

The Institute of Chartered Accountants of Pakistan



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Volume 41 Issue 10 | October 2018



Governance, Transparency and Service to Members and Students

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# 🚢 meets & events

# - FRED FORUM 2018



he inaugural of Financial Reform for Economic Development (FRED) Forum 2018 was held on September 23, 2018 an evening which showcased Pakistan as the perfect destination for trade, investment and tourism. Abdul Malik, COO/secretary of The Institute of Chartered Accountants of Pakistan (ICAP) welcomed the guests and presented the curtain raiser of FRED Forum 2018. Then Abdul Aleem, secretary general Overseas Investors Chamber of Commerce and Industry (OICCI), briefed on Pakistan's economic profile and investment landscape. James Brumby, Governance director World Bank, thanked both the Professional Accounting Organisations (PAOs) ICAP and Institute of Cost and Management Accountants of Pakistan (ICMAP) for organising the third FRED on a topic pertinent to global economic development. The chief guest Dr. Farogh Nasim, minister of Law and Justice, spoke about the need for more transparency and the needed tax reforms as the essentials for economic development. The inaugural ended with a cultural and folk performance that entertained the foreign guests and audience with Pakistani traditions.

ICAP and ICMAP jointly organised the third FRED Forum on September 24, 2018 at Marriott, Karachi.

FRED Forum started as a joint initiative of the World Bank and the Confederation of Asian and Pacific Accountants (CAPA), under the support and endorsement of International Federation of Accountants

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#### The Institute of Chartered Accountants of Pakistan



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(IFAC). The partnership has subsequently embraced the South Asian Federation of Accountants (SAFA) and ASEAN Federation of Accountants (AFA) in order to deliver FRED throughout the region. The first and second FRED were held in Sri Lanka and Malaysia, respectively.

The theme of the FRED Forum 2018 was Maximising Private Sector Finance Solutions and for Development, Role of the Accountancy Profession. The forum was a continuation of FRED II, which probed into ways of strengthening public financial management, as an essential pillar to create conditions conducive to the flow of private capital, domestic and foreign, into productive investments and to reduce illicit financial flows.

FRED 2018 showcased eminent speakers from IFAC, CAPA, SAFA, World Bank, India, Malaysia, Nepal, Pakistan, Philippines, Sri Lanka and Vietnam.

FRED Forum 2018 explored how the accountancy profession is gearing up to meet the new demands of the augmented role of the private sector in providing finance and solutions for development. Four plenary sessions were held: Fostering an Enabling Environment - Private Sector Investments for Development, Gearing for the Future – New Skills for the Profession, Building Investor Trust through Effective Public Sector Institutions - Impact on the Accountancy Profession, and Regional Priorities FRED a forum for growth.

In the opening address, Manoj Fandis, president CAPA, said that "CAPA looks forward to a stronger, sustainable accountancy profession that will remain relevant and is future ready - a vision that we all can contribute towards."

In his opening remarks, president ICAP Riaz A. Rehman **Chamdia** highlighted the importance of accountancy profession for development of the economy resource mobilisation and building of investor confidence. He emphasised that there is a need for professionals to extend technical support in Private Public Partnerships (PPP) projects as PPPs have wide development scope and are a tool of this genre.

Zia ul Mustafa, president ICMAP, said that ICMA Pakistan was playing an important role in motivating investors to make informed decision by providing them feasibility studies and educating them through knowledge tools.

James Brumby in his keynote address explained the importance of maximising private sector finance for development and its relevance for sustainable and economic growth. He shared the global experiences of Bank's projects supporting this agenda and its impact on a nation's economy. The session suggested tangible steps to strengthen enabling environment for enhanced private sector involvement in development finance and how the accountancy profession can play a supporting role for the public and private sector to work in partnership while safeguarding public interest.

In her address, chief guest Dr. Shamshad Akhtar, former caretaker Finance minister and governor State Bank of Pakistan, highlighted that a draft for the reforms of Pakistan's capital market was prepared during the caretaker set up and the authorities are now finalising it for introducing broad reforms in the capital market to make it vibrant. She emphasised on the significance of sound ethical principles and transparency in auditing practices for ensuring stability of the corporate financial system. Shamshad Akhtar stressed on enhancing efficiency of country's tax system saying the existing potential is less than half of what the country is collecting.



"The country can easily increase the current tax to GDP ratio to 22-23 percent. The steps must be taken to reduce the avoidance of taxes".

Speaking at the plenary session, **Dr. Cao Da Khao**, director Capital Management department Electricity of Vietnam, **Moonis Alvi**, CEO K-Electric, **Moazzam Ahmed**, senior country officer IFC Pakistan and **Irshad Kaleemi**, deputy AGP Pakistan highlighted the turnaround of their respective departments achieved over the years through reforms and good practices. They unanimously called for consistent government policies and one tier of regulations at all level.

Yacoob Suttar, IFAC Board member, Arjuna Herath, chair Professional Accounting Organisation Development Committee IFAC, Dr. PVS Jagan Mohan Rao, vice president SAFA, Hajerah Ahsan Saleem, head Investment Infrastructure Development & Corporate Affairs, Crescent Steel & Allied Products Limited, Francis Cvril, ASEAN manager International Integrated Reporting Council/partner Audit & Assurance BDO Kuala Lumpur and Saad Kaliya, System & Process Assurance partner A. F. Ferguson & Co. discussed the role of the accountants as a facilitator for effective implementation of PPPs. They emphasised inculcating diverse skills in IT, project management, financial advisory and integrated reporting which are essential for professional development and effective use of analytical tools.

The panellist **Akmal Minallah**, senior financial management specialist World Bank, **Jeffrey I. Manalo**, director PPP Centre Philippines, **Abdul Khalil**, CFO Lahore Knowledge Park Co., **Dr. Waqar Masood Khan**, former federal secretary Finance Division of Pakistan, **Khalid Rahman**, former MD Pakistan Petroleum Limited & Sui Southern Gas Company Limited and **Ather Saleem Ch.**, head of Compliance and Taxation Fauji Fertilizer Bin Qasim Ltd. discussed the challenges that the private sector may face while investing in public sector through PPPs. They discussed the good regulatory practices, governance and accountability frameworks for PPP, the impact/implications of such regulations and processes on the country's'legal framework, reporting and auditing arrangements/practices.

In the final session, **Ismaila B. Ceesay**, practice manager Governance Global Practice, World Bank, **Dr. Suvod Kumar Karn**, SAFA president, **Rasmimi Binti Ramli**, deputy executive director Professional Practices and Technical Malaysian Institute of Accountants, ICAP and ICMAP presidents deliberated on priorities of the regional accountancy associations in enhancing the accountancy profession and described the role of FRED as a forum for growth.

**Riaz A. Rehman Chamdia** concluded the Conference by thanking the World Bank, SAFA, CAPA and other foreign delegates.



# **Glimpses of FRED Forum 2018, Karachi**















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# **ICAP Host SAFA Board and Assembly Meetings**



he Institute of Chartered Accountants of Pakistan (ICAP) hosted the South Asian Federation of Accountants (SAFA) 54th Board, 88th Assembly and Committee meetings at Marriot Hotel, Karachi on September 25, 2018. Representatives of accountancy bodies including India, Bangladesh, Sri Lanka and Nepal attended the SAFA Board, Assembly and the following committee meetings: Auditing Standards and Quality Control, Governmental and Public Sector Enterprises Accounting, Education, Training & CPD, and Women Leadership. The Board further approved and nominated various agenda items which were discussed during the meeting.

# **SAFA Women Leadership Committee**



**S** outh Asian Federation of Accountants (SAFA), which is an apex body of South Asian Association for Regional Cooperation (SAARC), in its Board meeting held on May 11, 2018, in Kathmandu, Nepal constituted a SAFA Women Leadership Committee, on the recommendation of the ICAP's CA Women's Committee.

The first ever meeting of SAFA Women Leadership Committee was held on September 25, 2018 in Karachi. The meeting was attended by members of the Committee namely CA. K Sripiya (chairperson), Parveen Mahmud (vice chairperson), Hina Usmani (chairperson CA Women's Committee), Mariam Khawar Butt (ICMAP), RA. Meera Shrestha (ICAN) and Aruni Rajakarier (CA Sri Lanka). It was also attended by the SAFA office bearers including Dr. Suvod Kumar Karn (president SAFA) and Dr. P.V.S. Jagan Mohan Rao (vice president SAFA) as well as president ICAB, Dewan Nurul Islam, who attended the meeting to show their support for the Committee.

