

## **AUDITOR'S REPORT TO THE MEMBERS – ISACA KARACHI CHAPTER**

I have audited the accompanying balance sheet of the ISACA Karachi Chapter as at December 31, 2012, the receipts and payments account and the accompanying notes to the financial statements for the year then ended (hereinafter referred to as the financial statements). These financial statements are the responsibility of the Board of ISACA Karachi Chapter. My responsibility is to express an opinion on these financial statements based on audit.

I have conducted the audit in accordance with the auditing standards as applicable in Pakistan. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. I believe that the audit provides a reasonable basis for my opinion.

In my opinion, the financial statements give true and fair view of the financial position of the ISACA Karachi Chapter as at December 31, 2012 and the receipts & payments for the year then ended.

**Karachi**  
Date: 26-03-2012

  
**Aamir Amin**

ISACA Karachi Chapter  
Notes to the Financial Statements  
For the period ended December 31, 2012

1. STATUS AND NATURE OF ACTIVITIES

- 1.1 The ISACA Karachi Chapter (the Chapter) was established in January 1997. The Chapter provides services to members, arranges for review courses for CISA, CISM, CGEIT and CRISC and handles other matters related to IT Governance in Pakistan. ISACA Karachi Chapter is a non-for profit organisation that was formed with a view to provide a centralised forum for CISA, CISM, CGEIT and CRISC professionals across the country to share experiences, communicate ideas and assist each other towards career progression and professional growth.
- 1.2 ISACA global provides services to information governance, control, security and audit professionals. ISACA together with its affiliate viz. the IT Governance Institute (ITGI) leads the Information Technology control and risk community and serves its practitioners by providing the resources needed by IT professionals in an ever-changing Global environment.

2. ACCOUNTING POLICIES

2.1 Accounting convention

These financial statements have been prepared on cash basis.

2.2 Revenue recognition

Karachi Chapter's Proportion of membership fee and other income are recognized as revenue on receipt basis.

2.3 Foreign currencies

Transactions in foreign currencies are accounted for in Pakistani Rupees at the average rate. Monetary assets and liabilities in foreign currencies are translated into Rupees at the rate of exchange which approximates to those prevailing at the balance sheet date. Exchange differences are taken to the Receipts and payments account.

3. Review Courses		Year ended	Year ended
		December 31 2012 (Audited)	December 31 2011 (Audited)
		Rupees	
	<b>Receipts</b>		
	Gross receipts for review courses	33,840	323,670
3.1	Chapter's share for review courses	47,000	-
	<b>Total receipts</b>	<b>80,840</b>	<b>323,670</b>
	<b>Payments</b>		
	Review course facilitators	205,000	205,250
	Refreshments for review course participants	10,000	50,000
	Awards for review course participants	33,200	-
	Advertisement	305,800	216,000
	Marketing Assistance from ISACA	(176,234)	-
	<b>Total payments</b>	<b>377,766</b>	<b>471,250</b>
	<b>Net of receipts over payments</b>	<b>(296,926)</b>	<b>(147,580)</b>


- 3.1 During the year ended December 31, 2012, ISACA Karachi Chapter entered into an agreement with SKANS School of Accountancy for obtaining the various services related to ISACA refresher course and mock exams on the payment of 30% revenue. The Chapter's Share of Revenue amounting to Rupees 104,900 was received on January 22, 2013.

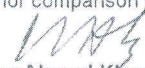
4. Members meeting and seminars

Members meeting & refreshments	60,430	57,120
Seminars & refreshments	229,743	120,903
	<b>290,173</b>	<b>178,023</b>

5. Comparative figures

Prior year figures have been rearranged, wherever necessary, for comparison purposes.


  
Kashif Alam Khan  
Treasurer

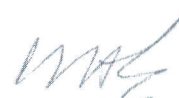
  
Waqar Ahmed Khan  
President

**ISACA - Karachi Chapter**  
**Receipts and Payments Account**  
**For the period ended December 31, 2012**

	Year ended December 31 2012 (Audited) Rupees	Year ended December 31 2011 (Audited) Rupees
<b>RECEIPTS</b>		
Membership Subscription & Promotion	468,490	436,130
Profit on saving accounts (net)	10,092	4,420
Seminar income	18,700	6,600
Review Courses	(296,926)	(147,580)
Exchange (loss) gain	185,642	173,937
<b>Total receipts</b>	<b>385,997</b>	<b>473,507</b>
<b>PAYMENTS</b>		
Members meeting, seminars and marketing	290,173	178,023
Administrative expenses	-	10,000
Leadership conference	-	39,090
Printing Charges	6,480	-
Bank and other charges	8,586	3,743
Web Site revamping	61,500	52,000
<b>Total payments</b>	<b>366,739</b>	<b>282,856</b>
<b>Surplus / (Deficit) of funds</b>	<b>19,258</b>	<b>190,651</b>

*Qw...*

  
**Kashif Alam Khan**  
**Treasurer**

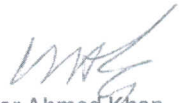
  
**Waqar Ahmed Khan**  
**President**

ISACA - Karachi Chapter  
Balance Sheet  
As at December 31, 2012

	December 31 2012 (Audited) Rupees	December 31 2011 (Audited) Rupees
<b><u>FUND ACCOUNT</u></b>		
Opening balance of the fund		
Local currency	96,891	88,552
Foreign currency (2012: \$32,950.74, 2011: \$32,836.76)	2,962,272	2,779,960
	3,059,163	2,868,512
Surplus for the year	19,258	190,651
Closing balance of the fund	<b>3,078,421</b>	<b>3,059,163</b>
 <b><u>ASSETS</u></b>		
Cash at bank		
Local currency	63,378	96,891
Foreign currency (2012: 31,495.28, 2011: \$32,950.74)	3,015,043	2,962,272
Total assets	<b>3,078,421</b>	<b>3,059,163</b>

*Qw!*

  
Kashif Alam Khan  
Treasurer

  
Waqar Ahmed Khan  
President