



Five decades of upholding integrity, inculcating professionalism and enhancing quality



Newsletter

The Institute of Chartered Accountants of Pakistan

Governance, Transparency and Service to Members & Students

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MEETING 'N' EVENTS



The Pakistan Flag being hoisted by past president Mr. Ebrahim Sidat

ICAP Celebrates its 50th Birthday

The sunrise of July 1st 2011 was perhaps the most awaited day of the Golden Jubilee Celebrations activities. With the Institute turning fifty a celebratory programme was conducted which included the flag hoisting ceremony, the launch of the commemorative postage stamp issued by the Pakistan Post Office in honor of the Institute's Golden Jubilee and the web launch of The Pakistan Accountants Archive.

The Head office of the Institute was brimming with energy with the presence of the past presidents, senior members and the Council of ICAP. It was a proud moments and felicitations were exchanged all around. The Ceremony began with the recitation of the Holy Quran followed by the hoisting of National Flag by Mr. Ebrahim Sidat, ICAP flag and Golden Jubilee flag by Mr. Zahid Iqbal Bhatti and Hafiz Mohammad Yousaf respectively.

The tree plantation by the Institute's oldest living members Mr. Mohammad Noor ul Huda, Mr. Taher H. Mochhala, Mr. Abdul Wahid and Mr. Majeed Uddin Khan and the watering by the CASA representatives Mr. Faisal Zawar and Ms. Anum Nadia symbolized that it is the time for the new generation to take the legacy created by our predecessors forward.

The Vice President South Mr. Zahid Iqbal Bhatti unveiled the commemorative postage stamp issued by the Pakistan Post Office on the Institute's Golden Jubilee. The applause was loud and seemed never ending, it was a moment cherished by all present.

The Chairman Publications Committee Mr. Adnan Zaman presented to the members and students the Web Archive of the Pakistan Accountants. Towards the end of the ceremony, the staff that has been serving the Institute for 15 and more years were acknowledged with certificates given by the past presidents for their dedication and loyalty towards the Institute.



An inside view of the decorated ICAP house



Paying homage to the National Anthem



Chairman, Golden Jubilee Celebrations Committee
Hafiz Mohammad Yousaf hoisting the Golden Jubilee Flag



Vice President South Mr. Zahid Iqbal Bhatti
hosting the ICAP Flag



Tree plantation by the Institutes senior members



CASA representatives watering the plant



Praying for the success of the Institute's thanking for the glorious fifty years seeking many more to come



Chairman Golden Jubilee Karachi Committee Mr. Pervez Muslim addressing the audience



Vice President South Mr. Zahid Iqbal Bhatti giving mementos to the officials of Pakistan Post Office for their efforts in designing and issuance of the commemorative postage stamps



Members looking the postage stamp issued by the Pakistan Post Office in honour of ICAP Golden Jubilee



Both the Vice Presidents jointly cutting the cake on ICAP's 50th Birthday



A view of the audience



Chairman Golden Jubilee Celebrations, Hafiz Mohammad Yousaf addressing the gathering



Chairman Publications Committee, Mr. Adnan Zaman launching the Archive of "The Pakistan Accountant"



Mr. Majeed Uddin Khan, senior member - ICAP addressing the audience



The Council, SRC and the Secretary of the Institute with ICAP Past Presidents



A group picture of the staff who has served the Institute for more than 15 years



Mr. M. Abdullah Yusuf, Council Member addressing the gathering on Post Budget Seminar

Mr. M. Abdullah Yusuf, Council Member ICAP and Mr. Rashid Rahman Mir, Council Member ICAP were the Guests of Honour. The seminar was well attended and the presentations were appreciated by the audience who raised various questions to the speakers. Mr. Faisal Iqbal Khawaja, Chairman Northern Regional Committee presented a vote of thanks.

Post Budget Seminar at Lahore

The Northern Regional Committee organized a Seminar on Post Budget at Lahore on Friday June 17, 2011. The Master of the Ceremony was Mr. Muhammad Ali Latif, ACA Honorary Secretary, Northern Regional Committee.

The First Speaker of this Seminar was Mr. Naeem Akhtar Sheikh, FCA. He delivered his presentation on Direct Taxes and the second speaker was Mr. Muhammad Awaiz, FCA. He delivered his presentation on Indirect Taxes.



Master of the Ceremony, Mr. Ali Latif, Secretary NR gathering on Post Budget Seminar

Mr. Khawar Khurshid Butt, Member Inland Revenue was the chief guest of this seminar. In his speech as chief guest, Mr. Khawar Khurshid Butt, Member, Inland Revenue Services, Federal Board of Revenue gave his views on various tax and economic measures taken by government of Pakistan. He dilated upon cause of revenue shortage, the uphill task of coming

year's revenue target and other policy matters including enhance focus on effective monitoring of withholding taxes.

