



**The Institute of  
Chartered Accountants  
of Pakistan**

**CA  
PAKISTAN**

www.icap.org.pk

Volume 43 Issue 1 | January 2020

# Newsletter

Governance, Transparency and Service to Members and Students

## contents



### meets & events

ICAP Delegates Attended IFAC Council Meeting in Canada	5
Appointment at IFAC Membership Committee	
President ICAP Attended SAFA Event 2019 in Bangladesh	7
Seminar on Pakistan: The Economy of an Elitist State	8
CA Women's Committee 2019-2020 Annual Dinner & Ghazal Night	9
Meet Your Representatives Session, Peshawar	
2-day Workshop on Finance Business Partnering	10
Seminar on Future of Finance	11
Seminar on How a CFO Should Plan Year 2020	12
Seminar on Character Building According to Injunctions of Islam	13
Corporate Sector Meet Up	
ICAP Members' Family Get Together & Networking Lunch	14
CA Toastmasters Club, Karachi, Lahore, Islamabad and Faisalabad	15



### member news

New Fellow/Associate Members	18
------------------------------	----



### hr news



### technical update

Update: Local Corporate Regulatory Framework	19
Update: Financial Reporting	20
Update: Tax	22



### student section

Trainees' Induction Fair at Karachi, Lahore, Islamabad and Faisalabad	24
Career Counselling	27



## meets & events

# HAPPY 2020

## ICAP PAIB Committee Organises National Finance Olympiad 2019



Team EY Ford Rhodes receiving recognition for winning title of National Finance Champions 2019.

The Institute of Chartered Accountants of Pakistan (ICAP) Professional Accountants in Business (PAIB) Committee, in collaboration with Unilever Pakistan, organised the **National Finance Olympiad (NFO) 2019** during December 12-19, 2019.

NFO 2019 started with registrations of 51 teams represented by 153 professional accountants from renowned organisations across Pakistan and UAE. The first round of the competition was a 2-hour MCQ-based test held simultaneously in Karachi, Lahore and Dubai on December 12. For the first time, an open book test was conducted online on a significantly improved in-house developed software and was based on questions from pre-defined syllabus including Basic Accounting Concepts and Advanced Accounting Applications, Business Financial Management and Compliance and Governance. Due to higher participation, for the first time, top 18 teams qualified for the Assessment & Simulation Round instead of 15 teams as in previous years.

## Grand Finale

## Karachi



The second round was held on December 17, simultaneously in Karachi and Lahore, with Karachi School of Business Leadership (KSBL) as learning partner. The qualifying teams went through a 2-hour Harvard Case Study Simulation, challenging their strategic thinking and decision making abilities. The second part of this full-day round was Assessment, in the form of an interesting group activity, which was evaluated by a panel of senior jury members. Top 6 teams then advanced to compete in the Grand Finale.

The Grand Finale, held on December 19 in Karachi, was attended by the top management of renowned national and multinational organisations. The day commenced with the recitation from the Holy Quran followed by the opening remarks by Khalid Rahman, Chairman PAIB Committee ICAP. He welcomed the participants and said *"ICAP has put in a lot of effort in organising this event which is happening for the 5th consecutive year. The competition began in 2015 in*

*collaboration with Unilever Pakistan. It gives us immense pleasure in hosting this event. This is the first time where a record of 51 teams participated in NFO. I congratulate all the teams who have made it to the finals and I wish them the best of luck for competing in this grand finale today."*

Aly Yusuf, CFO Unilever Pakistan, welcomed the audience. He said that *"NFO has been a great success. Since its inception, the participating teams have shown exemplary performance and today we have six teams who stood out from the rest. I wish all the teams the best for this Finale and would also like to congratulate ICAP for the success of NFO."*

The competition kicked off with a quick introduction of the teams followed by the Debate Round which was judged by a panel of three distinguished judges; Naeem Akhtar Sheikh, Past President ICAP; Arshad Saeed Hussain, Managing Director Oxford University Press and Hasan Azhar, Group CEO HRSG. The topics



debated by the teams included, 'Excessive use of technology has a positive impact on our society,' 'For 21st century leadership positions, qualification criteria can be compromised against behavioral competencies' and 'Higher interest rates policy is stabilizing Pakistan's economy in the long run.'

The second and last round of the competition was the Buzzer Round, which was all about the agility and technical knowledge of all finalist teams. While the teams made effort to outscore others, the audience remained captivated and supported all the teams wholeheartedly.

Khalilullah Shaikh, President ICAP, congratulated ICAP and Unilever Pakistan team for conducting NFO for the fifth consecutive year. He stated, *"With each passing year, the team has raised benchmark for this event. I would like to congratulate the finalists of the grand finale who went through tough rounds to reach finale. The competition is not about winning and losing, it's about celebrating*

*the talent of the industry and the role accountants are playing in the business and economy of the country. As an Institute, we are committed to producing highly qualified professionals who can serve for the betterment of their organisations. I thank all the participants and Unilever Pakistan for collaborating with us in organising this auspicious event."*

Once the judges evaluated the Debate and the results of buzzer round was added, results were announced; **EY Ford Rhodes** claimed victory while **Midas Safety** and **Heal Aid Foundation** became the 1st and 2nd runner ups respectively. The winning team was awarded a majestic Champions Trophy, Microsoft Surface Pro and shields for each of the three team members. The 1st runner up received HP Pavilion Laptop and shields for all team members and the 2nd runner up received iPad and shields for all team members. Certificates were also given to all finalist teams; Cherat Packaging Limited, Engro Fertilizers Limited and Grant Thornton



**Qualifying Round****Karachi****Lahore****Dubai**

Anjum Rahman (GTAR). The Institute presented a gift for Best Individual Performance to Saad Ahmed Qureshi from Engro Fertilizers. The bottom three teams received gifts and certificates. The jury members; Technical Partners, A. F. Ferguson & Co. and

Deloitte Yousuf Adil; Learning Partner, (KSBL); ICAP NFO Organising Committee and the Master of Ceremony Zaid Kaliya were recognised. The entire testing material was developed by the technical partners; A. F. Ferguson & Co. and Deloitte Yousuf Adil.

## ICAP Delegates Attended IFAC Council Meeting in Canada



The Institute of Chartered Accountants of Pakistan (ICAP) past Presidents Jafar Husain and Yacoob Suttar attended IFAC's 2019 Council meeting held on November 13-14 in Vancouver, Canada. Yacoob Suttar is the IFAC board member while Jafar Husain is the CAPA board member. They also attended Council dinner at Vancouver aquarium hosted by CPA Canada.

## Appointment at IFAC Membership Committee



The International Federation of Accountants (IFAC) has appointed Khalid Rahman, FCA, Council member, Chairman PAIB Committee and former Secretary of The Institute of Chartered Accountants of Pakistan (ICAP) as member of its Membership Committee for the term 2020.

Khalid Rahman's professional experience spans around 40 years in UK, Hong Kong and Pakistan. He served as CEO and MD of Sui Southern Gas Company Limited, for a term of three years up till January 2018 and prior to that Rahman worked with Pakistan Petroleum Limited for around 20 years in various senior management positions including CEO & MD, DMD, CFO and Company Secretary. He also worked with the Institute of Chartered Accountants of Pakistan as the Chief Operating Officer for 18 months.

Rahman is an alumnus of the Graduate Business School, Stanford University, USA and Kellogg Graduate School of Management, North Western University, USA.





**ICMA**  
Pakistan



**CA**  
PAKISTAN

Attention: **CEOs and CFOs**

## Who is the best in **Corporate Reporting?**

### Best Corporate and Sustainability Report Awards 2019

The Evaluation Committee which is a sub committee of the Joint Committee of the Institute of Chartered Accountants of Pakistan and Institute of Cost and Management Accountant of Pakistan has been giving the Best Corporate Report (BCR) Awards in Pakistan since 2000 and Best Sustainability Report (BSR) since 2011. The winners are also nominated for South Asian Federation of Accountants (SAFA) for Best Presented Annual Reports Awards.

#### Objective:

To recognize excellence in reporting, promote accountability and transparency.

