



Newsletter

The Institute of Chartered Accountants of Pakistan

Employment Services

In order to facilitate the business community in getting capable human resources, the Institute is considering the idea of forming a **Job Bank**. Prospective employers who are in search of a Chartered Accountant will be able to contact the Institute on the specified address along with necessary details of the experience and traits required in a candidate. The Institute will disseminate the information to the members not only in Pakistan, but also abroad. Any member who is interested in the job will send his/her CV/resume directly to the concerned organization.



Mr. Ebrahim Baeshen, Partner, KPMG, Jeddah addressing on Zakat and Taxation System in Saudi Arabia.

This whole process will be kept confidential. Members are requested to provide comments at: icap.jobbank@icap.org.pk for improvements so that the hiring and placement process of members locally and abroad can be facilitated.

Your valuable input will be appreciated.

Technical Opinions Issued

During the year several queries on technical matters were received from various members and other institutions. As a part of Institute motive to serve the members, appropriate replies were sent by the Technical Services Department.

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ICAP's Members Directory

Directory of Members and Firms 2010-11 has been placed on the ICAP's website on July 1, 2010 which can be viewed in the members' secured area by visiting the following link. <http://www.icap.org.pk/web/myaccount.php?id=10>

The Secretariat deserves full credit for such excellent achievement by compiling the Directory on July 1.

Meet Your Representatives

The President Abdul Rahim Suriya while coming back from Umrah, stayed at Jeddah to meet the members and conducted the 8th program of the series of 'Meet Your Representative' at Al-Bilad Hotel Jeddah on June 21, 2010 which was hosted by the Pakistan Accountant Forum - Jeddah.

Mr. Abdul Rahim Suriya informed members on various initiatives taken particularly for improving Governance and Transparency at the Institute. He emphasized that present Council believes in Service to members and students. He mentioned that ICAP is doing aggressive follow-ups with ICAEW UK for further exemption and at the same time discussions have been initiated with Canadian Institute of Chartered Accountants (CICA). He also informed members that guideline has been issued for opening Overseas Chapter in Saudi Arabia, UAE, Canada and UK and requested members to comment.

Members actively participated and gave their useful suggestions for further improvements. Following points were raised during Question and Answer session:

Governance, Transparency and Service to Members & Students

Chartered Accountants Avenue, Clifton, Karachi-75600 (Pakistan) UAN: 111-000-422 PABX: 99251636-39 Fax: 99251626 E-mail: info@icap.org.pk



View of participants at Meet Your Representative at Jeddah on June 21, 2010

- In case of any changes in syllabus, ICAP members should also be consulted and changes should be placed on website.
- Efforts be made to get exemptions for ICAP members from other Institutes like ICAEW, CPA (USA) and CA (Canada).
- ICAP should establish a facilitation center for Pakistani community in Saudi Arabia through Ministry of Education in Saudi Arabia. This would help Pakistani community to get information for their children about ICAP qualification.
- Exemptions of Module A to D for foreign university students (in line with policy being devised for IBA & LUMS students).
- ICAP should make a group of Senior members of ICAP associated with Banks and Financial Institutions, to carry out research on international financial market and its impact on future.

The session was followed by a CPD program on **“Saudi Zakat and Tax Update”** by Mr. Ebrahim Baeshen, Partner, KPMG, Jeddah. Mr. Ebrahim highlighted practical implications and problems in relation to IFRS for Zakat and Taxation System in Saudi Arabia.

Vice Presidents North and South attended IAASB meeting in Germany

Vice President North, Abdullah Yusuf and Vice President South, Pervez Muslim attended the 39th quarterly meeting of International Auditing and Assurance Standards Board (IAASB) held between June 13 and 18, 2010 in Mainz, Germany, in their capacity as Member and Technical Advisor respectively.

They put forth ICAP’s viewpoint in respect of certain auditing related matters such as:

- Review of status and authority of International Auditing Practice Statements (IAPSS);
- Consideration of issues relating to the development of IAPS in respect of complex financial instruments;
- Consideration of remaining significant issues in the revision of certain clarified ISAs;
- Approval and review of certain exposure drafts; and
- Consideration of issues raised by respondents to the Greenhouse Gas Consultation Paper previously issued by the IAASB.

Council Member attended IFAC Board meeting

Council Member, Zahid Iqbal Bhatti attended IFAC Board meeting, organized by Canadian Institute of Chartered Accountants at Vancouver, Canada from May 30 to June, 6, 2010.

IFAC Recommendations for the G-20 Nations

The **Group of Twenty (G-20)** is a group of finance ministers and central bank governors from 20 economies.

The G-20 is a forum for cooperation and consultation on matters pertaining to the international financial system. It studies, reviews, and promotes discussion (among key industrial and emerging market countries) on policy issues pertaining to the promotion of international financial stability, and seeks to address issues that go beyond the responsibilities of any one organization.

International Federation of Accountants (IFAC) wrote a letter to G-20 summit held in Toronto in June 26-27 giving recommendations for greater transparency and accountability in the public sector. The President of the Institute has forwarded these recommendations to the Auditor General of Pakistan and the Ministry of Finance. You can access the IFAC recommendations on ICAP website at the following link: http://www.icap.org.pk/userfiles/file/news/IFAC_G20_Submission_June_2010_Toronto.pdf

Guidelines for Establishment of Overseas Chapters

The **"Guidelines for Establishment of Overseas Chapters"** are placed on the link: http://www.icap.org.pk/web/Overseas_Chapters.php. Members are requested to go through the Guidelines to avail the opportunity of establishing closer ties with the Institute.

Terms of Reference of Working Committees

The Terms of Reference (ToR) of all Working Committees of ICAP have been finalized. Members can view the ToRs of Committees on ICAP website at the following link: <http://www.icap.org.pk/web/links/525/termsofreferenceofworkingcommittees.php>

Membership Cards

The ICAP membership card will serve as your personal identification, and can be used for purposes of automated attendance at CPD events, and for availing discounts arranged with Royal Palm Golf Country Club - Lahore, PTCL, Royal Rodale Club - Karachi, Microsoft and Ufone. 2,088 membership cards have been prepared and dispatched to date.

You can also e-mail your photograph and CNIC in JPEG format at navaid.hussain@icap.org.pk along with your membership number by July 31, 2010 to avail this card.

