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NEWSLETTER

Governance, Transparency And Service To Members And Students

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Meeting 'N' Events

Training of Trainers for Corporate Governance Action Planning Workshop for SMEs

ICAP and International Finance Corporation (IFC) have entered into a Cooperation Agreement under which both the organizations have agreed to cooperate on delivering corporate governance training program (the "CG Program") to ICAP's small and medium practices (SMPs) using IFC MENA SMEs Governance Training Material developed by the IFC. The objective of the training is to provide CG training to SMPs to build their capacity to provide CG services to their clients.

Under the CG Program, IFC in collaboration with ICAP conducted two workshops in Karachi and Lahore on October 20-21, 2014 and October 23-24, 2014 respectively.



President ICAP Mr. Yacoob Suttar presenting memento to Mr. Ashraf G. Shenouda, Master of Trainer.



The workshop was very well appreciated by the participants. The Master Trainer of the Workshop was Mr. Ashraf G. Shenouda, a BE Certified Master Trainer and a Corporate Governance Trainer by the IFC.

As per the agreement with IFC the ICAP would replicate five similar workshops in different cities of Pakistan in which at least 100 trainees from SMPs would be trained by June 30, 2015.

Karachi



Lahore



SECP Completes Consultation Process on Limited Liability Partnership (LLP)

The Securities and Exchange Commission of Pakistan (SECP) and The Institute of Chartered Accountants Pakistan (ICAP) in collaboration with United States Agency for International Development (USAID) through its Firms Project, launched a series of consultative and advocacy sessions throughout the country to introduce the concept of Limited Liability Partnership (LLP) in Pakistan. A string of five major sessions, attended by government representatives, business leaders, members of academic institution and other stake holders, were held in Karachi, Lahore, Islamabad, Sialkot and Faisalabad between October 13 and October 23, 2014.

A committee consisting of ICAP and SECP members

has been working on Limited Liability Partnership (LLP) concept since 2008.

Corporate and financial sector experts, in their presentations explained that LLP is a form of business entity which will permit individual partners to be shielded from joint accountability created by another partner's business decision or misconduct. In short, this will fill the gap between different business firms such as sole proprietorship/ partnership and companies registered under the Companies Ordinance, 1984. It was also brought out that the growth of Pakistan's economy is contingent on the role played by its entrepreneurs as well as its technical and professional manpower. There is a dire need of an alternative to the traditional partnership and company structure, to enable professionals, entrepreneurs and SMEs to combine, organize and operate in flexible, innovative and efficient manner.



The two primary considerations for the introduction of LLPs in Pakistan are the “Risk Factor Advantage” associated with such an enterprise and the “Enhanced Global Competitive Advantage”- an LLP vehicle offered to Pakistani professionals. Further introduction of LLP would act as a step towards documentation of the economy and will convert an informal, unregistered, and unregulated sector into a formal and regulated regime.

Mr. Main Ahmad Ibrahim, Joint Director SECP, highlighted the role of the Chairman SECP, Mr. Tahir Mehmood, who has accelerated the corporate sector reform process and believes that corporates are the engines of economic growth and the Pakistani economy, with its potential and untapped strengths, generates and invites global interest both for investment opportunities as well as wealth creation. He further added that the Chairman SECP has a vision which aligns with the mission of the Government to engage the public and stakeholders in formulating legislation and policy.

Ms. Kanwal Bokhary, Senior Economic Growth Advisor USAID stated that USAID holds a long-standing commitment and interest in the economy of Pakistan and development of its financial sector.

Dr. Asif Chishti Deputy Leader USAID Firms for Business Enabling stated that Introduction of LLP will provide an alternative form of business organization, where there is flexibility of a general partnership and on the other hand all the advantages of Limited Liability Company. This will be a

major step for the small businesses to get themselves organized as incorporated entities and documentation of economy.

Mr. Shoaib Ahmad, Executive Director ICAP appreciated the efforts by SECP and affirmed their commitment to assist the SECP in future also.

