



The Institute of Chartered Accountants of Pakistan

Fostering Talent for Leadership

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED MARCH 31, 2013

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2013**

	Note	March 31, 2013 Un-audited (Rupees)	June 30, 2012 Audited (Rupees)
NON CURRENT ASSETS			
Property, plant and equipment	6	175,563,417	168,217,698
Intangible assets		763,252	947,031
Long term investments	7	103,135,948	102,538,266
Loans, advances and deposits		6,801,810	7,523,562
		<u>286,264,427</u>	<u>279,226,557</u>
CURRENT ASSETS			
Stock of publications and souvenirs		5,909,766	2,601,662
Short term investments	8	326,425,677	142,538,187
Loans, advances, prepayments and other receivables		15,102,297	110,428,542
Cash and bank balances		12,836,937	17,328,600
		<u>360,274,677</u>	<u>272,896,991</u>
CURRENT LIABILITIES			
Creditors, accrued expenses and other liabilities		36,159,202	27,052,002
Fee and charges received in advance		9,430,692	24,926,172
		<u>45,589,894</u>	<u>51,978,174</u>
NET CURRENT ASSETS		314,684,783	220,918,817
CONTINGENCIES AND COMMITMENTS	9	-	-
		<u><u>600,949,210</u></u>	<u><u>500,145,374</u></u>
FINANCED BY:			
General Fund		430,414,689	349,870,262
Specific Funds		3,321,123	3,217,198
Endowment Funds		68,890,626	58,503,795
Regional Committees		32,557,795	30,764,048
Benevolent Fund		65,764,977	57,790,071
		<u><u>600,949,210</u></u>	<u><u>500,145,374</u></u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

SECRETARY

PRESIDENT

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2013**

	Note	Quarter Ended		Period Ended	
		March 31, 2013 (Rupees)	March 31, 2012 (Rupees) (Re-stated)	March 31, 2013 (Rupees)	March 31, 2012 (Rupees) (Re-stated)
Income					
Members' subscription		4,562,623	7,246,695	85,650,805	72,783,532
Examination and other fees		72,394,793	65,440,022	210,447,407	185,879,652
Education and training fees		7,757,750	6,652,050	39,910,350	34,904,000
Publications		2,738,583	1,689,590	6,118,457	5,905,272
Other operating income	11	3,483,009	4,103,931	3,234,623	9,057,420
		90,936,758	85,132,288	345,361,642	308,529,876
Expenditure					
Salaries, allowances and other benefits	12	36,628,915	31,491,512	109,198,704	94,636,685
Examination charges		18,497,510	20,319,693	48,960,254	46,629,175
Depreciation		5,446,075	4,459,234	15,594,364	13,263,731
Traveling and related expenses		3,347,458	5,862,385	14,650,850	14,224,638
Publications		3,524,588	1,999,232	8,170,754	6,680,614
Utilities		3,283,386	2,601,266	12,848,130	9,827,824
Postage and telephone		2,568,518	2,126,282	7,479,104	6,542,779
Repairs and maintenance		3,167,488	2,158,433	11,413,651	9,563,826
Printing and stationery		1,950,004	1,347,757	6,457,915	5,878,015
Rent, rates and taxes		1,546,168	1,208,819	4,687,484	3,558,332
Advertisement and exhibition		2,392,545	1,683,011	3,852,187	2,677,937
Others	13	11,559,563	11,388,519	34,983,934	29,413,762
		93,912,218	86,646,143	278,297,331	242,897,318
Excess of income over expenditure before finance income		(2,975,460)	(1,513,855)	67,064,311	65,632,558
Finance income		11,262,913	9,595,434	33,418,256	29,340,113
Excess of income over expenditure for the period		8,287,453	8,081,579	100,482,567	94,972,671
Other comprehensive income					
Surplus on re-measurement of investments - available for sale		115,608	455,235	321,269	527,294
Total comprehensive income for the period transferred		8,403,061	8,536,814	100,803,836	95,499,965
Attributable to					
- General Fund		8,883,896	8,461,786	91,544,427	83,906,878
- Specific Fund		80,120	(35,975)	103,925	114,251
- Endowment Funds		70,204	(405,904)	386,831	2,061,201
- Regional Committees		(811,602)	(1,467,117)	1,793,747	1,394,910
- Benevolent Fund		180,443	1,984,024	6,974,906	8,022,725
		8,403,061	8,536,814	100,803,836	95,499,965

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM STATEMENT OF CASH FLOWS - DIRECT METHOD (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2013

	Note	March 31, 2013 (Rupees)	Re-stated March 31, 2012 (Rupees)
Cash flows from operating activities			
Cash received:			
Membership		75,615,795	61,665,377
Examinations		205,948,067	182,301,025
Training		39,910,350	34,904,000
Publications		5,307,477	7,099,105
Facilities and miscellaneous		9,969,002	2,968,160
		336,750,691	288,937,667
Cash paid:			
Employees		109,260,974	93,981,809
Professional bodies		1,663,770	1,910,409
Property tax		888,610	799,254
Suppliers and vendors		115,613,943	128,330,726
		227,427,297	225,022,198
Net cash generated from operating activities		109,323,394	63,915,469
Cash flows from investing activities			
Investments - net		(21,606,072)	(57,880,909)
Fixed capital expenditure		(25,170,154)	(16,490,837)
Proceeds from sale of operating fixed assets		1,779,045	1,852,660
Income received from investments		21,003,613	13,843,749
Loans and deposits recovered		1,115,284	8,993,953
Loans and deposits paid		(393,532)	(7,157,400)
Net cash used in investing activities		(23,326,601)	(56,838,784)
Net (decrease)/increase in cash and cash equivalents		85,996,793	7,076,685
Cash and cash equivalents at the beginning of the period		17,328,600	50,813,763
Cash and cash equivalents at the end of the period	14	103,325,393	57,890,448

