



Vol. 31 No. 12 December 2008

Newsletter

The Institute of Chartered Accountants of Pakistan

President's Presentation at Dubai



The Institute of Chartered Accountants of Pakistan (ICAP) organized a session at the Pakistan Association on November 9, 2008 to discuss current global crises. Syed Asad Ali Shah, President ICAP, presented a detailed look at the events leading up to the crises and the implications for the future. He also reviewed Pakistan's economy and presented a series of remedial measures to counteract the downward trend. Members of ICAP in Dubai, Abu Dhabi and Sharjah attended the session and highly appreciated it.

Best Presented Financial Statements & Modified Audit Reports Available on CD

In order to facilitate students as well as members, the Institute has compiled the best presented financial statements of different sectors on CD to help them understand and improve upon the presentation and disclosure requirements. Moreover, a collection of modified audit reports of listed companies is also available on the same CD solely for illustrative purposes. The above CD is available for Rs. 200. Please contact Ansar Ahmed at ansar@icap.org.pk or 111-000-422 ext.338 to place your order.

International Accounting Education Standards Board Meeting in Canada

Abdul Rahim Suriya, member of International Accounting Education Standards Board (IAESB) attended the meeting held on December 8 - 10, 2008 in Toronto, Canada.

ICAI Conference and SAFA/CAPA Boards and Committees Meetings at Jaipur, India

President ICAP Syed Asad Ali Shah and President SAFA Syed Mohammad Shabbar Zaidi visited Jaipur, India to attend International Conference organized by the Institute of Chartered Accountants of India from 20-22 November 2008 and also participated in a panel discussion on the topic "**Harmonization of Profession Beyond Frontiers - SAFA Region: Perspective**" which was chaired by President SAFA and participated by heads of all SAFA bodies.

Besides the above Conference, SAFA and CAPA Boards and their committee meetings were also held.

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Council's Decisions:

The following decision on professional misconduct was taken by the Council at its 200th meeting held on 16 October 2008:

Member Reprimanded with Name:

An information was received from a member of the Institute, that Ms. Saba Naqi d/o of S. M. Naqi (R #19053), a student of Module E and a registered trainee of Mr. Afzal Hussein Dossani, Partner, erstwhile M/s Mansha Mohsin Dossani Khan & Co., Chartered Accountants, was in regular employment with Dewan Hattar Cement Ltd., as Deputy Manager Accounts from 1 September 2005 to 1 February 2007, and thereafter she had joined Total Atlas Lubricants Pakistan (Pvt) Ltd., on 10 February 2007 in the capacity of Assistant Finance Manager instead of working in the firm of her principal.

As per the report of the Investigation Committee, Ms. Saba Naqi never joined the firm of Mr. Dossani as a probationary and thereafter as a trainee student from 1 November 2006, although Mr. Dossani and the trainee student both had confirmed on Form "Q" dated 15 November 2006, that the trainee completed the probationary period and started training from 1 November 2006.

The Committee also noted that when ICAP initiated the investigation proceedings against Mr. Dossani, he vide his letter dated 23 January 2008 requested the Institute to cancel the training contract of Miss Saba Naqi, with effect from 1 November 2006, i.e. from the date of inception of the training contract. The Committee noted with concern that Mr. Dossani had reported the discontinuation/termination of the training contract of Ms. Saba Naqi to the Institute after a

delay of over fourteen months. Furthermore, the cancellation of the training contract of Ms. Saba, by Mr. Dossani, from the date of inception of her training contract tantamounts to the admission of his default and mala-fide intention.

In view of the above, the Committee found Mr. Dossani guilty of professional misconduct under the following clauses of Part 4 of Schedule I of C.A. Ordinance 1961:

- a) Clause (1) for certifying false statement to the Institute in Form Q and the training contract of Ms. Saba Naqi, as stated above.
- b) Clause (6) for violation of para (1) of bye-law 106 of C.A. Bye-laws 1983, for allowing a registered student to engage in other occupations during the term of training.
- c) Clause (6) for violation of para (2) of bye-law 106 of C.A. Bye-laws 1983, for not reporting to the Institute forthwith, the discontinuation or termination of training contract of the student.

