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Newsletter

Governance, Transparency and Service to Members and Students

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## meets & events

## **ICAP holds Annual CFO Conference**



The Professional Accountants in Business (PAIB) Committee of Institute of Chartered Accountants of Pakistan (ICAP) organised CFO Conference 2022 'Embracing the Role as Chief Value Officer' on May 17 in Karachi and May 19 in Lahore. The conference was attended by 1700 finance and business professionals from renowned national and multinational organizations across Pakistan. The online participation for the Conference exceeded 18000 viewers across the globe.

The concept behind the theme of this year's conference Embracing the Role as Chief Value Officer was to emphasize and reiterate the progression of the role of CFOs towards an agent of value creation. CFO Conference 2022 gathered leading economists, finance leaders, national and international key opinion leaders and subject matter experts to discuss the evolving role of CFOs into CVOs and to share trends shaping the financial and economic landscape of Pakistan and the rest of the world.

The Conference began with the President ICAP, Mr. Ashfaq Yousuf Tola, FCA, welcoming the speakers, guests and participants and sharing his thoughts on the Conference. He said that the theme of the Conference is relevant to this era with the business and financial world undergoing drastic changes, the key change in the finance profession being the evolution from Chief Accountant to Chief Financial Officer and now as Chief Value Officer. He further added that sustainability has emerged as a business megatrend shifting the foundations of competition in every industry. Most leading global companies today see sustainability as integral part of their strategy

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for controlling costs, avoiding risks, enhancing brands, attracting the best talent, fueling innovation, and driving growth. The CFO's role has expanded significantly beyond a high-powered accountant to a key decision maker in corporate governance and strategy. Insightful CFOs with a keen eye on global trends will help their organizations chart a smarter course to compete effectively in a world where sustainability-related challenges become more dominant. The President appreciated all speakers and acknowledged the efforts of ICAP PAIB committee for continuing the legacy of the CFO Conference and contributing to the knowledge sharing process of the finance and business fraternity of Pakistan.

Chairman PAIB Committee & Council Member, ICAP Mr. Muhammad Samiullah Siddiqui, FCA expressed his gratitude at the outstanding participation and appreciated the speakers, conference organizing committee, media and sponsors for their support. He emphasized on the importance of corporate sustainability in organizational performance and the role of CFOs to ensure corporate sustainability reporting in businesses across the world. He said that this year the key achievement for the Conference is the participation of more than 40 local and international speakers sharing insights on multiple economic, financial and business subject areas. He further shared the key projects of the PAIB Committee; Mentorship program, CA Toast Master Club, National Finance Olympiad, Finance Leaders 2.0, Professional Excellence Awards, Corporate Advisory Forum, Ethics Dilemma App and upcoming Pakistan Trading Challenge competition.

The Conference included a Guest Speaker Session by Mr. Farrukh H. Khan, MD & CEO, Pakistan Stock Exchange sharing his views on the need for organizations to be cognizant of ESG standards and sustainability strategies. He further added that is significant to understand the

impact of globalization, accelerating technology and the requirement of different skill sets for new businesses and startups.

Mr. Paul Papadimitriou Founder & CEO of Intelligencr delivered the Keynote on **A Peek into the World's Financial and Economic Landscape**. He talked about the concept of pandemic acceleration that has resulted in faster commerce, data, healthcare, learning and transformation.

The second keynote speaker Dr. Alnoor Bhimani, Professor & Director of South Asia Centre at LSE, Honorary Dean of LUMS shared the key forces reshaping Pakistan; political and economic shifts, demographics and easternization, digitalization and data growth. He emphasized on the importance of shifting towards predictive analysis and how information systems and products are beginning to merge. He said that Pakistan will see more platform businesses and how the workforce will continue to change in future.

Next, Dr. Ahmad Junaid, Associate Professor & Head of Accounting, Economics and Finance, KSBL, presented the analysis of the **CFO Survey 2022**. The Survey findings included collective insights from 300+ CFOs, Finance Directors, and Financial Controllers of diversified industries from within Pakistan.

The first panel discussion in Karachi was held on **CFOs Role in ESG Led Value Creation** which included Dr. Imran Ahmad Khan, CEO & MD, Bayer Pakistan; Mr. Shazad Dada, CEO, United Bank Limited and Mr. Zubair Anwar Bawany, Deputy Executive Director SDG Country Lead, UN Global Compact Cities Programme as panelists. The discussion was moderated by Mr. Saad Faridi, FCA, CEO Tenaga Generasi Limited. Whereas in Lahore, the panelists were Dr. Nurmazilah Dato' Mahzan,









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Independent Non-Executive Director, BIMB securities; Mr. Hammad Naqi Khan, Director General WWF-Pakistan; Mr. Kamran Azim, FCA, CEO, Taleem Finance Company Limited and Mr. Khawaja Asif Kaleem, FCA, CFO NTDC. The discussion was moderated by Mr. Sajjad Iftikhar, FCA, CIO Packages Limited.

The second panel discussion was held on Agile Organizations which was chaired by Mr. Khalilullah Shaikh, FCA Past President ICAP. The panelists for Karachi were Mr. Aamir Ghaziani FCA CFO, K-Electric; Mr. Atif Kaludi, FCA, Director Finance & CFO, Lucky Cement and Ms. Nausheen Ahmedjee, FCA Head of People and Organization, Siemens Pakistan. The discussion was moderated by Mr. Tahir Sharif, FCA, Partner AF Ferguson. Similarly, in Lahore there was a thoughtful discussion amongst Mr. Khalilullah Shaikh, FCA, Past President ICAP; Mr. Muhammad Aqib Zulfiqar FCA, CFO, Nishat Hotels & Properties Limited and Ms. Roshaneh Zafar, Founder and MD, Kashf Foundation. The discussion concluded that agility is now a necessity to sustain in this emerging world because it makes organizations more customerfocused and employee-oriented.

The third panel discussion held in Lahore was on **The Rise of High-Growth Ventures**. Mr. Asad Feroze FCA, Council Member ICAP moderated the discussion among panelists Mr. Faisal Dawood, Vice Chairman, Descon; Mr. Monis Rahman, Co-founder/Chairman Rozee, Finja, Dukaan and Mr. Rabeel Warraich, Founder & CEO, Sarmayacar. The panelists were of the view that the seeds of high growth ventures are booming in Pakistan and we can see more unicorns coming this way.

Another key session was on **Becoming a Transcendent Leader** which was a one-on-one interview. In Karachi Conference Mr. Sved Muhammad Taha, MD and CEO of Pakistan State Oil shared his leadership journey. Mr. Taha stressed on the importance of knowledge of technology and changing trends to become a successful CFO and transform into a CEO. moderated by Mr. Irfan Chawala, FCA, Director/ CFO, Archroma. Whereas in Lahore, Dr. Amjad Saquib, Founder of Akhuwat Foundation was the guest and the session was moderated by Mr. Rauf Jan, GM, FCA, Head Agile Auditing, Digitalization & Reporting, Internal Audit, Habib Bank Limited. Dr. Amjad started on a softer note sharing the philosophy of happiness and success. He shared that interest-free loan is essential to remove unequal distribution of wealth within Pakistan. He emphasized on the need and importance of developing a society with a strong financial support system for a better tomorrow.

The Conference also included a session on **CFO's Agenda for Sustainability and Integrated Value Creation** by Mr. Kevin Dancey, CEO, International Federation of

Accountants. He applauded the efforts of ICAP and stated that the commerce industry holds an important place in any country's advancement.

The Conference was rich in content and also included exclusive session on **Using Data Analytics and Al for Digital Transformation**. The speaker for this session in Karachi was Mr. Jawad Raza, EVP & Head of Data Analytics, Big Data & Al, Meezan Bank Limited and Mr. Adnan Yousuf Kazi, Chief Operating Officer, Analytics in Lahore.

This year Conference Organizers had planned the unwinding session toward end of the Conference day. In Karachi Mr. Iftikhar Hussain Arif, famous Urdu Poet and Scholar litterateur graced the occasion in Unwind session and mesmerized the audience in Karachi with his soulful poetry. Lahore Conference day ended with the joyful session of Mr. Ata ul Haq Qasmi, renowned Urdu newspaper columnist and Poet who touched the heart of the participants with his life examples, colorful events and thought provoking soulful poetry. Both the legends were given standing ovation by the participants.

