



# Newsletter

The Institute of Chartered Accountants of Pakistan

## ICAP and PICG Sign MOU

ICAP has signed a Memorandum of Understanding with the Pakistan Institute of Corporate Governance (PICG) whereby the Institute would assist PICG in attaining international affiliations with recognized bodies to promote the objectives of PICG such as those regarding Director Training programs. In consideration of ICAP's assistance, PICG would invite ICAP to nominate a Council member as a Nominee Director on its board.

ICAP is one of the founding institutions of PICG.



### **Meet Your Representatives Sessions With Members**

The Institute's **Meet Your Representatives** interactive sessions with members in Multan, Lahore, Faisalabad and Islamabad from February 16-19 have come to a successful finish. Members in all four cities agreed that it was a good idea to meet with their representatives on the Council to learn more of their strategy on projects within ICAP as well as the Institute's various collaborative efforts. Members agreed that these sessions would be fruitful in devising common policy positions going forward in 2010.

The last of the **Meet Your Representatives** sessions would be held in Karachi on Friday, February 26, 2010.

### **Limited Liability Partnership Act**

The Institute has appointed legal counsel to review and advise on the draft LLP Act. The Secretariat is preparing a comparative analysis of the draft LLP Act of Pakistan with those of Singapore and India, and a comparative analysis of partnership, company and LLP laws with a focus on objective, procedural and operational differences.

### **ICAP plans to hold CFO Conference**

ICAP in collaboration with Terrabiz is organizing a CFO Conference on March 11, 2010 at Marriott Hotel in Karachi. The theme of the Conference will be "Rising CFO". More than 500 delegates are expected to attend the Conference. Dr. Ishrat Hussain, Dean and Director, IBA and former Governor, SBP will be the Chief Guest. Mr. A.N. Raman, VP SAFA, from India, will present the key note address. Detailed Conference Programme will be sent to members shortly. CPD Credit is 8 Hours.

## Gift of Land by a Senior Member

The Institute is pleased to inform its members that a senior member of ICAP, has graciously offered to gift a plot of land to the Institute. The area of the plot is 600 square yards and it is situated in the Government Teachers' Housing Society, Scheme 33, Gulistan-e-Jauhar, Karachi.

The Institute takes this opportunity to offer sincere thanks to our senior member for this generous gift which will be put to good use for members and students.



## World Accounting Summit IFRS Conference in Dubai

World Accounting Summit is organizing IFRS Conference 2010 at JW Marriot Hotel in Dubai, UAE on 14-17 March 2010.

### Key Focus of the IFRS Conference would be:

- Update on the New IFRS Standard for **SMEs** and **fair value accounting**
- The latest standards on financial instruments – **IFRIC 15, IAS 11, 40** and **IFRS 9** and other amendments to **IAS 39**
- Industry focused presentations and panel sessions on **real estate/construction and oil and gas** sectors
- Convergence and standardization in the **new global economy**
- Plus **two** post Conference workshops on:
  - IFRS for SMEs
  - Update on IAS 39 & IFRS 7 for Financial Institutions

### Speakers from Pakistan include:

Mr. Abdul Rahim Suriya, President ICAP  
**Achieving Transparency and Fair Accounting Through Efficient IFRS Implementation Post Meltdown**

Javed K Siddiqui, Executive Director Finance Securities & Exchange Commission of Pakistan  
**IFRS Disclosure Requirements - Regulators' Perspective**

Asad Ali Shah, Past President ICAP and Senior Partner Deloitte Pakistan  
**Importance of Single Set of High Quality Global Accounting Standards for Stability of Global Financial Markets**

Arslan Khalid, Partner Ernst & Young Pakistan  
**The New Accounting Model for Financial Instruments Under IFRS 9 and Other Proposals for Reshaping of IAS 39**

for details  [www.accountingsummit.com](http://www.accountingsummit.com)  [register@iirme.com](mailto:register@iirme.com)

## Council Decisions

The Council of the Institute in its 214<sup>th</sup> Meeting held on January 28, 2010 has taken the following decisions:

- Examination Results for Winter 2009 were approved according to which 195 candidates have passed CA Final Examinations.
- Rs.1 million has been approved for the Benevolent Fund;
- The Council has revised its Directive 4.06 allowing firms to use abbreviated names; and
- Alternate Dispute Resolution Forum at ICAP has been principally approved.

## New button International Affiliations available on ICAP home page

Provides links to IFAC, CAPA, SAFA, IIN and Asian-Oceanian Standard-Setters Group (AOSSG)

## Transfers at ICAP

Omaid Jamal has been transferred as Director Education & Training w.e.f February 3, 2010, in place of Zafar Abbas Badami who will be assigned new functions in due course.

