



**The Institute of
Chartered Accountants
of Pakistan**

**CA
PAKISTAN**

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Newsletter

Governance, Transparency and Service to Members and Students

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meets & events

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meets & events

ICAP Post Budget Conference 2021: Pakistan's Economy Towards Growth and Prosperity



From L to R (top): Shaukat Tarin & Iftikhar Taj (bottom): Ashfaq Yousuf Tola, Ali Latif & Muhammad Awais.

The Fiscal Laws Committee and Economic Advisory & Government Relationship Committee of the Institute, in collaboration with the Southern and Northern Regional Committees, organised **Post Budget Conference 2021: Pakistan's Economy Towards Growth and Prosperity** on June 16, 2021. Federal Minister for Finance and Revenue, Mr. Shaukat Tarin was the Chief Guest. The webinar was divided into two segments i.e. Taxation and Economy of Pakistan. Over the last years, COVID-19 Pandemic had been a havoc causing economies stumble, both nationally as well as globally. Now when the world is transitioning towards recovery, Pakistan has observed a robust V-shaped growth during the initial months of this year. For future sustainability and expected growth targets, the conference provided holistic view on critical areas of concern for Pakistan's economy paving its way towards growth and prosperity.

Session 1: Direct Taxation

The session host Muhammad Awais, Chairman Fiscal Laws Committee of ICAP welcomed the distinguished guests, speakers and panelists. Mr. Haider Patel, Partner, EY Ford Rhodes, was the keynote speaker on Direct Taxation. He covered four major areas of the Finance Bill 2021 through his presentation including: Measures of driving growth and promoting industrialization, proposals for improving and ease of doing business, revenue measures, measures that require immediate attention, and those significant proposals that did not make it to the Finance Bill. He started with special scheme for taxation of small and medium enterprises, highlighted introduction of a new section 15A & incentives for women entrepreneurs and then presented key areas of concerns whereby domestic consumer would suffer due to collection of tax on electricity bills. It was followed by a Panel discussion by Mr. Rashid Ibrahim, Former Council member, ICAP & Ms. Sadia Nazeer, Partner, KPMG Taseer Hadi & Co. The panel on direct taxation was moderated by Mr. Asif Haroon Partner, A.F. Ferguson & Co and concluded by session Chair Mr. Saqib Masood, Partner KPMG Taseer Hadi & Co.

Session 2: Indirect Taxation

Presentation on Indirect Tax was made by Asif Zulfikar, Partner A. F. Ferguson & Co. highlighting and analyzing the proposed changes. Panel discussion included critical discussion amongst Mr. Aman Ganchi, Executive Director Legal and Company Unilever Pakistan and Mr. Adnan Mufti, Partner, Moore Shekha Mufti. Session was moderated by Mr. Rizwan Bashir, Managing Partner, Rizwan and Company and concluded by session Chair Mr. Imran Afzal, Partner, Grant Thornton Anjum Rahman. Both the sessions were followed by Question & Answer session. The session ended with the vote of thanks by the Mr. Zulfikar Akhtar, Chairman Southern Regional Committee and Mr. Shahid Iqbal Khattak, Chairman Northern Regional Committee respectively.

Session 3: Economy of Pakistan

The Economy segment included a critical discussion on the impact on the key economic indicators of Pakistan that are required for growth and prosperity. Ms. Saira Nasir, Member the Economic Advisory & Government Relationship Committee, as moderator and master of ceremony of this session, greeted the panelists and enlightened the viewers about their veracity of wisdom. CEO Business Recorder Group, Wamiq Zuberi and Mr. Zubair Motiwala Chairman BMG group were the panelists who shared their insightful views on the impact of proposed budget on businesses and economy of Pakistan. They shared that Pakistan's economy has been facing

Session-1: Direct Taxation



From L to R (top): Saqib Masood, Haider Patel & Asif Haroon
(bottom): Rashid Ibrahim, Sadia Nazeer & Zulfikar Akhtar.

Session-2: Indirect Taxation



From L to R (top): Imran Afzal, Asim Zulfikar & Rizwan Bashir
(bottom): Aman Ghanchi, Adnan Mufti & Shahid Iqbal Khattak.

Session-3: Economy of Pakistan



From L to R (top): Asad Ali Shah, Ashfaq Tola (bottom): Saira Nasir, Wamiq Zuberi & Zubair Motiwala.

concerns regarding ambitious tax collection target, inflation, smuggled goods, privatization and presence of parallel economy. And addressing these issues require skilled human resource, integration of technology within

business and political will to continue to implement reforms for the growth.

Mr. Ashfaq Tola, Vice President ICAP & Chairman Economic Advisory and Government Relationship Committee then led the audience towards much awaited segment where Chief Guest, Mr. Shaukat Tarin, Federal Minister on Finance and Revenue shed light on the proposed budget 2021-22. He also shared on this occasion, that ICAP had presented Model Budget for the economic growth of the country earlier this year for which Federal Minister has appreciated ICAP's efforts.

Mr. Tarin, during his address, shared that the budget 2021-22 is a growth oriented budget but unlike previous years, this time due to severe conditionalities, IMF was not very friendly. He summarized various factors that impeded economic growth. These factors include tariffs on energy and power, lower discount rates, rupee devaluation and COVID-19 pandemic. Despite these challenges, in the initial months, slight growth has been achieved and amidst these circumstances presenting the budget itself was a challenging task. He shared that in presenting this year's budget long-term growth was the

prime objective keeping in view bottom-up approach that can bring in sustainability for our economy.

Mr. Iftikhar Taj, President ICAP congratulated Federal Minister for his contribution that resulted in presentation of budget for the forthcoming year that too during these difficult times. He lauded Minister's efforts for achieving a comprehensive document within a short tenure. In his address, he emphasized Institute's prestigious standing in maintaining trust within the profession, over the years, through its robust processes, governance and audit structures within the country.

Mr. Ashfaq Tola, also led question and answer session with Federal Minister and presented Vote of Thanks to all the stakeholders and participants for this inspiring and insightful session. He invited Mr. Tarin to attend ICAP Council meeting and requested for his continuous support in future endeavors as well. Mr. Tarin extended gratitude for ICAP's invitation for this Post Budget session and graciously shared that his door would remain open for any mutual initiatives in future as well. The session was well received by our members and all participants with over 500+ viewers joining via zoom and over 9K viewership via Facebook.