The Committee discussed policies and initiatives for development of women members in the SAARC region. Later, the CA Women Committee members in Karachi met the SAFA Board and appreciated their support for women leadership committee. During the meeting of SAFA Board, they invited Hina Usmani to make a presentation on terms of reference and future action plans of the newly constituted Committee. The Board appreciated the presentation and pledged its full support in achieving the Committee's goals and objectives.

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A ground breaking ceremony was conducted at The Institute of Chartered Accountants of Pakistan (ICAP) on October 9, 2018 which was graced by the president ICAP Riaz A. Rahman Chamdia, Council members and ICAP executives to formally unveil the Karachi office revamping project.

The project entails transformation of Head office building facade and conversion of ground floor (new building) into state of the art CA Club house for members. It also includes shifting of existing VC Room from ground floor to first floor while creating extra office space to meet the current needs and to cater for future growth.

# –Discussion Session with CFOs on the Revised BCR Criteria –



The Evaluation Committee, a joint sub-committee of The Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost and Management Accountants of Pakistan (ICMAP) organised a discussion session on the **Revised BCR Criteria with CFOs**, on September 29, 2018 at ICAP House, Karachi. It was attended by around 80 CFOs and fund managers.

CA Newsletter

Naveed Abdul Hameed, manager Procurement Pakistan International Container Terminal Limited, made a comprehensive presentation on 'How it differs from <IR> and Sustainability Reporting.' He explained how the Revised Criteria would pave way transforming the traditional corporate reporting into the Integrated Reporting <IR>.

Abdul Rahim Suriya, chairman Evaluation Committee, a joint sub-committee of ICAP and ICMAP, in his presentation covered the key changes made in the revised Criteria of 2018 and the evolution of the Evaluation Criteria over the period of 18 years since the launch of Best Corporate Report (BCR) Awards in 2000. The main objective is to promote corporate accountability and transparency through the publication of timely, factual and reader friendly information. He said that the criteria focuses on the content element (Disclosures) as the starting point for encouraging companies to understand and adopt Integrated Reporting. Further, for two other elements of <IR> i.e. Guiding Principles and Fundamental Concepts, he informed that these would be addressed by adding

a narrative guidance as a supplement to the Criteria and the objective evaluation would be covered through independent assurance.

The Criteria for BCR has been derived from:

- Content Elements' of the <IR> Framework.
- IASB's Practice Statement Management Commentary.
- ISA 720, 'The Auditor's Responsibilities Relating to Other Information.'
- Best practices around the world for corporate reporting.
- Specific disclosure requirements of local laws and regulations.

The contents of the BCR Criteria consists of:

1. Organisational overview and external environment, 2. Strategy and resource allocation, 3. Risks and opportunities, 4. Governance, 5. Performance and position, 6. Outlook, 7. Stakeholders relationship and engagement, 8. Specific disclosure of the financial statements, 9. Sustainability and corporate social responsibility, 10. Business model, 11. Striving for excellence in corporate reporting and 12. Assessment based on qualitative factors.

Further, he highlighted some key additions in the Criteria, as follows:

- Qualitative assessment of annual reports.
- Timeliness for authorisation is increased now from 30 days to 40 days.
- Unreserved compliance of IFRS.

- Summary of the Analyst briefing.
- Analysis of financial statements to cover ratios for Free Cash Flow, Economic Value Added (EVA) and Break-up value of shares including Investment in Related Party at fair/market value.
- Specific disclosures required by the Companies Act 2017 such as Review Report by the chairman of the Board and some additional disclosures in the Directors' Report vis-a-vis Related Party Transactions and other disclosures as per the Fourth Schedule.

He emphasised that not only listed companies but also Non-Listed Public Interest Companies including Mutual Funds, Public Sector Companies and other Large Size Companies including NPOs should participate for transparency. It is noted that, unfortunately, only one NPO participates i.e. The Citizens Foundation (TCF) for BCR award. Pakistan is a generous country and NPOs usually receive most of the amounts on account of Zakat where transparency is very much desired.

Muhammad Farid Alam, session chairman, sumed up the discussions followed by a Q&A session. Responding to a question, he explained that the Criteria does not require disclosure of confidential information, rather, it encourages companies to narrate substance of its achievements and sustainability of the company in the future for the benefit of its stakeholders.

In the end, BCR Committee member, Intisar Usmani presented the vote of thanks.

# Seminar on Limited Liability Partnership



The concept of **Limited Liability Partnership (LLP)** had been under discussion for the past many years. Recently, this form of business has become available for registration in Pakistan after enactment of Limited Liability Partnership Act 2017 and Limited Liability Regulations 2018. Limited Liability Partnership (LLP) offers a corporate structure that combines flexibility of general partnerships with the advantages of limited liability of a company. Internationally, LLPs are preferred form of a business vehicle for services industry particularly services involving professionals.

Keeping in view the significance of the topic for the members in practice as well as in industry, The Institute of Chartered Accountants of Pakistan (ICAP) Continuing Professional Development (CPD) Committee Islamabad/ Rawalpindi, in collaboration with Securities & Exchange Commission of Pakistan (SECP) Company Registration Office (CRO) Islamabad arranged the seminar on August 17, 2018 at ICAP Auditorium, Islamabad.

The session started with a welcome note by JehanZeb Amin, secretary Northern Regional Committee (NRC) and chairman CPD Committee Islamabad/Rawalpindi. The seminar was chaired by Rashid Ibrahim, senior member of ICAP while the seminar speaker was Shahzad Afzal Khan, a fellow member of Institute of Cost and Management Accountants of Pakistan (ICMAP). Khan has a Masters degree in Economics from Punjab University and has over 19 years of experience in the fields of accounting, finance and corporate law. He represents SECP as a member on Quality Assurance Board (QAB) and Cost Accounting Standard Board (CASB) of ICMAP. He is currently working for SECP as additional registrar, incharge CRO Islamabad. Khan delivered an interactive presentation and explained the salient features of Limited Liability Partnership Act 2017, Limited Liability Partnership Regulations 2018, Registration of LLP, Partner Partnership and their relations and compromise, Arrangement or Reconstruction of LLP.

The session chairman Rashid Ibrahim delivered the vote of thanks. Oliver Peter Pervaiz, senior ICAP member, presented mementos to speaker and session chairman. The seminar was followed by hi-tea.

# Seminar on Trends in Audit Oversight

The professional accountants are witnessing continuously emerging changes in Audit requirements across the globe including issuance of Auditors (Reporting Obligation) Regulations 2018 in Pakistan. Accordingly, there is a strong need to develop an understanding of the emerging trends in Audit Oversight as well. Keeping in view the relevance of the matter, The Institute of Chartered Accountants of Pakistan (ICAP) Continuing Professional Development (CPD) Committee Islamabad/Rawalpindi organised a



seminar on **Trends in Audit Oversight** on August 30, 2018 at ICAP Auditorium, Islamabad.



The session started with a welcome note by JehanZeb Amin, secretary Northern Regional Committee (NRC) and chairman CPD Committee Islamabad/Rawalpindi. The chief guest was Usman Hayat, chief executive officer Audit Oversight Board (AOB). The speaker was Jarett Decker, a USA Certified Public Accountant (CPA), lawyer and head of World Bank Centre for Financial Reporting Reform (CFRR) in Vienna, Austria who has also served the Public Company Accounting Oversight Board (PCAOB).

At the CFRR, Decker leads a team of experts providing technical assistance to reform financial reporting in transitional, middle-income, and emerging market economies. Clients include finance ministries, central banks, securities regulators, public oversight boards, professional accountancy organisations, and universities. Before joining World Bank, Decker was deputy director and chief trial counsel for Public Company Accounting Oversight Board (PCAOB), which regulates auditors of USA listed companies. As the first person to serve in this role, he established and led the PCAOB's program of disciplinary litigation. He has also served as senior trial counsel for USA Securities and Exchange Commission (SEC).

The presentation was interactive, and Decker explained the international trends in audit regulation, basic functions of public oversight, sources of funding, roles of advisory committees and challenges of new technologies in audit. He also emphasised the need for capacity building of all stakeholders including professional bodies so that they may add value to their members and strengthen the profession. He also observed that in certain territories, audit fee is low and this could affect the quality of audit.

At the closing ceremony, Shibli Islam Rehan, senior ICAP member, presented mementos to speaker and chief guest. The seminar was also broadcasted live at ICAP Peshawar and was followed by hi-tea at Islamabad and Peshawar.

### **Meet Your Representatives**



The Institute of Chartered Accountants of Pakistan (ICAP) organised **Meet Your Representatives** session on August 27 and 31, 2018 at ICAP Faisalabad and Islamabad respectively. The objective of these sessions was to provide an opportunity to members to interact with their elected representatives for a better understanding of the functioning of ICAP and various initiatives taken by it for the improvement of the profession, members and students. Through these platforms, members expressed their views on various matters of importance.