## Implementation of Task Management System Software at ICAP Offices

Task Management System Software developed by ICAP's IT Department, Karachi has been successfully implemented after completion of its testing and user training carried out in all departments at Karachi, Lahore and Islamabad offices.

The TMS Software will take care of any queries received from any individual and will keep a track of the progress on action taken therein.

This system software will improve the contact with students and members and also provide different reports for monitoring the progress to concerned departments.



Mr. Pervez Muslim



Mr. Saqib Masood



Mr. Asrar Raouf

## SEMINARS ON TAX AUDIT FRAMEWORK

at Karachi, Lahore and Islamabad

The Institute hosted a seminar on Tax Audit Framework (TAF) at ICAP Karachi on January 16, 2010. Asrar Raouf, Member (Direct Tax Policy) Federal Board of Revenue (FBR) was the Chief Guest. Seminar attracted a large number of participants which included senior representatives from the FBR, representatives from Karachi Income Tax Bar, Pakistan Income Tax Bar, and members of ICAP at large.

ICAP President Abdul Rahim Suriya in his welcome note assured the FBR of the continuous support of ICAP and its members in making the Tax Audit process a success. He said that there will be a direct engagement contract between the FBR and CA firms to undertake audit assignments. FBR has the exclusive right to select the companies to be audited and also to appoint auditors. ICAP will have no role in selection

of cases, appointment of auditors, or conducting of audit and reporting. The responsibility to monitor complaints against auditors, if any, will be dealt by FBR and on the complaint by FBR, ICAP will act as per the provisions of its CA Ordinance if some one is found negligent.



## Tax Audit Framework

The President also said the main purpose of outsourcing tax audit to Chartered Accountants is to establish effective tax audit system and to create deterrence to mis-declarations in the tax returns filed by some taxpayers. It is very clear that immediate enhancement in Tax revenue is not the objective of this exercise. However, this exercise will help to develop a culture of compliance with tax laws over time which in turn will improve tax collection as well as the tax to GDP ratio.

Saqib Masood, Chairman Tax Committee of ICAP, in his detailed presentation covered all the major aspects of the Tax Audit Framework. His presentation is available for download on ICAP website at the following link:

[http://www.icap.org.pk/userfiles/file/presentation/Tax\\_Audit\\_Chartered%20Accountants\\_SM\\_ICAP\\_JAN\\_2010.pdf](http://www.icap.org.pk/userfiles/file/presentation/Tax_Audit_Chartered%20Accountants_SM_ICAP_JAN_2010.pdf)

Presentation was followed by a Panel discussion in which practical implementation issues were highlighted with their possible solutions. Panel discussion was conducted by Saqib Masood and panelists included Hafiz M. Anees (Member Tax

Payer Audit), Nadeem Dar (Chief TP&R Wing, FBR), Abdul Qadir Memon, President Pakistan Tax Bar Association, Syed Asad Ali Shah and Syed Mohammad Shabbar Zaidi.

Speaking on the occasion, Chief Guest, Asrar Raouf, appreciated the efforts made by ICAP for developing the Tax Audit Framework He said the Government has taken a very bold step by requesting CA firms to assist FBR in carrying out Tax Audit. This initiative will help the FBR in diverting its resources to those areas where FBR did not focus in the past. He requested all the members of ICAP for their full support and cooperation.

Similar seminars were also held at Lahore and Islamabad on 19th January and 25th January, respectively, which were attended by a large number of members and tax officials.

At Lahore, the presentation by Saqib Masood was followed by a panel discussion with Naeem Akhtar Sheikh, Council Member ICAP, Imran Afzal, Former President ICAP and Muhammad Awais, Member NRC/ President LTBA.

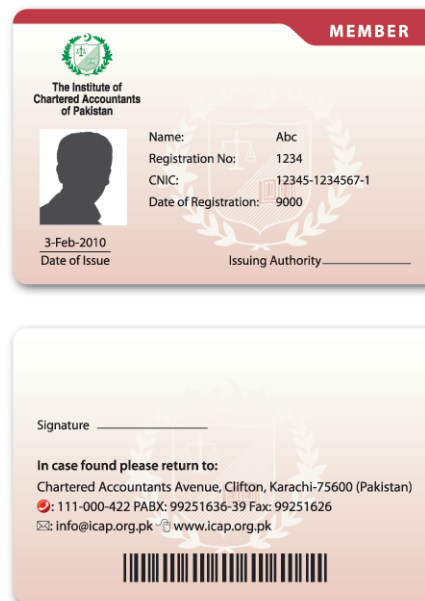
## Dispatch of Membership Identification Tags

The Institute has begun dispatching ITags, ICAP's membership identification cards.

With an active barcode at the back, the ITag is being issued to all ICAP Members as a means of identification and as authorization for various benefits and privileges, details of which will be communicated very soon.