ICAP-IBA Research Unit

Grant Award Signing Ceremony – Karachi, Faisalabad, Lahore

The Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Business Administration (IBA), under their mutual initiative, signed research grant agreements with three universities as part of their first cycle of Research Grant Award. ICAP and IBA have joined hands together and formed ICAP-IBA Research Unit (IIRU) with the aim to promote research and development in Pakistan. A call for Research Proposals was invited in November 2020 against which a number of proposals were received across Pakistan. After thorough review by Research Oversight Committee, three proposals were shortlisted for the First Cycle of Grants. The proposals selected for award include Role of Middle men in Agriculture and its impact on consumer price by Dr. Khalid Mushtaq from University of Agriculture (Faisalabad), Financial Inclusion and the Role of Fintech by Dr. Abdur Rehman Aleemi from Institute of Business Management, Karachi and Technological Innovations and Auditing Practice in Pakistan by Dr. Omair Haroon from Lahore University of Management Sciences (Lahore).

Grant Agreement signing ceremonies were held at **June 4, 2021 at Karachi and Faisalabad** and on **June 8, 2021 at Lahore** with respective award recipients and representative universities.

Mr. Khalilullah Shaikh, Chairman Research Oversight Committee and Council Member ICAP, in a signing ceremony held in Karachi and Faisalabad congratulated all recipient Principal Investigators and Universities and said that this is the first ever milestone achieved by ICAP through its IIRU initiative that aimed to foster research culture and bring together industry and academia. Mr. M Muhammad Suleman Zahid, FCA guest of honor in Faisalabad, Dr. Samra Javed, Head of EMEC, Director ORIC & Advisor to office of the President, IoBM; Dr. Zahir Ahmed Zahir, Director ORIC, University of Agriculture, Faisalabad and Mr. Zunair Zafar CFO LUMS were also present.

Rana M. Usman Khan, Council member ICAP, while attending Signing ceremony at Lahore, expressed his appreciation for this initiative for ICAP. He stated that these grants will aid in the conduct of critical research,

KARACHI



FAISALABAD



LAHORE



thereby facilitating the experts in the field to contribute towards nation's future economic growth and prosperity.

In promoting the research culture amongst its members, key element of the research grants was to ensure participation of ICAP members as research associates.

IIRU will continue to promote and encourage quality researches through future grant cycles that will create value for relevant stakeholders, as well as enhance the capacity of its members in the field of research.



CASA North Elections 2021

Under the provisions of the Institute of Chartered Accountants of Pakistan, Chartered Accountants Students' Association Rules 1968 (Amended 2013), CASA North successfully conducted elections for two seats of CASA-N Zone A comprising Islamabad Capital Territory and the province of Punjab, which became vacant on tenure completion of earlier elected students.

Thirteen candidates contested elections for the two vacant seats including Mr. Hafiz Sher Ali (PKF FRANTS & Co.), Mr. Hafiz Hammad Ahmed (Ch. Shafqat Ali & Co.), Mr. Muhammad Aizaz (Uzair Hammad Faisal & Co.), Mr. Noman Akram (KPMG Taseer Hadi & Co. - Lahore), Mr. Wize Ahmad (Zulfiqar Ahmad & Co.), Mr. Muhammad Qasim Tahir (Parker Russell International & Co. - Faisalabad), Muhammad Saqib Aslam (Amin Mudassir & Co. - Faisalabad), Mr. Syed Wafa Abbas Grant (Zia Masood Kiyani - Islamabad), Mr. Zeeshan Khalid (Qadeer & Co), Mr. Abu Baqar Siddiq (Rehman Sarfraz Rahim Iqbal & Co), Mr. Azhar Sohail (Baker Tilly Mehmood Idrees Qamar & Co - Lahore), Mr. Hussam Raza Ch. (KPMG Taseer Hadi & Co - Lahore) and Mr. Saboor Ahmad (Malik Haroon Shahid Safdar & Co).

Due to COVID-19 pandemic election were held virtually through E-voting by giving access to the eligible students through One Time Login/password. Mr. Mansoor Zaighum, FCA was assigned the responsibility to serve as the Chief Presiding Officer with ICAP executives at other locations served as assistant presiding officers.

Elections' day witnessed full enthusiasm where all candidates and their supporters were eager to know the outcome of their election campaign, which resulted in a record breaking total turnout of 3886 students in Zone A constituting around 59% of the total voters. This year all the contestants managed substantial voters from every station.

Chairman CASA-N and NRC-members were continuously observing and guiding the organizers in the execution of election. A control environment was defined and effective control procedures were designed and implemented throughout the conduct of the election in order to maintain transparency and fairness. They appreciated executive staff of ICAP who ensured timely and efficient proceedings of the election day, which was also followed by the AGM in the late evening. Polling through E-voting started at

09:00 am sharp and concluded at 05:30 pm after which votes were counted and results were announced.

Finally, results were compiled and the winners were declared at the Annual General Meeting in a virtual meeting. Mr. Saboor Ahmad (Malik Haroon Shahid Safdar & Co) stood at the first place with 1294 votes followed by Mr. Hussam Raza Ch. (KPMG Taseer Hadi & Co - Lahore) with 822 votes from zone A.

The Management Committee of CASA-North (2019-2020) completed its tenure of one year under the Chairmanship of Mr. Farooq Hameed Khawaja having students members 1) Mr. Muhammad Mehdi (Secretary), 2) Mr. Fawad Farooq (Treasurer), 3) Mr. Ahmed Talal (Elected Member-Zone A), 4) Mr. Fassih Butt (Elected Member-Zone A), 5) Mr. Asad Nawaz (Elected Member-Zone B) and North Regional Committee nominated members 6) Mr Asad Feroze FCA, 7) Mr Ali Saif Cheema FCA and Mr Farooq Hameed FCA. The Committee added notable value to the set pattern of activities of the preceding years aspiring sportsmanship, academic maneuver, social harmony, personality grooming and professional development of the students through its deliberation of innovative ideas under the leadership of Mr. Farooq Hameed Khawaja with the extensive support of Mr Shahid Iqbal Khattak and Jehanzeb Amin, FCA.

