



**The Institute of
Chartered Accountants
of Pakistan**

**CA
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HEAD OFFICE

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ALL MEMBERS OF THE INSTITUTE

Dear Member

Guide to using ISAs in the audits of Small and Medium Sized Entities

The Auditing Standards & Ethics Committee (the Committee) of the Institute is pleased to share the "Guide to Using ISAs in the Audits of Small and Medium Sized Entities" (the Guide) with you.

The Guide was prepared by International Federation of Accountants (IFAC) with support from its Small and Medium Practices Committee. It contains two volumes, devised to help practitioners efficiently and proportionally apply the International Standards on Auditing (ISAs) on Small and Medium Sized Entities (SMEs) audits.

Designed for use by all practitioners, however, the SMPs engaged in the audits of SMEs will find this Guide of great help in conducting high quality and cost-effective audits.

Overall, the Guide will help you in:

- Developing a deeper understanding of an audit conducted in compliance with the ISAs;
- Developing a staff manual (supplemented as necessary for local requirements and a firm's procedure) to be used for day-to-day reference, and as a basis for training sessions and individual study and discussion; and
- Facilitating the staff to adopt a consistent approach for planning and performing an audit in general and of an SME in particular.

Please note that the Guide provides non-authoritative guidance on applying the ISAs. Therefore, it is not to be used as a substitute for reading the ISAs as applicable in Pakistan, but rather as a supplement to support consistent implementation of these standards in the audits of SMEs.

The Guide can be downloaded from the Institute's website at:

<http://www.icap.net.pk/guidance>

Yours truly

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