The ITag will identify you as a certified member of The Institute of Chartered Accountants of Pakistan eligible for all facilities at the Institute's Head Office in Karachi and at all regional offices.

The ITag is not transferable and must be presented when conducting business at ICAP offices. Loss of the ITag must be reported to the Institute.



In the seminar at Islamabad, after the presentations of Naeem Akhtar Sheikh and Saqib Masood, a panel discussion was held which included Muhammed Shahid Sadiq, Senior Partner AFF & Co., Muhammad Saleem, Partner M. Yousuf Adil Saleem & Co., Abdul Aziz, CEO Pak Telecom Mobile Ltd (Ufone) and Mr. Habib Fakhruddin, Partner Amir Alam Khan & Co.

## Seminars on ISQC-1 at ICAP Lahore and Multan

The Northern Regional Committee (NRC) of the Institute has organized seminars on ISQC-1 at ICAP Lahore and Multan on January 14 & 15, 2010 respectively. In Lahore a joint presentation was given by Irfan Ilyas, FCA and Shahid Hussain FCA, Director Professional Standards Compliance & Evaluation. The seminars were attended by a large number of practicing members who asked a number of questions and sought clarification with regard to implementation of the standard.

## CAPA Committee Meetings

CAPA Strategic & Finance Committee Meeting was held on January 28-29, 2010 at Hyderabad, India which was attended by Imran Afzal and Rafqat ullah Babar.

## SAFA Committee Meetings

SAFA Committee, Board & Assembly Meeting was held on January 22-23, 2010 at Kathmandu, Nepal which was attended by Abdul Rahim Suriya, Shaikh Saqib Masood, Abdullah Yousuf and Hafiz Mohammad Yousaf.

## Good News for ICAP Members: Exclusive Royal Palm Golf & Country Club Membership Package

In its endeavor to facilitate members in getting benefit of significant discounts and facilities from renowned business and social organizations, the Institute is in negotiations with the Royal Palm Golf & Country Club, Lahore to work out details of an exclusive club Membership Package for ICAP members.



The agreement will entitle ICAP members to RPGCC membership at substantially discounted rates. RPGCC has submitted a comprehensive proposal to ICAP for this membership package which is being translated into a MOU and expected to be signed in February 2010.

Details of the package will be announced very soon.

## Access the Unaccompanied IFRSs

The IASC Foundation has provided free of charge access to the current year's consolidated unaccompanied IFRSs in English as issued by the IASB and published in the Bound Volume.

Access to accompanying documents, illustrative examples, implementation guidance, and bases for conclusions is available via subscription-based services. As stated in the terms and conditions the content of these pages may be downloaded for personal non-commercial use only.

Registered users can access the unaccompanied IFRSs. Registration is free and allows access to the unaccompanied IFRSs, IFRSs for SMEs, email alerts, and to submit comment letters or register as an observer.

Please visit following link to register:

<http://www.iasb.org/International+Accounting+Standards+Board+++Login+and+Registration.htm>

## Benevolent Fund - Group Benefit Schemes

### Group Health Scheme For ICAP Members and Employees of CA Firms:

The scheme has been designed specifically for ICAP members, their spouses and dependent children. Scheme provides comprehensive hospitalization cover at very competitive rates. Members can choose from hospitals on the panel of insurance company or get their expense reimbursed after getting treatment from a hospital of their choice.

Policy period is Aug 2009 – Jul 2010 and participation is open. Employees of Chartered Accountant firms can also participate through their firms.

#### Claims:

*During the period Aug 2009 – Feb 2010 total 15 claims for Rs.830,000 were lodged with insurers. Out of this 11 claims having total value of Rs.530,000 have been paid to the members whereas 4 claims are under process.*

### Group Takaful (Life Insurance) Scheme For ICAP Members, Students and Employees:

The scheme has been converted from conventional insurance to Islamic concept of Takaful. ICAP members, Registered Trainee Students and Employees are eligible to participate. The scheme provides comprehensive life coverage of upto Rs. 2 million at very attractive rates. Policy term is Jul 2009 – Jun 2010 and participation is open.

#### Claims:

*During the period Jul 2009 – Feb 2010, one claim of Rs. 2 million has been lodged with the insurers which is under process. Since inception of the scheme, total 40 Claims for Rs. 13.40 million have been paid to the designated beneficiaries of deceased members.*

#### Financial Assistance:

Financial assistance is being extended to deserving members, families of deceased members in order to provide them a respectable living, support the education of their dependent children, marriage of daughters and to address their medical needs. Total funds of Rs. 3.3 million have been disbursed to 18 families including 3 members for the period Jul 2009 - Feb 2010. Members are requested to inform the Benevolent Committee of deserving cases.