Seminar on Internal Audit and Public Sector Management Effectiveness

As an initiative of the Public Sector Committee of the Institute, a series of seminars are to be organized with the collaboration of Department of the Auditor General of Pakistan (AGP) for the capacity building of the officers of the public and private sector entities. The first seminar under this initiative, was organized on "Internal Audit and Public Sector Management Effectiveness" on June 23, 2011 by the CPD Committee (Islamabad) at ICAP Auditorium, Islamabad.

The speakers were Mr. Javed K. Siddiqui, FCA, Executive Director Finance, SECP and Mr. Muhammad Jamil Bhatti Accountant General (Punjab) from AGP.

Mr. Javed K. Siddiqui, emphasized the role and importance of internal audit function in public sector entities. His presentation covered 3 E's (Efficiency, Effectiveness and Economy) in audit, and he described factors impacting the 3 E's.

Mr. Muhammad Jamil Bhatti, stressed the significance of Internal Control Systems in the overall context of the Internal Control Environment in government entities. In his presentation, Mr. Bhatti shared his experience about reasons for failure of governance in these entities.

The seminar was attended by ICAP members, non-members and AGP representatives. The concluding remarks were presented by Mr. Rafiqat Ullah Babar, Chairman Public Sector Committee of ICAP and presented mementos to the speakers.

Seminar on the Role of Chartered Accountants in Building Successful Organizations



Mr. Ahmad Saleem addressing at the seminar on The Role of Chartered Accountants in Building Successful Organizations.

A seminar was organized by the CPD Committee Faisalabad on "The Role of Chartered Accountants in Building Successful Organizations" on June 25, 2011 at ICAP office Faisalabad. It was largely attended by ICAP members and senior students of the profession.

Mr. Ahmad Saleem – FCA (Consultant Performance Management Services, Lahore) was addressed the seminar, his presentation was immensely appreciated by the participants. An overwhelming question answer session was held at the end of the session. Chairman CPD Committee Faisalabad thanked the speaker at the conclusion of the seminar.

Two-day Workshop on Doing Wonders with Microsoft Excel

The Southern Regional Committee of ICAP organized two-day workshop on "Doing Wonders with Microsoft Excel" dated, 28th and 29th June, 2011 at IBA City Campus Karachi. Mr. Saad Usman, ACA, ACMA (UK), was the trainer of the workshop. The workshop was organized to enable the participants to know some of the advanced features of Microsoft Excel 2007/2010 making their work-life simpler and hassle-free. The workshop covered the areas including; excel cells, ranges and tables, working with formulas and functions, charting wonders, perform what-if analysis, working with pivot table, playing with excel VBA macros and advanced reporting.

Workshop on Financial Analysis with Microsoft Excel-1

The Northern Regional Committee organized a workshop on "Financial Analysis with Microsoft Excel-1" on Saturday June 25, 2011 at 9:30 am at PAC (The Professional Academy of Commerce), Lahore for the benefit of the members of ICAP. The objective of workshop was to equip participants in gaining understanding of different features of excel (Conditional Formatting, Graphs, Macros, Built in financial functions) along with enabling participants to construct financial models in the areas of financial statements projections, ratios analysis and business valuations.

The workshop was conducted by Mr. Jahanzaib Ismat Malhi, MCS.

Seminar on Importance of Information System Audit

The Northern Regional Committee organized a Seminar on "Importance of Information System Audit" at PAC (The Professional Academy of Commerce) Lahore on Friday, June 10, 2011.

The Master of the Ceremony was Mr. Laeeq Ahmad Rana, ACA Member CPD Committee Lahore. The Speaker of this Seminar was Mr. Jaffar Hussain, FCA. In his presentation he explained to the audience that the rapid increase in use of information technology (IT) in business in recent years has not facilitated the business process but also increase the risk associated. He focused on the Importance of the (IT) System Audit. The seminar was very well attended and the presentation was appreciated by the audience.



A group picture of Mr. Jaffar Hussain, Mr. Faisal Iqbal Khawaja and Mr. Laeeq Ahmed Rana

There was an over whelming response of the seminar. At the end, Mr. Faisal Iqbal Khawaja, Chairman (NRC) presented a vote of thanks.



Mr. Ahmad Jabbar presenting memento to Mr. Jahanzaib Ismat Malhi at the workshop on Financial Analysis with Microsoft Excel.