The sessions were chaired by Jafar Husain, VP-North ICAP along with Council members Iftikhar Taj, Muhammad Awais, Ali Latif, Rana Usman Khan and Asad Feroze, chairman Northern Regional Committee (NRC). Jafar Husain briefed the members about the milestones achieved and in process in areas including amendments in CA Ordinance, CA syllabus, examinations, The Pakistan Accountant, information technology, global mobility, employment drive, SMP and brand marketing.

The sessions were highly interactive and members appreciated the efforts of the Council and also identified the areas where more improvement and focus are needed.

# Workshop on CEO - Chief Energy Officer



The Institute of Chartered Accountants of Pakistan (ICAP) Southern Regional Committee (SRC) organised a workshop on **CEO** – **Chief Energy Officer** on August 30, 2018 at Movenpick hotel, Karachi. The trainer for the workshop was Ali Syed, consultant and trainer Carnelian. The workshop was

highly engaging with various case studies shared for channelling the energy to be productive at work. Various activities were conducted during the workshop to engage the participants.



There were 15 participants, including members and non-members from various organisations. Towards the end of the workshop, certificates were distributed to participants and a memento was presented to Ali Syed as a gesture of appreciation.

# Seminar on Combined Name Reservation





The Institute of Chartered Accountants of Pakistan (ICAP) Southern Regional Committee (SRC) organised a seminar on **Combined Name Reservation, Incorporation Process & Incorporation of LLP's** in collaboration with Securities & Exchange Commission of Pakistan (SECP) on August 16, 2018 at ICAP House, Karachi. The seminar was attended by 50 participants, including members and non-members.

After the opening remarks, the first guest speaker Muhammad Naeem Khan, additional registrar/incharge SECP, was invited on stage to share his views on the new regulations of SECP. Then, Kashif Mahmood, additional joint registrar SECP, was invited on stage to give his presentation. He shared with the participants a crisp and comprehensive presentation which leads to many questions.

To conclude the seminar, mementos were presented to the speakers by Zaid Kaliya, director Finance Shield Corporation. The seminar was followed by hi-tea.

The Institute of Chartered Accountants of Pakistan



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Publications Department

The Institute of Chartered Accountants of Pakistan

### **UAE Chapter of ICAP Members CPD Event**



UAE Chapter of ICAP members invited president The Institute of Chartered Accountants of Pakistan (ICAP) Riaz A. Rehman Chamdia over a Continuing Professional Development (CPD) and networking event for chapter members on September 29, 2018 at Marriott Hotel, Al Jaddaf, Dubai. The theme of the event was 'New Beginnings' which highlighted the need for ICAP members to appreciate leadership and realise the connection between leadership and new beginnings. The event was attended by over 150 qualified chartered accountants living in UAE.

There were activities to break the ice followed by talks of Emirati motivational speakers: Lt. Col. Mohammed Murad, who served the Dubai Police for 20 years before retiring and becoming an entrepreneur, said: "Three things I believe that will help you commence and sustain your 'new beginnings' on the right note are passion, practice and perseverance. Teamwork is important. We may not like the person we are working with, but we must focus on the common goal. It is important to find commonalities and surpass our differences."

Fatima Alloghani, HR professional and public speaker who currently heads the expo 2020 HR team, started the speech with her personal story and enlightened people on how building their skills will not only make one feel stronger but would also change the way people look at you.

Later, ICAP members as well as all guests were briefed by Asma Jan. Muhammad, chairman UAE Chapter of ICAP members, about Chapter's vision and plans for the coming years. She also introduced and explained the roles of other members of the Managing Committee of UAE Chapter that comprises Azhar Iqbal, Syed Asif Zaman, Yasir Gadit and Irfan Sheikh. Her speech was followed by the address from Riaz A. Rehman who spoke about Overseas Chapters of ICAP members and their importance in supporting CA Pakistan profession worldwide. Riaz A. Rehman appreciated the event organised by UAE Chapter Managing Committee focusing on the soft-skills of ICAP members. He also spoke about measures being taken by ICAP to help CA Pakistan recognition by international bodies as well as steps being taken by ICAP to improve the quality of practice by small and medium practicing firms, continuous improvement of curriculum and examination review as well as professional regulations governing CA Pakistan profession. Riaz Chamdia also distributed trophies to all the speakers.

The guest speakers were H. E. Moazzam Ahmed Khan, Pakistan ambassador to UAE and Dr. Faisal Ikram, president Pakistan Association Dubai (PAD). Islamic Arab Insurance Inc. (Salama) was the exclusive sponsor of this event. All the speakers were awarded shields by ICAP president. Asma Jan Muhammad thanked president ICAP and presented a memento on behalf of UAE Chapter. The event concluded over a sumptuous dinner.

#### The Institute of Chartered Accountants of Pakistan



# **Annual Dinner and Ghazal Night**



The Institute of Chartered Accountants of Pakistan (ICAP) Southern Regional Committee (SRC) organised the **Annual Dinner** and **Ghazal Night** on September 1, 2018 at the Movenpick hotel, Karachi.

The annual dinner has been a part of the tradition of the SRC, however, the ghazal segment was introduced for the first time particularly to cater to those members who appreciate fine arts. With around 600 guests in attendance, the evening commenced with networking during which hors d'oeuvres were served. Dinner was served before the key segment of the evening. Abdul Rab, Continuing Professional Development (CPD) convenor SRC, welcomed the guests and introduced the performer, the renowned Ustad Hamid Ali Khan. The soulful act was spread over two and a half hours in which he performed various popular and classical melodies. The evening ended with the famous national song, 'Ae watan pak watan.' To formally conclude the evening, Adnan Rizvi, chairman SRC, gave the vote of thanks and presented a memento along with other SRC members to Ustad Hamid Ali Khan as a gesture of appreciation which was followed by a brief photography session with the artist by the guests.





# CPD Seminar Held in Faisalabad



A seminar was organised by Northern Regional Committee (NRC) of The Institute of Chartered Accountants of Pakistan (ICAP) on **Implications** of Blockchain in World of Finance on August, 31 2018 at Royalton hotel, Faisalabad. Around 35 participants including ICAP members, students and other professionals attended the event. The seminar commenced with a recitation from the Holy Quran and opening remarks by Ahmad Jabbar, chairman Continuing Professional Development (CPD) Committee Faisalabad. Afterward, the presenter Muhammad Salman Anjum, Blockpreneur, ICO strategist, PwC trainer, speaker and moderator, delivered presentations on implications of blockchain in the world of finance. The Q&A session and discussion with the audience was highly interactive.

Junaid Subhani, senior member from Faisalabad, gave a vote of thanks and presented memento to the speaker as a gesture of appreciation. The seminar followed by dinner.

# Meet Managing Committee of Canada Chapter



Canada Chapter of Institute of Chartered Accountants of Pakistan (ICAP) members organised a session for its members to meet the managing committee on September 15, 2018 at the Huron Park Community Centre, Mississauga, Ontario. Members from Greater Toronto Area and other cities attended the session. For the members living in other cities of Canada, the event was broadcasted live through webcast.

The session started with a recitation from the Holy Quran by a senior member, Qasim Abbas. The chairman of Canada Chapter, Rauf Ali Jan, welcomed all the in-person and online participants and outlined the chapter's role about professional activities for the members of Canada.



ICAP is a prominent and large professional organisation of Pakistan, having over 7500 members out of which around 2000 members are situated globally. In Canada, there are around 300 ICAP members.

The chairman, Rauf Ali Jan; vice chairman, Mohammad Nadeem; secretary, Urooj Fatima Vohra; head of Financial Affairs, Farrukh Anwar and joint secretary,

# CA Newsletter

Shamshad Husain also spoke on the occasion about the role of Canada Chapter and provided details of ICAP's collaboration and communication with Canada's professional accounting bodies and other international professional organisations.

The main discussed areas were the recognition of ICAP designation in Canada and continued efforts to promote it; efforts to engage members in Canada, particularly through Continuing Professional Development (CPD) and other networking events, including assistance provided to new immigrants in Canada in settling in the country; and arrangement of examination centre in Canada for Pakistani ICAP students pursuing chartered accountancy in Canada and the United States.

Members asked questions from the chairman and managing committee members concerning the issues of members in Canada and members at large. To conclude, the chairman and managing committee members thanked all the members for their presence at the event and members thanked the Chapter for giving an opportunity for this meeting. Lunch was followed at the end.