The Knowledge Partner for ICAP CFO Conference 2022 was Karachi School of Business and Leadership. The sponsors of the conference were Bridgelinx, platinum sponsor and Chubb Insurance, lunch sponsor. The Gold category sponsorship included Bank Islami Limited, K-Electric, Lucky Cement, Marsh insurance company, CERM Business Solutions Pvt. Ltd, whereas Silver sponsors were Engro Corporation, Bayer Pakistan, Faysal Funds, Pakistan State Oil, and sponsors in Bronze category were Bank Al Habib Ltd., Adamjee Insurance Company Ltd., Habib Bank Limited, Habib Metro Bank Ltd., IGI Insurance, Pakistan Petroleum, Cnergyico Petroleum Pk Limited and Park Arab Refinery Company Limited.

The Conference was on top Twitter trends with hashtag #CFOConference2022 with a total reach of 4.2 million and 7.2 mission impressions. Conference attracted frontline electronic, print media and digital media who covered the conference on in both cities. This year special Conference supplement was also issued before the conference day in Daily Business Recorder. The supplement included messages from Mr. Miftah Ismail, Federal Minister for Finance & Revenue; Dr. Murtaza Syed, Acting Governor State Bank of Pakistan and Mr. Aamir Khan, Chairman Securities and Exchange Commission of Pakistan, Mr. Ashfaq Tola, President ICAP and Mr. Muhammad Samiullah Siddiqui, Chairman PAIB Committee, ICAP.

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## **ICAP President presents Budget Proposals** to Chairman Federal Board of Revenue



President of the Institute of Chartered Accountants of Pakistan, Ashfaq Yousuf Tola, FCA and Chairman Fiscal Laws Committee ICAP, M. Ali Latif, FCA met with Mr. Asim Ahmad, Chairman Federal Board of Revenue at his office and presented the Model Federal budget 2022-23 and ICAP Federal and Provincial Budget Proposals 2022-23.

President ICAP said that Pakistan has to address its low tax-to-GDP ratio, to undertake sustainable economic development. State's inability to raise enough direct taxes has led to a reliance on regressive indirect taxes, unequal burdening of citizens of lower socioeconomic classes and increase in informal sectors of the economy. The complicated and inequitable tax laws force citizens to remain out of the tax-net. The Institute strongly recommends the need for forward looking policy reforms to strengthen the collection mechanism, improve public confidence, expand the tax base, facilitate the documentation of the economy, improve enforcement and tax administration. The Institute, with a consistent commitment to developing and promoting

a modern, responsive, and equitable taxation system, formulated these proposals for the consideration of policy makers in the forthcoming budgetary process.

The President said ICAP is a globally recognized institute and a national leader in the accountancy profession. ICAP has always held a professional relationship with the government of Pakistan. As the leading accountancy body of Pakistan, ICAP is committed to playing a vital role in strengthening the regulatory framework in Pakistan through cooperation and collaboration with important policymaking institutions and regulators, including the Federal Board of Revenue, the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan and other Ministries.

The Chairman Federal Board of Revenue, Mr. Asim Ahmad applauded the contribution of the ICAP and acknowledged that it would enable finance ministry to have a thorough understanding of what different segments of the economy are expecting from the next fiscal policy.

## **ICAP Budget Proposals to Government**



The Institute of Chartered Accountants of Pakistan (ICAP) initiative of preparing Model Federal Budget 2022-23, along with ICAP proposals for Federal and Provincial Budget 2022-23 and presenting it to the Ministry of

Finance is a very praiseworthy professional exercise. With these proposals contributing to the budget-making process, Ministry of Finance will be able to have an understanding of the expectations of different

segments of the economy from the next fiscal's policy. An interactive session with journalists was held on May 31, 2022 at Islamabad where President ICAP, Mr. Ashfaq Yousuf Tola, FCA, accompanied by Chairman Fiscal Laws Committee, Mr. M. Ali Latif and Chairman Economic Advisory Committee, Mr. Zeeshan Ijaz, informed the journalist that these proposals and recommendations have already been submitted to the government for consideration in new Fiscal Budget 2022-23.

Mr. Ashfaq Yousuf Tola highlighted that the country made a sound economic recovery from the COVID-19 induced contraction, however, we are still facing greater challenges that are creating huge external sector pressures. The trade deficit and current account deficit had already exceeded from their annual targets. There is steep currency devaluation, weaker domestic demand due to monetary

tightening and fiscal consolidation and global economic uncertainty. In order to mitigate these challenges, government needs to put in efforts for interest rate controls, emphasis on meeting tax collection targets as well as curb the challenge of mainstreaming parallel economy. The purpose of Model Federal Budget 2022-23 is to compile recommendations to government for economic reforms that can help improve future outlook of the country. Some of the policy measures in this document are expected to bring in fruitful results for our economy by improving our GDP and controlling the fiscal deficit. Moreover, the Model Budget has been drawn up keeping in view the impact of changing political circumstances, projections for the IMF, postpandemic measures and global dynamics, he further added.

## **Approval of Fatima Fertilizers Company Limited as ICAP's Toop**



The Institute of Chartered Accountants Pakistan (ICAP) has recently awarded the status of Approved Training Organization outside Practice (TOoP) to Fatima Fertilizers Company Limited (FFCL).

Speaking at certificate handing over ceremony held at Fatima Fertilizers Head Office, Mr. Saifullah, Vice President ICAP, said that addition of Fatima Fertilizers as TOoP will not only create an ideal learning opportunity for aspirant CA Trainee students who want to specialize in fertilizers sector and learn industry specific skills but also enable Fatima Fertilizers to transform raw talent into tailor-made business leaders for their key positions by inculcating the relevant skills-sets into the CA trainee students. Hence, this arrangement is a win-win situation for all the stakeholders.

At this occasion, Mr. Mohammad Maqbool, Council Member, shared that the student who want to pursue their career in industry, can have a head start in their career by getting the mandatory Training at one of ICAP's approved TOoP like FFCL. He also shared that ICAP is striving to transform Chartered Accountants into Chief Value Officers, by adding

technology into various aspects of finance. ICAP has added Fintech, Data Analytics and other hands on courses in the recently updated curriculum.

Mr. Omer Khan Ghaznavi – Head of Total Rewards and MRS of Fatima Fertilizers Company Limited said that FFCL also sees this program as a feeder to key management positions not only to FFCL but also to the entire Fatima group. He also expressed his gratitude to ICAP on posing confidence and approving FFCL as Training Organization outside Practice (TOOP) of ICAP.

The following participants were also present at the ceremony: Mr. Junaid Asrar Khan – Head of Talent Sustainability and Digital Transformation; Mr. Salman Ahmad – Director Internal Audit; Mr. Muhammad Musharaf Khan – Chief Financial Officer PFL & FEL; Mr. Afzal Hussain – Senior Executive Finance; Mr. Anayat Ullah Khan - Senior Manager Education & Training (ICAP); Mr. Saifullah, presented the TOoP certificate to Mr. Omer Khan Ghaznavi, at the conclusion of the ceremony.



## **Members' Convocation Ceremony 2022 Karachi**



The Institute of Chartered Accountants of Pakistan (ICAP) organized Members' Convocation Ceremony 2021 on May 13, 2022 at Karachi to honor the newly inducted members from the academic year 2021. The newly admitted Fellow Chartered Accountants (FCAs) were also honored in this ceremony to celebrate their 10 continuing years of association with the ICAP family.

The ceremony was attended by President ICAP Ashfaq Yousuf Tola, FCA, Vice President Hasnain Raza Badami, FCA, Council members, Past Presidents of the Institute, Southern Regional Committee members, and representatives from the Registered Accounting Education Tutors (RAETS).

Ms. Hina Usmani, FCA member Members Affairs Committee and Council member, delivered the welcome address. She

congratulated the new members and said that, "The CA title is a prestige which you will carry with your name. In whatever area the progression you will take either practice or employment, this is the foundation to your success."

Vice President ICAP, Mr. Hasnain Raza Badami, FCA, in his keynote address emphasized that the day of the convocation is a day of celebration; you should be proud of yourself and thankful to your parents for providing you this opportunity which is not available to everyone. It is no small a feat to become a member of ICAP, this is your passport to global mobility.

He said that Chartered Accountancy is an unparalleled qualification and Chartered Accountants are the individuals



with highest integrity, strategic thinking and zeal for lifelong learning. He further added, "Always keep learning because learning does not end at any stage of life; be patient and visionary, keep dreaming big, stick to the hard work and respect your elders especially your parents."

President ICAP, Mr. Ashfaq Yousuf Tola, FCA congratulated the newly qualified Chartered Accountants and their proud parents. He praised the gold medalists and merit certificate holders and reposed confidence in the ability of the recently qualified Chartered Accountants to apply the technical knowledge and practical experience to render

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quality services, uphold the public trust vested in them as professionals. He said that "This is a defining moment for all of you. This qualification is your launching pad which will lead you towards greater heights." He added that respect your parents, respect your jobs, always be humble and stick to the ground to grow stronger.