Removal of Names

As per Section 19(c) of the Chartered Accountants Ordinance 1961, the Executive Committee in its meeting held on June 4, 2010 has decided to remove the names of members of the Institute, who have not paid their membership fee for 2008-09, with effect from July 1, 2008. Accordingly, 111 members have been removed and their names have been placed on ICAP website at the following link: <http://www.icap.org.pk/web/myaccount.php>.

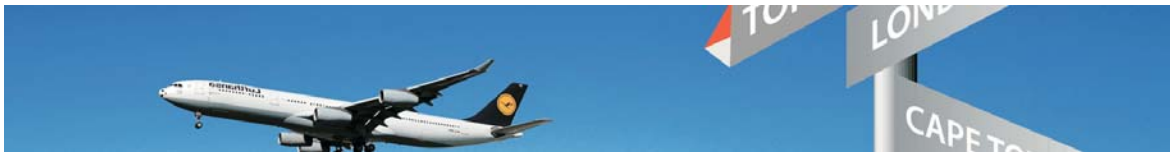
Audit Committee

An independent Audit Committee has been formed which is headed by a non-council member. Further, an independent Internal Audit Function is in operation which is reporting functionally to the Audit Committee.

Update on Ufone Discount Offer to ICAP Members

ICAP and Ufone signed an MOU on June 2, 2010. By virtue of this MOU, ICAP members are entitled to special discounts on Blackberry handsets and Ufone connections. To-date more than 100 members have subscribed to this special discount scheme.

TRAVEL UPDATE ICAP JUNE-JULY 2010



Meetings	Institute/Organisation	ICAP Members Nominated	Date	Venue
IFAC Board	CICA	Zahid Iqbal Bhatti	May 30-6 June, 2010	Vancouver, Canada
IAASB	IFAC	Muhammad Abdullah Yusuf Pervez Muslim	June 14-18, 2010	Mainz, Germany
DNC	IFAC	Syed Mohammad Shabbar Zaidi Naeem Akhtar Sheikh	July 8-9, 2010	Washington, USA
IIN	AICPA	Rashid Rahman Mir	July 12-14, 2010	New York, USA

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Technical Opinions Issued

Some of the important issues/queries are as follows:

- Change in accounting policy or prior period error.
- Guidance on accounting for specie dividend issue by a subsidiary company.
- Presentation / disclosure requirements (investments – held-to-maturity).
- Desktop revaluations in terms of IAS 16 (property, plant and equipment).
- Investment in subsidiary companies incorporated under section 42 of the Companies Ordinance, 1984.
- Opinion on Appointing an External Auditor to provide Non-Assurance Services.
- Requirement to obtain NOC from the Retiring Cost Auditor.
- Query related to section 86 of the Companies Ordinance, 1984 and WPPF.
- Non maintenance of proper books of account by a company and modification of the auditors' report.
- Accounting for sugar sales by the sugar industry.
- Disagreement with management on inappropriate accounting method-modification of the auditors' report.
- Clarification regarding half yearly review
- SECP enquiry on Business Combination

These queries and the opinions thereon will be uploaded shortly on the Institute's website as 'Selected Opinions volume XV issued during July 2009 to June 2010'. For details please contact Saira Shamsie, Manager Technical Services.

First SAFA Summit in Nepal

The Institute of Chartered Accountants of Nepal (ICAN) is hosting the First SAFA SUMMIT at Kathmandu, Nepal on 17-18th September 2010. The Theme of the SAFA SUMMIT is 'Sustainable Development of the SAARC Region'.

SAFA SUMMIT will not be restricted to Accounting and Auditing matters. It shall focus on Economic, Social, Financial and Technological issues in the wide international perspective with special interest and consideration for regional matters. SAFA SUMMIT shall be addressed by eminent personalities of international repute all over SAFA region. Program details will follow shortly.

THE FEDERAL BUDGET SEMINAR 2010-2011



The Southern Regional Committee of ICAP organized a seminar on "The Federal Budget -2010" dated 10th June, 2010 at Defence Authority Country & Golf Club. Riaz A. Rehman Chamdia in his welcome address highlighted the importance of the event. Eminent speakers included; Syed Masoud Ali Naqvi, S.M. Shabbar Zaidi, Ebrahim Yacoob Sidat, and Yusuf H. Shirazi.

Chief Guest, Former Finance Minister Mr. Shaukat Tarin said that his nine point reform programme for sustainable economic growth seems to have been lost somewhere as it is nowhere to be seen in the



current budget. He said that the delay in the imposition of VAT would not affect the IMF program.

"The IMF does not direct us to impose any specific tax," he added. He said that lack of resources and an abysmal tax to GDP ratio are some of the major causes behind low economic growth. "We have to enhance our tax base as all the sectors are required to be brought under the tax net," he added. He was of the view that the government should focus on agriculture sector so that this important sector also contributes its share to GDP growth.

On the occasion S. M. Shabbar Zaidi said that in 1936 Mr. Jinnah was one of the biggest tax payers of United Hindustan.

Syed Masoud Ali Naqvi, Senior Partner, KPMG Taseer Hadi & Co. Chartered Accountants gave a presentation on "Macro Economic Aspects of the Budget". A presentation on "Direct Taxes" was given by Ebrahim Yacoob Sidat, Country Managing Partner Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants. More than nine hundred members and more than three hundred non members attended the seminar. Syed Najmul Hussain, Chairman SRC, ICAP presented vote of thanks.

Update on PERN2 at ICAP

In continuation to PERN2 connection for ICAP application filed on April 21, 2010, survey has been carried by their Southern Regional office on June 2, 2010.

We are pursuing with their Executive Director for expediting the process.

What is new on ICAP Website

● CFO Conference 2010

We are pleased to inform you that videos, photographs, presentations and related information of CFO Conference 2010 held on June 3, 2010 at Serena Hotel Islamabad are available on ICAP website at the following link: <http://www.youtube.com/icappakistan#p/a>

● SRC Post Budget Seminar 2010

We are pleased to inform you that the video coverage of SRC "Federal Budget Seminar 2010" held on 10th June, 2010 at Defence Authority Country & Golf Club Karachi is available on ICAP website at the following link: <http://www.youtube.com/icappakistan>

● Profile of ICAP Council Members

The names and profiles of all Council members are now available on ICAP website at the following link: <http://www.icap.org.pk/web/links/370/council.php>

● List of ICAP's Past Presidents

ICAP's Past Presidents list is available on ICAP website at the following Link: <http://www.icap.org.pk/web/links/370/pastpresidents.php>

● e-IFRS Access on Website

e-IFRS access has now been activated on ICAP portal. Members and students who have subscribed for this service can now access the same. So far 551 members and 24 students have availed of this facility.