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM STATEMENT OF CHANGES IN FUNDS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2013

General Fund	Building Fund	Specific Funds		Endowment Funds			Regional committees				Benevolent Fund			Total	
		Prize Fund	Sub Total	Students' Endowment Fund	Libraries Development Fund	Sub Total	Southern		Nothern		Sub Total	Accumulated Fund	Special Reserve Fund		Sub Total
							Accumulated Fund	H.J. Irani Memorial Fund	Accumulated Fund						
Rupees															
Balance as at July 01, 2011	272,787,955	16,000,000	3,089,493	3,089,493	49,581,248	5,219,793	54,801,041	16,765,325	110,907	11,262,848	28,139,080	49,254,086	838,822	50,092,908	424,910,477
Transferred to General Fund	16,000,000	(16,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-
Support to Benevolent Fund	(1,000,000)	-	-	-	-	-	-	-	-	-	-	1,000,000	-	1,000,000	-
Transferred from comprehensive income	83,906,878	-	114,251	114,251	1,519,248	541,953	2,061,201	1,353,256	7,063	34,591	1,394,910	8,022,725	-	8,022,725	95,499,965
Balance as at March 31, 2012	371,694,833	-	3,203,744	3,203,744	51,100,496	5,761,746	56,862,242	18,118,581	117,970	11,297,439	29,533,990	58,276,811	838,822	59,115,633	520,410,442
Balance as at July 01, 2012	349,870,262	-	3,217,198	3,217,198	52,590,711	5,913,084	58,503,795	18,863,316	120,282	11,780,450	30,764,048	56,951,249	838,822	57,790,071	500,145,374
Transferred to Student's Endowment Fund (note 10)	(10,000,000)	-	-	-	10,000,000	-	10,000,000	-	-	-	-	-	-	-	-
Support to Benevolent Fund	(1,000,000)	-	-	-	-	-	-	-	-	-	-	1,000,000	-	1,000,000	-
Transferred from comprehensive income	91,544,427	-	103,925	103,925	118,654	268,177	386,831	1,434,506	5,177	354,064	1,793,747	6,974,907	-	6,974,906	100,803,836
Balance as at March 31, 2013	430,414,689	-	3,321,123	3,321,123	62,709,365	6,181,261	68,890,626	20,297,822	125,459	12,134,514	32,557,795	64,926,156	838,822	65,764,977	600,949,210

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2013**

1 THE INSTITUTE AND ITS OPERATIONS

The Institute of Chartered Accountants of Pakistan (the Institute) is a statutory body, established under the Chartered Accountants Ordinance, 1961 (X of 1961) for the regulation of the profession of accountants in the country. The Institute is an approved non-profit organization, under sub section (36) of section 2 of the Income Tax Ordinance, 2001.

Endowment Funds

The Institute has established Students' Endowment and Libraries Development Funds to provide financial assistance to the deserving students and for development of ICAP libraries respectively. These Funds are governed by the rules approved by the Council. The contributions to the Funds include transfers by the Institute from its surplus as well as amounts received from other organizations.

Regional Committees

The Council of the Institute has established two regional committees (i.e. southern regional committee and northern regional committee) to carry-out the functions as laid down in bye-law 90 of the Chartered Accountants Bye-Laws, 1983. These committees function under the control, supervision and directions of the Council. Major contributions to the committees include transfers by the Institute from annual subscriptions received from its members.

Benevolent Fund

Benevolent Fund (the Fund) was established by the Council of the Institute to provide relief to deserving persons who are or have been members of the Institute and spouse, children and dependants of such members. The Fund is governed by the rules approved by the Council. Major source of the Fund is contributed by the members in the form of annual subscription.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the Institute for the period ended March 31, 2013 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting. This condensed interim financial information is being presented to comply with the best practices followed in this respect in compliance with the decision of the Council of the Institute.

This condensed interim financial information is un-audited and does not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Institute's annual financial statements for the year ended June 30, 2012.

2.2 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Institute. Figures in this condensed interim financial information have been rounded-off to the nearest Rupee.

3 ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of audited annual financial statements for the year ended June 30, 2012.

4 ESTIMATES

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Institute's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

During the preparation of this condensed interim financial information, the significant judgements made by the management in applying the Institute's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2012.

5 RE - STATEMENT

The Council of the Institute in its 234th meeting held on June 15 & 16, 2012, decided to incorporate the operations and activities of the regional committees and Benevolent Fund in the financial statements of the Institute in order to have an overall picture and consolidated information of all activities of the Institute. As a result of incorporation, the Institute has restated the comparative information.

		March 31, 2013 Un-audited (Rupees)	June 30, 2012 Audited (Rupees)
6 PROPERTY, PLANT AND EQUIPMENT	Note		
Operating fixed assets	6.1	175,377,224	167,846,805
Leasehold land - Preedy Street, Karachi	6.2	18,233	18,233
Capital work in progress		167,960	352,660
		<u>175,563,417</u>	<u>168,217,698</u>
6.1 Operating fixed assets			
Opening net book value		167,846,805	150,643,100
Additions during the period	6.1.1	<u>25,002,194</u>	<u>37,617,993</u>
		192,848,999	188,261,093
Less :			
Disposals and adjustment during the period	6.1.2	<u>(1,759,728)</u>	<u>(1,800,621)</u>
Depreciation charge for the period		<u>(15,712,047)</u>	<u>(18,613,667)</u>
		<u>(17,471,775)</u>	<u>(20,414,288)</u>
Closing net book value		<u>175,377,224</u>	<u>167,846,805</u>

	March 31, 2013 Un-audited (Rupees)	June 30, 2012 Audited (Rupees)
6.1.1 Additions during the period are as follows:		
Buildings on leasehold land	124,370	10,028,756
Generator	5,424,193	-
Electric fittings, air conditioners and appliances	1,758,687	3,882,872
Furniture and fixtures	3,967,108	3,237,042
Vehicles	6,177,357	9,360,455
Office equipment	7,516,659	10,714,555
Library books	33,820	394,313
	<u>25,002,194</u>	<u>37,617,993</u>

6.1.2 Disposals / adjustments during the period / year are as follows:

at net book value

- Vehicles	-	(1,791,276)
- Office equipment	(379,290)	(9,345)
- Electric fittings, air conditioners and appliances	(211,215)	-
- Furniture and fixtures	(352,429)	-
- Generator	(816,794)	-
	<u>(1,759,728)</u>	<u>(1,800,621)</u>

6.2 The members in its 51st Annual General Meeting has authorized the Council to proceed for the sale of the Preedy Street land at best price available.

