

RAO & COMPANY

CHARTERED ACCOUNTANTS

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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **RAHIM YAR KHAN CHAMBER OF COMMERCE & INDUSTRY** as at June 30, 2009 and the related income and expenditure account, cash flow statement, and statement of changes in funds together with the notes forming part thereof for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

It is the responsibility of the Chamber's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by the management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Chamber as required by the Companies Ordinance, 1984;
- b) in our opinion :-
 - i. the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - ii. the expenditure incurred during the year was for the purpose of the Chamber's business; and
 - iii. the business conducted, investments made and the expenditures incurred during the year were in accordance with the object of the Chamber.
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, cash flow statement and statement of changes in funds together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Chamber's affairs as at June 30, 2009, and of the surplus, its cash flows and changes in funds for the year then ended; and
- d) In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980. (XVIII of 1980).

Date: 20 AUG 2009
Rahim Yar Khan.

Audit Engagement Partner



Rao & Co.
RAO & COMPANY
CHARTERED ACCOUNTANTS

NISAR AHMED(FCA)

**RAHIM YAR KHAN CHAMBER OF COMMERCE AND INDUSTRY
BALANCE SHEET
AS ON JUNE 30, 2009**

PROPERTY AND ASSETS	Note	2009 Rupees	2008 Rupees
NON-CURRENT ASSETS			
Property and equipments	3	482,349	556,148
CURRENT ASSETS			
Advance, deposit and receivables	4.	333,190	389,160
Cash and bank balances	5.	1,019,452	1,091,117
		1,352,642	1,480,277
		1,834,991	2,036,425
FUNDS AND LIABILITIES			
General fund		1,500,000	-
Accumulated surplus		179,393	1,876,162
		1,679,393	1,876,162
CURRENT LIABILITIES			
Creditors	6.	17,600	80,270
Accrued expenses	7.	137,998	79,993
		1,834,991	2,036,425

The annexed notes form an integral part of these financial statements.


SECRETARY GENERAL


VICE PRESIDENT


PRESIDENT

RAHIM YAR KHAN CHAMBER OF COMMERCE & INDUSTRY
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2009

	2009	2008
	Rupees	Rupees
INCOME		
Membership subscription		
SUBSCRIPTION		
Renewal Fee	-	895,000
Admission Fee	-	-
Membership Fee	1,495,000	1,955,000
	1,495,000	2,850,000
Other income		
Income from Donation	-	191,800
Profit on Saving A/C	60,390	-
Waste Sale	1,455	-
	1,556,845	3,041,800
EXPENDITURE		
Staff salaries and benefits	606,484	362,546
Meeting expenses	93,560	-
Fee & Subscription	116,000	-
Legal and Professional Exp	30,730	30,080
Printing and stationery	98,507	33,578
Postage and couriers	39,110	10,553
Telephone and fax	42,003	32,529
Entertainment	33,104	22,278
Audit fee	25,000	25,000
Bank charges	727	11,809
Newspaper and publications	14,185	4,876
Saminars/Workshops	1,395	148,000
Office Rent	240,000	240,000
Travelling expenses	32,289	12,950
Electricity expenses	121,186	20,045
Gas Expenses	7,690	-
Repairs and maintenance	14,475	18,655
Publicity and Advertisement	33,625	58,914
Miscellaneous	59,715	25,023
Depreciation	90,829	108,803
Chairty & Donation	50,000	-
Website charges	3,000	-
	1,753,614	1,165,639
Surplus/(Deficit) for the year	-196,769	1,876,162

The annexed notes form an integral part of these financial statements.


SECRETARY GENERAL


VICE PRESIDENT


PRESIDENT

RAHIM YAR KHAN CHAMBER OF COMMERCE & INDUSTRY
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

General Fund Accumulated surplus Total

----- Rupees -----

Surplus for the year June 30, 2008	-	1,876,162	1,876,162
Balance as at June 30, 2008	-	1,876,162	1,876,162
Surplus/(Deficit) for the year June 30, 2009	-	(196,769)	-196,769
Transfer to General Fund	1,500,000	(1,500,000)	
Balance as at June 30, 2009	1,500,000	179,393	1,679,393

The annexed notes form an integral part of these financial statements.



SECRETARY GENERAL



VICE PRESIDENT



PRESIDENT

**RAHIM YAR KHAN CHAMBER OF COMMERCE & INDUSTRY
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2009**

	2009 Rupees	2008 Rupees
Cash flow from operating activities		
Surplus/(Deficit) for the year	(196,769)	1,876,162
Adjustment of non-cash items		
Depreciation	<u>90,829</u>	<u>108,803</u>
Cash flow generated/(used) before working capital changes	(105,940)	1,984,964
Working capital changes:		
(Increase) / decrease in current assets		
Advance, deposit, receivables and prepayments	<u>55,971</u>	<u>(389,160)</u>
	55,971	(389,160)
Increase / (decrease) in current liabilities		
Creditors	(62,670)	80,270
Accrued expenses	<u>58,005</u>	<u>79,993</u>
Net cash from/(used in) operating activities	<u>8,036</u>	<u>1,756,067</u>
Cash flow from investing activities		
Addition in property and equipments	(17,030)	(664,950)
Net cash used in investing activities	<u>(17,030)</u>	<u>(664,950)</u>
Net (decrease)/ increase in cash and cash equivalents	(8,994)	1,091,117
Cash and cash equivalents at the beginning of the year	1,091,117	-
Cash and cash equivalents at the end of the year	<u><u>1,019,452</u></u>	<u><u>1,091,117</u></u>

The annexed notes form an integral part of these financial statements.


