



**The Institute of
Chartered Accountants
of Pakistan**

**CA
PAKISTAN**

HEAD OFFICE

Circular No.3/2019

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ALL MEMBERS OF THE INSTITUTE

Dear Member

FIRST YEAR EXPERIENCE OF REVISED AUDITOR'S REPORT IN PAKISTAN

With the end of first year implementation of new auditor's report in Pakistan, we take the opportunity to share our study on the Key Audit Matters (KAMs) reported by the listed entities.

This study is based on the review of auditors' reports of 447 listed entities representing 34 sectors of Pakistan economy. It presents snapshots and observations on KAM in terms of the total number of KAMs reported by the listed entities, number of KAMs reported by each sector and areas covered under KAMs. The study also incorporates experiences of other jurisdictions on the first year implementation of the new auditor's report and KAM.

We hope that the publication on the first year experience of KAMs will provide useful insights to all stakeholders, contributing to more robust discussions between auditors and audit committees.

The publication can be accessed at: <http://www.icap.net.pk/nar>

Additionally, a sample compilation of KAMs as reported in the annual reports of listed entities of Pakistan has also been compiled and uploaded on the Institute's website. The extracted KAMs are intended to illustrate to the stakeholders that how KAMs on different areas can be presented based on the circumstances of each reporting entity and engagement.

The two volumes of the compilation can be accessed at:

<http://www.icap.net.pk/wp-content/uploads/2019/07/Sample-KAMs-Final-for-website-Volume-1.pdf>

<http://www.icap.net.pk/wp-content/uploads/2019/07/Sample-KAMs-Final-for-website-Volume-2.pdf>

Yours truly

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Encl: As above

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