

The Northern Regional Committee

Shaping Tomorrow



CA
PAKISTAN

Annual Report **2016**

MEMBERS OF THE NORTHERN REGIONAL COMMITTEE - ICAP (2013-17)



(From Left to Right): Mr. Kamran Iqbal Butt, Mr. Sajjad Hussain Gill, Mr. Rafqat Hussain
Mr. Asad Feroze (Chairman), Mr. Saifullah, Muhammad Ali Latif (Honorary Secretary)

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ABOUT THE NORTHERN REGIONAL COMMITTEE (NRC)

The Northern Regional Committee "The Committee" is formed under the Chartered Accountants Bye – Laws, 1983. The Committee is represented by six elected members: five members from Zone A and one member from Zone B. The Zone "A" of northern Region comprises of the Province of Punjab and Federal Capital Territory while the Zone "B" comprises of Khyber Pakhtunkhwa, Northern & Tribal Areas and Azad Kashmir.

The Committee is obliged to support the ICAP's Council in achieving its aims and objectives, to make representation to the Council in connection with matters of professional and business interest in the region, to organize seminars, workshops, symposia and conferences for Continuing Professional Development of the members in the region, to maintain libraries and reading rooms for the use of the members and students in the region and to arrange for regular meetings and get together of the members.

OUR MISSION

Our mission at NRC is to achieve excellence in facilitating continued professional development and learning; add value to personal competencies, professional growth and skills development; up-holding ethical conventions while recognizing the needs of professionals.

MANAGEMENT

The Regional Committee

Mr. Asad Feroze
Muhammad Ali Latif
Mr. Rafqat Hussain
Mr. Sajjad Hussain Gill
Mr. Kamran Iqbal Butt
Mr. Saifullah

Chairman
Honorary Secretary
Chairman CASA
Member
Member
Member

Auditor

Mr. Abdul Hameed Chaudhri

Bankers

MCB Bank Limited, Silk Bank Limited, UBL Bank.
Habib Metropolitan Bank, National Bank of Pakistan

ABOUT THE NORTHERN REGIONAL COMMITTEE (NRC)



Asad Feroze
Chairman



Muhammad Ali Latif
Honorary Secretary



Rafqat Hussain
(Chairman CASA)



Sajjad Hussain Gill
Member



Kamran Iqbal Butt
Member



Saifullah
Member

CPD COMMITTEES 2015-16

LAHORE

Muhammad Ali Latif, FCA (Chairman)	R. No. 4128
Faisal Ahmad Nisar, FCA	R. No. 2859
Faisal Iqbal Khawaja, FCA	R. No. 3374
Iftikhar Taj, FCA	R. No. 2236
Kamran Iqbal Butt, FCA	R. No. 2453
Laeq Ahmed Rana, FCA	R. No. 4487
Muhammad Daoud, FCA	R. No. 3499
Muhammad Mubashar Bashir, FCA	R. No. 3142
Mustafa Ahmed Khan, FCA	R. No. 3856
Shaukat Hussain, ACA	R. No. 7200
Waqas Mahboob Butt, FCA	R. No. 3396

FAISALABAD

Muhammad Zeeshan Abid, FCA (Chairman)	R. No. 3909
Ahmed Jabbar, FCA	R. No. 3440
Ghulam Mudassar, FCA	R. No. 1881
Haroon Sulaman, ACA	R. No. 5178
Khan Mohammad, FCA	R. No. 2304
Masood ur Rehman FCA	R. No. 4007

ISLAMABAD/ RAWALPINDI

Rafqat Hussain, FCA (Chairman)	R. No. 5536
Agha Mujeeb Ahmed Khan, FCA	R. No. 1495
Ahmed Ali Latif, ACA	R. No. 6528
Asad Azam, FCA	R. No. 2636
Jahanzeb Amin, FCA	R. No. 3437
Masoom Akhtar, FCA	R. No. 1954
Sajjad Hussain Gill, FCA	R. No. 3119
Sara Ansari, ACA	R. No. 6275
Sharif Ud Din Khilji, FCA	R. No. 5007
Shibli Islam Rujeeb Ahmed Khan, FCA	R. No. 3202

MULTAN

Mohammad Younas Ghazi, FCA (Chairman)	R. No. 1213
Abdul Sattar, FCA	R. No. 1879
Javed Anjum, FCA	R. No. 3278
Mohammad Amin Pal, FCA	R. No. 2330
Muhammad Waqas Khalid, ACA	R. No. 3194
Muhammad Zubair Mahmood, ACA	R. No. 5502

PESHAWAR

Zeeshan Ali, FCA (Chairman)	R. No. 3836
Abdus Salam Jan, FCA	R. No. 3266
Muhammad Ahmad Shahid, FCA	R. No. 1943
Saifullah, FCA	R. No. 4009
Shahid Iqbal, ACA	R. No. 4423

LIBRARY COMMITTEES 2015-16

LAHORE

Fazal Mahmood, FCA (Chairman)	R. No. 1424
Kamran Iqbal Butt, FCA	R. No. 2453
Muhammad Ahsan Shahzad, ACA	R. No. 5238
Muhammad Ali Latif, FCA	R. No. 4128
Rafqat Hussain, FCA	R. No. 5536
Salah-ud-Din, FCA	R. No. 2597
Sohail Ahmed Nisar, FCA	R. No. 2992

ISLAMABAD/ RAWALPINDI

Salman Amin, FCA (Chairman)	R. No. 3928
Sajjad Hussain Gill, FCA	R. No. 3119
Shibli Islam Rehan, FCA	R. No. 1495
Malik Mirza, ACA	R. No. 3920
Masood Pervaiz, ACA	R. No. 4212
Muhammad Umar Zuberi, ACA	R. No. 4556
Muhammad Uzair, ACA	R. No. 4122

PESHAWAR

Safdar Shabir Awan, ACA (Chairman)	R. No. 4746
Muhammad Asif Jamil, ACA	R. No. 5604

FAISALABAD

Suleman Zahid, FCA (Chairman)	R. No. 0463
Ahsan Rasheed, ACA	R. No. 6693
Kashif Saleem, ACA	R. No. 7859
Muhammad Zeeshan Abid, FCA	R. No. 3909
Rana Muhammad Ather, FCA	R. No. 2159

MULTAN

Muhammad Talib, FCA (Chairman)	R. No. 2657
Abdul Sattar, FCA	R. No. 1879
Ashiq Hussain, FCA	R. No. 2988
Kanwar Abid Ali, ACA	R. No. 7051
Muhammad Wasim Anwar, ACA	R. No. 5197

LIST OF DEMISED MEMBERS DURING THE YEAR

With great sorrow and grief, we share list of members demised during the year. At NRC-ICAP, we recognize the services of these members for updating values of our profession. May Allah almighty bless there souls.

S-NO.	R-NO.	NAME OF MEMBER	REGION
1	0167	JAVED ZAFAR	NORTH
2	0615	SYED AHMED MUSHIR ALI QADRI	NORTH
3	2257	MOHAMMED JUNAID	NORTH
4	2449	MAHMOOD HUSSAIN	NORTH
5	2976	MUHAMMAD AZAM SHEIKH	NORTH

YEAR AT A GLANCE

Gold Medal and Certificate Distribution Ceremony-ICAP North

One of the primary functions of the Northern Regional Committee of ICAP is Gold Medal and Certificate Distribution Ceremony. Which has a long rich tradition of creating worldwide professional leaders, such prestigious personal which have not only lead various organizations to reap massive benefits but also have changed the landscape of corporate entities all across the world. It is with great honor ICAP presents to the world the latest crop of qualified CA's which will most essentially contribute positively to the future of business across the globe.



In order to honor these newly qualified CA's that have achieved this prestigious qualification and title "Chartered Accountant", the Northern Regional Committee of ICAP has arranged a Gold Medal and Certificate Distribution Ceremony on Thursday, April 21, 2016 at Crystal Hall, Faletties hotel at 4:30 pm.



YEAR AT A GLANCE

Achieving Excellence – First ICAP Student Conference 2016 – Lahore

The Northern Regional Committee of The Institute of Chartered Accountants of Pakistan (ICAP) and CASA north created new tradition by organizing first ICAP Student Conference in the northern region. This historic conference was titled, “Achieving Excellence”. It was attended by more than 350 persons including 310 students of Chartered Accountancy profession, professionals from the fraternity of finance and business and council members of ICAP, Past Presidents of ICAP and Northern Regional Committee members. It was the first time that students from Lahore, Islamabad/ Rawalpindi, Peshawar, Faisalabad and Multan attended such an event.

Honorable President ICAP Hafiz Mohammad Yousaf, attended the inaugural session and intermingled with students. He appreciated the organizer's in holding this mega conference especially for ICAP students. Mr. Asad Feroze, emphasized that the ICAP Student Conference is a strong platform where trainee students of Chartered Accountancy profession and professionals in business and industry meet to explore, confront and thrash out solutions to meet the challenges and issues that being faced by the entrepreneurs in recent times.

