

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

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SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

REPORT OF THE EXECUTIVE COUNCIL MEMBERS

The Executive Council members are pleased to present their report on the financial statements of the Society of Indian Chartered Accountants Inc (“the Society”) for the twelve months ended 31 December 2007.

NATURE OF ENTITY AND ACTIVITIES

The Society was incorporated on the 10th day of May 2004 under the Associations Incorporation Act and has its own Constitution. The Society is governed by an elected Council and is not subject to the control or direction of any person other than its own Constitution.

The mission of the Society is to advance accountants in profession.

The purpose and objects for which the Society is incorporated are based on the mission of the Society and enumerated in detail under rules 4.2 and 4.3 of the Society.

PORT MORESBY (PNG) CHAPTER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

On 18th day of April 2005 the Society submitted a proposal to the Institute of Chartered Accountants of India for the establishment of a Chapter of the Institute in Port Moresby. On 16th August 2005 the Institute confirmed the grant of approval for the Society to set up a Chapter of the Institute in the name and style “Port Moresby (PNG) Chapter of the Institute of Chartered Accountants of India”.

Based on the grant of approval and in compliance of the guidelines relating to functioning of the Chapters of the Institute then prevailing, the Society has:

- a. registered and hold the name “Port Moresby (PNG) Chapter of the Institute of Chartered Accountants of India” and
- b. resolved to adopt the following regulations for the conduct of the Chapter:

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

REPORT OF THE EXECUTIVE COUNCIL MEMBERS

- (i) The members of the Society from time to time shall be the members of the Chapter.
- (ii) The business of the Chapter shall be conducted by the Executive Council of the Society in accordance with the Rules of the Society.

RESULTS

During the year the Society with the prior approval from the Institute of Chartered Accountants of India supported three (2006-two) activities held by CPA PNG and CPA Australia to gain structured continuing professional education for its members.

The meetings of the Executive Council and the members of the Society are scheduled for last Saturday of every month at 3.00 PM at TLI Haus, Badili, Port Moresby.

During the year such meetings were held in all months. All Executive Council meetings were well attended by the council members and less attended by other members of the society. The Executive Council during the year continued its efforts for better participation from the members.

As part of the Executive Council's efforts to improve member participation in Society's activities, Society organised two out door social activities under the banner Inner-wheel through spouses of the members of the Society. Executive Council plans to continue such activities into years ahead.

The financial results for the twelve months ended 31 December 2007 show a surplus of K 1,911 (2005: K5,372).

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

REPORT OF THE EXECUTIVE COUNCIL MEMBERS

COUNCIL MEMBERS

The Council members for the period were:

Office Bearers:

C.A Shiam Kattapuram (President)
C.A Swapnajit.Samanta (Vice President till 7/07)
C.A Arunava Basu (Vise President from 8/07)
C.A Sujeesh.Vijayan (Secretary)
C.A Srinivasa.Murthy (Treasurer)

Council Members

C.A R Jayaprasad
C.A Ajaya Jain
C.A Saikat. Bhattarcharya (till 5/07)
C.A Rajeev Sharma (from 9/07)

Education Committee Members

C.A Shiam Kattapuram
C.A Rajeev Sharma
C.A R. Jayaprasad
C.A R. Muralidharan

Appointed Members

C.A Sanjib Bhattacharjee (from 4/07)

MEMBERS' REGISTER

The number of members registered as at 31 December 2007 was 19 (as at the previous report date 19).

AUDITORS

For the period just ended the Executive Council appointed Messrs KPMG Chartered Accountants the honorary auditors of the Society. They are eligible for re-appointment.

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

REPORT OF THE EXECUTIVE COUNCIL MEMBERS

The Executive Council states that in its opinion:

- (a) the Income and Expenditure Statement, Statement of Changes in Members Fund and Cash Flow Statement for the twelve months ended 31 December 2007 show a true and fair view of the results of the operations of the Society for that period;
- (b) the Balance Sheet as at 31 December 2007 shows a true and fair view of the financial position of the Society as at that date;
- (c) there are reasonable grounds to believe that the Society will be able to pay its debts when they fall due;
- (d) the accounts have been prepared in accordance with generally accepted accounting practice in Papua New Guinea as modified by accounting policies adopted by the Executive Council.

Signed in accordance with a resolution of the Executive Council

PRESIDENT

TREASURER

Dated at Port Moresby this _____ day of _____ 2008

Independent Auditors Report to the members of Society of Indian Chartered Accountants Inc

Scope

We have audited the accompanying financial report of the Society of Indian Chartered Accountants Inc. ("SICA") for the year ended 31 December 2007, consisting of the Income and Expenditure Statement, Statement of Changes in Members Fund, Balance Sheet, Statement of Cash flows and the accompanying notes as set out on pages 9 to 11.

