Saudi Aramco as Planning and Program Analyst / Training Coordinator. Born on 21 February 1972 he is still single.

James is a graduate of the University of the Philippines – Tacloban College. His college affiliation was with UP Runggiyan. He was a college scholar in 1994-1995.

James goes to the gym and watches VCD and DVD wares in his spare time. His main sports are table tennis and basketball. He also likes to travel.

Mr. Oscar Cifra**Vice President – Jubail**

The VP for Jubail is the Group Accounting Manager for Al Yusr Townsend and Bottum Co. Ltd. Born on 15 December 1954, he is married and has five dependents.

Oscar took his college diploma from Philippine School of Business Administration. He used to be a member of JPIA and the Students' Council.

Oscar always reads books on accounting, and also travels and goes fishing. His favorite sports are basketball and tennis.

Mr. Nestor Dadulla **Secretary**

The Chapter Secretary is working as an L/C Specialist and Accountant in Saudi Ready Mix Concrete Company. He is married and has two dependents. He was born on 17 February 1965.

Nestor graduated from Polytechnic University of the Philippines. He was a college scholar and graduated with cum laude honors.

Nestor goes for tennis and swimming as his sports activities.

Mr. Peter San Diego **Assistant Secretary**

The Assistant Secretary is connected with Issam Kabbani and Partners Co. as an Accountant. He is single, and was born on 24 March 1962.

Peter took his Bachelor of Science in Commerce degree in 1981. He was a member of JPIA while in college. He is also a former president of Morong Jaycees in the Philippines.

Peter spends his leisure time watching TV, reading newspapers and singing. His varied interests include drama acting, public speaking and dancing. For sports, Peter goes for swimming and volleyball.

Mr. Jose Pepito Dino **Treasurer**

The Chapter Treasurer is working as Finance and Administrative Manager of Suwaif General Contracting Est. He was born on 26 August 1952, is married and has five dependents.

Pitz is a product of Manuel L. Quezon University. He was an academic scholar and graduated with cum laude honors.

Pitz takes to jogging, reads and sings when not at work in the office. His other interests are in agribusiness such as having a tract of land with trees.

His main sports are volleyball, bowling and track events.

Mr. Carlito Mullon **Assistant Treasurer**

The Assistant Treasurer is employed as Accountant by Zuhair Fayeze Company. He is married and has two dependents. He was born on 23 June 1953.

Lito took his college degree from Feati University. He graduated there in 1982.

Lito reads a lot, and has also an interest in marketing of real estate as well as agricultural business. He has a passion for chess and basketball as sports.

Mr. Isagani Antonio **Business Manager**

The Chapter's Business Manager is holding a job as Financial Controller of Husain Al Saif and Sons Company. Born on 12 April 1964, he is married to Rizza, and they have one son.

Gani studied in Philippine School of Business Administration, and he graduated from college in 1985. His other activities in school included being Deputy Corps Commander in the PSBA Corps of Cadets and being a chess player of PSBA.

Gani completed the Commercial Law and Taxation courses from Indiana University, USA in 1988.

A very active OFW, Gani's other affiliations are as follows: Chapter Trustee, Order of Knights of Rizal Eastern Province Chapter / Overall Coordinator, Al Khobar Chess Group / Controller, PICPA Scholarship Foundation Eastern Province Chapter.

If he finds some spare time, he plays chess and game of the generals.

Mr. Rudy Yee **Assistant Business Manager**

The Assistant Business Manager is working as Planning and Program Analyst in Saudi Electric Company (SCECO). He is a native of Negros Occidental, being born there on 19 December 1948. He is married and has two children.

Rudy graduated from Silliman University. He also completed his graduate course at the Ateneo de Manila University.

Rudy goes for traveling and outing activities. He plays tennis and bowling.

Mr. Urbiztondo Manlquez **PRO**

The Chapter PRO is employed as Accountant by Al Khaleej Trading Company. Born on 27 April 1949, he is married and has four dependents.

