

The 38th Annual General Meeting of the ICAP Benevolent Fund was held on Friday, September 23, 2011 at 6:00 p.m. at ICAP House, Karachi.

The Chairman of the Benevolent Committee, **Mr. Khaliq-ur-Rahman** chaired the meeting on confirmation of quorum and welcomed the members to the AGM. The list of members who signed the attendance sheet is attached as Annexure "A".

The proceedings of the meeting commenced with recitation from the Holy Quran.

1. Fateha for deceased members:

Names of the honorable late members who passed away during the year were read out by the Chairman mentioned in the annual report. Fateha was recited for all departed souls followed by minute of silence for Non-Muslim members.

2. Confirmation of the minutes of the 37th AGM held on Tuesday, August 10, 2010 at ICAP House, Karachi:

The minutes of 37th AGM were circulated through email to members for comments. As there were no comments, the minutes were approved as proposed by Mr. Ahmad Saeed and seconded by Syed Najmul Hussain.

3. Consideration and adoption of Report of the Management Committee and Financial Statements of the Fund with Auditors Report thereon for the year ended June 30, 2011:

The report of the Committee and the audited financial statements for the year ended June 30, 2011 were placed before the meeting.

3.1 Presentation on activities of the Committee:

The Chairman advised that he believed the AGM of the Benevolent Fund would be attended by substantially large number of members as it was being held after the AGM of the Southern Regional Committee. With this thought he had planned to present a PowerPoint presentation to the members. Although the numbers were lower than expected, he would like to carry on with it.

The presentation gave insight into the Fund covering its introduction, the process of evaluation and grant of financial assistance, administration of group benefit schemes, the Fund base, historical track of resources and their utilization, future plans of the Fund and the projected cash flows.

3.1.1 Process of providing financial assistance:

The Committee, after evaluating the needs of the existing beneficiaries (essentially twice in a year), makes adjustment to the amount of financial assistance to enable the families of the deceased members to meet ongoing inflation and rising cost of living. The assistance covers their day to day essential maintenance, medical, educational, and other expenses. Apart from evaluation of financial needs, the Committee members keep close contact with the families and work as mentors to for providing career guidance to their children, marriage of their daughters, and to provide any other help they may require.

Visiting sub-committees have been formed who upon receiving a notice of demise of a member, visit the families for condolence. These visits also serve the purpose

of evaluation and identification of deserving families.

Eight families of deceased members were visited by these sub-committees during the year under review. The Committee concluded that six families did not require any financial help from the Fund. Out of two families identified by the sub-committee, one family of a deceased member declined to accept the offer as the surviving spouse did not need financial help from the Fund. Hence financial assistance has been extended to one family only.

3.1.2 Financial assistance provided during the year:

During the year, the Fund provided financial assistance to Eighteen (18) families, aggregating to Rs.5.8 million against Rs. 4.9 million provided to Eighteen (18) families in the previous year.

Average financial assistance per family per month comes to Rs.26,786/- against Rs.22,955/- for the previous year.

3.1.3 Group Health insurance scheme:

The scheme was introduced for the benefit of general membership of the Institute and particularly for those who were unable to get the insurance coverage due to age factor or because a limited or no cover was provided by their employers.

This year, service provider has been changed from 'Askari Assurance' to 'Asia Care' on service issues. The scheme has also been revamped with introduction of various new features, such as:

- a) health declaration form is not required
- b) room entitlement for private room irrespective of rate prevailing in any hospital
- c) maternity coverage also enhanced
- d) coverage for parents against same premium rates obtained which was not previously allowed
- e) pre-existing conditions including pregnancy covered. We faced difficulties with Askari on this matter.
- f) in case of member / spouse only, age limit for 'dread disease' enhanced from 65 years to 80 years
- g) pre-and post hospitalization benefits extended to 30 days in each case as against the period of one week previously
- h) 'member' must participate in scheme in order to avail benefit for 'parents

It is expected that a large number of members will join the scheme. Chartered Accountant firms are also especially encouraged to join this cost effective scheme for their employees.

3.1.4 Group insurance on Takaful concept:

As a result of vigorous efforts by the members of the Managing Committee of the Fund during the year and before, 550 members got covered during 2010-11 against 165 members covered during the previous year.

From this year, takaful cover has been extended to a maximum limit of Rs. 4

million (Rs.8 million in case of accidental death). The amount of free cover limit has also been increased to Rs.2 million from Rs.1.5 million previously.

For senior members falling between the age group of 65 years to 69 years sum assured enhanced to Rs. 1,000,000 from Rs. 500,000 with same rate of premium

The Chairman requested the members present in the house to further propagate the schemes and encouraged them to join the schemes and invite other members also.

3.1.5 Future plans:

- The Committee is in the process of analyzing the data-base to identify members who are in need but do not voluntarily come forward for assistance.
- A sub-committee is evaluating "Pay Continuation Scheme" with an insurance company.
- Fund raising programs are to be organized.