ICAP members Safina Shahid and Moazzam Irfan were the master of ceremonies of the event and displayed utmost professionalism and great sense of humour while adapting a very personable approach leaving the audience thoroughly delighted and captivated.

The ceremony honoured the newly qualified members and high achievers of the year 2021. Following new members

were conferred with their membership certificates which included: Saira Javed, Abdur Rafay, Gotam Kumar, Ariyan Kumar, Dheeraj Kumar, Shazia Rajani (Business Law; and Financial Accounting and Reporting-I), Muhammad Hasnain Raza, Zia Ur Rehman, Saad Bin Sohail, and Muhammad Muzzammil Shiwani got Merit Certificates on their distinctions in specific subjects. Muhammad Anas Asif was awarded ICAP Ishfaq Ahmed Gold Medal for his outstanding performance in the subject of Audit and Assurance of CAF examination. Muhammad Sumair was awarded ICAP Gold Medal (Dewan Mushtag Group) for his outstanding performance in the subject of Advanced Accounting and Financial Reporting of CFAP examination. Muhammad Osama Khan was awarded ICAP - S A Salam Memorial Gold Medal for his outstanding performance in the subject of Business Management and Strategy of CFAP examination.

# Ashfaq Yousuf Tola, FCA, President ICAP Meets with Office Bearers of ICAP's UAE Chapter & Bahrain Chapter



Ashfaq Yousuf Tola, FCA, President ICAP along with Syed Masood Akhtar, FCA, Secretary ICAP, met with

Chairman UAE Chapter of ICAP Members, Yasir Gadit, Managing Director, athGADLANG and Vice Chairman

Bahrain Chapter of ICAP Members, Arshad Gadit, Global CEO, ath GADLANG.

The discussion brought into light various development points pertaining to ICAP and ICAP UAE & Bahrain Chapters. Some of the key discussion items were holding of the flagship event of ICAP CFO Conference in UAE, Annual dinner of ICAP UAE Chapter, increased operations of ICAP UAE office and support expected by the members and the Chapter. The issues being faced by Bahrain and UAE members

and ways to overcome these challenges by exploring new opportunities were also discussed.

The idea of "Business Connect" was presented – a special initiative to encourage entrepreneurs of tomorrow by enabling our members to self-employment.

Both Chairman & Vice Chairman appreciated the various efforts of President ICAP for his consistent encouragement and support to ICAP Chapters across the world.

# President ICAP, Ashfaq Yousuf Tola, FCA participated in round table discussion on Immediate Economic Priorities for Pakistan organized by (SDPI)



Mr. Ashfaq Yousuf Tola, President ICAP attended the roundtable meeting organized by Sustainable Development Policy Institute (SDPI) and Friedrich Ebert Stiftung (FES) on the topic of "Immediate Economic Priorities for Pakistan" on April 22, 2022. He asserted the need for streamlining the taxation system in Pakistan. We have to correct the fractured system of taxation and the new government should take care of the inequity of taxes, he further added.

The meeting was attended by eminent speakers including former Finance Minister Dr. Hafeez A. Pasha,



President ICAP Mr. Ashfaq Yousuf Tola, Executive Director SDPI Dr. Abid Qaiyum Suleri, Joint Executive Director SDPI Dr. Vaqar Ahmed, and former Professor of Quaid i Azam University Dr Aliya Khan.

Speaking on the occasion, Dr Hafeez A. Pasha said that comprehensive economic reform strategy should be on top of the agenda of the new coalition government. For the first time, we have a broad-based national consensus government. Hence there is an opportunity to correct the economy and rationalize the taxation system. He also highlighted that the current account deficit of Pakistan in the first eight months of the current fiscal year had reached \$12 billion and could touch \$19bn by June 30, 2022 and we would need \$30bn to \$32bn of financing every year to manage transactions with the rest of the world.

Dr Abid Qaiyum Suleri, SDPI Executive Director highlighted that after the Covid-19 pandemic, the Russian-Ukraine crisis has again triggered a global recession and a looming food security crisis. The issues that Pakistan is facing, especially pertaining to high inflation, are linked to the global scenario. Political instability would remain a threat to our economy, he further added.

Dr Aliya Hashmi was of the view that Pakistan should view the issues of the country from a global perspective rather than a domestic one. Dr Vaqar Ahmed, Joint Executive Director, SDPI, highlighted that circular debt in both the power and gas sectors, was one of the key contributors to the fiscal seepages.

# Prize Distribution Ceremony: Data Analytics Program (Module B and C: Machine Learning and Python for Data Analysis)



uch talked about Prize Distribution Ceremony of Data Analytics Program was held on May 16, 2022. Participants, members, dignitaries and special quests attended the hybrid ceremony from respective ICAP offices at Islamabad, Lahore and Karachi. The ceremony started off with a delightful welcome note by Chairperson, Digital Accounting and Assurance Board, Ms. Khursheed Kotwal, FCA. She shared that Data Analytics program was organized keeping in view international standards. She emphasised that today in the world Data Science knowledge, Statistical skills & tools, Computer programming & coding skills like python are very much in demand. Our participants, through this benchmarked program, are now skilled in these areas. Mr. Arif Habib, CEO Arif Habib Corporations, who the chief guest of the

event graciously honoured the occasion and shed light on importance of Data Analytics in this data driven era keeping in view Pakistan's perspective as well. He appreciated ICAP's efforts in professional development of its members in Data Analytics.

The Guest of Honor was Mr. Bashir Farooqui, patron in Chief of Saylani International Trust who highlighted the importance of equipping young minds for future. He shared that one of the act of generosity is sharing knowledge that has power to change lives. Addressing more than hundred attendees from each city, our guests motivated both graduating as well as prospective participants for future ready skills that will ultimately build our nation strong.





Along with many other big names of industry, we were honoured to have Ms. Seema Taher Khan, CEO TV-One as our Special Guest. She highlighted the prospects of Data Analytics in all walks of lives including access to resources, accounting and even in health sector.

All the 66 participants received certificates of completion from either of the two modules or both the modules of the Data Analytics Program. The Modules were conducted in two batches both online and in person, consisting of 96 hours held from November 21 to January 9, 2022 and January 22 to March 27, 2022 respectively. The emphasis of the course contents lied on application of machine learning techniques, data visualization using Python, and statistical analysis to facilitate prediction of potential results on the basis of historical patterns.

The actual stars of the program, the esteemed faculty members together with core team consisting of our technical partner Saylani Mass IT training Program and ICAP organizing team were awarded with the shields for their exemplary performance and support throughout the execution of the modules.

The Data Analytics program was designed in a way to bridge the gap between the finance professionals and the fast-paced data-oriented world to nurture analytical skills amongst members and students. ICAP through its Digital Assurance and Accounting board is also preparing to launch new batch of Data Analytics program in due course.

The entire program was spread over six months in 3 Modules, A, B & C and some of our participants have dedicatedly attended the session for almost six months. The program was conducted on weekends through both in person as well as online sessions. Participants from multiple citites in Pakistan as well members from overseas attended the sessions.

All Senior leaders and professionals can brace themselves for the upcoming program for their professional development. So watch out for our official social media pages for further details.



## **Seminar on Quality Management Standards**



The Auditing Standards & Ethics Committee of the Institute in collaboration with the Southern Regional Committee (SRC) has organised a seminar on Quality Management Standards issued by the International Auditing and Assurance Standards Board (IAASB) on May 25, 2022 at a local hotel in Karachi. The seminar was hosted by Mr. Shaikh Ahmed Salman (FCA), CPD convenor -Technical & Professional Affairs, SRC.

Mr. Arslan Khalid (FCA), Council Member and Chairman Auditing Standards & Ethics Committee expressed the importance of the seminar topic in the opening remarks and informed that the committee has initiated the due process for recommending the adoption of the Quality Management Standards (ISQM 1, ISQM 2 and ISA 220 (Revised)) in Pakistan and has issued exposure draft (through ICAP circular 02/2022) on the Quality Management Standards for member's comments.

The Keynote Speakers of the seminar were Mr. Khattab Baig (FCA), Partner, A. F. Ferguson & Co.. and Mr. Zulfikar Ali Causer (FCA), Partner, BDO Ebrahim & Co who gave the overview of the ISQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagement and ISQM 2, Engagement Quality Reviews. The speakers explained that the key change made in ISQM 1 is a move from a binary, compliance-based process to a more

proactive, dynamic, risk-based quality management approach as compared to ISQC 1 and introduction of a new ISQM 2 which focused on the role and responsibilities of the engagement quality reviewer. Firms are required to have their system of quality management designed and implemented by December 15, 2022.