It was announced that Mr. Jehanzeb Amin FCA has been nominated by NRC to serve as Chairman CASA-North. Newly elected student members and their supporters were appreciated on observing and projecting professional and ethical standards during the entire elections, which indeed will serve in their professional and career growth. Mr. JehanZeb Amin, FCA as in coming Chairman CASA-N extended thanks to the Chief Presiding Officer, ICAP Senior Management, Executives, NRC Staff and outgoing CASA office bearers who played a pivotal role in successful conduct of elections.

CASA - North Annual General Meetings

The Annual General Meeting (AGM) of the Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Students' Association-North (CASA-North) held on 24th April 2021 virtually through Zoom.



Members of the Management Committee of CASA-North, contestants and other student members completed the quorum of the AGM prescribed under the rules and hence, the meeting commenced at 07:00 pm sharp under the Chairmanship of Mr. Farooq Hameed Khawaja, Chairman CASA-North (2019-2020).

The Audited Financial Statements of CASA-North were presented in the meeting along with the Independent Auditor's Report there on. Key financial figures were highlighted by the Chairman CASA-North. The minutes of the preceding AGM along with the Annual Financial Statements were approved and adopted by the committee through a resolution proposed and seconded by the members of the Association. Amir Shahbaz & Co., Chartered Accountants the retiring auditors were re-appointed as auditors of the Association for the year June 30, 2021.

Mr. Fawad Farooq, Treasurer CASA-North (2019-2020) gave a brief overview on the year 2020 including the achievements of CASA-North. Mr. Shahid Iqbal Khattak and Mr. Jehanzeb Amin also commended CASA-North on its performance throughout the year. Mr. Ahmad Talal and Mr. Fassih Butt, members CASA-North assured the Association that the year to come awaits even greater initiatives.

The students highlighted shortage of funds with CASA-N and requested that funds should be requested from ICAP through NRC to finance the planned activities. The suggestion was endorsed by the Management Committee and it was resolved that the matter will be submitted for required approvals.

Mr. Shahid Iqbal Khattak, Chairman Northern Regional Committee ICAP, Mr. Jehanzeb Amin, Member North Regional Committee ICAP attended the AGM and appreciated the Management Committee on their consistent performance throughout the year. Mr. Farooq Hameed Khawaja; FCA as Chairman CASA-N in

his closing remarks appreciated the efforts put in by CASA-N Management Committee during the year.

Mr. JehanZeb Amin, FCA the incoming Chairman CASA-N appreciated the zeal and enthusiasm of student and urged the need to do hand holding of students as they are the torch bearers of the profession and future of the Institute. Mr JehanZeb Amin, FCA the incoming Chairman CASA-N expressed that he is cognizant of the challenges and opportunity lost by the students due to Covid pandemic and emphasized the resolve that new management committee of CASA-N would discuss and take steps to help students acquire and improve skill set.

CA Women Entrepreneurship Program March – May 2021



Globally, women-run enterprises are gradually growing over time, which has led to greater contribution in the national economies. The ratio of women entering the CA profession has also boosted in the past decade, which is a mere achievement in itself. CA Women Committee felt the need that our women's fraternity needs to be equipped with the relevant training to start their own practice.

Considering this, the CA Women Committee originated the CA Women Entrepreneurship Program, which aims to facilitate women members into becoming worthy practitioners by leveraging their essential entrepreneurial skills and overcoming their inner/outer obstacles. This program has three segments targeted who could benefit from this program; 1) Women on a career break and wish to resume their professional career 2) Women in practice and looking for enhancing their technical and entrepreneurial skills, and 3) Women in full-time employment and aiming to switch to professional practice.

There were two segments; first orientation segment focused on business development & client outreach and second technical segment comprised of three sessions including, compilation services, agreed upon procedures, corporate & tax services. The objective of the program was further inculcated through team building exercises and open house discussions over a period of three months from March to May 2021. Most of the trainers were senior CA women and professional experts on relevant topics.

A total of 23 women members participated in the program against a limit of 25 which was fixed to encourage close interactive discussion and higher learning outcomes. In open house discussion, many feedbacks have been received and are considered by the committee for improving the program execution

for better outcomes. The program details also shared with the SAFA Women Leadership Committee for replication of similar programs in their countries and with IFAC SMPAG as information about ICAP initiatives in local jurisdiction.

It was conceived through feedback from participants, that this program has been an immense guide for the existing and potential practitioners.

Our 2nd quarterly program for women members is commencing from July 7, 2021.

The committee believe this program will be a model training program for all members in the times to come and will provide regular opportunity for enhancement of professional skillset in practice regime.

Honing Leadership Skills & Grooming Yourself for a Leadership Role

Today, leaders in the matrixed and diverse business world create an impression through their ability to inspire others. It is indeed vital for every individual in the corporate environment to have the skill set required to reach the executive position. It's not only the expertise that matter when climbing up the ladder of success; but grooming oneself plays a significant role in developing confidence to lead and influence.

The CA Women Committee organized a webinar on **"Honing Leadership Skills & Grooming Yourself for a Leadership Role"**, for all the members of ICAP and for everybody in the corporate world on 17 June 2021.





Ms. Saira Nasir, Member CA Women committee performed as the emcee for the webinar. The aim was to discuss, not only the skills essential to be a leader but also the features of personal grooming which directly affects an individual's career growth.

Ms. Hina Usmani, Chairperson CA Women Committee, opened the program with her welcome address in which she emphasized on the importance of leadership skills and grooming for an individual. Later, Mr. Iftikhar Taj Mian, President ICAP adorn the event with his perceptive views and ideas, recognizing the efforts of the committee and chairperson, Ms. Hina

Usmani, for leading such initiatives. Guest speakers for this session were Mr. Zaffar A. Khan, Independent Director & Professor at IBA; Ms. Shaiyanne Malik, CEO SamanZar and Mr. Rasikh Ismail Khan, Owner/Partner PH Solutions PK. While the panelists were Mr. Shahid Hussain, ACA, Head of Internal Audit ICAP and Mr. M. Mansab Jawed, Finance Business Partner ICI Pakistan Limited.