The Council considered the report of the Investigation Committee and after deliberations concurred with its findings and found Mr. Afzal Hussein Dossani guilty of professional misconduct under clause (1) and (6) of Part 4 of Schedule I of Chartered Accountants Ordinance, 1961 and decided to reprimand him with name. The Council further decided to blacklist the name of Ms. Saba Naqi D/O of S. M. Naqi and not to register her as a student or grant exemptions from any subject of ICAP modules for violation of the bye-laws.

SAFA Best Presented Accounts Awards 2007 ceremony held at Hyderabad, India

The South Asian Federation of Accountants (SAFA) organized the Best Presented Accounts Awards 2007 ceremony at Hyderabad, India on November 15, 2008. From Pakistan, **Fauji Fertilizer Company Limited** got first position in Manufacturing Sector and received Gold Medal. **Sanofi-Aventis Pakistan Limited** got third position in Hospitality, Health, Transport & Shipping Sector and received Bronze Medal. The following Pakistani companies also received certificate of merit awards in their respective categories:-

- ▶ Askari Bank Limited
- ▶ Allied Bank Limited
- ▶ Asian Stocks Fund Limited
- ▶ Atlas Insurance Limited
- ▶ Attock Petroleum Limited
- ▶ Pakistan Telecommunication Company Ltd.
- ▶ Highnoon Laboratories Limited
- ▶ The Citizens Foundation

Overall winner was **John Keels Holdings PLC** from Sri Lanka.

List of Audit Engagements

As communicated to practicing members earlier, the Quality Assurance Board (QAB) in its 14th meeting held on August 22, 2008 has approved the form for list of audit engagements.

The approved form for the list of audit engagements was sent to members vide circular dated September 12, 2008. The same is also available on Institute's website at the following link:-

<http://www.icap.org.pk/web/links/253/circulars.php>

Firms that have not yet submitted the above information are reminded to fill this form and return it to Director Professional Standards Compliance and Evaluation by December 31, 2008.



Approved Training Organizations

The following CA Firms have been registered as Training Organizations by the Institute:.

| S.No. | TO Code Number | Name of Firm | Style | City | Number of Offices |
|-------|----------------|----------------------------|-----------------|-----------------------------|-------------------|
| 01 | TO-125 | Masoom Akhtar & Co. | Partnership | Islamabad | 01 |
| 02 | TO-126 | Ishtiaq Rana & Co. | Partnership | Lahore | 01 |
| 03 | TO-127 | Ghafoor & Co. | Sole Proprietor | Peshawar | 01 |
| 04 | TO-128 | Kodvavi & Co. | Partnership | Karachi | 01 |
| 05 | TO-129 | Dilroze Khan & Co. | Sole Proprietor | Peshawar | 01 |
| 06 | TO-130 | Nasir Mahmood & Co. | Sole Proprietor | Karachi | 01 |
| 07 | TO-131 | Ghazi & Co. | Sole Proprietor | Multan | 01 |
| 08 | TO-132 | Shahid Ahmad & Co. | Sole Proprietor | Peshawar | 01 |
| 09 | TO-133 | Mudassar Ehtisham & Co. | Partnership | Lahore | 01 |
| 10 | TO-134 | Sajid Iqbal & Co. | Partnership | Lahore | 01 |
| 11 | TO-135 | Shahid Waheed Younus Jamil | Partnership | Peshawar / Lahore / Karachi | 03 |
| 12 | TO-136 | Sajjad Haider & Co. | Partnership | Dubai | 01 |
| 13 | TO-137 | Junaidy Alam Iqbal | Partnership | Karachi | 01 |