Consultant SECP, Mr. Muhammad Mushraf Khan, appreciated the USAID for their commitment in making these events possible and on behalf of the Securities and Exchange Commission of Pakistan he thanked Dr. Asif Chishti and Kanwal Bokhary from USAID for their incessant assistance and contributions.

These advocacy and consultative sessions were the first step in the directions of having a LLP regime in Pakistan. These sessions were aimed to provoke critical examination of the concept paper and the Draft Bill by all stakeholders. The SECPs reason to consult was to garner views and preferences, to understand possible unintended consequences of a policy and to get views on implementation of the law. SECP believes that increasing the level of transparency and increasing engagement with interested parties improves the quality of policy making and these sessions were a step in furtherance thereof.





Excel Workshop

The Southern Regional Committee of the Institute of Chartered Accountants of Pakistan organized a 2-day workshop on "Power Excel - An Advance Excel 2010 program" on October 29 and 30, 2014 at ICAP House, Karachi.



Mr. Abdul Rab, CPD Convener SRC commenced the workshop with his opening remarks and a recitation from the Holy Quran and introduced the workshop facilitator.

Mr. Saad Usman, Head of Controlling & Company Secretary at Sanofi Pakistan conducted the workshop. His immense command over the subject and interactive style kept the participants engaged through both days of the workshop.

To conclude the evening Mr. Abdul Rab thanked the speaker and invited Mr. Arslan Khalid, Chairman SRC to give his vote of thanks and presented a memento to Mr. Saad Usman followed by distribution of certificates to the participants. The workshop was attended by 28 participants, comprising of both, members and non-members.

QCR Reports

The Quality Assurance Board (QAB) in its 59th (adjourned) meeting held on October 21, 2014 considered and approved QCR reports of five firms. The QCR conclusions of three firms were "supported by appropriate audit evidence", while QCR of two firms were concluded as "not supported by appropriate audit evidence".

However due to the significance of a shortcoming/weakness in the working paper files of a firm, the QAB in the aforesaid meeting also decided to carry out early review of the firm.

Call for Comments on Draft Revised Framework of QCR Program 2014

In order to bring improvement/ clarity and balance in the Quality Control Review Framework in line with best international practices, the Council in its 251st meeting held in March 2014 had constituted a Task Force for comprehensive review of the Revised Draft Framework 2014. Subsequently, the Council has decided to expose the draft among general membership for their comments.

The Draft Revised Framework 2014 can be downloaded from the Institute's website by clicking the following link:-

<http://www.icap.org.pk/quality-assurance/qcr-framework-revised/>

It is requested that comments:-

- (i) give reference of the specific paragraph or group of paragraphs to which they relate;
- (ii) clearly explain the issue(s); and
- (iii) provide suggestion for change along with alternative text or solution preferably giving rationale for the suggested change.

All members are requested to send their comments on the Draft Revised Framework 2014 by November 30, 2014 via email at qcr@icap.org.pk.

UK Chapter Summer Hiking Trip

ICAP UK Chapter management committee members organized a hiking trip for the members on 20 September 2014. The purpose of the trip was to commemorate the Pakistan Independence Day by the UK accountants, promote health consciousness among fellow members and their families; and provide an unforgettable opportunity for members to socialize and relax away from usual work environment.

As part of the expedition, some brave souls surmounted the highest peak in Wales and second highest in the UK 'The Mount Snowdon' towering at a height of approximately 1000 meters above sea level. The names are:

Raheel Malick

Jawwad Mahmood

Dawood Shah



Khalid Memon

Fasahat Afridi

Mohammad Shoaib Memon

Raheel Shafiq

Muhammad Kashif

Muzzammil Sabir

Abdul Razzaq Akbar

Salman Memon

Muzammil Bukhari

Shahid Anjum

Irfan Farooq

Naseebullah Khan

This was an excellent demonstration of teamwork, resilience, stamina and commitment. The participants thoroughly enjoyed the trip and praised UK Chapter Management Committee for providing such healthy and out of the box experience to the members.