#### Categories:

- |                            |                              |
|----------------------------|------------------------------|
| 1. Banks                   | 8. Sugar                     |
| 2. Insurance               | 9. Textile                   |
| 3. NBFIs & Mutual Funds    | 10. Pharmaceuticals          |
| 4. Chemicals & Fertilizers | 11. FMCG                     |
| 5. Engineering & Autos     | 12. Information Technology   |
| 6. Fuel & Energy           | 13. NPOs (Separate Criteria) |
| 7. Cement                  | 14. Others                   |

This year "Non-Profit Organisations" will be adjudged on the basis of a Separate Criteria, available on the website of both the Institutes.

#### LAST DATE OF REGISTRATION:

- **December 31, 2019**  
For companies with financial year ended March/June 2019.
- **March 31, 2020**  
For companies with financial year ending September/December 2019.

#### Winners of Best Corporate & Sustainability Reports Awards

	BCR	BSR
2018	Fauji Fertilizer Co. Ltd.	Fauji Fertilizer Co. Ltd.
2017	Cherat Packaging Ltd.	ICI Pakistan Ltd.



For details, please call: 021-99251629, 99243630 or visit <https://www.icmap.com.pk/bcsra.aspx>

## — President ICAP Attended SAFA Event 2019 in Bangladesh —



L to R: ICAP President Khalilullah Sheikh, SAFA President PVS Jagan Mohan Rao, ICAB President AF Nesaruddin along with SAFA delegates from India, Pakistan, Sri Lanka and Nepal at a press conference on foreign direct investment and corporate governance, organised by the ICAB at the ICAB building in Dhaka on December 1, 2019.



L to R: M. Abdullah Yousuf and Khalilullah Sheikh receiving mementos at SAFA BPA awards.

The Institute of Chartered Accountants of Pakistan (ICAP) President Khalilullah Sheikh attended South Asian Federation of Accountants (SAFA) Board & Assembly Meetings along with the SAFA International Conference 2019, the 19th Institute of Chartered Accountants of Bangladesh (ICAB) National Awards for Best Presented Annual Reports 2018 ceremony, the SAFA Best Presented Annual Report Awards and SAARC Anniversary Award for Corporate Governance Disclosures 2018 ceremony organised by the ICAB on November 29 and 30, 2019.

A press meet, after hosting various events recapped all the expert discussions during the SAFA International Conference 2019, was held on December 1, 2019.

Khalilullah Sheikh, in the press meet, introduced their veteran chartered accountant Muhammad Abdullah Yusuf, who headed Pakistan's Federal Board of Revenue



for extended terms, and during his tenure Pakistan witnessed a great jump in revenue collection. SAFA delegates from India, Pakistan, Sri Lanka and Nepal also spoke at the briefing.



## Seminar on Pakistan: The Economy of an Elitist State



The Institute of Chartered Accountants of Pakistan (ICAP) Southern Regional Committee (SRC) organised a seminar **Pakistan: The Economy of an Elitist State**, based on the title of the Dr. Ishrat Husain's recently published book on November 27, 2019 at the Movenpick Hotel, Karachi. The seminar was attended by around 300 participants including members and non-members.

The seminar started with the recitation from the Holy Quran. Abdul Rab, Honorary Secretary SRC, delivered his brief opening remarks after which Dr. Ishrat Husain, Advisor to Prime Minister for Institutional Reforms & Austerity of Pakistan, described the concept of 'Elite Capture' by sharing relevant examples on the basis of his immense experience both locally & internationally. He highlighted the fact that his book not only identifies the ailments of Elite Capture but also the remedies to get out of it. He said that it is time for the nation to reflect and deliberate how to get out of this strangle hold as he feels this is a much more important issue than currently depressed economic indicators which are debated on a daily basis.

Followed by the presentation, a panel discussion took place in which Dr. Ishrat Husain; Dr. Shamshad Akhtar, Development Economist & Ex-Governor State Bank of Pakistan (SBP); Syed Mohammad Shabbar Zaidi, Chairman Federal Board of Revenue (FBR); Shazia Syed, President Overseas Investors Chamber of Commerce and Industry (OICCI) & CEO Unilever Pakistan Limited and Saquib Shirazi, CEO Atlas Honda Limited were the panellists. The session was moderated by Adnan Rizvi, CPD Convener SRC and Partner/Head of Advisory KPMG Taseer Hadi & Co. The panel discussion was highly gripping with specific and targeted questions towards each panellist after which a brief Q&A session from the audience took place as well.

Towards the end, Past Presidents ICAP, Syed Masoud Ali Naqvi, Husain A. Basrai and Muhammad Yousuf Adil were invited on stage to present mementos to the keynote speaker, panellists and moderator followed by which a brief vote of thanks was given. To conclude the seminar, a brief book signing ceremony took place in which Dr. Ishrat Husain signed a few books.



## CA Women's Committee 2019-2020



**C**A Women's Committee for the year 2019-20 was reconstituted and held its first meeting in November 2019. The Committee consists of 32 members and is chaired by Hina Usmani, Vice President ICAP. The members from all across the country, serving at key positions in professional firms, government and non-government organisations, banks, autonomous & semi-autonomous bodies, listed and other corporate and non-corporate entities, educational institutions, etc. The Committee adopted the revised terms of reference whereby four strategic

goals were identified and sub-committees have been constituted and team leads have been designated with assigned tasks for achieving the desired goals. These sub-committees include: 1) Enhance women intake in CA profession through CA Girls Nurturing Program and other similar initiatives; 2) Promote CA Women on Corporate Boards & provide adequate training; 3) Take measures for entrepreneurship and employability programs for ultimate support for economic empowerment of CA Women; and 4) Take capacity building measures for continued professional skills and leadership development.

The Committee is actively working on to propose gender policy and an inclusive and sustainable development secretariat at ICAP. Women's Day 2020 is being planned with CA women members and students in major cities of Pakistan and will encourage through annual awards.

## Annual Dinner & Ghazal Night



**T**he Institute of Chartered Accountants of Pakistan (ICAP) Southern Regional Committee (SRC) organised the **Annual Dinner & Ghazal Night** on November 30, 2019 at the Movenpick Hotel, Poolside, Karachi.

The Annual Dinner has been a part of the tradition of the SRC. The *Ghazal* segment that was introduced last year was continued this year as well with around 600 guests in attendance, the evening commenced with a casual networking. Dinner was served shortly and built up to the key segment of the evening. Adnan Rizvi,

CPD Convenor, SRC formally welcomed the guests and introduced the performer, the renowned *Ustad* Ghulam Abbas. The soulful act was spread over 3 hours in which he performed various popular and classical melodies. The evening ended with a heartfelt performance of the famous national song '*Yeh Watan Tumhara Hai*' which struck an emotional chord amongst the audience. To formally conclude the evening members of the SRC presented a token of appreciation to *Ustad* Ghulam Abbas and his band members, which was followed by a brief photography session.

## Meet Your Representatives Session, Peshawar



A Meet Your Representatives session was organised at The Institute of Chartered Accountants of Pakistan (ICAP) regional office Peshawar on November 18, 2019. The session was chaired by President ICAP Khalilullah Shaikh along with Vice President North Rana Muhammad Usman Khan; Council Member Saifullah and Secretary ICAP Syed Masood Akhtar. The session started with the recitation from the Holy

Quran. The session provided an excellent opportunity to the members to interact with the elected representatives for a better understanding of the functioning of ICAP and various initiatives taken by ICAP for the improvement of the profession, members and students. It also provided an opportunity to the members to express their views on various matters of importance. The session was followed by dinner.

## 2-day Workshop on Finance Business Partnering

The Institute of Chartered Accountants of Pakistan (ICAP) Southern Regional Committee (SRC) organised a 2-day workshop on **Finance Business Partnering** in collaboration with the MECA CFO Academy, specifically catering to senior finance professionals on November 20-21, 2019 at the Movenpick Hotel, Karachi. The program leader was the renowned Saleem Sufi, Founder & Master Coach, MECA CFO Academy. The workshop focused on the in-depth understanding of business strategy which included understanding the role of



finance business partner, emotional intelligence and how to innovate in business models while adding value. The workshop was attended by 46 participants and received highly encouraging feedback.