The presentations were followed by an interactive panel discussion. The panel included Mr. Shabbir Yunus (FCA), Partner Mazars, Ms. Moneeza Usman Butt (FCA), Partner, KPMG Taseer Hadi & Co., Mr. Muhammad Asif Iqbal (FCA), Executive Director, BDO Ebrahim & Co. and Mr. Waqas Aftab Sheikh (FCA), Partner, A.F. Ferguson & Co. participated as panelists. The panel discussion was moderated by Ms. Hena Sadiq, Partner, Yousuf Adil. The panel discussed the challenges of large, medium and small audit firms that are being faced or expected in the implementation of Quality Management Standards and the possible solutions to deal with the challenges. The panel was followed by Q&A session.

Mr. Zafar Iqbal Sobani (FCA), Past President ICAP and Chairman of Appellate Board of ICAP was invited as a Session chairman. In the end, memento were presented to the worthy speakers and panelists by ICAP Council Members, Mr. Farrukh Rehman and Ms. Hina Usmani. Mr. Osama Kapadia, Honorary Secretary SRC extended the vote of thanks to the speakers, panel, members and all the quests. The seminar was followed by lunch.

## Seminar On "Role of Tax Ombudsman in Pakistan"

The main function of Federal Tax Ombudsman is to ensure disposal of complaints of tax maladministration promptly, justly, fairly, independently investigated, and to rectify any injustice done to a taxpayer by actions of the tax employees of Federal Board of Revenue (FBR)/Revenue Division, Government of Pakistan. Tax collection is fundamental to run a State. A fair, just, efficient and simple taxation system is crucial to induce confidence amongst the people to pay their taxes as their national obligations.

To address taxpayers' grievance promptly and without any hassle, an effective redressal system is vital. In 1983, the office of Wafaqi Mohtasib (Ombudsman)'s Secretariat was created to check maladministration in federal departments. Later on, to alleviate taxpayer's problems and difficulties and to enhance ease of doing business, institution of Federal Tax Ombudsman (FTO) was established in year 2000. After its inception, this institution has provided relief to thousands of aggrieved tax payers and has played significant role to address the prevalent maladministration in taxation system.

Keeping in view the significance of the topic for members, the Fiscal Laws Committee of ICAP in Collaboration with CPD Committee Islamabad/Rawalpindi organized an important seminar on "Role of Tax Ombudsman in Pakistan" on Tuesday March 29, 2022, from 3:00 p.m. to 6:00 p.m. at ICAP House Islamabad and will be telecast through (VC) at all locations of ICAP-North.

The seminar was hosted by Mr. Aneel Peter (FCA), Member Northern Regional Committee (NRC). The seminar was graced by Mr. Ashfaq Yousuf Tola, (FCA) President ICAP and Mr. M. Ali Latif, (FCA) Council Member ICAP and Chairman Fiscal Laws Committee ICAP. The seminar started with opening remarks by Mr. Muhammad Ali Latif, (FCA). He expressed the importance of topic and welcomed all the guest and also encouraged the efforts of CPD Committee Islamabad/Rawalpindi for arranging this important seminar. After opening remarks honorable President ICAP Mr. Ashfaq Yousuf Tola, (FCA) delivered presidential address to the members and shared his views and experience about role of Tax Ombudsman in Pakistan.

The second part of the seminar was panel discussion in which Ms. Sadia Nazeer, FCA, Mr. Shahid Sadiq, FCA and Mr. Majid Qureshi, Advisor to FTO participated as panelists. The panel discussion was moderated by Mr. Aneel Peter(FCA).

After panel discussion the learned speaker Ms. Sarwat Tahira Habib, Senior Advisor to the FTO delivered

presentation on Role of Tax Ombudsman in Pakistan. She expressed the establishment of office of Federal Tax Ombudsman, his mandate, vision, value, jurisdiction and functions, complaint process, appeal mechanism, implementation mechanism, Impact of FTO, institutional outreach, performance overview for the year 2020-21, complaints disposed of during and after investigations, complaints accepted, rejected, withdrawn, recommendations and new initiatives etc.

The presentation was very interactive. Seminar was very well attended by ICAP Members/ Students and Non Members in person at ICAP Islamabad and through (VC) at all locations of ICAP –North. The participants showed great interest and raised various questions which were answered by the worthy speaker and panelists.

At the conclusion of the Seminar, Mr. JehanZeb Amin (FCA), Chairman CPD Committee Islamabad/ Rawalpindi along with Mr. Ashfaq Yousuf Tola (FCA), President ICAP and Ms. Sarwar Tahira Habib, Senior Advisor to the FTO presented mementos to session chairman, speaker, moderator and the panelists.

At the end, Mr. JehanZeb Amin (FCA), Chairman CPD Committee Islamabad/ Rawalpindi extended the vote of thanks.

The seminar was followed by Hi-Tea.

## **Ethics Dilemma App**

The legal department of your organization has a sub-function which performs coordination with the regulatory bodies. The team sits closer to you and the conversation of the said function team among themselves is clearly audible. You have heard a conversation where one of your colleague was talking to the regulatory compliance officer and convincing him to issue a clean report. In return, he assured him that he will be paid a handsome amount through manipulating lunch, accommodation and conveyance bills. In this situation, what will you do?

- a) Raise a formal complain to the internal audit manager as the person has already committed an irregularity.
- b) Inform your supervisor that you have heard such a conversation and leave future course of action on him
- c) Speak to the person upfront and inform him that he is doing unethical practice and convince him not to engage in such activity. Do nothing as you believe that nothing has come to notice through a formal channel

To answer, download ICAP Ethics Dilemma App by scanning the QR code below.



#### **Mentorship Program**

#### **Mentor Testimonials**

During last year, I had the pleasure of actively supporting the ICAP Mentorship Program by guiding four budding Chartered Accountants who were largely trying to navigate through their mid-career challenges vs career aspirations. Firstly, the ICAP program is guite structured and gives a fair opportunity to both parties to plan their interaction in a productive manner. For me, as a Mentor, it was guite encouraging to see the desire to succeed in all the four mentees and their keenness to avail the opportunity seriously and go into the depth of the situation and recommendations offered by me based on my hard-earned experience. For me, it was very motivating to unlock the real-life situation, each one different from the other, taking an aerial view of the situation and offering a workable solution for each individual. All in all, a great initiative by ICAP.

#### **Abdul Aleem**

Secretary, Overseas Investors Chamber of Commerce & Industry Former Managing Director, Pakistan State Oil



Mentorship program is a remarkable initiative and I am happy to be part of it. It gives me extreme satisfaction in guiding and motivating the youth of our fraternity aspiring for greater success in life. Till now, I have mentored a number of young CAs who approached me through this program regarding their perceived difficulties or obstacles. I would like to quote Stephen Spielberg here who says "The delicate balance of mentoring someone is not creating them in your own image, but giving them the opportunity to create themselves". True to this spirit, the young minds are shown possibilities that they were ignorant of and provided the required confidence boost. I strongly recommend all our fledging CAs to utilize and make the most of this opportunity provided by our alma mater ICAP.

**Moneeza Usman Butt** Partner, KPMG Taseer Hadi & Co.



To register, please visit https://member.icap.org. pk/?url=%2Fmentee-registration-form%2F or email at mentorship@icap.org.pk.

# Awareness Session at Institute of Business Management (IoBM) - Karachi

An online awareness session was arranged for students of final semester of BS - Accounting, Management, and Law (AML) at the Institute of Business Management (IoBM) Karachi on March 13, 2022. The objective of the session was to promote CA education among students of IoBM, an RDAI of ICAP.

Mr. Asad Ullah (Authorized Representative – IoBM) opened the session with his opening remarks.

Mr. Sarmad Ali Shah (Deputy Manager – Education & Training) started the presentation and briefly discussed the exemptions available to BS AML students and graduates. Under the Education and Training Scheme 2021, Nine papers are exempted to graduates of BS AML whereas the previous scheme offered exemptions of only 8 papers. He also informed that graduates of BS AML can join a practicing firm immediately after joining CA program and can complete their mandatory training of three years in any of the registered training organizations.

Mr. Shahzad Ghani (Assistant Manager, Education & Training) shared that more than 25% of ICAP members are expatriates, and a qualified CA can easily pursue his career abroad. He also discussed the training process from joining to completion, leaves, stipends and how Training Organizations Outside Practice (TOoPs) can provide exposure and culture of multi-national organizations. Students eagerly asked questions on time duration of each stage of CA, exemption requirements, the difficulty of the exam papers, and joining of training organization inside and outside practice.

