

ICAP HEAD OFFICE

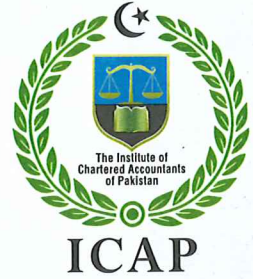
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Reach Us Out:



ASEB Circular No. 09/ 2025

June 26, 2025

ALL MEMBERS OF THE INSTITUTE

Dear Member

Revised ATR 17 and ATR 18

The Council of the Institute in its 398th meeting held on May 31, 2025, has approved the revised Auditing Technical Release (ATR) on the recommendations of the Auditing Standards & Ethics Board (the Board):

- i. ATR 17, *Auditors' Report to the Trustees/ Board of Governors / Management Committee' (Revised 2025)*; and
- ii. ATR 18, *Bank reports for Audit Purposes (Revised 2025)*.

As part of due process of revision, the Board has sought member's comments on the draft changes via ASEB Circular No. 01 (dated April 8, 2025). The comments received were duly considered and incorporated and finalized ATR 17 and ATR 18 were then referred to the Council for consideration.

Summary of key changes of the ATR 17 (Revised 2025):

- i. Change of terminology in IAS 1 from 'a summary of significant accounting policies' to 'material accounting policy information'.
- ii. 'Repealed Companies Ordinance, 1984' has been replaced with the 'Companies Act, 2017' wherever it is coming in ATR 17.
- iii. 'Approved accounting standards as applicable in Pakistan' has been replaced with the revised term 'Accounting and reporting standards as applicable in Pakistan'.
- iv. Form 35A of 'The Companies (General Provisions and Forms) Rules, 1985' has been replaced with the Annexure I of the 'Auditors (Reporting Obligations) Regulations, 2018' issued by SECP.
- v. Addition of new ICAP accounting standards in the note of accounting and reporting standards as applicable in Pakistan:
 - 'Accounting Standard - Financial Statements Disclosures of Zakat Received by an Entity'; and
 - 'Accounting Standard - Non-Going Concern Basis of Accounting'.

These revisions ensure ATR 17 remains consistent with current regulatory, reporting, and auditing frameworks for welfare entities in Pakistan.

Effective Date:

ATR 17 (Revised 2025) will supersede the ATR 17 (Revised 2017), and it is effective for the audits of financial statements for the periods ending on or after June 30, 2025.

REGISTERED OFFICE

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



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Summary of key changes of ATR 18 (Revised 2025):

- Introduction of provisions for electronic bank confirmations via email or E-Confirmation Platforms.
- Inclusion of a sample client authorization letter for bank confirmations (manual or electronic).
- Improved structure and presentation of the standard bank request letter to enhance clarity and usability, without changing the contents as are covered in the Appendix-I of the extant ATR 18.

Effective Date:

ATR 18 (Revised 2025) will supersede the ATR 18 (2012), and it is effective the audits of financial statements for the periods ending on or after June 30, 2025.

ATR 17 (Revised 2025) and ATR 18 (Revised 2025) are attached to this circular and can also be accessed from the Board webpage at: <https://icap.org.pk/aseb/circulars/circular-2025/>

Members are advised to take note of the above.

Yours truly

Farheen Mirza, FCA
Deputy Director Technical Services
& Secretary Auditing Standards & Ethics Board

Encls: as above.