Mr. Zaffar, who is not only the recipient of the high honor, Sitara-e-Imtiaz; but has also lead some of the finest conglomerates to new heights. He spoke brilliantly about leadership and performance

management, where he shared tips on how to adapt headship in career, while sharing his own personal experiences and examples. His talk was truly applauded by the audience.

Followed by the leadership segment was the panel discussion on grooming for leadership role, moderated by Ms. Sana Quadri, Member CA Women Committee. The chief panelists Ms. Shaiyenne and Mr. Rasikh gave keen insights on professional grooming and business etiquettes, while mentioning the role of appearance in a corporate professional's life, in the light of their professional experience in the creative world. They spoke on how physical appearance builds confidence in oneself while developing route towards achieving C-level positions in corporates. The interactive discussion heightened when the

panelists Mr. Shahid and Mr. Mansab shared their journey of how they developed themselves and grew appearance wise while accomplishing a challenging academic qualification alongside their professional career. They also mentioned their challenges, for which the chief panelists gave promising guidance.

The webinar followed with question and answer session, where the virtual participants shared their questions with the chief speakers and they insightfully catered to them, making the whole program interactive. The program concluded with vote of thanks from Ms. Moneeza Usman Butt, Member CA Women committee; she acknowledged the efforts of the whole team including Ms. Khursheed Kotwal and Ms. Saira Nasir for conceptualizing and executing this webinar.

Eligibility of CAF-Passed in BS Accounting & Finance in Universities of Pakistan

The Higher Education Commission of Pakistan issued a notification wherein Certificate of Accounting & Finance (CAF) is eligible for admissions at an advanced level of BS-Accounting & Finance Degree Programs in all Universities across Pakistan.

As per the Undergraduate Education Policy 2020, the 4-Year BS Accounting & Finance Degree comprises of 120 Credit Hours, out of which, CAF shall be exempted 60 Credit Hours, i.e. 50% of course-work has been waived owing to prior learning. Principally, out of 40 courses of a BS-Degree Program, CAF shall only have to take 20 courses. Universities reserve the right of admission.

During the course of Degree, CAF shall have to take advanced Accounting & Finance Courses. In addition, they shall be mandated to take courses in the domains of Social Sciences, Arts & Humanities, and Natural Sciences. Depending upon each university, specific courses may range from Philosophy, Sociology, Psychology, Anthropology, Political Science, History, Creative Arts, Economics, Physics, Chemistry, Biology, Geology, and Ecology. Pakistan and Islamic/Religious Studies have been categorized as pre-requisites of admission.

These courses will help explore a holistic view of the humanity, who we are as social beings, help us appreciate other's perspective, and the particularities of society, the predicted results and the anomalous outcomes. Natural Sciences will enable an understanding and appreciation of the physical and the natural world through observation and experimentation. It teaches students to appreciate the beauty of the natural and physical worlds often hidden from casual observation but which, once revealed, lends richness to everyday life.

It is believed that it's a new beginning in CA-Education. These courses will equip CAF students to explore how we understand human experience, cultivate an appreciation of the past, enrich our capacity to participate in the life of our times, and enable engagement with other cultures and civilizations. These courses will provide insight into the experiences of others, enabling critical examination of one's own, promoting mutual respect and tolerance, instilling cultural pride and self-confidence. The study of these subjects teaches understanding and delight in the highest achievements of humanity.

HEC Notification can be accessed using this link [HEC-CAF-Notification.pdf \(icap.org.pk\)](https://www.icap.org.pk/HEC-CAF-Notification.pdf)

ICAP Toastmasters Club Islamabad



Meeting No. 130th meeting.

ICAP Toastmasters Club Islamabad had an exciting and ground breaking May 2021.

The club continuing with the winning traditions achieved the **“President’s Distinguished Club”** status for the third year running. The distinction is granted to the Clubs who fulfil ALL 10 DCP goals in areas like education, memberships, trainings and administration set by Toastmasters International.

District Evaluation Contest was held during the month. Club President Toastmaster Aneel Peter represented the Club in the contest and secured 2nd position in the contest. The Club also participated in District Level Table Topics and International Speech contests. Toastmaster Jayaa Jaggi representing the Club secured third position in both contests.

Club Past President and Executive Committee Mentor DTM Malik Muhammad Omair was elected as Program Quality Director of District 122TC for the year 2021-22.

The Club, set the virtual stage for its 130th meeting on the 8th May 2021 with participation from members and guests online. The meeting contained inspiring theme of **“Power of Now”**. Toastmasters and Guests geared up for the theme, proactively undertook roles relating to Table Topics, Speeches and Evaluations and participated enthusiastically in all the areas.

The winners were selected via polls. Table Topics round where the speakers deliver impromptu speeches

was won by DTM Malik Muhammad Omair. TM Aneel Peter was voted Best Prepared Speaker. DTM Malik Muhammad Omair was voted the Best Evaluator. The Best of Big 3 award went to TM Daud Abdullah Khan.

The Club held a joint meeting with ACAN Toastmasters Club Nepal on 20th May 2021 online. The meeting allowed the members and guests from Pakistan and Nepal to benefit from experiences of each other in a multicultural environment. There was very active participation and undertaking of roles by members from both club’s members in all three segments i.e. Table Topics, Prepared Speeches and Evaluations. The winners selected via polls were as follows:

TM Jaaya Jaggi of ICAP Toastmasters Club Islamabad was voted as the Best Prepared Speaker. Other prepared speakers from Nepal were TM Pramod Gyawali and TM K.P.Upadhyay. Table Topics round was won by Guest Sunil Joshi from Nepal. Club President Toastmaster Aneel Peter was voted as the Best Evaluator. Best of Big3 award went to TM Hitesh Agarwal from ACAN Toastmasters Club Nepal.

The Club President TM Aneel Peter announced the formation of a Nominations Committee comprising of himself and two past Presidents which would take nominations for the Executive Committee for the period 2021-22. The elections were scheduled to held in June 2021.