ICAP team appreciated the efforts of Mr. Asad Ullah and his team for organizing such a wonderful session with students of BS AML. Mr. Asad closed the session with gratitude to the ICAP team and ICAP management.

## Awareness Session at Shaheed Zulfikar Ali Bhutto Institute of Science & Technology (SZABIST) -Karachi

SZABIST Karachi invited Institute of Chartered Accountants of Pakistan (ICAP) to hold an awareness session with students of BS Accounting & Finance on March 17, 2022.

The purpose of session was to spread awareness about CA education and exemptions available to graduates of BS Accounting & Finance from SZABIST, Karachi.

Mr. Sarmad Ali Shah (Deputy Manager, Education & Training) welcomed students and informed them why CA is a natural career path for graduates of BS A&F and discussed how a degree and professional certification like CA can take their career to the next level. Mr. Ali Shan (CA Brand Ambassador) shared his challenging journey and moments of success with students of BS A&F. He motivated students to join the CA program in order to achieve higher roles in professional life. Mr. Shahzad Ghani (Assistant Manager, Education & Training) briefly discussed the induction process in training organizations and explained the difference between training organizations inside practice (ToiPs) and training organizations outside practice (TOoPs). An interesting question and answer session was recorded and the ICAP team encouraged students to pursue CA education after BS Accounting & Finance.

ICAP team thanked Mr. Vijay Kumar (Authorized Representative – SZABIST) and the management of the University for arranging such a wonderful session. Mr. Vijay concluded the session with closing remarks and informed students to join CA after BS A&F so that SZABIST can elevate its status to Specified Degree Awarding Institute (SDAI), which will offer exemptions of all the papers up to Certificate in Accounting & Finance (CAF).

### **Edhi CA Talent**

ICAP offers merit based scholarships to the top-20 position holders of all Intermediate Boards across Pakistan towards CA-Education every year under its 'Edhi CA Talent Scheme'. ICAP Batch 2021, has shown a record 1,185 number of applications for this Merit Based Scholarship, which spells out an immense confidence in ICAP from the talented youth of Pakistan.

## Directorate of E&T department at ICAP conducted counseling session with students of final semester of IBA, Karachi

Directorate of Education & Training department of the Institute of Chartered Accountants of Pakistan (ICAP) conducted a counseling session with students of final semester of IBA, Karachi (an SDAI). The session was arranged on 19th February 2022 at the IBA main campus in which more than 45 students of BS Accounting & Finance participated.

Aspiring students of IBA Karachi were briefed about exemption policy, clarifying myths related to CA results, training opportunities in TOiP & TOoP, and briefly

discussed CA as a natural career path for IBA graduates, after graduating from IBA Karachi.

Mr. Ahmed Salman Abbasi gave a comprehensive presentation which was followed by presentation of Mr. Ali Shan, as a young qualified Chartered Accountant.

At the end, an interactive questions & answers session was conducted to answer the queries of the students.

# SAFA Student Exchange Program with The Institute of Chartered Accountants of Sri Lanka (ICASL)

The Institute of Chartered Accountants of Sri Lanka (ICASL) invited students of Institute of Chartered Accountants of Pakistan (ICAP) to visit Sri Lanka under the SAFA Student Exchange Program from 28th February to 04th March 2022. The ICASL organized 36th International CA Students' Conference held on 1st March 2022 at Galadari Hotel, Colombo, Sri Lanka. The theme of the International Conference was "EMBRACE THE TRANSFORMATION – Catch the Wave"

Four of ICAP's Trainee students showed interest to visit ICASL and attending a conference in Sri Lanka. One of the selected students also got an opportunity to take part in a panel discussion. The topic of the panel discussion was "Workplace wellness in a remote work setting."

During the visit, the students enjoyed exposure to the functioning of reputed Chartered Accountants firms/industries in Sri Lanka and also interacted with their counterparts at ICASL.

# CPD Committee of NRC, ICAP organized a training session on Microsoft Excel at SKANS School of Accountancy, Multan

CPD Committee, (Multan Wing) of Northern Regional Committee, ICAP organized a training session on Microsoft Excel on March 30, 2022 at SKANS School of Accountancy, Multan in which Young Chartered Accountants were trained. The Trainer of session was Mr. Ijaz Tariq, ACA Director Finance & Shared Services PND Group Limited. His immense command over the subject and interactive style kept the participants engaged throughout the workshop. The participants appreciated the efforts of the trainers and emphasized on conducting more sessions on excel. At the conclusion of the training session, Mr. Javed Anjum, FCA Chairman CPD Committee (Multan Wing) presented memento to the worthy speaker and extended



vote of thanks to all the participants. The program was followed by refreshment.

## **Toastmasters Club Lahore**



Meeting No.	Date	Theme	Word of the day
242	March 02, 2022	Live with Memories,	"Dazzle" - Amaze or (overwhelm)
		not dreams	someone

This meeting was hybrid, conducted in person at ICAP house and screened live through zoom and Facebook. Sergeant-at-Arms TM Majid Mehmood called together the meeting at 3:30 pm.

VP Education TM Mudasser Ashfag presided over the meeting and formally started the meeting proceedings by welcoming members and guests. He explained the theme of the meeting by stressing about making your dreams into realities and how joining a toastmaster club can facilitate you to make your dreams come true. Then the meeting further proceeded with the business session. During this session, the agenda of the meeting was approved. The Presiding officer then handed over the control to the Toastmaster of the meeting, TM Mudasser Ashfaq

The Toastmaster of the meeting explained the meeting arrangement to the viewers. In the leadership roles, TM Ghulam Abbas served as General Evaluator. TM Majid Mehmood, TM Muhammad Asim and TM Syed Azam Ali played Grammarian, Ah-counter, timer and vote counter.

#### **Prepared Speech segment:**

"Try Try Again "TM Mudasser Ashfaq delivered his level 5 of project 1 from the Persuasive Influence pathway. He shared his life journey where he followed the rule of 'try try again' right from learning from his father how to ride a bicycle to his experience as toastmaster club. He joined this club as a guest and today he is on a position of VP Education of the club. He further expressed how joining the Toastmaster club shaped his life in his behaviour, presentation and decision making.

Finally, he ended up his speech by sharing with an example that how he applied the same rule in his

professional life. TM Muhammad Asim also gave valuable pieces of advice and came up with critical evaluation of his past experiences.

#### **Table Topic Session:**

TM Muhammad Asim interactively mastered this session by using his enthusiastic skills. He used his body language (gestures) to communicate with participants to guess the topic. He provided different exciting topics related to travelling and dreams, and the speakers explained the same through storytelling. The audience enjoyed the whole segment and participated with full enthusiasm, and they thoroughly enjoyed this part of the meeting. In total, five members participated in the said session.

After that, the reports of grammarian, timer and vote counter were presented. The voting poll of the viewer decided the winners of both segments. Lastly, the Presiding officer thanked all the members and guests for energetically participating in the meeting.

#### **Meet the Winners**



Speaker





Table Topic Evaluator & Best Speaker



of Big 3

Sved Azam Ali Best Role

Meeting No.	Date	Theme	Word of the day
243	March 22, 2022	Identity	Strive - make great efforts to achieve or obtain something

The Club was enchanted to run this meeting in a hybrid setup. Vice President Education of the Club TM Mudasser Ashfaq acted as presiding officer. He convened the meeting with his welcome address. He explained the theme by correlating it with Pakistan day. He lighted up the importance of what sacrifices and challenges were involved in the present existence of Pakistan and the concept of identity involved in the idea behind our country. He then handed over the control to the Toastmaster of the meeting, TM Maaz Ullah Khan.

In the leadership roles, TM Majid Mehmood served as a General Evaluator with a team of TM Mudasser Ashfag, and TM Maaz Ullah Khan played Grammarian, timer, and vote counter roles.

#### **Prepared Speech Segment:**

"Ice Breaker" TM Aasher Mehmood delivered his Ice Breaker speech. He introduced himself to the club by sharing his journey as a professional chartered accountant and his experience as a teacher. He further explained that its first aim was to become an engineer. How he diverted towards business and commerce studies and finally

became a CA student, from articles to his experience today as a qualified CA. He also shared his interest in sports and his relation to religion, and the final goals of his life. TM Majid Mehmood evaluated her speech by giving valuable pieces of advice.

