

Press Release

SECP Asks Listed Firms to Comply with International Standards on Auditing

ISLAMABAD – December 21, 2005: The Securities and Exchange Commission of Pakistan (SECP) has directed all listed companies and their subsidiaries to comply with the “International Standard on Auditing 720 – Other Information in the Documents Containing Audited Financial Statements.”

Through a Circular No. 23 dated December 14, 2005, the SECP has directed all listed companies and their subsidiaries to provide “Other Information” contained in their annual report, as such term is defined in International Standard on Auditing 720, to their external auditors. Besides, sufficient time should be provided to their external auditors to review and comment upon any material inconsistencies found in such “Other Information” where it may contradict the information contained in the audited financial statements.

The direction would enhance credibility of the financial statements enabling the users of the financial statements to obtain more reliable and authentic information and to make investment decisions more prudently.