# Launch of UAE Chapter Bulletin



The Communication sub-committee of the Managing Committee (MC) of UAE Chapter of ICAP members has proudly taken an initiative by presenting the first issue of its periodical bulletin named **Spotlight**. The September 2018 bulletin aims at keeping Chapter members informed and engaged with the Chapter and Managing Committee efforts.

The first issue of Spotlight includes highlights of MC meetings, events arranged for connecting members, announcement about new initiatives and upcoming events, keynote from a veteran member, financial summary of sources and expenses of UAE Chapter funds. An update on a noble Pakistani community initiative 'Own a Brick' undertaken by Pakistan Association Dubai (PAD) in UAE was also part of the bulletin. The initiative was well-received by the UAE Chapter members.

# UK Chapter of ICAP Members Networking Dinner



UK Chapter of ICAP members organised a networking dinner on September 20, 2018 in Knightsbridge, London. Ashfaq Yousuf Tola, Council member The Institute of Chartered Accountants of Pakistan (ICAP) and a leading figure on tax and fiscal matters in Pakistan, was the guest speaker.

Mohammad Shoaib Memon, chairman UK Chapter of ICAP members, welcomed the guests and apprised them on the UK Chapter and its activities. This was followed by a presentation by Tola on State of Pakistan's Economy and Non-residents' Taxation in Pakistan.

Tola briefed the audience on Pakistan's key macroeconomic indicators for the last five years, including the foreign reserves position, GDP growth, debt, and deficit levels. The discussion touched on the political, social and various other contributors to the economic instability. He also discussed about Pakistan's continuous challenges in increasing its tax base and revenues and the potential ways to overcome them. Tola expressed his confidence in the current China Pakistan Economic Corridor (CPEC) projects and their potential to enhance the GDP growth rate to 9% from the current 5-6% levels.

The role of overseas Pakistanis was also deliberated, including how their investments and remittances can assist the economic situation of Pakistan. Tola identified various sectors in Pakistan offering excellent returns for the overseas community. The discussion then followed on to various misnomers associated with non-residents' taxation in Pakistan. He explained in detail the framework applicable to nonresidents, their tax related obligations and clarified the position.

The attendees asked some pertinent questions on the weakness of various state institutions in undertaking mass scale reforms and improve governance and accountability. Tola shared his views being part of various government committees and the challenges faced. The guests expressed their desire to see Pakistan as a progressive and stable country and vowed to play their part in achieving that as overseas Pakistanis.

Sajid Mehmood Raja, commercial counsellor Pakistan High Commission, also expressed his pleasure in attending events organised by the Chapter and the interactions with the community.

The participants included ICAP members and members of other professional bodies, lawyers, entrepreneurs and other professionals. The attendees appreciated the thought provoking conversations held at the events organised by the UK Chapter.

# ICAP Directors' Training Program

The Institute of Chartered Accountants of Pakistan (ICAP) successfully conducted 37th Directors' Training Program (DTP) in September in Lahore. The trainers included Abdul Rahim Suriya, partner Suriya Nauman Rehan & Co.; Kamran Azim, chief operating officer Kashf Foundation, Usman Tahir Farooqi, director Advisory Services Grant Thornton Pakistan, ICAP Council members including Rana Usman Khan, partner Deloitte Yousuf Adil, Iftikhar Taj, chief financial officer United Snacks, Muhammad Awais, partner Tax EY Fordes Rhodes, and Huma Pasha, a professional trainer with over 20 years of experience in carrying out seminars and conferences at ICAP, Pakistan Institute of Corporate Governance (PICG), Institute of Internal Auditors (IIA) and Information Systems Audit and Control Association (ISACA).

Since the launch in 2013, ICAP has conducted 38 programs with 650 plus business leaders certified in Karachi, Lahore, Islamabad and Faisalabad. The names of the certified directors are shared with the Pakistan Stock Exchange (PSX), SECP and SECP appointed data bank collection institute to enable the companies to select the independent directors.

DTP is directly linked with the Listed Companies (Code of Corporate Governance) Regulations. ICAP's DTP provides every participant with diversified exposure and experience to compete in the corporate world as well as add benefit to their organisations through efficient and effective decision making. The four-day certification program is conducted in two sessions of two days each.

ICAP also offers client specific DTP exclusively for companies that want to conduct in-house DTP for their board of directors.

For further details, please contact Yaqoob Baloch at 111-000-422 Ext. 330 or email at dtp@icap.org.pk or zehra.hassan@icap.org.pk visit ICAP website www.icap. org.pk/dtp. Members can also find the Facebook page @directorstrainingprogram and Linkedin group ICAP Certified Directors.

# ICAP Directors' Training Program for Kohinoor Group, Lahore

The Institute of Chartered Accountants of Pakistan (ICAP) also offers client specific Directors' Training Program (DTP) exclusively for companies that want to conduct in-house DTP for their board of directors. A similar program was held successfully for the Kohinoor Group in Lahore during September. The trainers of the 38th ICAP DTP included Kamran Azim, chief operating officer Kashf Foundation, Usman Tahir Farooqi, director Advisory Services Grant Thornton Pakistan, Sagib Riaz, chief financial officer Etihad Power Generation Ltd., ICAP Council members including Rana Usman Khan, partner Deloitte Yousuf Adil, Iftikhar Taj, chief financial officer United Snacks, Muhammad Awais, partner Tax EY Fordes Rhodes and Huma Pasha, a professional trainer with over 20 years of experience in carrying out seminars and conferences at the ICAP, Pakistan Institute of Corporate Governance (PICG), IIA, and ISACA along with Omair Jamal, senior director Education & Training and CPD ICAP.

To book a client specific DTP, email at dtp@icap.org.pk or call at 021-111-000-422 Ext 330.

Total number of certifiate directors during September are as follows:



The Institute of Chartered Accountants of Pakistan

Certificate # 0646 Khurram Shahzad Chief Financial Officer Kohat Cement Company Ltd.

Certificate # 0647 Mudasser Ashfaq Senior Manager Internal Audit Daewoo Pakistan Express Bus Service Ltd.

Senior Manager Accounts & Finance

Daewoo Pakistan Express Bus Service Ltd.







Certificate # 0649 Ichiro Kawano Director Kohinoor Energy Ltd.

Certificate # 0648

Mirza Ali Hassan

Certificate # 0650 Shingo Ito Director Kohinoor Energy Ltd.

Certificate # 0651 Mariko Ueda Director Kohinoor Energy Ltd.

Certificate # 0652 Hironobu Yoshimura CEO/President Honda Atlas Cars (Pakistan) Ltd.

Certificate # 0653 Kenichi Matsuo VP Production Honda Atlas Cars (Pakistan) Ltd.

Certificate # 0654 Rie Mihara Director Honda Atlas Cars (Pakistan) Ltd.

Certificate # 0655 Yukitoshi Fujisaka VP Technical Atlas Honda Ltd.

Certificate # 0656 Hirofumi Yada GM Technical Atlas Honda Ltd.

Certificate # 0657 Sadia Arshed Associate CHK Law Associates Tahir Bashir Khan Independent Director Ghani Global Glass Ltd.

Certificate # 0658

Certificate # 0659 Hafiz Muhammad Naveed Deputy Manager Finance Olympia Chemicals Ltd.

Certificate # 0660 Tajammal Hussain Bokharee Director Tariq Glass Industries Ltd.

Certificate # 0661 Muhammad Asdaf Afzal Chief Financial Officer Rafhan Maize Products Co., Ltd.

Certificate # 0662 Muhammad Maqsood Director Finance Interloop Ltd.

Certificate # 0663 Marium Adil Director Faisal Spinning Mills Ltd.

Certificate # 0664 Rabia Atique Director Ghani Global Glass Ltd.

Certificate # 0665 Saba Yousuf Director Bhanero Textile Mills Ltd.

Certificate # 0666 Saira Farooq Director Ghani Global Glass Ltd.

Certificate # 0667 Samia Bilal Director Blessed Textile Ltd.





Certificate # 0668 Mustafa Tanvir Independent Director Faisal Spinning Mills Ltd.

Certificate # 0669 Muhammad Saleem Ahsan Chief Executive Officer Saleem Ahsan & Co.

























Certificate # 0670 Musadaq Zulqarnain Chief Executive Officer Interloop Ltd.

Certificate # 0671 Muhammad Saeed uz Zaman Non-Executive Director Nimir Industrial Chemicals Ltd.

Certificate # 0672 Mansoor Irfani Director Tariq Glass Industries Ltd.

Certificate # 0673 Muhammad Baleegh uz Zaman Jawad Associate CHK Law Associates

Certificate # 0674 Muhammad Iftikhar Director Husein Sugar Mills Ltd.

