



**The Institute of  
Chartered Accountants  
of Pakistan**

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**Training  
Regulations and  
Guidelines**

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# Training Regulations and Guidelines

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# **Training Regulations**

## TRAINING REGULATIONS

### 1. SHORT TITLE, OBJECTIVE AND COMMENCEMENT

- 1.1 These Regulations shall be known as Training Regulations.
- 1.2 The aims and objects of these Regulations are to specify minimum requirements on work experience / training of chartered accountancy Students.
- 1.3 These Regulations shall become effective from the date of publication through the Transitional Arrangements as mentioned in Regulation 4.2.

### 2. INTERPRETATION

In these Regulations, unless there is anything repugnant in the subject context:

**Approved Training (AT)** means practical experience obtained by Students at or from Training Organisations under these Regulations, and shall include instructions and theoretical training imparted during the course of training;

**Bye-laws** mean the Chartered Accountants Bye-Laws, 1983, as amended from time to time;

**Chairman** means the Chairman of ETCOM

**ETCOM** means the Education and Training Committee;

**Committee** means the ETCOM and shall include any sub-committee of ETCOM constituted for regulating the training;

**Competence** means the ability to perform the tasks and roles to the standards reasonably expected of a newly qualified chartered accountant by the Institute;

**Consortium of Training Organisations (CTO)** means a number of Training Organisations which have grouped together, in furtherance of the objective to provide competence based training in all key areas/competencies under a mutually agreed arrangement as approved by the Committee;

**Continuing Professional Development (CPD)** means the learning activities for developing and maintaining the capabilities of Members to perform competently within their professional environments.

**Council** means the Council as defined under the Ordinance;

**Counseling Person(s)** mean(s) a person or persons responsible for counseling and advising Students in a Training Organisation on personal and professional developments; who shall be a Member with up-to-date knowledge and adequate practical experience;

**Desktop Review** means the scrutiny and verification of the information about the prospective Training Organization contained in the prescribed form for registration and its annexure / attachments prior to giving provisional authorization by the Committee;

**Director** means the director or any official appointed by the Council for education and training of Students;

**Guidelines** mean the guidelines for the implementation of the Training Regulations, evolved and issued by the Council, as may be amended or substituted from time to time;

**Institute** means the Institute of Chartered Accountants of Pakistan;

**Member** means a person whose name appears in the Register of Members of the Institute;

**Member in Practice** means a Member in Practice as defined under the Bye-Laws;

**Member Responsible for Training (MRT)** means a Member Responsible for Training as defined under the Bye-Laws to be appointed by a Training Organisation for each Training Office;

**Ordinance** means the Chartered Accountants Ordinance, 1961;

**Supervisor(s)** mean(s) a Member or Members in a Training Organisation designated for supervising Students;

**Student** means a Student as defined under the Ordinance;

**Training Office(s)** mean(s) an office or offices designated as such within a Training Organisation;

**Training Organisation (TO)** means a Training Organization as defined under the Bye-Laws.

**Note:** Wherever the word “he” appears in these Regulations it shall include “she” the word “his” shall include “her” and the word “him” shall include “her” as and how the context so permits.

### 3. COMPETENCY FRAMEWORK FOR PRACTICAL EXPERIENCE

#### 3.1 Prerequisites for Authorisation of Training Organisation

An organisation shall be authorized as a Training Organisation (TO) if it meets with the under-mentioned criteria:

- a. it is an organisation of Members operating in Pakistan or in any other country approved by the Council;
- b. it satisfies such conditions as the Committee may determine from time to time;
- c. it pays to the Institute the authorisation fee for becoming a Training Organisation as prescribed by the Council from time to time;
- d. it has a minimum of 25 audits of which 15 must be limited companies with a minimum paid up capital aggregating to at least Rs 15 million;
- e. the Training Organisation has at least one Member with a minimum post qualification experience of three years as a Member in Practice or four years in other disciplines;
- f. the MRT, the partner(s), the Counseling Person(s) and the Supervisor(s) are in the opinion of the Committee abreast with professional matters to impart adequate training;
- g. each Training Organization may be authorized to engage up to a maximum of fifteen students per individual member / partner authorized to train students. Individual member / Partner authorized to train student may train five additional students if he is a fellow member of the Institute. Furthermore, the Training Organisation may engage ten extra students for each of its partners not entitled to train students and for each member employed on full-time basis in his service.

In case a member is a partner in more than one firm of chartered accountants or training organization, his collective entitlement of students as a partner of all such firms shall not exceed the authorized maximum entitlement mentioned above.

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- h. the Training Organisation agrees to monitoring visits by the Institute's consultants and to implement recommendations resulting from such visits;
  - i. the Training Organisation nominates a Member Responsible for Training (MRT) for each Training Office; and
  - j. an MRT shall be based at the Training Organisation and at each pertinent Training Office and:
    - shall be a Member who is a sole practitioner or a partner in the Training Organisation;
    - shall have knowledge of the Institute's schemes of education, guidelines on Training Regulations, Training Regulations, code of ethics guidelines, professional and technical issues relating to training and other areas;
    - shall have adequate knowledge of the Ordinance, the Bye-Laws, the Regulations, the Guidelines and the directives issued by the Council from time to time on training and shall undertake to comply with the same;
    - shall have the ability to advise, counsel, evaluate, motivate and provide direction to Students;
    - shall have the ability to assume the responsibility of ensuring that six monthly evaluations are made and a final evaluation based on the written submissions as recorded in the half yearly form and possibly supported by oral submissions is made; and
    - shall have the ability to assume the responsibility of maintenance of the records strictly as prescribed in these Regulations and/or the Guidelines, or otherwise as may be directed by the Committee from time to time.

In case the Training Organisation falls short of the required authorisation criteria at any time, the MRT shall forthwith inform the Committee for appropriate guidance towards remedial measures.

### **3.2 Responsibilities of a Training Organisation towards Students**

- a. A Training Organisation shall provide all facilities for meeting the requirements of on-the-job training and practical experience of the Students as mentioned in these Regulations.
- b. A Training Organisation shall monitor the training provided to the Students, and shall supervise and appraise the progress and competence of the Students periodically. In particular, before issuing the certificate of fitness to a Student for sitting in the Institute's examinations as required under the Bye-Laws, the Training Organisation shall refer to his periodic assessments made upto that time. At the end of the training period, the Training Organisation will issue a certificate of completion of training based on a summary of the Students' periodical assessments and the training records.
- c. The Students shall be provided necessary guidance so that they may achieve the expected standards required for passing examinations of the Institute.

- d. As far as practicable, overtime work by Students should be avoided / minimized so as to allow them adequate time for studies. However, where overtime work is unavoidable, the Students shall be suitably compensated or given time off in lieu of overtime worked provided the requirements of standard working hours as determined by the Committee are met.
- e. The Students shall be provided paid leave, within the prescribed entitlement (under Bye-Law 106), and such fee may be reimbursed for structured course(s) and study material as may be decided by the Council.
- f. The Students shall be paid stipend and the amount will not be less than that determined by the Council from time to time.

### 3.3 Responsibilities of Students to Training Organisations

The Student is required to carry out work related to gaining professional experience at his Training Organisation and at other locations as required by his Training Organisation and shall:

- a. serve the Training Organisation in accordance with the terms of his Training Contract;
- b. participate in educational programmes as required by the Institute and the Training Organisation;
- c. observe and uphold the ethical and professional standards of the Institute and the Training Organisation; integrity being the hallmark of the profession and the Student shall be expected at all times to religiously uphold this attribute;
- d. provide promptly and willingly all possible information and assistance when asked to do so by the Institute;
- e. properly carry out the duties lawfully assigned by the Training Organisation and diligently pursue his studies for the Institute's examinations;
- f. maintain strict confidentiality in respect of all information and affairs of the Training Organisation and its clients, including the names and the nature of the business of such clients;
- g. not engage in any other business, occupation or vocation;
- h. regularly maintain records of Approved Training in such forms as may be required by these Regulations; and
- i. meet minimum standards expected by the Training Organisation and make up for the deficiencies, if any, as may be pointed out in the periodical evaluation.
- j. not indulge in political activities of any nature.
- k. not indulge in any activities which may be considered as an offence of moral turpitude or bring a bad name to his Training Organisation and/or to the Institute.

