

The Multan Chamber Of Small Traders & Small Industry

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

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, 2026, and the statement of income and expenditure and 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, 2026 and of the profit 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, based on the work we

INDEPENDENT AUDITOR'S REPORT (continued)

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. If

INDEPENDENT AUDITOR'S REPORT (continued)

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

Date: September 09, 2026

UDIN: AR202610142kxirdHp7v

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
ASSETS			
NON CURRENT ASSETS			
Fixed assets	4	198,892	225,707
Deferred taxation - net	5	86,857	-
		<u>285,749</u>	<u>225,707</u>
CURRENT ASSETS			
Tax assets - advance tax		6,180	-
Cash and bank balances	6	306,873	69,862
TOTAL ASSETS		<u><u>598,802</u></u>	<u><u>295,569</u></u>
FUNDS AND LIABILITIES			
Revenue reserve - accumulated loss		(2,919,912)	(2,974,186)
CURRENT LIABILITIES			
Trade and other payables	7	3,320,536	3,141,174
Provision for levy and taxation	8	198,178	128,581
CONTINGENCIES AND COMMITMENTS	9		
TOTAL FUND AND LIABILITIES		<u><u>598,802</u></u>	<u><u>295,569</u></u>

The annexed notes, from 1 to 19, form an integral part of these financial statements.


PRESIDENT


SECRETARY GENERAL


**MEMBER EXECUTIVE
COMMITTEE**

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rupees	Rupees
Income	10	5,567,775	3,787,800
Administrative expenses	11	(5,529,369)	(4,691,074)
Surplus / (deficit) before finance cost		38,406	(903,274)
Finance cost - bank charges		(1,392)	(2,480)
Surplus / (deficit) before levy and taxation		37,014	(905,754)
Levy	12	(69,597)	(47,348)
Deficit before taxation		(32,583)	(953,102)
Taxation	12	86,857	-
Surplus / (deficit) for the year		54,274	(953,102)

The annexed notes, from 1 to 19, form an integral part of these financial statements.


 PRESIDENT


 SECRETARY GENERAL

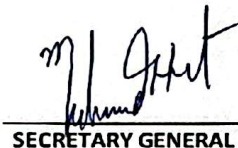

 MEMBER EXECUTIVE
 COMMITTEE

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees	Rupees
Surplus / (deficit) for the year	54,274	(953,102)
Other comprehensive income for the year	-	-
Total comprehensive income / (loss) for the year	54,274	(953,102)

The annexed notes, from 1 to 19, form an integral part of these financial statements.


PRESIDENT


SECRETARY GENERAL


MEMBER EXECUTIVE
COMMITTEE

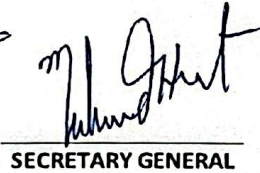
MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Revenue reserve - accumulated loss
	Rupees
Balance as at June 30, 2024	(2,021,084)
Deficit for the year	(953,102)
Other comprehensive income for the year	-
Total comprehensive loss for the year	(953,102)
Balance as at June 30, 2025	(2,974,186)
Surplus for the year	54,274
Other comprehensive income for the year	-
Total comprehensive income for the year	54,274
Balance as at June 30, 2026	(2,919,912)

The annexed notes, from 1 to 19, form an integral part of these financial statements.



 PRESIDENT



 SECRETARY GENERAL



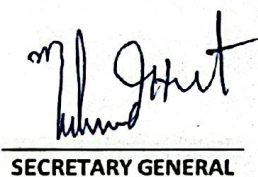
 MEMBER EXECUTIVE
 COMMITTEE

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

		2026 Rupees	2025 Rupees
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus / (deficit) before levy and taxation		37,014	(905,754)
Adjustments for:			
Depreciation on fixed assets	4	26,815	31,816
Finance cost - bank charges		1,392	2,480
Cash flows before working capital changes		65,221	(871,458)
Working capital changes:			
Increase in current liabilities:			
Trade and other payables		179,362	652,587
Cash generated from / (used in) operations		244,583	(218,871)
Income tax paid-net		(6,180)	-
Finance cost paid		(1,392)	(2,480)
Net cash generated from / (used in) operating activities	(A)	237,011	(221,351)
CASH FLOWS FROM INVESTING ACTIVITIES	(B)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	(C)	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	237,011	(221,351)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		69,862	291,213
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		306,873	69,862