The Club has whatsapp group for guests open to everyone for joining to interact with Club’s Executive Committee and access agenda and information with respect to club meetings on

<https://chat.whatsapp.com/GsZui4V1gd86fWxvkJ11Y>





overseas news

Webinar on - “IBOR Transition - End of LIBORS”



After the welcome addresses, Mr. Memon formally led the session into insightful discussions with the panelists on areas related to the topic. Below are some major areas that were discussed among the panelists during their detailed discussions;

- Background and need for transition,
- Transition programs and challenges,
- The Banking perspective – impact on products, pricing, valuation models, etc.
- The Corporate perspective – impact on borrowings, interest costs, hedging etc.

The UK Chapter of ICAP Members (the Chapter) organized a webinar on the topic of webinar on - “IBOR Transition - End of LIBORS” in collaboration with the Overseas Coordination Committee (OCC) on June 12, 2021. Mr. Darrell King, project management and a transformation specialist, Mr. Frank Stoltz, product control and valuation specialist and Mr. David Bradbery, Director Financial services at EY were the speakers for the program. The webinar comprised of a panel discussion in which the speakers shared comprehensive insights regarding the end of IBORs and transition to new reference rates.

The session was inaugurated by Mr. Muhammad Shoaib Jan Memon, Chairman of the Chapter, who was also the moderator for the webinar. Mr. Memon presented a brief overview about the webinar’s topic and invited Mr. M. Ali Latif, Vice President ICAP to share the welcome address with the attendees. Mr. Latif welcomed the participants and thanked the esteemed panelists for participating and sharing insights on IBOR transition.

The discussions were followed by a Q&A session in which the panel chair and participants shared some important and constructive questions relating to transition and challenges, expected to be faced by professionals and organizations during this transition. The panelists shared informative knowledge to the queries raised by attendees and enlightened the audience with their views.

Mr. Ashfaq Yousuf Tola, Vice President ICAP and Chairman, Overseas Coordination Committee shared the vote of thanks with all the participants at the end of the webinar. He thanked, Mr. Memon and other members of the Managing Committee of the UK Chapter for organizing an informative webinar from the Chapter’s platform and congratulated them on organizing yet another great show. Mr. Tola also thanked the panelists including Mr. Darrell King, Mr. Frank Stoltz, and Mr. David Bradbery for taking out time to participate and share significant insights with the audience on the subject.





member news

Professional Misconduct

Findings and Decisions of the Council under Section 20I of the Chartered Accountants Ordinance, 1961

It was noted that a practicing member of the Institute, Mr. Asad Azam, FCA [R-2636], committed the following irregularities while conducting the audit of financial statements of a Private Limited Company resulting in non-compliance of the relevant requirements of the International Standards on Auditing (ISAs):

- The Company prepared four sets of financial statements for the same year and the member issued audit reports on those financial statements. All the four sets of financial statements were portraying significantly different financial position and financial performance without any disclosure/ explanatory note in any set of financial statements discussing the reason for the amendment of the previously issued financial statements. Further, the member has issued audit reports on the amended financial statements without giving Emphasis of Matter paragraph or Other Matter paragraph referring to a note to the amended financial statements that more extensively discusses the reason for the amendment of the previously issued financial statements and to the earlier audit report(s) resulting in non-compliance of the relevant requirements of ISA 560 (Subsequent Events); and
- The four sets of financial statements of the Company contained material and significant deviation in the amounts reported in the balance sheet and profit and loss account for the same year. Further, in respect of bidding process of the two projects, the Company submitted two different sets of its financial statements for the same year. The first set contained lower turnover figures for a project for which qualification requirements of annual turnover were lower and thereafter, another set was submitted containing higher

turnover figures for another project for which qualification requirements of annual turnover were higher. Provisions of ISA 200 (Overall Objectives of the Independent Auditor and the Conduct of an Audit in accordance with International Standards on Auditing) require the auditor to maintain an attitude of professional skepticism throughout the audit to reduce the risks of overlooking unusual circumstances. Further, the aforementioned situation indicates the possibility that the financial statements may not present the true financial position and financial performance of the Company. Therefore, it appears that while issuing audit reports on the afore-mentioned financial statements, the member did not comply with the relevant requirements of the ISAs and did not exercise due care and did not act diligently in this respect.

During the course of proceeding, the member initially submitted that he had issued only one audit report on the financial statements of the Company and subsequently, he admitted that he had issued multiple audit reports on the different sets of financial statements of the Company for the same year. Hence, he provided contradictory and misleading information to the Institute. Further, the member failed to provide information which was required by the Institute in respect of the matter.

In view of the above and after considering the report of the Investigation Committee, the information and evidence available on record and the submissions made by the member during his hearing, the Council decided to hold Mr. Asad Azam, FCA [R-2636] guilty of professional misconduct under:

- Clause (1) of Part 4 of Schedule I of the Chartered Accountants Ordinance, 1961 for including in any statement, return or form to be submitted to the Institute any particulars knowing them to be false;
- Clause (3) of Part 4 of Schedule I of the Chartered Accountants Ordinance, 1961 for not supplying

the information called for by the Institute and not complying with the fundamental principles stated in Paragraphs 100.5(a) (Integrity), 100.5(c) (Professional Competence & Due Care) and 100.5(e) (Professional Behavior) of the Code of Ethics for Chartered Accountants (April 28, 2015) contained in Directive 6.04 of the Institute; and

- Clause (5) of Part 4 of Schedule I of the Chartered Accountants Ordinance, 1961 for being guilty of an act or default discreditable to a member of the Institute.

The Council decided to reprimand the member under Section 20D of the Chartered Accountants Ordinance, 1961.