### 3.4 Training Areas, Period and its Phasing

- a. The period of training shall be determined in accordance with Student's qualification at the time of entry, as prescribed by the Council from time to time.
- b. As the period of practical training is limited, the training programme shall be formulated to ensure that the Student progressively and in distinct phases receives the necessary instructions and experience in all of the key areas and competencies he is required to acquire.
- c. In case the Student continues to be assessed negatively and is found guilty of misdemeanor/misconduct as per Bye-Law 107(1), the Training Organisation may terminate the Training Contract. An appeal shall lie to the Council against such termination in the manner provided in Bye-Law 107 (2).
- d. Key areas covered under total training shall be categorised as under:
  - Technical work experience
  - Other approved training
- e. The technical work experience shall include:
 

- Audit and assurance	<b>Core</b>
- Accounting and Financial Reporting	<b>Core</b>
- Taxation	<b>Core</b>
- Financial Management and Corporate Services	} <b>Others</b>
- Information Technology	

These are elaborated in **Annexure A** of these Regulations. These shall be kept under a periodic review by the Training Organisation and the Institute, so as to ensure that the competencies required and the experience gained therein are relevant and appropriate.

- f. The categorisation of work experience mentioned in para (e) may not be considered rigid as it is not unlikely that work of a particular category may overlap with other areas. [For instance, work experience in the area of accounting, auditing, financial reporting and IT applications may not be distinguishable as, in actual practice, these areas are quite inseparable from each other and shall be apportioned appropriately].

g. Calculation of Standard Working hours and categorisation shall be as under:

<b>Standard working hours</b>	<b>* Period of Training</b>			
	<b>3 years</b>	<b>3½ years</b>	<b>4 years</b>	<b>5 years</b>
Total number of days	1095	1277	1460	1825
Weekends (Sundays)	156	182	208	260
Gazetted & other Holidays (14 days/year)	42	49	56	70
Leave as per Bye-Law 106	130	130	180	180
Less : Sundays considered above	<u>018</u>	<u>018</u>	<u>025</u>	<u>025</u>
	<u>112</u>	<u>112</u>	<u>155</u>	<u>155</u>
Standard working days	<u>785</u>	<u>934</u>	<u>1041</u>	<u>1340</u>
Standard No of hours (40 hours/week)	<u>5230</u>	<u>6230</u>	<u>6940</u>	<u>8930</u>
<b>Rounded off</b>	<u>5200</u>	<u>6200</u>	<u>6900</u>	<u>8900</u>

<b>Categorisation</b>	<b>* Period of Training</b>			
	<b>3 years</b>	<b>3½ years</b>	<b>4 years</b>	<b>5 years</b>
Core				
- Audit & assurance				
- Accounting & Financial Reporting				
- Taxation				
Aggregate	<u>3100</u>	<u>3700</u>	<u>4100</u>	<u>5400</u>
Others				
- Financial Management & Corporate Services				
- Information Technology				
- Other approved training				
Aggregate	<u>2100</u>	<u>2500</u>	<u>2800</u>	<u>3500</u>
Secondment & Exchange Programme				
<b>Standard Working Hours</b>	<u>5200</u>	<u>6200</u>	<u>6900</u>	<u>8900</u>

- Record keeping shall be in terms of hours only.
- Overtime hours shall not be counted towards completion of training period.
- It is recommended that 40% of the total standard working hours shall be spent by the Student on audit and assurance, 10% on Accounting & Financial Reporting and 10% on taxation work. The balance of 40% training time may be flexible and can be allocated towards "core" or "others" according to availability of work in Training Organisation.
- Secondment in industry shall be for a maximum period of one year. Hours of relevant experience acquired shall be allocated according to work performed.
- Where 180 days study leave shall be applicable, proportionate adjustment may be made in time allocation.
- \* *Relevant schemes applicable to individual period of training are provided in the Student's Handbook*

**4. TRANSITIONAL ARRANGEMENTS****4.1 Implementation of Training Regulations by Training Organisations**

- a. These Regulations shall come into force from the date of their publication and shall be implemented in various phases, through transitional arrangements, as mentioned hereafter.
- b. All new applicants for authorisation as Training Organisation on and after publication of these Regulations shall follow the registration process given in Regulation 5 hereafter.
- c. All existing firms who are entitled to train Students shall be required to meet the criteria set forth in these Regulations within the time frame mentioned in para 4.2 hereafter.

**4.2 Transitional Arrangements for Existing Firms conducting Training of Students**

- a. All existing firms of 10 partners and above who are currently conducting training of Students shall fully implement these Regulations within a period of six months from the date of the publication of these Regulations.
- b. All existing firms of 5 to 9 partners who are currently conducting training of Students shall fully implement these Regulations within a period of one year from the date of the publication of these Regulations.
- c. All existing firms of 4 partners and below who are currently conducting training of Students shall fully implement these Regulations within a period of two years from the date of the publication of these Regulations.

**4.3 General Provisions for Transition***Application for Registration as Training Organisation*

- a. An existing firm with 10 or more partners shall apply for authorisation as a Training Organisation within a period of thirty days from the date of publication of these Regulations; an existing firm with five to nine partners shall apply for authorisation as a Training Organisation within a period of six months from the date of publication of these Regulations and an existing firm with four or less number of partners shall apply for authorisation as a Training Organisation within a period of one year from the date of publication of these Regulations.
- b. An application to be submitted by an existing firm under para (a) above shall be on the duly prescribed form to be completed and accompanied by the requisite documents.
- c. Provisional authorisation by the ETCOM upon receipt of such application may be accorded upon a Desktop Review.

- d. Final authorisation for Training Organisation by the ETCOM shall be based on appraisal, subsequently conducted, where considered necessary.
- e. In case an existing firm meets with the criteria for authorisation as Training Organisation, the ETCOM shall issue the requisite authorisation in writing. In case an existing firm does not in the opinion of the ETCOM meet with the criteria for authorisation as Training Organisation, the ETCOM shall communicate the shortcomings to such firm and give such firm the opportunity of being heard. The final decision of the ETCOM shall be communicated to such firm in writing.
- f. An existing firm which fails to apply for authorisation as a Training Organisation within the applicable period prescribed in para 4.3 (a) above, or according to the decision of the ETCOM, does not meet with the criteria, as mentioned in para 4.3(e) above, shall cease to train any new Students (other than the existing Students already registered with such firm for completion of the remainder of their training period of not more than six months) and the existing permission to train any further Students in the name(s) of its Principal(s) shall stand withdrawn.

#### **4.4 Transitional Arrangements for existing Students**

- a. Existing Students in provisionally approved Training Organisations shall continue their training in such Training Organisations under existing arrangements till completion of their respective training periods.
- b. In case a provisionally approved Training Organisation is not finally authorised or any existing practicing firm does not apply for authorisation, its Students whose remaining training contract is over six months shall join any other approved Training Organisation. Students with less than six months period for completion shall continue training with their respective Principals, as mentioned in para 4.3(f) above.
- c. Existing firms who are in the process of becoming compliant with the Training Organisation criteria prescribed under these Regulations, as well as those firms who do not apply for Training Organisation status shall maintain training records as per these regulations in respect of their Students.

### **5. APPLICATION FOR AUTHORISATION AS TRAINING ORGANISATION**

- 5.1** A prospective applicant for authorisation as Training Organisation (Prospective Training Organisation) may apply to the Education and Training Committee (ETCOM) and submit the prescribed application form along with all requisite documents and information.
- 5.2** The application for authorisation by a Prospective Training Organisation may at the discretion of the ETCOM be accepted, accepted conditionally or rejected. Provided that an application shall not be rejected unless the applicant has been given a right to be heard by the ETCOM.

**6. APPEAL**

**6.1** If an existing firm is dissatisfied or aggrieved by the decision of the ETCOM under Regulation 4.3(e), it may prefer an Appeal before the Council within a period of not more than fifteen days from the date of communication of such decision to such existing firm. The decision of the Council shall be final.

**6.2** If a Prospective Training Organisation is dissatisfied or aggrieved by the decision of the ETCOM under Regulation 5.2, it may prefer an Appeal before the Council within a period of not more than fifteen days from the date of communication of such decision to such existing firm. The decision of the Council shall be final.