Certificate # 0675 Faiz Muhammad Director Tariq Glass Industries Ltd.

Certificate # 0676 Syed Manzar Hassan Director Pak Elektron Ltd.

Certificate # 0677 Haroon Ahmad Khan Chief Executive Officer Waves Singer Pakistan Ltd.

Certificate # 0678 Muhammad Athar Rafiq Director Saritow Spinning Mills Ltd.

Certificate # 0679 Muhammad Asif Corporate Secretary Kohinoor Energy Ltd.

Certificate # 0680 Hamza Ahmad Khan Business Development Manager Waves Singer Pakistan Ltd.

Certificate # 0681 Dr. Nighat Haroon Khan Director Waves Singer Pakistan Ltd.





























# DIRECTORS'

Fulfills the requirement of Director's Training Program s required by Listed Companies Corporate Regulations 2017

Looking for the Directors Training Program Certification?

Don't miss the ICAP Director's Training Program at your city at the following dates.

PROGRAM DATES				
4	DTP	Date *	Session	Location
	DTP 38	October 10-11	Session One	Karachi
	DTP 38	October 23-24	Session Two	Karachi
	DTP 39	November 6-7	Session One	Islamabad
	DTP 39	November 20-21	Session Two	Islamabad
	DTP 40	December 4-5	Session One	Faisalabad
	DTP 40	December 18-19	Session Two	Faisalabad

ICAP DTP is an amalgamation of theoretical knowledge, application of skills and exercising value added judgment, our training approach is enabling learning through experience and interactions with peers through moderated group discussions and role plays.

Want to Book a DTP exclusively for your Board?

We are listening email us at dtp@icap.org.pk or zehra.hassan@icap.org.pk tell us your request and leave the rest to us.







Table Topic Master : TM Rashid Dastaair

Presided by : TM Rashid Dastagir

Details of Prepared Speeches:

Т

P P

# MEETING BULLETIN

Regular Meeting of the club held on August 02, 2018

Like our Facebook page : <u>https://www.facebook.com/CATMCkhi/</u> Subscribe to our YouTube Page: <u>CA Toastmasters Club Karachi</u>

> Toastmaster of the evening: *TM Saqib Siddiqui* Table Topic Evaluator: *TM Tayyab* General Evaluator : *TM Waqar Manzoor*

Speaker	Projects	
TM Shaarif	Icebreaker Speech	Theme of the Meeting
MTM Soomal Ali	Icebreaker Speech	Independence Day
MTM Nighat Iqbal	Icebreaker Speech	
MTM Saima Shahzad	Project Two	Moment of the Day
		- setting

Best Big 4 TM Rashid



Best Prepared Speaker MTM Nighat Iqbal



Best Evaluator TM Zaid Kaliya





Independence Day Celebration



Presided by : *TM Rashid Dastagir* Table Topic Master : *TM Shaarif Khan* Details of Prepared Speeches:

# MEETING BULLETIN

Regular Meeting of the club held on August 16, 2018

Like our Facebook page : <u>https://www.facebook.com/CATMCkhi/</u> Subscribe to our YouTube Page: <u>CA Toastmasters Club Karachi</u>

> Toastmaster of the evening: TM Moiz Naeem Table Topic Evaluator: TM Rashid Dastagir General Evaluator : TM Tayyab

Speaker	Topics	Theme of the Day
TM Tayyab	Alpha State of Mind	Life without limits
TM Junaid	Nostalgia (Ice Breaker)	Word of the Day
TM Zaid Kaliya	The Legend of a Club	Unprecedented
	Winners of the Meeting	enprecedented



Best TT Speaker TM Sameer Hamid



Best Prepared Speaker TM Junaid



Best Evaluator TM Sameer Hamid



Best Big 4 Moment of the Day **TM Rashid Dastagir** Advance Communication Bronze Award



# **CA Toastmasters Club Lahore**



The CA Toastmasters Club Lahore conducted three meetings during August 2018. 146th meeting was held on August 1, 2018. TM Shoaib Ahmad Waseem acted as Toastmaster of the meeting. TM Muhammad Asim presided over the meeting as TM Mustafa A. Khan, president of the club, was out of country. DTM Shahid Jamal Kazi gave his first speech ice-breaker themed 'Pathways.' Muhammad Asim played the role of Table Topic master. He invited the participants in pairs to impromptu speak on a given topic. The session winners were Hassan and Afreen Kazi.

147th meeting was conducted on August 15, 2018. The Toastmaster of the meeting was DTM Shahid Jamal Kazi. TM Muhammad Safdar and TM Zunair Zafar gave their projects from advanced speech manuals. The Table Topic session was conducted by TM Muhammad Safdar which was evaluated by TM Anayat Ullah Khan. TM Mustafa A. Khan announced his return by winning the Table Topic session. DTM Usman Tahir was declared the Best Prepared Speech Evaluator.

148th meeting was held on August 29, 2018. The Toastmaster of the meeting was DTM Shahid Jamal Kazi, whereas the Table Topic master was TM Muhammad Asim. Bilal Younus was declared the Best Table Topic Speaker. DTM Iftikhar Taj played the role of general evaluator.

Regular meetings are held on alternate Wednesdays and guests are always welcome. Meetings in October will be held on October 10 and 24, 2018 at ICAP House, Lahore.

# CA Toastmasters Club Islamabad



The CA Toastmasters Club Islamabad usually has two meetings in a month but in their endeavour to maintain the learning momentum of club members three meetings were conducted in August.

The Meeting No. 49 was held on August 2, 2018 themed 'Responsibilities of Independence' which Toastmaster of the evening, Saba Kausar, elaborated upon in detail

# CA Newsletter



by touching on issues such as rights awareness, proper fulfillment of duties by each citizen and the cost of the independence we take for granted.

Table Topics Master, TM Mohsin, gave the session another dimension by employing multimedia to present the topics and thus put on an excellent engaging show, evidenced by the fact that almost half the volunteering participants were guests.

Speeches were delivered by TM Shamam, TM Adeel and TM Aneel on topics of 'Dispelling rampant negativity in society,' 'IQ vs. EQ' and 'shaping Naya Pakistan.'

TM Aneel achieved a milestone as he completed his Competent Communication Manual and became the fifth member of the Club to have this distinction after DTM Aneeqa Ali, TM Malik Omair, TM Mudassar Ghulam Nabi and TM Faisal Shuja.

TM Shamam also became the first member of the club to complete Level 1 of the pathways scheme. The awards for best performances were won by: **Best Table Topic Speaker:** TM Aneel Peter; **Best Prepared Speaker:** TM Aneel Peter; **Best Evaluator:** TM Malik Omair and **Best of Big 3:** TM Saba Kausar.

The Meeting No. 50 of the club marked the club's second anniversary and also Pakistan's Independence day. The president of the club shared a video about the progress achieved by the club. To commemorate the occasion, the club held a Prepared Speech contest. The president described the format in detail before handing over the stage to former club president, TM Faisal Shuja, to chair the contest.

While the judges were deciding on the winners, TM Faisal initiated a fun filled activity between three teams of the existing members. Finally, the judges announced the winners: TM Zeeshan: Second Runner-Up; TM Omair: First Runner-Up and Winner: TM M. Adeel.

The second last act of the meeting was the selection of the best team of toastmasters. Audiences were to judge and vote. Team B led by TM JehanZeb won the competition. Former president of the club and contest chair handed over the stage to TM Omair who took the opportunity to offer a token of appreciation to two former presidents of the club: TM JehanZeb and TM Faisal. TM Safi and DTM Aneeqa were given awards for their tireless efforts in furthering the cause of the club.

The executive committee also organised a Tree Plantation Drive on August 11, 2018 wherein members and their families were invited to play their part as responsible citizens and planted 250 trees. The event was held in response to the pressing issue of global warming and the resulting water scarcity in the country.

Pick and drop facility was arranged for members and snacks and tea was provided post-activity. Little saplings were also given away to participating members to plant then in their own homes. Members not only left with a sense of civic pride, having proactively participated, but with happy kids as well who enjoyed themselves during the day's events.



# **ICAP MENTORSHIP PROGRAM**

Mentors in Pakistan



M. Abdul Aleem Secretary, Overseas Investors Chamber of Commerce & Industry (OICCI)



Abdul Ghaffar Partner, Yusat Saeed & Co. Chartered Accountants



Dr. Zeeshan Ahmed Dean and Rector, Karachi School of Business & Leodership (KSBL)



Feroze Jehangir Cawasji Chief Executive, Pak-Arab Pipeline Company Limited – A Subsidiary of PARCO



Iftikhar Taj Governance Consultant,ITM Consulting



Jafar Hussain Sponsor & Principal, Professional Academy of Commerce (Fullow RAET – ICAP)



Khalid Mehmood Sole Proprietor, Khalid Mehmood & Co. Chartered Accountants



Moneeza Usman Butt Partner, KPMG Taseer Hadi & Co.