Workshop on Financial Analysis with Microsoft Excel

A workshop was organized by the CPD Committee Faisalabad on "Financial Analysis with Microsoft Excel" on June 29, 2011 at The TIPS College, Faisalabad.

Mr. Jahanzaib Ismat Malhi, Faculty member of the Professional Academy of Commerce, Lahore was the trainer. He gave a very informative and useful presentation. Workshop was well attended by ICAP members and the students who raised various questions from the speaker. Mr. Ahmad Jabbar FCA, Director, The TIPS College, concluded the workshop and presented a memento to the trainer.

Seminar on Broaden the Tax Base & Financial Corruption

The CPD Committee Multan organized a seminar on June 24, 2011 at ICAP office Multan.

The topics were:

- (i) Broaden the Tax Base
- (ii) Financial Corruption.

Mr. Abdul Wahid, FCA from Karachi thoroughly elaborated the topics by giving example of practical life of our society. He also presented the methods to control the financial corruptions in the economy of the country by adopting the procedures to check the bank accounts, size of the country notes should be bigger and thicker, Credit & Debit cards should be more common in general public etc.

The seminar was attended by members as well as senior students of the profession. Mr. Muhammad Younis Ghazi, FCA, Chairman CPD Committee thanked to speaker at the conclusion of seminar.

Seminar on IAS 32 & IAS 39 and IFRS 7 & IFRS 9

The CPD Committee Multan organized a seminar on Friday, June 17, 2011 at Skans School of Accountancy, Multan.

The topics were:

- (i) IAS 32 & IAS 39
- (ii) IFRS 7 & IFRS 9.

Mr. Kashif Adeel, ACA Faculty member of Skans School of Accountancy, Multan was the guest speaker. The presentation was intended to cover existing guidance on financial instruments and expected changes therein. He explained classification, measurement, recognition and de recognition issues of financial instruments. Regular way contracts and rescheduling of loans was explained with practical perspective. Advanced issues like derivatives, embedded derivatives and hedge accounting was also covered. At the end disclosures along with real examples from annual financial statements were shared. The presentation ended at a questions and answers session.

Mr. Muhammad Younis Ghazi, FCA Chairman CPD Committee thanked to speaker at the conclusion of seminar.

Condolence Message

We regret to inform you the sad demise of our senior practicing member, Mohammad Ahmed, FCA, (R-1266), Proprietor of Mohammad Ahmed & Co, who passed away on July 1, 2011.

Members are requested to offer Fateha for the departed soul. May Allah rest the departed soul in eternal peace and enable the family members to bear the loss with fortitude and courage.

Ameen.

Post Budget Seminar in Peshawar

The CPD Committee of Peshawar and Tax Bar Association Peshawar jointly organized a Discussion Session on Post Budget 2011-12 on Monday, June 27, 2011. This session was attended by ICAP members and the members of Tax Bar Association Peshawar.

Session was started with the recitation from the Holy Quran by Mr. Arshad Khan, ACA. Speaker of the seminar was Mr. Abdul Baseer, ACA, of Shahid Wahid Younas Jamil Co. He presented the highlights of the Post Budget 2011-12 with the audience. Participants actively participated in this discussion session and also shared their views on Post Budget 2011-12.

Mr. M. A. Shahid, FCA, Chairman CPD Committee summed up the session and presented memento to the speaker.

Post Budget Seminar in Faisalabad

The CPD Committee Faisalabad organized a Post Budget Seminar to discuss the amendments in the Income Tax Ordinance, 2001 and Sales Tax Act, 1990 through Finance Bill 2011-2012, in collaboration with the Faisalabad Tax Bar Association on June 16, 2011 at Faisalabad Chamber of Commerce and Industry. Seminar was very well attended by ICAP members, members of Faisalabad Tax Bar Association and ICAP students.

Mr. Naeem Akhtar Sheikh FCA, Council Member ICAP was first speaker he discussed in detail the "amendments in the Income Tax Ordinance, 2001" through Finance Bill 2011-2012.

Mr. Shahid Baig, Advocate-High Court, was second speaker and discussed in detail the "Sales Tax Act, 1990" through Finance Bill 2011-2012.

Both sessions were very informative and appreciated by the participants who raised various questions from the speakers.

Mr. Hamid Masood FCA, Chairman, CPD Committee Faisalabad thanked the speakers for sparing their time and also the audience for their active participation.

Workshop on IAS-36 Impairment of Assets

The CPD Committee of Peshawar organized a workshop on "International Accounting Standard 36 (IAS-36) Impairment of Assets" on June 16, 2011. The workshop was attended by members as well as senior students of the profession.

