



The Multan Chamber Of Small Traders & Small Industry

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

29 Decent Market, Hassan Parwana Colony, Multan.

INDEPENDENT AUDITOR'S REPORT

To the members of MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY

Report on the Audit of Financial Statements

OPINION

We have audited the annexed financial statements of **Multan Chamber of Small Traders and Small Industry** (the Chamber), which comprise the statement of financial position as at June 30, 2024, and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in accumulated fund, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of income and expenditure and statement of comprehensive income, the statement of changes in accumulated fund and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Chamber's affairs as at June 30, 2024 and of the deficit and other comprehensive income, the changes in accumulated fund and its cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Chamber in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Management is responsible for the other information. The other information comprises the information included in the report of the executive committee of the Chamber, but does not include the financial statements of the Chamber and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If,



INDEPENDENT AUDITOR'S REPORT (continued)

based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND EXECUTIVE COMMITTEE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Chamber's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Chamber or to cease operations, or has no realistic alternative but to do so.

Executive Committee is responsible for overseeing the Chamber's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Chamber's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chamber's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT (continued)

concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Chamber to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

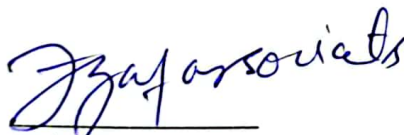
We communicate with the members of executive committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Chamber as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure and the statement of comprehensive income, the statement of changes in accumulated fund and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the period were for the purpose of the Chamber's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mr. Muhammad Talib.



Talib Zafar Associates,
Chartered Accountants
Multan


September 28, 2024

UDIN: AR202410142yLRBh5JuE

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
(A company set up under section 42 of the Companies Act, 2017)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Fixed assets	4	257,523	295,762
CURRENT ASSETS			
Cash and bank balances	5	291,213	197,021
TOTAL ASSETS		<u>548,736</u>	<u>492,783</u>
FUNDS AND LIABILITIES			
Revenue reserve - accumulated losses		(2,021,084)	(843,375)
CURRENT LIABILITIES			
Trade and other payables	6	2,488,587	1,285,446
Provision for taxation	7	81,233	50,712
CONTINGENCIES AND COMMITMENTS	8		
TOTAL FUND AND LIABILITIES		<u>548,736</u>	<u>492,783</u>

The annexed notes, from 1 to 16, form an integral part of these financial statements.



 PRESIDENT



 SECRETARY GENERAL



 MEMBER EXECUTIVE
 COMMITTEE

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
(A company set up under section 42 of the Companies Act, 2017)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	Rupees	Restated Rupees
Income	9	2,441,690	1,731,400
Administrative expenses	10	(3,587,990)	(2,582,965)
Deficit before finance cost		(1,146,300)	(851,565)
Finance cost - bank charges		(888)	(1,758)
Deficit before levy and taxation		(1,147,188)	(853,323)
Levy	11	(30,521)	(50,712)
Deficit before taxation		(1,177,709)	(904,035)
Taxation	11	-	-
Deficit for the year		(1,177,709)	(904,035)

The annexed notes, from 1 to 16, form an integral part of these financial statements.



 PRESIDENT



 SECRETARY GENERAL



 MEMBER EXECUTIVE
 COMMITTEE

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
(A company set up under section 42 of the Companies Act, 2017)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
Deficit for the year	(1,177,709)	(904,035)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(1,177,709)	(904,035)

The annexed notes, from 1 to 16, form an integral part of these financial statements.



 PRESIDENT



 SECRETARY GENERAL



 MEMBER EXECUTIVE
 COMMITTEE

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
(A company set up under section 42 of the Companies Act, 2017)
STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Revenue reserve - Accumulated losses
	Rupees
Balance as at June 30, 2022	60,660
Total comprehensive loss for the year :	
Deficit for the year	(904,035)
Other comprehensive income for the year	-
Balance as at June 30, 2023	(843,375)
Total comprehensive loss for the year :	
Deficit for the year	(1,177,709)
Other comprehensive income for the year	-
	(1,177,709)
Balance as at June 30, 2024	(2,021,084)

The annexed notes, from 1 to 16, form an integral part of these financial statements.