FAQs on Restructuring of Education, Training and Examinations

The FAQs pertaining to circular number DET/Council/001/08/001 on restructuring of education, training and examinations are available on the website at: <http://www.icap.org.pk/web/links/0/faqs.php>

VCDs/DVDs of Karachi programmes available at other stations

The CPD Committee in its recently held meeting, decided to provide the VCDs/DVDs of Karachi ICAP programmes to other stations. In light of this decision, the Directorate of CPD has made available the VCDs/DVDs of all Karachi programmes held after January 1, 2006 to all other stations. Members in Lahore, Islamabad, Multan, Faisalabad and Peshawar desirous to obtain these VCDs/DVDs are advised to contact their respective regional office.

SMP Workshop Calendar - Desired Topics

Practicing members must be aware that the Institute has been conducting workshops for students of SMPs for the past two years. In order to cater to the needs of SMPs, we are planning to develop an annual calendar with one program in a month at Karachi, Lahore, Islamabad, Faisalabad and Multan.

For this purpose, we seek your input for pertinent topics which would be covered in the forthcoming SMP Workshops conducted by the Institute.

We would be grateful if you could kindly send your response by 31 December 2008 to Ansar Ahmed at: ansar@icap.org.pk

CPD Activities during the month of November 2008

The Southern Regional Committee of ICAP organized a third workshop on "Financial Analysis and Business Modeling with Excel" on Saturday, November 8, 2008. The workshop was attended by 14 members and 08 non-members who could not be accommodated in the second session of this workshop.



SMP Workshop on "ISA 200, 230, 500 & 501"

A two-day SMP workshop on "ISA 200, 230, 500 & 501" for SMP students having experience of upto one year was held on Thursday & Friday, November 27-28, 2008 from 9:00 a.m. to 5:00 p.m at ICAP House, Karachi.

Mohammad Basheer Juma, FCA, Partner, Ford Rhodes Sidat Hyder & Co. Chartered Accountants was the lead facilitator. Babar, Najeeb Khan, ACA and Mustafa Kamal associated with Ford Rhodes Sidat Hyder & Co. Chartered Accountants also participated in the workshop as co-facilitators.

The objective of the workshop was to give an understanding of audit engagement, its scope, and general principles governing the same. Specifically, to update and familiarize the participants with ISAs 200, 230, 500 and 501 through practical examples.

The students also gained an understanding of certain terminologies used in the ISAs.

The workshop was highly interactive based on discussions, sharing of experiences and group exercises. More than 35 students from following CA firms attended the workshop:-

1. A.A. Baig & Co.
2. Avais Hyder Liaquat Nauman
3. M.A. Saleem Associates
4. Moochhala Gangat & Co.
5. Rahim Jan & Co.
6. Riaz Ahmad & Co.
7. Rahman Sarfaraz Rahim Iqbal Rafiq
8. S.M. Rehan & Co.
9. S.M. Suhail & Co.
10. Shakir & Co.
11. Tanwir Arif & Co. and
12. Usmani & Co.

Fazal H. Saiffee, Secretary and Muhammad Asif Iqbal, Director, Professional Standards Compliance & Evaluation ICAP briefly addressed the students and hoped that they would participate enthusiastically in future, too.

Basheer Juma's presentation on "Study Techniques" is available for download at ICAP website at the following link:- <http://www.icap.org.pk/web/links/0/smpworkshops.php>

ICAP is grateful to Mohammad Basheer Juma and his team who volunteered their time and skills. Similar workshops are planned for Lahore and Islamabad.

Career Counseling Activities

Interactive Sessions in Interior Sindh and Punjab

Interactive career counseling sessions were held by the Institute in October and November to create awareness of the profession.

The details of visits are as follows:

| Region | Cities | No. of Colleges Visited | No. of Students |
|----------|---|-------------------------|-----------------|
| Southern | Hyderabad and Jamshoro | 07 | 700 approx |
| Northern | Jaranwala, Faisalabad, Jhang and Samundri | 24 | 6,500 approx |

Executive Director visits FC College Lahore

With a vision to reach out to students and facilitate them in pursuing the CA qualification, Moiz Ahmad, Executive Director ICAP, visited FC College Lahore and had a candid discussion with students.