Members & students can avail this facility by paying Rs. 400 at any ICAP office.

Workshop on Islamic Finance for ICAP Members by TGI

The Guidance Institute (TGI) in collaboration with ICAP announces a comprehensive yet concise 5 day certified course on Islamic Finance for ICAP Members in Karachi & Lahore during the month of July & August.

Course Overview: Beginning from its deeper roots in jurisprudence of commercial dealings, the course develops a meaningful understanding of concepts, principles and ground rules that shape the norms and conventions of Islamic financial institutions. Subsequently, a relatively detailed discussion of the nature of Islamic financial instruments unfolds. This understanding is then applied to solve the problems of financial contracting consistent with the Shariah. The program embraces a balanced mixture of theory and real life examples to give participants a rich understanding of the discipline. Overall, the course captures the exciting learning opportunities offered by unique interaction between economic forces, regulation, and Shariah principles in the financial marketplace.

For details about TGI & course registration, please contact Mansoor Rais on 0333 3260 748 or m.rais@guidanceinstitute.com

SMP Workshop on Audit Sampling and other means of Testing

SMP workshop on "Audit Sampling and other means of Testing" was held on June 29, 2010 at ICAP House, Karachi.

Mr. Abbas, FCA, Principal, Abbas & Co. Chartered Accountants was the facilitator.

The workshop was highly interactive and was based on group discussions. Mr. Abbas highlighted that auditors can meet their responsibility by performing procedures on 100% items of financial statements and relevant disclosures by selecting a representative sample from such items, and or by a combination of both.

ICAP is thankful to Mr. Abbas for his time and effort for the workshop.

Meeting with RAETs at ICAP Lahore



Regional Head-North, Mrs. Badia Raza met with Heads of RAETs at ICAP Lahore on Jun 17, 2010 to discuss issues of common interest and concern. The meeting was held in an informal atmosphere and discussion on education and examination policies of ICAP and improving the quality and quantity of students for CA intake were discussed. They appreciated ICAP's efforts to review and update its prescribed syllabus and education and training schemes.

SECP Re-launched CRS and CEES

SECP has re-launched the Companies Regularisation Scheme (CRS) and Companies Easy Exit Scheme (CEES) simultaneously to facilitate the corporate sector. According to the SECP circulars No 12 and 13 of 2010 issued on July 1, 2010, both schemes shall remain operative for a period of three months, from July 1 to September 30, 2010.

The CRS provides defaulter companies an opportunity to file their overdue statutory returns and annual accounts. The CEES, on the other hand, allows the companies having no assets or liabilities and not carrying on any business, to avail easy exit facility without undergoing the cumbersome winding up procedure. This scheme is applicable on private and public unlisted companies.

The detailed requirements of both schemes are available in the Circular No 12 and 13 of 2010, placed on the Commission's website, <http://www.secp.gov.pk/circulars.asp>.

Next Theme for *The Pakistan Accountant*

What Are You Practicing?

How small and medium sized practices need to redefine themselves in a credit crunched world:

- Ensuring SMPs have access to the resources they need to remain competitive
- Implementing quality initiatives that meet the needs of SMPs
- The role of SMPs as business advisors to the economically vital small and medium sized enterprise (SME) sector

Please send in your articles on the above theme at email asad.shahzad@icap.org.pk latest by **August 10, 2010**. We request all contributors to observe this deadline. Ideal article length would be between 2000 and 2500 words.

List of Life Members

Since July 1, 2009 to June 30, 2010

The Institute is pleased to inform that 38 members have been admitted as Life member in the current year:

S. No.	R. No.	Member's Name
1	0171	Mr. Khawaja Mansoor Mukhtar Shah, FCA
2	0217	Mr. Hasan Irshad, FCA
3	0233	Mr. Haroon Chamdia, FCA
4	0268	Mr. Ch. Maqbool Ahmad, FCA
5	0365	Mr. Vali Muhammad Mandvia, FCA
6	0369	Mr. Shafqat Hussain Shah, FCA
7	0453	Syed Safiullah, FCA
8	0503	Mr. Anwar Hussain Chaudhry, FCA
9	0504	Mr. M. F. Zaman Qureshi, FCA
10	0513	Mr. Cawas Nariman Vatcha, FCA
11	0520	Mr. Chaudri Ijaz Ahmad, FCA
12	0536	Mr. Ahsan Uddin, FCA
13	0543	Mr. Mohammed Yakoob Surmawala, FCA
14	0632	Mr. Vazeer Ali, FCA
15	0674	Mr. Mohammad Abdul Aleem, FCA
16	0680	Mr. Narayan Kevalram Shahani, FCA
17	0685	Mr. Azizul Haq, FCA
18	0686	Mr. Inaam Ali Darugar, ACA
19	0691	Mr. Mohammad Latif, FCA
20	0721	Mr. Mian Ghulam M. Kherati, FCA
21	0852	Mr. Shahid Parwaiz, FCA
22	0858	Mr. Rafiq Ahmed Dina, FCA
23	0866	Mr. Khan Muhammad, FCA
24	0895	Mr. Tariq Abdullah, FCA
25	0916	Mr. Yunus Hashim Bengali, FCA
26	0945	Mr. Saifuddin A. Khambati, FCA
27	0952	Mr. Manzurul Haq, FCA
28	0981	Mr. Abdul Ghafoor Chishti, FCA
29	0996	Mr. Siraj Ali Jiwani, FCA
30	1122	Mr. Khalifa Mohammad Aminullah, FCA
31	1158	Mr. Abdul Rehman Mithani, FCA
32	1191	Mr. Mohammad Haroon, FCA
33	1409	Mr. Muhammad Akram, FCA
34	1619	Syed Mohammad Husain, FCA
35	1771	Mr. Amjad Waheed, FCA
36	2187	Mr. Ashfaqur Rahman Khan, ACA
37	2299	Mr. Muhammad Rashad Afzal, FCA
38	2386	Mr. Saiyed Enayet Husain, ACA

COUNCIL DECISIONS

Decisions of Council Meeting June 4, 2010 at Karachi

Approval of ICAP Budget

ICAP Budget for 2010-11 was approved by the Council in its meeting held on June 4, 2010. Following are some salient features of the Budget:

- Increase in fee by 10% for members and 5% for students w.e.f from July 1, 2010;
- Total revenue of Rs. 332 M and revenue expenses Rs. 295 M are budgeted, resulting in surplus of Rs. 37 M. Capital expenditure of Rs. 71.7 million has been envisaged in the budget.