## University of Sindh Delegation Visits ICAP Karachi



From L to R: Syed Zain ul Abideen, Omair Jamal, Prof. Dr. Fateh Muhammad Burfat, Syed Masood Akhtar and Ahmed Salman Abbasi.

Prof. Dr. Fateh Muhammad Burfat, Vice Chancellor University of Sindh and Syed Zain ul Abideen Shah, Director Finance University of Sindh visited The Institute of Chartered Accountants of Pakistan (ICAP) head office Karachi on December 5, 2019 and met with Syed Masood Akhtar, Secretary ICAP. Omair Jamal, Senior Director Education and Training (E&T) and Ahmed Salman Abbasi, Deputy Director E&T were also present. The University of Sindh delegates showed their interest in strategically collaborating with ICAP in the areas of education and assisting it in outreach activities in Hyderabad region. They invited the ICAP team to visit the University of Sindh to explore new avenues of mutual interest.

## Seminar on Future of Finance



The Institute of Chartered Accountants of Pakistan (ICAP) Southern Regional Committee (SRC) organised a seminar on **Preparing for the Future of Finance** on a pro bono basis on November 26, 2019 for its members at ICAP House, Karachi. The speaker was Saleem Sufi, President MECA CFO Academy. During the seminar the speaker shared various aspects that will affect the future of the finance, while steps were recommended on how

to be ready for to face these changes. Followed by this a series of questions were asked by the audience.

Towards the end of the seminar a token of appreciation was presented and the vote of thanks was given by Adnan Rizvi, CPD Convener SRC.

## Penal Talk at LUMS



Nasir Muneer, Anayat Ullah Khan, and Muhammad Ali Latif receiving mementos.

Lahore University of Management Sciences (LUMS) Society of Professional Accountancy (LSPA) arranged a **Panel Talk 2019** on 'Challenges and Opportunities for the Accountants Ahead!' on November 20, 2019.

LSPA is an innovative initiative on behalf of the LUMS Suleman Dawood School of Business (SDSB), with the objective of providing college and university students a platform to boost their professional exposure in the field of accountancy, to increase their technical knowledge and to improve their application skills in real corporate world. The panellists were: Muhammad Ali Latif, Council member ICAP & Partner Muniff Ziauddin & Co.; Nasir Muneer, Senior Partner Crowe Horwath Hussain Chaudhary and Co.; Umair Sheikh, CEO Arazi Ventures; Tanveer Ahmad, Regional Head North 1 Allied Bank Limited; Mubashar Nadeem, Head of Finance Islamic Banking Allied Bank Limited; and Anayat Ullah Khan, Senior Manager Education and Training (E&T) ICAP.

The discussion was started by Nasir Muneer. Ali Latif was invited to share his point of view. All the panellists discussed the role of accountant in the era of technology and Artificial Intelligence (AI). They were of the view that technology is a facilitator but can never replace the need of professional accountants. However, the role of current accountant will be evolved and new avenues will emerge including data analysts, business advisors and value addition consultants. The students of LUMS pursuing or aspiring to pursue professional accountancy, were really concerned about the future of accountants and they found this penal talk as an opportunity to discuss their concerns and seek the appropriate guidance.

During Q&A session, students also asked questions about entry routes, exemptions, mandatory training, stipends and Training Organisations outside Practice (TOoP) which were answered by M. Ali Latif and Anayat Ullah. The students showed interest in chartered accountancy and after the Q&A session, met with the panellists and sought guidance on personal level. On behalf of the students of LUMS, the representatives of LSPA were thankful to the panellists for their presence and participation.

## Seminar on How a CFO Should Plan Year 2020



Rehamt Ullah Bardaie and JehanZeb Amin presenting memento to Speaker

Chief Financial Officer (CFO) role in the ever-changing business environment is becoming more and more challenging. Today, they are no longer just focused on the financial health of the company, as organisations have gotten more complex, so are their responsibilities. That is why their roles have evolved far beyond finance to emerge as strategic leader, transformation enabler

and an expert of technology to handle the big data and to extract the useful business insights therefrom.

In the fast changing business environment, CFOs need to be driver of change and for that they need to shift their foresight beyond the accounting, controls and compliance functions, towards the decision support and strategic business partnering. This transition requires some heavy up lifting coupled with conscious efforts to learn and practice new skills and develop strategic thinking.

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) Northern Regional Committee (NRC) organised a seminar on **'How a CFO should plan year 2020'** on November 22, 2019 at ICAP regional office, Islamabad. The session started with the welcome note by JehanZeb Amin, member NRC. The speaker of the seminar was Saleem Sufi, a CFO level senior executive and Strategy expert for more than 25 years working for top world class Fortune 500 and Private Equity owned companies in Asia pacific, Middle East, Europe and United States. As a corporate trainer and executive coach, he has conducted numerous executive development programs at Tokyo, Singapore, Shanghai, Mumbai, Riyadh, Dubai and New York. He is the founder of MECA CFO Academy and CFO Alliance. During his presentation, he explains the economic collapse, current business environment, emergence of new business models, rapid introduction of new technologies, current focus and ambition of finance organisation, impact of digital transformation on finance, changing role of finance, Finance operating model, etc. At the closing ceremony, senior member ICAP Rehmat Ullah Bardaie presented memento to the speaker. JehanZeb Amin, closed the session with the vote of thanks. The seminar was followed by dinner.





## Seminar on Character Building According to Injunctions of Islam



From LtoR: Dr. Tariq sharif zada and Mr. Ahmad Jabbar, FCA.

The Institute of Chartered Accountants of Pakistan (ICAP) Northern Regional Committee (NRC) Continuing Professional Development (CPD) Committee Faisalabad organised a seminar on **Character Building According to Injunctions of Islam** on November 22, 2019 at Hotel One, Faisalabad.

Dr. Tariq Sharif Zada, Sufi Scholar, was the speaker of the seminar. More than 20 participants including ICAP members, students and other professionals participated in the seminar.

The seminar started with the recitation from the Holy Quran. Ahmed Jabbar, Chairman CPD Committee Faisalabad, introduced the speaker of the seminar. The sufi scholar delivered the interactive speech and kept the participants engaged. All the participants appreciated the effort of the speaker. All members particularly young chartered accountants showed great interest. In the Q&A session, participants were encouraged to raise questions. At the end, Ahmad Jabbar presented shield to the speaker as a token of appreciation. The seminar followed by hi-tea.

## Corporate Sector Meet Up

The Institute of Chartered Accountants of Pakistan (ICAP) Marketing and Communications (MARCOM) department successfully embarked upon a program to strengthen the connectivity with the corporate sector for placement of the members and partly qualified CAs. Deputy Director Arsalan Rabbani and Deputy Director Tahir Saeed Malik met with the various key Finance and HR personals of the renowned organisations. They held meetings with



Ali Zeb, Chief Executive Officer/Managing Director Adamjee Insurance Company Limited; Omer Khan Ghaznavi, Head of Corporate Taxation Fatima Fertilizer Company Limited, Harris Mahmood, Chief Financial Officer Akzo Nobel Pakistan Limited; Zain Sakhawat, HR Advisor Akzo Nobel Pakistan Limited; Syed Faisal Karim, GM HR Panther Tyres & Tubes; Ghulam Abbas, General Manager Finance & Accounts Panther Tyres & Tubes; Gohar Ejaz, Reporting & Internal Control Manager Nestle; Tabish Sharif, CFO & Company Secretary Service Sales Corporation; Waqar Naeed, CFO Pioneer Cement Limited; and Uzair Tariq, Senior Manager Compensation & Benefits Pioneer Cement Limited.

They discussed various possibilities like placement of qualified and partly qualified CAs, job portal, Continuing Professional Development (CPD) activities, scholarship, revised CA scheme and branding initiatives. They also discussed matters of common interest and explored many avenues of mutual benefits.

BEFAIR.  
DON'T  
POLLUTE  
THE AIR

## ICAP Members' Family Get Together & Networking Lunch



Accountant's family life is often obstructed with work pressures, late sittings and deadlines. A timely and energising break is always welcome to get away from such routine patterns. This break is more vigour if it is enjoyed with family and friends.