Urbing studied in Saint Michael's College and was a member of JPIA.

Urbing likes to listen to music, read books, and plays tennis for sports.

Mr. Gaspar Tutanés **Assistant PRO**

The Assistant PRO is connected with OTC as its Financial Controller. Still single, he was born on 26 May 1961.

He is a graduate of Far Eastern University, and was granted special scholarship for three semesters while in college.

Gus likes to spend his free time doing some farming and fishing. He also plays cards for fun. He plays table tennis and lawn tennis.

Mr. Reine Centeno **Auditor**

The Chapter Auditor is employed by Saudi Aramco as Contract Review and Cost Compliance Analyst. He is married and has one dependent. He was born on 23 October 1973.

Reine is a graduate of University of Santo Tomas, finishing his college studies in 1994.

Mr. Noel Anglacer **Assistant Auditor**

The Assistant Auditor is doing work as Financial Analyst in Zamil Air Conditioners. He is still single, and was born on 28 December 1976.

Noel took his college diploma from University of Iloilo in 1998.

He indulges in sports like basketball and volleyball, and also reads pocketbooks in his spare time.

Feature

Working Abroad (by *Urbing Manriquez*)

Working abroad is like venturing into business

Dollars! More dollars! The sagging economy of the Philippines! These are some of the reasons why so many of us Filipinos want to work overseas. But do we really think of the equating factors what we may face once we leave our beloved country? Perhaps many of us thought only of the many dollars. Some retired with enough money to start a modest business or came home with already existing "kabuhayan". Some retired with empty pocket, or may be worse than the situation when they first went abroad.

Working abroad is like venturing into business. You have to invest something in order to earn something. Your first investment is the time and effort you spent when queuing in the placement agencies to get interviewed by the prospective employer. Your next investment is the placement money you pay. (Except those lucky enough whose employers paid for this.) With these initial investments, some already incurred liabilities (loaned money), some disposed of properties (sold lands). These are the assets and liabilities & capital caption of the accounting equation.

Once you are abroad and started working, that is the equivalent to the operations of the business side. You earned your monthly salary and allowance, you spent for your accommodation, food and some miscellaneous items which sometimes and in most cases ends up more than the amount earned for the month. There you incurred a loss in a month's operation. The accounting cycle of working abroad is the annual anniversary of the contract. At the end of each contract, you take your annual vacation. You are paid your accrued vacation and for those fortunate to have a better company, received the annual bonus. From this amount you buy some pasalubongs. The net amount you send or bring along with you is your net earning. That is equivalent to the net earnings of the business. As I said earlier, working abroad is like venturing into a business.

Yet some are unfortunate not to have earnings during their accounting cycle as overseas workers. Others end up losers. They did not forecast properly their venture in foreign lands. Several OFWs went home with only little of their savings. Others hastily venture into business of their own without proper planning and end losing their investment. In other words, their business ventures closed and most of them started looking for work abroad again. This situation of our kababayans can be avoided if only they are well prepared before going into business.

For its part, PICPA Eastern Province Chapter, K.S.A., conducted seminar on Accounting for Non-Accountants which just concluded recently. More of this seminar will be conducted to our kababayans to prepare them once they retire and go back to the Philippines. None of us will stay abroad forever working. It is just fitting that we PICPAns, having the competence to advice and prepare our fellow OFWs should continue this noble endeavor so that someday, sooner or later, those who will venture into business will know how to balance the equation so that they won't end up losing their hard earned dollars.

Feature

School: who needs it? (by Paolo P. Espanola)

Do you remember the time you went to nursery and kindergarten? Like me, you probably enjoyed it: no problems, fun all day, and no homework, too. Do you still have the same feelings toward school now? Many don't.

