

RAO & COMPANY
CHARTERED ACCOUNTANTS

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PAKISTAN

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **RAHIM YAR KHAN CHAMBER OF COMMERCE & INDUSTRY** ('the Association') as at June 30, 2012 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 Association'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 Association 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 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 Association's affairs as at June 30, 2012, 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 Usher Ordinance, 1980: (XVIII of 1980).

Date: **22 SEP 2012**
Rahim Yar Khan.

Rao & Co.
RAO & COMPANY
CHARTERED ACCOUNTANTS
Audit Engagement Partner
ABDUL RAFAY, ACA




RAHIM YAR KHAN CHAMBER OF COMMERCE AND INDUSTRY


BALANCE SHEET

As at 30 June 2012

	Note	2012 Rupees	2011 Rupees
NON-CURRENT ASSETS			
Property and equipments	3	8,903,240	8,639,763
CURRENT ASSETS			
Advance, deposit and receivables	4	545,334	848,641
Cash and bank balances	5	12,533,430	4,385,404
		13,078,764	5,234,045
TOTAL ASSETS		21,982,004	13,873,808
FUNDS AND LIABILITIES			
General fund		6,000,000	6,000,000
Building fund		4,000,000	4,000,000
Accumulated surplus		11,330,479	3,233,943
		21,330,479	13,233,943
CURRENT LIABILITIES			
Creditors	6	305,553	528,423
Accrued expenses	7	345,972	111,442
		651,525	639,865
Contingencies and commitments	8		
TOTAL LIABILITIES		21,982,004	13,873,808

The annexed notes form 1 to 9 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 30 June 2012

	2012	2011
	Rupees	Rupees
<u>INCOME</u>		
Membership subscription		
Renewal Fee	6,956,000	4,032,000
Membership Fee	5,330,000	1,335,000
Membership Card Fee	-	-
	<u>12,286,000</u>	<u>5,367,000</u>
Other income		
Income from Donation	790,000	595,000
Profit on Saving A/C	368,602	184,219
Recommendation Letter	46,500	70,288
Mcci Award/ Delegation	266,628	316,509
	<u>13,757,730</u>	<u>6,533,016</u>
<u>EXPENDITURE</u>		
Staff salaries and benefits	1,447,923	1,432,491
Security Exp.	57,312	-
AGM & Election Expenses	812,068	723,066
Membership Card & Certificate exp.	233,650	177,600
Legal and Professional Exp	144,940	28,080
Printing and stationery	204,279	122,324
Postage and couriers	307,175	250,232
Telephone and fax	108,185	104,915
Entertainment	182,775	113,237
Audit fee	50,000	50,000
Bank charges	1,274	601
Newspaper and publications	361,590	186,359
Meetings, Saminars/Workshops	530,698	380,732
Office Rent	330,000	300,000
Travelling expenses	83,071	35,430
Electricity expenses	97,643	146,588
Gas Expenses	12,280	11,590
Repairs and maintenance	93,020	36,250
Publicity and Advertisement	332,813	660,747
Miscellaneous	88,040	71,689
Depreciation	136,658	123,996
Chairty & Donation	41,800	9,280
Website charges	4,000	4,000
	<u>5,661,194</u>	<u>4,969,207</u>
Surplus for the year	<u>8,096,536</u>	<u>1,563,809</u>

The annexed notes form 1 to 9 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 30 June 2012

	General Fund	Building Fund	Accumulated surplus	Total
Balance as at 1st July, 2010	6,000,000	3,600,000	1,670,134	11,270,134
Surplus for the year	-	-	1,563,809	1,563,809
Building Fund received during the year	-	400,000	-	400,000
Balance as at 01st July, 2011	6,000,000	4,000,000	3,233,943	13,233,943
Surplus for the year			8,096,536	8,096,536
Balance as at 30 June, 2012	6,000,000	4,000,000	11,330,479	21,330,479

The annexed notes form 1 to 9 an integral part of these financial statements.



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RAHIM YAR KHAN CHAMBER OF COMMERCE & INDUSTRY

CASH FLOW STATEMENT

For the year ended 30 June 2012

	2012 Rupees	2011 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	8,096,536	1,563,809
Adjustment of non-cash items		
Depreciation	136,658	123,996
Asset discarded during the year (WDV)	4,138	-
Cash flow generated/(used) before working capital changes	<u>8,237,332</u>	<u>1,687,805</u>
Working capital changes:		
(Increase) / decrease in current assets		
Advance, deposit, receivables and prepayments	<u>303,306</u>	<u>(419,677)</u>
	303,306	(419,677)
Increase / (decrease) in current liabilities		
Creditors	(222,870)	278,631
Accrued expenses	<u>234,530</u>	<u>(125,489)</u>
Net cash flows from operating activities	<u>11,660</u>	<u>1,421,271</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	<u>(404,272)</u>	<u>(3,159,353)</u>
Net cash used in investing activities	<u>(404,272)</u>	<u>(3,159,353)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Donation received for Building fund	-	400,000
Net cash flows from financing activities	-	400,000
Net increase / (decrease) in cash and cash equivalents (A+B+C)	<u>8,148,026</u>	<u>(1,338,082)</u>
Cash and cash equivalents at the beginning of the year	4,385,404	5,723,486
Cash and cash equivalents at the end of the year	<u>12,533,430</u>	<u>4,385,404</u>