Mr. Arshad Khan, ACA Senior Faculty member of Professional Academy of Commerce Peshawar was the trainer; he explained the concepts of Impairment of Assets with adequate practical examples. The audience was elaborated on how to recognize or reverse impairment. It was a very informative session and participants appreciated the efforts of the speaker.

Mr. M. A. Shahid, FCA summed up the session and congratulated the speaker on his successful presentation.

Workshop on Financial Analysis with Microsoft Excel-1

The CPD Committee of Peshawar organized a Workshop on Financial Analysis with Microsoft Excel-1 on 28th July, 2011. The workshop was attended by members as well as senior students of the profession. The Speaker Mr. Jahanzaib Ismat Malhi Faculty Member of PAC Lahore explained the use of Microsoft Excel for Financial analysis practically.

Mr. M A Shahid, FCA, Chairman CPD Summed up the session and presented memento to the speaker at the conclusion.

2011 Golden Jubilee Year



Five decades of upholding integrity, inculcating professionalism and enhancing quality

MEMBERS NEWS

Quick Updates

E-IFRS Access on Website

To date 828 members and 145 students have subscribed access of e-IFRS. Members & students interested can also avail this facility by paying Rs. 400/= at any ICAP office.

PERN2 Update

To date 841 members have registered of which 375 are from Northern Region, 334 from Southern Region and 132 from Overseas Region. For details <http://www.icap.org.pk/web/index.php>

Membership Cards

To date 3,224 members cards have been dispatched of which 1,158 are from Northern Region, 1,596 are from south and 470 are Overseas members.

Discounts Update

Black Berry on 50% discount

Members can still obtain Black Berry on 50% discount from Ufone for details

http://www.icap.org.pk/web/icap_uphone_mou.php

Microsoft Products

Members and students can avail Microsoft products on significant discounted rates for details <http://www.icap.org.pk/web/news-details.php?section=all&id=110314105945>

ICAP Job Portal Update

To date 760 members have registered on ICAP job portal out of which 364 are from Northern Region, 325 from Southern Region and 71 are overseas members.

Video Conferencing

During Month of June, 2011 Fifteen (15) meetings were held through Video Conferencing between ICAP Karachi, Lahore and Islamabad.

Welcome!

New Fellow / Associate

Members Individuals recently admitted as Fellow/ Associate Members of the Institute:

Fellow Members

Reg. No.	Name of Member
3554	Ahmad, Irfan
3781	Malik, Farhan Riaz
3298	Rab, Abdul
3077	Salemwala, Munawar
3290	Zia, Faisal

Associate Members

Reg. No.	Name of Member
6481	Aamer
6487	Ibrahim, Dawood
6490	Majeed, Abdul
6488	Quadri, Sana (Miss)
6489	Sikander, Muhammad Hasnain
6491	Soomro, Muzamil Hussain

Renewal of Takaful / Life Insurance Cover for 2011-12

Members who have been insured under group takaful scheme should take notice that their cover for term 2010-11 has expired on 30th June, 2011. Members may renew their coverage for term 2011-12 by payment of premium.

Cover of Rs. 4 million, Rs.2 Million, Rs.1 Million or Rs.500,000 can be opted against annual premium of Rs.15,200, Rs.7,600, Rs.3,800, or Rs.1,900 respectively.

Members who have already paid their premium for renewal should ignore this request.

For complete details please visit:

<http://www.icap.org.pk/web/links/320/groupbenefitschemes.php> or contact:

Shakeel Ahmad, Secretary, ICAP Benevolent Fund, Tel: 111-000-422 Ext: 353

Revised Health Insurance Scheme

In line with the spirit of the golden jubilee celebrations of the Institute, the Benevolent Fund of the Institute has been able to finalize a revised health care scheme at very economical rates and on more beneficial terms for members and their families, applicable from August 01, 2011.