"Zero to One "TM Majid Mehmood delivered his level 2 project 1 under the Presentation Mastery pathway. He started the speech by sharing that I did not know my communication style initially. Then how, from toastmaster resources, he understood various ways of communication. He extended his speech by asking different questions from the audience and then analyzing all the possible responses. His decision to become an entrepreneur was based on the inspiration of a book named 'Zero to One" that book reflects the success stories and lessons of the founder of PayPal and many other famous entrepreneurs. He concluded his speech by giving the example of first movers (frontiers) like Zoom, Facebook etc. TM Mudasser Ashfaq evaluated this speech with some valuable feedback.

#### **Table Topic Session:**

TM Mudasser Ashfaq conducted the Table Topic session. Five topics were presented, and participants happily volunteered for the session. TM Majid Mehmood diligently evaluated these speeches and provided his evaluation using his words of wisdom.

Next, The reports of grammarian, timer and vote counter were presented, and the voting poll of the audience decided the winners of both segments. In the end, the Presiding officer thanked all the members and guests for energetically participating in the meeting.

#### **Meet the Winners**









Best of Big 3 Table

Table Topic Speaker

Aasher Mehmood Prepared Speech

d Mudasser Ashfaq h Evaluator

Club officers for the tenure are Adnan Hameed Khokhar -President, Muddassir Ashfaq - VP Education, Anayat Ullah Khan - VP Membership, Tahir Saeed Malik - VP Public Relations, Fauzia Safdar Khan - Secretary, Anayat Ullah Khan (additional charge) – Treasurer and TM Majid Mehmood - Sargent at Arms

The club's meeting proceedings can be seen live on facebook @ https://www.facebook.com/groups/CATMCU.







## **ICAP Toastmasters Club Islamabad**



ICAP Toastmasters Club Islamabad had an absolutely amazing and fulfilled March 2022.

The highight of the month was the joint meeting of ICAP TMC ISB and Islamabad toastmaster Club (ITC) hosted by ICAPTMC ISB held on March 15th, 2022.

In the 'Table Topics' session, members are chosen by the TTM (Table Topic Master) to come on the stage and speak for about 2 minutes and guests are also encouraged to volunteer. This greatly enhances the participant's ability to think on his/her feet and helps reduce stage fright. This joint meeting was no different! The TTM for the meeting was TM Akhtar Rasool from ICAP TMC ISB. The winner for the session and the audience's hearts was TM Abrar Ahmed from ITC.

Next up was our prepared speech session in which 4 wonderful speeches were delivered by speakers from both clubs. The winner for this round was TM Jamal Ahmed Khan, ACA from ICAP TMC ISB.

Both sessions were then evaluated in the evaluation session which is the most important part of any Toastmaster meeting. The meeting as a whole was evaluated by TM Aneel Peter, FCA and the individual speeches were evaluated by TM Athar Ahmad, TM Haider Ali, TM Abrar Wani and TM Huzaifa.

The meeting was concluded by our presiding officer for the meeting and president of ICAPTMC ISB, TM JehanZeb Amin, FCA who also invited TM Naureen Fatima (President of ITC) for her comments. The meeting was followed by a round of refreshments in which members and guests from both clubs were given a chance to network and interact.

The meeting as a whole was enjoyed by all attendees and put members of ICAP TMC ISB in a position to grow even further and learn how Islamabad Toastmasters Club does things and identify areas in which our club can further improve. Such joint meetings are hosted regularly by ICAP TMC ISB and its benefits are reaped by the Toastmasters community as a whole!

The Club has a Facebook 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://www.facebook.com/CA.TMC.ISB

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# **ICAP Toastmasters Club Faisalabad**

The 96th meeting of ICAP Toastmasters Club, Faisalabad, was held online, on Zoom, on Saturday, April 2, 2022. Club President TM Ahmad Suleman Zahid, ACA, performed the role of Sergeant at Arms and Presiding Officer. TM Usman Ahsan, FCA, performed the role of Toastmaster of the Day. The meeting was marked by a lot of learning and fun, especially the Table Topic Session conducted by DTM Zeeshan Abid, FCA, which was also largely appreciated by the Guests. TM Ahmad Suleman Zahid was awarded as best table topic speaker. TM Qundeel Zafar was awarded as Best Prepared Speaker. At the end of the session, the General evaluator, DTM Zeeshan Abid, gave a very detailed evaluation and addressed areas where the meeting and its roles needed improvement.



## **Professional Misconduct**

# Findings and Decision of the Council under Section 201 of the Chartered Accountants Ordinance, 1961

A practicing member of the Institute, Mr. Phinehas Salamat, FCA [R-2423], committed the following irregularities while conducting the audit of financial statements of an Association for the years ended June 30, 2011 to June 30, 2014 wherein significant irregularities were noted resulting in non-compliance of the relevant laws/regulations including the International Standards on Auditing (ISAs):

- 1) The member issued audit reports on the financial statements of the Association for the years ended June 30, 2012 to 2014; however, those financial statements were not approved by the management of the Association. Therefore, the member issued the audit report on unauthenticated and unapproved financial statements resulting in non-compliance with the relevant requirements of ISA 200 (Overall Objectives of the Independent Auditor and the Conduct of an Audit in accordance with International Standards on Auditing) and ISA 700 (Forming an Opinion and Reporting on Financial Statements).
- The member conducted audit of financial statements of the Association for the years ended June 30, 2011 to June 30, 2014 during which period he entered into a tenancy agreement with the Association on behalf of a Society as the Society's President. This created threat to his independence and objectivity which was further increased due to the fact that the aforesaid financial statements of the Association relating to the year 2012 to 2014 on which he expressed his opinion were

not approved by the management of the Association. Therefore, the above resulted in non-compliance with the relevant requirements of the Code of Ethics for Chartered Accountants (the Code of Ethics) relating to independence and objectivity including Paragraph 280.1 and 290.14 of the Code of Ethics.

Further, by entering into a tenancy agreement with the financial statement audit client i.e. the Association, he has committed non-compliance with the requirements of Section 211 of the Code of Ethics.

- The member is a Managing Editor of a newspaper. Despite being a practicing member of the Institute, he got engaged in the other occupation resulting in violation of the requirements of Bye Law 8 of the Chartered Accountants Bye Laws, 1983 and Section 211 of the Code of Ethics. Further, his above engagement resulted in professional misconduct under the provisions of Clause (10) of Part 1 of Schedule I of the Chartered Accountants Ordinance, 1961.
- 4) It had been mentioned in the newspaper of which the member is the Managing Editor that the Association got its audit done based on fake information. It is pertinent to mention that he had been auditor of the Association and issued audit reports on the financial statements of the Association for the years from 2011 to 2014. Hence, the member failed to exercise due care and did not act diligently in respect of the audits of financial statements of the Association for the aforesaid years. If the claim in the above newspaper regarding bogus audit was not correct, then the member failed to behave professionally as he was the Managing Editor of the newspaper.
- As per note to the financial statements of the Association for the year ended June 30, 2014, the amount of rent received by the Association from the member on behalf of the Society is Rs. 800,000 whereas as per the Order of Rent Controller/Special Judge Rent, Lahore, the member did not make the payment of rent which was due @ Rs. 81,250 per month from September, 2013. Therefore, the payment recorded in the financial statements did not seem correct. If it is assumed that the payment of Rs. 800,000 was actually made, even then the amount paid does not clear the dues as the opening balance of rent receivable was Rs. 195,000 and the rental income recorded in the financial statements was Rs. 780.000 making the total receivables of Rs. 975,000 whereas the payment shown in the financial statements is Rs. 800,000 leaving the unpaid balance of Rs. 175,000.

In addition to the above, rental income recorded in the financial statements was Rs. 780,000 i.e. Rs. 65,000 per month whereas, the actual rental income/rent due was Rs. 942,500 i.e. Rs. 65,000 for the months of July and August, 2013 and Rs. 81,250 per

month from September, 2013 to June, 2014 as per the rental agreement dated September 1, 2010 (entered between the member on behalf of the Society and the Association) and the above Order of Rent Controller/ Special Judge Rent, Lahore. Therefore, the rental income recorded in the financial statements did not seem correct.

Hence, it is transpired that income from rent, rent received and rent receivable were not correctly reported in the aforesaid financial statements. However, the member did not address the aforesaid irregularity in his audit report issued on the above mentioned financial statements resulting in non-compliance with the relevant requirements of ISA 705 (Modifications to the opinion in the Independent Auditor's Report).

6) The member failed to provide certain information which he agreed to provide to the Institute in respect of the matter.

The Council after considering the report of the Investigation Committee also provided opportunities of hearings to the member which he did not avail.

