

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

I have audited the accompanying Balance Sheet as at December 31, 2013, the Receipts and Payments Account for the period ended December 31, 2013, and the Notes to the Financial Statements for the year ended December 31, 2013 of the ISACA Karachi Chapter (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 audit 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 from any material misstatements. An audit includes examining, on test basis, evidence supporting the amounts, and disclosures in the financial statements. I believe 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, 2013, and the Receipts and Payments for the year then ended.

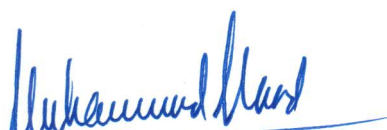
**Karachi**  
Date: 9 April 2014




**Khurram Alavi- FCCA, CIA**

**ISACA Karachi Chapter  
Balance Sheet  
As at December 31, 2013**

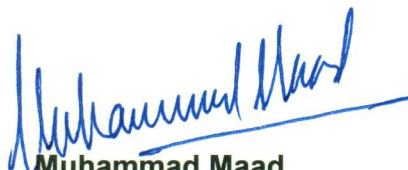
	<b>December 31 2013 (Audited) Rupees</b>	<b>December 31 2012 (Audited) Rupees</b>
<b><u>FUND ACCOUNT</u></b>		
Opening balance of the fund		
Local currency	63,378	96,891
Foreign currency (01-Jan-2013: \$31,495.28)	3,015,043	2,962,272
	3,078,421	3,059,163
Surplus for the year	184,876	19,258
<b>Closing balance of the fund</b>	<b><u>3,263,297</u></b>	<b><u>3,078,421</u></b>
<b><u>ASSETS</u></b>		
Cash at bank		
Local currency	70,957	63,378
Foreign currency (31-Dec-2013: \$30,299.35)	3,192,340	3,015,043
<b>Total assets</b>	<b><u>3,263,297</u></b>	<b><u>3,078,421</u></b>


  
**Muhammad Maad**  
 Treasurer

  
**Zain A. Ansari**  
 President

**ISACA Karachi Chapter  
Receipt & Payment Account  
For the Year ended December 31, 2013**

	Note	Year ended December 31 2013 (Audited) Rupees	Year ended December 31 2012 (Audited) Rupees
<b><u>RECEIPTS</u></b>			
Membership dues		520,785	468,490
Seminar Fee	3	-	18,700
Review Courses	4	143,900	80,840
Marketing reimbursement		242,625	176,234
Profit on Bank Account		16,023	10,092
Exchange (loss) gain on USD Account		309,369	185,642
<b>Total receipts</b>		<b>1,232,701</b>	<b>939,997</b>
<b><u>PAYMENTS</u></b>			
Seminar Expenses		287,859	229,743
Review Course		252,000	554,000
Marketing Expenses		305,693	-
Website Maintenance		42,000	61,500
Meeting Expenses		104,363	60,430
Office Registration Expenses	5	50,000	-
Printing Charges		-	6,480
Bank and other charges		5,910	8,586
<b>Total payments</b>		<b>1,047,825</b>	<b>920,739</b>
<b>Surplus / (Deficit) of funds</b>		<b>184,876</b>	<b>19,258</b>

  
**Muhammad Maad**  
Treasurer

  
**Zain A. Ansari**  
President

## ISACA Karachi Chapter Notes to the Financial Statement For the Year ended December 31, 2013

### 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 organization that was formed with a view to provide a centralized 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. SEMINAR FEE

In order to promote and increase the attendance for the seminars arranged by the Chapter, it was decided the seminars will be organized free of charge for the members. Accordingly, the receipts from the seminar is NIL.

### 4. REVIEW COURSES

	Year ended December 31 2013 (Audited) Rupees	Year ended December 31 2012 (Audited) Rupees
<b>Receipts:</b>		
Chapter's share of Review Courses (4.1)	104,900	47,000
Fee submitted by participants	39,000	33,840
	<b>143,900</b>	<b>80,840</b>
<b>Payments:</b>		
Review course facilitators	180,000	205,000
Payment for training premises	72,000	-
	<b>252,000</b>	<b>205,000</b>
<b>Net of receipts over payments</b>	<b>(108,100)</b>	<b>(124,160)</b>

- 4.1 During 2012, ISACA Karachi Chapter entered into an agreement with SKANS School of Accountancy for obtaining various services related to ISACA refresher course and mock exams on payment of 30% revenue. The Chapter's share of revenue amounting to PKR 104,900/- was received on January 22, 2013. The contract was not renewed with SKANS and the Chapter acquired the training facilities at Institute of Chartered Accountant of Pakistan (ICAP) to conduct the review courses during the year.





**5. OFFICE REGISTRATION EXPENSES**

During 2013, the Chapter got itself registered under the Society Act. The relevant expenses incurred for the registration were booked at lump sum under this category.

**6. COMPARITIVE FIGURES**

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

  
**Muhammad Maad**  
Treasurer

  
**Zain A. Ansari**  
President