The annexed notes, from 1 to 19, 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 accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan comprise of:

- IFRS for SMEs Accounting Standard issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

2.2 Corporate licence

The corporate licence issued to the Chamber by the Ministry of Commerce, Government of Pakistan, under the Trade Organizations Act, 2013 expired on May 04, 2026. The Chamber has submitted the requisite application for renewal of the licence to the Directorate General of Trade Organizations (DGTO), Ministry of Commerce, and the application remained under process at the date of approval of these financial statements. Management expects renewal of the licence in the ordinary course and does not anticipate any adverse impact or disruption to the Chamber's operations as a consequence of the pending renewal. Management will continue to monitor the status of the renewal application and comply with all applicable regulatory requirements.

2.3 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.

2.4 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.

2.5 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.

Significant accounting estimates and judgments - continued

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:

2.5.1 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.

2.5.2 Taxation and Levies

In making the estimates for income taxes, 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 Chamber's view differs with the view taken by the income tax department at the assessment stage and where the Chamber considers that its view on items of a material nature is in accordance with the law, the amounts are shown as contingencies.

2.5.3 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.

2.5.4 Impairment of financial and non-financial assets

The Chamber estimates impairment of financial and non financial assets as disclosed in notes 3.15 and 3.2 respectively.

3 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.

3.1 Fixed assets

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

Depreciation on operating fixed assets is provided for using the reducing balance method at the rate specified in note 4. Depreciation on additions is charged for the full month in which an asset is available for use and on deletions up to the month immediately preceding the deletion, to better reflect the pattern of utilization of economic benefits derived from the asset.

An item of operating fixed assets initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of operating fixed assets, determined as the difference between the sales proceeds and the carrying amounts of the asset, is recognized in statement of income and expenditure.

Normal repairs and maintenance are charged to statement of profit or loss as and when incurred, while major renewals and replacements are capitalized. Any gain or loss arising on disposal of operating fixed assets is taken to the statement of income and expenditure.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The carrying amounts of operating 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 income and expenditure.

3.2 Impairment of non financial assets

The carrying amounts of the Chamber's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount, being higher of value in use and fair value less cost to sell of such asset is estimated and impairment losses are recognized in the statement of profit or loss. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to the revised recoverable amount, but limited to the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income and expenditure.

3.3 Tax Assets

These are stated at actual amount of taxes paid which are adjustable in future tax periods against tax liabilities of those periods or are expected to be refunded, based on the tax laws and regulations in effect.

3.4 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.

3.5 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.

3.6 Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Chamber and the amount of revenue can be measured reliably.

- i) Membership and subscription fees are recognised over the period to which the membership or subscription relates.
- ii) Amounts received in advance in respect of future periods are recognised as a liability and are recognised as revenue when the related membership or subscription period commences. Donations in cash are recognised when received.
- iii) Donations in kind are recognised at fair value when the related assets are received and the Chamber obtains control of the assets.
- iv) Other service income is recognised when the underlying service has been rendered and the amount can be measured reliably.

3.7 Levy

As per Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan (ICAP), following are classified as levies under the scope of Section 21 of IFRS for SMEs Accounting Standard:

- (a) Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income;
- (b) Any amount paid / payable in excess of the calculation based on taxable income;
- (c) Minimum tax or final tax which is not adjustable against future income tax liability; or
- (d) Fines or other penalties that are imposed for breaches of the legislation.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

However, taxes on normal business income and dividend earned from investment in subsidiaries, associates and joint arrangements which are specifically within the scope of section 29 of IFRS for SMEs Accounting Standard are still categorized as current income taxes.

3.8 Taxation

Provision for current tax is based on the taxable income for the year determined in accordance with the provisions of Income Tax Ordinance, 2001. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted.

The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. Income tax expense is recognized in statement of income or expenditure except to the extent that it relates to items recognized directly in equity or other comprehensive income.

3.9 Deferred taxation

Deferred tax liability is provided on all taxable temporary differences as at the reporting date using the statement of financial position liability method while deferred tax asset is recognized for all deductible temporary differences, unused tax losses, excess of minimum taxes over normal taxes, and tax credits, if any, to the extent that it is probable that future taxable profit will be available against which it can be utilized.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at reporting date.