Mohammad Maqbool Partner, Magbool Haroon Shahid Safdar & Co. and Tariq Abdul Ghani Magbool & Co.



Muhammad Jehanzeb Zafar Sole Proprietor, M. J. Zafar & Co. Chartered Accountants



Muhammad Shahzad Sadiq Chief Risk Officer, Allied Bank Limited



Mustafa A. Khan CFO, Sports Star International (Pvt.) Limited



Qamar ul Islam Fellow Member of ICAP Former Partner, EY Ford Rhodes



Rashid Masood Alam CFO, MCR Limited



Roshan Mehri CEO, Fomily Office of



Shakaib Arif Director Integrated Supply Chain, National Foods Limited



Shahid Jamal Kazi President, IFI Consultants



Syed Moinuddin Director Finance, Geo TV Network



Usman Tahir Farooqi Partner, Grant Thomton Consulting (Pvt.) Limited



Zafar Iqbal Sobani Past President, ICAP



The Institute of Chartered Accountants of Pakistan



Asif Mahmood, FCA Director, State Bank of Pakistan



Jalil Tarin, FCA Partner, Yusal Saeed & Co. Chartered Accountants



Junaid Shekha, FCA CEO, IT Minds Ltd



Syed Khalid Noor, FCA Head of HR, Novartis Pharma Pakistan Limited



Shaukat Hussain CFO, Din Textile Mills Ltd. (Din Group

For registrations, please visit the link, www.icap.org.pk/mentorship/online-registration.php For any queries, email at paib@icap.org.pk

🔄 111-000-422 🜍 www.icep.org.pk 💽 ICAECA

60%

WITH A Population of More than 4.5 Billion, Asia Pacific is home to nearly 60% of the world's Population

time to UPDATE



# **Engagement** = Relationship + Action

Do you feel that you don't receive important emails or text messages or important letters are not delivered at your doorstep? If your answer is yes, then it's about time to update your contact details with us so that no matter where you are, we stay connected. Please update your particulars by logging on to the Institute's website https://www.icap.org.pk/my-account/ and click on 'Edit Profile' or drop us an email at membership@icap. org.pk and help us serve you better!

# 📲 member news

### **Top 5 CPD Earners**

The Institute is pleased to acknowledge following members who have earned maximum CPD hours during August 2018.

S. No.	Name and R-No.	Location	Hours
1.	Haroon Asghar, ACA (8775)	Faisalabad	190
2.	Sana Ishtiaque, ACA (8441)	Karachi	119
3.	Haroon Javeed, FCA (3587)	Lahore	109
4.	Faisal Imran Hussain Malik,	Karachi	88
	FCA (3167)		
5.	Ejaz Hussain, ACA (6015)	Multan	55

### **New Fellow/Associate Members**

The Institute welcomes the following fellow and associate members:

#### **Fellow Members**

S. No.	R-No.	Name
1.	2594	Abdul Samad
2.	2923	Shoukat
3.	3341	Yousuf Zaki
4.	3656	Farrukh Shakil
5.	4455	Ahmad Subhani
6.	4629	Faiza Bukhari
7.	4815	Muhammad Faraz Lufti
8.	5032	Malik Raheel
9.	5079	Muhammad Zeeshan Tayyab
10.	5180	Karamat Ullah
11.	5219	Saad Sohail
12.	5258	Asad Mumtaz
13.	5265	Muhammad Ubaidullah Siddiqui
14.	5282	Usman Moeen
15.	5342	Syed Muhammad Salah Uddin
16.	5343	Ali Akbar
17.	5346	Omar Nawaz Awan
18.	5349	Imran Ul Haq
19.	5360	Hoor Saifullah Khan
20.	5367	Ahmed
21.	5377	Adnan Aftab Hussain
22.	5785	Hafiz Muhammad Arshad
22	6000	NA. da a construction al luca construction

23. 6028 Muhammad Imran

#### Associate Members

S. No.	R-No.	Name
1. 2.	9641 9642	Raja Karam Ullah Khan Hooria Batool

3.	9643	Syed Qumber Ali Rizvi
4.	9644	Rameez Raja
5.	9645	Abdul Rehman
6.	9646	Ali Raza
7.	9647	Abid Altaf
8.	9648	Muhammad Waleed
9.	9649	Abdul Basit
10.	9650	Hafiz Abdullah
11.	9651	Shaikh Jamal Yousuf
12.	9652	Muhammad Rizwan
13.	9653	Syed Muzahir Hussain Kazmi
14.	9654	Muhammad Waqas Shahid
15.	9655	Muhammad Asif
16.	9656	Usman Rasheed
17.	9657	Mubashir Iqbal Khan
18.	9658	Saad Qamar
19.	9659	Muhammad Imran
20.	9660	Muhammad Umer Ali
21.	9661	Nasir Hameed
22.	9662	Syed Ali Eazaz
23.	9663	Muhammad Tayyab
24.	9664	Raja Amin Afzal Khan
25.	9665	Abdul Ghuffar
26.	9666	Hafiz Muhammad Ali
27.	9667	Ahmad Ibrahim Khakwany
28.	9668	Muhammad Sibtain Raza
29.	9669	Monim Ul Haq
30.	9670	Zahid Iqbal
31.	9671	Abdul Rauf Shahid
32.	9672	Farrukh Zeeshan
33.	9673	Shahbaz
34.	9674	Muhammad Sannan Jalisi
35.	9675	Zubaida Tariq Ayub
36.	9676	Syed Mehar Ali Shah
37.	9677	Ahsan Taufiq
38.	9678	Ghulam Abbas
39.	9679	Ali Raza
40.	9680	Ali Raza

#### **New Firms**

9681

41.

The Institute welcomes the following new firms:

Mubeen Akhtar

S. No.	Name of Firms	Location
1.	Abdul Basit	Rawalpindi
2.	Alina	Karachi
3.	Asad Waqas & Co.	Lahore
4.	Iftikhar Masood & Co.	Islamabad
5.	Imran Iqbal & Co.	Karachi

# CA Newsletter

# �� technical update

### Update:

## **ICAP**

ICAP invites comments from members on adoption of IFRS 14, Regulatory Deferral Accounts: The Accounting Standards Board (ASB) of The Institute of Chartered Accountants of Pakistan (ICAP) has started the due process for adoption of IFRS 14, Regulatory Deferral Accounts. Accordingly, ICAP vide Circular 11/2018 (dated August 28, 2018) invited the comments from members on the adoption of IFRS 14. International Accounting Standards Board (IASB) issued IFRS 14 in 2014 as an interim standard with a plan to develop and issue a final standard outlining a comprehensive accounting model for rate-regulated activities. The last date for submission of comments was September 28, 2018.

**ICAP** publishes updated list of practicing firms having satisfactory QCR rating: ICAP has published list of practicing firms having satisfactory QCR rating as on August 31, 2018.

The list can be found on the below link: https://www.icap.org.pk/quality-assurance/list-offirms-having-satisfactory-qcr-rating/

## Update:

## Local Corporate Regulatory Framework

SECP directs companies to maintain register of ultimate beneficial ownership: The Securities & Exchange Commission of Pakistan (SECP) vide Circular No. 16 of 2018 (dated August 29, 2018) has directed all the companies having legal persons as members or shareholders to take reasonable measures to obtain and maintain up-to-date information relating to their ultimate beneficial owners. The direction has been issued on the basis of Financial Action Task Force's (FATF) international standards containing recommendations to combat money laundering and financing of terrorism. The recommendations require countries to take measures to prevent misuse of legal persons for money laundering and terrorist financing, along with ensuring availability of relevant information on ultimate beneficial ownership and control of legal persons.

**SECP issues draft amendments to the Intermediaries (Registration) Regulations 2018:** The SECP vide S.R.O 1079(I)/2018 (dated August 30, 2018) issued draft amendments to the Intermediaries (Registration) Regulations 2017 for public comments. The draft amendments require the intermediary companies to ensure that their clients are not involved in any type of suspicious activities or transactions implying money laundering or terrorist financing activities in line with the relevant FATF recommendations. Further, the intermediary companies would be required to ensure that the client is not placed on the United Nations Security Council (UNSC) list of designated persons or entities linked to terrorist financing or against whom a ban, sanction or embargo subsists, as available on its website.

