



**The Institute of
Chartered Accountants
of Pakistan**

**CA
PAKISTAN**

HEAD OFFICE

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ALL MEMBERS OF THE INSTITUTE

Dear Member,

Guidance on Rotation of Auditors

The independence and objectivity of an auditor could be impacted by involvement with an audit engagement for a long period of time.

To address the threats to independence, safeguards have been given in the ICAP Code of Ethics. The safeguards include mandatory rotation and cooling-off by the key audit partners of public interest entities. Besides ICAP Code of Ethics, various laws and regulations also require mandatory rotation of the audit partner and change of the audit firm. In certain cases, the requirements of the Code of Ethics and legal/regulatory provisions could be inter-linked.

The Auditing Standards & Ethics Committee of the Institute has developed the *Guidance on Rotation of Auditors* (enclosed) by summarizing the requirements relating to the change of audit firm, rotation of audit partner and cooling-off, provided in the ICAP Code of Ethics and various statutory laws. The objective of this publication is to provide you a summary and help you focus on the auditor rotation requirements.

We hope that the publication will assist you in understanding and applying the requirements to your engagements.

You can access the publication at <https://www.icap.net.pk/guidance>

Yours truly


Sohail Malik
Senior Director Technical

Encls: As above

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