

Pakistan Institute of Public Finance Accountants

(Established under Section 42 of the Companies Ordinance, 1984)

Constituted by: **ICAP, ICMAP, AGP**

Identification, development and imparting knowledge to provide a structure for the training of accounting professionals in the specialist areas



Newsletter

Vol. 29 Reg. No. : SS-1112

February 2009

PIPFA Board of Governors

PRESIDENT

S. M. Awais

VICE PRESIDENT

Mirza Munawar Hussain

SECRETARY

Mr. Rashid Rahman Mir

TREASURER/JOINT SECRETARY

Mian Muhammad Shoab

MEMBERS

Mr. Sajjad Ahmad

Syed Turab Haider

Syed Imtiaz Bukhari

Shaikh Saqib Masood

Mr. Sajid Hussain

Mr. Shahzad Ahmad Awan

Mr. Muhammad Sharif

Syed Shahid Husain Jafri

HEAD OFFICE:

Office # 907, 9th Floor, Park Avenue,
24-A, Block 6, P.E.C.H.S.,
Shara-e-Faisal, Karachi-75400
Tel.: (021) 4380451-52

LAHORE OFFICE:

42 Civic Centre, Barkat Market,
New Garden Town, Lahore.
Tel.: (042) 5838111-5866896

FAISALABAD OFFICE:

Ajmal Centre-1, 289-1,
Batal Colony, Faisalabad.
Tel.: (041) 8500791

ISLAMABAD OFFICE:

SKANS School of Accountancy,
Firdous Plaza, F-8, Markaz,
Islamabad. Tel: 051-2529708

Financial Sector

SBP issues 'Guidelines on Islamic Financing for Agriculture'

The State Bank of Pakistan issued "Guidelines on Islamic Financing for Agriculture" on February 03, 2009 to help banks develop specific Shariah compliant products in order to meet the financing needs of the farming community. These Guidelines have been developed in consultation with stakeholders while keeping in view the potential and demand for Islamic banking products in the field of agriculture.

The Guidelines broadly cover Islamic modes of financing like Murabaha, Ijara, Musawamah, Salam, Istisna, Musharaka, Diminishing Musharaka, Mudaraba, Muzara'a, Musaqat, and Mugharasa that can be used for meeting the financing requirements of farm and non farm sector activities including livestock, fisheries, poultry, orchards etc. In addition to these financing needs, IBIs may also refer to SBP guidelines and instructions for crop and non crop sector activities like guidelines on livestock, fisheries, poultry, horticulture, etc to make further progress on this front. Moreover, the Guidelines have also explained the application and procedure of the Islamic modes of financing.

The State Bank has advised all the banks to use these guidelines for developing their own Shariah compliant products for extending finance to agriculture sector according to their policy and operational & market requirements, subject to compliance with SBP regulations and approval from their Shariah Advisor.

Remittances rise over 18% to \$4.277 Billion during first seven months of FY09

Remittances sent home by overseas Pakistanis continued to show a rising trend as an amount of \$4,277.31 million was received in the first seven months (July-January) of the current fiscal year 2008-09, showing an increase of \$653.91 million or 18.05 percent over the same period of the last fiscal year. The amount of \$4,277.31 million includes \$0.39 million received through encashment and profit earned on Foreign Exchange Bearer Certificates (FEBCs) and Foreign Currency Bearer Certificates (FCBCs).

In January 2009, an amount of \$637.30 million was sent home by overseas Pakistanis, up 14.40 percent or \$80.23 million, when compared with \$557.07 million received in the same month last year.

SBP Deputy Governor urges banks to follow risk management fundamentals in letter and spirit

Mr. Yaseen Anwar, Deputy Governor State Bank of Pakistan has said that the current global financial crisis signifies the importance of risk management in financial institutions and urged upon the commercial banks to follow risk management fundamentals in letter and spirit. Addressing a conference on 'Effective Risk Management in a Changing Environment' which was jointly organized by International Finance Corporation (IFC) and the State Bank in Karachi on February 10, 2009. Mr. Anwar said the present turmoil in the financial sector provides an opportunity to learn from the financial world's mistakes and overzealousness. "This gives us the opportunity to look back and see what went wrong and structure our own financial houses so that this does not happen to us, or so severely affect the world again," he said and added in this the most significant lesson that has been learnt from recent events is the importance of fundamentals in risk management. "For instance there is a basic rule since inception of banks which says 'do not put all your eggs in one basket'. Mr. Anwar highlighted some fundamental principles that form the cornerstone of risk management and said that if these principles are followed in letter and spirit they can shield financial institutions from significant losses.