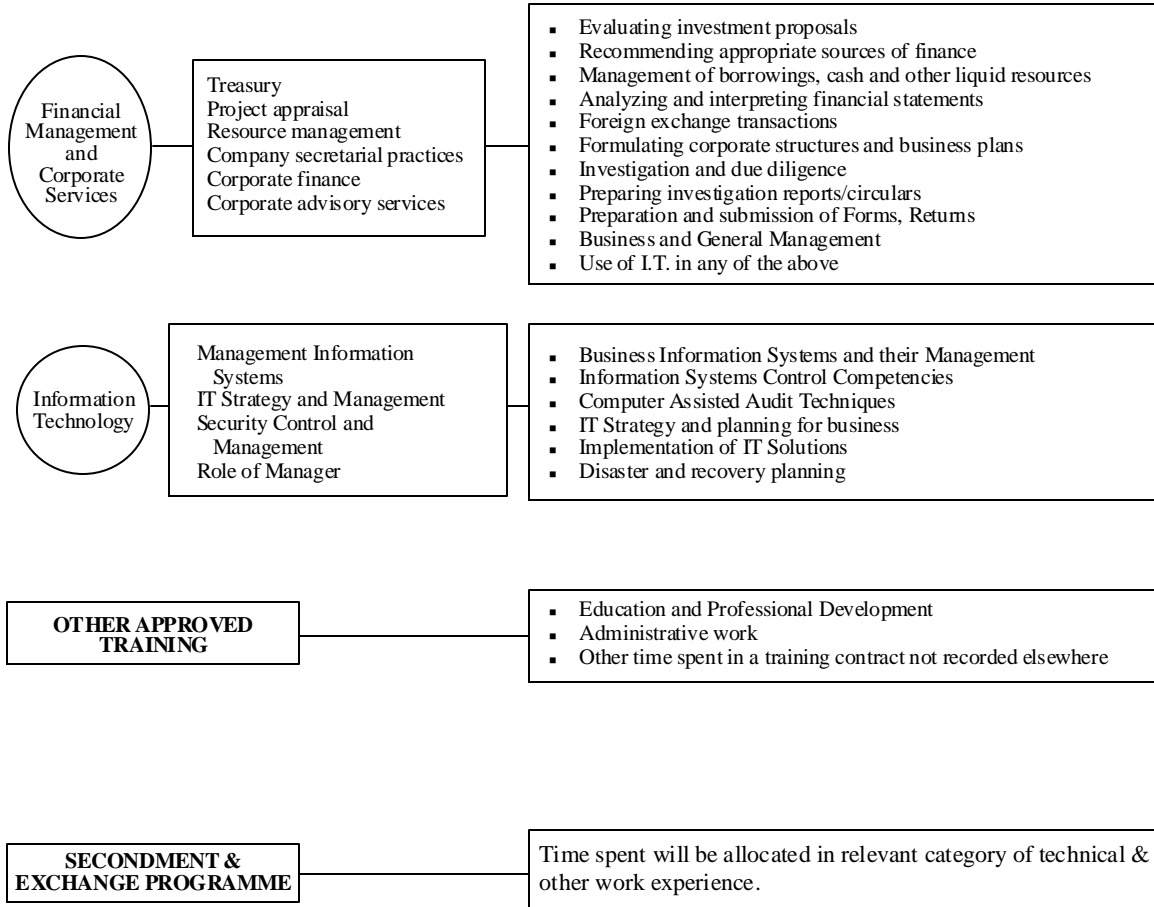
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## WORK EXPERIENCE CATEGORIES

Total approved training should be categorised as follows:

- a. Technical Work Experience
- b. Other Approved Training
- c. Secondment and Exchange Programme

TECHNICAL WORKS EXPERIENCE	COMMON AREAS OF ACTIVITY	EXAMPLES
<div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">           Audit &amp; Assurance         </div>	<div style="border: 1px solid black; padding: 5px; margin: 0 auto;">           External Audit Internal Audit         </div>	<ul style="list-style-type: none"> <li>■ Planning, controlling, executing and documenting audit work</li> <li>■ Assessing adequacy of accounting systems</li> <li>■ Gathering and evaluating audit evidence</li> <li>■ Evaluating and testing internal controls</li> <li>■ Reviewing financial statements</li> <li>■ Applying Auditing Standards and Guidelines</li> <li>■ Compliance with regulatory requirements</li> <li>■ Drafting audit and similar reports</li> <li>■ Forensic accounting</li> <li>■ Use of I.T. in any of the above</li> </ul>
<div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">           Accounting &amp; Financial Reporting         </div>	<div style="border: 1px solid black; padding: 5px; margin: 0 auto;">           Financial Accounting Cost &amp; Management Accounting         </div>	<ul style="list-style-type: none"> <li>■ Recording financial transactions</li> <li>■ Preparing financial statements including consolidations</li> <li>■ Applying Financial Reporting Standards, Companies Ordinance, Listing regulations and other requirements to financial statements</li> <li>■ Analyzing and interpreting financial statements</li> <li>■ Preparing and reviewing budgets, comparison against performance, profit and cash flow forecasts</li> <li>■ Designing and implementing management accounting, information and control systems</li> <li>■ Use of IT in any of the above.</li> </ul>
<div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">           Taxation         </div>	<div style="border: 1px solid black; padding: 5px; margin: 0 auto;">           Corporate tax compliance Personal tax compliance Tax planning and advising GST         </div>	<ul style="list-style-type: none"> <li>■ Analysis of income, expenditure and other relevant data</li> <li>■ Preparation of personal and corporate tax returns and computations</li> <li>■ Preparation of returns and administration of GST and other Excise Duties</li> <li>■ Communication with tax authorities</li> <li>■ Other work to ensure compliance with statutory tax obligations</li> <li>■ Tax planning reviews</li> <li>■ Back duty/in-depth investigations</li> <li>■ Use of I.T. in any of the above</li> </ul>





# **Training Guidelines**

## TRAINING GUIDELINES

### 1. OVERVIEW

The Chartered Accountancy qualification is a premier accounting qualification introduced under the Chartered Accountants Ordinance, 1961. The Institute of Chartered Accountants of Pakistan (hereinafter referred to as the 'Institute') was established in the year 1961 as a statutory autonomous body to regulate the profession of chartered accountancy. In addition to regulating the profession, granting membership and conducting examinations, one of the main functions of the Institute is to facilitate education and training of prospective chartered accountants and continuing professional development of its Members. This qualification has a unique characteristic of imparting theoretical education and practical training simultaneously. The principal purpose in developing these regulations is to provide the Members / Training Organisations a complete and updated system to conform to international standards and best practices for imparting professional education and training especially instilling a commitment to life-long learning.

### 2. DEVELOPMENTS

The accounting profession faces unprecedented environmental forces that emphasize the need for appropriate and relevant professional experience for Members. These forces include the globalisation of business, rapid development and implementation of new information technology and expansion of services provided by accountants. In view of these forces and trends, it is important that future Members of the profession acquire relevant professional education and competence based practical experience to allow them to work more effectively in the rapidly changing working environment.

Practical training is a blend of in-depth knowledge and experience of practical aspects of the education a chartered accountant receives. Further, a chartered accountant is expected to inculcate a professional attitude and develop interpersonal skills.

Most worldwide professional bodies have formalised and redesigned their training requirements to recognise the importance of training and practical experience provided to professional accountants.

### 3. OUR APPROACH

The Institute has kept pace with developments in professional education and its policies have generally been consistent with that of other accountancy bodies. In order to further strengthen the aspects of gaining practical experience, Training Regulations have been devised. Training Regulations generally cover the requirements as stipulated in International Education Standard (IES 5) – “Practical Experience Requirement”, however, Training Organisations and their Members Responsible for Training are advised to refer to IES 5, other relevant standards, pronouncements and guidelines of IFAC for further details.

Training Regulations are designed to ensure that future Members acquire skills and values necessary for responding to the dynamics of the profession. This includes introduction of redefined scope and responsibility for both Students and Members. Training Regulations cover the training that should be imparted to Students registered for the chartered accountancy qualification. The Training Regulations intend to balance exposure of Students to work within the professional practice as well as outside the Training Organisation with the additional features of interpersonal and professional skills development.

In view of the foregoing Training Regulations address the following:

- Advising Members in practice of their obligations and responsibilities towards their Students
- Prescribing the responsibilities of Students including the role they are expected to play in the professional functions of the organisation and matters relating to the Institute
- Endeavoring that the Students receive proper, planned and coordinated training, structured in such a way that there is a blend of work experience and theoretical education
- Suggesting nature and scope of practical training and formulating regulations specifying technical content and progression in a systematic and structured manner
- Identifying and laying down duties of a Member Responsible for Training (MRT) for imparting adequate practical and theoretical training to Student at the Training Organisation
- Covering different aspects of training outside the Training Organisation such as training in industry, secondment and exchange programme
- Prescribing format of Students' Training Records to be maintained by all Training Organisations
- Prescribing suitable formats for recording and review.
- Prescribing methodology for appraisal of Training Organisations and their regular monitoring
- This provision would increase the quota of Students for Small and Medium Practices (SMPs).