Mr. Ali Latif Secretary NRC ICAP discussed the emerging role of Chartered Accountants as value integrators at large, expanding their influence beyond financial decisions to broader strategic choices about their business around the globe.

Ms. Nabiha Shahnawaz, CEO LUMS emphasized on the way forward that must be taken into accounts by the CA professionals in order to fulfilling the role of a strategic partner to the CEOs.

Mr. Laique Khalique, Former EVP MCB Bank and working in Knightsbridge Group gave his thoughts on excellence of CAs in banking industry.



YEAR AT A GLANCE

Mr. Shaukat Amin Shah, Past President ICAP shared his thoughts on factors must be followed by the CA students to be successful in professional life.

Mr. Saad Qureshi, PEPSICO very effectively moderated the highly interactive panel discussion on the topic of “Opportunities for Finance Professionals”. The panelists included Mr. Rashid Ibrahim Council Member and partner A.F. Ferguson & Co., Mr. Mustafa Ahmed Khan CFO ATV/ APlus, Mr. Kamran Iqbal Butt NRC Member and Partner KPMG Taseer Hadi & Co, Mr. Sajjad Iftikhar, CFO Packages and Khurram Zafar Director LUMS center for entrepreneurs.

Mr. Iftikhar Taj Mian, CFO United Snacks Limited spoke on thinking beyond CA qualification and share insight of work life triangle that necessitate for young CA students in order to excel in life.

Mr. Farooq Wasi, EVP MCB spoke on leading through innovation and shed light on importance of innovation for the professionals. The event concluded with group photographs of students with guests, speakers and panelists. All students were handed over goodie bags as memento at the end of the event.

Mr. Rafqat Hussain (Chairman CASA-N) gave closing remarks and thanked all speakers/panelists and students.



YEAR AT A GLANCE

MEMBERS TAPE BALL CRICKET TOURNAMENT 2016

The Northern Regional Committee of ICAP arranged “Member's Tape Ball Cricket Tournament 2016” on Sunday, February 28, 2016 at Royal Palm Golf & Country Club Lahore from 10:00 am to 4.00 pm. Five Teams participated in the tournament which proved to be very colorful, competitive and memorable extracurricular activity.

Over 200 guests, qualified members and their families turned to watch the matches including Past President ICAP & other Council Members. The Tigers team won the tournament in a very tough competition with the runner up team Qalanders.

Ball points (CROSS) were given to the winning and runner up teams. All of the participants and the guests highly appreciated the arrangement for the tournament and appreciated the efforts of all the office bearers of CASA (N).

To entertain families & children, separate cricket match was also arranged. This enjoyed the members & their families. Bats and balls were given as a token of appreciation and remembrance to participants of kids teams.

Chief guest in his concluding remarks appreciated the NRC Chairman & Secretary for holding such a successful event, congratulated the winning team and stressed that such type of extracurricular activities should be conducted on regular bases. He also appreciated the sportsman spirit of all members who participated in the tournament in a much disciplined way.



YEAR AT A GLANCE

Family Get-togethers

In line with objective of organizing social events for ICAP members and their families, the Northern Regional Committee with joint efforts of CPD Committees of North **Lahore, Islamabad, Gujranwala, Peshawar, Faisalabad** organized get-togethers at individual cities for the first time. These events included lunch/Brunch tea, Children fun-activities, Puppet show, Face Painting, Music, Magic Show, Cartoon characters & other fun activities. More than 800 participants including ICAP members and their families participated in these events. Lucky draws were also held for members.

Mr. Asad Feroze, Chairman NRC and Mr. Ali Latif welcome the members and their families. The events start with children games. The day was filled with activities for both members and their children.

Mr. Hafiz Mohammad Yousaf , then President of ICAP was the chief guest at all events.



YEAR AT A GLANCE

Workshop on “Taxation”

Workshop on “Taxation” was organized on August 15, 2015 at 9.00 am at ICAP House Thokar Niaz Baig Lahore.

Taxation surely is a reality which has to be faced. Our dilemma is that not only we have to face it individually but we get the responsibility to interpret and practically apply it as part of our scope of work.

This years' budget has brought changes in various taxation statutes including Income Tax Ordinance 2001, Sales Tax Act 1990, Punjab Sales Tax on Services Act 2012, Sindh Sales Tax on Services Act 2011, KPK Sales Tax on Services Act 2013 and introduced Islamabad Capital Territory (Tax on Services) ordinance 2001 etc.

Keeping in mind the above CPD Committee Lahore of Northern Regional Committee of ICAP held a full day workshop with four sessions which covered important matters in these statutes and case laws for benefit of our members.

The presenter on Direct Taxes was Mr. Zeeshan Ijaz, FCA partner KPMG Taseer Hadi & Co. The Presenter on Sales Tax Act on Services was Mr. Shoaib Ahmed Waseem, FCA Partner Junaidy Shoaib Asad Chartered Accountants. The presenter on Indirect Taxes (Federal) was Mr. Amer Younis Senior Manager EY Ford Rhodes Sidat Hyder & Co Chartered Accountants. The presenter on Case Laws on Taxation was Mr. Shahbaz Butt, Senior Advocate Supreme Court Of Pakistan.



Workshop on “Time Management”

Workshop on “Time Management” was organized on Friday, 11th December, 2015 at ICAP House Lahore.

Mr. Shaukat Amin Shah, FCA (Past President-ICAP) was the speaker. He communicated the techniques which are widely deployed by experts in the field to help people improve their efficiency in daily lives. He also gave a detailed presentation covering multiple tools for time Management which will help busy professionals to learn and share their experiences about effective time management, thus enabling them to create work life balance.



YEAR AT A GLANCE

Seminar on “Changes in Auditors Report – A Fundamental Shift”

The CPD Committee Lahore of NRC of ICAP in collaboration with Auditing Standard Committee-ICAP organized a Seminar on “Changes in Auditors Report – A Fundamental Shift” on Friday, January 15, 2016 at ICAP House, Lahore.

The speaker of the session was Muhammad Nasir Muneer, FCA Gold medalist in the subject of advanced auditing in professional examinations of ICAP.

The Session Chairman was Mr. Hafiz Muhammad Yousaf, President ICAP.

The Panelists of the session were Mr. Aftab Ahmad Khan (member of the Boards Audit Committee, IT Committee and Write-off & Waiver Committee),

Mr. Fazal Mahmood, FCA (Past Vice President North),

Mr. Kamran Iqbal Yousafi, FCA (Member Auditing Standards Committee-ICAP),

Mr. Zulfikar Manoo, (Chairman of the Board's Audit Committee (Unilever Pakistan Foods Ltd)),

Mr. Farrukh Rehman, FCA (Chairman Auditing Standards Committee-ICAP),

An audit report is considered to be a key deliverable of an independent audit of financial statements of any organization. The International Auditing & Assurance Standards Board (IAASB) considers enhancement of auditors report as pivotal in the enhancement of reliance of financial statements and increase in the confidence on audit process. In this regard, new auditing standards have been issued in January 2015 which is effective for financial statements ending on or after December 15, 2016. The implementation of these standards is destined to change audit practice globally. In Pakistan ICAP in close liaison with SECP is developing a legal framework for implementation of new auditing standards.

The objective of this seminar was to provide the key improvement and legal framework for implementation of new auditing standards & the requirements for new and revised auditing report, applications in UK, USA & other countries and implementation issues/ challenges in Pakistan to chartered Accountants in practice or in industry, members of board of directors and members of audit Committee.



YEAR AT A GLANCE

Seminar on “Investor Education”

The Northern Regional Committee (NRC) of the Institute of Chartered Accountants of Pakistan (ICAP) in collaboration with SECP organized a Seminar on “Investor Education” Tuesday, December 29, 2015 at ICAP House Lahore.

The speaker was Mr. Murtaza Abbas (supervision and regulation of Capital Markets and Non- Banking Financial Institutions). He communicated the techniques which are widely deployed by experts in the field to help people improve their efficiency for their investments. He also gave a detailed presentation covering multiple tools for Investor Education.



Workshop on “Ascend to Financial Modeling”

The two day workshop on “Ascend to Financial Modeling” was organized on Saturday, February 27th, 2016 & Saturday, March 5th, 2016 at ICAP House Lahore.

The workshop was attended by 100 plus participants comprising of both members and non-members.

The Trainer was Ms. Aisha Javed. She gave a detailed presentation covering multiple tools for Financial Modeling which will help to equip the members with the ability to design Financial Calculators and Financial Models and the members got more power out of the worksheets and become capable to dramatically shorten their task time with automation, which increased their efficiency and decision making.



Seminar on “Success in Professional Life”

The CPD Committee, Multan of Institute of Chartered Accountants of Pakistan organized a seminar on “Success in Professional Life” held on Friday, November 14, 2016 at ICAP Multan Office. The seminar was aimed to create awareness and understanding amongst the corporate sector and business community about the topic Success in their Professional Life. No matter which industry you work in, you must have aspirations of professional success. Mr. Shaukat Amin Shah, FCA (past president–ICAP) was the speaker of this session. He also shared his personal and professional experience before the audience.