SECP News

Reporting of Trade Information by all Asset Management Companies for Dealing in Debt Securities

1. This Circular is issued in continuation of Circular No. 1 of 2009 wherein the Commission has prescribed the methodology for valuation of debt securities ("valuation methodology" for calculation of Net Asset (NAV) of Collective Investment Schemes ("CIS").
2. In order to ensure that valuation of debt securities derived from the prescribed methodology are meaningful and that NAVs are true and fair representative, the Commission deems it appropriate to direct all Asset Management Companies ("AMCs") to report to the Mutual Funds Association of Pakistan ("MUFAP") as and when they execute all transactions (buy or sell trade) in a debt securities.
3. Therefore, in exercise of the powers of the Commission contained

- in Section 282 B(3) of the Companies Ordinance, 1984 (the "Ordinance"), all AMCs are hereby directed to report trade related information for debt securities to MUFAP and the Commission in accordance with the prescribed format (see on www.secp.gov.pk).
4. AMCs are further directed to ensure appropriate records and documents including broker notes, as evidence for the actual trade, are mentioned for a period of at least 18 months from the date of such trade. Transactions (if any) executed during January 1, 2009 to date shall be reported immediately by the AMCs on a consolidated basis to MUFAP and the Commission.
 5. This Circular shall come into force with immediate effect. All AMCs shall circulate this Circular amongst their concerned officers for compliance in and spirit. Any contravention of the directions contained in this Circular shall be dealt with in accordance with the provisions of the Ordinance.

FBR News

Chairman (FBR) underscores change management for successful reforms

Ahmad Waqar, Chairman Federal Board of Revenue has called for better organizational communication and an effective feedback from the employees to successfully complete the reform process under way in the FBR. He said the FBR as an organization was at a critical juncture of the reforms process that was started five years ago and was to be by the end of 2009. "We must not allow the momentum of the reforms to be lost and work as a team to end the reforms process on a successful note," he said while addressing a workshop on 'Change Management', organised by the Human Resource Wing of the FBR, on February 16, 2009.

FBR's tax collection exceeds Rs 628 billion up to January, 2009

Federal Board of Revenue (FBR) collected Rs 628.22 billion of revenues during first seven months of the current fiscal year showing increase of 22.6 per cent over corresponding period of the last year. According to the provisional figures, the FBR has collected Rs 74.39 billion during the month of January 2009. Aggregate collection up to January 2009 thus works out to Rs 628.22 billion as against Rs 512.6 billion as were collected during the corresponding period of the last year.

IFAC News

New IFAC Guidance on Corporate Governance :

As part of its ongoing commitment to support professional accountants in business and their organizations in enhancing governance and in improving organizational performance, the Professional Accountants in Business (PAIB) Committee of the International Federation of Accountants (IFAC) has released a new International Good Practice Guidance document entitled Evaluating and Improving Governance in Organizations. The new guidance to professional accountants in business includes a framework, a series of fundamental principles, supporting guidance, and references on how they can contribute to evaluating and improving governance in organizations.

New IFAC Sustainability Framework Supports Organizations in Improving Products, Lowering Costs, and Raising Good Will

The Professional Accountants in Business (PAIB) Committee of the International Federation of Accountants (IFAC) has developed a comprehensive Sustainability Framework to support professional accountants and their organizations in integrating a sustainable way of thinking and working in all business processes. The Framework illustrates how a commitment to sustainability can help to further improve an organization's products or services, motivate its people, lower its costs and enhance its reputation.

Designed from four different perspectives - business strategy, internal management, financial investors, and other stakeholders - the new Framework challenges conventional ways of thinking about economic, social and environmental achievements. It also promotes

the injection of sustainability leadership into the full management cycle, from making and executing strategic decisions to reporting on performance to all stakeholders.

IFAC's Accounting Education Standards Board Proposes New Framework to Enhance Clarity and Relevancy of Standard

The International Accounting Education Standards Board (IAESB), has undertaken a new initiative to enhance the relevancy, clarity and consistency of its standards as well as their applicability to IFAC members and associates. It is proposing a revised Framework for International Education Standards, which sets out the concepts that underlie the IAESB's International Education Standards.

The proposed framework consists of two parts:

- o Part One explains the educational concepts of competence, initial professional development, continuing professional development, and measurement of the effectiveness of learning and development, which will be used by the IAESB when developing the IESs; and
- o Part Two describes the nature of the IESs as well as the related IAESB pronouncements and IFAC member body obligations.

The framework is targeted primarily to IFAC member bodies that have direct or indirect responsibility for the learning and development of their members and students. It is, however, also relevant to a wide range of stakeholders, including accounting faculties at universities, employers of professional accountants, professional accountants, prospective professional accountants, and others interested in the work of the IAESB.