Deferred tax is charged or credited in the statement of income and expenditure, except in the case of items credited or charged to OCI/equity in which case it is included in OCI/equity.

3.10 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.

3.11 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.

3.12 Non-Accumulating Compensated Absences / Leave Encashment:

The Chamber provides its employees with annual leave entitlements that do not accumulate. Any unused leave at the end of the period is either encashed or lapses. In accordance with Section 28 of IFRS for SMEs Accounting Standard, the expected cost of non-accumulating compensated absences is recognized in the statement of income and expenditure when the absences occur or when the encashment is paid to the employees. No liability is recognized at the reporting date as there is no carry-forward of benefits to future periods.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

3.13 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 income or expenditure 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 income or expenditure immediately.

3.14 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.

3.15 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.

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rupees	Rupees
6 CASH AND BANK BALANCES			
Cash in hand		296,796	25,021
Cash at bank - current account		10,077	44,841
		<u>306,873</u>	<u>69,862</u>
7 TRADE AND OTHER PAYABLES			
Rent payable to related party	7.1	2,224,220	1,665,200
Advance membership fee		695,000	237,000
Salaries payable		282,508	213,536
Withholding tax payable		30,808	24,863
Accrued expenses and others		88,000	1,000,575
		<u>3,320,536</u>	<u>3,141,174</u>
7.1	This represents office rent payable to the relative of the president of the Chamber.		
8 PROVISION FOR LEVY AND TAXATION			
Opening balance		128,581	81,233
Provision made during the year - levy	12	69,597	47,348
		<u>198,178</u>	<u>128,581</u>
9 CONTINGENCIES AND COMMITMENTS			
As at June 30, 2026, there were no material contingent liabilities or commitments requiring recognition or disclosure in these financial statements, based on information available to management and the assessment of the Chamber's legal and regulatory matters.			
The Chamber's corporate licence under the Trade Organizations Act, 2013 expired on May 04, 2026 and the application for renewal submitted to the Directorate General of Trade Organizations, Ministry of Commerce, remained under process at the reporting date. The status and implications of the pending renewal have been disclosed in Note 2.			
10 INCOME			
Donations		2,824,575	1,407,800
Membership fee		2,553,600	2,185,200
Others		189,600	194,800
		<u>5,567,775</u>	<u>3,787,800</u>
11 ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		3,566,602	2,436,370
Entertainment		227,709	206,488
Travelling and conveyance		59,022	11,400
Printing and stationery		179,667	114,750
Fee and subscription		69,085	235,000
Repair and maintenance		263,001	170,050
Advertisement		39,000	388,380
Utilities and Communication		436,448	485,620
Legal and professional		55,000	63,000
Rent, rates and taxes		559,020	508,200
Auditor's remuneration - audit fee		48,000	40,000
Depreciation on operating fixed assets	4	26,815	31,816
		<u>5,529,369</u>	<u>4,691,074</u>

MULTAN CHAMBER OF SMALL TRADERS AND SMALL INDUSTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rupees	Rupees
12 LEVY AND TAXATION			
Levy - charge for the year	8 & 12.1	69,597	47,348
Taxation - deferred	5	(86,857)	-
		<u>(17,260)</u>	<u>47,348</u>
12.1	The Chamber is a trade organization registered under the trade organizations Act, 2013. The Chamber is in the process of getting approval as NPO under section 2 (36) of the Income Tax Ordinance, 2001. However, the provision for levy and taxation has been incorporated in these financial statements as per current tax laws. The provision represents minimum tax under section 113 of the Income Tax Ordinance, 2001, representing levy in terms of requirements of Section 21 of IFRS for SMEs Accounting Standard.		
13 NUMBER OF EMPLOYEES			
Total number of employees as at June 30		3	3
Average number of employees during the year		3	3
14 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT			
14.1 Financial instruments by category			
Assets as per statement of financial position at cost			
Cash and bank balances	6	306,873	69,862
Liabilities as per statement of financial position at cost			
Trade and other payables	7	3,289,728	3,116,311
14.2 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.			
14.3 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.			
14.4 Liquidity risk management			
Liquidity risk is the risk that the Chamber will encounter difficulty in meeting obligations associated with its financial liabilities. The Chamber monitors its liquidity position through periodic cash-flow forecasts and by monitoring expected receipts and payments.			
As at June 30, 2026, the Chamber's current liabilities exceeded its current assets by approximately Rs. 3.52 million. The Chamber therefore remains dependent upon internally generated cash flows, timely collection of membership-related income and donations and continued financial support from its President to meet its obligations as they fall due. The President has indicated his intention to provide financial support to the Chamber as required to enable it to meet its obligations and continue its operations. The terms, nature and extent of such support are subject to the arrangements agreed with the President.			