Annual Dinner

The Southern Regional Committee of the Institute of Chartered Accountants of Pakistan organized the Annual Dinner for its members on October 21, 2014 at the poolside of Movenpick Hotel, Karachi. The evening provided a social networking platform for the members. The Annual Dinner was attended by wide demographics of members,

ranging from senior professionals to the recently qualified ones. The evening was graced by the presence of Mr. Yacoub Suttar, President ICAP and Syed Najmul Hussain, Vice President ICAP. The evening was thoroughly enjoyed and the Southern Regional Committee was encouraged to organize similar events in order to enhance social interaction amongst the members.



Members News

ICAP Eleventh Directors Training Program

ICAP has conducted ten Director Training Program across the country with 200 business leaders awarded the Certified Director status. The names of such directors certified by ICAP are communicated to SECP for compliance of their Code of Corporate Governance requirements and are placed at ICAP's website also. The four day certification program, is conducted in two sessions of two days each. The program broadly covers essential principles and practices of corporate governance, applicable corporate laws, business & financial management and corporate reporting.

The ICAP Eleventh Directors Training Program is planned for Multan in December 2014. The first Session is scheduled on December 11 and 12, 2014 and the Second Session on December 13 and 15, 2014 at Ramada Hotel Multan.

The fee for each session is as follows:-

ICAP and ICMAP members : Rs.60,000/=
Others : Rs.75,000/=

Due to limited seats early registration is encouraged. For further information please email ntp@icap.org.pk, zehra.hassan@icap.org.pk or call at 021-99251642

Top CPD Earners

The Institute is pleased to acknowledge following members who have earned maximum CPD hours in October 2014:

S. No.	Name and R.No.	Hrs
1.	Syed Imtiaz Abbas Hussain, FCA (1676)	176
2.	Muhammad Zeeshan, ACA (5521)	80
3.	Imran, ACA (5978)	76.5
4.	Omer Khan Ghaznavi, ACA (5066)	60
5.	Rakesh Lalwani Mehwar, ACA (7123)	51.5

Corrigendum

Mr. Saqib Nawaz, ACA (7031) Lahore earned 60 hours in the month of August 2014 as a top CPD earner. The omission is regretted.

Quick Updates

PERN2 Update

To-date total 1,453 members have registered out of which 608 members are from Northern Region, 543 members from Southern Region and 302 from Overseas Region.

To-date 4,428 students have enrolled for the PERN2 resources.

Interested Members and Students can forward their request by clicking the link of ICAP website:

<http://www.icap.org.pk/web/index.php> and <http://www.icap.org.pk/web/e-learn/login.php> respectively.

ICAP Job Portal Update

To date 1,195 members have registered on ICAP job portal out of which 511 are from Northern Region, 481 from Southern Region and 203 from Overseas Region.

Interested Members can register by clicking the link of ICAP website:

http://www.icap.org.pk/web/meb_resume.php?id=10

Members can send their HR requirements at: faheem.siddiqui@icap.org.pk which will be uploaded on ICAP career page and the same can also be published in ICAP Newsletter if required.

Membership Cards

To date total 4,748 membership cards have been dispatched out of which 1,713 are from Northern Region, 2,230 are from Southern Region and 805 Members of Overseas Region.

Members who have not yet applied for Membership Cards are requested to have the same by emailing scan copy CNIC along with photo to: membership@icap.org.pk

Video Conferencing

During October, 2014 Forty (40) Council, Committees and Department meetings were held through Video Conferencing between ICAP Karachi, Lahore, Islamabad, Faisalabad, Multan and Peshawar.

e-IFRS Access on Website

To date total of 1,828 have subscribed e-IFRS out of which 1,552 are members and 276 are students.

Interested Members & Students can also avail this facility by paying annual subscription fees of Rs. 550 at any ICAP office.

To avoid any disruption please ensure your subscription is renewed timely by payment of annual subscription fees of Rs. 550.

Welcome!

