



**The Institute of
Chartered Accountants
of Pakistan**

HEAD OFFICE

ICAP/PSC/2006/Circular No. 01

November 15, 2006

ALL PRACTICING FIRMS / MEMBERS OF THE INSTITUTE

Dear Member

QUALITY CONTROL REVIEW (QCR) FRAMEWORK (REVISED)

The Council in its 185th meeting held on September 12, 2006 has approved the QCR Framework (revised). Major changes in the revised framework include:

- QCR of a practicing firm would now be carried out after two and half years instead of two years
- A QCR must cover at least 25% of audit partners of a practicing firm
- Issuing the QCR report on a whole firm basis instead of branch wise
- Review of additional files in case one file is found to be “not-in-accordance”
- Process of short listing of files before the review has been done away with

Complete version of the revised framework is attached and is also available at www.icap.org.pk/QCR/QCR_INTRO.htm

The revised Framework has introduced the following requirement in its paragraph 8.1 which states that:

“When all the office locations, carrying out statutory audit engagements, have been reviewed and had received “in-accordance” conclusion, the firm is issued a report indicating eligibility to be included in the list of firms having satisfactory QCR rating.”

In this connection, we would request you to provide us with the following information by **December 15, 2006** and in all **subsequent years by September 30**:

1. Details of statutory audits at your individual offices, separately identifying listed, unlisted and private companies with name of respective audit engagement partner
2. The number of audit engagement partner(s) and audit qualified manager(s) engaged at your individual offices.

(Established under the Chartered Accountants Ordinance, 1961-X of 1961)

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If your firm or any of your office is not conducting audit of any company, please submit a statement to that effect.

Thanking you

Yours truly

Muhammad Asif Iqbal
Director
Professional Standards Compliance & Evaluation

Encls: QCR Framework (revised)

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