#### **4. INTRODUCTORY GUIDANCE**

##### **4.1 Training Programme**

Training Organisations would make arrangements to implement a training programme for their Students. An ideal training programme would include:

- a. *Acquisition of knowledge*  
To enhance the understanding and knowledge of the Student in the core and other disciplines, organisation, functioning of business and inculcate the attitude of life-long learning.
- b. *Development of skills by applying theoretical knowledge to practical situations*  
The practical training should encompass sufficient range and depth of work experience providing opportunity to the Student, by participation in activities performed by professional accountant and imparting necessary skills to apply theoretical knowledge to practical problems faced by the Student. It shall make the Student aware of the environment in which services will be provided to the clients and prepare them for the same.

- c. *Information Technology skills*  
The training programme should encourage the Student to make maximum use of computers to achieve skills and proficiency in Information Technology.
- d. *Disciplined attitude and professional orientation*  
Practical training scheme should also have the effect of disciplining and conditioning the mind of the Student so that he gets attuned to the work environment and learns the virtues of patience and methodical work. Apart from independence and integrity, training must imbibe professional orientation towards clients, social consciousness and the attitude of life-long learning. Development of skills to communicate effectively with the client and third parties is an essential part of the training programme.
- e. *Developing ethical values and attitudes*  
Practical training should help the student to develop appropriate ethical values and attitudes expected of a professional accountant in performance of his work.

**4.2** Following features in a training programme are expected to make the practical experience more effective and meaningful:

- a. It is preferable to assign all aspects of the work to a Student in progressive stages rather than small portions of unrelated jobs. The assignment should be discussed with the Student in advance and he should be informed about the nature of the client's business, the general economic conditions in which the client operates and special features, if any, regarding the assignment. The following steps may be taken in this direction:
  - Ensuring that before undertaking the work, the Student is advised of the objectives of the task and receives the knowledge, skill and understanding required to perform the work effectively.
  - As a normal part of the supervisory process providing necessary explanation, instructions or correction during the work.
  - Clarifying relevant issues during the review of completed work.
- b. For maximum benefit, it is recommended that the review of working papers should be conducted in the presence of the Student, and additional work or inquiry should be assigned to the same Student. It needs little emphasis that practical experience should not be confined to particular areas of work, but should cover all aspects in which he / she is required to acquire experience.
- c. Review of the Student's work on a continuous basis would ensure that work performed by the Student is of requisite standard. Deficiencies in the work experience, if any, can be taken care of while allocating subsequent assignments. MRT is to ensure that Students are rotated on various jobs / client assignments. Such a review would also assist the MRT in subsequent completion of training records and evaluation of the Student's performance.

Arrangement for pooling of resources amongst Training Organisations or secondments to industry or other suitable organizations are being encouraged to make up any deficiencies in training and to expose the Student to multidisciplinary work and to a variety of business situations.

### 4.3 Training Organisations

- a. The MRT represents an important link between the Student and the Institute. Further, in order to complete the whole process of implementation of Training Regulations and achieve the required results, the Institute has laid down some benchmarks for MRT in a Training Organisation as described in Training Regulations.
- b. A Training Organisation would also nominate Counseling Person(s) and Training Supervisor(s) for effective conduct of training functions in its offices. Where the incharge of a Training Office in a Training Organisation is a Member other than a partner in that Training Organisation, that Member shall be designated as a Counseling Person or Supervisor who shall report to that Training Organisation's nominated MRT.
- c. The Committee will nominate Authorisation Sub-Committee to evaluate an applicant for functioning as a Training Organisation. The Sub-Committee may appoint an Appraisal Consultant for this purpose, where so required. The Institute will extend appropriate advice if requested by the applicants who are encouraged to seek such assistance. The authorisation process for Appraisal as a Training Organisation is set out in **Annexure A**.
- d. Appraisal / Monitoring of the Training Organisation may be outsourced to consultants or ICAP representatives may be deputed for these tasks.
- e. The Committee shall give or withhold approval to organisations applying to become or to remain Training Organisations. The authorisation process should not take more than 4 months from the date of receipt of application, provided all conditions are met.
- f. In order to assist in the transition, provisions may be made for, as approved by the Council, for existing firms conducting training.
- g. The existing arrangements for training will continue so far as the Students already under training are concerned; however, their inclusion under the new scheme for the purpose of maintaining their training records is encouraged.

### 4.4 Theoretical Training by a Training Organisation

Theoretical training programme should include the following:

- a. An induction course for new Students introducing them to the structure and practices of the Training Organisation/Training Office(s), training records to be maintained, requirements regarding professional attitude and ethical standards, general behaviour, office discipline and dealing with client personnel and third parties;
- b. Periodic courses, whether conducted in-house or formal courses organised outside the Training Organisation at appropriate responsibility levels may include:
  - Preparation of statutory accounts
  - Analytical review of accounts
  - Preparation of working papers
  - Introduction of new auditing and accounting standards or major changes in these standards or in relevant local laws, pronouncements or practices with emphasis on practical areas

- Introduction of continuing developments in the auditing techniques to ensure efficiency in planning, execution and finalisation of audit assignments
- Overall project management skills emphasising basic supervisory, communication and presentation skills
- Interaction and usage of computer information system and hands-on computer training
- Flow-charting of internal control systems, etc

In-house theoretical training may be carried out by Training Organisation or jointly by a consortium of Training Organisations. The Institute would help by holding classes from time to time for theoretical / simulated training.

#### 4.5 Personal and Professional Development

In addition to the technical knowledge, the Students should develop the following work competencies, which are elaborated in subsequent paras:

- Skills for overall management of assignments
- Communication, presentation and interpersonal skills
- Commercial awareness
- Business management skills
- Professional ethics, values and attitudes

Above skills and attitudes are essential for the Students to achieve maturity and experience while performing their work. These should be introduced among the Students through induction courses and subsequently developed through in-house training. MRT should be aware of the need to identify and explain matters relating to these competencies as they arise during the normal work of the Training Organisation. Special emphasis should be placed on group discussions and presentations by the Student.

The MRT should facilitate the understanding of the Institute's ethical and technical standards and also such matters as:

- Confidentiality of clients' affairs
- Publicity and Advertising
- Obtaining professional work, etc

The MRT should monitor Students' understanding of and development in above skills and attitude at each half yearly review.

The MRT is to encourage participation of Students in CPD activities.

### 5. MONITORING, COUNSELLING AND SUPERVISION

Throughout the training period, the Students' work must be properly managed, monitored and supervised. Training management can be divided into three broad areas and roles:

Area of Responsibility	Training Role
Management	Member responsible for training
Counseling	Counseling person
On the job supervision	Supervisor

Larger Training Organisations may have more than one individual in each role. Smaller organisations may find that most, or all of the responsibilities, devolve upon the Member Responsible for Training. In order to carry out above responsibilities a training record system is put in place.

## 6. THE TRAINING RECORD SYSTEM

The effectiveness of the monitoring, counselling and supervisory arrangements relies absolutely on full usage of the recording system described below. The focal point of both monitoring the training and the training record system is a formal progress review which must be:

- undertaken at half yearly intervals; and
- based on an accurate record of the work undertaken, compiled over the previous six months by the Student, and reliable written assessments of performance and progress in the following main areas by the MRT:
  - Technical knowledge and skills
  - Personal and professional development
  - Examination study and success

The aims of these arrangements are:

- to confirm that the Student is on course to meet the training requirements for membership of the Institute; and
- to enable the MRT in providing the Student the prescribed certificate of completion of work experience on successful completion of training period.

For achieving the above purposes Institute has developed the training records which are set out in **Annexure B**. Students should maintain such records on a regular basis and Training Organisation shall ensure that such records are maintained and made available to representatives of the Institute for monitoring of the Training Organisation as mentioned in para 7.

## 7. MONITORING OF A TRAINING ORGANISATION BY THE INSTITUTE

The Institute would develop a standard software package and provide to Training Organisations to facilitate maintenance of records. Formation of a Training Evaluation Committee would be considered by the Institute once Training Regulations are up and running.

The Institute would monitor (at least once in three years) the approved Training Organisations principally based on a review of records maintained by the Training Organisation. In addition, representatives / consultants as authorised by the Institute may visit the Training Organisation if the Training Organisation is not fully in compliance with the criteria for Training Organisation. Initially only Desktop monitoring may be carried out based on prescribed returns. Subsequently monitoring may be gradually made more effective. Visits and reviews would be constructive, educative, reformative and comprise essentially of the following:

- a. Ensuring that regulations and procedures relating to training are understood and complied with.
- b. Observation of training policies & procedures and related resources.

- c. Checking of records of training programme; theoretical training and courses conducted for professional development of skills.
- d. Interviews with MRT and other partners (if any).
- e. Interviews with Counselling persons and Supervisors.
- f. Review of six monthly training record (**Form III of Annexure B**) maintained by the Training Organisation.
- g. Review of other Student records such as: leave records; overtime records; and Student attendance records.