New Fellow / Associate Members

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

Fellow Members

S. No.	R. No.	Name
1.	4184	Ahmad, Muhammad Bilal
2.	4210	Ashraf, Ali
3.	4089	Khan, Ahad Bilal
4.	4240	Khan, Kamran Haider
5.	4217	Meer, Khawar
6.	3822	Salim, Amir
7.	5229	Taiyab, Muhammad

Associate Members

S. No.	R. No.	Name
1.	7922	Abidi, Syed Atif Hassan
2.	7892	Adnan, Muhammad
3.	7896	Ahmed, Khurshed
4.	7887	Ahmed, Tanveer
5.	7923	Ahsan
6.	7881	Akhtar, Muhammad
7.	7925	Akhtar, Naveed
8.	7911	Akhtar, Sania Saleem
9.	7891	Ali, Jawed
10.	7895	Anil
11.	7914	Arif, Hafiz Muhammad
12.	7915	Ateeq Ur Rehman
13.	7902	Burney, Muhammad Imran
14.	7880	Butt, Ahmed Ziad
15.	7886	Ghauri, Alina
16.	7893	Haider, Shahzeb

17.	7903	Hameed, Kashif
18.	7897	Hussain, Samad
19.	7910	Iqbal, Omer
20.	7912	Jamal Uddin, Faiz Ali
21.	7890	Khalid, Awas
22.	7889	Khan, Mohsin Ali
23.	7888	Khan, Muhammad Asad
24.	7882	Khan, Muhammad Azam
25.	7885	Khan, Waqar Jahangir
26.	7909	Kumar, Kailash
27.	7905	Kumar, Sanjev
28.	7916	Madni, Mohsin
29.	7907	Mehmood, Hamza
30.	7921	Mehrban, Hina
31.	7900	Memon, Samad Ur Rehman
32.	7919	Musharraf, Syed Huzaifah
33.	7883	Pasha, Bilal
34.	7918	Pesnani, Wafee
35.	7901	Rashid, Zain
36.	7884	Raza, Syed Muhammad Kamran Ali
37.	7920	Sadul Mubeen
38.	7878	Sarmad, Tayyaba
39.	7906	Shah, Babar Ali
40.	7879	Shahid, Muhammad Masood
41.	7917	Shahid, Wajeeha
42.	7904	Shahzeb, Raja
43.	7924	Siddique, Faisal Majeed
44.	7894	Siddique, Farhan
45.	7913	Siddique, Mudassar
46.	7898	Siddique, Zeeshan
47.	7908	Usman, Muhammad
48.	7899	Yousaf, Muhammad Ahsan

New Firms

The Institute is pleased to inform that the following CA Firms have been registered in October 2014.

S. No.	Firm Name	Location
1.	Rizwan Ahmad & Co.	Islamabad
2.	Ali Ahmad & Co.	Lahore
3.	Amjad & Co.	Islamabad
4.	Sharjeel Ayub & Co.	Karachi

OBITUARIES



Mr. Ebrahim S.H. Dahodwala was born in April 22, 1925, graduated in Commerce in 1947 from Bombay, completed his articles with M/s Ahmed B. Khan & Co. and was the first to qualify as a Chartered Accountant in 1950, then known as Registered Accountant. In 1951, he started professional practice under the name and style of M/s Ebrahim & Co. now BDO Ebrahim & Co., Chartered Accountants with which he remained associated till his demise.

His membership with the Institute started from July 1, 1961 and he became fellow member of the Institute on August 16, 1961.

Mr. Ebrahim had been associated with the affairs of the Institute since its inception in 1961 and repeatedly held position as Vice President of the Institute for various terms. In 1986 he was elected as the first President amongst the elected members of the Council of the Institute.

He remained Chairman and member of the various standing and other Committees of ICAP including Regional Committee South, C.A. Ordinance and Bye-laws Committee of the ICAP etc.

Mr. Dahodwala was also elected as the Vice President of South Asian Federation of Accountants during 1986-87 and nominated as member of International Accounting Standards Steering Committee on 'Assets & Expenses', of International Federation of Accountants Committee on 'Financial and Management Accounting' and of the Sub-Committee of Pakistan National Assembly.