Formation of Central Building Committee

The Council of the Institute has decided to form a Central Building Committee under the Chairmanship of Mr. Khalid Rahman. It has been decided that Building Committee North would settle the concerns regarding acquisition of land in Faisalabad and report to the Central Building Committee accordingly. The Central Building Committee will also take up matters relating to construction of building in Karachi, acquisition of land in Peshawar and will also take care of all matters relating to ICAP land and buildings on all Pakistan basis.

Update on HR Committee

A sub-committee of Human Resources (HR) under the chairmanship of Mr. Abdullah Yusuf has been reviewing all matters relating to HR. This includes review organization structure and staff manual.

CPD Status

CPD status for the period July 1, 2009 to June 30, 2010 is available at ICAP website, which can be accessed by logging into members' secured area.

Members are requested to check their CPD status and intimate the amendments by July 31, 2010 at: cpd@icap.org.pk. If no reply is received by the above mentioned date, the record held at ICAP will be considered as final.

Exposure Drafts for Comment

The following exposure drafts are open for comment. The related documents can be downloaded from the ICAP website at the following link: <http://www.icap.org.pk/web/links/0/standards.php>. All members are requested to send their valued comments and recommendations to the Directorate of Technical Services at dtscomments@icap.org.pk

S. No	Title of Exposure Draft	Due Date for Submission to ICAP	Due Date for Submission to IASB/IFAC
	IAASB		
1.	Conceptual Framework for Financial Reporting: The Reporting Entity	June 15, 2010	July 15, 2010
2.	Fair Value Option for Financial Liabilities	June 15, 2010	July 15, 2010
3.	Defined Benefit Plans-Proposed amendments to IAS 19	Aug 4, 2010	Sept 06, 2010
4.	Presentation of items of Other Comprehensive Income Proposed Amendments to IAS 1	Aug 25, 2010	Sept 30, 2010
5.	Revenue from Contracts with Customers	Sept 12, 2010	Oct 22, 2010
	IAASB		
6.	Proposed International Standard on Assurance Engagements (ISAE) 3420	Aug 30, 2010	Sept 30, 2010

List of New Firms

Since July 1, 2009 to June 30, 2010

The Institute is pleased to inform that following 29 firms have been registered in the current year which include a firm with abbreviated name which is approved based on a recent council directive # 4.06

No.	Firm Name	Location
1	Abdul Sultan & Co.	Karachi
2	Abdul Waheed & Co.	Lahore
3	Advani Salim Khan & Associates	Karachi
4	Ashiq Aamer Sattar & Co.	Multan
5	Chowdhrey & Co.	Karachi
6	F.R.A.N.T.S. & Co.	7 Places
7	Faisal Mahmood & Co.	Karachi
8	Ghazanfar Nauman & Co.	Islamabad
9	Hameed & Co.	Lahore
10	Hasnain Shafqat & Co.	Lahore
11	Jamal Khan & Co.	Islamabad
12	Khalid Majid Rehman	Islamabad
13	Khizar Hayat & Co.	Karachi
14	M. Hanif & Co.	Rawalpindi
15	M. Latif Farooqui & Co.	Lahore
16	M. S. Kasbati	Karachi
17	M. Shoab & Co.	Karachi
18	Mian & Co.	Karachi
19	Mohammad Syed & Co.	Karachi

No.	Firm Name	Location
20	Mohsin Shaikh & Co.	Lahore
21	Muhammad Aftab & Co.	Karachi
22	Muhammad Amin & Co.	Lahore
23	Saeed Mohy-ud-din & Co.	Lahore
24	Sajjad Hasnain & Co.	Peshawar
25	Shahid & Co.	Karachi
26	Shahid Hussain & Co.	Abbotabad
27	Waqar Ali & Co.	Hyderabad
28	Z. A. Nasir & Co.	Sialkot
29	Zahid Anwer & Co.	Multan

List of Firms Renamed

Since July 1, 2009 to June 30, 2010

The Institute is pleased to inform that following 7 firms have been renamed in the current year:

No.	Firm Name	Location
1	M. Maqbool Haroon & Co.	Lahore
2	Maqbool Haroon Shahid Safdar & Co.	Lahore
3	Alliott Shahid Hadi	Karachi, Peshawar
4	Kabani & Co.	Lahore, Islamabad, Los Angeles
5	Muhammad Ali Safdar & Co.	Lahore
6	Tabussum Saleem & Co.	Lahore
7	Muniff Ziauddin Junaidy & Co.	Karachi, Lahore, Islamabad

ICAP Benevolent Fund

Financial Assistance:

The Management Committee of ICAP Benevolent Fund in its meeting held on June 25, 2010, approved total grants for Rs. 5.18 million for the year 2010-11. This amount will be disbursed among 14 families of deceased members and 3 live members, over the year on monthly basis. The Committee will re-assess the financial assistance in December 2010.

During the year 2009-10, total funds of Rs. 4.958 million were disbursed to 18 families including 4 living members.

Financial assistance is being extended to deserving members and 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.

Members are requested to inform the Benevolent Committee of deserving cases.

Group Benefit Schemes

Group Family Takaful (Term Life Insurance) 2010-11 For ICAP Members (local and overseas), Students, and Employees:

Registration for the year Jul 2010 – Jun 2011 is open.

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.

Members (below 60 yrs of age) joining the scheme before July 31, 2010 will not be required to provide any Health Declaration neither they will have to go through any medical examination. Coverage will be confirmed on payment of premium only. Members will be provided with a Certificate of Takaful Cover for their opted amount.

Members who are already part of the scheme are requested to pay their premium by July 31, 2010 so that their coverage remains intact. Those who had given their consent to participate in the scheme are also requested to pay the premium which has also been communicated to them through annual membership fee letters.

Participation of Firms: Ernst & Young Ford Rhodes Sidat Hyder have joined Group Takaful Scheme with their 28 Partners. Other firms are also encouraged to join.

