

Deloitte.

Deloitte Yousuf Adil
Chartered Accountants

**CIVIL SOCIETY HUMAN AND INSTITUTIONAL
DEVELOPMENT PROGRAMME**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2015

Member of
Deloitte Touche Tohmatsu Limited

AUDITORS' REPORT TO THE BOARD OF DIRECTORS

We have audited the annexed balance sheet of **Civil Society Human and Institutional Development Programme** - (CHIP or "the Company") as at June 30, 2015 and the related income and expenditure statement, statement of comprehensive income, cash flow statement and statement of changes in fund together with the notes forming part thereof, for the year then ended 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 purpose of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and income and expenditure statement together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and

- (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure statement, statement of comprehensive income, cash flow statement and the statement of changes in fund together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required, and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2015 and of the surplus for the year, total comprehensive income, its cash flows and changes in fund for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Deloitte Yousuf Adil
Chartered Accountants

Engagement Partner:
Shahzad Ali

Islamabad
Date: November 05, 2015

CIVIL SOCIETY HUMAN AND INSTITUTIONAL DEVELOPMENT PROGRAMME (CHIP)
BALANCE SHEET
AS AT JUNE 30, 2015

	Note	2015	2014
-----Rupees-----			
ASSETS			
NON CURRENT ASSETS			
Operating fixed assets	4	55,223,076	52,497,337
Security deposits		201,900	188,000
		<u>55,424,976</u>	<u>52,685,337</u>
CURRENT ASSETS			
Advances	5	1,035,005	846,633
Due from related parties	6	4,283,114	1,294,931
Advance tax - net	7	1,420,276	1,522,798
Short term investment	8	11,500,000	5,000,000
Receivable from donor agencies	9	5,442,075	4,990,295
Interest accrued		794,767	-
Cash and bank balances	10	26,068,879	53,866,092
		<u>50,544,116</u>	<u>67,520,749</u>
TOTAL ASSETS		<u>105,969,092</u>	<u>120,206,086</u>
FUNDS AND LIABILITIES			
FUNDS			
General fund		31,664,378	31,344,026
Endowment fund		34,956,235	34,956,235
		<u>66,620,613</u>	<u>66,300,261</u>
NON CURRENT LIABILITIES			
Liabilities against assets subject to finance lease	11	-	296,111
Deferred liability	12	5,105,299	4,149,777
Deferred capital grant	13	5,387,845	6,693,276
Restricted grant	9	25,006,961	38,478,425
		<u>35,500,105</u>	<u>49,617,589</u>
CURRENT LIABILITIES			
Liabilities against assets subject to finance lease	11	296,111	428,385
Accrued and other liabilities	14	3,552,263	3,859,851
		<u>3,848,374</u>	<u>4,288,236</u>
TOTAL FUNDS AND LIABILITIES		<u>105,969,092</u>	<u>120,206,086</u>
CONTINGENCIES AND COMMITMENTS	20		

The annexed notes 1 to 23 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

CIVIL SOCIETY HUMAN AND INSTITUTIONAL DEVELOPMENT PROGRAMME (CHIP)
 INCOME AND EXPENDITURE STATEMENT
 FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 -----Rupees-----	2014
INCOME			
Grants	9	<u>64,892,664</u>	<u>77,656,837</u>
		64,892,664	77,656,837
EXPENDITURE			
Programme cost	19	<u>(64,892,664)</u>	<u>(77,656,837)</u>
Administrative cost	16	<u>(13,938,795)</u>	<u>(10,576,095)</u>
Financial charges	17	<u>(165,017)</u>	<u>(278,015)</u>
		(78,996,476)	(88,510,947)
Other income	15	<u>14,998,034</u>	<u>12,755,051</u>
SURPLUS			
Surplus before taxation		<u>894,222</u>	<u>1,900,941</u>
Taxation	18	<u>(573,870)</u>	<u>(323,160)</u>
Surplus for the year		<u><u>320,352</u></u>	<u><u>1,577,781</u></u>

The annexed notes 1 to 23 form an integral part of these financial statements.

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 CHIEF EXECUTIVE


 DIRECTOR

CIVIL SOCIETY HUMAN AND INSTITUTIONAL DEVELOPMENT PROGRAMME (CHIP)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2015

	2015	2014
	-----Rupees-----	
Surplus for the year	320,352	1,577,781
Other comprehensive Deficit (Surplus)	-	-
Total comprehensive Surplus	<u>320,352</u>	<u>1,577,781</u>

The annexed notes 1 to 23 form an integral part of these financial statements.