Every morning I, along with every able child in the world, would wake up in the ungodliest hour, and groggily ready ourselves to ride the bus and go to school. "School," the six-letter word that strikes fear into my heart, and probably that of many others, means torturous teachers, hernia-inducing homework, blundering bullies, and 5.3 to 8 hours of free time gone forever.

Dreadful change. What brought about the change?

During nursery and kindergarten, all you were taught were phonics, language arts and reading, and a teeny bit of math. The rest of the day it's all games with no sort of order or restraints holding you back. I still remember watching TV while playing with the action figures there.

Slowly, as we grow older they took them all away. Until one day, you'll find yourself in a world of neatness, with rules bounding your every move, punishment for every mistake, and loads of work.

Boring clichés. Things teachers say to children about education and the importance of coming to school are always repeated, hackneyed, boring clichés they recite until the students can say it along with the teachers.

Phrases like "Your parents spend a lot of money to put you in this school"; "You come to school to learn, not play"; "You'll never be successful in life if you're not serious in school"; and "Pay attention to what I'm teaching because it is very important and you won't get good grades if you don't" ring through everyone's ears every time someone doesn't act the way the teacher wants him to.

Parents tell you: "Go to school, study hard, get good grades, get a high paying job, and retire early." Teachers say: "Come to school, pay attention, pass the tests, and you'll get a high paying job." You can see the importance of school from what the adults say.

Success in life. Your success in school determines your success in life. Passing in school and maybe getting a Master's degree opens more opportunities to you. Dropping out of school slips a message along the lines of: "You'll never get a good job or be rich anymore, because you're a failure." Dropping out labels you as a loser, as dumb, and having the least chance of succeeding.

But does a person really need to pass school to become the dream person he always wanted to be? Many will say yes. I say no. We don't really need school to be successful in life. (This statement will probably be met with hostile reactions, especially from the people who are in favor or who performed well in school.)

Albert Einstein, the man who discovered the famed equation, $E=MC^2$, was a dropout. So is Bill Gates, the richest man on earth. A lot of successful people never got the proper education, yet they match, even surpass, those who graduated with top honors.

Genius versus clown. Everyone knows the class genius; you know, the one who wears glasses and seems to mold into the background, the one who rarely interacts with the "cool ones." And everyone also knows the class clown, the cool guy who annoys the teacher and has a way with other people.

In school, the former is praised academically while the latter is labeled as a misfit. But a lot of times, the latter ends up financially safe and successful, compared to the former who is usually working his butt off trying to pay his debt off.

For example, scientists in some big pharmaceutical company work 24/7 trying to develop some new discovery and they get paid a meager amount to do it. While the boss rakes in all the money and fame. There's little chance the boss even knows a thing about pharmaceuticals. As long as he gets the money, he won't care a damn about it. That's a clever strategy to use – hire people smarter than you to do your work.

Teaching deficiency. Children who do not perform well in school or are too "disturbed" during class hours are labeled as dumb or a sufferer of ADHD and are later drugged to keep them sitting in class. This is wrong. It might be that the child learns by touching and feeling (in short, practical) and not reading and writing.

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School: who needs it? (continued...)

There are seven types of genius according to Howard Gardner's book: *Frames of Mind*: (1) verbal-linguistic – the native ability to read and write, (2) numerical – dealing with numbers, (3) spatial – creativity, (4) physical – usually gifted to people like athletes or those who learn by doing, (5) intrapersonal – dealing with our own emotions which is 24 times more powerful than rational thinking, (6) interpersonal – dealing with our relationships with other people, and (7) environmental – dealing with our surroundings.

Out of the seven, the educational system recognizes only (1) and maybe (2) and (4). The other four will be forced to adapt to the system. This is the problem. Children are forced to adapt to the system, instead of the system adapting to the children. Instead of labeling children of having a learning deficiency, the school should admit that they have a teaching deficiency.

Like the word "elementary" that is used to describe the early years of school. The school takes a subject of interest and breaks it down into elements. Take the subject of video games that I'm fond of. The school might break this subject into Math, Science, Graphics, Computer Engineering, Programming, etc. Is it fun? Not to me.

