

AUDITOR'S REPORT TO THE MEMBERS

I have audited the accompanying balance sheet of the ISACA Karachi Chapter as at December 31, 2010, 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 a true and fair view of the financial position of the ISACA Karachi Chapter as at December 31, 2010 and the receipts and payments for the year then ended.

Karachi
Date: 21.3.2011


Aamir Amin

**ISACA - Karachi Chapter
Balance Sheet
As at December 31, 2010**

	December 31 2010 (Audited) Rupees	December 31 2009 (Audited) Rupees
<u>FUND ACCOUNT</u>		
Opening balance of the fund		
Local currency	52,575.83	41,398.21
Foreign currency (2010: \$27,920.78, 2009: \$26,500.86)	2,356,513.83	2,128,019.06
	2,409,089.66	2,169,417.27
Surplus for the year	459,422.39	239,672.39
Closing balance of the fund	2,868,512.05	2,409,089.66
 <u>ASSETS</u>		
Cash at bank		
Local currency	88,551.95	52,575.83
Foreign currency (2010: \$32,836.76, 2009: \$27,920.78)	2,779,960.10	2,356,513.83
Total assets	2,868,512.05	2,409,089.66

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Kashif
Kashif Alam Khan
Treasurer

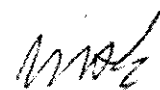
Waqar
Waqar Ahmed Khan
President

ISACA - Karachi Chapter
Receipts and Payments Account
For the period ended December 31, 2010

	Year ended December 31 2010 (Audited) Rupees	Nine months ended December 31 2009 (Audited) Rupees
RECEIPTS		
Membership Subscription & Promotion	400,056.00	210,386.00
Profit on saving accounts (net)	8,420.76	4,929.16
Seminar income	3,900.00	60,570.00
Review Courses	305,960.00	94,130.00
Exchange (loss) gain	6,455.10	116,494.27
Total receipts	724,791.86	486,509.43
PAYMENTS		
Members meeting, seminars and marketing	198,059.50	165,410.00
Administrative expenses	15,000.00	4,000.00
Leadership conference	-	20,225.00
Printing Charges	-	2,000.00
Bank and other charges	4,809.97	202.04
Web Site revamping	47,500.00	55,000.00
Total payments	265,369.47	246,837.04
Surplus / (Deficit) of funds	459,422.39	239,672.39

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Kashif Alam Khan
Treasurer


Waqar Ahmed Khan
President

ISACA Karachi Chapter
Notes to the Financial Statements
For the period ended December 31, 2010

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 Accounting Period

These Accounts are prepared for a period of twelve months from January 01, 2010 to December 31, 2010. However, it should be noted that the comparative figures pertain to the period of nine months from April 1, 2009 to December 31, 2009 and are not comparable. This was done in order to comply with the updated and approved Chapter By-Laws and to align the Chapter's financial year with ISACA International.

2.3 Revenue recognition

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

2.4 Foreign currencies

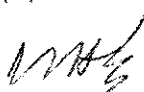
Transactions in foreign currencies are accounted for in Pakistani Ruppes at the average rate. Monetary assets and liabilities in foreign currencies are translated into Rupees at the rate of exchange which approximates to those prevailing at the balance sheet date. Exchange differences are taken to the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

	Year ended December 31 2010 (Audited)	Nine months ended December 31 2009 (Audited)
Rupees		
3. Review Courses		
Receipts		
Gross receipts for review courses	445,460.00	173,000.00
Chapter's share for CISA review courses	-	25,380.00
Total receipts	445,460.00	198,380.00
Payments		
Review course facilitators	101,500.00	96,250.00
Refreshments for participants	26,000.00	8,000.00
Awards for review course participants	12,000.00	-
Advertisement	184,300.00	64,800.00
Marketing Assistance from ISACA	(184,300.00)	(64,800.00)
Total payments	139,500.00	104,250.00
Net of receipts over payments	305,960.00	94,130.00
4. Members meeting, seminars and marketing		
Members meeting & refreshments	50,192.00	1,000.00
Seminars & refreshments	147,867.50	104,410.00
Marketing	-	60,000.00
	198,059.50	165,410.00

5. Comparative figures

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


Kashif Alam Khan
Treasurer


Waqar Ahmed Khan
President