YEAR AT A GLANCE

Seminar on “changes In Auditors Report – A Fundamental Shift”

The CPD committee Faisalabad has organized a seminar on Wednesday April 20, 2016 at ICAP office Faisalabad. The topic of the CPD seminar was CHANGES IN AUDITORS REPORT – A FUNDAMENTAL SHIFT. Rana Muhammad Usman Khan, FCA was Speaker of the seminar. Mr. Liaqat Ali Panwar, FCA, Mr. Khan Mohammad, FCA and Mr. Qaiser Ahmed, FCA were present as panelists. Mr. Junaid Subhani, FCA was moderator. More than 50 participants including ICAP Honorable members/students and other professionals participated this CPD activity.

Seminar started with Recitation of the Holy Quran. Muhammad Zeeshan Abid, FCA, Chairman CPD committee Faisalabad, introduced the speakers of the seminar. Rana Muhammad Usman Khan, FCA superbly delivered the presentations and kept energetic the participants of the seminar.

Takaful – An Islamic Alternative to Conventional Insurance

The CPD Committee Peshawar in collaboration with Centre for Excellence in Islamic Finance (CEIF), arranged a Seminar on “Takaful – An Islamic alternative to Conventional Insurance” on Monday, 30th May 2016. The CEIF is a Research & Training institute established by State Bank of Pakistan for the promotion of Islamic Finance.

The speaker of the Seminar, Mr. Adnan Malik, PGD in Islamic Banking and Takaful (Pak) briefed the participants about the need of Insurance with real life examples. According to the speaker, Insurance is a widely accepted tool for reducing the financial impact of unforeseen events which result in life and/or monetary loss. It brings several benefits for individuals as well as for a country's economy. Through research and discussions, experts have developed the system of “Takaful” which provides almost all of the required coverage within Shariah ambit. The overall session was very interactive and the speaker replied to the queries regarding Takaful.

Workshop on “MS Power Point”

The Northern Regional Committee – ICAP organized a full day workshop on “MS Power Point” on Saturday, April 16, 2016 of eight credit hours, at ICAP House Lahore.

The Trainer of the workshop was Ms. Aisha Javed. This training equipped our members with the ability to design impact ful presentations and slide show videos and the members got more power out of the slides and become capable to dramatically shorten their task time with smart techniques and increased the overall feel of their presentation. In short, it was simply “WOW” the Audience with almost 50% less effort.



YEAR AT A GLANCE

Icap post budget Discussion 2016.

ICAP post budget Discussion 2016 Lahore held on June 7, 2016 at Royal Palm Golf & Country Club Lahore in an effort to create awareness amongst the fraternity members about changes brought in this budget 2016. Budget making is a very important process in Pakistan every year when budget is announced certain expectation are attached to it. Each budget dose have some good initiatives and then there are certain areas on which critics can be wait on regarding rational of various fiscal measures that are introduced on which should have been introduced.

The Speaker on direct taxes was Mr. Shaukat Amin Shah, FCA Past President ICAP. The Speaker on indirect taxes was Mr. Asim Zulifqar Ali, FCA Partner A.F Ferguson & Co. And Dr. Salman Shah, Leading economist (former minister of finance /Economic affair). The Panelists were Mr. Imran Afzal, FCA past president of ICAP and Deputy Managing Partner Grant Thornton Anjum Rahman Chartered Accountants and Mr. Faisal Iqbal Khawaja, FCA Managing partner Parker Randall AJS Lahore.

The Moderator of the session was Mr. Ali Latif, FCA Secretary NRC and Chairman CPD Committee Lahore.

Further more, ICAP Post Budget seminars were also held in Islamabad, Faisalabad and Multan.

These were addressed by honorable advisor to the Prime Minister Mr. Haroom Akhter Khan, Chairman Inland Revenue Appellate Tribunal, Chief Commissioner and Commissioners Inland Revenue FBR, and prominent Chartered Accountants.



CLASSIFICATION OF MEMBERS IN NORTHERN REGION

JUNE 30, 2016

CATEGORY	ACA	FCA	TOTAL
BANKS	59	33	92
COMMERCE AND INDUSTRY	71	41	112
FERTILIZER / AGRICULTURE	27	19	46
HEALTHCARE	17	6	23
TECHNOLOGY AND COMMUNICATION	11	11	22
EMPLOYED IN PRACTICE	234	18	252
TRADING	2		2
RETAIL / STORES / SUPERMARKETS		1	1
WITHOUT SECTOR	124	58	182
GOVERNMENT	19	11	30
CHEMICALS / PAINTS	10	8	18
EDUCATION	43	18	61
GLASS AND CERAMICS	7	2	9
NGOs / SOCIAL SERVICES	23	13	36
POWER GENERATION AND DISTRIBUTION	19	17	36
PHARMACEUTICALS	5	6	11
LEASING	1		1
CORPORATION	1	1	2
INVESTMENT / ADVISORY / MANAGEMENT COMPANY	11	1	12
REAL ESTATE	7	3	10
PUBLISHERS		1	1
AVIATION	1	1	2
TELECOMMUNICATION	72	27	99
FASHION AND APPARELS	2	1	3
CATERING		1	1
FOOD, BEVERAGES AND RESTAURANTS	34	19	53
PETROLEUM	4	2	6
ENGINEERING	10	13	23
CEMENT / CERAMICS	15	8	23
PUBLIC PRACTICE	115	6	121
LEATHER AND TANNERIES	1	1	2
MEDIA / ENTERTAINMENT / EVENT MANAGEMENT	2	1	3
SUGAR AND ALLIED	5	10	15
HOTEL, TRAVEL AND TOURISM	5	2	7
INFORMATION TECHNOLOGY	13	5	18

CLASSIFICATION OF MEMBERS IN NORTHERN REGION

CABLE AND ELECTRICAL GOODS	3	3	6
FINANCIAL / MANAGEMENT CONSULTING	9	5	14
FUND MANAGERS		2	2
TOBACCO	3	1	4
ENERGY & POWER	8	5	13
OIL AND GAS	32	37	69
TRANSPORT / LOGISTICS / COURIER SERVICES	4	5	9
NON BANKING FINANCE COMPANY	1	2	3
ELECTRONICS	7	1	8
CAPITAL MARKET	1		1
PACKAGING	9	2	11
AGENCY / AUTHORITY/ ASSOCIATION	4	3	7
SPORTS	3	1	4
CONSUMER GOODS	12	9	21
CONSTRUCTIONS	20	8	28
FUNDING & INVESTMENTS	1		1
PROFESSIONAL SERVICE PROVIDERS	1		1
AUTOMOTIVE	13	3	16
TEXTILE	76	30	106
FINANCIAL / MANAGEMENT CONSULTANCY		7	7
INSURANCE	8	2	10
ASSET MANAGEMENT		1	1
HOSPITAL	6	1	7
DISTRIBUTION & GENERATION BUSINESS	3		3
PARTNERSHIP	35	224	259
SOLE PROPRIETER	56	151	207
WITHOUT SECTOR	188	78	266
SENIOR MEMBER	6	72	78
SUB TOTAL	1479	1018	2497
OVERSEAS NON-PRACTICING	271	234	505
OVERSEAS PRACTICING	2	5	7
OVERSEAS SENIOR MEMBERS	2	11	13
SUB TOTAL	275	250	552
TOTAL	1754	1268	3022

NOTICE OF THE ANNUAL GENERAL MEETING

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN NORTHERN REGIONAL COMMITTEE

NOTICE OF ANNUAL GENERAL MEETING

The 55th Annual General Meeting of the Members of the Northern Region of the Institute of Chartered Accountants of Pakistan will be held on Saturday, December 17, 2016 at 12:00 pm at ICAP Multan Office, 3rd Floor, Park Lane Tower, Officers Colony, Near Eid Gah Chowk, Khanewal Road, Multan.

AGENDA

The proceedings of the meeting will commence with the recitation from the Holy Quran and will have the following agenda:

1. Confirmation of the minutes of the 54th Annual General Meeting held on October 16, 2015.
2. Consideration and adoption of the Northern Regional Committee's report and financial statements together with the auditor's report thereon for the year ended June 30, 2016.
3. Any other business with the permission of the Chair.



M. Ali Latif - (FCA)
Honorary Secretary

Lahore : December 02, 2016.



THE NORTHERN REGIONAL COMMITTEE REPORT TO THE MEMBER'S OF NORTHERN REGION

THE NORTHERN REGIONAL COMMITTEE'S REPORT TO THE MEMBERS OF NORTHERN REGION

I am pleased to report to my fraternity that this has been an exceptional year for improvements in Continuous Professional Development (CPD) program being organized by NRC viz-a-viz strengthening of E-Learning, initiation of webinars by foreign accredited speakers, initiation of online CPD portal and a total of 222 hours of CPD was offered to membership in North. Furthermore, another hall mark of this year was holding of family get togethers in all stations in North and also holding of first ever cricket tournament for members. NRC also facilitated in meetings with Chairman and Commissioners of Punjab Revenue Authority and as a result a notification of reduced rate of Sales Tax on Services of Chartered Accountants was also issued.