SECP issues draft amendments to the SECP (Anti-Money Laundering and Countering Financing of Terrorism) Regulations 2018: The SECP vide S.R.O 1081(I)/2018 (dated August 31, 2018) issued draft amendments to the Securities & Exchange Commission of Pakistan (Anti-Money Laundering and Counter Financing of Terrorism) Regulations 2018 for public comments. The draft amendments require the regulated persons (securities brokers, insurance companies, non-banking finance companies, and modarabas) not to open accounts of new customers and terminate business relationship with existing customers where they are unable to satisfactorily complete the required Customers Due Diligence (CDD) measures.

**SECP amends the Third Schedule to the Companies Act 2017:** The SECP vide S.R.O 1092(I)/2018 (dated September 3, 2018) amended the Third Schedule to the Companies Act 2017. The amendments allow an option to the Medium Sized Companies (MSCs) and Small Sized Companies (SSCs) otherwise required to follow IFRS for SMEs or Revised AFRS for SSEs, to follow the IFRSs notified by SECP for preparation of financial statements.

**SECP** issues draft amendments to the Limited Liability Partnership Regulations 2018: The SECP vide S.R.O 1099(I)/2018 (dated September 4, 2018) issued draft amendm ents to the Limited Liability Partnership (LLP) Regulations 2018 for public comments. The draft amendments require an LLP to display the certificate of incorporation and maintain a register of partners with a statement of their ownership percentages and associated voting rights at its registered office. Further, the proposed amendments require an LLP to keep a copy of LLP Agreement including amended copies, if any, at its registered office.

SECP issues the Anti-Money Laundering/Counter Financing of Terrorism Guidelines for Non-Profit Organisations: The SECP issued the Anti-Money Laundering/Counter Financing of Terrorism (AML/ CFT) Guidelines for Non-Profit Organisations (NPOs) on September 5, 2018. The guidelines aim to assist NPOs licensed under section 42 of the Companies Act 2017 in combating money laundering and terrorist financing. These guidelines have been issued on the basis of the recommendations of the FATF while also keeping in view the evolving threats and challenges faced by NPO sector.

The Guideline can be found on the link below: https://www.secp.gov.pk/document/aml-cftguidelines-for-npos-2018/?wpdmdl=32268

SECP issues draft amendments to the Securities Brokers (Licensing and Operations) Regulations 2016: The SECP vide S.R.O 1100(I)/2018 (dated September 10, 2018) issued draft amendments to the Securities Brokers (Licensing and Operations) Regulations 2018 for public comments. The draft amendments propose to add an additional eligibility condition for licensing of a securities broker that the ultimate beneficial owners of the applicant have not been convicted in any predicate offences provided under Anti-Money Laundering Act 2010, Anti-Terrorist Act 1997 or any other criminal offence. These amendments have been proposed on the basis of the recommendations of the FATF to combat money laundering and terrorism financing.

SECP issues the Guideline on SECP (Anti-Money Laundering and Counter Financing of Terrorism) Regulations 2018: The SECP issued the Guideline on SECP (Anti-Money Laundering and Counter Financing of Terrorism) Regulations 2018 on September 11, 2018. The aforementioned regulations were issued by the SECP on June 13, 2018 vide S.R.O 770(I)/2018. Now, the SECP has issued the guidelines to supplement the regulations by elaborating on the general requirements of the legislation to help regulated persons in understanding their obligations and establishing an effective antimoney laundering and counter financing of terrorism regime.

The Guideline can be found on the link below: https://www.secp.gov.pk/document/guidelines-onsecp-aml-cft-regulations-2018/?wpdmdl=32289

#### Update:

# International

**IFRS Foundation publishes agenda and related papers for upcoming IASB meeting:** The IFRS Foundation has published the agenda and related papers for the International Accounting Standards



# Enhanced Auditor's Reporting The New Auditor's Report

A&CP – Dilemma of
 FMCG Industry
 by Muhammad Muneer Tariq

by Hina Kazi

- \$ Vs. Rupee Can you feel the lighter rupee in your hand? by Samir Ahmad
- Understanding
  Organisational Leadership
  by Saira Nasir
- How to Streamline the 4th Industrial Revolution



Publication Department The Institute of Chartered Accountants of Pakistan

# CA Newsletter

Board (IASB) meeting scheduled on 17-21 September, 2018. The topics for discussion are:

- Classification of liabilities as current or non-current (Amendments to IAS 1).
- Costs considered in assessing whether a contract is onerous (IAS 37).
- Disclosure initiative: Targeted standards-level review of disclosures.
- Dynamic Risk Management.
- Extractive Activities.
- Primary Financial Statements.
- Research Program.

The agenda and the papers can be found on the link below: https://www.ifrs.org/news-and-events/2018/09/ september-2018-iasb-agenda-papers-agenda-available/

**IPSASB issues IPSAS 41, Financial Instruments:** The International Public Sector Accounting Standards Board (IPSASB) has issued IPSAS 41, Financial Instruments on August 14, 2018. IPSAS 41 substantially improves the relevance of information for financial assets and financial liabilities. It will replace IPSAS 29, Financial Instruments: Recognition and Measurement, and improves that Standard's requirements by introducing:

- Simplified classification and measurement requirements for financial assets;
- A forward looking impairment model; and
- A flexible hedge accounting model.

IPSAS 41 can be found on the link below: https://www.ifac.org/publications-resources/ipsas-41financial-instruments

**IAESB publishes accounting education insights articles:** The International Accounting Education Standards Board (IAESB) has published new accounting education insights articles on professional skepticism on August 21, 2018 and on Information Communication and Technology (ICT) skills on August 28, 2018. The articles on professional skepticism address underlying challenges to professional skepticism and becoming better skeptics. The articles on ICT focus on the new opportunities and impact technology will have on the accounting profession and the skills needed by individual professional accountants.

The Accounting Education Insights series are subjectspecific information used by the IAESB to help support its strategy and work plan. Additional Insight articles are available online on the Accounting Education Resources web page.

The articles on professional skepticism can be found on the below link:

https://www.ifac.org/news-events/2018-08/twonew-iaesb-accounting-education-insights-publishedprofessional-skepticism

The articles on ICT can be found on the below link: https://www.ifac.org/news-events/2018-08/ information-communication-technology-skillsaddressed-new-iaesb-accounting

#### Update:

#### Tax

# FBR Prescribes Penalty Rates for Banks in Failure to Provide Depositors Details

Federal Board of Revenue (FBR) has prescribed penalty amount for banks and withholding agents in case of non-compliance in providing details of transactions made by depositors and business partners. This overrides all conflicting provisions contained in the Protection of Economic Reforms Act 1992, the Banking Companies Ordinance 1962, the Foreign Exchange Regulation Act 1947 and the regulations made under the State Bank of Pakistan Act 1956, if any, on the subject, in so far as divulgence of information under section 165 is concerned.

Accordingly, where any person fails to furnish a statement as required under section 115, 165, or 165A, 165A or 165B within the due date then such person shall pay a penalty of Rs. 5,000 if the person had already paid the tax collected or withheld by him within the due date for payment and the statement is filed within ninety days from the due date for filing the statement and, in all other cases, a penalty of Rs. 2,500 for each day of default from the due date subject to a minimum penalty of Rs. 10,000.

Where any person fails to furnish wealth statement or wealth reconciliation statement the such person shall pay a penalty of 0.1 percent of the taxable income per week or Rs. 20,000 whichever is higher. Likewise, where any person fails to furnish a foreign assets and income statement within the due date then such persons shall pay a penalty of 2 percent of the foreign income or value of the foreign assets for each year of default. Where any person fails to furnish a return of income as required under section 114 within the due date. Such person shall pay a penalty equal to 0.1 percent of the tax payable in respect of that tax year for each day of default subject to a maximum penalty of 50 percent of the tax payable provided that if the penalty worked out as aforesaid is less than twenty thousand rupees or no tax is payable for that tax year such person shall pay a penalty of twenty thousand rupees.

# Income Tax Return and Wealth Statement in Offline Mode

According to FBR Press Release dated 4 September FBR-IT Wing has launched Iris-ADX (Asynchronous Data Exchange), an application that allows the taxpayer/Eintermediary to prepare data related to income tax return and wealth statement in offline mode. After preparing the statements in offline mode, the same can be uploaded to FBR's repository. The Iris-ADX application is available for installation at the FBR website.

#### FBR Reform Program – World Bank Mission to Review Progress

A World Bank mission will visit Pakistan during September-October 2018 to review the progress on the implementation of the reform program of the FBR under tax component of the Trust Fund for Accelerated Growth and Revenue (TAGR). In the context of implementing the work program of the tax component and Recipient Executed Component (RETF) of the TAGR, the World Bank is planning a number of visits to the FBR between September and October 2018.