He also presented several papers and commentaries in national and International forums and is particularly remembered for his editorials in 'Pakistan Accountants' of which he was Executive Editor for a number of years. He also led various delegations from Pakistan for 'CAPA Conference' held at Hong Kong, New Delhi and Melbourne.

He breathed his last on October 31, 2014. His life time dedication to the profession of Accountancy will always be remembered and praised locally and internationally. He will be missed by all of us but we will continue to feel the positive impact that he made during his illustrious 53 years of association with the Institute.

He left behind Mr. Qasim Ebrahim Causer, FCA (son), Mr. Tahir Dahodwala, FCA (brother) and Mr. Zulfikar Ali Causer, FCA (grandson).

Ch. Maqbool Ahmad, FCA was born in October 1, 1932, graduated in Commerce in 1956 from University of The Punjab.

He served as an Audit Clerk with M/s S. Rasool & Co. for the period of four years from 1956 to 1961. He passed the C. A. Final Examination in 1964 and became the Associate member of the Institute on August 20, 1964 and then Fellow member on July 25, 1975.

He served as a Project Accountant in WAPDA and also served as a Chief Accountants in Pakistan Paper Corporation Ltd. In 1969 he joined Kohat Textile Mills Limited, Peshawar where he holds various senior positions and left as General Manager (F).

He was associated with Saif Textile Mills Ltd., Peshawar as Director .

He breathed his last on October 8, 2014. He left behind his son Mr. Amer Javed Ahmad, FCA who is also a member of the Institute

Technical Update

Unit of account for investments in subsidiaries, joint ventures and associates

The International Accounting Standards Board (IASB) has published an Exposure Draft (ED/2014/4) *Measuring Quoted Investments in Subsidiaries, Joint Ventures and Associates at Fair Value (Proposed amendments to IFRS 10, IFRS 12, IAS 27, IAS 28 and IAS 36 and Illustrative Examples for IFRS 13)*. Comments are requested by 16 January 2015. The proposed amendments confirm that the unit of account for investments in subsidiaries, joint ventures and associates is the investment as a whole, but that the fair value measurement of quoted investments in subsidiaries, joint ventures and associates should be the product of the quoted price multiplied by the quantity of financial instruments held, without adjustments. Following amendments are proposed:

- ▶ **IFRS 10 Consolidated Financial Statements.** The amendments would specify that when an investment entity has an investment in a subsidiary that is quoted in an active market, its fair value shall be the product of the quoted price multiplied by the quantity of the financial instruments that make up the investment without adjustment.
- ▶ **IFRS 12 Disclosure of Interests in Other Entities.** The amendments would define that the fair value of an investment in a joint venture or associate that is quoted in an active market shall be the product of the quoted price multiplied by the quantity of the financial instruments that make up the investment without adjustment.
- ▶ **IAS 27 Separate Financial Statements.** The amendments would clarify that when an entity accounts for its investments in subsidiaries, joint ventures and associates at fair value and those investments are quoted in an active market, their fair value shall be the product of the quoted price multiplied by the quantity of the financial instruments that make up the investments without adjustment.

- ▶ **IAS 28 Investments in Associates and Joint Ventures.** The amendments would state that when an entity measures its investments in associates or joint ventures at fair value and those investments are quoted in an active market, their fair value shall be the product of the quoted price multiplied by the quantity of the financial instruments that make up the investments without adjustment.
- ▶ **IAS 36 Impairment of Assets.** The amendments concern CGUs where the recoverable amount is determined on the basis of fair value less costs of disposal. They clarify that when the CGU is an investment in a subsidiary, joint venture or associate that is quoted in an active market, its fair value shall be the product of the quoted price multiplied by the quantity of the financial instruments that make up the investments without adjustment.
- ▶ **IFRS 13 Fair Value Measurement.** The amendments consist of an illustrative example showing the application of the exception in paragraph IFRS 13.48 to a group of financial assets and financial liabilities whose market risks are substantially the same and whose fair value measurement is categorised within Level 1 of the fair value hierarchy.