In line with the objective of organising social events for the members and their families, The Institute of Chartered Accountants of Pakistan (ICAP) Northern Regional Committee (NRC) Continuing Professional Development (CPD) Committee, Faisalabad organised a **Family Get Together and Networking Lunch** on December 8, 2019 at Serena Hotel, Faisalabad.

Ahmad Jabbar, Chairman CPD Committee Faisalabad welcomed all the guests. The event was graced by ICAP members with their families. Each family was greeted with a goody bag containing gifts. The event was full of fun activities for kids like jumping castle, magic & puppet

show, face painting and music. The guests were also entertained with the live Qawwali.

Members and their families enjoyed the outdoor activities from the beginning till evening. Well-known poets and Qawaal of Faisalabad city were invited in the event. Gifts through lucky draw were also distributed by ICAP Vice President, Rana Muhammad Usman Khan and Ahmad Jabbar, Lunch was served to participants. The Council members Iftikhar Taj and Muhammad Ali Latif, Chairman NRC Rafqat Hussain, NRC members JehanZeb Amin, Ali Saif Cheema, Asad Feroze, and members of the Institute with their families participated in the event. Senior ICAP members Mohammad Suleman Zahid and Muhammad Yaqub graced the event with families.

Rana Muhammad Usman Khan appreciated the efforts of CPD Committee Faisalabad and ICAP staff under the supervision of Ahmad Jabbar.



## CA Toastmasters Club, Karachi



Meeting No. 82.



Meeting No. 83.

CA Toastmasters Club, Karachi conducted five meetings during November 2019. Meeting No. 82 was conducted by TM Majid Akhtar. The Prepared Speech session featured TM Aleem Aqeel Khan, MTM Saima Shahzad and TM Junaid Saleem, who delivered their project speeches. Club's president TM Tayyab conducted the Table Topics session that witnessed great speeches by members and guests on the theme 'New Business.' TM Aleem Aqeel conducted the Evaluation session and evaluated the meeting with Table Topics evaluator MTM Saima Shahzad and other Prepared Speech evaluators. MTM Saima Shahzad won the Best Big Four Award for her performance as General Evaluator, MTM Nighat Iqbal won the Best Prepared Speech Evaluator Award, TM Majid Akhtar won the Best Table Topics Speaker Award and TM Aleem Aqeel Khan won the Best Prepared Speaker Award.

Meeting No. 83 was conducted by TM Humayun. The Prepared Speech session featured project speeches from TM Shahid Yaqoob, MTM Saima Shahzad and TM Majid Akhtar. TM Rashid Dastagir conducted the Table Topics session on the theme 'Surprise.' MTM Saima Shahzad conducted the Evaluation session and evaluated the meeting along with Table Topics Evaluator TM Majid Akhtar and other prepared speech evaluators. TM Rashid Dastagir won the Best Prepared Speech Evaluator Award. The rest of the awards were clinched by TM Majid Akhtar for Best Table Topics Speaker, Best Big Four and Best Prepared Speaker of the evening.

Meeting No. 84 was conducted by TM Rashid Dastagir. The Prepared Speech session featured project speeches from TM Umair Ahmed, DTM Talha bin Hamid and TM Yousuf Ali. TM Waqar Manzoor conducted the Table Topics session on the theme 'What if.' Club President TM Muhammad Tayyab Hassan conducted the Evaluation session with Table Topics Evaluators TM Farhan Qazi and DTM Talha bin Hamid and other prepared speech evaluators. TM Majid Akhtar won the Best Prepared Speech Evaluator Award and Best Table Topics Speaker Award and DTM Talha bin Hamid won the Best Big Four Award for his performance as the Table Topic Evaluator and Best Prepared Speaker Award.

Meeting No. 85 was conducted by TM Junaid Saleem. The Prepared Speech session featured project speeches from MTM Soomal, TM Umair and TM Humayun. TM Murtaza Ghazi conducted the Table Topics session on the theme 'Reflecting.' TM Rashid Dastagir conducted the Evaluation session with Table Topics Evaluator TM Majid Akhtar and other prepared speech evaluators. TM Majid Akhtar won the Best Big Four Award for his performance as Table Topics Evaluator and Best Prepared Speech Evaluator Award. TM Junaid Saleem won the Best Table Topics Speaker Award and TM Humayun won the Best Prepared Speaker Award.

## CA Toastmasters Club, Lahore



Meeting No. 179.

Meeting No. 179 of the CA Toastmasters Club, Lahore was organised on November 6, 2019 at ICAP regional office, Lahore. Toastmasters of the meeting was TM Muhammad Asim. Presiding Officer was Club President TM Ghulam Abbas and General Evaluator was DTM Shahid Jamal Kazi. The roles of Grammarian, Timer, Ah-Counter and Vote Counter were performed by TM Mudasser Ashfaq, TM Abu Bakar, TM Adnan Ahmed and TM Adnan Munir. Two Toastmasters delivered their Prepared Speeches on different topics during the Prepared Speeches session. The first speech was delivered by TM Asim Azhar titled 'Arabian Horse' which was evaluated by TM Afreen Kazi. TM Hamid Raza delivered on 'Ice Breaker' which was evaluated by TM Mudasser Ashfaq. The award for Best Prepared Speaker was won by TM Asim Azhar. The Thinking Practice session was conducted by Table Topic Master, DTM Zunair Zafar,



Meeting No. 180.

who called various members and guests on stage to speak impromptu on different topics. The session was evaluated by TM Mustafa Khan. The award of the Best Table Topic Speaker was won by TM Ahmed Hassan.

Meeting No. 180 was organised on November 20, 2019 at ICAP regional office, Lahore. Toastmasters of the meeting was TM Muhammad Asim and Presiding Officer was TM Ghulam Abbas. General Evaluator was DTM Zunair Zafar. The roles of Grammarian, Timer, Ah-Counter and Vote Counter were performed by TM Mudasser Ashfaq, TM Syed Azam Ali, TM Adnan Khokhar and Khubaib. Seven Toastmasters delivered their Prepared Speeches on different topics during the Prepared Speeches session. The first speech was delivered by TM Mohiyuddin titled 'Icebreaker' which was evaluated by TM Afreen Kazi. TM Khubaib delivered on 'Icebreaker' and evaluated by TM Adnan Khokhar. TM Afreen Kazi delivered on 'Innovation and Invention' and by TM Saad Hassan. TM Saad Hassan delivered on 'Styles of Communications' and evaluated by TM Mudasser Ashfaq, DTM Zunair Zafar delivered on 'Toastmasters in Pakistan' and evaluated by TM Mustafa Khan, TM Abbas Sandhu delivered on 'Using Body Language' and evaluated by DTM Zunair Zafar and TM Mustafa Khan delivered on 'The folk tale' and evaluated by DTM Zunair Zafar. The award for Best Prepared Speaker was won by TM Abbas Sandhu and Best Evaluator was won by DTM Zunair Zafar. The Thinking Practice session was conducted by Table Topic Master, TM Faraz Rafique, who called various members and guests on stage to speak impromptu on different topics. The award of the Best Table Topic Speaker was won by TM Muhammad Asim.

The regular meetings of the CA Toastmasters Club are held on alternate Wednesdays of each month. Guests can also join in without any hesitation to witness the proceedings of the meetings.

## ICAP Toastmasters Club, Islamabad

Meeting No. 82 of ICAP Toastmasters Club, Islamabad was held on November 7, 2019 themed 'Infotainment.' The Presiding Officer of the club, TM Mudassar Ghulam Nabi,



welcomed the members and guests and explained the course of the meeting. He invited voluntary introduction from visitors before the charge was handed over to the main host for the evening, TM Uzair Aftab. He shared his own views regarding the theme of the meeting and inquired the views of the audience. He explained the word of the day i.e. 'Extravaganza.'

TM Haider Ali, Table Topic Master, held a session which was enjoyed by the audience. The Prepared Speeches were delivered by TM Mudassar Ghulam Nabi and TM Malik Muhammad Omair. The General Evaluator was TM Shafiq. TM Farwa Fatima evaluated the Table Topic session, TM Zeeshan Saif evaluated TM Mudassar Ghulam Nabi's speech and TM Mudassar Ghulam Nabi evaluated TM Malik Muhammad Omair's speech. The winner were: Best Table Topics: TM Malik Muhammad Omair; Best Prepared Speech: TM Mudassar Ghulam Nabi; Best Evaluator: TM Farwa Fatima; and Best of Big 3: TM Haider Ali.