		March 31, 2013 Un-audited (Rupees)	June 30, 2012 Audited (Rupees)
7 LONG TERM INVESTMENTS	Note		
General Fund	7.1	12,550,680	54,993,746
Specific Fund: Prize Fund	7.2	1,400,000	1,400,000
Endowment Funds	7.3	20,000,000	20,000,000
Southern Regional Committee	7.4	17,057,132	15,973,276
Benevolent Fund	7.5	52,128,136	10,171,244
		<u>103,135,948</u>	<u>102,538,266</u>
7.1 General Fund			
Special Saving Certificates	7.1.1	-	43,494,023
Term Deposit Receipts	7.1.2	12,550,680	11,499,723
		<u>12,550,680</u>	<u>54,993,746</u>

7.1.1 This represents investment in Special Saving Certificates, placed for a term of three years, having an aggregate face value of Rs Nil (June 30, 2012: Rs 35.00 million) which has been transferred to short term investments as maturity is on August 01, 2013. These carry markup at the rate of Nil (June 30, 2012: 11.99%). Accrued markup aggregating Rs Nil (June 30, 2012: Rs 8.49 million) is included in the carrying value.

7.1.2 This represents investment in Term Deposit Receipts (TDRs), having an aggregate face value of Rs 10.00 million (June 30, 2012: Rs 10.00 million). These TDRs have been placed for a term of 3 years and are maturing on June 5, 2014. These carry markup at the rate of 14.00% per annum (June 30, 2012: 14.00%) per annum. Accrued markup aggregating Rs 2.55 million (June 30, 2012: Rs 1.50 million) is included in the carrying value.

		March 31, 2013	June 30, 2012
		Un-audited	Audited
		(Rupees)	(Rupees)
7.2 Specific Fund: Prize Fund	Note		
Term Deposit Receipts	7.2.1	1,400,000	1,400,000

7.2.1 This represents investment in Term Deposit Receipts (TDRs), having an aggregate face value of Rs 1.40 million (June 30, 2012: Rs 1.40 million). These TDRs carry mark-up at the rate of 12.00% (June 30, 2012: 12.00%) per annum. These TDRs have been placed for a term of 5 years and are maturing on November 15, 2014.

		March 31, 2013	June 30, 2012
		Un-audited	Audited
		(Rupees)	(Rupees)
7.3 Endowment Funds	Note		
Students' Endowment Fund			
Term Deposit Receipts	7.3.1	19,000,000	19,000,000
Libraries Development Fund			
Term Deposit Receipts	7.3.2	1,000,000	1,000,000
		20,000,000	20,000,000

7.3.1 This represents investment in Term Deposit Receipts (TDRs), having an aggregate face value of Rs. 19.00 million (June 30, 2012: Rs 19.00 million). These TDRs have been placed for terms between 3 and 5 years and are maturing on various dates upto January 2015. These carry mark-up at the rates ranged between 12.00% and 12.70% (June 30, 2012: 12.00% and 12.70%) per annum.

7.3.2 This represents investment in a Term Deposit Receipt (TDR), having face value of Rs 1.00 million (June 30, 2012: Rs 1.00 million). This TDR has been placed for a term of 3 years and is maturing on June 3, 2014. This carries mark-up at the rate of 12.70% (June 30, 2012: 12.70%) per annum.

		March 31, 2013	June 30, 2012
		Un-audited	Audited
		(Rupees)	(Rupees)
7.4 Southern Regional Committee	Note		
Certificate of Islamic Investments			
Accumulated Fund	7.4.1	16,931,673	15,973,276
H.J. Irani Memorial Fund	7.4.2	125,459	-
		17,057,132	15,973,276

7.4.1 These represent Certificates of Islamic Investments, issued by a bank costing Rs 15.53 million (June 30, 2012: Rs 14.83 million). These certificates carry expected mark-up at the rates ranging between 10.09% and 11.53% (June 30, 2012: 9.72% and 11.74%) per annum and are maturing on various dates latest by June 30, 2015. Accrued mark-up aggregating Rs 1.40 million (June 30, 2012: Rs 1.14 million) is included in the carrying value.

7.4.2 This represents a Certificate of Islamic Investment, issued by a bank costing Rs 0.12 million (June 30, 2012: Nil) for a period of three years. This certificate carries expected mark-up ranging between 8.89% and 9.78% (June 30, 2012: Nil) per annum and is maturing on October 31, 2015. Accrued mark-up aggregating Rs 0.005 million (June 30, 2012: Nil) is included in the carrying value.

7.5 Benevolent Fund	Note	March 31,	June 30,
		2013	2012
		Un-audited	Audited
		(Rupees)	(Rupees)
Defence Saving Certificates	7.5.1	3,283,056	2,960,525
Special Saving Certificates	7.5.2	48,845,080	7,210,719
		52,128,136	10,171,244

7.5.1 This represents investment in Defence Savings Certificates, having an aggregate face value of Rs 2.00 million (June 30, 2012: Rs 2.00 million). These certificates have been placed for a term of 10 years, maturing on April 07, 2020. These carry mark-up at the rate of 12.15% (June 30, 2012: 12.15%) per annum. Accrued mark-up aggregating Rs 1.28 million (June 30, 2012: Rs 0.96 million) is included in the carrying value.