New Fellows / Associates members

The Institute welcomes the following Fellows and Associates members:

Fellow Members

| S.No. | R.No. | Name |
|-------|-------|------------------------|
| 1 | 6473 | Nafe Waheed |
| 2 | 4682 | Ashraf Ahmad |
| 3 | 6470 | Syed Fakhar Imam Zaidi |
| 4 | 5600 | Akber |
| 5 | 6385 | Umar Hayat |
| 6 | 5850 | Syed Huzaifa Hamid |
| 7 | 4868 | Saqib Shahnawaz |
| 8 | 4768 | Arif Anzer |
| 9 | 6490 | Abdul Majeed |
| 10 | 5894 | Aqeel Ahmad Sial |
| 11 | 6277 | Muhammad Ali Ansari |
| 12 | 6248 | Naveed |
| 13 | 5211 | Sultan Mubashir |
| 14 | 5039 | Asad Suleman |
| 15 | 5834 | Nida Salahuddin |

Associate Members

| S. No. | R- No. | Name |
|--------|--------|--------------------------|
| 1 | 11034 | Muhammad Shahroz Inam |
| 2 | 11035 | Faheem Almas |
| 3 | 11036 | Syed Usaid Abdur Rehman |
| 4 | 11037 | Faizan Liaqat |
| 5 | 11038 | Syeda Aroosa Zehra Zaidi |

New Firms

The Institute welcomes the following new firms:

| Name of Firms | Location |
|-----------------------|----------|
| Afrasiab & Co. | Peshawar |
| Muhammad Arshad & Co. | Sialkot |

Deceased Members

The Institute mourns the sad demise of following members:

| S. No. | R- No. | Name |
|--------|--------|--------------------------------|
| 1 | 0309 | Syed Hamid Mukhtar |
| 2 | 0743 | Asad Saeed Kirmani |
| 3 | 0971 | Mohammad Ashraf Kothar |
| 4 | 1323 | Mohammad Ovais Obaidullah Khan |

Life Members

The Institute recognized the following members as life members:

| S. No. | R- No. | Name |
|--------|--------|--------------------------|
| 1 | 0884 | Syed Saeed Haider |
| 2 | 1054 | Tasnim Beg |
| 3 | 1115 | Syed Iftikhar Anjum |
| 4 | 1208 | Amanullah Khanani |
| 5 | 1555 | Syed Saleemuddin Ahmad |
| 6 | 1667 | Burhanuddin |
| 7 | 2048 | Azhar Hussain |
| 8 | 2458 | Mohammed Veqaruddin Arif |





technical update

Update:

ICAP

ICAP issues accounting guidance on IFRS 9 by Non-Banking Finance Companies

The Institute of Chartered Accountants of Pakistan (ICAP) vide Circular No. 02/2021 (dated May 26, 2021) issued the accounting guidance 'Application of IFRS 9 by Non-Banking Finance Companies (NBFCs)'. The accounting guidance has been developed by the Accounting Standards Board (ASB) of the Institute with an objective to facilitate NBFCs in the implementation and transition to IFRS 9 *Financial Instruments*.

The key areas covered in the accounting guidance include:

- Classification and measurement of financial assets and financial liabilities;
- Application of Expected Credit Loss (ECL), and interaction of ECL with the time-based classification and provisioning requirements provided in the Non-Banking Finance Companies and Notified Entities Regulations 2008; and
- Disclosure requirements.

The publication can be accessed on the below link:

<http://www.icap.net.pk/files/circular/Circularno-2-2021.pdf>

<http://www.icap.net.pk/files/pdf/acguidancetools/Accounting-Guidance-Application-IFRS-9-NBFCs.pdf>

ICAP publishes updated list of practicing firms having satisfactory QCR rating

ICAP has published list of practicing firms having satisfactory Quality Control Rating (QCR) as on June 01, 2021.

The list can be found on the below link:

<https://icap.org.pk/files/per/quality-assurance/List-of-Firms.pdf>

Local Corporate Regulatory Framework

1. SECP issues amendments to NBFC and Notified Entities Regulations, 2008

The Securities & Exchange Commission of Pakistan (SECP) vide S.R.O 581 (I)/ 2021 (dated May 20, 2021) issued

amendments to NBFC and Notified Entities Regulations, 2008. The amendments include the following:

- Insertion of new clause in Regulation 38 sub regulation 2, which requires the Board of Directors (BoD) to have in place an approved policy and mechanism to ensure:
 - the sales force is trained and regularly reminded to undertake reasonable measures to document and communicate product suitability in light of the investment objectives and risk tolerance of every individual investor at the time of new investment and/ or any uptick of risk thereof through an investment or conversion;
 - regular review of product suitability and investor risk profiling by its internal audit, compliance or risk management department; and
 - quarterly reporting of such review to a management or BoD's committee.
- In the case of non-executive nominee directors representing institutional interest and who otherwise do not have any personal interest, the SECP, if satisfied may relax the requirement mentioned in clause (a) sub clause (iv) of Schedule IX.
- New proviso inserted in clause (a) of Schedule IX requiring that an affidavit shall be obtained from individuals' subject to fit and proper criteria that no investigation is initiated by any Law Enforcement Agency (LEA) against such person. In case any investigation has been initiated, the fact must be disclosed. In case of any investigation initiated by LEAs against CEO or any director of the said company, the BoD of the company shall decide whether to retain such CEO or director after reasons to be recorded in writing for the same.
- In determining individual's competence and capability:
 - condition of an individual having management or business experience of at least five years at a senior level, shall not apply in case of sponsor directors, however, conditions mentioned in Schedule I of the NBFC Rules, 2003 shall apply; and
 - the SECP may conduct an interview of the CEO to assess his/her suitability for the position.

S.R.O can be accessed on the following link:

<https://www.secp.gov.pk/document/sro-581-i-2021-amendments-to-nbfc-notified-entities-regulations-2008>

SECP issues draft amendments to the Companies (General Provisions and Forms) Regulations, 2018

SECP vide S.R.O 604 (I)/ 2021 (dated May 25, 2021) issued draft amendments to the Companies (General Provisions and Forms) Regulations, 2018 for public comments. The draft amendments primarily aim to reduce the number of forms, applications, declarations and returns for different types of companies as part of initiative on ease of doing business. The draft amendments propose to reduce the number of existing forms from 45 to 25.

S.R.O can be accessed on the following link:

<https://www.secp.gov.pk/document/sro-604i-2021-draft-amendments-in-the-companies-general-provisions-and-forms-regulations-s2018>

SECP issues amendments to the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017

SECP vide S.R.O 638 (I)/ 2021 (dated May 28, 2021) issued amendments to the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017. The draft amendments propose to substitute proviso of regulation 7, in sub-regulation (1) as follows:

‘Provided that acquirer may extend the public announcement of offer time period for a maximum of ninety days under intimation to the Commission and the Securities Exchange.’