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FINANCIAL INSTRUMENTS AND RISK MANAGEMENT - continued

14.5 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.

15 REMUNERATION OF PRESIDENT, EXECUTIVE COMMITTEE MEMBERS AND EXECUTIVES / KEY MANAGEMENT PERSONNEL

No managerial remuneration or any other benefit was paid to president and executive committee members of the Chamber. There are no executives employed by the Chamber.

16 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise Executive Committee Members and their close relatives, entities owned or controlled by the Executive Committee Members, and key management personnel of the Chamber. There were no transactions with the related parties except membership fee from the Executive Committee Members, donations from the entities owned or controlled by them and rent payable to president of the Chamber. The detail of transactions is as follows:

Executive Committee Member	Business Name	2026 (Rupees)		2025 (Rupees)	
		Membership Fee	Donation	Membership Fee	Donation
Sheikh Faisal Saeed Founder President	-	-	1,514,575	-	-
Hafiz Umair Saeed	Brother Chemicals	3,300	230,000	2,800	130,000
Sh. Faheem Sattar	Sh. Faheem Broker & Commission Agent	3,300	180,000	2,800	105,000
Mahboob Ellahi	Shoukat Electronics	3,300	130,000	2,800	80,000
Shafqat Hanif	Team Packages	3,300	30,000	2,800	30,000
Muhammad Umair Ali	Zakariya Gas Supplies	3,300	30,000	2,800	30,000
Naveed Zafar Siddiqui	Naveed Zafar Siddiqui Traders	3,300	30,000	2,800	30,000
Mumtaz Ali	Mumtaz Ali Commission Shop	3,300	30,000	2,800	30,000
Muhammad Yaseen Khan Majidi	Unika Industries Pvt Ltd	3,300	-	2,800	30,000
Imran Muneer	Star Sanitizers	3,300	30,000	2,800	30,000
Ahmad Raza	Ahmad Enterprises	3,300	30,000	2,800	30,000
Naveed Najeeb	Makkah Medical Store	3,300	30,000	2,800	30,000
Muhammad Azam Chaudhary	Zakariya Food	3,300	30,000	2,800	30,000
Saima Kokab Adil	Shees Traders	3,300	30,000	2,800	30,000
Muhammad Aqib	Al Arooj Beauty Trading Pvt. Ltd.	3,300	-	2,800	30,000
Qasim Usman Khalid	R.F Industry	3,300	-	2,800	30,000
		49,500	2,324,575	42,000	675,000

Further, office premises is owned by Mr. Raza Saeed (relative of the President of the Chamber) and the rent is payable to him as disclosed in note 7.1. The rent for the year is disclosed in note 11.

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17 CORRESPONDING FIGURES

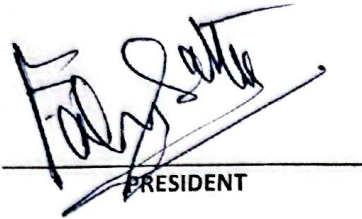
Corresponding figures in these financial statements are reclassified where necessary for the purpose of comparison. However, no material rearrangements have been made in these financial statements.

18 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on September 09, 2026 by the Executive Committee of the Chamber.

19 GENERAL

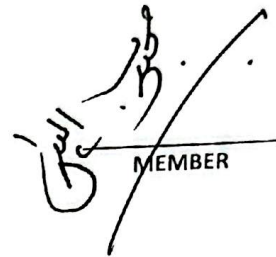
Figures in these financial statements have been rounded off to the nearest of Pakistani rupee.



PRESIDENT



SECRETARY GENERAL



MEMBER