7.5.2 This represents investment in Special Savings Certificates, having an aggregate face value of Rs 43.84 million (June 30, 2012: Rs 5.50 million). These certificates have been placed for a term of 3 years, maturing latest by August 23, 2015. These carry mark-up at the rates ranging between 12.21% and 13.48% (June 30, 2012: 13.48%) per annum. Accrued mark-up aggregating Rs 5.00 million (June 30, 2012: Rs 1.71 million) is included in the carrying value.

8 SHORT TERM INVESTMENTS	Note	March 31,	June 30,
		2013	2012
		Un-audited	Audited
		(Rupees)	(Rupees)
General Fund	8.1	257,217,235	114,840,079
Specific Fund: Prize Fund	8.2	1,854,231	1,069,917
Endowment Funds	8.3	46,554,900	13,702,656
Southern Regional Committee	8.4	804,076	943,210
Northern Regional Committee	8.5	9,708,750	9,000,000
Benevolent Fund	8.6	10,286,485	2,982,325
		326,425,677	142,538,187

8.1 General Fund

Term Deposit Receipts	8.1.1	207,101,485	112,317,904
Special Saving Certificates	8.1.2	50,115,750	2,522,175
		257,217,235	114,840,079

8.1.1 This represents investment in Term Deposit Receipts (TDRs), having an aggregate face value of Rs 199.21 million (June 30, 2012: Rs 105.00 million). These TDRs carry mark-up at the rates ranging between 8.90% and 12.05% (June 30, 2012: 11.50% and 12.75%) per annum and are maturing on November 20, 2013. Accrued mark-up aggregating Rs 7.89 million (June 30, 2012: Rs 7.32 million) is included in the carrying value.

8.1.2 This represents investment in Special Saving Certificates, having an aggregate face value of Rs 37.00 million (June 30, 2012: Rs 2.00 million). These certificates have been placed for a term of 3 years and are maturing on August 01, 2013. These carry mark-up at the rate of 11.99% (June 30, 2012: 11.99%) per annum. Accrued mark-up aggregating Rs 13.12 million (June 30, 2012: Rs 0.52 million) is included in the carrying value.

8.2 Specific Fund: Prize Fund	Note	March 31, 2013	June 30, 2012
		Un-audited (Rupees)	Audited (Rupees)
Term Deposit Receipts	8.2.1	<u>1,854,231</u>	<u>1,069,917</u>

8.2.1 This represents investment in Term Deposit Receipts (TDRs), having face value of Rs 1.80 million (June 30, 2012: Rs 1.00 million). These are maturing on August 31, 2013. These TDRs carry mark-up at the rates ranging between of 8.00% and 9.70% (June 30, 2012: 11.00%) per annum. Accrued mark-up aggregating Rs 0.05 million (June 30, 2012: Rs 0.07 million) is included in the carrying value.

8.3 Endowment Funds	Note	March 31, 2013	June 30, 2012
		Un-audited (Rupees)	Audited (Rupees)
Students' Endowment Fund			
Term Deposit Receipts	8.3.1	30,702,423	1,091,780
Special Saving Certificates	8.3.2	<u>10,991,414</u>	<u>10,088,702</u>
		41,693,837	11,180,482
Libraries Development Fund			
Term Deposit Receipts	8.3.3	<u>2,113,211</u>	-
Special Saving Certificates	8.3.4	<u>2,747,852</u>	<u>2,522,174</u>
		4,861,063	2,522,174
		<u>46,554,900</u>	<u>13,702,656</u>

8.3.1 This represents investments in Term Deposit Receipt (TDRs), having an aggregate face value of Rs 29.29 million (June 30, 2012: Rs 1.00 million). These TDRs carry mark-up at the rates ranged between 9.40% to 9.70% (June 30, 2012: 12.50%) per annum and are maturing on various dates upto November 20, 2013. Accrued mark-up aggregating Rs 1.41 million (June 30, 2012: Rs 0.09 million) is included in the carrying value.

8.3.2 This represents investment in Special Saving Certificates (SSCs), having an aggregate face value of Rs 8.00 million (June 30, 2012: Rs 8.00 million). These certificates have been placed for a term of 3 years and are maturing on June 13, 2013. These carry mark-up at the rate of 11.99% per annum (June 30, 2012: 11.99%). Accrued mark-up aggregating Rs 2.99 million (June 30, 2012: Rs 2.09 million) is included in the carrying value.

8.3.3 This represents investment in a Term Deposit Receipt (TDR), having face value of Rs 2.00 million (June 30, 2012: Nil). This TDR carries mark-up at the rate of 9.70% (June 30, 2012: Nil) per annum and is maturing on August 31, 2013. Accrued mark-up aggregating Rs 0.11 million (June 30, 2012: Nil) is included in the carrying value.

8.3.4 This represents investment in Special Saving Certificates (SSCs), having an aggregate face value of Rs 2.00 million (June 30, 2012: Rs 2.00 million). These certificates have been placed for a term of 3 years and are maturing on June 13, 2013. These carry mark-up at the rate of 11.99% per annum (June 30, 2012: 11.99%). Accrued mark-up aggregating Rs 0.75 million (June 30, 2012: 0.52 million) is included in the carrying value.

8.4 Southern Regional Committee	Note	March 31, 2013 Un-audited (Rupees)	June 30, 2012 Audited (Rupees)
Certificate of Islamic Investments			
Accumulated Fund	8.4.1	804,076	822,928
H.J. Irani Memorial Fund		-	120,282
		804,076	943,210

8.4.1 This represents Certificates of Islamic Investment, issued by a bank costing Rs 0.80 million (June 30, 2012: Rs 0.80 million). These certificates carry expected mark-up at the rates ranging between 7.17% and 8.02% (June 30, 2012: 9.06% and 9.30%) per annum. Accrued mark-up aggregating Rs.0.06 million (June 30, 2012: Rs.0.02 million) is included in the carrying value.