Claim paid during 2009-10: A sum of Rs. 2 million was received from Pak-Qatar Family Takaful Ltd. the insurers, as Takaful sum for one late member. The claim was paid to the widow being the nominated beneficiary.

Takaful Salary Saving / Investment Scheme

An Investment cum Takaful (life insurance) scheme is under consideration of the Benevolent Committee. The proposed investment scheme will also have benefits available in the existing group family takaful scheme in addition to long term investment plans based on monthly / yearly contributions. Details of the scheme will be communicated shortly.

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. Employees of Chartered Accountant firms can also participate through their firms. 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 the hospital of their own choice.

Renewal of the policy will be due on August 01, 2010.

Participation of Firms: Anjum Asim Shahid Rahman Chartered Accountants along with M. Yousuf Adil Saleem & Co. Chartered Accountants have already joined the scheme for the partners and other staff members. Other firms are also encouraged to switch to this cost effective and beneficial scheme.

Claims: During the period Aug 2009 – Jun 2010, 22 claims for Rs. 1.2 million were lodged with the insurers. Out of this 18 claims having total value of Rs. 1 million have been paid to the members whereas 4 claims are under process.

For details about Group Benefit Schemes or activities of the Fund, please contact: Shakeel Ahmad, Secretary, ICAP Benevolent Fund Email: bfund@icap.org.pk or visit: www.icap.org.pk

Welcome!

New Fellow / Associate Members

Following individuals have recently been admitted as Fellow/Associate Members of the Institute:

Fellow Members

R-No.	Name of Member
1931	Aziz, Asif
3028	Faizi, Farrukh Hanif
3095	Ghaziani, Muhammad Irfan
3069	Haider, Muhammad Salman
2872	Irfan, Syed Muhammad
2958	Khan, Hammad Raza
2999	Malik, Faisal Ahmad
3109	Mirza, Arshad Munir
3075	Shaikh, Adnan
3642	Yaqub, Salman
3073	Zafar, Muhammad Ahsan

Associate Members

6061	Abbas, Shaikh Farhan
6062	Afridi, Javed Khan
6059	Ahmed, Muhammad Jawad
6101	Ahmed, Syed Shakeel
6095	Ali, Babar
6054	Ali, Hashmat
6069	Ali, Mohammad Immad
6090	Amber (Ms.)
6085	Anwar, Muhammad Waqar
6073	Anwar, Owais
6087	Aslam, Ahmad Jawad
6063	Aslam, Muhammad Waseem
6074	Azwar, Mohammad Hassan
6078	Baloch, Farhan Alam Jarwar
6066	Butt, Maaz Rafiq
6070	Farooq, Umar
6068	Habib, Arbab Faisal
6053	Hafeez, Waqar
6098	Hameed, Muhammad

6052	Haseeb Abdul Razzak
6094	Husain, Junaid
6079	Hussain, Syed Moiz
6088	Ismail, Muhammad Umair
6065	Java, Mehdi Raza
6071	Junejo, Jibrán
6072	Khan, Imran Ullah
6086	Khan, Mohammad Amir
6060	Khan, Sameer Ahmed
6076	Khawaja, Ahsan Nazir
6056	Khurram, Zeeshan
6093	Majid, Wasiq
6097	Mallick, Muhammad Umer Farooq
6077	Merchant, Asim Ismail
6082	Murtaza, Javed
6080	Nakhoda, Shahnawaz
6064	Qureshi, Waqqasuddin
6058	Rana, Muhammad Noman Naseeb
6100	Rehman, Mubashar
6075	Saad Bin Muhammad
6084	Saeed, Hafiz Muhammad
6092	Sarwar, Asma (Ms.)
6103	Shah, Syed Nazir Ali
6099	Shahzad, Khuram
6096	Shakerzai, Syed Asmat Ullah
6055	Stationers, Munira Muhammadi (Ms.)
6102	Sufyan, Muhammad
6089	Sumera (Ms.)
6057	Tahir, Sheikh Muhammad
6067	Tariq, Faisal
6083	Umair, Muhammad
6091	Zaidi, Farwa Jeffar (Ms.)
6081	Zeeshan, Muhammad

ICAP HR NEWS

Professional Accountants Women Forum

The 2nd gathering of the Professional Accountants Women Forum took place on 25th June 2010 at ICAP House, Karachi.



The Chief Guest of the evening Ms. Naz Khan CEO KASB Funds in her speech praised the formation of the forum. She started by saying that compared to 18 years back when she joined her organization, the work environment has become far better for women. She highlighted the main problems faced by women as being unable to let go of perfectionism and learning to delegate. She believed Chartered Accountants have a wider scope and should not just limit themselves to accounting. Instead, they should rather explore other options too like consultancies and advisories.



An introduction to Reiki and acupressure techniques was conducted by Ms. Villy Daruwalla, who highlighted the techniques and services offered by

her. Ms. Shireen Naqvi CEO and Director of SOL took the stage and charmed the audience with her persona. She spoke on the theme "Ability is what gives you the opportunity; belief is what gets you there". She enthralled the audience with her interactive lecture on using the heart and mind to reach a decision.

Dalda Expert Mom Award 2010

Dalda Expert Mom Award 2010 was an endeavor to honor the mothers of our country and appreciate their efforts in nurturing the future of Pakistan.

The daughter of our member, Mrs. Umaima Bilal Qamar, FCA, wrote an exciting story about her mother.



Thousands of stories were collected from all across Pakistan and were evaluated by Dalda Experts. Mothers of best written stories were called for interviews and assessments. And after screening and short listing, Mrs. Umaima Bilal Qamar was honored with the prestigious Dalda Expert Mom Award 2010 in Time Management.

Mrs. Umaima Bilal Qamar had worked in a multinational organization for few years. She left her job for the sake of her children. She believes that the basic time management techniques learnt during the articleship period and practical professional life are great contributors in brushing up her time management skills.



Training Session for ICAP's Team on Personality Grooming

In-house training session on "Personality Grooming" was conducted by Ms. Badia Raza (Regional Head, North) at ICAP – Lahore on Friday, June 18, 2010 for staff of ICAP-Lahore.

This session offered techniques and tips in the area of corporate grooming, projecting positive self image and acting confidently in the organization. Grooming also involves dressing, hairstyle and etiquette and enhances personal and professional relationships.



