

Qasim E. Causer  
Chartered Accountant  
2nd Floor, Block-C, Lakson Square Building No.1  
Sarwar Shaheed Road,  
Karachi - 74200

Muhammad Afzal Munif  
Chartered Accountant  
Business Executive Centre  
F/17/3, Block-8, Clifton  
Karachi - 75600

## Auditors' Report to the Members

### Introduction

We have audited the accompanying financial statements of THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN, (the Institute) which comprises the balance sheet as at June 30, 2010, and the related statement of comprehensive income, statement of cash flows and statement of changes in funds for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting policies stated in note 2 to the financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

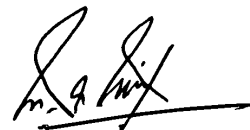
### Opinion

In our opinion the financial statements give a true and fair view of the financial position of the Institute as of June 30, 2010 and of its financial performance, its cash flows and changes in funds for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.



Qasim E. Causer  
Chartered Accountant

Karachi  
July 24, 2010



Muhammad Afzal Munif  
Chartered Accountant