For details, please contact:

Shakeel Ahmad, Secretary, ICAP Benevolent Fund  
E-mail: [bfund@icap.org.pk](mailto:bfund@icap.org.pk) or visit: [www.icap.org.pk](http://www.icap.org.pk)

## Paper Setters/Examiners

The Institute of Chartered Accountants of Pakistan (ICAP) invites applications from Chartered Accountants and other suitably qualified persons for appointment as Paper Setters/Examiners for the following subjects:

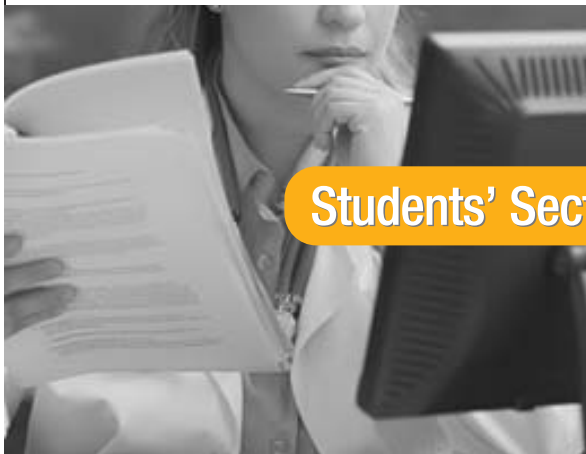
### Foundation Examination (Module A and B)

- Functional English
- Quantitative Methods
- Introduction to Economics and Finance
- Introduction to Financial Accounting
- Mercantile Law

### Intermediate Examination (Module C and D)

- Financial Accounting
- Taxation
- Business Communication and Behavioural Studies
- Company Law
- Cost Accounting
- Auditing
- Information Technology

Interested candidates are required to send their applications directly to Director Examinations, The Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi or at [examinations@icap.org.pk](mailto:examinations@icap.org.pk)



## Students' Section

### Forms for Financial Assistance

The forms for financial assistance under Endowment Fund, in respect of tuition fees of Module A to D, shall be accepted at the respective offices of the Institute from February 1st to March 31st, 2010.

Students are advised to provide complete information and attach all requisite documents alongwith the form; otherwise their application will not be accepted.

### Paper Specific Seminar

To facilitate the students of "Business Communication & Behavioural Studies", ICAP organized a seminar on January 20th, 2010 in Karachi. Students in Lahore and Islamabad were connected through video conferencing. Rana Mustansir, Head of Publications Department of ICAP was the facilitator of the seminar. The seminar was attended by a large number of students who appreciated the efforts of the Institute.

## New SAFA Office Bearers

1. **Komal Bdr. Chitracar**  
President SAFA  
Cell: +977-9851024571  
E-mail: chitracar@wlink.com.np, komal@kbc-ca.com.np
2. **A. N. Raman**  
Vice President SAFA  
Cell: +91-9840075719  
E-mail: anraman@gmail.com, anraman@vsnl.com
3. **Sheikh A. Hafiz**  
Advisor SAFA  
Cell: +880-1713030702  
E-mail: sheikhhafiz@kpmg.com

### Continuing Professional Development (CPD) Programme

SEMINAR / WORKSHOP	HELD	DATE / VENUE
Audit Working Papers Review Techniques		Jan 12, 2010 Karachi
Speakers: Omar Mustafa Ansari, Khurram Jameel (Co-Speaker)		
International Standards on Quality Control-1		Jan 13, 2010 Lahore
Speakers: Shahid Hussain FCA, Irfan Ilyas FCA		
International Standards on Quality Control-1		Jan 14, 2010 Multan
Speaker: Shahid Hussain FCA		
Corporate Governance		Jan 14, 2010 Islamabad
Speaker: S. Gulrez Yazdani CEO, Institute of Capital Markets		
Negotiation Skills		Jan 16, 2010 Karachi
Speaker: Raja Khalid		
Tax Audit Framework		Jan 16, 2010 Karachi
Panelists: S. M. Shabbar Zaidi FCA, Syed Asad Ali Shah FCA, Abdul Qadir Memon, Saqib Masood FCA		
Tax Audit Framework		Jan 19, 2010 Lahore
Speaker: Saqib Masood FCA		
Tax Audit Framework		Jan 25, 2010 Islamabad
Panelists: Muhammed Shahid Sadiq FCA, Muhammad Saleem FCA, Abdul Aziz FCA, Habib Fakhruddin FCA		
Importance of Information System Audit		Jan 28, 2010 Lahore
Speakers: Jafar Hussain FCA, Jawad Mahmood CISA - ACA		
SMP Workshop on "ISA 300 Planning and Audit of Financial Statements"		Feb 17, 2010 Karachi
Speaker: Usman Ghani Akbani FCA, Co-Speaker: Hena Irfan ACA		