## **8. POOLING OF RESOURCES AND SECONDMENT ARRANGEMENTS**

### **8.1 Pooling of Resources for Training**

Pooling of resources for training is envisaged amongst Training Organisations where a Training Organisation may not be in a position to provide experience in a competency area and may enter on a mutually agreed arrangement with another Training Organisation for the benefit of the Students. The Institute would facilitate pooling arrangements. The procedure to be followed may be flexible as long as the following requirements are met:

- a. the aggregate period for such training arrangements shall not exceed one year;
- b. the receiving Training Organisation shall not be entitled to train more than four such Students at a time;
- c. the number of Student(s) received from another Training Organisation shall be within the Student quota of the receiving Training Organisation;
- d. the receiving Training Organisation shall maintain prescribed training records and forward the same to the sending Training Organisation upon completion of agreed training period; and
- e. during such period of training the sending Training Organisation will pay stipend to the Students, instead of the receiving Training Organisation and shall be responsible for complying with training regulations and guidelines.

Practicing firms which are unable to meet the criteria for a Training Organisation on their own, may also pool resources as may be mutually agreed among them and apply for establishing a Training Organisation provided they are in a position to satisfy the prescribed requirements.

### **8.2 Secondment for Training to Industrial, Commercial or other Suitable Organisation**

- a. Secondment arrangements for training in industrial, commercial, or other suitable organisations are encouraged to enhance training in some competency areas and to expose the Students to multidisciplinary work and to a variety of business situations and working environments.

- b. The industrial / commercial / other suitable organisation to which the Student is sent on secondment should not be a client of the Training Organisation, however, this restriction shall not apply to industrial / commercial / other suitable organisations who are merely attestation clients of a Training Organisation.

### **8.3 Criteria for industrial, commercial or other suitable organisation**

The following minimum criteria shall apply for industrial, commercial or other suitable organisation where Students can be seconded for training. For details reference be made to **Appendix 1**.

- a. Business and commercial interests of the organisation shall be such as considered appropriate by the Committee on case to case basis.
- b. The organisation shall be in compliance with ethical and professional standards.
- c. A Member of a recognized accounting body serving in a senior executive position in the organisation should be willing to act as 'Mentor' of the Student. Depending on the size of the organisation the number of Students seconded to a Mentor shall not be more than four.
- d. The organisation should be capable of and willing to fulfill the training requirements as outlined by the Institute.
- e. The organisation shall give an undertaking to comply with specific provisions for the Student(s) in respect of: payment of stipend; leave; time off for attending courses / examinations; working hours; overtime and compensation for overtime or giving time off in lieu of overtime and any others as required by the Institute.

### **8.4 Terms and conditions for a Student opting for training in industrial, commercial or other suitable organisation**

- a. A Student shall be eligible to undertake such training after completing first half of his training period.
- b. An application on the prescribed form (**Annex 2 to Appendix 1**) shall be submitted to the Institute through the Student's MRT with his consent and recommendation along with the willingness of the organisation to accept the Student on secondment (specimen of letter of consent as **Attachment 2 of Annex 2 to Appendix 1**).

### **8.5 Secondment for training between member firms**

Secondment of Students for gaining experience in an affiliate of CA firm within the country or abroad is also permitted. The MRT shall ensure that any such secondment is relevant to acquisition of work experience and has been mutually agreed between the Training Organisation and the Student pursuant to an understanding between the Training Organisation and its affiliate member firm.

The availability of training environment and other facilities as required of a Training Organisation shall also be ensured by the MRT in respect of the receiving firm / Training Organisation. Based on this the Training Organisation may request the Committee for grant of standing permission to second Students to its affiliate.

**8.6 Period of Secondment**

The maximum period of secondment to member firm, another Training Organisation and industrial/commercial and other suitable organisation shall be limited to one year in all.

During the period of secondment, the Student shall continue to remain on the training records of his MRT under the contracted training arrangements. The Student shall also continue to be subject to Chartered Accountants Ordinance / Chartered Accountants Bye-laws and any rules, regulations and directives made or issued by the Council from time to time in respect of discipline, administrative and training / education / examination matters.

**8.7 Student Exchange Programme outside Pakistan**

Such exchange programmes are presently organised by the Institute with CA firms of member bodies of SAFA for periods not exceeding three months. This would continue to be so organised from time to time. Such arrangements may be extended between the ICAP and other overseas Institutes of Chartered Accountants subject to understanding arrived at through MOUs.

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### THE AUTHORISATION PROCESS FOR REGISTRATION AS A TRAINING ORGANISATION

<p>Prospective Training Organisation</p> <p style="text-align: center;">1</p> <p style="text-align: center;">↓</p>	<p>1. The Prospective Training Organisation (TO) may apply to the Education and Training Committee and submit the prescribed application form along with all requisite documents and information. Such enquiries might relate to matters such as the conditions for qualification to apply for authorisation as a TO, restrictions (if any) as to the persons nominated as being responsible for training, the authorisation fee payable, responsibilities of Training Organisation for monitoring, counseling and supervision of Students, the training record system to be maintained, the training period and the key areas to be covered within the training period.</p> <p>Upon satisfying itself with the formalities associated with the authorisation process the prospective TO shall duly submit the prescribed application forms to the Directorate of Education and Training.</p>
<p>Directorate of Education and Training</p> <p style="text-align: center;">2</p> <p style="text-align: center;">↓</p>	<p>2. The Directorate of Education and Training shall, after scrutiny, forward the application of the prospective TO to the Authorisation Sub-Committee for authorisation for assessing the worthiness of the prospective TO to operate as an approved Training Organisation. The Authorisation Sub-Committee may appoint an Appraisal Consultant for evaluating the applicant where so desired.</p>
<p>Appraisal Consultant</p> <p style="text-align: center;">3</p> <p style="text-align: center;">↓</p>	<p>3. The Appraisal Consultant, if appointed, shall review the application form and other documents forwarded to him and consider the fitness of the applicant to satisfactorily operate as an approved TO. The Appraisal Consultant shall supplement his assessment by visiting the prospective TO, where applicable, and evaluate the arrangements made by the applicant.</p> <p>The Consultant shall conclude his assessment process by submitting an appraisal report to the Authorisation Sub-committee. This appraisal report shall contain the recommendations of the Consultant.</p>
<p>Authorisation Sub-Committee of Educational and Training Committee</p> <p style="text-align: center;">4</p> <p style="text-align: center;">↓</p>	<p>4. The Authorisation Sub-Committee of ETCOM shall review the Appraisal Report forwarded to it by the Appraisal Consultant where applicable. It shall consider the appropriateness of the recommendations made by the Consultant on the basis of the criteria being met by the applicant and the results of the evaluation carried out. It may also ask the Appraisal Consultant to explore any additional matters related to the prospective TO before reaching their independent recommendation regarding the granting of authorisation.</p> <p>The Authorisation Sub-Committee of ETCOM shall then forward its recommendations to the ETCOM for their approval.</p>
<p>Education and Training Committee</p> <p style="text-align: center;">5</p> <p style="text-align: center;">↓</p>	<p>5. The ETCOM shall consider the report of the Authorisation Sub-Committee and after due deliberation either concur or disagree with the recommendations set forth by the Sub-Committee. In the final outcome the application for registration of the prospective TO might be accepted, accepted conditionally or rejected. Provided that an application shall not be rejected unless the applicant has been given a right to be heard by Education and Training Committee.</p> <p>The Chairman of the ETCOM shall communicate ETCOM's decision regarding the authorisation to the prospective TO and to the Council.</p>
<p>Proposed Training Organisation</p> <p style="text-align: center;">6</p> <p style="text-align: center;">↓</p>	<p>6. The TOs which feel aggrieved by the decision shall have the right of appeal to the Council.</p>
<p><b>ICAP Council</b></p>	

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## **INTRODUCTION AND EXPLANATION OF TRAINING RECORDS**

Training Records to be maintained under the Training Regulations include:

- a. Diary Sheet
- b. Half Yearly Training Assessment

### **DIARY SHEET**

It should follow the pattern as given in Form-II. In-house equivalents may also be used.

Diary would be filled on a daily basis as per pattern given in Form - I and incorporated in a Monthly Diary sheet as pattern given in Form II. The purpose of the Diary Sheet is to help the Students record information in preparation for their half yearly reviews.

The Diary sheet will be kept and maintained at the MRT's office during the Students' training period as part of their training records.

### **HALF YEARLY TRAINING ASSESSMENT**

This should be maintained in the pattern as given in Form-III.