Guides for life? A lot of things taught in school are thought to be our "guides throughout our life." Things like learning the different elements, their atomic numbers, and their abbreviations in Science; memorizing dates of historical moments, like when Alexander the Great died, when the Civil War started, and when the Declaration of Independence was signed. Even in Language Arts, which is one of the most important subjects, things like independent clauses, subjects, predicates, etc. are taught.

Children long ago in the colonial times till the early Industrial Age were taught basic math skills (addition, subtraction, etc.), how to read, and how to write. Their most important book was the Bible. They survived. Didn't they?

Information explosion. Now, we are in the Information Age, when new discoveries are made in rapid succession, thanks to technology, the difference in the curriculum from then till now is overwhelming.

There has been a massive "information explosion," a term describing school competition. To illustrate, there are three schools labeled A, B, and C. School A teaches its students Reading and Language Arts. School B seeing this starts teaching the same subjects and, in addition, Math. School C looking to impress the citizens, teaches all the subjects offered by School A and B and, in addition, Science. Every school keeps on adding new curriculum trying to beat the other.

Only 20% useful. When I asked my teachers why we need to know all the information, they usually said that we'll never know or we'll never pass if we didn't. But we don't even need all these information for our future. The only things we need to learn in school for success are the 3 Rs: reading, writing, and arithmetic. Besides that, the rest is brainless fodder.

My dad says that 80% of what we learn in school never leaves the classroom. But he warns me that I will not become socially acceptable if I don't get good grades, finish schooling and get a diploma. I am held hostage by the school.

Noble and justified. So, if most of the things they teach us at school are useless, why bother teaching?

Probably because teachers believe they are doing the noble job of preparing the children in many things for the harsh future. But how's knowing that Abraham Lincoln abolished slavery going to prepare us?

Another reason maybe is because teaching us all these information justifies the big amount of money that the school charges for the so-called "quality" education. (This will probably be the statement which will cause the school to dislike me, once they read it.)

Prussia started it. Where did the education system really come from?

From what I've read in a book by Robert Kiyosaki -- *Rich Kid, Smart Kid* -- it came from ancient Prussia. They devised the system to teach their citizens to become good workers and soldiers. Did you know that the word "kindergarten" comes from the Prussian words "kinder" meaning children and "garten" meaning garden; making the impression that school is where employees and soldiers are "manufactured."

School: who needs it? (continued...)

Does that mean the school teaches us to be servants to our country? Just like how most of the people, who went to school, work forever and depend on paycheck after paycheck?

I am 13 years old and I should enjoy school since I do well in it. But I don't.

Change the system. I hope someone influential enough would change the system into a more practical one, one that learns by doing. Those who have joined the Boy Scouts or something like it should know. Changing the system may also save money, as fewer books, teachers and classrooms shall be needed.

My dad says that the government borrows money in hundreds of billion pesos to be able to provide education that also costs hundreds of billions. He explains that all these borrowings will be paid by us children in the form of taxes in the future. Did we ask for it in the first place?

Window of opportunity. If school is limited only to the 20% necessary and useful education, then our government would have surplus money that can be used to help the poor, stimulate commerce and trade, and further national development.

Not only that, I will spend less time in school and have more time to enjoy camping and gain practical education in scouting, as well as my piano lessons and favorite video games. Who knows if I spend more time in the computer, I will develop something much better than Microsoft Windows, and become way richer than Bill Gates. Ha!

(The original version of this article appeared in the View and Comment page of the January 26, 2004 issue of the BusinessWorld. The author also contributed articles to The Accountant's Gazette in the past. He was a recipient of the President's Educational Grant given by this PICPA Chapter in 2002 for having excelled in academic studies and participated in community activities. He attends Grade 8 in an international school in Dammam, Saudi Arabia. He is the son of PICPAn Pol Española.)