The Chairman highlighted the following points during the presentation:

- Financial assistance to the beneficiaries is progressively increasing on a year to year basis due to :
 - higher cost of living
 - better support provided
- The fund base as at June 30, 2011 was:

As at June 2011 the Fund:	Rupees (Million)
a) had an investment base of	50.09
b) annual contribution from members	3.945
c) financial assistance extended to beneficiaries	5.785
	(1.840)
d) return on investments	5.391
e) surplus transferred to accumulated fund	3.551

- Future needs may arise to extend support to aging members
- The Fund has to be strong to support the changing needs
- Rs. 50.9 million fund is a fragile fund for membership of over 5,100

An analytical view of the financial position of the Fund with projected cash flows prepared over a period of 10 years was presented. Referring to the annual financial assistance from the Fund which has nearly touched Rs. 6 million mark, the Chairman said that ideally the amount should be fully financed by the members subscriptions for the year which is at present Rs.1,250 per annum per member. He said he had requested the Council to increase the subscription to Rs.2,500 so that the Fund can meet its ever increasing need for assisting the families adequately as well as it could built a Fund base strong enough to take care of future needs.

At present the deficit (of subscription less assistance) is being financed by the income from

investments which is hampering the growth of the investment base. If the rate of annual subscription is maintained at the current level, the outflows will start depleting the investments and Fund will have a negative surplus after next five years.

Resolution:

The members present unanimously agreed to enhance each member's annual subscription from Rs. 1,250/- to Rs. 2,500/- from the forthcoming financial year July 2012 - June 2013 and onwards.

The Chairman invited comments on the Report of the Committee and Financial Statement for the year under review. As there were no comments from any member, the Report of the Committee and Financial Statements of the Fund for the year ended June 30, 2011 were unanimously approved.

4. *Transfer of minor amounts received in excess from members to the Fund:*

The Chairman informed members that during the year, minor amounts of group life and health insurance premium were received in excess from the members resulting from rounding off the rates and also because of charging on prorata basis. **Rs. 53,748/-** on this account have been taken to the Fund. The Committee would like to have consensus and approval of the house on the decision. The Committee would also like to have members' agreement in principle to the decision for future as well.

The house was in complete agreement with the proposal and following resolution was passed:

"Resolved that the Management Committee of the Fund is authorized to transfer all minor amounts received in excess from the members or resulting from rounding off the rates of group takaful or health insurance premium to the Fund, this year and for future as well."

5. *Appointment of Auditor for the year 2011-12:*

The Chairman informed the meeting that present auditor Mr. Taher Hasanbhoy Moochhala, FCA has consented for being the Auditor of the Fund for the year 2011-12.

Since there was no other proposal, Mr. Taher H. Moochhala, FCA was re-appointed as auditor of the Fund for the year 2011-2012.

6. Other business:

One member asked that whether the Institute had made annual contribution to the Fund this year and how much increase to annual subscription was made?

The Chairman informed that annual contribution of Rs. 1 million was made by the Institute this year. Although the request for increase was of higher amount, the annual subscription was increased from Rs.750 to Rs.1250.

There being no other business, the meeting ended with a vote of thanks the Chair.

Shakeel Ahmad
Secretary

Khaliq-ur-Rahman, FCA
Chairman

ATTENDANCE LIST

38TH. AGM OF THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF PAKISTAN BENEVOLENT FUND
HELD ON SEPTEMBER 23, 2011 AT ICAP HOUSE, KARACHI

S.#	NAME	REG. #
1	Mr. Abdulwahid	101
2	Mr. Majeed Uddin Khan	221
3	Mr. Asif Ali	468
4	Mr. Mohammed Rafiuddin Hyder	757
5	Mr. Abdul Sattar Tabbani	881
6	Mr. Ahmad Saeed	1023
7	Mr. Abdul Ghaffar Habib Katiya	1057
8	Mr. Bhagwan Bharvani	1097
9	Mr. Mushtaq Ali Hirani	1201
10	Mr. Khaliq-Ur-Rahman	1585
11	Mr. Syed Najmul Hussain	1958
12	Mr. Riaz A. Rehman Chamdia	2074
13	Mr. Mahmood Ahmed Qureshi	2151
14	Mr. Altaf Noor Ali	2208
15	Mr. Najeeb Taher Moochhala	2420
16	Mr. Saad Kaliya	2503
17	Mr. Rehan Mobin	2964
18	Mr. Adnan Ahmad Mufti	3262
19	Mr. Tahir Sharif	3296
20	Mr. Adeel Ahmad Khan	3405
21	Mr. Kamran Ahmed	3629
22	Mr. Khalilullah Shaikh	4456
23	Mr. Muhammad Uzair Qureshi	4531
24	Mr. Osama Moon	5430
25	Mr. Muhammad Shahzad	5492
26	Mr. Abdul Sattar Shaikh	5774
27	Mr. Adil Saeed Khan	6394