Training Session on Team Building

An in house training session on 'Team Building' was conducted at ICAP – Karachi on 8th June 2010. Session was facilitated by Dr. Shahida Sajjad, a renowned trainer and part of our SRC team. The training was attended by 36 ICAP Management Employees, including staff at Lahore and Islamabad through video conference.

During the session the importance of people working together as a team was emphasized. She emphasized that in a rapidly changing work environment the combination of technology, speed and flexibility is the key for success, innovation and creativity. Important points covered during the training session were:

- Definition of team
- Advantages & disadvantages of team work
- Types of teams
- Stages of team growth
- How to be an effective team leader, and resolution of conflict



ICAP Staff Attendance

ICAP, Karachi, Lahore and Islamabad staff attendance has been automated through Bio Metric access system with access to HR department at Karachi. All Departmental, Regional and Branch Heads will be getting late arrival report daily thru e-mail.



A group photo of participants of Training Workshop on "Gearing up for Leadership"

Training Workshop on "Gearing up for Leadership"

A Training Workshop on "Gearing up for Leadership" was conducted by Mr. Shakeel Mapara, Director Human Resources & DO and Dr. Kamran Yamin, Training and Development Manager of Sanofi Aventis on July 03, 2010 at ICAP.

HR Activities

- Newly appointed Regional Head (North), went on orientation visit to Islamabad, Faisalabad and Multan Offices during the current month.
- Ms. Fatima Shafi, ACA has been transferred to Education & Training department. Ms. Tracy Tahir has been transferred to Membership department. Both changes are effective from 1st July 2010.
- Mr. Shahid Hussain, Director PSC availed leave from 18-25th June, 2010. Mr. Shoaib Ahmed, Secretary has proceeded on leave from 21st June till 16th July 2010.
- Fire fighting practice was carried out on 14th June; available staff was put through the practical training. Lecture on security vigilance was also given with this session.

Professional Accountant in Business

The International Federation of Accountants (IFAC) has presented an Exposure Draft on "Professional Accountants in Business Strategy and Work Plan for 2010-12" (the Plan) for public comment. This document can be accessed the Members' secured area at the ICAP website by visiting the following link. <http://www.icap.org.pk/web/myaccount.php?id=10>.

You are requested to submit your comments on the above mentioned document by sending us an e-mail at: afifa.patel@icap.org.pk

TECHNICAL UPDATE

IASB Update

Impairment: Summary of Expert Advisory Panel Discussions

In response to constituents' feedback during its outreach activities, the IASB staff has posted a summary of the discussions to date by the Expert Advisory Panel (EAP) on the exposure draft (ED) *Financial Instruments: Amortised Cost and Impairment*.

The EAP was set up shortly after publication of the ED in November 2009. The primary objective of this panel is to explore how operational challenges of the expected cash flow approach (ECF) as proposed in the IASB's ED might be resolved.

Summary of Expert Advisory Panel discussions can be downloaded at <http://www.iasb.org/NR/rdonlyres/A40E4FED-61F6-4FDF-93F1-C87709265508/0/EAPupdate.pdf>

FASB Financial Instruments Exposure Draft

FASB has released a proposed Accounting Standards Update (ASU) that contains proposals for a new comprehensive standard on financial instruments.

The IASB is asking their constituents to submit comment letters on the FASB proposal. The IASB will use that feedback when it considers how to reconcile any differences between IFRS requirements and US GAAP. Because this project is part of the global convergence project, it is important for the FASB to receive feedback on the proposed model from the international community.

The IASB exposure draft *Amortised Cost and Impairment* is open for comment until 30 June 2010. The IASB exposure draft *Fair Value Option for Financial Liabilities* is open for comment until 16 July 2010 available at:

<http://www.iasb.org/Open+to+Comment/International+Accounting+Standards+Board+Open+to+Comment.htm>

IASB Proposes Improvements to the Presentation of Items of Other Comprehensive Income

The International Accounting Standards Board (IASB) has published for public comment proposals to improve the consistency of how items of Other Comprehensive Income (OCI) are presented.

The IASB is proposing that entities should present profit or loss and other comprehensive income in separate sections of a continuous statement. The IASB is also proposing that items in OCI be grouped on the basis of whether they will eventually be 'recycled' into the profit or loss section of the income statement.

The exposure draft *Presentation of items of Other Comprehensive Income (Proposed amendments to IAS 1)* is open for comment until 30 September 2010. It can be accessed via the 'Comment on a proposal' section at: <http://www.iasb.org/Open+to+Comment/International+Accounting+Standards+Board+Open+to+Comment.htm>

Own Credit Exposure Draft User Questionnaire

IASB has published a questionnaire for financial statement users on its May 2010 exposure draft *Fair Value Option for Financial Liabilities*.

The IASB asks analysts to complete the questionnaire to provide input on the proposals in the exposure draft on the fair value option. This questionnaire, targeted at analysts, forms part of a comprehensive programme of outreach activities to all IFRS constituents and is available at: <http://www.iasb.org/NR/rdonlyres/8F3AC0E8-D7C5-4B4B-A9B7-5D0C89A528A4/0/FVOEDuserquestionnaire2.pdf>

The IASB also encourages all parties, including users of financial statements, to submit a comment letter to the exposure draft by 16 July 2010.

ICAP UPDATE

● Tax Audit

ICAP delegation comprising of Mr. Saqib Masood, Chairman Taxation Committee, Mr. Naeem Akhtar Sheikh and Mr. Adnan Zaman, Council members met with Mr. Sohail Ahmad, Chairman FBR and Hafiz Muhammad Anees, Member Audit to discuss the status and issues being faced by the ICAP members in the process of tax audits outsourced to the Chartered Accountants.

The Chairman and the Member Audit FBR, at the outset expelled the perception being raised in print media about the future of the audit process. They reiterated FBR's commitment to the process and said that the Board wishes to see the success of this exercise in the national interest and have professional support from the CA profession.

On being drawn attention by the ICAP representative, the Board officials agreed to resolve the hurdles being faced by the ICAP members, the tax authorities and other concerned which interalia included non-payment of advance fee, logistical and interpretational issues. It was agreed that subject to resolution of issues ICAP will urge its members to complete the audit process by the end of August 2010. They agreed to keep close coordination for amicable completion of the process.