Chartered Accountants (CA) are playing an important and influential role as not only by being the backbone of organizations in Finance and Accounting divisions but also as business advisors, strategists and forefront administrators. Today, CA's hold influential positions around the world as business leaders, decision-makers and trusted advisers, from the largest Corporations to listed companies and then to the most influential Governmental organizations. In a rapidly changing environment with stiff competition, the NRC provides a platform to the ICAP members in shape of CPD so as to enable them to keep abreast of these changes, broaden their skills and be more effective in their professional work and can add the value addition to the corporate arena around the world as the CAs in any organizations are responsible for shaping the business success.

CPD ACTIVITIES

The core responsibility of the Northern Regional Committee (NRC) is to conduct trainings in the form of Continuous Professional Development (CPD) for the ICAP members for betterment of their knowledge and skills. CPD is a commitment by the members to continually update their skills and knowledge in order to remain professionally competent and achieve their true potential, combining unrivaled knowledge, skill and commitment, which empowers them to enable businesses, organizations, individuals and communities to achieve their financial and strategic goals with rigor, integrity and vision.

WEBINARS & E - LEARNING

E-Learning is a very important initiative to credit of this Northern Regional Committee. Various CPD events were held during the year but countless problems and inconveniences such as long traveling, car parking hassle, traffic issues at peak times, time constraint etc., were being faced by our members in completion of their CPD hours. Keeping in mind the same, the Northern Regional Committee (NRC) initiated a new E-Learning platform, which enables ICAP members to directly log on to the event from their convenient place without the hassle of traveling to a specific location, just by using a computer and an internet connection. The E-Learning facilitates hassle free learning and has a potential of becoming a popular source of continuing professional development. This was all possible due to the support of all NRC Members along with special efforts of our Regional Committee Member and our Honorary Secretary - M. Ali Latif (FCA). NRC also provided on-line CPD platform to our overseas members as well. This year most of the E - CPD activities new initiative of holding live webinars delivered by foreign speakers of accredited universities. This year topics included, "Transforming your ability to benefit from globalization", "Enterprise valuation for mergers and acquisitions", "How to deal with emotional intelligence", "IFRS 16 Leases", "Overcoming our biases against effective team work" etc.

ONLINE CPD PORTAL

NRC has initiated a new online CPD portal which would give an excellent opportunity to members for obtaining Continuous Professional Development (CPD) at their own convenience and flexibility of timings. Key feature of this portal is that members can obtain CPD hours by watching online CPD activities which were already held by NRC. In future, NRC plans to hold live CPD activities through this portal. I would like to appreciate the hard work and efforts of M. Ali Latif (Honorary Secretary) in putting forward this idea and its execution. This would enable members a new and an effective way of getting CPD at reduced costs.

THE NORTHERN REGIONAL COMMITTEE'S REPORT TO THE MEMBERS OF NORTHERN REGION

PHYSICAL CPD ACTIVITIES

Various CPD activities were held in stations of Lahore, Islamabad, Peshawar, Faisalabad and Multan. Again this year in NRC a foreign accomplished trainer was invited by NRC to conduct one day workshop on Financial Instruments in Lahore & Islamabad. Various out of box themes were introduced this year including "Seminar on Work Life Balance", "Seminar on Time Management", "Workshop on financial modeling", "IFRS for Small and medium sized entities", "full day workshop on excel and power point", "Seminar on changes in auditors' report - a fundamental shift", "Draft Companies Bill 2016", "Pre Budget Seminar" was held in Islamabad to show case ICAP's Budget Proposals. Post Budget Sessions were held in all stations and members in huge numbers attended these useful sessions. High profile guests including Advisor to Prime Minister on Finance Mr. Haroon Akhtar Khan, Former Finance Minister Dr. Salman Shah, Chairman Inland Revenue Appellate Tribunal, Chief Commissioners & Commissioners of Federal Board of Revenue (FBR) attended these sessions as guest of honour. We made sure that members had abundant CPD opportunities to gain useful knowledge and update them as well. Free of cost CPD events on QCR Framework, SECP awareness events were also held for members during the year.

CA GOLD MEDAL CEREMONY 2016

Keeping alive the tradition of honoring its most illustrious and bright students, the Northern Regional Committee has successfully organized the Gold Medal and Certificate Distribution Ceremony of ICAP which was attended by more than 700 people. Honourable Chief Justice Lahore High Court Lahore Justice Ijaz UI Ahsan was the chief guest. Madam Uzma Adil (Chairperson OGRA now) was the key note speaker. President ICAP Hafiz Muhammad Yousaf along with Council members and Past Presidents distributed certificates to qualified chartered accountants. This event was covered extensively by media as well.

RECREATIONAL ACTIVITIES

The NRC is also making effort in providing advanced socialization opportunities to the members and their families in shape of family get together and entertainment. The Northern Regional Committee (NRC) organized a members' family get together for first time covering all major stations including Lahore, Islamabad, Peshawar, Faisalabad, Gujranwala and Peshawar. in North for the first time ever. Family get togethers in Faisalabad and Gujranwala were held for first time and these events were also attended by President ICAP, Council members and Regional Committee Members. These events included exciting and engaging activities for members' children i.e. Magic Show, Puppet Show, Face painting, Cartoon Characters, Jumping Castle, Musical Chairs, Quiz competition, live music etc. The events had sumptuous buffet lunch, delightful socializing and networking opportunities for members & their families. The members and their families actively participated and appreciated the efforts of NRC for organizing such events.

FIRST OVER CRICKET TOURNAMENT OF MEMBERS

This year NRC also organised a first of its kind members' cricket tournament at Lahore. Members were provided with meals and coloured kits especially designed for this event. Members' children were also provided with meals and coloured kits for this special event. Members in large number participated in this tournament. Total of five teams participated in this tournament. The team Tigers captained by M. Ali Latif was crowned champions. Mr. Naeem Akhtar Sheikh Past President ICAP and Council member was the Chief Guest on this occasion.

MENTORING PROGRAM

The "ICAP Members (North) Mentoring Scheme" has been launched which connects young / newly qualified members who want to be "Mentee" with our senior members who want to be "Mentors". This will not only provide valuable experience for the mentee but will also be a rewarding experience for the mentor. A good mentoring relationship will be mutually beneficial and will have a positive impact on your career. The duration and frequency of meetings will be agreed between the mentor and mentee, however, it needs to be recognized that as the mentor's time and energy is precious so it needs to be used wisely.

THE NORTHERN REGIONAL COMMITTEE'S REPORT TO THE MEMBERS OF NORTHERN REGION

This program is especially designed for our Industry Members as it will help them for their next finance role in the same organization or the next career move to another organization. ICAP Members (North) who have been designated as mentors will help and coach you. Our Practicing Members will also greatly benefit from this program as it will provide them with the platform to discuss various technical issues and other matters affecting the profession. It will also be an excellent program for those members who are planning to start their own practicing firm and through this program they will gain valuable advice from the stalwarts of our profession.

MOU

NRC also entered into MOU with Gymboree (a learning activity for kids) and a discount of 30% on registration and 25% on holding of events for members. Further MOU's with clubs and other organisations are also in the pipeline and we are actively pursuing them for benefit of the membership.

LIBRARIES

Gaining Access to information and knowledge are fundamental for education and development necessary requirement for improving the quality of life for people living in regions. Libraries play rich role in the educational and research process.

The Committee manages and operates libraries in various cities of the country in order to satisfy the needs of the members and the students in the academic area. NRC played a leading role in providing books to all libraries in North. During the year, efforts were made to ensure all books at all libraries are updated. Rules for usage of libraries (Lahore, Islamabad, Faisalabad, Multan, Peshawar, Gujranwala and Mirpur) were developed and enforced at respective locations. Special emphasis was given to maintenance of discipline in libraries. Moreover, instructions were passed for cleanliness and up keep of libraries. A student conference has also been planned to be held for ICAP students in next year.

CHARTERED ACCOUNTANTS STUDENT ASSOCIATION – NORTH (CASA)

Moreover, the Committee also promotes professional nurturing growth of CA students. CASA-N organized CASA Cricket Tournament this year; an overwhelming response and positive feedback were received. Fourteen teams from various firms participated in this activity and number of students from different firms visited and appreciated the event. Several seminars including open forum were conducted by CASA North throughout the year, which greatly benefitted everyone particularly the students. A full day ICAP Students' Conference for all students of North was also planned later in the year at Lahore.

FINANCE AND ACCOUNTS

The financial statements depict a deficit of Rs. (532,010) for the current year. During the year, Rs. (5,166,525) was collected from members for the purpose of conducting workshops, discussion forums, seminars etc. The reason for loss is giving subsidy to members and charging less than costs in organization of CPD events for members and family get together and cricket tournament for members. The introduction of webinars and involvement of foreign speakers have also contributed to more deficits in current year.