PIPFA Affairs

ICAP's Concessional Rates for PIPFA's Students and Members

The Council of ICAP in its 203rd meeting extended its support to PIPFA's mission of promoting Accounting Professionalism in the society by offering concessional rates for PIPFA's students and members for purchasing Accounting materials related to IFRS and other publishing stuffs by ICAP which are available to ICAP's students, and attending CPD's activities like workshops and seminars organized by regional committees of ICAP at subsidized rate.

Summer Examination 2009 (Intermediate & Final Stage only)

Exam Forms for Summer-2009 are available at all PIPFA Offices, Contact Centers and approved Coaching Centers.

- o The last date of accepting Exam Forms with Normal Fee is **8th March, 2009**.
- o The last date of accepting Exam Forms with 100% Fee is **15th March, 2009**.
- o The last date of accepting Exam Forms with 200% Fee is **22nd March, 2009**.

Computer Based Exams (Foundation Level)

The 1st Computer Based Examinations were held in December & January for Foundation level students as per New Syllabus Scheme (2008). It is a great pride of PIPFA being a pioneer in Pakistan for introducing online examination facility to its students.

Next Computer Based Exams are likely to be held in April - May, 2009

The Students of Foundation level are advised to be in contact with PIPFA, Head Office and centers for final dates of CBE Registration & Examinations.

Students are advised to visit www.pipfa.org.pk frequently for more information and coming events.

Computer Competency Practical Training (CCPT)

The PIPFA has granted affiliations to 11 Computer Centers who are also registered with ICAP as RAETs, for the conduct of Computer Competency Practical Training (CCPT) for the students of Corporate Sector. Whereas, students of Public Sector will undergo for CCPT at designated Audit & Accounts Training Institutes (AATIs), nearest to their Centre. The CCPT is a mandatory part of PIPFA. Those students who have passed the subject of I.T. under Old Syllabus are exempted from CCPT. However, failures in I.T. will have to undergo and complete the CCPT. Students of both the Sectors are supposed to produce CCPT Completion Certificate (in original) before attempting any paper of Final Level of PIPFA. For Summer Examination-2009 deadline for submission of CCPT Certificate has been decided as March 15, 2009.

Admission of New Members

Fellow Members

1. Ch. Abdul Hameed	(FPA-684)
2. Saif-Ur-Rehman	(FPA-1441)
3. Ahmed Sheraz Siddiqi	(FPA-1463)
4. Asif Mumtaz Mian	(FPA-1505)
5. Masroor Raza	(FPA-1511)
6. Mian Ahmed Farhan	(FPA-1737)
7. Mohammad Asif	(FPA-2254)
8. Javed Ahmad	(FPA-2362)
9. Sajjad Arif	(FPA-2364)
10. Muhammad Arshad Bashir	(FPA-2419)
11. Asher	(FPA-2428)
12. Arshad Ahmad	(FPA-2515)
13. Shaikh Muhammad Abdullah	(FPA-2558)
14. Anwar Ahmed	(FPA-2580)
15. Muhammad Atif	(FPA-2581)
16. Anwar Ahmed Shaikh	(FPA-2595)
17. Muhammad Ali Farooqui	(FPA-2743)
18. Khawaja Ehrar Ul Hassan	(FPA-2761)
19. Imran Khalil	(FPA-2770)
20. Syed Ahmed Kashan	(FPA-2785)
21. Nasir Hashmi	(FPA-2798)
22. Ghazanfar Yaseen	(FPA-2816)
23. Ahmad Asadullah	(FPA-2833)
24. Syed Muhammad Asif Makhdoomi	(FPA-2837)
25. Anees Ur Rehman	(FPA-2853)
26. Farrukh Aftab Ahmed	(FPA-3175)

Associate Members

1. Hussain Kashif	(APA-4517)
2. Masud Ahmad	(APA-4518)
3. Usman Shabbir	(APA-4519)
4. Muhammad Ali Khan	(APA-4520)
5. Muhammad Aamer Hamid	(APA-4521)
6. Muhammad Saqib	(APA-4522)
7. Asim Munir	(APA-4523)
8. Hassan Tariq	(APA-4524)
9. Amjad Hussain	(APA-4525)
10. Muhammad Nauman Siddiqui	(APA-4526)
11. Sajeel Shahid	(APA-4527)
12. Muhammad Masud Malik	(APA-4528)
13. Muhammad Ibrahim	(APA-4529)
14. Zeeshan Qaiser	(APA-4530)
15. Prince Faisal	(APA-4531)
16. Imran Khan	(APA-4532)
17. Muhammad Zahid	(APA-4533)
18. Asim Muhammad Khan	(APA-4534)
19. Muhammad Nadeem	(APA-4535)
20. Muhammad Azam	(APA-4536)
21. Jaffer Ali Muhammad	(APA-4537)
22. Noman Ahmed	(APA-4538)
23. Noor Shereen	(APA-4539)
24. Aziz Ur Rehman	(APA-4540)
25. Amir Ikram	(APA-4541)
26. Syeda Amber Tahir	(APA-4542)
27. Muhammad Naeem	(APA-4543)
28. Yameen Abdul Sattar	(APA-4544)
29. Babar Najeeb Khan	(APA-4545)



