



PRESIDENT'S REVIEW

I am pleased to welcome you to the 47th Annual General Meeting and to present the Annual Report of The Institute of Chartered Accountants of Pakistan for the year ended June 30, 2008.

It was three years ago, we embarked upon strengthening human resources at the Institute. The idea was to bring in young professionals and empower the executive to take decisions so that the Council can concentrate on the matters of strategy and governance. The Institute has progressed satisfactorily towards this objective and as of June 30, 2008, we have 25 Chartered Accountants working for the Institute.

Your Institute continues to play an active role in the international forums, as we have Council's nominees in various committees of IFAC, CAPA, SAFA and the United Nations Group of Experts on International Standards of Accounting and Reporting (ISAR).

It is indeed very important that we keep thrust of growth and set ourselves goals that would enhance the image of the Institute worldwide. In this direction some of the initiatives that I would like

to focus on during 2008-09 are as follows:

- ▶ *Continue our policy of working together with the regulators and the government, and reinforce our contribution to the government's policies that are relevant to our profession;*
- ▶ *Establishing a think tank so that we generate, collect, and disseminate ideas and share them at national level;*
- ▶ *Making efforts for promulgation of legislation on Limited Liability Partnership (LLP) to enable our professional firms to convert into LLPs, so that they are not exposed to unlimited liability;*
- ▶ *Making necessary changes in our regulations to enable our professional firms to induct non-chartered accountants as partners in line with similar practices in developed countries;*
- ▶ *Introduce necessary changes in assurance licensing requirements;*
- ▶ *Taking necessary steps to achieve full compliance of IFRS by listed companies in respect of financial statements for the period ending December 31, 2009;*
- ▶ *Introducing a special diploma course on IFRS to produce IFRS experts in view of growing demand of IFRS professionals at national and global level;*

- *Expand the Institute's span of activities to smaller cities, such as Peshawar, Quetta and Sukkar; and*
- *Review the curriculum to make it more responsive to current requirements of trade, business and industry and to introduce a new subject on ethics and corporate governance.*

Many of the initiatives mentioned above will necessitate appropriate changes in our existing laws and regulations, including the Chartered Accountants Ordinance, 1961 and we are actively working with our legal advisors and the officials of the Securities and Exchange Commission of Pakistan to bring about necessary amendments. Committees to review these initiatives are being constituted.

At the core of human capital development is education. Therefore, attracting new quality entrants to the profession will become the most important issue to be addressed by accountancy organizations worldwide. We can maintain our edge only if we proactively engage in upgrading the quality of our education and set our curricula according to the demands of the day. Our aim is to prepare our chartered accountants to enable them to deal with complex issues and become management specialists as well as business risk savvy auditors.

One of our major areas of concern remains the number of students qualifying each year. To this effect the Institute has initiated interactive programs namely "Call the Counselor", where students email course related queries to the Board of Studies, from where they are forwarded to select qualified persons for feedback and the student then receives a reply within 10 working days; conducting pre-exam evaluation tests as a revision exercise to help students; and fostering students' much needed softer skills through inter-

RAET debates and writing skills competitions. Another area that we are focusing on is to convince our students to read more and develop their analytical skills. The Institute is working to develop a series of short courses designed to help students of Modules E and F to learn to pursue their course study independently. Also on the agenda for the coming year is providing 'suggested answers' to examination questions on Institute's website with access provided to students.

In the end I would like to extend my sincere thanks to the outgoing leadership, President Mr. Imran Afzal under whose able guidance the Institute continued its progress during 2007-08 and Vice Presidents Mr. Rafaqatullah Babar and Shaikh Saqib Masood for their valuable contributions in leading the Institute. I would also like to express my gratitude to all Council Members, especially the Government nominees Mr. Abdullah Yusuf, Mr. Razi-ur-Rahman Khan and Dr. Waqar Masood Khan for their active involvement and support to the Institute. I also welcome aboard both new Vice Presidents Mr. Farrukh Junaidy and Mr. Rashid Rahman Mir and expect that their presence will further strengthen the Council. I am also thankful to all our valued members. It is due to the trust you repose in your Institute and continued active participation in its affairs that we have been able to maintain a leadership role of the Institute in the areas of financial reporting, both nationally and internationally.



Syed Asad Ali Shah
President
September 22, 2008