8.5 Northern Regional Committee	Note	March 31, 2013 Un-audited (Rupees)	June 30, 2012 Audited (Rupees)
Habib Islamic certificates	8.5.1	9,708,750	9,000,000

8.5.1 This represents investment in Islamic Certificates, having face value of Nil (June 30, 2012: Rs 9.00 million). These certificates have been placed for a term of one year and are maturing on April 23, 2013. These carry expected mark-up at the rate of 10.50% (June 30, 2012: 10.50%) per annum. Accrued mark-up aggregating Nil (June 30, 2012: Rs 0.18 million) is included in the carrying value.

8.6 Benevolent Fund	Note	March 31, 2013 Un-audited (Rupees)	June 30, 2012 Audited (Rupees)
Investments in listed securities	8.6.1	3,303,593	2,982,325
Investments in government securities	8.6.2	6,982,892	-
		10,286,485	2,982,325

8.6.1 Investments in listed securities

Equity shares

Hub Power Co. Ltd.

As on July 01	1,675,600	1,500,000
Surplus on re-measurement	334,800	175,600
Market value of 40,000 ordinary shares @ Rs. 50.26 [2012: Rs. 41.89]	2,010,400	1,675,600

Fauji Fertilizer Co. Ltd.

As on July 01	1,306,725	1,179,495
Surplus on re-measurement	(13,532)	127,230
Market value of 11,767 shares @ Rs. 109.90 [2012: Rs.111.05]	1,293,193	1,306,725
	3,303,593	2,982,325

8.6.2 Investments in government securities

Treasury bills

This represents investment in Treasury bills, having face value of Rs 6.86 million (June 30, 2012: Nil). This investment is made for a term of three months and are maturing upto April 18, 2013. These carry mark-up at the rates ranging between 9.09% and 9.18% (June 30, 2012: Nil) per annum. Accrued mark-up aggregating Rs 0.127 million (June 30, 2012: Nil) is included in the carrying value.

9 CONTINGENCIES AND COMMITMENTS

9.1 The Appellate Bench of the Competition Commission of Pakistan has passed an Order, dated March 11, 2009, in response to an appeal filed by the Institute against an Order, dated December 4, 2008, of single member bench of the Commission. In both the Orders, it was contended that fixing of minimum fee, through ATR-14 by the Institute, is in violation of Section 4(1) of the Competition Ordinance, 2007 and imposed a penalty of Rs.1 million as a result thereof. The Institute has filed an appeal before the Honourable Supreme Court of Pakistan which was pending for hearing in the year 2009. During the pendency of the appeal the Competition Commission Ordinance, 2010 was promulgated on March 26, 2010. The judgment has now been suspended by the Honourable Supreme Court of Pakistan.

9.2 The Competition Commission of Pakistan has passed an order dated January 10, 2013, wherein it has held that ICAP circular dated July 04, 2012, refraining the training organizations from engaging trainees of other accounting bodies is in violation of section 4 of the Competition Act 2010, and a penalty of Rs. 25 Million was also imposed. The Institute has filed a writ petition in the Honourable High Court against the aforementioned order in addition to appeal filed before Competition Appellate Tribunal. Since the Institute is confident about the favourable outcome of the legal proceedings, therefore no accrual has been made in these financial statements relating to the above-referred penalty.

9.3 Commitments in respect of capital expenditure as at balance sheet date amounted to Rs 0.99 million (June 30, 2012: Rs 8.35 million).

10 The Council in its meeting held on July 28, 2012 decided to appropriate Rs. 10.00 million received in respect of Golden Jubilee Sponsorship from General Fund to Students' Endowment Fund.

	Note	Quarter Ended		Period Ended	
		March 31, 2013 Un-audited (Rupees)	March 31, 2012 Un-audited (Rupees) (Re-stated)	March 31, 2013 Un-audited (Rupees)	March 31, 2012 Un-audited (Rupees) (Re-stated)
11 OTHER OPERATING INCOME					
Income derived from rental of facilities		738,000	775,000	2,596,000	2,549,500
Reversal of provision for doubtful students' loan		-	31,668	10,110	100,160
Gain on sale of fixed assets		237,515	1,282,875	237,515	1,282,875
Net (loss)/income from Seminar & conferences	11.1	(1,139,927)	(1,066,826)	(2,747,529)	(1,011,283)
Net income from CFO conferences	11.2	1,173,424	2,310,904	1,083,730	2,310,904
Net income from Directors' training programme	11.3	2,045,636	-	1,523,936	-
Reversal of provision of EOBI		-	3,785,470	-	3,785,470
Miscellaneous income		428,361	(3,015,160)	530,861	39,794
		3,483,009	4,103,931	3,234,623	9,057,420