Following is the brief description of enhancement in amount and scope of coverage in comparison with the previous arrangement:

- Room & board limit has been increased from Rs 5,000 per day to the facility of private room of any hospital, irrespective of room rent;
- Basic hospitalization limit of Rs. 150,000;
- Major Medical Care limit of Rs. 500,000, previous arrangement covered only selected diseases referred as 'Dread Diseases';
- Annual Aggregated limit per person is Rs. 650,000;
- Pre & post hospitalization out patient expenses (including investigations, consultations and medicines) cover for 30 days, compared to previous covered for only 2 weeks and 1 week respectively;
- Maternity limits have been increased by 30% - Normal delivery: Rs. 70,000 and Caesarian/ Multiple Births: Rs. 130,000; previous cover was for Rs. 40,000, and Rs. 100,000 respectively.
- Maximum age limit for basic hospitalization & Major medical Care has been increased to 80 years covering all types of medical care including dread or major diseases for members, spouses and children. Previously major hospitalization cover was restricted to an age limit of 65 years;
- Declared / undeclared pre-existing conditions / pregnancies are fully covered, previously these were not covered;
- Health declaration (Questionnaire Form) is not required, previously this was required;
- Coverage of Psychiatric treatment is available, previously not available;
- Parents of the members can also be covered along with the family members

The Management Committee of the Fund, after discussions with various insurance companies decided to obtain insurance coverage from Asia Care Health & Life Insurance Company Ltd. Asia Care enjoys good reputation in the market and is exclusively engaged in providing Health Insurance services. Independent assessment of their services and procedural issues from the reputable hospitals and a large number of their clients was obtained. Asia Care enjoys the largest network of panel hospitals i.e. **180 hospitals** across **34 cities** in Pakistan. Complete credit facility is available for hospitalization on panel hospitals and re-imbursement facility is available for non-panel claims. Panel Hospitals can be increased on members request and the acceptance by the hospital.

Asia Care will issue Health Cards but all the details of the members will be available on their computer system. This means that if a member or his dependent does not possess card at the time of emergency, s/he will get the admission by contacting the 24/7 helpline number of Asia Care.

The Fund has made all possible arrangements for the benefit and convenience of the members. Members are encouraged to suggest improvements which will receive our utmost attention.

We sincerely expect that all our members who are presently covered under the existing arrangements and those who are not so far covered would take advantage of the efforts made by your Benevolent Fund as explained above and in the accompanying brochure.

As the revised policy will be effective from August 01, 2011, members are requested to send their premium as soon as possible. Payments could be made through Cheque / Payorder /D.D. favoring ICAP. Online payment can also be made at ICAP Website.

Scheme for employees of C.A. firms has also been finalized as part of the same policy. However, the details will be communicated to the firms separately.

TECHNICAL UPDATE

IFAC UPDATE

IAESB Proposes Clarified Standard on Professional Accounting Education Entry Requirements

The International Accounting Education Standards Board (IAESB) has released for public exposure a proposed revision of International Education Standard (IES) 1, Entry Requirements to a Program of Professional Accounting Education. The revised education standard is intended to protect the public interest by both establishing fair and proportionate entry requirements—which help those individuals considering professional accounting education make appropriate career decisions—and ensuring that requirements for entry to professional accounting education are not misrepresented.

IES 1, originally approved in 2004, currently prescribes the principles to be used by professional accountancy organizations, including member bodies of the International Federation of Accountants (IFAC), when setting entry requirements for professional accounting education and practical experience.

The key changes include:

- ▶ making the requirements more inclusive and broader in scope (necessitating a change in the title of IES 1 to *Entry Requirements to Professional Accounting Education*)
- ▶ adopting a principles-based approach focusing on allowing flexible access to professional accounting education, including removing reference to a recognised university degree program or its equivalent and instead referring to it as example
- ▶ requiring that the entry level be high enough to provide assurance of an individual's likely success in the program of professional accounting education, and making relevant information publicly available to help individuals make an informed decision in assessing their own chances of successfully completing professional accounting education
- ▶ providing guidance that IFAC member bodies justify their entry requirements in terms of the competences required to successfully complete professional accounting education.

ED is available to download at www.ifac.org/Education/ExposureDrafts.php. IAESB invites all stakeholders to comment on the Exposure Draft by September 21, 2011.

IASB UPDATE

IASB Publishes Proposals for Amendments under its Annual Improvements Project

IASB has published for public comment an exposure draft (ED/2011/2) of proposed amendments to five International Financial Reporting Standards (IFRSs) under its annual improvements project. Following matters have been addressed:

IFRS 1 *First-time Adoption of IFRSs*

- ▶ Repeated application of IFRS 1
- ▶ Borrowing costs relating to qualifying assets for which the commencement date for capitalisation is before the date of transition to IFRSs

IAS 1 *Presentation of Financial Statements*

- ▶ Clarification of requirements for comparative information
- ▶ Consistency with the updated *Conceptual Framework*

IAS 16 *Property, Plant and Equipment*

- ▶ Classification of servicing equipment

IAS 32 *Financial Instruments: Presentation*

- ▶ Income tax consequences of distributions to holders of an equity instrument, and of transaction costs of an equity transaction

