



Circular No. 07/2007

November 2, 2007

ALL MEMBERS OF THE INSTITUTE

STATEMENT OF COMPLIANCE FOR COMPANIES OTHER THAN MEDIUM-SIZED ENTITIES (MSEs) AND SMALL-SIZED ENTITIES (SSEs)

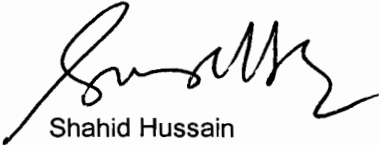
Dear Member

On the recommendation of the Institute the SECP has notified certain International Financial Reporting Standards (IFRS) therefore in order to achieve consistency with the terminology used in the IFRS issued by the International Accounting Standards Board, it has become necessary to appropriately modify the existing Statement of Compliance that was issued to the members through ICAP Circular 1 of 2003 dated February 24, 2003.

The Professional Standards and Technical Advisory Committee in its 56th meeting held on September 10, 2007 also reviewed the following draft of the Statement of Compliance to be included in the financial statements of companies other than MSEs and SSEs:

“These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.”

Members are advised to take note of the above. The above draft would need to be tailored to specific requirements of specialized entities (e.g. banks, insurance, modaraba, leasing) whose financials are also affected by their relevant statutes.



Shahid Hussain
Director Technical Services

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