

**ICAP HEAD OFFICE**

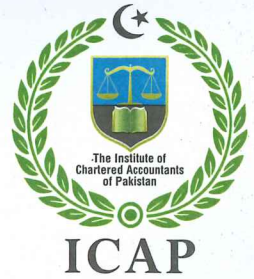
Chartered Accountants Avenue,  
Block 8, Clifton, Karachi, 75600  
Pakistan.

**U:** (+92 21) 111 000 422

**F:** (+92 21) 99251626

**W:** www.icap.org.pk

**Reach Us Out:**



**ASEB Circular No. 08/ 2025**

June 23, 2025

**ALL MEMBERS OF THE INSTITUTE**

Dear Member

**Invitation to Comments – Standardized paragraph in the ‘Report on Review of Interim Financial Statements’ regarding Auditors’ responsibility to review only the cumulative figures for the half year presented in the second quarter accounts**

The Auditing Standards & Ethics Board (the Board) of the Institute invites comments on the below standardized paragraph proposed in the ‘Report on Review of Interim Financial Statements’ (the Review Report) as per the ‘Auditors (Reporting Obligations) Regulation 2018’ (the 2018 Regulations) of the Securities And Exchange Commission of Pakistan.

Section 237 (1) (b) of the Companies Act, 2017, requires that ‘...*the cumulative figures for the half year, presented in the second quarter accounts shall be subjected to a limited scope review by the statutory auditors of the company*...’. The extant format of the Review Report in the 2018 Regulations includes a note which states that where the auditor has not reviewed the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended, this fact should be mentioned in the Review Report.

The Board, however, has noted some diverse practices in the wording and placement of the scope out information for the first quarter in the Review Reports issued.

In order to standardize the reporting practice and to bring consistency, auditors are now being advised to add the scope out requirement for the first quarter by adding the ‘Other Matters’ paragraph in the Review Report after the Conclusion paragraph. [The ‘Other Matters’ paragraph used to draw attention to matters, not included in the financial statements, but are relevant to users’ understanding of the audit, the auditor’s responsibilities, or the auditor’s report].

The proposed wording of the inclusion of ‘Other Matter’ paragraph is given below:

**Other Matter**

*Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the \*condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended (insert relevant period) have not been reviewed by us.*

\* Use name of financial statement(s) as applicable

**Request for Comments:** ICAP values your comments and feedback. You can send your comments and feedback at the Board’s email id at: [aseb@icap.org.pk](mailto:aseb@icap.org.pk) latest by **July 05, 2025**.

Yours truly

**Farheen Mirza, FCA**

Deputy Director Technical Services

& Secretary Auditing Standards & Ethics Board

**REGISTERED OFFICE**

Chartered Accountants Avenue,  
Block 8, Clifton, Karachi, 75600, Pakistan.