IAS 34 *Interim Financial Reporting*

- ▶ Interim financial reporting and segment information for total assets

The proposed effective date for the amendments is for annual periods beginning on or after 1 January 2013, although entities are permitted to adopt them earlier. The IASB requests comments on the exposure draft by 21 October 2011. The exposure draft can be accessed at <http://www.ifrs.org/NR/rdonlyres/BA37664E-3AE4-4C16-ADC3-E3E59CDA6091/0/EDImprovementsIFRSsJune11.pdf>

Amendments to IAS 1 *Presentation of Financial Statements*

The amendments to IAS 1 *Presentation of Financial Statements* require companies preparing financial statements in accordance with IFRSs to group together

items within OCI that may be reclassified to the profit or loss section of the income statement. The amendments also reaffirm existing requirements that items in OCI and profit or loss should be presented as either a single statement or two consecutive statements. The amended version of IAS 1 is applicable to annual periods beginning on or after 1 July 2012, with early adoption permitted. Following are the important amendments:-

- ▶ Preserve the amendments made to IAS 1 in 2007 to require profit or loss and OCI to be presented together, i.e. either as a single 'statement of profit or loss and comprehensive income', or a separate 'statement of profit or loss' and a 'statement of comprehensive income' – rather than requiring a single continuous statement as was proposed in the exposure draft.
- ▶ Require entities to group items presented in OCI based on whether they are potentially reclassifiable to profit or loss subsequently, i.e. those that might be reclassified and those that will not be reclassified.
- ▶ Require tax associated with items presented before tax to be shown separately for each of the two groups of OCI items (without changing the option to present items of OCI either before tax or net of tax)

Amendments to IAS 19 Employee Benefits

Accounting for employee benefits, particularly pensions and other postretirement benefits, has long been a complex and difficult area and initial plans for a full review of pension accounting had to be deferred in light of competing priorities, ultimately leaving the IASB to proceed alone on improving specific aspects of the existing requirements of *IAS 19 Employee Benefits*. The amended version of IAS 19 comes into effect for financial years beginning on or after 1 January 2013. Earlier application is permitted. The amendments make important improvements by:-

- ▶ Require recognition of changes in the net defined benefit liability (asset) including immediate recognition of defined benefit cost, disaggregation of defined benefit cost into components, recognition of remeasurements in other comprehensive income, plan amendments, curtailments and settlements.
- ▶ Modify accounting for termination benefits, including distinguishing benefits provided in exchange for service and benefits provided in exchange for the termination of employment and affect the recognition and measurement of termination benefits.

- ▶ Clarification of miscellaneous issues, including the classification of employee benefits, current estimates of mortality rates, tax and administration costs and risk-sharing and conditional indexation features.
- ▶ Eliminating an option to defer the recognition of gains and losses, known as the 'corridor method', improving comparability and faithfulness of presentation.
- ▶ Streamlining the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income (OCI), thereby separating those changes from changes that many perceive to be the result of an entity's day-to-day operations.
- ▶ Enhancing the disclosure requirements for defined benefit plans, providing better information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans.

ICAP UPDATE

Tax Audit

FBR has decided to close the tax audit process and the points agreed at the meeting of ICAP-FBR Coordination Committee held on April 30, 2011, have already been communicated to the audit firms whom tax audit cases were allocated by the FBR. Accordingly, all pending cases where advance payments have not yet been made, where requisite information was not made available to chartered accountant firms, or where the cases were stayed by the courts, shall be transferred from the firms to the respective RTO/LTU, and advance fee, if any received by the firms is also to be refunded to the RTO/LTU.

The matter of recovery of dues, raised by the audit firms, has already been taken up with the FBR at the meeting and FBR has agreed to expedite the release of outstanding payments in cases where audit reports have been submitted. ICAP has also sought from the FBR, complete list of all tax audit cases allocated to the audit firms.

The issue of compensation in cases where audit firms have carried out audit work substantially and due to reasons beyond control (e.g. delay in audit information, stay issued by court, audit suspended and/or terminated) was also raised in the meeting, ICAP has apprised FBR about the fact that resources had been spent by audit firms in all these cases, which should be compensated.

The Institute is in the process of collecting data from the audit firms. For this purpose a Questionnaire was circulated on June 1, 2011. Those firms who have not yet responded to the questionnaire and requested again to do so as soon as possible, so that the Institute may take evaluate the data and take up with FBR in the co-ordination committee.

Best Sustainability Report Award 2011

In order to promote the responsible reporting by companies covering the economic, environment and social performance of the business, the Committee is pleased to announce a new award namely 'Best Sustainability Report Award'. This will be applicable for the companies with accounting period closing in the year 2011. The Criteria for the 'Best Sustainability Report'.