	Quarter Ended		Period Ended	
	March 31, 2013 Un-audited (Rupees)	March 31, 2012 Un-audited (Rupees) (Re-stated)	March 31, 2013 Un-audited (Rupees)	March 31, 2012 Un-audited (Rupees) (Re-stated)
11.1 Net (loss)/income from Seminar & conferences				
Income from sponsorship and others	1,304,360	3,889,020	3,999,960	3,889,020
Less: expenses incurred	(2,444,287)	(4,955,846)	(6,747,489)	(4,900,303)
	<u>(1,139,927)</u>	<u>(1,066,826)</u>	<u>(2,747,529)</u>	<u>(1,011,283)</u>
11.2 Net income from CFO conferences				
Income from sponsorship and others	11,443,000	5,369,000	11,467,000	5,369,000
Less: expenses incurred on Conferences	7,717,831	3,058,096	7,831,525	3,058,096
expenses incurred on Golf tournaments	2,551,745	-	2,551,745	-
	<u>10,269,576</u>	<u>3,058,096</u>	<u>10,383,270</u>	<u>3,058,096</u>
	<u>1,173,424</u>	<u>2,310,904</u>	<u>1,083,730</u>	<u>2,310,904</u>
11.3 Net income from Directors' training programme				
Fee received for the training	5,580,600	-	5,580,600	-
Less: expenses incurred on training	(3,534,964)	-	(4,056,664)	-
	<u>2,045,636</u>	<u>-</u>	<u>1,523,936</u>	<u>-</u>
12 SALARIES, ALLOWANCES AND OTHER BENEFITS				
Salaries and allowances	34,466,708	28,807,631	102,683,156	86,356,062
Employees' health insurance	369,493	384,696	1,134,673	1,154,085
Defined benefit plan - gratuity fund	-	827,676	-	2,514,729
Defined contribution plan - provident fund	1,792,714	1,471,509	5,380,875	4,611,809
	<u>36,628,915</u>	<u>31,491,512</u>	<u>109,198,704</u>	<u>94,636,685</u>
13 OTHERS				
Fees to professional bodies	573,792	315,749	1,663,770	1,910,409
Legal and professional charges	1,402,950	338,625	3,985,941	947,375
Consultancy charges	-	-	121,067	68,000
Auditors' remuneration	2,385	10,000	165,194	182,075
Annual general meeting	-	-	145,396	172,441
Books and publications	124,475	70,646	423,902	343,824
Conveyance	85,445	84,155	195,390	153,851
Entertainment	815,548	588,663	2,165,566	1,585,345
Bank charges	430,516	195,864	3,018,506	1,292,448
Insurance	389,338	270,628	1,126,930	814,121
Vehicles maintenance and running cost	1,627,430	1,241,717	4,772,818	3,792,515
Amortization of intangible assets	81,019	116,875	238,564	356,596
Gold medals and award ceremony	-	982,890	1,814,245	1,684,260
Entrance test conducting charges	15,300	15,300	61,350	59,100
Registered Accounting Education Tutor's appraisal cost	5,000	20,000	5,000	20,000
Training expenses	348,455	75,700	730,690	209,153
Golden Jubilee Celebrations - net	-	1,027,215	-	2,517,956
Financial assistance to students	1,999,200	2,335,985	3,916,800	3,950,545
Online Education and Research Facility (PERN 2)	544,272	530,376	1,621,320	1,551,732
Financial assistance to members/families	2,198,700	1,645,200	6,314,700	4,915,200
Honoraria to article writer	142,000	-	241,000	67,000
Sports and recreation	53,060	17,021	137,036	124,928
Sundry expenses	720,678	1,505,910	2,118,749	2,694,888
	<u>11,559,563</u>	<u>11,388,519</u>	<u>34,983,934</u>	<u>29,413,762</u>

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand, balances with banks and short term investments realizable within three months. Cash and cash equivalents included in the statement of cash flows comprise of the following amounts:

	March 31, 2013 Un-audited (Rupees)	March 31, 2012 Un-audited (Rupees)
Cash and bank balances	12,836,937	15,191,638
Short term investments realizable within three months	90,488,456	42,698,810
	103,325,393	57,890,448

15 TRANSACTIONS WITH RELATED PARTIES

15.1 Significant transactions with related parties are as follows:

Relationship with the Institute	Nature of transactions	March 31, 2013 (Rupees)	March 31, 2012 (Rupees)
(i) Staff retirement benefit plans:	Contribution paid to:		
	- Gratuity Fund	-	2,514,732
	- Provident Fund	5,380,875	4,611,809
(ii) Key management personnel:	- Managerial remuneration	15,321,984	13,007,665
	- Membership fee received	367,850	335,900
	- Traveling and related expenses	1,173,124	1,499,798
		March 31, 2013 (Rupees)	June 30, 2012 (Rupees)

15.2 Period/year end balances

(i) Staff retirement benefit plans:			
- Gratuity Fund	- Advances, deposits, prepayments and other receivables	-	10,000,000
- Provident Fund	- Creditors, accrued and other liabilities	1,462,708	-
(i) Key management personnel:	- Creditors, accrued and other liabilities	610,037	748,251
	- Advances, deposits, prepayments and other receivables	128,536	53,945

16 SEGMENT INFORMATION

Management has determined the operating segments based on the information that is presented to the Council of the Institute for allocation of resources and assessment of performance. The Institute is organized into the following operating segments:

Geographical segments:

The Institute has following two main geographical segments:

- North (includes provinces namely Punjab and Khyber Pakhtunkhwa); and
- South (includes provinces namely Sindh and Baluchistan)

Bases of allocation amongst geographical segments are as follows:

Services provided / rendered directly to students are allocated on the basis of number of students whereas services to members are allocated on the basis of number of members at each geographical segment. The general services are, however, allocated on the proportion derived by the weighted average number of students and members.

Service segments:

The institute has following four reportable segments on the basis of services characteristics:

(i) Examination (ii) Education (iii) Membership and (iv) General services

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

16.1 Geographical segments

Segments revenues and results

	March 31, 2013			March 31, 2012		
	South	North	Total	South	North	Total
Income						
- from members	50,533,975	35,116,830	85,650,805	42,942,284	29,841,248	72,783,532
- from students	90,128,793	160,228,964	250,357,757	77,274,278	143,509,374	220,783,652
- others	3,834,763	5,518,317	9,353,080	5,985,077	8,977,615	14,962,692
Total income	144,497,529	200,864,113	345,361,642	126,201,639	182,328,237	308,529,876
Less: Expenditure - note 16.1.1	116,212,102	162,085,229	278,297,331	98,029,230	144,868,088	242,897,318
	28,285,428	38,778,884	67,064,311	28,172,409	37,460,149	65,632,558
Finance Income and Surplus on re-measurement of investments available for sale			33,739,525			29,867,407
Excess of Income over expenditure/(Expenditure over income)			100,803,836			95,499,965

Other Information

	March 31, 2013			June 30, 2012		
	South	North	Total	South	North	Total
Segments assets employed	87,457,933	116,682,609	204,140,542	91,689,948	130,290,200	221,980,148
Unallocated assets			442,398,562			330,143,400
Total assets			646,539,104			552,123,548
Segments liabilities employed	18,890,752	26,699,142	45,589,894	21,311,051	30,667,123	51,978,174
Total liabilities			45,589,894			51,978,174
Capital expenditure incurred during the quarter	10,250,900	14,751,294	25,002,194	15,799,557	21,818,436	37,617,993

Segment assets consist primarily of property, plant and equipment, loans, advances and receivables and investments. Segment liabilities comprise of advance fee and charges and creditors, accrued and other liabilities. Assets and liabilities which cannot be allocated are considered unallocated.