SECP Update

- SECP has published vide S.R.O(I) /2010, the draft Securities (Margin Financing, Lending, Borrowing and Pledging) Rules, 2010, for the information of all persons likely to be affected thereby, and the draft will be taken into consideration after thirty days of its publication in the Official Gazette.
- SECP (Insurance Division) has issued vide Circular 11/2010 dated June 10, 2010, Guidelines for the implementation of section 39 of the Insurance Ordinance (Assets of Life Insurer's Statutory Funds).
- SECP has vide SRO 494 (I)/ 2010 dated June 7,

2010, deferred the applicability of Companies Cost Accounting Records (General Order) 2008 (the Order) to companies engaged in Fertilizer, Thermal Energy, Petroleum Refining, Natural Gas and Polyester Fiber. However it shall be applicable from the financial year commencing on or after July 1, 2010.

- SECP, vide S.R.O. 516(I)/2010 dated June 16, 2010 has made significant amendments in REIT Regulations, 2008. The significant amendments include reduction in the fund size of a REIT from Rs. 5 billion to Rs. 2 billion and the reduction in capital requirements for REIT Management Company (RMC) from Rs. 500 million to Rs. 200 million. A new concept of hybrid REIT has been incorporated to introduce a composite product promising rental income as well as capital gain.

SBP Update

- SBP vide BSD Circular No. 02 dated June 03, 2010 has amended Prudential Regulations – Provisions for loans and advances, extending the benefit of Forced Sale Value (FSV) of mortgaged residential/commercial/industrial land held as collateral against NPLs, from three years to four years from the date of classification of that particular loan / facility. However this benefit would be available in such cases where FSV valuation of land is not more than four years old.
- SBP vide BSD Circular No. 03 dated June 10, 2010 has issued Guidelines on Internal Control over Financial Reporting (ICFR). The C.E.O/President of the banks/DFIs shall submit a detailed review report on ICFR for the quarter ended September 30, 2010 by October 31, 2010. Furthermore, the statutory auditors of the Banks / DFIs, instead of expressing opinion on ICFR in the annual financial statements, shall submit a "Long Form Report", through the management of respective bank / DFI for the year ended December 31, 2010, latest by March 31, 2011.

FBR Update

- FBR has launched a campaign to intimate the taxpayers electronically regarding the discrepancies found in their declarations and non-filing of tax returns and statements.

STUDENTS' SECTION

What Gold Medalists Say?

Chartered Accountancy surely beckons the best, manifested perfectly by Muhammad Uzair Hashmi, a high achiever since school; continues his winning streak in Chartered Accountancy too.



Elaborating on his decision to take up Chartered Accountancy he said "Chartered accountancy is a perfect platform for those who want to achieve big things in life. Yes, it is a very demanding and challenging profession, but that is what makes it so interesting for me. Chartered Accountants are recognized internationally as well as locally for their professional competence. In Pakistan they command more prestige and respect than any other profession. These factors compelled me to choose Chartered Accountancy. I feel it has an effective mix of knowledge and skill that enables students to compete globally: the best curriculum, extensive testing system and a training system that gears the students with practical experience which makes them ready to face the challenges ahead.

Uzair won the ICAP Gold Medal (Ameena Khatib Foundation) in Financial Accounting in Spring 2010, when asked to summarize his antidote to success he readily admitted to the four golden rules of his success.

- **Time Management:** Being a CA student, I was only faced with the time constraint. Managing time in such a way that I could allocate proper time to my studies was vital to my success.
- **Extensive testing:** I appeared in as many tests as I could. This helped in building confidence in myself and enabled me to manage stress during exams.
- **Effective coaching:** I cannot ignore the contributions of my teachers. I placed full confidence in them and remained open to what they taught me.
- **Reference books:** I consulted various books; this helped me in developing a clear understanding of the subject.

We now uncover yet another jewel from our treasured students Mr. Ammar Ahmed; winner of the Kasbati Memorial Gold Medal in modules C and D.



On his selection of Chartered Accountancy as a career for himself he said "I had been fascinated by numbers since boyhood. To go with that I have forever liked facing challenges and choosing difficult but rewarding courses of action. A feel of uniqueness (being one of very few), a superior social repute, and a good source of bread & butter are things that most common people long for (I am also very common!). A little research and a few inquiries espoused that Chartered Accountancy has all these elements. So I decided to pursue Chartered Accountancy when I was in 8th standard and this choice became the reason for my selection of business subjects in Intermediate."

When asked to share with all some of his strategies for success he achieved he replied" I guess there may be few 'open secrets':

- Devoting necessary time to studies and steering the focus of your efforts in the right direction is the key.
- Smart work is more important than hard work. As for my self if I may be less generic and more specific I have always followed the syllabi and aimed at obtaining a deep understanding of all topics listed therein.
- Examiner comments and Suggested answers are priceless for students; one should surely peruse them before conclusion of preparation.
- Since I aspire to be a member of a 'Professional body' I strongly believe that success would not come without 'professionalism'. For most subjects I select 2 to 3 books or study materials that comprehensively cover all areas of the syllabus and together with theoretical understanding I develop cognizance of the practical application of each topic.
- Planning, scheduling the preparation and revision as well as preparing each topic in context of the likely exam questions that may be.

Sharing his future plans with us Ammar said "First and foremost is to qualify in the minimum possible time. Afterwards I plan to continue in the profession (audit & assurance) unless there is a very attractive opportunity in the industry that involves challenging and diverse work. If I attain the capacities required of an author of a book for Chartered Accountancy students, I would surely love to write a few. Further, I wish to contribute to the education and training policies and the global repute of the Institute in order to attract and provide a platform to students worldwide."

It is indeed a great satisfaction to see the young blood eager to work on improving the system. We wish Mr. Ammar and Mr. Uzair all the happiness and luck needed for their future endeavors.

3rd Inter RAET Debate Competition at ICAP, Lahore



The 3rd inter RAET Debate competition was held at ICAP Lahore on July 1, 2010. Students from leading institutions like PAC, SKANS, CFE, RISE and PCA in Faisalabad, Multan, Lahore and Gujranwala participated. Mr. Faisal Iqbal Khawaja FCA, CPD Convener NRC and Ms. Uzma Adil Khan FCA, Senior General Manager and Company Secretary SNGPL were the judges. Bilal Yaqoob from Rise Lahore secured the first position, Muhammad Ilyas from CFE Lahore was 2nd and Shah Jahan from PAC Lahore got the third position. Mrs. Badia Raza Regional Head-North gave away the prizes to the winners. C42 TV channel gave coverage to the event.