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DIRECTOR

**CIVIL SOCIETY HUMAN AND INSTITUTIONAL DEVELOPMENT PROGRAMME (CHIP)
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015**

	2015	2014
Note	-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus before taxation	894,222	1,900,941
Adjustments for:		
Depreciation	4,795,484	4,080,794
Provision for gratuity	992,638	738,757
Financial charges	116,772	189,939
Interest income	(2,010,744)	(2,855,719)
Gain on sale of fixed asset	(575,000)	(842,880)
Amortization of deferred capital grant	(1,795,589)	(1,856,956)
	<u>1,523,561</u>	<u>(546,065)</u>
	2,417,783	1,354,876
Working capital changes:		
(Increase)/decrease in current assets:		
Consumable store	-	34,700
Receivable from donor agencies	(451,780)	(750,382)
Due from related parties	(2,988,183)	(462,070)
Loan and advances	(188,372)	(77,969)
	<u>(3,628,335)</u>	<u>(1,255,721)</u>
Increase/(decrease) in current liabilities:		
Accrued and other liabilities	(307,588)	759,194
Cash generated from operations	<u>(1,518,140)</u>	<u>858,349</u>
Financial charges paid	(116,772)	(189,939)
Gratuity paid	(37,116)	(912,783)
Tax paid	(471,348)	(336,786)
Net cash (used in) / from operating activities	<u>(2,143,376)</u>	<u>(581,159)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure	(7,521,223)	(14,486,294)
Proceed from sale of fixed asset	575,000	862,020
Security deposits	(13,900)	147,938
Short term investment	(6,500,000)	13,500,000
Interest received	1,215,977	2,855,719
Net cash (used in) / from investing activities	<u>(12,244,146)</u>	<u>2,879,383</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Grant received for the acquisition of capital assets	490,158	1,037,990
Lease rentals	(428,385)	(545,160)
Decrease in restricted grant	(13,471,464)	3,421,674
Net cash (used) in / from financing activities	<u>(13,409,691)</u>	<u>3,914,504</u>
Net (decrease) / increase in cash and cash equivalents	<u>(27,797,213)</u>	<u>6,212,728</u>
Cash and cash equivalents at the beginning of the year	53,866,092	47,653,364
Cash and cash equivalents at the end of the year	<u>26,068,879</u>	<u>53,866,092</u>

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The annexed notes 1 to 23 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

**CIVIL SOCIETY HUMAN AND INSTITUTIONAL DEVELOPMENT PROGRAMME (CHIP)
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	General Fund	Endowment Fund	Total
	-----Rupees-----		
Balance as at June 30, 2013	29,766,245	34,956,235	64,722,480
Total comprehensive Surplus for the year	<u>1,577,781</u>	-	<u>1,577,781</u>
Balance as at June 30, 2014	31,344,026	34,956,235	66,300,261
Total comprehensive surplus for the year	<u>320,352</u>	-	<u>320,352</u>
Balance as at June 30, 2015	<u>31,664,378</u>	<u>34,956,235</u>	<u>66,620,613</u>

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DIRECTOR

4 OPERATING FIXED ASSETS

	Cost			Depreciation			Book value as of June 30, 2015	Rate of depreciation	
	As at July 01, 2014	Additions	Disposals/transfers	As at June 30, 2015	As at July 01, 2014	Charge for the year			Disposals
	Rupees			Rupees			Rupees		
Deemed									
Freehold Land	24,000,000	-	-	24,000,000	-	-	-	24,000,000	
Building	15,511,632	-	20,813,912	36,105,544	11,881,261	2,055,511	14,036,772	22,128,772 10%	
Electricity and Gas Equipment	3,560,791	-	-	3,560,791	2,644,214	273,490	2,921,764	638,997 10%	
Furniture and fixtures	3,912,493	1,862,136	-	5,774,643	1,883,113	418,260	3,303,873	3,470,770 10%	
Computers and Accessories	4,436,343	347,062	-	4,783,423	1,841,728	456,567	4,297,298	486,128 10%	
Vehicles	7,456,390	1,087,034	(879,000)	7,664,324	7,436,298	72,468	6,649,768	1,014,258 20%	
Books	11,430	-	-	11,430	10,684	746	11,430	- 20%	
Office equipment	1,258,221	202,299	-	1,460,514	1,127,262	37,608	1,184,870	275,648 20%	
Vision Centre	3,389,770	-	-	3,389,770	1,817,213	1,039,954	2,657,167	2,142,603 20%	
Capital work in progress	16,791,220	4,022,092	(20,813,912)	-	-	-	-	-	
Total	81,978,128	7,521,223	(879,000)	88,620,351	38,566,773	4,375,184	(879,000)	34,862,877	54,557,474
Assets held under finance lease									
Vehicles	2,381,900	-	-	2,381,900	1,015,918	420,380	1,436,298	665,602 20%	
Total Assets	84,880,028	7,521,223	(879,000)	90,722,251	31,582,691	4,795,484	(879,000)	35,499,175	55,223,076