Meeting No. 83 was held on November 21, 2019 themed 'Industrial revolution.' The Presiding Officer, TM Zeeshan Saif, acknowledged the audience and the winners of the previous meeting. The Toastmasters of the evening, TM Shafiq Ahmad, introduced the word of the day, various segments of the meeting and the role players for the session. TM Yasir Ijaz was the Table Topic Master and the session had almost 12-14 participants. Guests were also encouraged to speak so that they can evaluate their stage confidence.

In the Prepared Speeches session, three Prepared Speeches were delivered by TM Uzair Aftab, TM Haider Ali and TM Malik M. Omair. The General Evaluator was TM Aneel Peter. TM Haider Ali gave his feedback on Table Topics, TM Farwa Fatima evaluated TM Uzair

Aftab and TM Haider Ali's speech was evaluated by TM Athar Ahmed while TM Malik Muhammad Omair's speech was evaluated by TM Jamal Ahmed. The winners were: Best Table Topic Speaker: TM Jamal Ahmad Khan; Best Prepared Speaker: TM Haider Ali; Best Evaluator: TM Jamal Ahmad Khan; and Best of Big 3: TM Aneel Peter.

Meeting No. 84 for Prepared Speech Contest was organised on November 28, 2019. Five Prepared Speeches were presented by the members of the club. The President of the club, TM Mudassar Ghulam Nabi, was the contest chair. Area Director, TM Malik Muhammad Omair, was the contest chief judge. The co-judges were TM Ahmad Sajjad, President Rawalpindi Toastmasters Club, and TM Anas Mansoor. The Tiebreaking judge was TM Naureen Fatima.

The contestants were: TM Athar Ahmad, TM Bilal Raza, TM Muhammad Shafiq, TM Uzair Aftab, and TM Jamal Ahmad Khan. TM Athar Ahmad, Vice President Membership, won the contest by presenting the best speech and will be representing ICAP Toastmasters

Club in Area Level Prepared Speech contest. The first winner was TM Athar Ahmad; second was TM Bilal Raza; and third was TM Muhammad Shafiq.

## ICAP Toastmasters Club, Faisalabad



Meeting No. 49 of ICAP Toastmasters Club, Faisalabad was held on November 15, 2019 with the theme 'World of Opportunities' and word of the day 'Catastrophize'.

Meeting No. 50 of ICAP Toastmasters Club, Faisalabad was held on November 29, 2019 with the theme 'A spectrum of opportunities' and word of the day 'Auspicious'.

## Sports Day Event, Multan



The Institute of Chartered Accountants of Pakistan (ICAP) Multan members organised cricket match series with UBL on December 8, 2019 at Zawari Cricket Academy, Multan playground to help members unwind from their daily routine. ICAP members actively participated in the event. The event was sponsored by UBL. Two teams, ICAP Multan members and UBL competed for the winner's trophy. ICAP Multan members team won the series by 2/0.

Javed Anjum, Chairman CPD Committee Multan, applauded the participants, teams, organisers, sponsors, supporters and audience for their overwhelming

interest and participation in the event. Chaudhry Qaisar Iqbal, GM UBL Southern Punjab, was the Chief Guest. Sultan Shahid, Capitan ICAP Multan member teams received winner's trophy from Chaudhry Qaisar Iqbal along with Javed Anjum, CFO Mahmood Group and Rabnawaz Anjum, Financial Controller Kot Addu Power Company (KAPCO). Kanwar Abid Ali, member ICAP and Vice Capitan ICAP team awarded man of the series. Javed Anjum also presented ICAP souvenir to Chaudhry Qaisar Iqbal and also thanked UBL for their support. ICAP Multan members and UBL teams aimed to repeat this kind of healthy activities in future. The event was followed by lunch at MGM.





## member news

## New Fellow/Associate Members

The Institute welcomes the following fellow and associate members:

## Fellow Members

S. No.	R-No.	Name
1.	4927	Nasrullah Ghulam Ali
2.	5375	Azeem Sarwar
3.	5523	Muhammad Rafiq
4.	5779	Muhammad Fakhir
5.	5827	Muhammad Saqib Iqbal
6.	5866	Ahmed Hassan Ali Khoja
7.	5920	Ateeque Rasheed
8.	7857	Muhammad Sharjeel Ayub

## Associate Members

S. No.	R-No.	Name
1.	10496	Muhammad Kamran Raza
2.	10497	Aaqib Jawed
3.	10498	Usama
4.	10499	Muhammad Zohaib Kamran
5.	10500	Raheel Ahmad
6.	10501	Muhammad Umair Ashraf
7.	10502	Syed Muhammad Sarmad
8.	10503	Taha Tanveer

## New Firms

The Institute welcomes the following new firms:

S. No.	Name of Firms	Location
1.	Aladia Ijaz & Co.	Islamabad
2.	Amir Yousuf & Co.	Islamabad
3.	Anwar & Co.	Karachi
4.	Dossani Associates	Karachi
5.	Fahd Amin	Lahore
6.	Farhan Ahmed & Co.	Islamabad
7.	Imran Mehmood & Co.	Lahore
8.	M. Amjad Siddiqui & Co.	Lahore
9.	Mansoor Ahmad & Co.	Lahore
10.	Maria & Co.	Lahore
11.	Muhammad Ullah & Co.	Lahore
12.	Muzahir & Co.	Lahore
13.	Saim & Co.	Lahore
14.	Shahzad Akhtar & Co.	Lahore
15.	Shoaib Haider & Co.	Lahore
16.	Syed & Co.	Karachi
17.	Tehseen Rehman & Co.	Multan

## Deceased Member

The Institute mourns the sad demise of following member:

S. No.	R-No.	Name
1.	1165	Younus Mohammed



## hr news

## Welcome on Board

The Institute of Chartered Accountants of Pakistan (ICAP) Human Resource department welcomes the following new employees during the month of November & December 2019:

- Arwa Aliasghar, Manager Examination, Karachi
- Maryam Khalid, Officer Librarian, Peshawar

## Happy Decade at ICAP

The following staff of The Institute of Chartered Accountants of Pakistan (ICAP) has completed 15 years at ICAP during December 2019. Congratulations!

- Omair Jamal, Senior Director Education & Training: 15 years

## Quote

"To win big, you sometimes need to take big risks." – **Bill Gates**

## technical update

### Update:

## Local Corporate Regulatory Framework

**SECP issues Corporate Rehabilitation Regulations, 2019:** Securities and Exchange Commission of Pakistan (SECP) vide SRO 1415(I)/2019 (dated November 19, 2019) issued Corporate Rehabilitation Regulations 2019. The regulations mainly include the following:

- Eligibility Criteria and application procedure for inclusion in panel of insolvency expert;
- Requirement to display panel on the website of the Commission;
- Remuneration of insolvency expert and administrator; and
- Code of conduct.

SRO can be accessed on following link:

<https://www.secp.gov.pk/document/s-r-o-1415-i-2019-corporate-rehabilitation-regulations-2019/>

**SECP issues draft Modaraba Regulations 2019:** SECP vide SRO 1417(I)/2019 (dated November 19, 2019) issued draft Modaraba Regulations 2019 for information of all the stakeholders and to strictly regulate and monitor the Modaraba sector in Pakistan. The regulation includes the following:

- Prudential regulations such as:
  - Maximum exposure of a modaraba to a person or group;
  - Exposure limits in capital market;
  - Minimum conditions for providing finance;
  - Linkage between equity of the customer and total exposure from financial institutions;
  - Financial indicators of the borrowers;
  - Requirements on certain types of transactions;
  - Investment in the shares of un-listed company;
  - Regulations for housing finance for individual;
  - Limit on aggregate liabilities of a modaraba;
  - Creation and building up of reserve;
  - Classification and Provisioning for non-performing assets;
  - Reversal of Provisioning; and
  - Overdue, default and recovery.
- Resource mobilization; and
- Other miscellaneous regulations.