This Form prompts a discussion of all aspects of the Student's training, including examination performance and future needs. The review should be a two-way process enabling the Students to provide feedback to the organization on the quality, range and depth of training they are obtaining, as well as reviewing assessment on their individual performance. In order to help the MRT or Counsellor in conducting six monthly review, an outline list of competencies is given below which will help them assess student's progress through the training contract.

#### **Technical Work Skills**

- Applying theoretical knowledge to practical work.
- Performing technical tasks as assigned, applying common sense.
- Drawing logical conclusions from available information and work performed.
- Identifying problems and taking prompt and appropriate action.
- Producing organized, well documented working papers for tasks assigned.
- Applying appropriate IT skills.

#### **Overall Management of assignments**

- Is aware of the need to provide an effective and timely service.
- Understands the business environment.
- Manages the assignment in an appropriate and adaptable way.
- Is able to communicate the progress of the assignment to colleagues and clients.
- Is able to accept responsibility for more than one assignments at a time and prioritizes effectively.
- Works effectively within a team, taking a leadership role when appropriate.
- Identifies opportunities to improve efficiency on assignments.
- Completes job within appropriate timescales.

#### **Communication Skills**

- Presenting information in written, numeric form and using images.
- Interpersonal skills including dealing with individual in person.
- Participation in meetings.
- Making presentations.

**Information Technology**

- Using information sources.
- Using databases.
- Using spreadsheets.
- Understanding accounting packages.
- Using word-processing systems.
- Using presentation packages.
- Understanding computer based system controls.
- Using computer assisted auditing techniques (CAAT).

**Commercial Awareness**

- Understanding the organization's business profile.
- Analysing clients' business fundamentals.
- Preparing recommendations for clients.
- Contributing to profit or efficiency.
- Project management.



### Diary Sheet for the month of *December 2005*

Name of Student: \_\_\_\_\_ ICAP Regn No. \_\_\_\_\_ Training Organisation : \_\_\_\_\_

PERIOD	Brief description of work experience and training courses undertaken (highlight new skills and experience )	Analysis of work experience (in hours)					
		AA	AFR	TAX	FCS	IT	OAT
	<b>Total b/f – Five months upto 30-11-2005</b>	265	130	75	115	80	40
01 .12.2005 to 15.12.2005	<i>Performed the audit of XYZ - Commercial Bank for the first time. Worked on Balance Sheet areas of deposits, call borrowing, call lending, associated profit and loss heads and other assets and other liabilities heads Learned about the specialized accounting software used by the bank for deposits Learned about the different deposit schemes, mechanism behind the determination of offering and accepting rates and related treasury operations</i>	40	15	10			
16.12.2005 to 26.12.2005	<i>Was involved in the audit of XYZ Pakistan (Pvt) Ltd. Worked on debtor, sales, valuation and compilation of inventory and determination of tax provision for the year. Assisted in preparation of certain notes to the Financial statements.</i>	20	20	15			
27.12.2005 to 29.12.2005	<i>Performed due diligence review of client and related valuations</i>				30		
30 & 31.12.2005	<i>Administrative Works</i>						15
<b>TOTAL</b>		325	165	100	145	80	55

**Note:** This record is to be kept and maintained in the MRT's Office.

**Legend :** AA = Audit & Assurance  
 AFR = Accounting & Financial Reporting  
 TAX = Taxation  
 FCS = Financial Management & Corporate Services  
 IT = Information Technology  
 OAT = Other Approved Training

\_\_\_\_\_  
Signature of Student

\_\_\_\_\_  
Signature of MRT  
Or Counselling Person

**HALF YEARLY TRAINING ASSESSMENT****Period from July 2005 to December 2005****Name of Student:** \_\_\_\_\_**ICAP Regn No:** \_\_\_\_\_**Training Organisation :** \_\_\_\_\_

<p><b>1. Technical Works skill:</b></p> <ul style="list-style-type: none"> <li>- Student Record of experience gained _____ _____</li> <li>- Assessor's Comments on Student performance _____ _____</li> <li>- Action Points _____</li> </ul>
<p><b>2. Overall management of assignments :</b></p> <ul style="list-style-type: none"> <li>- Student Record of experience gained _____ _____</li> <li>- Assessor's Comments on Student performance _____ _____</li> <li>- Action Points _____</li> </ul>
<p><b>3. Communication skills :</b></p> <ul style="list-style-type: none"> <li>- Student Record of experience gained _____ _____</li> <li>- Assessor's Comments on Student performance _____ _____</li> <li>- Action Points _____</li> </ul>
<p><b>4. Information Technology :</b></p> <ul style="list-style-type: none"> <li>- Student Record of experience gained _____ _____</li> <li>- Assessor's Comments on Student performance _____ _____</li> <li>- Action Points _____</li> </ul>
<p><b>5. Commercial awareness :</b></p> <ul style="list-style-type: none"> <li>- Student Record of experience gained _____ _____</li> <li>- Assessor's Comments on Student performance _____ _____</li> <li>- Action Points _____</li> </ul>

Level		Practical Experience Components	Hours from previous report	Hours accrued during period under report	Total hours earned to -date
Technical Works	Core	Audit & Assurance	1618	325	1943
		Accounting and Financial Reporting	921	165	1086
		Taxation	598	100	698
	Others	Financial Management & Corporate Services	722	145	867
		Information Technology	399	80	479
		Subtotal (A)	4258	815	5073
Others Approved Training	Education and Professional Development		74	-	74
	Administrative work		-	55	55
	Others		-		-
			Subtotal (B)	74	55
		<b>Total (A+B)</b>	4332	870	5202

Examination progress of the Student:

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Signature of Student: \_\_\_\_\_ Date: \_\_\_\_\_

Overall comments about the performance of the Student:

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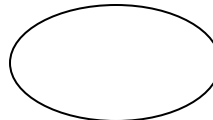


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Signature of MRT or Counselling Person: \_\_\_\_\_

Name of MRT or Counselling person: \_\_\_\_\_ Date: \_\_\_\_\_

Stamp of Training Organisation:



**Note for filling this form:**

1. The assessor's comments are to be based on guidance given in Annexure B.
2. Additional sheets may be used as required

## **TRAINING IN INDUSTRIAL, COMMERCIAL AND OTHER SUITABLE ORGANISATIONS**

1. In accordance with provision (ii) of Bye-Law 106, a Student with the consent of his Member Responsible for Training (MRT) and the approval of the Council of ICAP, may spend a period not exceeding twelve months in all in industrial, commercial or other suitable organisations subject to such conditions and controls as the Council may impose or exercise.
2. The concept of such training envisages the preparation of trainees who on becoming Chartered Accountants, intend to build a career in industrial / commercial organisations (referred to as “Organisation(s)” hereafter). Such training would not only be beneficial to the Student but also to such organisations in the country.
3. The type of industrial / commercial training to be received by a Student would largely depend on the nature of the organisation and the facilities available there. Normally, large sized and professionally managed organisations would be most suited for such training and are also more likely to offer to impart such training.
4. The Institute will recognize a variety of types of industrial units, financial institutions and commercial houses for this purpose of training provided they meet the training requirements of the Institute. For example, industries may be as diverse as Iron and Steel, Textiles, Cement, etc and fields of banking, financing, insurance, shipping, manufacturing etc will also be suitable. An outline training programme covering essential competencies to be acquired is given as **Annex 1** so that a thorough and well-rounded training is imparted within the parameters of the organisation. The outline of training programme is a guideline and may be conformed to the extent possible during the period of attachment of a Student, however, an all round coverage would be preferred diluting the contents as necessary. The programme outline may also be modified suitably to conform to the organisation’s needs but should remain consistent with the responsibility to enable the Student to acquire the art, science and knowledge of accountancy. Employing the Student as a routine working hand would be inconsistent with such an objective.

### **Terms and Conditions**

5. **For the Student**
  - a. Students would be eligible to undertake such training in the second half of their training period.
  - b. An application Form to be submitted to the Institute through the Student’s MRT as attached in **Annex 2**. A processing fee of Rs 1000/= will be paid to ICAP for such secondments.
  - c. During the period of training in the organisation, the Student will continue to be borne on the books of his Training Organisation under the contracted training arrangements.

- d. The industrial / commercial / other suitable organisation to which the Student is sent on secondment should not be a client of the Training Organisation, however, this restriction shall not apply to industrial / commercial / other suitable organisations who are merely attestation clients of a Training Organisation.
- e. The Student will also continue to be subject to current CA Ordinance / CA bye-laws / Rules and Regulations prescribed / determined by the Council of ICAP in respect of discipline, administrative and training / education / examination matters during the period of secondment.