SECRETARY GENERAL


VICE PRESIDENT


PRESIDENT

RAHIM YAR KHAN CHAMBER OF COMMERCE & INDUSTRY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2009

1. STATUS

The Chamber was formed in July 2007 as a limited liability company (proposed) under the provisions of the Companies Ordinance, 1984 with prime objects to unite the members in their common approach on all matters concerning the members.

- 1.1 The Trade Organization Ordinance 2007 has been promulgated. On application of the chamber, the Director Trade Organisation has granted licence under section 42 of the Companies Ordinance, 1984. The Chamber has submitted documents for Incorporation of Company u/s 42 of the Company Ordinance, 1984 before the Company Registration office, Multan. However Incorporation certificate has not been issued to date

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention.

2.3 PROPERTY AND EQUIPMENT

These are stated at cost less accumulated depreciation. Depreciation is charged to income applying the diminishing balance method at the rates specified in the schedule. Depreciation for addition and deletion is charged for the number of months, these are used during the year. Minor repairs and maintenance are charged to current expenses, while major Renewals and Improvements are capitalised. Any gain or loss on disposal is charged to current year's revenue.

2.4 INVESTMENT

Investments are classified as held to maturity, which are securities with a fixed maturity that the Chamber has the intent and ability to hold until maturity.

All investments are initially recognized at cost.

2.5 REVENUE RECOGNITION

Subscription, and Donation income are recognized as and when received. Return on investment is recorded on accrual basis.

2.6 PROVISION

Provision are recognized in the balances sheet when the Chamber has legal or constructive obligation as a result of past events and it is probable that out flow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

2.7 IMPAIRMENT LOSS

The carrying amounts of the Chamber's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. Impairment losses, if any, are recognized as expense in the income and expenditure account.

2.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statements, cash and cash equivalents comprises of cash in hand, balance with banks and short term investments realizable within a year.

2.9 INCOME TAX

Rahim Yar Khan Chamber of Commerce & Industry is a non-profitable organization. However, necessary approval in this regard from Tax Authorities has not been obtained.



3. PROPERTY AND EQUIPMENT

Description	Cost as at July 01, 2008	Addition / (Deletion)	Cost as at June 30, 2009	Accumulated depreciation as on July 01, 2008	Depreciation for the year	Accumulated depreciation as on June 30, 2009	Written down value on June 30, 2009	Rate
TANGIBLE								
Furniture and fixtures	570,150	12,000	582,150	85,523	73,444	158,967	423,183	15%
Office equipments	34,400	5,030	39,430	5,160	4,700	9,860	29,570	15%
Computer	60,400	-	60,400	18,120	12,684	30,804	29,596	30%
Total (Rupees)	664,950	17,030	681,980	108,803	90,829	199,631	482,349	
2008 Rupees	664,950	-	664,950	664,950	108,803	108,803	556,148	

2009
Rupees

2008
Rupees

4. ADVANCES, DEPOSIT, RECEIVABLES AND PREPAYMENTS

Unsecured, considered good

Advance tax
 Other Receivables
 Security deposit

18,576	3,955
11,114	81,705
303,500	303,500
<u>333,190</u>	<u>389,160</u>



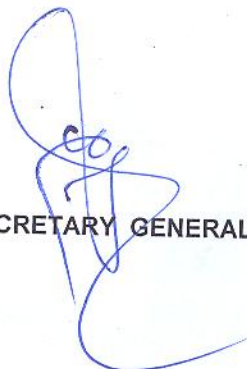
	2009 Rupees	2008 Rupees
5. CASH AND BANK BALANCES		
Cash in hand	45,238	987
Cash at banks - in current account in Saving Account	-	1,090,130
	974,214	-
	<u>1,019,452</u>	<u>1,091,117</u>
6. Creditors		
Riaz Ahmed	12,600	25,674
Mian Muhammad Ahmed	-	1,860
Mr. Naseer Tariq	-	5,800
Al-Mukhtar Flour Mills	5,000	46,936
	<u>17,600</u>	<u>80,270</u>
7. ACCRUED EXPENSES		
Salary payable	57,785	39,200
Audit fee	50,000	25,000
Telephone	3,270	2,820
Electricity	8,363	1,620
Other expenses payable	18,580	11,353
	<u>137,998</u>	<u>79,993</u>

8. DATE OF AUTHORIZATION FOR ISSUE


The Managing Committee of the Association authorized these financial statement for issue on **15 AUG 2009**

9. GENERAL

Figures have been rounded to nearest rupee.


SECRETARY GENERAL


VICE PRESIDENT


PRESIDENT