CA TOASTMASTERS ISLAMABAD

I would like to mention that NRC played an important role in setting up toastmasters club at Islamabad. Mr. Sajjad Hussain Gill (NRC member) played a pivotal role in establishment of this club along with senior member in Rawalpindi/ Islamabad including Mr. Rashid Ibrahim (Council Member).

THE NORTHERN REGIONAL COMMITTEE'S REPORT TO THE MEMBERS' OF NORTHERN REGION

SAFA CONFERENCE LAHORE

NRC office bearers and Mr. Kamran Iqbal Butt were nominated as members of SAFA Conference Organizing Committee at Lahore. NRC members performed key functions in management of SAFA Conference at Lahore. NRC members also received foreign dignitaries coming from various SAARC countries from airport and Wagah Border.

CONDOLENCES

I would like to offer condolences to families of chartered accounts who left us during the year. Moreover, I would also like to offer condolences to Chartered Accountants who lost their loved ones during the year.

ACKNOWLEDGEMENT

I would like to express my sincere gratitude and thanks to all the members, in general and those who served on various committees, in particular, for their extended support, dedication and help in carrying out informative, attractive and diverse activities through the year. I would especially like to mention huge support and mentoring of President ICAP Hafiz Muhammad Yousaf in all NRC events. I am extremely thankful that he took time out from his busy schedule and attended many NRC events including family get togethers as Chief Guest and interacted with Members as well. I am thankful to all NRC members, M. Ali Latif, Mr. Kamran Iqbal Butt, Mr. Saifullah, Mr. Sajjad Hussain Gill and Mr. Rafiqat Hussain for making all out efforts during the year and making contributions to NRC affairs. Lastly, in this respect, CASA Management Committee as well as members and Chairs of CPD Committees at all stations North and Chairs of Library Committees of various cities merit to have my special thanks as well.

I would also like to show appreciation on the contributions made by all the guest speakers in CPD seminars/workshops and would look forward to having their participation in future events.

I take this opportunity to show my gratitude to the patronage of respected ICAP President, Vice Presidents (North & South), Council Members, Secretary/ COO ICAP, Past Presidents of ICAP, Heads of Departments and the Institute's staff for their valuable guidance and support for the smooth running of NRC affairs.

For and on behalf of the Committee

October 06, 2016
Lahore

Asad Feroze, FCA
Chairman

CPD EVENTS FROM 1st July 2015 to June 30, 2016

LAHORE

Sr. No	DATE	SEMINAR NAME	SPEAKER NAME	CREDIT HOURS	VENUE
1	July- 09 -2015	Discussion on Sales Tax on Chartered Accountants Punjab	Muhammad Maqbool, Naeem Akhtar Sheikh, Nazir Chaudhary	2	ICAP House Lahore
2	July-10-2015	Macro Economics Happening in Pakistan in light of Economic Theories	Mr. Ali Khizar	2.5	ICAP House Lahore
3	August-15-2015	Workshop on Taxation	Mr. Zeeshan Ijaz, Mr. Shoaib Ahmed Waseem, Mr. Amer Younis, Mr. Shahbaz butt	8	ICAP House Lahore
4	August-22-2015	Workshop on Financial Instruments	Mr. Mike Turner	8	ICAP House Lahore
5	August-28-2015	Seminar on Revised QCR Prog Frame Work & ISQC1	Mr. Shahid Hussain & Mr. Osman Hameed Chaudhri	3	ICAP House Lahore
6	September- 18-2015	Workshop on Auditing Standards	Muhammad Nasir Muneer	4	ICAP House Lahore
7	October-2-2015	Creating a Work-Life Balance	Mr. Max Babri	3	Royal Palm Club Lahore
8	December -11-2015	Manage your Time, Manage your Life, "Time Management"	Mr. Shaukat Amin Shah	2.5	ICAP House Lahore
9	December- 29-2015	Investor Education	Mr. Murtaza Abbas	3	ICAP House Lahore
10	January -15- 2016	Changes in Auditors Report-A Fundamental Shift	Hafiz Muhammad Yousaf, Muhammad Nasir Muneer, Mr. Aftab Ahmed Khan, Mr. Fazal Mehmood, Mr. Kamran Iqbal Yousafi, Mr. Zulfiqar Mannoo, Mr. Farrukh Rehman	3.5	ICAP House Lahore
11	February -27- 2016	Excel Financial Modeling (Phase I)	Ms. Aisha Javed	8	ICAP House Lahore
12	March -05- 2016	Excel Financial Modeling (Phase II)	Ms. Aisha Javed	8	ICAP House Lahore
13	April-16-2016	Workshop on "MS-Power Point"	Ms. Aisha Javed	8	ICAP House Lahore
14	April-19-2016	IFRS for Small & Medium sized Entities and Revised AFRS	Mohammad Maqbool	4	ICAP House Lahore
15	May - 6-2016	Seminar on Draft Companies Bill 2015	Mr. Jawed Hussain, Mr. Farrukh Rehman	3	ICAP House Lahore
16	May - 7-2016	Revision- (IAS& IFRS)	Mohammad Maqbool	8	ICAP House Lahore
17	May -10-2016	Consultative Session on Audit Oversight Board	Mr. Naeem Sheikh, Mr. Shabbar Zaidi, Mr. Asad Ali Shah	2	ICAP House Lahore
18	May- 29-16	Revision- (IAS& IFRS)	Mohammad Maqbool	8	ICAP House Lahore
19	June -08-2016	Post Budget Seminar Discussion 2016-Lahore	Mr. Asim Zulfiqar, Dr. Salman Shah, Mr. Imran Afzal, Mr. Shaukat Amin Shah, Mr. Faisal Iqbal Khawaja, Mr. M. Ali Latif	3.5	Royal Palm Club Lahore
Total				92	

CPD EVENTS FROM 1st July 2015 to June 30, 2016

ISLAMABAD

Sr. No	DATE	SEMINAR NAME	SPEAKER NAME	CREDIT HOURS	VENUE
1	Aug-21-2015	Financial Instrument	Mr. Mike Turner	8	At ICAP Islamabd
2	Oct-03-2015	Advance Excel	Ms. Aisha Javed	8	At ICAP Islamabd
3	Oct-17-2015	Advance Excel Round 2	Ms. Aisha Javed	8	At ICAP Islamabd
4	Oct-30-2015	Awareness Session for the Practicing Members	Mr. Shoaib Ahmed	3	At ICAP Islamabd
5	Oct-31-2015	Advance Excel Round 3	Ms. Aisha Javed	3	At ICAP Islamabd
6	Dec-03-2015	Code of Ethics - A key To Public Trust	Mr. Rana Muhammad Usman	3	At ICAP Islamabd
7	Dec-22-2015	Investor Education	Mr. Murtaza Abbas	3	At ICAP Islamabd
8	Jan-23-2016	Excel Financial Modeling (Part I)	Ms. Aisha Javed	8	At ICAP Islamabd
9	Feb-13-2016	Excel Financial Modeling (Part II)	Ms. Aisha Javed	8	At ICAP Islamabd
10	Mar-04-2016	Changes in Auditors Report	Mr. Masood Pervez	4	At ICAP Islamabd
11	Mar-16-2016	IFRS for Small & Medium sized Entities and Revised AFRS	Mr. Mohammad Maqbool	4	At ICAP Islamabd
12	Apr-29-2016	Pre Budget 2016	Mr. Habib Fakhurddin, Mr. Ejaz Hussain Rathore	3	At ICAP Islamabd
13	May-03-2016	Consultative Session on Audit Oversight Board	Mr. Naeem Sheikh, Mr. Rashid Ibrahim	4	At ICAP Islamabd
14	May-30-16	Draft Companies Bill 2015	Mr. Javed Hussain, Mr. Farrukh Rehman	3	At ICAP Islamabd
15	June-08-2016	Post Budget Seminar 2016-17	Mr. Asim , Mr. Shahid Sadiq, Haroon Akhtar Khan (Federal Minister), Mr. Abdullah Yousaf, Mr Sahabbar Zaidi	4	Islamabd Club
Total				74	

CPD EVENTS FROM 1st July 2015 to June 30, 2016

FAISALABAD

Sr. No	DATE	SEMINAR NAME	SPEAKER NAME	CREDIT HOURS	VENUE
1	December-3-2015	Corporate Taxation and Provincial Sales Tax (Punjab)	Mr. Irfan Ilyas, FCA	3	Faisalabad
2	March-11-2016	International Financial Reporting Standards for Small & Medium Sized Entities and Revised Accounting & Financial Reporting Standard for Small sized entities	Mohammad Maqbool, FCA	4	Faisalabad
3	April-20-2016	Changes in Auditors Report - A Fundamental Shift	Rana Muhammad Usman Khan, FCA	4	Faisalabad
4	June-10-2016	Post Budget Seminar 2016-17	Mr. Shaukat Amin Shan, FCA, Mr. Mirza Munawar Hussain, FCMA	4	Faisalabad
Total				15	