S.R.O can be accessed on the following link:

<https://www.secp.gov.pk/document/amendments-in-listed-companies-substantial-acquisition-of-voting-shares-and-takeovers-regulations-2017>

SECP issues amendments to the Real Estate Investment Trust Regulations, 2015

SECP vide S.R.O 724 (I)/ 2021 (dated June 07, 2021) issued amendments to the ‘Real Estate Investment Trust (REIT) Regulations, 2015’. The amendments aim to remove key hindrances highlighted by the investors in the real estate sector and provide much-needed stimulus for developing Pakistan’s formal real estate sector through the REIT model. The amendments pertain to the following matters:

- Eligibility requirements for Real-Estate Management Company (RMC);
- Appointment of a ‘special purpose vehicle’ by RMC;
- Eligibility and appointment of trustee;
- Territorial limits for Real Estate Investment Trusts (REIT) schemes;

- Transfer of real estate;
- Registration and listing of a REIT scheme;
- Offer of units;
- Minimum Holding by RMC and Strategic Investor;
- Obligations of RMC and Trustee;
- Qualification and appointment of valuer;
- Investment and borrowing policies of RMC;
- Related party transactions and independence;
- Extinguishment/Revocation of REIT Scheme; and
- Relaxation/ Exemption from Regulations for Green Infrastructure/ Building/ Project.

S.R.O can be accessed on following link:

<https://www.secp.gov.pk/document/notification-amendments-reit-regulations-2015/?wpdmdl=42511&efresh=60c1f095b2ad31623322773>

Financial Reporting

IASB issues exposure draft titled ‘Management Commentary’

International Accounting Standard Board (IASB) on May 27, 2021 published an exposure draft (ED) titled ‘Management Commentary’ for public comments. The ED proposes to introduce a comprehensive framework for preparation of management commentaries by companies which is aligned with investors’ information needs.

The deadline for submission of comments on the ED is 23 November 23, 2021.

Further details can be accessed on following link:

<https://www.ifrs.org/projects/work-plan/management-commentary/exposure-draft-and-comment-letters-management-commentary/#consultation>

IASB publishes podcast on May 2021 meeting

IASB on June 02, 2021 published the podcast on its meeting held on May 24-27, 2021. The podcast provides highlights from the IASB’s discussions during the meeting. The podcast contains discussions on the following topics:

- decisions taken on the following projects:
 - Primary Financial Statements;
 - Second Comprehensive Review of the IFRS for SMEs Standard; and
 - Financial Instruments with Characteristics of Equity projects;
- discussions on feedback received on the following projects:

- o Goodwill and Impairment; and
- o Lease Liability.
- updates on the Dynamic Risk Management project; and
- a discussion on the transition to IFRS 17 Insurance Contracts.

Further details can be accessed on following link:

<https://www.ifrs.org/news-and-events/news/2021/06/may-2021-iasb-podcast-now-available/>

ASB publishes meeting papers and agenda for June 2021 Meeting

IASB on June 11, 2021 published the meeting papers and the agenda for its meeting scheduled on June 22-23, 2021. The topics for discussion are:

- Insurance Contracts;
- Equity Method;
- Maintenance and Consistent Application;
- Primary Financial Statements; and
- Goodwill and Impairment.

Further details can be accessed on following link:

<https://www.ifrs.org/news-and-events/calendar/2021/june/international-accounting-standards-board/>

Audit and Ethics

IAASB publishes stakeholder feedback statement titled 'Auditor Reporting Post-Implementation Review'

The International Auditing and Assurance Standards Board (IAASB) on June 02, 2021 published feedback statement after a public consultation in relation to new auditing reporting standards issued in 2015. These new standards were developed to enhance the communicative value, transparency and relevance of the auditor's report in the public interest. Stakeholders expressed broad support for the standards, and the resulting auditor's report, and indicated that the standards have met the IAASB's objectives.

The stakeholder feedback statement summarizes key themes and views shared with the IAASB through the 2020 Auditor Reporting Post-Implementation Survey as well as a roundtable discussion held in September 2020.

Further details can be accessed on following link:

<https://www.iaasb.org/news-events/2021-06/newly-published-stakeholder-feedback-indicates-broad-support-iasb-auditor-reporting-standards>

HOW TO EARN CPD HOURS?
A QUICK WALKTHROUGH FOR CA MEMBERS!

- PARTICIPATE IN SHORT COURSES, TRAININGS, SEMINARS, CONFERENCES & LECTURES**
 - Full Day Session: 1 hour
 - Half Day Session: 0.5 hours
- COMPLETE DEGREE COURSES & PROFESSIONAL CERTIFICATIONS**
 - 1/3 of actual contact hours (Max 40 Hours/year)
 - 5 x examination hours OR 40 hours - whichever is lower
- PUBLISHED RESEARCH PAPER/ARTICLE (AT LEAST 4000 WORDS)**
 - Max 10 hours
- CONTRIBUTING ARTICLE/RESEARCH PAPER IN LOCAL/INTERNATIONAL PUBLICATIONS**
 - Max 10 hours
- REGISTERED E-LEARNING COURSES**
 - Actual time
- PRESENTER/PARTICIPANT IN SHORT COURSES, SEMINARS, CONFERENCES, TRAININGS & INTERVIEWS**
 - 1/3 Actual time
- TEACHING PROFESSIONAL OR DEGREE COURSES**
 - 1/3 Actual time
- PARTICIPATION IN COUNCIL, COMMITTEES, WORKING GROUPS OF ICAP/OTHER REGULATORY BODIES PARTICIPATION IN BOARD/BOARD COMMITTEES OF LISTED COMPANIES**
 - 1 hour/page (max 40 per release)
- WRITING OF BOOKS ON PROFESSIONAL, TECHNICAL & REFERENCE MANUALS INCLUDING STUDY PACKS**
 - 1 hour/page (max 40 per release)
- WATCHING VIDEOS/CDS OF ICAP CPD PROGRAMS**
 - 1 hour/page (max 40 per release)
- GENERAL/SELF-CERTIFIED READINGS E.G. JOURNAL ARTICLES, NEWSPAPER, REPORTS, SUBSCRIPTIONS**
 - 1 hour/page (max 40 per release)
- VISIT ICAP LIBRARIES**
 - 1 hour/page (max 40 per release)
- ON JOB LEARNING**
 - 1 hour/page (max 40 per release)

www.cpd.icap.org.pk

Stop sabotaging your workforce

The past year has accelerated digital transformation across sectors. Along with a universal recognition that resilient employees are the true lifeblood of a company came an understanding that a company's workforce is crucial to business recovery. This has prompted organizations to completely rethink how they attract, retain, and manage their talent. When it comes to what talent management in the future might look like, our study pointed to three defining priorities among knowledge workers:

Employees in the organizations overwhelmingly expect flexible options. From which, 88% will look for those offers that will include flexibility in their hours and locations. 83% of employees think that workers will be more likely to move out of cities and other urban locations if they can work remotely for a majority of the time, creating new work hubs in rural areas. In order to position themselves to win in the future, companies will need to meet employees where they are. Employees also want to re-imagine how productivity is measured. Companies will need to rethink how they measure productivity because traditional metrics — and views that real work can't get done outside the office — will no longer cut it.

Forward-thinking companies will focus on closing this gap, and will design people-centric experiences that give employees the space they need to unlock their full potential and deliver transformative results. One

element on which both employees and managers seem to agree is that employees want to work with a diverse team. Employees want to work for a company that prioritizes diversity.

86% of employees and 66% of HR directors assert that a diverse workforce will become even more important as roles, skills, and company requirements change over time. The last year has forever changed the way employees view and approach work, but one thing holds true: Businesses that want to attract and retain the talent they need to move forward must understand the top priorities of their future workforce. They must embrace new, flexible work models and cultivate a workforce that can design their own careers. In doing so, they will not only boost the motivation and engagement of their existing workers, but will gain the attention of the brightest new recruits and take their business to new heights.

They want to work with a diverse team. They want to be measured on the value they deliver, not the volume they deliver. And they expect to be given the space and trust they need to do their very best work, wherever they happen to be. Companies that understand and embrace these wants and needs will not only boost the motivation and engagement of their existing workers, but will gain the attention of the brightest new recruits and take their business to new heights.

<https://hbr.org/2021/05/stop-sabotaging-your-workforce?registration=success>

Quote

"If everyone is moving forward together then success takes care of itself" Henry Ford

Happy Anniversary at ICAP

The following staff of the Institute of Chartered Accountants of Pakistan (ICAP) has completed 25, 15 & 5 years at ICAP during the month of June & July 2021. Congratulations!

- Syed Sadiq Hasnain Zaidi, Assistant Manager Finance & Accounts (25 years)
- Shahbaz Fareed, Deputy Manager – Faisalabad (15 years)
- Afifa Patel, Assistant Manager – Secretariat (15 years)
- Rizwan Ali, Assistant Manager – Hyderabad (5 years)



Staff Birthday Celebrations of April - June 2021



The birthday celebrations of employees having birthdays in the month of April, May and June, 2021, were celebrated collectively on June 17, 2021. Mr. Iftikhar Taj, President ICAP and department Heads graced the celebration.

KARACHI



LAHORE

The birthday celebrations of employees having birthdays in the month of (March & April 2021) were collectively celebrated on April 7th 2021 and the birthdays of employees born in the month of May were celebrated on May 26, 2021 at ICAP Lahore Office.





student section

Counselling Session at University of Management & Technology (UMT), Lahore

The Institute of Chartered Accountants of Pakistan (ICAP) arranged an online counselling session on June 03, 2021 with students & graduates of BS Accounting & Finance (A&F) of University of Management and Technology, Lahore. The purpose of this session was to spread awareness about CA education and benefits available to graduates of BS Accounting & Finance (A&F).

Mr. Sarmad Ali Shah (Deputy Manager, Education) welcomed participants and informed students that why CA is a natural career path for BS A&F graduates and number of exemptions available along with Gateway Examination option. Mr. Saad Ghauri (Manager, Compliance & Counselling Review) briefly discussed induction process in Training Organizations and explained difference between Training Organization inside Practice (ToiP) and Training Organizations outside Practice (TOoP).

Mr. Anayat Ullah Khan (Senior Manager Education & Training) and Mr. Shahzad Ghani (Assistant Manager Education) answered the questions of the students during Q & A session and encouraged the students to pursue Chartered Accountancy after BS Accounting & Finance degree.

Mr. Anayat Ullah Khan thanked the management of University of Management & Technology (UMT) Lahore for arranging the session. Mr. Adeel S. Shaikh (Representative from UMT) appreciated the efforts of ICAP team and gratified for holding such a wonderful session.

Counselling Session at University of Lahore (UoL)

ICAP conducted a Counseling Session for the students of BS Accounting and Finance (A&F) and MS Accounting and Finance (A&F) at UoL, Lahore on June 17, 2021. The session was started with general discussion about various aspects which are considered while choosing a career. The session also covered scope of CA qualification, different entry routes, exemptions available, exemptions criteria, ICAP's association with International bodies, global recognition of the qualification, placement opportunities around the globe and success stories of the young Chartered Accountants.

These students were also guided about the Gateway Exams available for RDAI graduates. Common myths about the profession were also discussed and dispelled.

More than seventy students attended the session and asked their questions at the end of the session.

Counselling Session at University of Central Punjab (UCP)



ICAP conducted a Counseling Session for the students of final semester of BS Accounting and Finance (A&F) at UCP Lahore on June 16, 2021. The session broadly covered the scope of CA qualification, different entry routes, exemptions available, exemptions criteria, ICAP's association with International bodies, global recognition of the qualification, placement opportunities around the globe and success stories of the young Chartered Accountants.

Mr. Anayat Ullah Khan, Senior Manager; Mr. Aamir Malik, Asst. Manager, Mr. Sakhawat Ali, Senior Officer attended the session in person whereas Mr. Salman Ahmed Abbasi, Deputy Director, Mr. Saad Ghauri, Manager, Mr. Sarmad Ali Shah, Deputy Manager joined the session from Karachi through Zoom.

At end of the session an interactive question and answer session was observed.