 PRESIDENT



 SECRETARY GENERAL




 MEMBER EXECUTIVE
 COMMITTEE

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
(A company set up under section 42 of the Companies Act, 2017)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit before taxation		(1,147,188)	(853,323)
Adjustments for:			
Depreciation on fixed assets	4	38,239	46,613
Finance cost - bank charges		888	1,758
Cash flows before working capital changes		(1,108,061)	(804,952)
Working capital changes:			
Increase in current liabilities:			
Trade and other payables		1,203,141	872,040
Cash generated from operations		95,080	67,088
Finance cost paid		(888)	(1,758)
Net cash generated from operating activities		94,192	65,330
CASH FLOWS FROM INVESTING ACTIVITIES			
		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		94,192	65,330
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		197,021	131,691
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	5	291,213	197,021

The annexed notes, from 1 to 16, form an integral part of these financial statements.



 PRESIDENT



 SECRETARY GENERAL



 MEMBER EXECUTIVE
 COMMITTEE

1 COMPANY AND ITS OPERATIONS

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY ('the Chamber') was incorporated on September 16, 2021 as a public company limited by guarantee under the Companies Act, 2017. The Chamber is also a registered Trade Organization under the Trade Organizations Act, 2013. The principal business of the Chamber is to promote and protect interests of small businesses and matters concerned therewith. The registered office of the Chamber is situated at 29 Decent Market, Hassan Parwana Colony, Multan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Boards (IASB) as notified under the Companies Act, 2017;
- Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs or Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared on historical cost basis except as discussed in the accounting policies below. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Chamber operates. These financial statements are presented in Pakistani Rupees, which is the Chamber's functional and presentation currency.

2.4 Significant accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where various assumptions and estimates are significant to the Chamber's financial statements or where judgments were exercised in application of accounting policies are as follows:

BASIS OF PREPARATION - continued

Fixed assets

The Chamber reviews the rates of depreciation, useful lives and residual values of assets for possible impairment on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of fixed assets with a corresponding effect on the depreciation charge and impairment.

Taxation and levies

In making the estimates for income tax, minimum tax and final tax, the management considers the current income tax laws and the previous decisions of appellate authorities on certain issues. There may be various matters where the Company's view differs with the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of a material nature is in accordance with the law, the amounts are shown as contingencies.

Provision for contingencies

The Chamber discloses its contingent liabilities for the pending litigations and claims against the Chamber based on its judgment and the advice of the legal advisor for the estimated financial outcome. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the reporting date.

3 CHANGE IN ACCOUNTING POLICY

3.1 Accounting for minimum taxes and final taxes

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) issued 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide). In view of the clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 hence, should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

The guide issued by ICAP provides two approaches to account for minimum and final regime taxes, which is a choice of accounting policy of which the Company has chosen to:

- designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is recognised as a levy falling under the scope of IFRIC 21/IAS 37. Therefore, the effective rate of income tax is equal to the enacted rate of income tax.

Similarly, any amount deducted as final tax is classified as a levy in the statement of income and expenditure and there would be no deferred tax liability / (asset) recognised in case of final taxes.

As the above issued guide is also applicable on SMEs, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Financial Reporting Standard for Small and Medium-sized Entities (SMEs) section 10 — 'Accounting Policies, Estimates and Errors'. There has been no effect on the statement of financial position, the statement of changes in accumulated fund, the statement of comprehensive income and the statement of cash flows as a result of this change.

	2024			2023		
	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating impact of change in accounting policy	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating impact of change in accounting policy
	Rupees			Rupees		
Effect on statement of Income and expenditure						
Deficit before taxation	(1,147,188)	(30,521)	(1,177,709)	(853,323)	(50,712)	(904,035)
Levy	-	(30,521)	(30,521)	-	(50,712)	(50,712)
Taxation	(30,521)	30,521	-	(50,712)	50,712	-

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on fixed assets is provided for using the reducing balance method at the rate specified in note 4. Depreciation on additions commences when an asset is available for intended use and ceases upon derecognition, to better reflect the pattern of utilization of economic benefits derived from the asset.

Normal repairs and maintenance are charged to statement of profit or loss as and when incurred, while major renewals and replacements are capitalized. An item of fixed asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of fixed assets is taken to the profit or loss.