CAREER COUNSELING DESK AT ICAP

The Institute is currently contemplating and considering to set up a career counseling desk at its premises whereby potential CA students, seeking career counseling tips and guidance, could approach the Institute and request for career counseling advice from their Role Models, who are generally expected to be Partners and/or Senior Managers in respectable accounting firms of the country. This, the Institute expects, will encourage students to make the right career decisions, while providing their Role Models with an opportunity to induct quality CA students in the profession.

Writing Skills Competition 2010

If You Were Born Before 1947

What we have we take for granted, but nothing is real till it's gone ... like freedom! Imagine what your life would have been like in social, cultural, and religious captivity... if you were born before 1947.

Tell us if you think patriotism is an old fashioned concept, or an ideal that must be kept alive in 2000 words or less, not more.

Deadline for submission of essays: **Friday Aug 6, 2010**

Winners will be announced on: **Saturday Aug 14, 2010**

And Remember, Play By the Rules:

Essays must be printed on both sides of an A4 sheet and left aligned, with your full name, Student CRN, name of your RAET (if applicable), and essay topic in bold on top.

Examinations

The CA Final Examinations Summer 2010 were held from June 7, 2010 to June 11, 2010.

The result of the examination would be announced on Monday August 2, 2010.

Disbursement of Financial Assistance

In the Session of May'10, financial assistance of Rs. 2.6M was granted to 122 students from the Endowment Fund all over Pakistan, the details are as follows:

City	No. of Students	Amount in Rs.
Karachi	28	599,250
Lahore	30	782,050
Islamabad	43	811,050
Faisalabad	11	176,600
Multan	6	143,400
Peshawar	4	103,050
Total	122	2,615,400

The forms for the next session Nov'10 will be collected at the Institute from August 1st till September 30th.

CASA Election 2010-2011

Election for the four (4) students' seats of the Chartered Accountants Students Association (CASA) Managing Committee, 2010-11 shall be held on Wednesday July 14, 2010 at 5:30 P.M. at the premises of the Institute of Chartered Accountants of Pakistan, Clifton, Karachi.

Mr. Majeed Uddin Khan, FCA is the Chairman Election Committee for CASA Election 2010.

The results shall be announced by Chairman CASA or his representatives, in the presence of the contestants or their nominated representatives. Mr. Adnan Mufti and Mr. Khalilullah Shaikh, members of SRC shall function as members of the Election Committee.

CA Foundation and Intermediate Examinations - Autumn 2010

CA Foundation & Intermediate Examinations will be held from August 30, 2010 through September 6, 2010. The last date for submission of forms without late fee is July 12, 2010.

Examinations Program of CA Foundation and Intermediate are as follows:

From August 30 to September 06, 2010

Morning Session:- from 9:00 am to 12:00 Noon

Day	Date	Module	Subject
Monday	30.08.2010	D	Auditing
Tuesday	31.08.2010	C	Business Communication & Behavioural Studies
Wednesday	01.09.2010	D	Company Law
Thursday	02.09.2010	C	Financial Accounting
Friday	03.09.2010	D	Cost Accounting
Saturday	04.09.2010	C	Taxation
Monday	06.09.2010	D	Information Technology (from 9:00 am to 10:45 am)

Afternoon Session:- from 2:00 pm to 5:00 pm (Friday from 2:30 pm to 5:30 pm)

Day	Date	Module	Subject
Monday	30.08.2010	B	Mercantile Law
Tuesday	31.08.2010	A	Quantitative Methods
Wednesday	01.09.2010	B	Introduction to Economics and Finance
Thursday	02.09.2010	A	Functional English
Friday	03.09.2010	B	Introduction to Financial Accounting

Continuing Professional Development (CPD) Programme

SEMINAR / WORKSHOP	HELD AND PLANNED	DATE / VENUE
Deferred Taxation IAS-12		May 12, 2010 Faisalabad
Speaker: Irfan Ilyas, FCA		
Internal Audit Role in Modern Corporate Governance and Business Sustainability		May 13, 2010 Karachi
Speakers: Fazal Hussain Gaffoor, FCA Khurshed Sabzwari, FCA (Session Chairman)		
Supporting Development through Public-Private Partnership		May 17, 2010 Islamabad
Speaker: Shahid Ahmed Khan, FCA		
Value Added Tax (VAT) (Jointly NRC ICAP & House of Professionals)		May 21, 2010 Lahore
Speaker: Abdul Razzaq, FCMA		
IFRS 9-Financial Instruments - Phase 1 of New Standard to Replace IAS-39		May 25, 2010 Jeddah
Speaker: Syed Maroof Raza Zaidi, ACA		
A new Era of Listing in Pakistan and Other Opportunities an Offer (a) Book Building Mechanism (b) Capital Market Outlook		
Speakers: Muhammad Farid Alam, FCA Farrukh Rehman, FCA		May 26, 2010 Faisalabad
Clarified International Standards on Auditing		June 01, 2010 Karachi
Speakers: Farrukh Rehman, FCA Amir Jamil Abbasi, FCA (Session Chairman)		
The Federal Budget 2010-11		June 10, 2010 Karachi
Speakers: Syed Masoud Ali Naqvi, FCA Ebrahim Yacoob Sidat, FCA S.M. Shabbar Zaidi, FCA, Yusuf H. Shirazi, Asrar Raouf (Session Chairman)		
Post Budget Seminar 2010-11		June 10, 2010 Faisalabad
Speakers: Shaukat Amin Shah, FCA Mohsin Nadeem, FCA		
Post Budget Seminar 2010-11		June 16, 2010 Islamabad
Speakers: Sheikh Saqib Masood, FCA S.M. Shabbar Zaidi, FCA Dr. Ashfaq Ahmed		
Post Budget Seminar 2010-11		June 18, 2010 Lahore
Speakers: Naeem Akhtar Sheikh, FCA Muhammad Awais, FCA Dr. Hafeez Ahmad Pasha		
Post Budget Seminar 2010-11		June 25, 2010 Multan
Speakers: Shaukat Amin Shah, FCA Mohammad Younas Ghazi, FCA		
SMP Workshop on Audit Sampling and Other Means of Testing		June 29, 2010 Karachi
Speaker: Abbas, FCA		
Information Systems Audit		Third Week-July Islamabad
Speaker: Jafar Husain, FCA		
Financial Analysis with Micro Soft Excel		First Week-Aug Islamabad
Speaker: Abbas, FCA		