#### Exemption to Services in Relation to Diamer Bhasha & Mohmand Dams-Fund

Sindh Revenue Board (SRB) has notified vide SRO SRB-3-4116/2018 dated September 11, 2018 exemption to registered persons providing following services in relation to the donations and contributions made for the 'Supreme Court of Pakistan-Diamer Bhasha & Mohmand Dams-Fund':

- 1. Advertisements (tariff heading 98.02 and the subheads thereof);
- 2. Advertising Agents (tariff heading 9805.7000);
- 3. Telecommunication services (tariff heading 98.12 and the sub-heads thereof); and
- 4. Banking services (tariff heading 9813.4000 and the sub-heads thereof).

#### Information Sharing Commences

Pakistan has formally started sharing bank account details of non-residents on a reciprocal basis with 38 countries under the Multilateral Convention on Mutual Administrative Assistance in Tax Matters of the Organisation for Economic Cooperation and Development (OECD); with effect from September 1, 2018. As per the agreement, there will be an exchange of information of those non-residents who opened new accounts in Pakistan between July-December 2017 — irrespective of cash limits; and vice versa. Further accounts of non-resident individuals that were opened in Pakistan prior to July 1 with more than US\$ 10,000 will also be shared with the intended partners.





# ICAP Members DEBATE on

On-job Human Resource Development helps lower employee turnover

> Stay tuned to other changes in Pakistan's largest circulated professional journal



The Institute of Chartered Accountants of Pakistan





#### hr news



Change is inevitable. For many of us, change is the name of the game at work. Most organisations have embraced concepts like continuous improvement and efficiency. They have accepted the challenge of thinking critically about how work is being performed, and by whom.

During change, managers should be aware of others' behaviours and feelings. They must understand how to approach change, and pay attention to the employees' personal transition through cycles of change. Managers should aim to be empathetic and help their colleagues move through the change cycles. Rewarding desired behaviours and celebrating successes should be an integral part of every manager's change management process.

Managers should work to calm employees' panic and fear and look for the positive aspects of the changes employees are facing. As leaders, it's crucial that managers diligently and repeatedly share the reasoning for changes in order to enable the employees to look and understand the significance and benefits of change.

As professionals, it is the leaders' responsibility to learn skills, acquire attributes, and take actions that contribute to successful change. They must get real about the skills managers currently possess and what areas need to develop further. As managers of people, they should evaluate how to lead through change. As change leaders, they must make sure that a change management plan is in place in order to help others along through cycles of change.

Change is constant, and often required to achieve desired results. For optimal success, all should get in tune with how managers and those around them manage change.

Source: Forbes

#### Quote

"Great vision without great people is irrelevant."

- Jim Collins, Good to Great

## **Happy Anniversary at ICAP**

The following staff of The Institute of Chartered Accountants of Pakistan (ICAP) will complete 20, 15 and 10 years at ICAP during October, 2018. Congratulations to all.

- Mahmood Ahmad, manager Quality Assurance: 15 Years
- Illahi Bux, assistant manager Information Technology: 10 Years
- Muhammad Kashif, assistant manager Administration: 20 Years

#### **Welcome on Board**

The Human Resource department welcomes the following new employees in ICAP family during September 2018.

- Head of Information Technology: Amir Munsif Khan joined ICAP in September as head of Information Technology. Amir is an IT professional with over 22 years of leadership, IT management and software development experience. He completed his graduation from University of Oklahoma Norman, USA with majors in Electrical Engineering and his post-graduation from Southern Methodist University, Dallas USA with majors in Electrical Engineering with Telecom Management. Amir is also well-versed in datacenter and disaster recovery center setup and operation management.
- Arsalan Rabbani, deputy director Marketing & Communication.
- Hina Nawaz, senior officer Procurement.

"If you really think the environment is less important than the economy, try holding your breath while you count your money."

# student section

# **Career Counselling**



The Institute of Chartered Accountants of Pakistan (ICAP) Marketing and Communication department always provide career guidance to the aspiring students all over Pakistan. As a result, thirteen counselling sessions were conducted in Hyderabad and nearby cities. The aspiring students were councelled about CA profession and numerous benefits associated with career growth, scope of qualification, international recognition of the CA profession, ICAP association with international bodies, stream of CA qualification, entry routes, exemptions, eligibility criteria, examinations system of ICAP, market opportunities for CA's all over the world and success stories of the young chartered accountants. Around 500 students from different academic backgrounds attended the session.



An interactive Q&A session was conduced through which numerous concerns of the students were addressed. Rizwan Ali, assistant manager ICAP, conducted the sessions. The institutions visited were Premier Academy, Kins Academy and TABS Academy.



# If Plan A fails, remember that you have 25 letters left

## **Examination News**

#### **Result of Autumn 2018 Examinations**

The result of Autumn 2018 Assessment of Fundamental Competencies (AFC) Stage Examinations and Writing Skills Test will be declared on October 15, 2018 while the result of Autumn 2018 Certificate in Accounting and Finance (CAF) Stage Examinations will be declared on November 13, 2018.

#### Winter 2018 Examinations

Winter 2018 Multi Subject Assessment (MSA) and Certified Finance and Accounting Professional (CFAP) Stage Examinations would be held from December 3-8, 2018 while AFC Stage Examinations would commence from December 17, 2018. The Writing Skills Test will be held on December 7, 2018.

Besides submitting examination forms at ICAP designated offices, students may submit their examination forms online through their secure login area at the ICAP website.

Examination time-table and detail of examination fee submission deadlines may be downloaded from the ICAP website.

Exact date and time of AFC Stage Examinations will be communicated to each individual student through his/her admit card.



# 📌 feedback

### **Letter From Toronto**

With reference to the message dated September 5, 2018 together with link for pdf copy of ICAP Newsletter for September 2018, asking for feedback from members, I, as a senior member since last 46 years, would like to give my feedback as under:

On page 16 of the September Newsletter, activities of UAE Chapter of ICAP members mentioned in news 'Colours of Independence Day' in which a senior member Mohammad Nafees, FCA (R-0844) of Dubai briefed the members about the history of UAE Chapter of ICAP members.

Since 'history' always takes us into past, in decades and in centuries as well. I, myself, a part of this old history, would like to elaborate this 'history' for the information of not only members of UAE Chapter, but other Overseas Chapters as well, which they may find interesting.

In 1983, when there were no Overseas Chapters of ICAP members, one of our senior members, Mohammad Raushan, FCA (R-0471) had initiated a chapter-like forum in UAE under the patronage of embassy of Pakistan, with the name, 'Pakistan Chartered Accountants Club, Abu Dhabi' to promote professional and social activities among professionals, and I was one of its founding members.

Twenty-five years ago in 1993, I was elected president of the Club and we continued to promote such activities and spread word about it in the local media as well as Pakistani media.

For the information of all members, I am attaching the scanned images below of ICAP Newsletter, January 1994 Volume 16, No. 1, in which news about Pakistan Chartered Accountants Club of Abu Dhabi was published.

Also attached are a few scanned images of press cuttings of news about the activities of the Club, published in local newspapers of UAE and Pakistan's widely circulated Urdu daily Jang, etc. some 25 years ago.

The Club functioned for 14/15 years from 1983 to 1996/97, but towards the end, due to government regulation re:forming such a forum, we decided to wind up the Club in its existing status, and the balance of the Club fund was donated in Karachi in equal



proportion to ICAP building fund, Edhi Foundation and Ansar Burney Trust. I, myself, while on a visit to Karachi, had paid out this fund by personally visiting respective offices, including ICAP office in Al-Markaz, M. A. Jinnah Road at that time.

Special Note: Now, I am a retired member and settled in Canada. Though I am not a part of the current Management Committee of Canada Chapter of ICAP members, I am still active in the Chapter's activities and acting as a reporter to get the activities news published in local Canadian newspapers to spread the word about ICAP and its Chapter, and I hope that Publication Committee is aware of this fact.

In March 2018, when ICAP president had visited Canada, the news of reception held in his honour by the Chapter, and the session 'Meet the President,' was covered by me for the local newspapers. One such coverage was published in ICAP April 2018 Newsletter.

The purpose of this detailed message is for the information and record of ICAP and members, particularly UAE members, to bring the fact that it was UAE only perhaps, where 35 years ago, when overseas Chapters of members were not existing, senior members including Mohammad Raushan and myself had initiated the chapter-like forum to promote professional and social activities among professionals.

#### Qasim Abbas, FCA, FCMA (R-0799)

Toronto, Canada