Accounting Forum

A Second Look at GAAPs (by JL de Pano)

In the modern world of commerce where so many derivative forms of business transactions are currently taking place, the accounting policies prescribed by the accounting societies to ensure standard ethical accounting norms applied to business reporting on consistent basis, could well deserve another look. The emergence of a new generation of business financial instruments, business reorganizations and accounting practices as well as the surge of the information technology have all combined to test the robustness of established accounting principles in a way never before seen.

To place our arguments at their most basic level, let us consider a business and how transactions as well as accounting for these transactions are being conducted. The business concern deals with trading of merchandise goods in a local market, where sales are done with direct customers as well as retailers. It sells the goods to a retailer on a straight cash basis, meaning that the accounting is for a simple cash sale transaction. The retailer assumes the deal is completed once the sale is done and settled in cash.

But the transaction involves two parties, the seller and the buyer, and these two parties might have different perspectives on the same event. Let us say the seller, which is our local trader, considers the sale as a consignment of goods, with cash paid as advance from the buyer with possibility of return of the goods and repayment of cash to the "consignee."

In such a case, the local trader might do an accounting for an otherwise simple cash sale in an entirely different manner, with implication for multiple documents as well as complex accounting entries for the transaction. Let us now see how accounting gets all tangled up in such case.

As an illustration, the trader sells to the retailer goods costing SAR 70,000 at special price of SAR 90,000. The retailer pays the SAR 90,000 in cash, for which the trader issues him a Receipt Voucher for the same amount. In the market, the same goods are sold at retail value of SAR 100,000.

However, the trader considers the transaction as a consignment of goods and the money received as an advance from the retailer. So aside from the Receipt Voucher he also raises a Credit Invoice in the name of the retailer and opens an account for him in his accounting books. He would probably make the following accounting entries for the transaction together with the source ledgers:

- Issue Receipt Voucher for cash receipt of SAR 90,000

Dr. Cash	90,000	
Cr. Advance from Customer		90,000

Note: Cash treated as advance on "consigned" goods

- Issue Credit Invoice for retail value of the goods

Dr. Accounts Receivable	100,000	
Cr. Sales		100,000
Dr. Cost of Sales	70,000	
Cr. Inventory		70,000

At the closing period, the trader wishes to "close" the open account of the retailer. So he devises to make another set of source ledgers with the accompanying accounting entries, thereby complicating the transaction even further.

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A Second Look at GAAPs (continued...)

Our local trader performs the following accounting procedures:

- Issue Payment Voucher for payment of the advance to the retailer

Dr. Advance from Customer	90,000
Cr. Cash	90,000
- Issue a Purchase Order for the receipt of the “consigned” goods at retail value

Dr. Inventory	100,000
Cr. Accounts Receivable	100,000
- Issue a second Receipt Voucher for the sales value of received goods

Dr. Cash	90,000
Dr. Accounts Receivable	10,000
Cr. Inventory	100,000

Note the following effects of the accounting steps 3 to 5:

- By raising a payment voucher, the trader is able to close the Advance from Customer account, although the cash received is also brought to zero amount. It would appear the advance payment is returned to the retailer when no cash is actually paid back since the cash paid from step no. 1 is for straightforward cash sale of goods
- By raising a purchase order for the “receipt of consigned goods,” the trader is able to reverse the Accounts Receivable account opened in step no. 2. This is the primary aim of the trader – to close the open account of the retailer.

However, with the purchase order he also values the goods at higher retail value in the market, and makes it appear the goods are received back from the customer. Actually no consignment took place, so there is no reason for the buyer to return the goods, unless there were defective items worth returning.
- By raising another receipt voucher, the complete process is made. The trader is able to close the open account of the retailer, open a new receivable balance for him for the difference between the retail value and the special price of the goods offered to him (SAR 10,000), close the Inventory value at market and produce a net effect of credit amount against Inventory for the same value as the cost of goods sold (SAR 70,000), produce a net effect of “balancing” the cash with debit to Cash by the same amount as the actual cash received from the sale of goods (SAR 90,000), and “improve” the sales and profit picture by raising the sales by the difference between the market and actual price of the goods.