The audit report issued is solely to the SICA's members, as a body, in accordance with the Association Act. Our audit work is undertaken so that we might state to the SICA's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the SICA and its members as a body, for our audit work, for the audit report, or for the opinion we form.

Respective responsibilities of the Executive Council Members and Auditors

The appointed Executive Council members of the Society of Indian Chartered Accountants Inc. are responsible for the preparation and presentation of the financial report and the information contained therein. Our responsibility is to perform an audit of this financial report in order to express an opinion to the members of the association.

Basis of Opinion

Our audit has been planned and performed to provide a reasonable level of assurance as to whether the financial report is free of material misstatement.

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies adopted by the Executive Council members so as to present a view of the association which is consistent with our understanding of its activities. We believe that our audit provides a reasonable basis for our opinion.

Audit Opinion

In our opinion:

- (a) the financial report of the Society of Indian Chartered Accountants Inc. is properly drawn up in accordance with the accounting policies adopted by the Executive Council members so as to give a true and fair view on the affairs of the association as at 31 December 2007 and the result of the association for the year then ended,
- (b) the financial report is in agreement with the underlying accounting records.

DATED at Port Moresby this

day of

2008

kpmg

Chartered Accountants

Raghunathan Muralidharan

Partner

Registered under the Accountants Act 1996

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

**INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
	Kina	Kina
Income		
Revenue from membership fees	2,300	2,300
CPE Seminar fees	-	18,870
Inner Wheel Activity fees	1,600	1,920
Other Income	120	-
	=====	=====
Total Income	4,020	23,090
	=====	=====
Expenses		
Advertising	-	419
Bank charges	99	-
CPE Expenses	-	14,923
General Expenses	-	174
Inner Wheel Expenses	1,715	2,203
Postage Expenses	75	-
Website expenses	220	-
		—
Total expense	<u>2,109</u>	<u>17,719</u>
Net Surplus	<u>1,911</u>	<u>5,371</u>

**STATEMENT OF CHANGES IN MEMBERS FUND
FOR THE YEAR ENDED 31 DECEMBER 2007**

SOCIETY's Equity:	Opening <u>01 Jan 07</u>	Addition <u>During 2007</u>	Total <u>31 Dec 07</u>
Admission fee	2,400	200	2,600
Net surplus for the year	7,471	1,911	9,382
Total	<u>9,871</u>	<u>2,011</u>	<u>11,981</u>

The income and expenditure statement and the statement of changes in members funds are to be read in conjunction with notes to the financial statements on pages 10 to 13.

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

BALANCE SHEET AS AT 31 DECEMBER 2007

	2007	2006
	Kina	Kina
FIXED ASSETS	-	-
CURRENT ASSETS		
BANK BALANCE WITH WESTPAC BANK	11,472	9,996
TRADE DEBTORS	510	75
TOTAL CURRENT ASSETS	11,982	10,071
Less: CURRENT LIABILITIES	<u>0</u>	<u>200</u>
WORKING CAPITAL	<u>11,982</u>	<u>9,871</u>
TOTAL ASSETS	11,982	9,871
Less: LONG TERM LIABILITIES	<u>0</u>	<u>0</u>
NET ASSETS	<u>11,982</u>	<u>9,871</u>
REPRESENTED BY:		
Society's Equity	<u>11,982</u>	<u>9,871</u>

Signed for and on behalf of the Executive Committee,

.....

.....

President

Treasurer

Mr. Shiam Kattapuram

Mr. B.Srinivasa. Murthy

Dated thisday of2008

The balance sheet is to be read in conjunction with notes to the financial statements on pages 10 to 13.

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
	<u>Kina</u>	<u>Kina</u>
Cash flow from operating activities		
Net Surplus as per Income and Expenditure Statement	1,911	5,372
Add:		
Depreciation	0	0
Increase in Accounts Payable	0	100
Decrease in Accounts Receivable	0	0
Less: Increase in Accounts Receivable	435	75
Decrease in Accounts Payable	200	0
Net Cash flow from operations	1,276	5,397
Add: Amount received on Admission fee	200	0
Total Cash Flow	1,476	5,397
Opening Cash balance	9,996	4,599
Closing Cash balance	11,472	9,996

The cash flow statement is to be read in conjunction with notes to the financial statements on pages 10 to 13.

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

**NOTES TO AND FORMING PART OF THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

1. STATEMENT OF ACCOUNTING POLICIES

a. General Accounting Policies

The fundamental accounting assumptions are based on accounting policies adopted by the Executive Council members of the Association on the 24th of March 2005 and applied to the measurement and reporting of results, cash flows and the financial position in the preparation of these financial statements.