MULTAN

Sr. No	DATE	SEMINAR NAME	SPEAKER NAME	CREDIT HOURS	VENUE
1	July-10-2015	Discussion on Punjab Sales Tax Act of Services	Mr. M. Younis Ghazi, FCA	1	ICAP Multan
2	June-22-2016	Post Budget Seminar 2016-17	Mr. Shaukat Amin Shah, FCA Mr. M. Younis Ghazi, FCA	3	ICAP Multan
Total				4	

CPD EVENTS FROM 1st July 2015 to June 30, 2016

PESHAWAR

Sr. No	DATE	SEMINAR NAME	SPEAKER NAME	CREDIT HOURS	VENUE
1	July 28,2015	Discussion Session on: Imposition of Sales Tax on Services of Auditors & Accountants	Mr. Aamer Javad, FCA, M.A Shahid, FCA, Mr. Saifullah, FCA	2	At ICAP Peshawar
2	October 09,2015	Islamic Financing	Mr. Safdar Shabir Awan, FCA	3	At ICAP Peshawar
3	October 30, 2015	Awareness Session for the Practicing Members	Ms. Maheen Fatima, Director Corporate Supervision Department SECP Mr. Shoaib Ahmed Executive Director, Legal & Membership Mr. Shahid Hussain Director Quality Assurance Mr. Irfan Azam Deputy Director Legal & Membership, Mr. Asad Feroze (Chairman NRC)	2.5	VC Session
4	December 17, 2015	Joint Seminar IFC World Bank Group- SMEDA & KPCCI	Mr. Javad, (SECP)	3	KPCCI
5	February 08, 2016	Draft Companies Bill	Mr. Jawed Hussain Executive Director SECP	3	At ICAP Peshawar
6	February 26, 2016	Investment Opportunities & Incentives in KPK	Mr. Shahid Iqbal Khattak, FCA	3	At ICAP Peshawar
7	March 14, 2016	Islamic Banking	Mr. Qazi Abdul Samad	4	At ICAP Peshawar
8	April 23, 2016	Strategic Visions	Mr. Shuja UI Mulk, FCA	8	At ICAP Peshawar
9	April 29, 2016	Pre-Budget 2016-17	Mr. Habib Fakhruddin, FCA Mr. Ejaz Hussain Rathore, FCA	3	VC
10	May 30, 2016	Takaful-An Islamic Alternative to Conventional Insurance	Mr. Adnan Malik	3	At ICAP Peshawar
11	June 06, 2016	Discussion Session on: Imposition of Sales Tax on Services of Auditors & Accountants	Mr. Aamer Javad, FCA, M.A Shahid, FCA, Mr. Saifullah, FCA	2	At ICAP Peshawar
12	June 16, 2016	Post-Budget 2016-17	Mr. Kashif Maqbool Sehgal, FCA	4	At ICAP Peshawar
Total				40.5	

CPD EVENTS FROM 1st July 2015 to June 30, 2016

WEBINAR

Sr. No	DATE	SEMINAR NAME	SPEAKER NAME	CREDIT HOURS	ONLINE
1	Aug 27,2015	Transforming your Ability to benefit from globalization	Mr. Waleed Hijazi	1.5	Live Webinar
2	Oct-06-2015	Interprise valuation for Mergers and Acquisitions	Mr. Michael J Ho	1.5	Live Webinar
3	Nov-13-2015	From Espoused to Practice: "Making Leadership Work"	Ms. Linda Chousis	2	Live Webinar
4	March-30-2016	How to Lead with Emotional Intellegence	Mr. Andy Smith	2	Live Webinar
5	April-15-2016	IFRS 16 Leases	Mian Ahmad Farhan	3	Live Webinar
6	June-23-2016	Overcoming our Biases Against Effective Teamwork	Dr. Eric Kaufman & Dr. Curt Friedel	2	Live Webinar
Total				12	



FINANCIAL STATEMENTS

A. HAMEED CHAUDHRI
F. C. A.
HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF NORTHERN REGION -
INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN**

P.O. BOX 386
H. M. HOUSE
7 - BANK SQUARE
LAHORE

I have audited the annexed financial statements of Northern Regional Committee - Institute of Chartered Accountants of Pakistan, which comprise the Statement of Financial Position as at June 30, 2016 and the Statement of Comprehensive Income and Statement of Cash flows 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 International Financial Reporting Standards. 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing as applicable in Pakistan. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditor's judgment, including the assessment of the risks of material misstatements 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 reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

A. HAMEED CHAUDHRI
F. C. A.
HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS

P.O. BOX 386
H. M. HOUSE
7 - BANK SQUARE
LAHORE

I believe that audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion the annexed financial statements give a true and fair view of the financial position of Northern Regional Committee - Institute of Chartered Accountants of Pakistan as at June 30, 2016, and of its financial performance and cash flows for the year than ended in accordance with International Financial Reporting Standards.



ABDUL HAMEED CHAUDHRI
CHARTERED ACCOUNTANT

Lahore
06 October 2016

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2016

	Note	2016 --- Rupees ---	2015
Assets			
Non-Current Assets			
Property, plant and equipment	6	962,127	1,008,430
Current Assets			
Investment - held to maturity	7	9,080,665	9,125,732
Due from the ICAP	8	-	1,571,501
Accrued profit & other receivables	9	552,245	383,827
Income tax refundable	10	-	227,710
Cash and bank balances	11	2,408,927	1,318,127
		<u>12,041,837</u>	<u>12,626,897</u>
Total Assets		<u>13,003,964</u>	<u>13,635,327</u>
Fund and Liabilities			
Fund account	12	11,194,679	11,726,689
Non-Current Liabilities			
Deferred capital grant:	13	454,232	452,702
Restricted grants	14	59,017	118,212
Grant received from ICAP for libraries up-gradation			
Current Liabilities			
Accrued expenses and other liabilities	15	727,754	959,049
Due to the ICAP		237,532	-
Advance membership fee		330,750	378,675
		<u>1,296,036</u>	<u>1,337,724</u>
Contingencies and Commitments	16		
Total Fund and Liabilities		<u>13,003,964</u>	<u>13,635,327</u>

The annexed notes form an integral part of these financial statements.



Honorary Chairman



Honorary Secretary

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 --- Rupees ---	2015
Income:			
Seminars and CPD activities		4,740,525	3,149,100
Share in membership fee		2,182,425	2,079,760
Deferred capital grant released	13	57,665	55,099
Profit on investment and saving accounts	17	545,080	851,956
NRC Family get together receipts	19	773,500	182,250
E-Learning seminar		426,000	35,500
Others		-	6,800
		<u>8,725,195</u>	<u>6,360,465</u>
Expenditure:			
Seminars and CPD activities	18	4,355,122	4,159,829
NRC Family get together expenditure	19	1,698,104	495,056
E-Learning seminar		554,000	118,971
Administrative and general expenses	20	2,649,979	1,927,867
		<u>9,257,205</u>	<u>6,701,723</u>
Deficit carried to fund account		<u>(532,010)</u>	<u>(341,258)</u>

The annexed notes form an integral part of these financial statements.



Honorary Chairman



Honorary Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2016

	2016	2015
	--- Rupees ---	
Cash flow from operating activities		
Deficit for the year	(532,010)	(341,258)
Adjustments for non-cash charges and other items:		
Depreciation	105,498	108,251
Deferred capital grant released	(57,665)	(55,099)
Profit on investment & saving accounts	(545,080)	(851,956)
Provision for doubtful recovery of income tax refundable	232,077	-
Deficit before working capital changes	(797,180)	(1,140,062)
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Due from ICAP	1,571,501	(1,463,996)
Other receivables	(163,820)	(243,380)
Increase / (decrease) in current liabilities:		
Accrued expenses and other liabilities	(240,895)	326,938
Due to the ICAP	237,532	
Advance membership fee	(47,925)	85,425
Cash generated from / (used in) operating activities	1,356,393	(1,295,013)
Income tax paid	559,213	(2,435,075)
Profit received on investment & saving accounts	(4,367)	(18,408)
Net cash generated from / (used in) operating activities	595,149	923,110
Cash outflows from investing activities	1,149,995	(1,530,373)
Addition to property, plant and equipment	(59,195)	(79,905)
Net cash outflows from investing activities	(59,195)	(79,905)
Net increase / (decrease) in cash and cash equivalents	1,090,800	(1,610,278)
Cash and cash equivalents - at beginning of the year	1,318,127	2,928,405
Cash and cash equivalents - at end of the year	2,408,927	1,318,127

The annexed notes form an integral part of these financial statements.



Honorary Chairman



Honorary Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

1 THE COMMITTEE AND ITS OPERATIONS

1.1 The Northern Regional Committee (the Committee) of the Institute of Chartered Accountants of Pakistan comprises of the Province of Punjab, including Federal Capital known as Zone A and Khyber Pakhtunkhwa, Gilgit - Baltistan, Tribal Areas and Azad Jammu and Kashmir, known as Zone B.