Award is based on the internationally recognized Framework; G3 Guidelines of Global Reporting Initiative (GRI), an international standard on Sustainability Reporting that has also been recognized by the International Federation of Accountants (IFAC). The Criteria is available at the following web links:

http://www.icap.org.pk/userfiles/file/TechnicalDepart/sustainability_report_award.pdf

http://www.icmap.com.pk/pdf/sustain_award_criteria.pdf

SECP UPDATE

Exemption from IFRS 2 Share Based Payments

SECP, vide S.R.O. 587(I)/2011 dated June 7, 2011 has granted exemption from IFRS 2 Share Based Payments, to all such entities which are otherwise required to comply with the IFRS 2 while accounting for the "Benazir Employee Stock Option Scheme" ("the Scheme"). The Scheme was launched by the Government on August 14, 2009, for employees of certain State Owned Enterprises (SOEs) and non-State Owned Enterprises where GOP holds significant investments (non-SOEs).

However, the exemption is subject to the compliance by these entities with the requirements of IFRS regarding effect of disclosure of such departure. The SRO prescribes the disclosure note required to be given in the annual accounts made on and after the period ending June 2011. The SRO can be downloaded from SECP website at <http://www.secp.gov.pk/notification/pdf/2011/Notification-IFRS.pdf>

FBR UPDATE

FBR withdraws FED to the Sales Tax on services receivable by the provinces

The Services rendered by registered persons who were previously subject to Federal Excise Duty (being collected in Sales Tax mode) have now been subject to Sales Tax by the Provinces through their legislation with effect from 1st July, 2011. The Federal Board of Revenue through a notification has withdrawn Federal Excise Duty on such services (Table-II of First Schedule to the Federal Excise Act, 2005) with effect from the same date i.e. 1st July, 2011 in order to avoid double taxation.

However, the registered persons providing such services will continue to charge Tax/Duty and file Sales Tax Returns as before with certain amendments being worked out in Federal Board of Revenue and the registered persons shall face no difficulty for switching from Federal Excise Duty to the Sales Tax on Services receivable by the Provinces.

STUDENTS SECTION

Results of CA Final and IFRS Diploma Examinations

The results of CA Final and IFRS Diploma Examinations, Summer 2011, held in June 2011 will be declared on August 02, 2011.

CA Foundation and Intermediate Examinations

CA Foundation and Intermediate Examinations Autumn 2011 would be held from September 5 – 12, 2011.

Pre-entry Proficiency Test June 2011

Result of Pre-entry Proficiency Test held on June 10, 2011 was declared on June 21, 2011 and is available at the Institute's website.

Trainee Students Placements

Mudassar Ehtisham & Co. Chartered Accountants (Independent Member of Geneva Group International) is looking for four CA Intermediate qualified trainee students for 3 years training under by-laws of Institute of Chartered Accountants of Pakistan (ICAP).



CASA Sports Committee

Inter Firm Tape Ball Cricket Tournament 2011 organized by CASA

An Inter-firm tape ball Cricket Tournament was organized by the Sports Committee CASA on Saturday, 25 June 2011 at UBL Sports Complex, Karachi. The thrilling event was thoroughly enjoyed by all and sundry. The daylong event started early morning at nine and lasted for almost 9 hours concluding with a prize giving ceremony. The tournament was won by ICAP with Riaz Ahmad & Co. being the Runners Up.

The tournament was limited to 8 participating teams however receiving an enthusiastic response 12 entries from various firms were registered. A draw was held a day before the tournament in the presence of Captains of all registered teams to determine the participating teams and thus the following firms unluckily could not make to the participating 'Eight Squad'.

1. Rahman Sarfraz Rahim Iqbal Rafiq
2. Ernst & Young Ford Rhodes Sidat Hyder
3. Faruq Ali & Co.
4. Haroon Zakaria & Co.

A total of seven matches were played on knock-out basis of eight (8) overs each. Independent scorer and umpires were arranged by the Sports Committee to avoid any conflict of interest. Golden Jubilee caps bearing the ICAP 50 logo were distributed to all Captains of the participating teams as a goodwill gesture by ICAP. Light refreshment was also provided to the participants and spectators.