The annexed notes form 1 to 9 an integral part of these financial statements.

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3. Property and equipment

		2012 Rupees	2011 Rupees
Operating fixed assets	3.1	8,011,681	7,857,981
Capital work in progress - Chamber building	3.2	891,559	781,783
		<u>8,903,240</u>	<u>8,639,763</u>

3.1 Operating fixed assets

	Freehold land	Furniture and fixture	Office equipments	Computers	Total
	----- Rupees -----				
As at 1 July 2010					
Cast	5,012,550	630,650	121,050	139,000	5,903,250
Accumulated depreciation	-	(225,544)	(21,252)	(52,047)	(298,843)
Net book value	<u>5,012,550</u>	<u>405,106</u>	<u>99,798</u>	<u>86,953</u>	<u>5,604,407</u>

Year ended 30 June 2011

Opening net book value	5,012,550	405,106	99,798	86,953	5,604,407
Additions	2,075,600	50,237	251,733	-	2,377,570
Disposals	-	-	-	-	-
Depreciation charge	-	(67,663)	(30,247)	(26,086)	(123,996)
Closing net book value	<u>7,088,150</u>	<u>387,680</u>	<u>321,284</u>	<u>60,867</u>	<u>7,857,981</u>

Year ended June 30, 2012

Opening net book value	7,088,150	387,680	321,284	60,867	7,857,981
Additions	-	23,100	271,396	-	294,496
Disposals	-	-	(4,138)	-	(4,138)
Depreciation charge	-	(59,885)	(58,513)	(18,260)	(136,658)
Closing net book value	<u>7,088,150</u>	<u>350,895</u>	<u>530,029</u>	<u>42,607</u>	<u>8,011,681</u>

At June 30, 2012

Cost	7,088,150	703,987	640,041	139,000	8,571,178
Accumulated depreciation	-	(353,092)	(110,012)	(96,393)	(559,497)
Net book value	<u>7,088,150</u>	<u>350,895</u>	<u>530,029</u>	<u>42,607</u>	<u>8,011,681</u>

Depreciation rates

0%	15%	15%	30%
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3.2 Capital work in progress - Chamber building

	2012 Rupees	2011 Rupees
Opening balance	781,783	-
Additions during the year	109,776	781,783
	<u>891,559</u>	<u>781,783</u>



4. ADVANCES, DEPOSIT, RECEIVABLES AND PREPAYMENTS

2012
Rupees

2011
Rupees

Unsecured, considered good

Advance tax	115,526	68,159
Police Fund	-	385,000
Other Receivables	123,108	88,582
Security deposit	306,700	306,900
	<u>545,334</u>	<u>848,641</u>

5. CASH AND BANK BALANCES

Cheques & Cash in hand	411,827	17,241.00
Cash at banks		
In Current Account	9,482,879	2,801,707.00
In Saving account	2,638,724	1,566,456.00
	<u>12,121,603</u>	<u>4,368,163.00</u>
	<u>12,533,430</u>	<u>4,385,404</u>

6. Creditors

Ch Muhammad Saleem Bhullar	2,000	7,000
Crown Lifan Motorcycle	1,800	18,400
Ch Muhammad Ashraf	2,230	-
Gulam Yaseen	25,000	25,000
Muhammad Anwar Abbasi	-	25,000
Syed Akbar Ghazi	96,000	96,000
Flood Donation	64,523	84,523
Delegation For Itlay	-	272,500
Payable to members	44,000	-
Un known income	70,000	-
	<u>305,553</u>	<u>528,423</u>

7. ACCRUED EXPENSES

Salary payable	119,596	-
Audit fee	50,000	50,000
Telephone	-	3,719
Electricity	-	28,015
Other expenses payable	176,376	29,708
	<u>345,972</u>	<u>111,442</u>

8. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments at balance sheet date.

9. AUTHORISATION

The financial statements were approved by the Executive Committee of Chamber in their meeting held on

22 SEP 2012


SECRETARY GENERAL


VICE PRESIDENT


PRESIDENT