1.2 The Committee is engaged in performing duties and functions as specified in Bye-Law 90 of the Chartered Accountants Bye Laws, 1983.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as applicable in Pakistan and the requirements of the Chartered Accountants Ordinance, 1961 and the Chartered Accountants Bye-laws, 1983.

2.2 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistan Rupees, which is also the Committee's functional currency. All the financial information presented in Pak Rupee has been rounded-off to the nearest Rupee.

3 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards, interpretations and amendments to accounting standards that are effective and relevant

New and amended standards mandatory for the first time for the financial year beginning from July 1, 2015:

'IFRS 13 'Fair value measurement' aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The standard only affects the disclosures in the Committee's financial statements.

3.2 Standards, interpretations and amendments to accounting standards that are effective and not relevant

The other new standards, amendments to approved accounting standards and interpretations that are mandatory for the financial year beginning on July 1, 2015 are considered not to be relevant or to have any significant effect on the Committee's financial reporting.

3.3 Standards, interpretations and amendments to accounting standards that are not yet effective and have not been early adopted by the Committee

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2015 and have not been early adopted by the Committee:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

- (a) 'IFRS 9, 'Financial instruments' is applicable to accounting periods beginning on or after January 1, 2018. IASB has published the complete version of IFRS 9, 'Financial instruments' which replaces the guidance in IAS 39. This final version includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the incurred loss impairment model used today. The Committee has yet to assess the impact of these changes on its financial statements.
- (b) 'IFRS 15, 'Revenue from contracts with customers' is applicable to accounting periods beginning on or after January 1, 2018. The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entity will recognise transitional adjustments in retained earnings on the date of initial application, i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application. The Committee has yet to assess the impact of this standard on its financial statements.
- (c) Amendments to IAS 1, 'Presentation of financial statements' on the disclosure initiative are applicable to annual periods beginning on or after January 1, 2016, The amendments are made in the context of the IASB's Disclosure Initiative, which explores how financial statement disclosures can be improved. The amendments provide clarifications on a number of issues, including: Materiality – an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance. Notes – confirmation that the notes do not need to be presented in a particular order. Other comprehensive income (OCI) arising from investments accounted for under the equity method – the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. According to the transitional provisions, the disclosures in IAS 8 regarding the adoption of new standards / accounting policies are not required for these amendments. The amendments are not likely to have a material impact on the Committee's financial statements.
- (d) Amendments to IAS 7, 'Statement of cash flows' are applicable for annual periods beginning on or after January 1, 2017. The amendment requires disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. The amendments are not likely to have a material impact on the Committee's financial statements.

There are a number of other standards, amendments and interpretations to the published standards that are not yet effective and are also not relevant to the Committee and, therefore, have not been presented here.

4. BASIS OF MEASUREMENT

These financial statements have been prepared under historical cost convention.

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates / judgments and associated assumptions are based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects the both current and future periods. The areas where various assumptions and estimates are significant to the Committee's financial statements or where judgments were exercised in application of accounting policies are residual values and useful lives of depreciable assets.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set-out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

5.1 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged on reducing balance method at the rates specified in note no. 6. Depreciation on additions to assets is charged from the day in which an asset is acquired while no depreciation is charged for the day in which the asset is disposed-off.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The effect of any adjustment to residual values and useful lives is recognised prospectively as a change of accounting estimate.

Disposal of assets is recognised when significant risks and rewards incidental to the ownership have been transferred to buyers. Gains and losses on disposal are determined by comparing the proceeds with the carrying amounts and are recognised in the statement of comprehensive income.

Subsequent costs are included in the assets' carrying amount and recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Committee and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income as and when incurred.

5.2 FINANCIAL INSTRUMENTS

All the financial assets and financial liabilities are recognised at the time when the Committee becomes a party to the contractual provisions of the instrument. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to Statement of Comprehensive Income.

5.3 IMPAIRMENT

5.3.1 IMPAIRMENT OF FINANCIAL ASSETS

A financial asset is impaired when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of asset and that event has an impact on the estimated future cash flows of financial asset that can be reliably estimated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

5.3.2 IMPAIRMENT OF NON FINANCIAL ASSETS

The carrying amounts of non financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, and where the carrying value exceeds the estimated recoverable amount, assets are written down to the recoverable amount. The resulting impairment loss is taken to the statement of comprehensive income.

5.4 INVESTMENTS

Investments are classified as held to maturity, comprising of securities with fixed maturity which the Committee has the intent and ability to hold until maturity. Short term investments are recorded at cost.

5.5 LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

These are stated at their nominal values net of any allowance for uncollectable amounts (if any). Other receivables are recognised at nominal amount which is fair value of the consideration to be received in future.

5.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the Statement of Financial Position at cost. For the purposes of Statement of Cash Flows, cash and cash equivalent comprises of cash in hand, balance with banks and other short term highly liquid investments with original maturity of three months or less.

5.7 RESTRICTED FUND / CAPITAL GRANT RELATED TO ASSETS

Funds received directly as grants or received as contribution from the donors are classified as Restricted Funds. Restricted funds representing direct grants are classified as Grant funds. Expenses incurred out of Grant funds are reflected in the Statement of comprehensive income, with an equal amount being recognised as income and reflected as 'Grant utilised'.

Funds utilised for capital expenses are transferred to the deferred capital grant account, with an amount equal to the annual charge for depreciation on assets purchased being released from this account and recognised as income and reflected as 'Deferred capital grants released' in the Statement of comprehensive income.

5.8 CREDITORS, ACCRUED AND OTHER LIABILITIES

Liabilities for creditors and other liabilities are stated at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Committee.

5.9 PROVISIONS

Provisions are recognised when the committee has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

5.10 REVENUE RECOGNITION

Revenue is recognised to the extent that the economic benefits will flow to the Committee and revenue can be reliably measured. Revenue from different sources is recognised on the following basis:

- Income from subscription, fee from members and from coaching classes is accounted for on receipt basis.
- Fee/Subscription receipts relating to periods beyond the current financial year are shown as fee received in advance and are recognised as income in the year to which these relate.
- Profit on investments is accrued on the basis of effective yield of respective investment.
- Profit on savings accounts is recognised on accrual basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

6 PROPERTY, PLANT AND EQUIPMENT

	Furniture	Library Books	Office Equipment	Air Conditioners and electrical items	Total
----- Rupees -----					
As at July 1, 2014					
Cost	932,910	1,103,787	390,874	235,531	2,663,102
Accumulated depreciation	(720,441)	(534,740)	(222,698)	(148,447)	(1,626,326)
Net book value	212,469	569,047	168,176	87,084	1,036,776
Year ended June 30, 2015					
Opening net book value	212,469	569,047	168,176	87,084	1,036,776
Additions	-	79,905	-	-	79,905
Depreciation charge for the year	(21,250)	(61,474)	(16,816)	(8,711)	(108,251)
Closing net book value	191,219	587,478	151,360	78,373	1,008,430
As on July 1, 2015					
Cost	932,910	1,183,692	390,874	235,531	2,743,007
Accumulated depreciation	(741,691)	(596,214)	(239,514)	(157,158)	(1,734,577)
Net book value	191,219	587,478	151,360	78,373	1,008,430
Year ended June 30, 2016					
Opening net book value	191,219	587,478	151,360	78,373	1,008,430
Additions	-	59,195	-	-	59,195
Depreciation charge for the year	(19,122)	(63,403)	(15,136)	(7,837)	(105,498)
Closing net book value	172,097	583,270	136,224	70,536	962,127
As on June 30, 2016					
Cost	932,910	1,242,887	390,874	235,531	2,802,202
Accumulated depreciation	(760,813)	(659,617)	(254,650)	(164,995)	(1,840,075)
Net book value	172,097	583,270	136,224	70,536	962,127
Depreciation rate (%)	10	10	10	10	

7. INVESTMENT - HELD TO MATURITY

This represents investment made in Habib Islamic Investment Certificate with a maturity period of one year and carried effective profit at the rate of 4.59% to 6.48% per annum (2015: 7.50% per annum). This investment will mature on April 23, 2017.

8. DUE FROM ICAP

This represented receivable balance in respect of share of the Committee in members' subscription fee received by the Institute of Chartered Accountants of Pakistan (ICAP).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

9. ACCRUED PROFIT AND OTHER RECEIVABLES

Accrued profit on account of:

Saving accounts

Receivable from:

ICAP for seminar

Others

2016	2015
--- Rupees ---	
48,045	43,447
-	340,380
504,200	-
552,245	383,827

10. INCOME TAX REFUNDABLE

During the year the Committee has made provision amounting Rs. 232,077 against income tax refundable, as the Committee is of the view that the chances of recovery of this amount is bleak.