6. **For Industrial / Commercial / or other Suitable Organisations**

- a. The organisation should have a minimum paid up capital of Rs 100 million or a turnover of Rs 500 million.
- b. The organisation should be in compliance with ethical and professional standards.
- c. Where a member of a recognised accounting body is serving as the CFO, he should be willing to act as 'Mentor' of the Student.
- d. Willingness of the organisation to accept the Student.
- e. The organisation should be capable of fulfilling the training requirements as outlined by the Institute.
- f. The organisation will give an undertaking to comply with specific provisions for the Student(s) in respect of: payment of stipend; leave; time off for attending courses / examinations; working hours; overtime and compensation for overtime or giving time off for overtime and any others as required by the Institute.
- g. The organisation will maintain the following records in respect of each Student:
  - i) Attendance record
  - ii) Leave record including record of leave applications and decisions thereon.
  - iii) Overtime record
  - iv) Rough Daily Diary and Monthly Diary Sheet as per formats given in **Annex 3**.
  - v) Periodic Report. Report format as per **Annex 4**.

Records so maintained shall be transferred to the Student's MRT in his parent Training Organisation on completion of secondment period.

The Student's final report shall be sent to his Training Organisation on completion of secondment period.

## **OUTLINE OF TRAINING PROGRAMME**

### **1. ORIENTATION**

- Study of the industry to which the organisation belongs and its salient characteristics.
- Aims and objectives of the organisation.
- Analysis of the organisational structure.
- Study of the basic documents like, Memorandum and Articles of Association, Annual Report, etc.
- Understanding the decision making process.
- Study of the control systems and procedures by reference to manual or other appropriate documents.
- Identifying and understanding the critical areas of operation.

### **2. FINANCIAL ACCOUNTING**

- Study of the Accounting Manual, if any
- Understanding of the accounting system and the accounting control in operation and their effectiveness.
- Understanding of the division of responsibility and authority within the Financial Accounting Section.
- Study of the manner in which transactions data are: (a) recorded and accumulated; (b) further processed; and (c) converted into meaningful information for review and decision making.
- Undertaking specific work responsibility in various accounting areas like cash accounting, sales accounting, purchase accounting, bank accounting and reconciliation, books of original entry, etc.
- Preparation of monthly / quarterly accounts.
- Preparation of final accounts and incorporation of branch or unit or divisional accounts in the consolidated final accounts taking special note of the (a) treatment given for internal transfer, (b) valuation of various assets and liabilities, (c) creation of necessary provisions, (d) compliance with accounting policies, statutory requirements on form and disclosure and applicable accounting standards/principles.
- Preparation of the notes to financial accounts.
- Verification/preparation of the reconciliation statements and schedules attached to the accounts.

**3. INVENTORY**

- Study of the inventory policies and norms followed in the organisation.
- Preparation/Review of reports issued to various internal authorities and external agencies like banks.
- Periodic verification of inventory to identify slow moving or obsolete or damaged Items.
- Periodic reconciliation of inventory items as per inventory ledger/cards with the respective bin cards.
- Inventory management.

**4. FINANCE**

- Study of the basic financial structure of the organisation.
- Dealings with bank in regard to cash credit, overdrafts, guarantees, transfer of funds, bill transactions, periodic statements for working capital needs, foreign exchange etc.
- Preparation of proposals for loan applications to banks and financial institutions.
- Raising of resources through issue of shares, debentures, deposits, etc., registration with stock exchange and related work in this connection.
- Preparation of cash budgets and cash flow statements.
- Capital budgeting in respect of a new project or an expansion scheme including the feasibility report, financing plan, collaboration arrangement, foreign exchange resource requirements and related issues.
- Credit (debtors) management.

**5. COSTING AND BUDGETING**

- Preparation of budgets - departmental and consolidated.
- Preparation of cost sheets and maintenance of cost accounts.
- Knowledge of the costing system and methods in use.
- Preparation/review of standards with variances in periodic budgets and action taken thereon.
- Knowledge of the follow up method used for unreasonable variances.
- Understanding the relationship between costing and pricing.

- Preparation of contribution statement for different products.
- Study of effectiveness of the costing system in use.
- Reconciliation of financial accounts with cost accounts.
- Knowledge of cost minimization and cost control techniques.

**6. INTERNAL AUDIT AND OPERATIONAL AUDIT**

- Review of the scope of internal audit and operational audit to assess any serious deficiency in the coverage, alongwith the study of related manuals, if any.
- Understanding the nature of internal and operational audit as an aid to management.
- Participation in internal audit and operational audit including special assignments, system audit and management audit.
- Preparation / review of internal audit and operational audit reports.
- Participation in inventory verification and valuation.

**7. INFORMATION TECHNOLOGY**

- Knowledge of the various IT tools in use for accounting / auditing and other office purposes with the statements produced therefrom and the controls.
- Knowledge of the areas of work under computerized system.
- Understanding data processing technique from the input data preparation stage to the output document stage.
- Understanding the controls-hardware and software in the computer system.
- Systems design and analysis.
- MIS practice at the organisation.

**8. COMPANY LAW & SECRETARIAL FUNCTIONS**

- Preparation of agenda, working papers minutes, etc of meetings.
- Participation in the work connected with the issue of shares, debentures, bonds etc.
- Recording of issue and transfer of shares, debentures, etc.
- Study of the major financial transactions like borrowings, investments, etc of the company in relation to provisions of Company Law.

- Preparing and filing of various Returns with the Registrar of Companies and other government bodies.
- Attending General Meetings, and if possible a Board and Committee Meeting (as a trainee observer).

**9. TAXATION**

- Knowledge of the incidence of various taxes on the organisation, e.g. Income-tax, Sales-tax, Excise Duty, etc.
- Understanding of the work in the Taxation Division.
- Preparation and filing of tax returns including returns for tax deducted at source from salary, interest etc.
- Representation before Assessing Authorities.
- Preparation of Appeals.
- Computation of provision for income-tax etc., for the purpose of annual accounts.
- Study of the assessment or appeal orders.
- Study of the published tax decision reports.
- Participation in tax planning.
- Study of the impact of changes in Taxation Laws on the organisation.

**10. OTHER OPERATIONAL AREAS**

- Study and understanding of the functions and management of sales, purchase, production, human resources, advertising, transport, etc.
- Study of the records maintained in the above areas.
- Preparation/Study of routine and non-routine reports.
- Study of the feedback and follow-up on the reports.
- Participation in interdepartmental discussion groups.

Note: The above outline training programme is only very general in nature as the exact scope of programme will depend upon the nature of organisation where the Student is seconded for training.



Name and address of \_\_\_\_\_  
Industrial / Commercial / \_\_\_\_\_  
Other Suitable Organisation \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Nature of Business \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Paid up Capital : \_\_\_\_\_

Letter of Consent from the Organisation is attached as **Attachment-2**

I hereby undertake to abide by all terms and conditions of the training contract under paras (5),(6) and (7) during the period of secondment to the above mentioned industrial/commercial Organisation and understand fully well that such terms and conditions will continue to apply to me during the period of such secondment.

Date 

D	M			Y			

Signature \_\_\_\_\_  
(Name \_\_\_\_\_)

**MRT's Consent and Recommendation**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date 

D	M			Y			

Signature of MRT \_\_\_\_\_  
(Name \_\_\_\_\_)

Seal of TO \_\_\_\_\_

Place: \_\_\_\_\_

## **For Office Use Only**

Particulars of above named Student checked by : \_\_\_\_\_

Attachments : Received / Not Received

Signature\_\_\_\_\_

Forwarded to ETCOM : Date\_\_\_\_\_

Forwarded to the Council : Date\_\_\_\_\_

Decision : Approved for \_\_\_\_\_ month \_\_\_\_\_ days/Not Approved

\_\_\_\_\_  
**(Signature)**

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**Letter of Consent from the  
Industrial/Commercial Organisation**

M/s \_\_\_\_\_ agree to provide the required training as specified by ICAP to Mr/Ms \_\_\_\_\_ for a period of \_\_\_\_\_ under the supervision of a Mentor; who is a Qualified Accountant and CFO of the company as mentioned below:

Name of CFO in the Company \_\_\_\_\_  
Qualification(s) \_\_\_\_\_  
Membership No. \_\_\_\_\_  
Designation in the Organisation \_\_\_\_\_

Our Organisation is in compliance with ethical and professional standards; is capable of meeting the training requirements of ICAP; will maintain the required records in respect of the Student and undertakes to comply with ICAP's specified instructions in respect of: payment of stipend; leave; time off for attending courses/examinations; working hours; overtime and compensation for overtime; and any others as required by ICAP during the above named Student's period of secondment to our Organisation.