In view of the above and after considering the report of the Investigation Committee and the information and evidence available on record, the Council decided to hold Mr. Phinehas Salamat, FCA [R-2423] guilty of professional misconduct under:

- Clause (10) of Part 1 of Schedule I of the Chartered Accountants Ordinance, 1961 for engaging in any business or occupation other than the profession of Chartered Accountants without permission of the Council so to engage;
- 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 for not complying with the fundamental principles stated in Paragraphs 100.4(b) (Objectivity), 100.4(c) (Professional Competence & Due Care) and 100.4(e) (Professional Behavior) of the Code of Ethics for Chartered Accountants (May, 2008) contained in Directive 6.04 of the Institute;
- 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; and
- Clause (6) of Part 4 of Schedule I of the Chartered Accountants Ordinance, 1961 for contravening provisions of the Chartered Accountants Bye-Laws, 1983.

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

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

The Institute welcomes the following fellow and associate members:

#### **Fellow Members**

S. No.	R-No.	Name
1	2192	Syed Shahzad Safdar Zaidi
2	5873	Bilal Hussain
3	6052	Hasseb Abdul Razzak
4	6711	Arsalan Ahmed
5	6716	Ali Noshad
6	6722	Malik Azeem Maqbool
7	6767	Ali Salim Ahmed
8	6778	Syed Kamran Ali
9	6787	Muhammad Asad Siddiqui
10	6797	Ahmed Raza Jahangir
11	6803	Syed Awais Amjad
12	6809	Umairullah Khan
13	7423	Atif Riaz
14	7505	Amina Javaid

#### **Associate Members**

#### S. No. R-No. Name

1	11510	Muhammad Ali Abid
2	11511	Syed Mohammad Shaheer-Ul-Haque
3	11512	Suman Urooj
4	11513	Fasih Ahmed Faheem
5	11514	Muhammad Bilal
6	11515	Muhammad Amil
7	11516	Safwan Bin Zulfiqar
8	11517	Muhammad Talha Ashraf
9	11518	Syed Manal Fatmi
10	11519	Muhammad Farooq Khalid

#### **New Firms**

The Institute welcomes the following new firms:

S. No.	Name of Firms	Location
1	M. Shafi & Co.	Lahore
2	S. A. Haseeb & Co.	Karachi
3	A. R. Zubair & Co.	Lahore
4	Kamran Saeed	Lahore
5	Sohail Zahoor & Co.	Lahore
6	Yousaf Muhammad & Co.	Faisalabad
7	Z. Gul & Co.	Lahore
8	Abu Bakr Mahmud & Co.	Lahore

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## **Ø**⇔ technical update

## **Update:**

#### **ICAP**

## ICAP publishes an updated list of practicing firms having satisfactory QCR rating

The Institute of Chartered Accountants of Pakistan (ICAP) has published a list of practicing firms having satisfactory Quality Control Rating (QCR) as of April 01, 2022.

The list can be found on the below link: https://icap.org.pk/files/per/quality-assurance/List-of-Firms.pdf

## **Update:**

# **Local Corporate Regulatory Framework**

SECP issues amendments to the Companies (Incorporation) Regulations, 2017

The Securities and Exchange Commission of Pakistan (SECP), through S.R.O. 530(I)/2022 (dated April 18, 2022) issued amendments to the Companies (Incorporation) Regulations, 2017.

S.R.O.530(I)/2022 can be accessed on the following link: https://www.secp.gov.pk/laws/notifications/

# SECP issues amendments in the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017

SECP through S.R.O. 537(I)/2022 (dated April 19, 2022) issued amendments in the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017. The amendments include changes in Regulation 6, Schedule I, and Annexure-I in the regulations.

S.R.O.537(I)/2022 can be accessed on the following link: https://www.secp.gov.pk/laws/notifications/

## Update:

## **IFRS Foundation**

ISSB publishes the Exposure Drafts of IFRS Sustainability Disclosure Standards

In November 2021, the IFRS Foundation established the International Sustainability Standards Board (ISSB).

The ISSB has been established with a vision to develop comprehensive global high-quality IFRS Sustainability Disclosure Standards to meet the demand for transparent, consistent, and comparable reporting of sustainability-related information.

The ISSB, on March 31, 2022, issued two exposure draft (ED) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures for comments from stakeholders. The deadline for comments is July 29, 2022.

The proposed IFRS S1 would require companies to disclose information about all of their significant sustainability-related risks and opportunities. While the proposed IFRS S2 focuses on climate-related risks and opportunities. These proposals have been developed on the recommendations of the Task Force on Climate-related Financial Disclosures and include metrics tailored to industry classifications derived from the industry-based Sustainability Accounting Standards Board (SASB) Standards.

The ISSB is also holding a webinar on April 28, 2022, for all stakeholders on its proposed standards to provide an overview of the proposals and respond to stakeholders' queries.

Exposure drafts and webinar details can be accessed on the following links:

https://www.ifrs.org/news-and-events/news/2022/03/issb-delivers-proposals-that-create-comprehensive-global-baseline-of-sustainability-disclosures/

https://www.ifrs.org/news-and-events/ news/2022/04/webinar-on-the-issbs-exposure-drafts/

## ISSB plans to build on SASB's industry-based standards

ISSB on March 31, 2022, also communicated its plan for building upon the Sustainability Accounting Standards Board (SASB) Standards and for embedding SASB's industry-based standards development approach into the ISSB's standards development process.

SASB's industry-based standards development approach identifies the sustainability disclosure topics most relevant to enterprise value for the typical company in an industry, enabling companies to provide decision-useful information about a range of sustainability-related risks and opportunities to investors and other capital markets participants.

Further details can be accessed on the following link: https://www.ifrs.org/news-and-events/news/2022/03/issb-communicates-plans-to-build-on-sasbs-industry-based-standards/

#### IASB publishes March 2022 meeting podcast

The International Accounting Standards Board (IASB) on April 04, 2022, published the March 2022 IASB meeting podcast. The following topics and projects have been discussed in the podcast:

- IASB Third Agenda Consultation;
- Management Commentary;
- Stakeholder feedback on the Post-Implementation Review of IFRS 9 —Classification and Measurement;
- Financial Instruments with Characteristics of Equity (reasons for why a further analysis is required);
- Primary Financial Statements;
- Business Combination under the Common Control;
- Extractive Activities:
- the IFRS Interpretation Committee's agenda decision for TLTRO III transactions; and
- Disclosure requirements and measurement of financial guarantee contracts for the second comprehensive review of the IFRS for SMEs Accounting Standard.

Further details can be accessed on the following link: https://www.ifrs.org/news-and-events/news/2022/04/march-2022-iasb-podcast-now-available/

#### IFRS Foundation publishes 2021 Annual Report

IFRS Foundation on April 04, 2022, published its annual report and audited financial statements for the year ended December 31, 2021.

The IFRS Foundation annual report discusses the:

- Formation of the International Sustainability Standards Board (ISSB);
- publication of the Foundation's revised Constitution;
- status of the IASB's Third Agenda Consultation; and
- other achievements of the IFRS Foundation and its boards.

Further details can be accessed on the following link: https://www.ifrs.org/news-and-events/news/2022/04/ifrs-foundation-publishes-2021-annual-report/

## Meeting papers and agenda for April 2022 IASB meeting

The meeting papers and the agenda for the IASB meeting scheduled on April 25-28, 2022 have been published on April 14, 2022. The topics for discussion are

- Post-implementation Review of IFRS 9— Classification and Measurement
- Maintenance and consistent application
- Equity Method
- Management Commentary
- Goodwill and impairment
- Primary Financial Statements
- Third Agenda Consultation
- Second Comprehensive Review of the IFRS for SMEs Standard
- Disclosure Initiative Subsidiaries without Public Accountability: Disclosures

Further details can be accessed on the following link: https://www.ifrs.org/news-and-events/calendar/2022/ april/international-accounting-standards-board/

#### IFRIC publishes first Quarter 2022 activities podcast

The IFRS Interpretations Committee on April 19, 2022, published the podcast to discuss its activities that are aimed at supporting the consistent application of IFRS Accounting Standards. The podcast covers the activities of the first quarter of 2022, and the topics discussed include:

- Demand deposits with restrictions on Use arising from a contract with a third party
- TLTRO III transactions
- Transfer of insurance coverage under a group of annuity contracts
- Negative low emission vehicle credits
- Lessor forgiveness of lease payments
- SPAC transactions—Classification of public shares and accounting for warrants at acquisition
- IASB narrow scope projects

The podcast can be accessed on the following link: https://www.ifrs.org/news-and-events/news/2022/04/q1-2022-ifrs-interpretations-committee-podcast-now-available/

## **Update:**

#### **IFAC**

#### IAASB 2022-2023 Work Plan approved

The International Auditing and Assurance Standards Board's (IAASB) 2022-2023 Work Plan titled 'A Public



Interest Focus in Uncertain Times' has been approved by the Public Interest Oversight Board. The Work Plan was previously approved by the IAASB during its December 2021 meeting.

and environmental, Sustainability social, and governance (ESG) assurance are a prominent addition to the new work plan and will see increased time and resourcing for 2022-2023. The new Work Plan also highlights candidate topics in the Audit and Review space (e.g., responding to assessed risks of material misstatement and the impact of technology on various standards) that will be considered for a further project to begin in 2023. A key focus will remain the progression and completion of projects underway at the start of 2022, including audits of financial statements of less complex entities, audit evidence, going concern, and fraud.