11. CASH AND BANK BALANCES

Cash-in-hand

Cash at banks:

Saving accounts

Current accounts

2016	2015
--- Rupees ---	
52,571	68,890
1,728,246	1,003,621
628,110	245,616
2,356,356	1,249,237
2,408,927	1,318,127

11.1 These carry mark-up at the rates ranging between 4% and 5% per annum (2015: 4.5% and 6% per annum).

12. FUND ACCOUNT

Opening balance

Adjustment: deficit for the year

2016	2015
--- Rupees ---	
11,726,689	12,067,947
(532,010)	(341,258)
11,194,679	11,726,689

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

	2016	2015
	--- Rupees ---	
13. DEFERRED CAPITAL GRANT		
Library books	643,683	584,488
UPS for Islamabad library	52,300	52,300
	<u>695,983</u>	<u>636,788</u>
Less: Deferred capital grant released as at June 30,		
Opening balance	184,086	128,987
Depreciation for the year:		
- on library books	53,385	50,344
- on UPS	4,280	4,755
Deferred capital grant released during the year	57,665	55,099
Closing balance	<u>241,751</u>	<u>184,086</u>
	<u>454,232</u>	<u>452,702</u>
14. GRANT RECEIVED FROM ICAP FOR LIBRARIES UP GRADATION		
Total grant received	755,000	755,000
Less: grant utilised as at June 30, - treated as deferred capital grant (note.13)	695,983	636,788
	<u>59,017</u>	<u>118,212</u>
15. ACCRUED EXPENSES AND OTHER LIABILITIES		
Audit fee	50,000	30,000
Payable to Chartered Accountant Students' Association North (CASA)	532,459	510,772
Honorarium of Mike Turner	-	406,800
Others	145,295	11,477
	<u>727,754</u>	<u>959,049</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

16. CONTINGENCIES AND COMMITMENTS

The Committee is not exposed to any contingencies and commitments.

17. PROFIT ON INVESTMENT & SAVING ACCOUNTS

Profit on investment

Profit on saving accounts

2016	2015
--- Rupees ---	
458,635	744,609
86,445	107,347
545,080	851,956

18. SEMINAR AND CPD EXPENSES

	Lahore	Islamabad	Faisalabad	Peshawar	Multan	Gujranwala	Total
	----- Rupees -----						
Refreshment	1,847,397	502,982	242,840	99,746	-	-	2,692,965
Speaker honorarium & shield	387,850	438,786	28,000	23,400	-	-	878,036
Printing, stationery & postage	153,099	41,420	3,965	2,190	-	-	200,674
Traveling and related expenses	138,269	30,350	11,000	1,270	-	-	180,889
Photography, video & multimedia	321,000	29,100	-	-	-	-	350,100
Hall rent	-	3,600	-	-	-	-	3,600
Others expenses	41,113	3,445	3,400	900	-	-	48,858
June 30, 2016	2,888,728	1,049,683	289,205	127,506	-	-	4,355,122
Refreshment	1,525,414	374,541	180,868	88,157	90,433	13,847	2,273,260
Speaker honorarium & shield	491,363	404,637	47,941	62,773	23,609	15,000	1,045,323
Printing, stationery & postage	282,110	8,065	8,340	8,658	2,370	720	310,263
Traveling and related expenses	220,937	21,164	17,669	15,157	5,183	-	280,110
Photography, video & multimedia	146,921	560	3,000	-	-	-	150,481
Hall rent	35,000	-	-	-	-	-	35,000
Others expenses	45,198	8,790	1,777	1,300	6,805	1,522	65,392
June 30, 2015	2,746,943	817,757	259,595	176,045	128,400	31,089	4,159,829

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

19. NRC FAMILY GET TOGETHER

Fee received from members
Less: expenditures incurred on events

--- Rupees ---	
773,500	182,250
1,698,104	495,056
(924,604)	(312,806)

19.1 NRC during the year arranged family get together of members at Peshawar, Lahore, Islamabad, Faisalabad and Gujranwala (2015: at Peshawar and Lahore).

20. ADMINISTRATIVE AND GENERAL EXPENSES

Salaries & allowances
Printing and stationery
Postage, telephone and telegram
Meeting expenses
Traveling and conveyance
Library expenses
Auditors' remuneration:
- statutory audit
- out-of-pocket expenses

Note	2016	2015
	--- Rupees ---	
20.1	1,332,136	1,216,631
	219,184	162,150
	-	39,129
	210,381	89,737
	424,075	229,480
	32,400	37,014
	50,000	25,000
	5,000	5,000
	55,000	30,000
	24,228	8,375
	15,000	7,100
	105,498	108,251
	232,077	-
	2,649,979	1,927,867

20.1 Salaries and allowances include Rs.45,312(2015: Rs.40,464) in respect of contribution to staff provident fund.

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial Risk Factors

The Committee's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Committee's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Committee's financial performance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency risk, interest rate risk and price risk.

a) Foreign currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. At the reporting date the Committee's activity does not exposes it to any type of such risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. At the reporting date, the Committee has invested in fixed rate financial instruments so it is not exposed to any interest rate risk.

c) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. At the reporting date the Committee's activity does not exposes it to any type of such risk.

21.2 Liquidity risk

The Committee maintains cash and cash equivalent balances to manage working capital requirements and therefore, it does not have significant liquidity risk. Cash flows are projected on monthly basis to closely monitor the liquidity need of the Committee and excess fund is then invested in line with the forecast requirements. The contractual maturities of financial liabilities are as follows:

Particulars	Carrying amount	Contractual cash flows	Less than one year
	----- Rupees -----		
June 30, 2016			
Accrued expenses and other liabilities	<u>727,754</u>	<u>727,754</u>	<u>727,754</u>
June 30, 2015			
Accrued expenses and other liabilities	<u>959,049</u>	<u>959,049</u>	<u>959,049</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

21.3 Credit Risk

Credit risk represents the risk of a loss if the counter party fails to discharge its obligation and cause the other party to incur a financial loss. The Committee attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the credit worthiness of counterparties.

Credit risk primarily arises from receivables, investment and balances with banks. Credit risk on bank balances is limited as the counter parties are banks with reasonably high credit ratings. The maximum exposure to credit risk as at June 30, 2016 along with comparative is tabulated below:

	2016	2015
	--- Rupees ---	
Investment	9,080,665	9,125,732
Due from ICAP	-	1,571,501
Accrued profit and other receivables	552,245	383,827
Bank balances	2,356,356	1,249,237
	<u>11,989,266</u>	<u>12,330,297</u>

21.4 Fair value of financial assets and liabilities

The carrying value of financial assets and liabilities reflected in the financial statements are approximate their fair values.

21.5 Financial Instruments by Category

June 30, 2016

Financial assets

Investment	9,080,665	-	-	9,080,665
Accrued profit and other receivables	-	552,245	-	552,245
Cash and bank balances	-	2,408,927	-	2,408,927
	<u>9,080,665</u>	<u>2,961,172</u>	<u>-</u>	<u>12,041,837</u>

Financial liabilities

Accrued expenses and other liabilities	-	-	727,754	727,754
Due from the ICAP	-	-	237,532	237,532
	<u>-</u>	<u>-</u>	<u>965,286</u>	<u>965,286</u>

Held to maturity	Loans and Receivables	Liabilities measured at amortised cost	Total
----- Rupees -----			
9,080,665	-	-	9,080,665
-	552,245	-	552,245
-	2,408,927	-	2,408,927
<u>9,080,665</u>	<u>2,961,172</u>	<u>-</u>	<u>12,041,837</u>
-	-	727,754	727,754
-	-	237,532	237,532
<u>-</u>	<u>-</u>	<u>965,286</u>	<u>965,286</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

June 30, 2015

Financial assets

Investment
Due from the ICAP
Accrued profit and other receivables
Cash and bank balances

Financial liabilities

Accrued expenses and other liabilities

Held to maturity	Loans and Receivables	Liabilities measured at amortised cost	Total
----- Rupees -----			
9,125,732	-	-	9,125,732
-	1,571,501	-	1,571,501
-	383,827	-	383,827
-	1,318,127	-	1,318,127
9,125,732	3,273,455	-	12,399,187
-	-	959,049	959,049

22. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties transactions of the Committee comprise of share from ICAP membership fee, transactions with CASA and traveling and other expenses reimbursed to NRC members. Transaction and balances with ICAP, CASA and NRC members are as follow:

	2016	2015
	--- Rupees ---	
Transaction during the year		
Traveling and other expenses reimbursed to NRC members	384,354	168,640
Share in membership fee received from ICAP	2,182,425	2,079,760
Advance membership fee received	330,750	378,675
Balances as at June 30,		
Due from ICAP	-	1,571,501
Due to ICAP	237,532	-
Payable to Chartered Accountant Students' Association North (CASA)	532,459	510,772

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

23. DATE OF AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 06, October 2016 by the Committee.

24. CORRESPONDING FIGURES

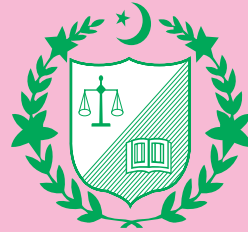
Corresponding figures have neither been rearranged nor reclassified.



Honorary Chairman



Honorary Secretary



**The Institute of
Chartered Accountants
of Pakistan**

**CA
PAKISTAN**

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