16.1.1

Expenditure	March 31, 2013			March 31, 2012		
	South	North	Total	South	North	Total
Salary, allowance, and other benefits	44,771,469	64,427,235	109,198,704	37,854,674	56,782,011	94,636,685
Examination charges	17,625,691	31,334,563	48,960,254	16,320,211	30,308,964	46,629,175
Depreciation	6,393,689	9,200,675	15,594,364	5,305,492	7,958,239	13,263,731
Traveling & related expenses	6,006,849	8,644,002	14,650,850	5,689,855	8,534,783	14,224,638
Publications	5,932,133	2,238,621	8,170,754	3,410,485	3,270,129	6,680,614
Utilities	5,267,733	7,580,397	12,848,130	3,931,130	5,896,694	9,827,824
Postage and telephone	3,066,433	4,412,671	7,479,104	2,617,112	3,925,667	6,542,779
Repair and maintenance	4,679,597	6,734,054	11,413,651	3,825,530	5,738,296	9,563,826
Printing and stationery	2,647,745	3,810,170	6,457,915	2,351,206	3,526,809	5,878,015
Rent, rates and taxes	1,968,743	2,718,741	4,687,484	1,494,499	2,063,833	3,558,332
Advertisement and exhibitions	1,686,705	2,165,482	3,852,187	1,632,514	1,045,423	2,677,937
Fees to international professional bodies	981,624	682,146	1,663,770	1,127,141	783,268	1,910,409
Legal & professional charges	1,634,236	2,351,705	3,985,941	388,424	558,951	947,375
Consultancy charges	49,637	71,430	121,067	27,880	40,120	68,000
Auditors' remuneration	97,464	67,730	165,194	107,424	74,651	182,075
Annual general meeting	85,784	59,612	145,396	101,740	70,701	172,441
Books & publications	173,800	250,102	423,902	137,530	206,294	343,824
Conveyance	80,110	115,280	195,390	61,540	92,311	153,851
Entertainment	887,882	1,277,684	2,165,566	634,138	951,207	1,585,345
Bank charges	1,237,587	1,780,919	3,018,506	516,979	775,469	1,292,448
Insurance	462,041	664,889	1,126,930	325,648	488,473	814,121
Vehicle maintenance and running cost	1,956,855	2,815,963	4,772,818	1,517,006	2,275,509	3,792,515
Amortization of intangible assets	97,811	140,753	238,564	142,638	213,958	356,596
Gold medals & award ceremony	1,291,755	522,490	1,814,245	871,098	813,162	1,684,260
Entrance tests conducting charges	-	61,350	61,350	-	59,100	59,100
Registered Accounting Education Tutor's appraisal cost	5,000	-	5,000	10,000	10,000	20,000
Training expenses	299,583	431,107	730,690	83,661	125,492	209,153
Golden Jubilee Celebration	-	-	-	1,485,594	1,032,362	2,517,956
Disbursement to students out of Endowment Fund	1,410,048	2,506,752	3,916,800	1,382,691	2,567,854	3,950,545
Online Education & Research Facility (PERN 2)	664,741	956,579	1,621,320	620,693	931,039	1,551,732
Financial assistance to members/families	3,725,673	2,589,027	6,314,700	2,899,968	2,015,232	4,915,200
Honoraria to article writer	98,810	142,190	241,000	26,800	40,200	67,000
Sports & recreation	56,185	80,851	137,036	49,971	74,957	124,928
Sundry expenses	868,687	1,250,062	2,118,749	1,077,955	1,616,933	2,694,888
Total expenditure	116,212,102	162,085,229	278,297,331	98,029,230	144,868,088	242,897,318

16.2 Service segments

Service segments:

	March 31, 2013					March 31, 2012				
	Exam	Education	Membership	G.Services	Total	Exam	Education	Membership	G.Services	Total
Income										
- from members	-	-	85,650,805	-	85,650,805	-	-	72,783,532	-	72,783,532
- from students	210,447,407	39,910,350	-	-	250,357,757	185,879,652	34,904,000	-	-	220,783,652
- others	-	-	-	9,353,080	9,353,080	-	-	-	14,962,692	14,962,692
Total income	210,447,407	39,910,350	85,650,805	9,353,080	345,361,642	185,879,652	34,904,000	72,783,532	14,962,692	308,529,876
Less: Expenditure - note 16.2.1	110,384,451	23,456,017	57,400,500	87,056,363	278,297,331	100,879,584	20,380,713	43,458,963	78,178,058	242,897,318
	<u>100,062,956</u>	<u>16,454,333</u>	<u>28,250,305</u>	<u>(77,703,283)</u>	<u>67,064,311</u>	<u>85,000,068</u>	<u>14,523,287</u>	<u>29,324,569</u>	<u>(63,215,366)</u>	<u>65,632,558</u>
Finance Income and Surplus on re-measurement of investments available for sale					33,739,525					29,867,407
Excess of Income over expenditure/ (Expenditure over income)					<u>100,803,836</u>					<u>95,499,965</u>