It would appear our local trader has it all made out for him. He might think he is able to deliver the goods for the business. He might even try to collect from the retailer for the remaining “unpaid” balance of SAR 10,000 which is the difference between the retail and actual price of the goods sold to the retailer, thus also improving the business’ current ratio and liquidity factor.

It is actually all an illusion. There is no more amount to be claimed from the customer for a purely CASH SALE transaction. The goods have not been consigned but sold for cash. Of course, the retailer will not pay for an amount which he does not owe to the trader.

The net effects on the G/L accounts show an overstated value for Accounts Receivable and for Sales by the same amount, which again corresponds to the difference between the actual and the market value of the sold goods. The issue of valuation is confusing our local trader.

At the same time, the overstated Sales distorts the profit picture of the business, even worse if such kind of transactions carry material value relative to the overall sales operations of the business.

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A Second Look at GAAPs *(continued...)*

The two-step accounting being conducted will no doubt have material effect on the financial statements and financial accounts of the business. It only serves to complicate the accounting process for simple cash sales, brings no real financial benefit to the business, and adds to the cost of accounting work in terms of wasted man hours for pointless accounting for a simple cash sale transaction.

However, the point of this essay is to emphasize the importance of guarding the time-honored accounting principles from the careless forays of the hostile interests of business with solely the profit motive in mind. Accounting principles are part of the ethical foundation of the profession, so these deserve the strictest compliance by all parties concerned, from the bookkeeper in the back office to the managing director in the executive suite.

The principles of cost, valuation, objectivity, conservatism and transparency form an enduring part of the accountant's professional integrity in an ever-changing business environment.

(Editor's Note: This section is prepared as a forum for PICPA members to share their insights, opinions, and comments on the accounting issues relating to events around the world. The issues may touch on business events, technical matters on accounting, audit, finance or information technology, or on the latest news having a great bearing on the accounting profession.)

Chapter members and readers are requested to participate actively in the Accounting Forum, and they have a chance to discover new knowledge, insights or even skills in their field of work. The Accounting Forum aims to make accounting a living profession.)

Clipboard

Accounting Updates

GLOBALIZATION OF ACCOUNTING PRACTICES: A SUMMARY

WTO General Agreement on Trade in Services (GATS)

The agreement binds members to certain general obligations and disciplines like the grant of Most Favored Nation Treatment (MFN), transparency provisions, increased participation of developing countries in services trade, recognition (licensing) requirements, etc. Members are bound to make specific commitments on market access and liberalization of certain services sectors.

The underlying principle for GATS is the recognition that cross-border professional service agreements are a natural and logical consequence of trade agreements.

The basic objective of GATS is the expansion of trade in services under conditions of transparency and progressive liberalization among member-countries, including accounting professional services. Progressive liberalization of services trade shall take place once every five years.

ASEAN Framework Agreement on Services (AFAS)

On 15 December 1995 ASEAN members affirmed that ASEAN member-states shall extend to one another preference in trade in services, including professions such as accounting practices. Among the objectives of AFAS is to eliminate restrictions to trade in services, with the aim of realizing a free trade area (FTA) in services. Restrictions sought to be eliminated cover discriminatory measures and market access limitations.

The ASEAN members agreed to phased approach for liberalization of services. In the short-term (1999-2001) the coverage will be on priority sectors and on sectors committed under WTO-GATS. Over the long-term (2002-2020), the commitment is to achieve free flow of all service sectors and all modes of supply.

APEC Bogor Declaration

In November 1994 APEC members committed to achieve free and open trade in services (including professions) by the years 2010 / 2020. The market access and national treatment provisions of GATS shall apply to the APEC liberalization process.