Further details can be accessed on the following link: https://www.iaasb.org/news-events/2022-04/iaasb-2022-2023-work-plan-approved-public-interest-oversight-board

# IAASB issues a revised International Standard on Auditing (ISA) 600

The IAASB on April 07, 2022, published International Standard on Auditing (ISA) 600 (Revised). The revised standard addresses special considerations that apply to audits of group financial statements (group audits). The revised standard becomes effective for audits of group financial statements for periods beginning on or after December 15, 2023.

It includes a robust risk-based approach to planning and performing a group audit. The approach focuses the group auditor's attention and work effort on identifying and assessing the risks of material misstatement of the group financial statements and designing and performing further audit procedures to respond to those assessed risks. It also recognizes that component auditors can be, and often are, involved in all phases of the group audit.

Further details about ISA 600 (Revised) can be accessed on the following link:

https://www.iaasb.org/news-events/2022-04/iaasb-modernizes-its-standard-group-audits-support-audit-quality

## IESBA expands universe for the Public Interest Entities

The International Ethics Standards Board for Accountants (IESBA) on April 11, 2022 published revised definition of a Public Interest Entities (PIE) together with other revised provisions in the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code). The revised provisions specify a broader list of categories of entities as PIEs whose audits should be subject to additional independence requirements to meet stakeholders' heightened expectations concerning auditor independence when an entity is a PIE.

The revised definition of PIE and related provisions will become effective for audits of financial statements for periods beginning on or December 15, 2024, with early adoption permitted. The conforming amendments to the Code will be effective as of December 15, 2022.

Further details can be accessed on the following link: https://www.ethicsboard.org/news-events/2022-04/global-ethics-board-expands-universe-entities-are-public-interest-entities

## IPSASB's exposure draft on Retirement Benefit Plans

The International Public Accounting Standards Setting Board (IPSASB) on April 01, 2022, published the Exposure Draft (ED) 82, Retirement Benefit Plans. This ED is intended to increase the transparency and accountability of public sector entities regarding multiemployer retirement benefit obligations. Stakeholder comments on ED are sought by August 1, 2022.

In developing principles for the public sector accounting, the requirements of IAS 26 were used as the starting point. The IPSASB adapted IAS 26, based on experience from around the world, to ensure the unique characteristics of the public sector are reflected in the ED. However, the ED has removed those requirements of IAS 26 that are not appropriate for the public sector or are inconsistent with the existing IPSASs.

Further details about the ED can be accessed on the following link:

https://www.ipsasb.org/news-events/2022-04/ipsasb-seeks-comments-retirement-benefit-plans-proposals



## **CA Pakistan Outreach Program**

## **Couseling Sessions**

The Marketing and Communication (MARCOM) department at ICAP conducted extensive counseling sessions at various institutes of Lahore, Islamabad, Multan, Faisalabad, Hyderabad, Gujranwala, Mirpur and Abbottabad. More than 40 sessions were conducted in the month of March at several schools and colleges, in which around 3000 prospective students were counseled with Chartered Accountancy Profession. Students from SSC/HSC, O/A level education backgrounds attended interactive presentations, and then the queries asked from all streams of students including commerce, pre-engineering, pre-medical and computer science were also answered.

Imparted information from ICAP team was focused on 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, market opportunities all over the world and success stories of the young Chartered Accountants.

The following team member of MARCOM department remain engaged in these awareness sessions, Mr. Aamir Malik, Asst. Manager Lahore, Mr. Haroon Yaqoob, Deputy Manager Islamabad, Mr. Haseeb Ur Rehman, Asst. Manager Gujranwala, Mr. Shahbaz Fareed, Manager Faisalabad, Mr. Rizwan Ali, Deputy Manager Hyderabad, Mr. Ahmed Raza Javed, Manager Multan, Mr. Umer Hamid, Senior Officer Mirpur and Mr. Shukaib Ahmed, Asst. Manager Abbottabad.



Lahore.



Islamabad.



Faisalabad.



Hyderabad.



Abbotabad.



Mirpur.



Multan.

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### hr news

## **Critical Thinking Is About Asking Better Questions**

Critical thinking is the ability to analyze and effectively break down an issue in order to make a decision or find a solution. At the heart of critical thinking is the ability to formulate deep, different, and effective questions. For effective questioning, start by holding your hypotheses loosely. Be willing to fundamentally reconsider your initial conclusions — and do so without defensiveness. Second, listen more than you talk through active listening. Third, leave your queries open-ended, and avoid yes-or-no questions. Fourth, consider the counterintuitive to avoid falling into groupthink. Fifth, take the time to stew in a problem, rather than making decisions unnecessarily quickly. Last, ask thoughtful, even difficult, follow-ups. Are you tackling a new and difficult problem at work? Recently promoted and trying to both understand your new role and bring a fresh perspective? Or are you new to the workforce and seeking ways to meaningfully contribute alongside your more experienced colleagues? You can approach curiosity just as rigorously — and use that process to get a better view of a new situation or solve some of your toughest problems. Here are a few ways to enhance your ability to interrogate; Hold your hypotheses loosely In critical thinking exercises we often fall rapidly into an intuitive and jointly held "answer" or hypothesis — particularly in groups — and we ask questions that seek to prove rather than disprove our thoughts. Critical questions, however, may force us to fundamentally reconsider our initial conclusions, and we have to be willing to do so freely without defensiveness. Listen more than you talk successful active listening allows you to fully grasp an argument, making it easier to question its logic. Active listening also helps to override your brain's "prediction engine" to ask better questions. It also allows you to demonstrate to your counterpart that you care about their perspective seriously, which keeps them engaged in the conversation and more open to your perspective. Leave your gueries openended when you begin your inquiry, avoid asking yes-or-no questions. Instead, pose queries that force the respondent to open up and pontificate at length. Open-ended questions encourage critical thinking of an individual to expand on their viewpoints, and leave people the space to actively problem-solve. Consider the counterintuitive when problem-solving, be the person who poses the counterintuitive question, the one that challenges the group's conventional thinking and reconsiders first principles. There's a chance your question may be off-base and that the group is on the right track. Stew in a problem we try to make decisions

too quickly. But the best questions are often formulated after consideration and a good night's rest. And a deliberate process often leads to better conclusions.

Ask the hard follow-up questions deep questions that enable critical thinking are often delivered in chains of deeper and deeper follow-up inquiry. We don't need to ask a litany of "whys" to get to the heart of critical thinking, we should ask thoughtful, even hard, follow-ups questions. It requires energy to listen hard and formulate those follow-ups, and that's often the only way to deepen your critical understanding of a topic.

Critical thinking is at the heart of solving complex problems in new and exciting ways. Building this key skill will help you as you navigate new roles, establish yourself in your organization, or simply face a conundrum. Learn to formulate and ask questions, rather than simply answering them.

Source:https://hbr.org/2022/04/critical-thinking-is-about-asking-better-questions

### **Ouote**

"We cannot solve our problems with the same thinking we used when we created them." Albert Einstein

### **Welcome on Board**

The Human Resource Department welcomes the following new employees in ICAP family in the month of April 2022 respectively.

- **Muhammad Khan**, Officer Membership, Karachi
- Kazim Abdul Latif, Deputy Manager Accounts & Finance, Karachi
- Gulraiz Ahmed, Senior Officer Information Technology, Karachi
- Syed Muhammad Furqan Mumtaz, Senior Officer Administration, Karachi
- Samrah Sarwar, Assistant Manager Education & Training, Karachi
- Waqas Ahmed Khan, Manager Marketing & Communication, Karachi

## **Happy Anniversary at ICAP**

We congratulate the following staff of ICAP family on their years of service in the month May 2022.

 Muhammad Naeem Khalid, Senior Officer, Lahore (15 years)