Draft regulation can be accessed on following link:

<https://www.secp.gov.pk/document/draft-modaraba-regulations-2019/>

**SECP issues General Takaful Accounting Regulations, 2019:** SECP vide SRO 1416(I)/2019 (dated November 20, 2019) issued General Takaful Accounting Regulations 2019. These Regulations shall be applicable to regulatory returns and the published financial statements of operators and also direct the Takaful Operators or Window Takaful Operators to comply with the requirements of International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Pakistan (ICAP) and the Islamic Financial Accounting Standards (IFAS), as notified by SECP.

Regulation can be accessed on following link:

<https://www.secp.gov.pk/document/s-r-o-1416-i-2019-takaful-accounting-regulations-2019/>

**SECP withdraws the Companies (Submission of Information regarding Income Tax Return) General Order 2019:**

SECP vide SRO 1479(I)/ 2019 (dated November 26, 2019) has withdrawn the Companies (Submission of Information regarding Income Tax Return) General Order 2019 issued vide SRO 1048 (I)/2019 dated September 11, 2019.

SRO can be accessed on following link:

<https://www.secp.gov.pk/document/sro-1479-i-2019-notification-of-withdraw-the-companies-submission-of-information-regarding-income-tax-return-general-order-2019/>

**SECP issues notification of IFRS 14:** SECP vide SRO 1480(I)/2019 (dated November 27, 2019) notified that the International Financial Reporting Standard (IFRS) 14 – Regulatory Deferral Accounts and any further revisions issued by the International Accounting Standards Board (IASB) shall be followed for the preparation of financial statements for the annual reporting periods beginning on or after July 1, 2019 by all classes of companies that are required by the Act to follow IFRS as notified by the Commission.

SRO can be accessed on following link:

<https://www.secp.gov.pk/document/sro-1480-i-2019-notification-of-international-financial-reporting-standard-ifs-14/>

**SECP issues circular regarding financial operation of family window takaful operations by life insurers:**

SECP vide Circular No. 15 of 2019 (dated November 18, 2019) in exercise of powers under Rule 11(1)(c) of the

Takaful Rules 2012 has given the following requirement of financial reporting to be followed by the life insurers relating to financial reporting of their window takaful operations:

- Life insurers authorised to carry on window takaful operations shall include Family Takaful results in their published financial statements by consolidating assets, liabilities, income and expenses of window family takaful operations with that of the conventional operations of the insurer;
- Retained earnings of the Participant Takaful Fund (PTF) shall be classified as insurance liability and included in Total Liabilities of the Window Family Takaful Operations; and
- Balance of Operator sub-funds under the Window Family Takaful operations shall be classified as part of shareholders' equity of the life insurer presented separately into retained earnings attributable to shareholders-ledger account D and other components.

Circular can be accessed on following link:  
<https://www.secp.gov.pk/document/circular-no-15-of-2019/>

**SECP issues circular regarding acceptance of donations from foreign sources without prior permission:** SECP vide Circular No. 16 of 2019 (dated December 5, 2019) directed to all companies licensed under section 42 of the Companies Act 2017, which intend to receive foreign funding/donations, to apply to the Commission along with eight sets of following documents for seeking prior permission from the Ministry of Interior:

- Latest Memorandum & Articles of the Association of the company;
- Certified copy of latest Form B of the company;
- Resumes and affidavits of the chief executive and directors of the company as per the format specified in the Regulations; and
- CNICs/passports of all the directors & chief executive of the company.

Circular can be accessed on following link:  
<https://www.secp.gov.pk/document/circular-no-16-of-2019/>

**PSX issues amendments in Chapter 19 – Risk Management Regulations:** Pakistan Stock Exchange (PSX) vide Notice No. PSX/N-1598 (dated December 13, 2019) made following amendments in Chapter 19 – Risk Management Regulations of PSX Rule book with the approval of SECP for all TRE certificate holders:

- Enhancement of scrip based circuit breaker from 5% or Re.1, whichever is higher to 7.5% or Re.1, whichever is higher; and
- Introduction of Index-Based market halts.

The above amendments shall take effect from January 20, 2020.

Notice can be accessed on following link:  
<https://dps.psx.com.pk/download/attachment/140430-1.pdf>

**SECP Regulatory Sandbox Guidelines 2019:** PSX vide Notice No. PSX/N-600 (dated December 12, 2019) has informed all market participants that the SECP has issued the SECP Regulatory Sandbox Guidelines 2019.

The objective of the guideline is to promote innovation in the financial services industry through reduction of regulatory uncertainty by allowing testing of new products, business models, services in the Regulatory Sandbox under the close supervision of the regulator. The SECP regulatory sandbox shall be available for all the regulated sectors of the SECP i.e. capital markets, insurance, non-banking financial services and overall corporate sector.

Notice and guideline can be accessed on following links:  
<https://dps.psx.com.pk/download/attachment/140395-1.pdf>  
<https://www.secp.gov.pk/document/secp-regulatory-sandbox-guidelines-2019/?wpdmdl=37476>

## Update:

## Financial Reporting

**Publication of November 2019 IFRS 17 podcast:** International Accounting Standards Board (IASB) on November 21, 2019 published podcast of Board's meeting about Amendments to IFRS 17. In the podcast, Board members provides an update about investors' view on the implementation of IFRS 17 Insurance Contracts, including highlights from a recent discussion at the Capital Market Advisory Committee meeting.

Podcast can be accessed on following link:  
<https://www.ifrs.org/news-and-events/2019/11/ifrs-17-podcast-on-november-iasb-meeting-now-available/>

**Guide on how to select and apply accounting policy:** International Financial Reporting Standards (IFRS) foundation on November 21, 2019 published guide to



help companies determine their accounting policies when preparing IFRS financial statements.

International Accounting Standards (IAS) 8 Accounting Policies, Changing in Accounting Estimates and Errors specifies the requirements for selecting and applying accounting policies. In the absence of an IFRS Standard that specifically applies to a transaction, other event or condition, management uses its judgement in developing and applying an accounting policy that results in information that is reliable and relevant to an investor's economic decision-making needs.

The Guide gives a three step process for developing accounting policies.

Guide can be accessed on following link:

<https://www.ifrs.org/news-and-events/2019/11/guide-how-to-select-and-apply-accounting-policies/>

**IASB November 2019 meeting update:** IASB on November 22, 2019 published the updates on November meeting. The topics discussed at the November meeting were:

- Primary Financial Statements;
- Subsidiaries that are SMEs;
- Disclosure Initiative;
- IFRS 3 reference to the Conceptual Framework;
- Management Commentary;
- Amendments to IFRS 17 Insurance Contracts;
- Implementation Matters;
- Lack of Exchangeability (IAS 21);
- Annual Improvements to IFRS Standards 2018-2020;
- Subsidiary as a first-time adopter (Amendment to IFRS 1);
- Lease Incentives (Amendment to Illustrative Examples accompanying IFRS 16);
- Taxation in Fair Value Measurements (Amendment to IAS 41); and
- Cryptoassets.

Further details can be accessed on following link:

<https://www.ifrs.org/news-and-events/2019/11/november-2019-iasb-update-available/>

**Publication of October 2019 IASB Podcast:** The IASB on November 28, 2019 published podcast for decisions made in November Board meeting. The podcast reports on following discussions:

- Proposed amendments to IFRS 7 Insurance Contracts;
- The Board's work on Better Communication in Financial Reporting: Management Commentary;
- Overview of IAS 19 Employee Benefits and IFRS 13 Fair Value Measurement;

- Recommendation from IFRS Interpretation Committee in relation to the Lack of Exchangeability (IAS 21) project; and
- The feedback on the Annual Improvements to IFRS Standards 2018–2020.

The podcast can be accessed on following link:

<https://www.ifrs.org/news-and-events/2019/11/november-iasb-podcast-now-available/>

## **Audit and Ethics**

### **IAASB publication of Audit Client Briefing:**

International Auditing and Assurance Standards Board (IAASB) on November 19, 2019 published the Audit Client Briefing prepared by The International Standard on Auditing (ISA) 540 (Revised) implementation working group, based on the Canadian Auditing Standard (CAS) – Audit Client Briefing of the Chartered Professional Accountants of Canada (CPA Canada).