30. Muhammad Azhar Saeed	(APA-4546)	68. Taha Khan Baqai	(APA-4584)
31. Muhammad Majid	(APA-4547)	69. Mudassir Rizwan	(APA-4585)
32. Tahseen Anjum	(APA-4548)	70. Kashif Jamal	(APA-4586)
33. Saqib Ibraheem	(APA-4549)	71. Ahmed Raza	(APA-4587)
34. Shiraz	(APA-4550)	72. Asif Nawaz	(APA-4588)
35. Syed Moiz Hussain	(APA-4551)	73. Hameed Raza	(APA-4589)
36. Faryad Ali	(APA-4552)	74. Faisal Khurshied	(APA-4590)
37. Obaid-Ur-Rehman	(APA-4553)	75. Faisal Waheed	(APA-4591)
38. Irfan Shahzad Rafiq	(APA-4554)	76. Nusrat Hussain	(APA-4592)
39. Atif Iqbal Shaikh	(APA-4555)	77. Muhammad Idrees	(APA-4593)
40. Muhammad Hamid Jan	(APA-4556)	78. Saeed Ahmed	(APA-4594)
41. Ovais Mahtab	(APA-4557)	79. Ali Ahmad Qureshi	(APA-4595)
42. Saqib Saeed	(APA-4558)	80. Muhammad Shahid	(APA-4596)
43. Ranjeet Kumar	(APA-4559)	81. Umer Masood Siddiqi	(APA-4597)
44. Muhammad Imran	(APA-4560)	82. Saba Ashfaq	(APA-4598)
45. Sohail Habib	(APA-4561)	83. Latif Dino Soomro	(APA-4599)
46. Muhammad Arshad	(APA-4562)	84. Syed Imtiaz Husain Bukhari	(FPA-4600)
47. Ashoke Kumar	(APA-4563)	85. Muhammad Hammad Khan	(APA-4601)
48. Muhammad Usman Ali	(APA-4564)	86. Rukhsar Ahmed	(APA-4602)
49. Muhammad Naman Ali	(APA-4565)	87. Sabir Hussain Sabir	(FPA-4603)
50. Khurram Khan	(APA-4566)	88. Mian Shuja Ud Din Zaka	(FPA-4604)
51. Asif Ali	(FPA-4567)	89. Muhammad Imran Afzal	(APA-4605)
52. Tayyab Khan	(FPA-4568)	90. Muhammad Saeed Tiwana	(FPA-4606)
53. Ahmed Taimoor Nasir	(FPA-4569)	91. Muhammad Junaid	(APA-4607)
54. Iram Anjum Khan	(FPA-4570)	92. Hassan Saleem	(APA-4608)
55. Asim Mahmood	(APA-4571)	93. Muhammad Sohail Ajmal	(APA-4609)
56. Wasim Baig	(APA-4572)	94. Muhammad Arshad	(APA-4610)
57. Faheemur Rahman	(APA-4573)	95. Shafiq Ur Rehman	(APA-4611)
58. Muhammad Jawwad	(APA-4574)	96. Rana Ali Irfan	(APA-4612)
59. Sarfraz Ahmad	(APA-4575)	97. Mubashar Hussain	(APA-4613)
60. Faheem Akmal	(APA-4576)	98. Sanaullah	(APA-4614)
61. Adnan Qaiser	(APA-4577)	99. Syed Muhammad Abbas	(APA-4615)
62. Aurang Zaib	(APA-4578)	100. Muhammad Muddasir	(APA-4616)
63. Furqan Mahmood Sadiq	(APA-4579)	101. Muhammad Sajid	(APA-4617)
64. Hisham Shahbaz Baig	(APA-4580)	102. Bushra Perveen	(APA-4618)
65. Anam Rashid	(APA-4581)	103. Ali Asghar Vasnani	(APA-4619)
66. Osama Bin Shaukat	(APA-4582)	104. Muhammad Fahad Parvaiz	(APA-4620)
67. Vinod Kumar Maheshwari	(APA-4583)	105. Surender Kumar Soni	(APA-4621)



Post Office Reg. No. : SS-1112

To,

If undelivered, please return to:

Pakistan Institute of Public Finance Accountants

Office # 907, 9th Floor, Park Avenue, 24-A, Block 6, P.E.C.H.S.,
Shara-e-Faisal, Karachi-75400, Pakistan.
Tel.: (021) 4380451-52, Fax: (92-21) 4326588
Email: pipfa@cyber.net.pk, Website: www.pipfa.org.pk