The carrying amounts of the fixed assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated and impairment losses are recognized in the statement of profit or loss.

4.2 Advances, deposits and prepayments

Advances, deposits and prepayments are included in current assets, except for having maturities greater than twelve months after the reporting date, which are classified as non-current assets.

4.3 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of cash and bank balances.

4.4 Trade and other payables

Liabilities for trade and other payables are measured at fair value of the consideration to be paid in the future for goods and services received whether billed to the Chamber or not.

4.5 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from various transactions is recognized as follows:

- i) Subscription fee from members is accounted for on accrual basis. Subscription receipts for periods beyond the current financial period are shown as advance fee.
- ii) Donations in cash are recognized on receipt.
- iii) Donations in kind are recognized on the fair value of items received.
- iv) Membership fees are recognized on receipt basis.
- v) Other service fees are recognized when the underlying service has been rendered to the members.

4.6 Levy

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- (a) those outflows of resources that are within the scope of other standards.
- (b) fines or other penalties that are imposed for breaches of the legislation.

In these financial statements, levy includes minimum tax which is based on other than taxable profits.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

a) Minimum tax

Minimum taxes includes tax charged / withheld / paid on certain income streams under various provisions of Income Tax Ordinance, 2001. Minimum tax is charged / computed under the Ordinance, without reference to income chargeable to tax at the general rate of tax and minimum tax computed / withheld or paid for a tax year is construed as minimum tax liability for the related stream of Income under the Income Tax Ordinance, 2001.

4.7 Taxation

The Chamber is a trade organization registered under the trade organizations Act, 2013. Further the Chamber is also an not-for profit organization registered under section 42 of the Companies Act, 2017. The Chamber is in the process of getting approval as NPO under section 2 (36) of the Income Tax Ordinance, 2001. However, the provision taxation has been incorporated in these financial statements as per current tax laws.

4.8 Contingencies and commitments

The Chamber reviews the status of all pending litigations and claims against the Chamber. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of reporting date. However, based on the best judgment of the Chamber and its legal advisors, the likely outcome of these litigations and claims is remote and there is no need to recognize any liability at the reporting date.

4.9 Financial assets and liabilities

All financial assets and financial liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost as the case may be.

At the end of each reporting period, the Chamber assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortized cost. If there is objective evidence of impairment, the Chamber recognizes an impairment loss in the statement of profit or loss immediately. If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the impairment loss previously recognized is reversed either directly or by adjusting an allowance account to the extent that the reversal does not result in carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment loss not previously been recognized. The reversal of impairment loss is recognized in the statement of profit or loss immediately.

4.10 Offsetting of financial instruments

Financial assets and liabilities are off-set and the net amounts are reported in the statement of financial position when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.20 Impairment of financial assets

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

The impairment loss is recognized immediately and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4.11 Provisions

Provisions are recognized when the Chamber has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

2

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
(A company set up under section 42 of the Companies Act, 2017)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

4 FIXED ASSETS

AS AT JUNE 30, 2024

PARTICULARS	COST			Rate	DEPRECIATION			NET BOOK VALUE AS AT JUNE 30, 2024
	As at June 30, 2023	Additions	As at June 30, 2024		Accumulated as at June 30, 2023	For the year	Accumulated as at June 30, 2024	
Rupees.....			Rupees.....			
Furniture and fixture	306,000	-	306,000	10%	53,550	25,245	78,795	227,205
Computer equipment	82,500	-	82,500	30%	39,188	12,994	52,182	30,318
	<u>388,500</u>	<u>-</u>	<u>388,500</u>		<u>92,738</u>	<u>38,239</u>	<u>130,977</u>	<u>257,523</u>

Fixed Assets as at June 30, 2023 - (for comparison purpose only)

PARTICULARS	COST			Rate	DEPRECIATION			NET BOOK VALUE AS AT JUNE 30, 2023
	As at June 30, 2022	Additions	As at June 30, 2023		Accumulated as at June 30, 2022	For the period	Accumulated as at June 30, 2023	
Rupees.....			Rupees.....			
Furniture and fixture	306,000	-	306,000	10%	25,500	28,050	53,550	252,450
Computer equipment	82,500	-	82,500	30%	20,625	18,563	39,188	43,312
	<u>388,500</u>	<u>-</u>	<u>388,500</u>		<u>46,125</u>	<u>46,613</u>	<u>92,738</u>	<u>295,762</u>