This briefing provides an overview of:

- Management's responsibilities in determining when accounting estimates are needed;
- Management's responsibilities regarding the main components of an estimation process; and
- The impact on management because of changes to the auditor's responsibilities, including broad questions auditors are likely to ask those involved in the detailed aspects of the estimation process.

Further details can be accessed on following link:

<https://www.iaasb.org/news-events/2019-11/isa-540-revised-implementation-support-audit-client-briefing>

**IAASB Tech Talk November 2019:** The International Auditing and Assurance Standards Board's (IAASB) Technology Working Group on November 20, 2019 published its second Technology Communiqué which provides an update on the IAASB's efforts to incorporate the use of technology by auditors in an ever changing audit environment. This communiqué also includes other relevant news and information relevant to technology.

Further details can be accessed on following link:

<https://www.iaasb.org/news-events/2019-11/iaasb-tech-talk-november-2019>

**IESBA September 2019 meeting highlights:** International Ethics Standards Board for Accountants

(IESBA) on November 19, 2019 published the highlights of meeting held in September 2019.

Topics discussed in meeting were:

- Coordination with the IAASB – Third Annual IAASB/ IESBA Plenary Meeting;
- Watch and Learn! International Webinar on Proposed Changes for Role and Mindset Expectations;
- Global Ethics Webinar; Explaining the Newly Effective Code of Ethics;
- IFAC and IESBA introduce new websites;
- Tax Planning;
- Part 4B Alignment to ISAE 3000;
- International Compliance Forum, February 24-25, 2020, Amsterdam, Netherlands;
- Upcoming IESBA Meeting Dates; and
- Recent and Upcoming Outreach Activities.

Further details can be accessed on following link  
<https://www.ethicsboard.org/news-events/2019-11/iesba-enews-november-2019-1>

**IFAC Launches Exploring the IESBA Code:** IFAC on November 26, 2019 to help the professional accountants and other business professionals who are often faced with complicated, real world situations that are not black and white and demand pragmatic and ethical solutions, launched its first installment of a 12-month publication series titled 'Exploring the IESBA Code.'

Through twelve monthly installments, Exploring the IESBA Code will take an in-depth look at the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code). Each installment of the series will highlight different aspects of the Code in real-world situations, in a manner that is relatable and practical. A special focus will be placed on recent revisions to the Code.

The first installment of the Exploring the IESBA Code deals with the five Fundamental Principles of ethics, which establish the standard of behaviour expected of all professional accountants - a standard which enable accountants to uphold their responsibility to act in the public interest.

Further details can be accessed on following link:  
<https://www.ethicsboard.org/news-events/2019-11/ifac-launches-exploring-iesba-code>

## Update:

### Tax

#### Second Amendment Ordinance 2019

The President of Pakistan has promulgated the (Second Amendment) Ordinance 2019 on December 27, 2019. The purported objective of the above said Ordinance is to address certain matters, which are necessary for smooth continuance of economic activities in Pakistan. The Ordinance has amended certain provisions of Income Tax Ordinance 2001, Sales Tax Act 1990 and Customs Act 2005.

Highlight of amendments made in Income Tax Ordinance 2001:

1. Definition of greenfield industry;
2. Change in formation of Appellate Tribunal Inland Revenue;
3. Withholding of income tax by banking company and financial institutions maintaining Special Convertible Rupee Account of non-resident having no permanent establishment;
4. Penalty on a person who fails to obtain business license under section 181(1) of the Income Tax Ordinance 2001;
5. Disclosure of information by public servant to Financial Monitoring Unit for the purpose of performing functions as laid down in Anti-Money Laundering Act 2010;
6. Transfer pricing audit of cases selected under Clause (d) of sub-section (3) of Section 177;
7. Minimum tax under Section 113 for the tax year 2020 in case of traders having one hundred million rupees;
8. Seventy five percent for ex-servicemen and serving personnel of Armed forces or ex-employees or serving personnel of federal and provincial governments in capital gain tax arising after disposal of three years from date of acquisition of immovable property; and
9. Reduced rate of withholding tax under Clauses (a) and (b) of sub-section (1) of Section 153 shall be 0.5% on local sales, supplies and services made by traders of yarn mentioned under Clause (45A) of the part IV of Second Schedule to Income Tax Ordinance 2001.

Highlight of amendments made in Sales Tax Act 1990:

1. Definition of greenfield industry;
2. Amendment in definition of Tier-1 Retailer;
3. Formation of Customs Appellate Tribunal;
4. Certain penalties for the person, who is integrated for monitoring, tracking reporting or recording of sales with board or its computerized system; and



5. Monitoring of goods supplied from tax exempt areas by establishing checkpoint.

Highlight of amendments made in Customs Act 2005:

1. Formation of Directorate General of Law and Prosecution;
2. Punishments for the person involved in the smuggled or prohibited goods including currencies;
3. Empowerment of officials of Customs Authority to use necessary force including firearms subject to Section 97 of the Pakistan Penal Code 1860; and
4. Change in formation of Customs Appellate Tribunal.

#### **Valuation of immovable property of Rawalpindi**

Federal Board of Revenue (FBR) vide SRO 843(I) 2019 dated November 13, 2019 has made further amendment to its notification No. SRO 843(I) 2019 as under:

- For entry pertaining to 'Gulberg greens', it has been directed that the same represent 'Gulberg Green Residential;' and
- A new entry has been introduced in the table in respect of 'Gulberg Greens Farm House' wherein, residential and commercial properties have been stated to be valued at PKR 250,000 per marla and 2,500,000 per marla respectively.

#### **FED leviable in Sales Tax mode**

Federal Board of Revenue (FBR) vide SRO 1461(I)/2019 dated November 27, 2019 has declared that the various provisions of the ST Act such as; Section 8B (restriction of 90% output tax) and 23 (Tax invoice) along with

Serial No. 46, 49, 52, 52A, 71, 109, 134 and 147 of Table-I and Serial No. 3 and 4 of Table-II of the Sixth Schedule (exemptions), shall be mutatis mutandis apply on the goods where the federal excise duty is leviable in sales tax mode as specified in the Second Schedule of the Federal Excise Act 2005.

#### **Exemption of certain goods imported from Peoples Republic of China form Custom Duty**

Federal Government of Pakistan vide SRO 1640(I)/2019 dated December 31, 2019 has exempted certain goods from Custom Duty, imported from Peoples Republic of China with effect from January 1, 2020. It is stated that the goods manufactured or produced and imported should be in conformity with the Rules of determination of Origin of Goods and the operational certification procedures for the Rules of Origin notified by the Ministry of Commerce vide SRO 1286(I)/2015 dated December 24, 2005 read with the import policy order.

#### **Draft Publication of International Transshipment Rules**

FBR vide SRO 1538 (I)/2019 dated December 5, 2019, has issued draft Rules for suggestions or objections from stakeholders in respect of international transshipment. The said draft rules prescribe mechanism and certain conditions for transshipment in respect of following:

1. Imported cargo from gateway port to a foreign port;
2. Containerized cargo; and
3. Oversized bulk and break-bulk cargo.





## student section

**Trainees' Induction Fair, Karachi**

From L to R: Yafra Naz, Salman A. Abbasi, Hina Usmani and Farrukh Rehman addressing at the gathering; Fair in progress.



From L to R: Zulfikar Ali Causer, Khurshid Kotwal, Muhammad Lukman and Syeda Hoor-Ul-Ain.

The Institute of Chartered Accountants of Pakistan (ICAP) Directorate of Education & Training (DET) organised **Trainees' Induction Fair** on November 19, 2019 at ICAP head office, Karachi to provide a platform of extensive training opportunities to the Certificate in Accounting and Finance (CAF) qualified students. There were two plenary sessions and an open house for 'on the spot induction' of the aspiring CA trainees.