Final guide on supplementary financial measures

The Professional Accountants in Business Committee (PAIB) of the International Federation of Accountants (IFAC) has released the final version of its 'International Good Practice Guidance, Developing and Reporting Supplementary Financial Measures'. The guide provides recommendations for the use of supplementary financial measures as part of high-quality financial reporting in organisations.

The guide builds on the qualitative characteristics of useful financial reporting and recommends that supplementary financial measures should be relevant, complete, neutral, transparent, understandable and verifiable, comparable, and timely. Additionally, the guide recommends that companies should consider obtaining internal or external assurance on their supplementary financial information voluntarily where obtaining assurance on these is not mandated.

Students Section

Career Education Fair 2014 at Learning Alliance

The Learning Alliance Career and Education Expo 2014 was held at Learning Alliance (Defense Branch) on September 20, 2014. A large number of A-level students along with their parents showed astounding interest and enthusiasm regarding CA. The institute's marketing and communication team provided various aspects of information regarding the admission routes to CA qualification, exemptions, fee structure, our registered academies that provide coaching and tuitions (RAETS) to the prospective students. The young students were very excited to know about the career prospects of this qualification.

CASA News

Open Forum Session

As a step towards bridging the gap between the student body and the examination board CASA organized with the support of the Southern Regional Committee of ICAP, an Open Forum Session for the students to have an interactive session with the senior officials of ICAP on September 20, 2014 at the ICAP House.

The primary objective was to clear the perceptions about the examinations and marking scheme.

The Open Forum was attended by a large number of students who were present to get clarity on the examinations and how to succeed in them.

The panelists were Mr. Masood Akhtar, Executive Director, Mr. Omair Jamal, Director Education and Training, Mr. Najmul Hussain, Vice President South, ICAP. The Southern Regional Committee was represented by Mr. Abdul Rab, Chairman CASA and Mr. Zulfikar Akhtar, Member SRC. The queries of students were answered in great detail.

The program started off with a welcome note from Mr. Abdul Rab followed by the presentation of Mr. Omair Jamal where he explained the mechanics of the new education scheme thoroughly. The presentation was followed by a Q&A Session where students raised various queries. The last segment included 3 Gold Medalists, Mr. Hassan Hamid, Ms. Aiman & Ms. Mariam who shared their experiences and exam techniques they adopted.

The event was followed with hi-tea. The event being the first of its kind was very much appreciated and definitely set a precedent for the times to come to nurture a stronger relationship between the students and institute.



Laughter is the best Medicine!

Another event by CASA proved to be a success by being a means of great laughter and fun for all.

A theatre play titled “**Sangsaar**” a Green Veins Production was recently organized by the Social Events Management Committee of the Chartered Accountants Students Association (CASA-South) at the ICAP Auditorium, Karachi. This was a pioneering initiative by the management committee with the objective of promoting social activity for the CA Student fraternity.

Mr. Abdul Rab, Mr. Zulfikar Akhtar, Mr. Arslan Khalid and Mr. Junaid Shekha from the Southern Regional Committee and Syed Najmul Hussain, Council Member attended the event.

Green Veins Production was recently awarded the 1st Rank for this play at the Karachi Youth Festival (Theatre Category) held at the Arts Council of Pakistan.

The event commenced with Hi-tea followed by the theatre performance. The play depicted various situations depicting the VIP culture in the Pakistani society and how the media and law enforcing bodies such as the police responded to it.

It depicted how the media makes a mountain out of a mole hill and how the police is involved in bribery and corruption. The play was full of surprises and extracts of songs nicely incorporated in the script appropriately. The performance was worth admiration. It was undoubtedly, a true blend of both humor and satire which kept the viewers engaged throughout the play.

The play ended by a vote of thanks by Khyzar Danish of CASA. The feedback received was extremely encouraging and CASA plans to organize similar events in the future.