Note	2024	2023
	Rupees	Rupees
5 CASH AND BANK BALANCES		
Cash in hand	187,138	185,703
Cash at bank - current account	104,075	11,318
	<u>291,213</u>	<u>197,021</u>
6 TRADE AND OTHER PAYABLES		
Rent payable to related party	6.1 1,157,000	695,000
Salaries payable	171,836	137,196
Withholding tax payable	5,251	-
Accrued expenses and others	1,154,500	453,250
	<u>2,488,587</u>	<u>1,285,446</u>
6.1 This represents office rent payable to the relative of the president of the Chamber.		
7 PROVISION FOR TAXATION		
Opening Balance	50,712	-
Provision made during the year	30,521	21,643
Prior year adjustment	-	29,069
	<u>30,521</u>	<u>50,712</u>
	<u>81,233</u>	<u>50,712</u>
8 CONTINGENCIES AND COMMITMENTS		
There are no known contingencies and commitments as at June 30, 2024 (2023: nil).		
9 INCOME		
Donations	625,790	576,400
Membership fee	1,587,900	1,046,300
Others	228,000	108,700
	<u>2,441,690</u>	<u>1,731,400</u>

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
(A company set up under section 42 of the Companies Act, 2017)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
10 ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		1,898,513	1,432,522
Entertainment		136,786	63,220
Travelling and conveyance		26,670	27,250
Printing and stationery		185,565	78,326
Fee and subscription		118,575	66,675
Repair and maintenance		184,639	26,885
Advertisement		98,328	57,260
Communication		30,555	160,315
Utilities		371,370	177,649
Rent, rates and taxes		462,000	420,000
Auditor's remuneration - audit fee		36,750	26,250
Depreciation on fixed assets	4	38,239	46,613
		<u>3,587,990</u>	<u>2,582,965</u>
		2024	2023
11 LEVY AND TAXATION			Restated
Levy:	11.1		Rupees
- current year		30,521	21,643
- prior year		-	29,069
Taxation		-	-
		<u>30,521</u>	<u>50,712</u>
11.1	This represents minimum tax under section 113 of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.		
12 NUMBER OF EMPLOYEES		2024	2023
Total number of employees as at June 30		Number	Number
Average number of employees during the year		3	3
		<u>3</u>	<u>3</u>
		2024	2023
		Rupees	Rupees
13 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT			
13.1 Financial instruments by category			
Assets as per statement of financial position at cost			
Cash and bank balances	5	<u>291,213</u>	<u>197,021</u>
Liabilities as per statement of financial position at cost			
Trade and other payables	6	<u>2,488,587</u>	<u>1,285,446</u>
13.2 Financial risk management			
The Chamber's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Chamber's senior management oversees the management of these risks. The president reviews and approves the related policies periodically.			

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT - continued

13.3 Credit risk and concentration of credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted. The Chamber is exposed to credit risk from its operating activities including balances with banks and financial institutions. The Chamber is not exposed to any material credit risk.

13.4 Liquidity Risk management

Liquidity risk reflects the Chamber's inability in raising funds to meet commitments. Management closely monitors the Chamber's liquidity and cash flow position. This includes maintenance of statement of financial position liquidity ratios. The Chamber manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Chamber gets unconditional financial support from its president to manage the liquidity risk.

13.5 Market risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Chamber's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns. The Chamber is not exposed to any material market risk.

14 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Chamber comprise its president and members of the Chamber and a relative of the president. No remuneration of any kind was paid to president or any other member of the Chamber during the year. There are no transactions with related parties except office rent payable to Mr. Raza Saeed (relative of the president of the Chamber) as discussed in note 6.1.

15 DATE OF AUTHORIZATION

These financial statements have been authorized for issue on September 28 2024 by the Executive Committee of the Chamber.

16 GENERAL

16.1 Figures in these financial statements have been rounded off to the nearest of Pakistani rupee. 8



PRESIDENT



SECRETARY GENERAL



MEMBER EXECUTIVE
COMMITTEE