The event started with the greeting note by Yafra Naz, Senior Officer Training, followed by the recitation from the Holy Quran. A video of the legendary achievements of the Institute was shown to the audience. Ahmed Salman Abbasi, Deputy Director DET, delivered his welcome address. Abbasi explained the students about the difference between trainee and training organisations i.e., to induct the best-fit for their organisations and stressed on exhibiting professionalism in their personal and professional lives. The keynote speaker was Hina Usmani, Vice President ICAP and Council member and the chief guest was Farrukh Rehman, Council member ICAP and Chairman Education & Training Committee (ETCOM). Hina Usmani delivered the keynote speech on 'CA Signature Qualification: An emerging emblem of gender parity - nationally and globally' and bring forth her experience to help the aspiring CA Trainees in understanding the potential training opportunities for their future development. She also showed a video of CA Women's Committee to boost the morale of young girls to excel in the profession.

The first plenary session was held on the theme 'Future of Accounting Profession: Three major learning challenges for Trainees in Training Organisation.' The discussion revolved around the Evolving smart and digital technology; Continued globalisation of reporting/disclosure standards; and New forms of regulations/Increased Regulations. The panellists were Dr. Rizwan Khan, Chief Technology Officer BIZTEK Consulting Limited; Zulfikar Ali Causer, Partner BDO Ebrahim & Co., Chartered Accountants; Muhammad Lukman, CEO National Clearing Company of Pakistan Limited; and Khurshid Kotwal, CEO Aasman International. All the panellists shared their wisdom about the expectations from the fresh trainees and challenges they are likely to face in future in terms of digital literacy, reporting/disclosures, and regulations. Global emerging technological trends such as blockchain and the arrival of robotics in the profession of accounting were also discussed. To conclude the session, Hina Usmani presented shields to all the discussants.

The second plenary session started with a discussion on contrasting training opportunities in Training Organisations (Inside & Outside Practice). The panellists were fresh qualified chartered accountants and young CA trainees namely Aadrish Bashir Mangi, Deputy Manager Finance and Taxation Dewan Cement Limited; Sahrish Athar, Online Associate Usmani & Co., Chartered Accountants; Muddassir Mustafa Khan, CA Trainee Unilever



Pakistan Limited; and Rimsha Hanif, CA Trainee K-Electric Limited. The young panellists shared their success stories with the audiences and highlighted the fact that the scope of learning is broader in Small and Medium Sized Auditing Firms as compare to Large Auditing Firms. Moreover, CA trainees will learn to become a strategic business partners and develop entrepreneurial skillset for C-Suite positions in the Training Organisation outside Practice (TOoP). Both the sessions were moderated by Syeda Hoor-Ul-Ain, Manager DET. Farrukh Rehman shared his valued thoughts within the spirit of the event and thanked all the guests and wished good luck to all aspiring trainees for exciting training opportunities at the Open House Session.

In the end, Omair Jamal, Senior Director DET, presented flower bouquets to the chief guest and keynote speaker as a token of appreciation. 18 Training Organisations, both inside and outside practice, staged their stalls in the Open House to guide and interview the students about the training opportunities. Farrukh Rehman visited all stalls, awarded certificates of participation to the Training Organisations, and took feedback about the students from the HR Managers. All students found many interview opportunities and learnt more about the training options beyond their expectations. Training Organisations shared their positive responses with the organisers' team present at the event. The event concluded at lunch.

## Trainees' Induction Fair at Lahore, Islamabad and Faisalabad



The Institute of the Chartered Accountants of Pakistan (ICAP) has played a significant role in the development of CA Trainees by organising the **Trainees' Induction Fair 2019** on November 13 & 19, 2019 at three main locations of ICAP in North i.e. Lahore, Islamabad and Faisalabad for Certificate in Accounting and Finance (CAF) qualified students. The primary aim of the fair is to guide, groom and equip the aspiring CA trainees with the requisite skill-set expected from them at the Training Organisations. The two days' event covered Professional Grooming and Open House Sessions.

**Professional Grooming & Guidance Session:** The session was held on November 13, 2019 at ICAP regional office, Lahore and went live at regional offices Islamabad and Faisalabad. The students gained insights about CV writing; interviewing skills; professional grooming and corporate

ethics. The speakers were Rabeeha Khan, HR Consultant Bizware; Shahzaib Sanwal, Recruitment Champion EY Ford Rhodes Pakistan; and Zunair Zafar, CFO Lahore University of Management Sciences (LUMS) who shared their wisdom and visionary thoughts with the students. The session went live on ICAP's face book page with more than 4000 views.

Rana Muhammad Usman Khan, Vice President ICAP and chief guest and Iftikhar Taj, Council member ICAP also addressed the gathering. They advised the students to learn and gain practical skillset, build relationships and give due importance to complete their CA qualification on a fast track. The panel discussion concluded with Q&A session. Rana Muhammad Usman Khan presented bouquets to all guest speakers. He thanked the guests and wished good luck to all aspiring trainees for exciting training opportunities at the Open House Session.



**Open House Session:** Anayat Ullah Khan, Senior Manager Education and Training, opened the session at ICAP regional office, Lahore and provide students with the necessary guidance about the training vacancies available at ICAP's website and how they may take full advantage of the fair. Similarly, Israr Khan inaugurated the event in Islamabad

and enlightened the potential CA trainees about the training vacancies available at various training organisations. Various Training Organisations staged their stalls and interacted with the students in Lahore, Islamabad, and Faisalabad respectively. The event was appreciated by the students and the Training Organisations.



## Career Counseling



Mirpur.



Lahore.



Faisalabad.



Multan.



Karachi.



Peshawar.



Islamabad.

The Institute of Chartered Accountants of Pakistan (ICAP) Marketing and Communications (MARCOM) department conducted counselling sessions in major cities of Pakistan. Aspiring students were guided through these counseling sessions towards the CA profession and numerous benefits associated with chartered accountancy. Students from different schools, colleges and universities with different academic background attended the session.

Students were informed about the 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 and market opportunities for CAs all over the world. An interactive question and answer discussion was held in every institute, through which student's queries were explained. The sessions were conducted by Syed Faraz Ali, Manager Karachi; Haroon Yaqoob, Deputy Manager Islamabad; Shahbaz Fareed, Deputy Manager Faisalabad; Ahmed Raza Javed, Deputy Manager Multan; Aamir Malik, Assistant Manager Lahore; Rizwan Ali, Assistant Manager Hyderabad; Haseeb ur Rehman, Assistant Manager Gujranawala; Mohsin Ali, Assistant Manager Peshawar; Shukaib Ahmed, Assistant Manager Abbottabad; Yawer Khan, Senior Officer Quetta and Umer Hamid, Senior Officer Mirpur.

## Career Counseling at Hailey College of Commerce



Hailey College of Commerce (HCC) arranged a welcome and counseling session at PC, Lahore for their newly admitted students in graduate and post-graduate programs on November 18, 2019. HCC invited the representatives from professional accountancy bodies for career counseling

of their young students. Anayat Ullah Khan, Senior Manager Education and Training, represented The Institute of Chartered Accountants of Pakistan (ICAP) and highlighted the importance and role of a chartered accountant in the economy of Pakistan.

He also guided the students about the supervised practical training, available exemptions, directly joining opportunity to Training Organisations inside Practice (TOiP) and Training Organisations outside Practice (TOoPs), available careers and rewards associated with chartered accountancy. Haroon A. Jan, Head of Business Development Middle East, North Africa and South Asia (MENASA) represented Association of Chartered Certified Accountants (ACCA) and advised students to put their best efforts to remain relevant in the job markets. Sarfraz Ahmad, Joint Director represented Institute of Cost and Management Accountants of Pakistan (ICMAP), explained the respective benefits to pursue CMA (Pak).

The students of HCC appreciated the efforts of ICAP and requested for more counselling sessions. ICAP Lahore arranged three more career counselling sessions for HCC. The management was thankful to ICAP for the level of support and dedication extended to their students.



The Institute of  
Chartered Accountants  
of Pakistan

CA  
PAKISTAN

On behalf of the Council and  
staff of The Institute of  
Chartered Accountants of Pakistan

**Season's Greetings and a  
Happy New Year**

2020

**Rana M. Usman Khan**  
Vice President

**Khalilullah Shaikh**  
President

**Hina Usmani**  
Vice President