The financial statements have been prepared primarily on the basis of the historical costs and do not take into account the changing money values.

b. Revenue

Revenue is accounted for on accrual basis of accounting.

c. Expenses

Expenses are accounted for on accrual basis of accounting.

d. Taxation

The net income of the Society is exempted from income tax under section 27 of the Papua New Guinea Income Tax Act.

e. Fees

The members pay an admission fee at the time of their admittance to the Society and a membership fees annually in advance for the periods they are members of the Society.

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**NOTES TO AND FORMING PART OF THE
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f. Comparatives

The previous year comparatives have been made, wherever possible..

2. ADMISSION FEES

Executive Council during its meeting on 29th May 2004 resolved that an admission fee of Kina 100.00 will be charged from applicants at the time of their admission to the Society. Such admission fee was collected from 2 member (2006: 1 member) admitted during the reporting period and the total amount so collected amounted to K 200 (2006: K100).

3. REVENUE FROM MEMBERSHIP FEES

Executive Council during its meeting on 29th May 2004 resolved that the membership fee applicable to members shall be Kina 100.00 for a financial year or part thereof. Such membership fee was collected from all 24 members (2006: 22 members) admitted during the reporting period and the total amount so collected amounted to K 2,400 (2006: K2, 200).

4. MEMBER PARTICIPATION

During the year there were twelve (2006 – twelve) monthly meetings of the Society held. The members are encouraged to attend and contribute at the meetings. The participation of the members at the meetings during the year was as detailed below:

Name	Participation in	
	2007	2006
Mr. Shiam Kattapuram (ICAI M/No. 18805)	7 of 12	12 of 12
Mr. Jaydip Sengupta (ICAI M/No. 59395)	1 of 12	7 of 12
Mr. B Srinivasa. Murthy (ICAI M/no.203619)	4 of 12	7 of 12

MEMBER PARTICIPATION (CONTINUED)

Name	Participation in	
	2007	2006
Mr. Arunava Basu (ICAI M/No. 51574)	4 of 12	6 of 12
Mr. Amalendu Aich Roy (ICAI M/No. 50986)	4 of 12	4 of 12
Mr. Rajeev Sharma (ICAI M/No. 90402)	8 of 12	9 of 12
Mr. R. Muralidharan (ICAI M/No. 204710)	0 of 12	3 of 12
Mrs. Jayanthi S (ICAIM/No. 208460)	0 of 12	0 of 12
Mr. N.V. Kalyanaraman (ICAI M/No.209856)	0 of 12	0 of 12
Mr. Bijay Kumar Agarwal (ICAI M/No.57452)	0 of 12	2 of 12
Mr. R Jayaprasad (ICAI M/No.206082)	3 of 12	10 of 12
Mrs. Bala Karra (ICAI M/No. 212621)	0 of 12	0 of 12
Mr. Raj Patnaik (ICAI M/No. 58435)	0 of 12	1 of 12
Mr. Ajaya Jain (ICAI M/No. 72064)	8 of 12	6 of 12
Mr. Sujeesh Vijayan (ICAI M/No.49375)	11 of 12	12 of 12
Mr. Augustine Ravi Jebraj (ICAI M/No. 201056)	0 of 12	2 of 12
Mr. Ramaswamy. Vijaya. Raghavan(ICAI M/No. 18554)	0 of 12	1 of 12
Mr. Sanjib Bhattacharjee (ICAI M/No.56208)	2 of 12	-----
Mr. Atish Mukherjee (ICAI M/No.50956)	3 of 4	-----
Mr. Swapnajit Samanta (ICAI M/No. 52789)	4 of 6	10 of 12
Mr. Saikat Bhattacharya (ICAI M/No. 56208)	4 of 5	9 of 12
Mr. Deepak Sankhla (ICAI M/No. 74902) (Outstation)	0 of 9	0 of 12
Mr. Mathew John (ICAI M/No. 28162) (Outstation)	0 of 3	0 of 12
Mr. Sameer Manduskar (ICAI M/No.49287)(Outstation)	0 of 12	0 of 12

SOCIETY OF INDIAN CHARTERED ACCOUNTANTS INC.

**NOTES TO AND FORMING PART OF THE
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5. CONTINGENT LIABILITIES

There are no contingent liabilities that have arisen in the period from the balancing date to the date of the issue of these financial statements.

6. CAPITAL COMMITMENTS

There are no significant capital commitments at the balance date.

7. REGISTERED OFFICE

The registered office of the Society is situated at TLI Haus, Badili, PO Box 7260, Boroko, NCD, Port Moresby as per a resolution passed at its Annual General meeting held on 26th March 2005.