SAFA Students' Conference

The Institute of Chartered Accountants of Pakistan is organizing the 3rd SAFA Students' Conference on the theme "2K8: the Year of Changed Realities" at ICAP Karachi on 21st March, 2009. The Conference aims to provide a professional forum to students and an opportunity to enhance their learning experience. The Conference program and registration form are available on the website. For details contact Shumaila Halo at 021-9251642 or shumaila.halo@icap.org.pk

PVC Registration Cards for Trainee Students

To keep up with the Institute's endeavors in providing quality services to students, from 1st December 2008 PVC registration cards shall be issued to trainee students instead of existing paper cards. In this regard training organizations are requested to send us, for training contracts submitted after the above mentioned date, three recent photographs of size 1x1 inch (not more than 3 months old) without stapling them with students' registration papers. Two photographs may be put in separate small size envelope and one may be pasted on the training contract.

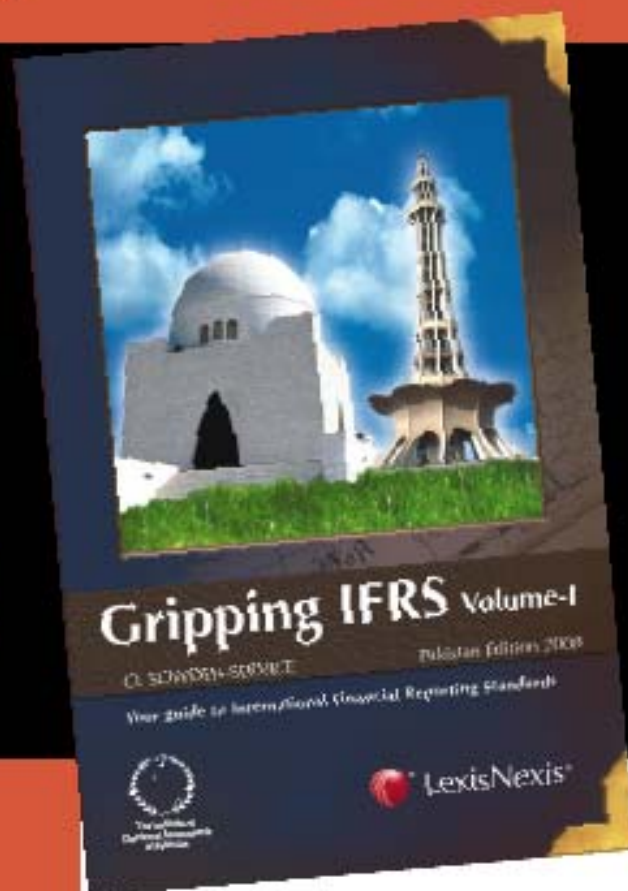
GRIPPING IFRS Volume 3 Pakistan Edition 2008

This book is an exciting review of a now well-established introductory textbook first published in South Africa under the title Gripping GAAP. This book will appeal to students taking ICAP courses and can also be used as supplementary reading to understand the complex and evolving legislation surrounding IFRS.

GRIPPING IFRS An easy to access, rich resource for study of International Financial Reporting Standards for students using English as a second language.

GRIPPING IFRS has been reviewed by ICAP's Board of Studies to help Pakistani students fully understand the basic concepts and principles of accounting.

Students will find GRIPPING IFRS an easy book to connect with, but one that provides excellent support for serious, critical study.



Salient Features

- ❑ Simple explanation of complex accounting issues
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- ❑ Ideal for self-study
- ❑ Substantial coverage of syllabus for Modules C & E



Available at ICAP Head Office,
Karachi and all regional offices
by December 31, 2008.