The tournament summary is as follows:

Pool	Match/ Result
A	Riaz Ahmad & Co. Vs BDO Ebrahim & Co. Riaz Ahmad & Co. won by 39 runs.
B	KPMG Taseer Hadi Vs A F Ferguson & Co. KPMG Taseer Hadi won by 8 wickets
A	Riaz Ahmad, Saqib, Gohar & Co. Vs ICAP ICAP won by 42 runs
B	Shekha & Mufti Vs M Yousuf Adil Saleem & Co. M Yousuf Adil Saleem & Co. won by 20 runs
Semi Final	ICAP Vs KPMG Taseer Hadi ICAP won by 52 runs
Semi Final	Riaz Ahmad & Co. Vs M Yousuf Adil Saleem & Co. Riaz Ahmad & Co. won by 4 wickets
Final	ICAP Vs Riaz Ahmad & Co. ICAP won by 42 runs

Runner up Captain of Riaz Ahmad & Co
receiving the Trophy

The final match between ICAP Vs Riaz Ahmad & Co. was also witnessed by Mr. Muhammad Kamran Nasir, Partner, Riaz Ahmad & Co. who appreciated his team's efforts in reaching the finals and playing a tough match against ICAP. 'Man of the tournament' title was awarded to Riaz Nawaz of ICAP for his magnificent batting and hitting maximum sixes in the tournament. Man of the match (final) title was awarded to Shawez Ali of ICAP for his outstanding performance at the pitch and field.



Mr. Shawez Ali Man of the Match (Final)

Mr. Shoaib Ahmed, Secretary ICAP and Captain of the ICAP side appreciated the efforts of CASA members in organizing a smooth and successful event. Sports Committee comprising Asif Ali Khuuro (Core Coordinator), Tanseer Shar (Team Lead), Waqas Latif, Syed Bilal Ahmed, Hamza Hafeez supported by Faisal Zawwar (General Secretary), Zain ul Abidin Shah (Core Coordinator Executive Committee) and Arsalan Mehmood (Member Executive Committee) organized the event to give trainee students a breather and an opportunity to interact and enjoy just after their CA final examinations. Having received a response beyond expectations Team CASA plans to organize such sports events on a regular basis to promote participation of students in various healthy activities and their interaction with students from other firms to build a culture of unity and peace.

CONTINUING PROFESSIONAL DEVELOPMENT (CPD) EVENTS

Held	Seminar/Workshop	Speaker/Session Chairman	Venue
June 08, 2011	Career Counseling and Grooming Session	Shakeel Mapara Dr. Kamran Yamin	Karachi
June 10, 2011	The Federal Budget 2011-2012	Syed Masoud Ali Naqvi Ebrahim Yacoob Sidat S.M. Shabbar Zaidi	Karachi
June 10, 2011	Importance of Information System Audit	Jafar Hussain	Lahore
June 11, 2011	Post Budget Seminar 2011	Naeem Akhtar Sheikh S.M. Shabbar Zaidi Dr. Ashfaq Hasan	Islamabad
June 16, 2011	Post Budget Seminar	Naeem Akhtar Sheikh Shahid Baig	Faisalabad
June 17, 2011	Financial Instruments (IAS 32 & 39 / IFRS 7 & 9)	Kashif Adeel	Multan
June 17, 2011	Post Budget Seminar 2011-12	Naeem Akhtar Sheikh, Muhammad Awais,	Lahore
June 23, 2011	Internal Audit and Public Sector Management Effectiveness	Javed K. Siddiqui Muhammad Jamil Bhatti	Islamabad
June 24, 2011	Broadening of Tax Base	Abdul Wahid	Multan
June 24, 2011	Financial Corruption	Abdul Wahid	Multan
June 25, 2011	Financial Analysis with Microsoft Excel	Jahanzaib Ismat Malhi	Lahore
June 25, 2011	The Role of Chartered Accountants in Building Successful Organizations	Abdul Saleem	Faisalabad
June 27, 2011	Post Budget 2011-2012	Abdul Baseer	Peshawar
June 28-29, 2011	Two day Workshop on Doing Wonders with Microsoft Excel	Saad Usman	Karachi
June 29, 2011	Financial Analysis with Microsoft Excel	Jahanzaib Ismat Malhi	Faisalabad
July 20, 2011	QCR Findings	Shahid Hussain, Haroon Adeel, Hafiz Mohammad Yousaf, Rahid Rahman Mir	Lahore
July 21, 2011	QCR Findings	Shahid Hussain, Haroon Adeel, Hafiz Mohammad Yousaf, Rahid Rahman Mir	Faisalabad
July 21, 2011	Operational Risk Management	Faisal Umair	Karachi
July 22, 2011	QCR Findings	Shahid Hussain, Haroon Adeel, Hafiz Mohammad Yousaf, Rahid Rahman Mir	Islamabad