Other Information	March 31, 2013					June 30, 2012				
	Segments assets employed	45,856,342	23,411,892	25,364,783	109,507,525	204,140,542	45,125,596	46,069,167	80,902,477	128,081,676
Unallocated assets					442,398,562					251,944,632
Total assets					<u>646,539,104</u>					<u>552,123,548</u>
Segments liabilities employed	17,317,010	3,628,618	9,125,338	15,518,928	45,589,894	14,530,235	643,136	19,238,245	17,566,558	51,978,174
Unallocated liabilities					-					-
Total liabilities					<u>45,589,894</u>					<u>51,978,174</u>
Capital expenditure incurred during the quarter	3,485,305	1,277,049	2,536,988	17,702,852	25,002,194	4,855,940	2,512,417	3,546,801	26,702,835	37,617,993

16.2.1

Expenditure	March 31, 2013					March 31, 2012				
	Exam	Education	Membership	G.Services	Total	Exam	Education	Membership	G.Services	Total
Salaries, allowances, and other benefits	35,942,011	8,881,991	24,251,023	40,123,679	109,198,704	32,182,356	7,684,332	13,776,919	40,993,078	94,636,685
Examination charges	48,960,254	-	-	-	48,960,254	46,629,175	-	-	-	46,629,175
Depreciation	4,678,309	1,247,549	1,871,324	7,797,182	15,594,364	4,244,394	928,461	2,122,197	5,968,679	13,263,731
Traveling and related expenses	1,629,405	805,211	11,810,332	405,902	14,650,850	1,530,178	437,922	11,482,755	773,783	14,224,638
Publications	-	-	-	8,170,754	8,170,754	-	-	-	6,680,614	6,680,614
Utilities	3,854,439	1,027,850	1,541,776	6,424,065	12,848,130	3,144,904	687,948	1,572,452	4,422,521	9,827,824
Postage and telephone	2,243,731	598,328	897,492	3,739,552	7,479,104	2,093,689	457,995	1,046,845	2,944,251	6,542,779
Repairs and maintenance	3,424,095	913,092	1,369,638	5,706,826	11,413,651	3,060,424	669,468	1,530,212	4,303,722	9,563,826
Printing and stationery	2,009,320	904,998	767,856	2,775,741	6,457,915	1,884,200	667,119	692,055	2,634,641	5,878,015
Rent, rates and taxes	28,450	1,750	34,550	4,622,734	4,687,484	32,995	6,250	35,055	3,484,032	3,558,332
Advertisement and exhibitions	3,256	3,261,382	177,399	410,150	3,852,187	-	1,489,497	660,074	528,366	2,677,937
Fee to professional bodies	-	-	1,663,770	-	1,663,770	-	-	1,910,409	-	1,910,409
Legal and professional charges	36,375	325,000	3,231,862	392,704	3,985,941	36,375	-	891,000	20,000	947,375
Consultancy charges	-	-	-	121,067	121,067	-	-	-	68,000	68,000
Auditors' remuneration	49,558	13,216	19,823	82,597	165,194	58,264	12,745	29,132	81,934	182,075
Annual general meeting	-	-	-	145,396	145,396	-	-	-	172,441	172,441
Books and publications	61,267	13,799	90,088	258,748	423,902	29,937	7,609	40,700	265,578	343,824
Conveyance	26,640	8,085	3,330	157,335	195,390	5,560	4,390	3,020	140,881	153,851
Entertainment	508,247	107,606	256,298	1,293,415	2,165,566	316,954	46,655	189,579	1,032,157	1,585,345
Bank charges	1,839,338	348,822	748,599	81,747	3,018,506	778,660	146,215	304,894	62,680	1,292,448
Insurance	318,030	98,859	246,572	463,469	1,126,930	254,654	46,245	192,906	320,316	814,121
Vehicle maintenance and running cost	1,442,774	564,531	1,493,001	1,272,512	4,772,818	1,234,977	262,891	1,268,857	1,025,790	3,792,515
Amortization of intangible assets	71,569	19,085	28,628	119,282	238,564	114,111	24,962	57,055	160,468	356,596
Gold medals and award ceremony	1,814,245	-	-	-	1,814,245	1,684,260	-	-	-	1,684,260
Entrance tests conducting charges	61,350	-	-	-	61,350	59,100	-	-	-	59,100
Registered Accounting Education Tutor's appraisal cost	-	5,000	-	-	5,000	-	20,000	-	-	20,000
Training expenses	218,656	82,894	117,186	311,954	730,690	105,522	5,500	38,200	59,931	209,153
Golden Jubilee Celebrations	-	-	-	-	-	-	2,517,956	-	-	2,517,956
Financial assistance to students	-	3,916,800	-	-	3,916,800	-	3,950,545	-	-	3,950,545
Online Education & Research Facility (PERN 2)	486,396	129,706	194,558	810,660	1,621,320	496,554	108,621	248,277	698,279	1,551,732
Financial assistance to the members and families	-	-	6,314,700	-	6,314,700	-	-	4,915,200	-	4,915,200
Honoraria to article writer	-	-	-	241,000	241,000	-	-	-	67,000	67,000
Sports and recreation	41,111	10,963	16,444	68,518	137,036	39,977	8,745	19,988	56,218	124,928
Sundry expenses	635,625	169,500	254,250	1,059,375	2,118,749	862,364	188,642	431,182	1,212,700	2,694,888
Total expenditure	110,384,451	23,456,017	57,400,500	87,056,363	278,297,331	100,879,584	20,380,713	43,458,963	78,178,058	242,897,318

17 CORRESPONDING FIGURE

Corresponding information has been re-arranged and/or re-classified for the purpose of better presentation.

Statement of Comprehensive Income

From:	To:	Period ended March 31, 2012 (Rupees)	Quarter Ended March 31, 2012 (Rupees)
Rent, rates and taxes	Utilities	1,183,000	500,000

18 DATE OF AUTHORIZATION FOR ISSUE

The Council of the Institute authorized these condensed interim financial information for issue on May 07, 2013.

SECRETARY

PRESIDENT