A report on the Student will be submitted to the Member Responsible for Training (MRT) at his parent Training Organisation with a copy to ICAP on completion of training. In case of unsatisfactory progress or any exceptional development in respect of the Student, the MRT will be kept informed of the development(s) through interim report(s).

Date 

D	M			Y			

Signature \_\_\_\_\_  
(Chief Executive/Managing Director)

(Name \_\_\_\_\_)

Place \_\_\_\_\_

Seal of Office \_\_\_\_\_



**Diary Sheet for the month of *November 2005***

Name of Student: \_\_\_\_\_ ICAP Regn No. \_\_\_\_\_ Training Organisation : \_\_\_\_\_

Name of Industry/Commercial Organisation: \_\_\_\_\_ Period of Secondment Form: \_\_\_\_\_ to \_\_\_\_\_

	Brief description of work experience (highlight new skills and experience )	Analysis of work experience (in hours)					
		AA	AFR	TAX	FCS	IT	OAT
	<b>Total b/f – Five months upto 30-11-2005</b>	<b>130</b>	<b>265</b>	<b>75</b>	<b>115</b>	<b>80</b>	<b>40</b>
<i>01.11.2005 to 15.11.2005</i>	<i>Learned about the specialized accounting software used by the Company for preparation of financial statements of branches and Head office.</i>					65	
<i>16.11.2005 to 30.11.2005</i>	<i>Was involved in the internal audit of the company. Worked in debtor, sales and inventory sections. Assisted in preparation of internal audit report to the management.</i>	55					
	<b>Total</b>	<b>185</b>	<b>265</b>	<b>75</b>	<b>115</b>	<b>145</b>	<b>40</b>

**MENTOR'S NOTES ON REVIEW OF WORK AND FURTHER ACTIONS PLANNED:**

\_\_\_\_\_

\_\_\_\_\_

- Legend :** AA = Audit & Assurance  
 AFR = Accounting & Financial Reporting  
 TAX = Taxation  
 FCS = Financial Management & Corporate Services  
 IT = Information Technology  
 OAT = Other Approved Training

\_\_\_\_\_  
**Signature of Student**

\_\_\_\_\_  
**Signature of Mentor  
(Name: )**





**Registration  
Form**



**The Institute of  
Chartered Accountants  
of Pakistan**

## APPLICATION FOR REGISTRATION AS AN AUTHORISED TRAINING ORGANISATION

### NOTES

- The Form should be Filled / Typed in Capital letters.
- Please Fill or Tick or Cross the boxes as appropriate and use extra sheets where necessary.
- Write / Type N/A "not applicable" where necessary.
- Pay order/demand draft in favour of ICAP for authorization fee and Partnership deed (in case of partnership firm) be attached with this form.
- Completed Form with annexures / attachments and signed declaration (attached as Annex 'D') should be submitted to Directorate of Education & Training, ICAP.

### DETAILS OF PROPOSED TRAINING ORGANISATION (TO)

Name \_\_\_\_\_  
Registered Address \_\_\_\_\_  
City / Town \_\_\_\_\_ Country \_\_\_\_\_  
Phone \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ Fax No. \_\_\_\_\_  
E-mail \_\_\_\_\_ Website \_\_\_\_\_

Status of T.O.: Sole Proprietorship  Partnership  Number of Training Office(s)

Number of Partner(s)  Number of Counseling Person(s)  Number of Supervisor(s)

(Please fill Annex 'A')

### DETAILS OF MEMBER RESPONSIBLE FOR TRAINING (MRT)

Name \_\_\_\_\_  
Membership No. \_\_\_\_\_ Membership Date \_\_\_\_\_  
Phone \_\_\_\_\_, \_\_\_\_\_ Fax No. \_\_\_\_\_ E-mail \_\_\_\_\_  
Address of Training Office \_\_\_\_\_  
City / Town \_\_\_\_\_ Country \_\_\_\_\_  
Phone \_\_\_\_\_, \_\_\_\_\_ Fax No. \_\_\_\_\_ E-mail \_\_\_\_\_

(Please fill Annex 'B' for details of other Training Offices and MRTs)

### DETAIL OF STUDENTS

Total number of Students' Entitlement

Number of Trainee Students Registered

#### CLASSIFICATION OF STUDENTS

Junior  Semi Seniors

Supervisors  Assistant Manager

### DETAIL OF AUDITS

Total number of Audit

Public Listed Companies  Others

Paid up Capital in aggregate

(Please fill Annex 'C' for details of Audits)

Authorisation fee payable: \_\_\_\_\_

### SIGNATURE

On behalf of \_\_\_\_\_  
(Please mention the name of Training Organisation)

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Place: \_\_\_\_\_

Office Seal: \_\_\_\_\_

Date: \_\_\_\_\_

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**FOR INSTITUTE'S USE ONLY**

<b>File No.</b>	
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Checked By \_\_\_\_\_ Date \_\_\_\_\_

Application Forwarded to Authorisation Sub-Committee \_\_\_\_\_ Date \_\_\_\_\_

Application Forwarded to Appraisal Consultant (if required) \_\_\_\_\_ Date \_\_\_\_\_

Put up to Education and Training Committee \_\_\_\_\_ Date \_\_\_\_\_

Registered / Not Registered \_\_\_\_\_ Date \_\_\_\_\_

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To:  
The Directorate of Education and Training  
The Institute of Chartered Accountants of Pakistan  
Chartered Accountants Avenue  
Karachi – 75600.



The Institute of  
Chartered Accountants  
of Pakistan

## DETAILS OF MANAGEMENT PERSONNEL

### Details of Partners

S No.	Name of Partner (ACA/FCA)	Membership date	Years of Post Qualification experience as Member		Location of Training Office	Individual Student's entitlements
			In Practice	In other Discipline		

Please give following information if any of the partner(s) of the training organisation is also a partner/sole practitioner in any other Training Organization / Firm.

- a. Name of Training Organisation / Firm \_\_\_\_\_
- b. Number of Students' entitlement available \_\_\_\_\_

### Details of MRTs

S No.	Name of MRT (ACA/FCA)	Membership date	Years of Post Qualification experience as Member		Location of Training Office	Total number of Students
			In Practice	In other Discipline		

Continued on Reverse

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**Details of Counseling Persons**

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S No.	Name of Counseling Person	Membership date	Years of Post Qualification experience	Location of Training Office

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**Details of Supervisors**

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S No.	Name of Supervisor	Membership date	Years of Post Qualification experience	Location of Training Office



The Institute of  
Chartered Accountants  
of Pakistan

**DETAILS OF OTHER TRAINING OFFICES AND  
MEMBER RESPONSIBLE FOR TRAINING (MRT)**

Name of Training Organisation \_\_\_\_\_

Address of Training Office \_\_\_\_\_

City / Town \_\_\_\_\_ County \_\_\_\_\_

Phone. \_\_\_\_\_ Fax No. \_\_\_\_\_ E-mail \_\_\_\_\_

Name of Nominated MRT \_\_\_\_\_

Membership No. \_\_\_\_\_ Membership Date \_\_\_\_\_

Phone \_\_\_\_\_ Fax No. \_\_\_\_\_ E-mail \_\_\_\_\_

Number of Partner(s)

Number of Counseling Person(s)

Number of Supervisor(s)

Total number of Students Entitlement at Training Office

Number of Students Registered

**CLASSIFICATION OF STUDENTS**

Junior  Semi Seniors  Seniors

Supervisors  Assistant Manager



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## DECLARATION

It is hereby declared that \_\_\_\_\_ will abide by all terms  
(name of Training Organisation)  
and conditions given in Training Regulations and Guidelines and other provisions of CA Bye-Laws  
/ Directives / Instructions made by or on behalf of the Council of the Institute from time to time in  
respect of Trainee Students and Training Organization.

It is further undertaken that \_\_\_\_\_ agrees to  
(name of Training Organisation)  
monitoring visits by the Institute's consultant / representative and will implement recommendations  
resulting from such visits and the Member Responsible for Training shall inform immediately to  
Institute of Chartered Accountants of Pakistan if the Training Organization falls short of prescribed  
authorisation criteria.

Place: \_\_\_\_\_

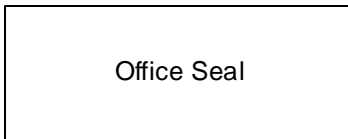
Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

On behalf of: \_\_\_\_\_



\_\_\_\_\_  
(Please mention the name of Training Organisation)

**Note:** This declaration is to be on the letterhead of the Training Organisation without typing Annex D on it.