The approach to such liberalization is Early Voluntary Liberalization (EVL) to meet the goal of 2010 / 2020 program.

The Group on Services (GOS), a subgroup of APEC Committee on Trade and Investment (CTI) has been tasked to complete an APEC Directory of Professional Services including accounting, engineering and architecture services

UN Conference on Trade and Development (UNCTAD)

In February 1999 the 16th Session of UNCTAD Group of Experts on International Standards of Accounting Reporting (ISAR) initiated the creation of guidelines for a global accounting curriculum and other qualification requirements with the following objectives:

- close the gaps in national education systems
- cut the cost of mutual recognition agreements and
- facilitate increase in trans-border trade in accountancy services

Clipboard

Accounting Updates *(continued...)*

OTHER DEVELOPMENTS

US Securities and Exchange Commission

The US SEC proposed that accounting firms be barred from offering consulting services to companies with which they have audit engagements. The proposal had the support of the US Federal Reserve Board. The objective was to ensure that the quality of audit services rendered have not been compromised.

Currently, the Big Five accounting firms have been lobbying against the US SEC proposal.

Harmonization of Global Accounting Standards

With the planned globalization of professional services under various international agreements, global accounting standards have been determined to have ascendancy over national and local standards.

Moreover, with the economic financial crises in Asia and Russia and the emerging discovery of accounting improprieties allegedly committed by US firms, the focus is on the ability of accountancy to promote accountability, transparency, and reliability of financial reports. The International Federation of Accountants, the International Accounting Standards Committee (IASC), and the International Organization of Securities Commission have joined together to encourage the use of international accounting standards.

Survey Result on the Accountancy Profession

Survey results from Robert Half International (USA) showed that more than 70% of US firm-respondents perceived that accountants in the past 5 years have become more critical to overall (business) operations, future demand will be for accountants who are skilled strategists and team players who have forward-thinking (business) perspective, and accountants will need to re-engineer themselves into broad-based business people.

Clipboard

The Lighter Side

The Ugly Baby

A woman gets on the bus holding her baby.

The bus driver says, "That's the ugliest baby I've ever seen." The woman angrily slams her fare into the fare box and takes an aisle seat near the rear of the bus.

The man seated next to her senses that she is in a bad mood and asks her what is wrong. The woman says the bus driver insulted her.

The man tells her that the bus driver has no right to insult his passengers, and the woman agrees and says she will go back to the driver to demand his apology.

"That's a good idea," says the man. "Here, let me hold your monkey."

A Manager and An Engineer

A man is flying a hot-air balloon and realizes he lost his direction. He reduces altitude and spots a man down below. He shouts to him, "Excuse me but I think I got lost. Do you know where I am?"

The man below says, "Yes, you are in a hot-air balloon, hovering about 30 feet above the field. You are between 40 and 42 degrees N. Latitude, and between 58 and 60 degrees W. Longitude."

"I see, you must be an engineer," says the balloonist.

"I am. How did you know?"

"Well, everything you told me is technically correct, but I have no idea what to make of your information, and the fact is I am still lost."

"I see, you must be a manager," says the man below.

"I am. How did you know?"

"Well, you don't know where you are, or where you are going. You don't know what to do to solve your problem, so you let somebody else do the thinking for you. The fact is you are in exactly the same position you were in before we met, but now it is somehow my fault."

Real Life Definitions

Argument	The longest distance between two points of view
Idiot	Any person who fails to see your point in a discussion
B.A.	A degree indicating the holder has mastered the first two letters of the alphabet — backwards
Education	What you have left over when you subtract what you've forgotten from what you've learned
Good Breeding	That quality which enables a person to wait in well-mannered silence, while the loudmouth gets service

Q and A

Q: How will you know a tax accountant is very good?

A: When there is a tax loophole named after him.

Q: Why did the auditor cross the road?

A: Because he checked the files last year, and this year he's going to do that all over again.