



**FINANCIAL STATEMENTS OF  
CIVIL SOCIETY HUMAN AND  
INSTITUTIONAL DEVELOPMENT  
PROGRAMME  
FOR THE YEAR ENDED  
JUNE 30, 2017**

**BDO Ebrahim & Co. Chartered Accountants**

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The Board of Directors,  
Civil Society Human and Institutional Development Programme (CHIP)  
Islamabad

October 12, 2017  
BDO/AUD/952/2017

## AUDIT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

Dear Sirs,

We have completed the audit of the financial statements Civil Society Human and Institutional Development Programme for the above referred period and are pleased to enclose herewith the three copies of draft statement of receipt and payment, together with our audit report thereon duly initialed by us for identification purposes. We shall be pleased to sign our report in its present or amended form after the statement has been approved by the board and signed on their behalf by the Chief Executive Officer and Manager Finance and on receipt/review of the following:

- a) Letter of representation addressed to us on behalf of the Board of Directors and signed by the Chief Executive and Manager Finance as per draft provided by us.
- b) Board of Directors' resolution in respect of the following:
  - Additions to property, plant and equipment amounting to Rs. 5.748 million;
  - Deletions to property, plant and equipment amounting to Rs. 3.282 million;
  - Advance from supplier written off amounting to Rs. 100,000; and

Our observations on this set of receipt and payments are as follows:

### 1. RESPONSIBILITIES OF THE MANAGEMENT AND AUDITORS IN RELATION TO THE STATEMENT OF RECEIPT AND EXPENDITURES

- 1.1 The responsibilities of the independent auditors in a usual examination of the statement are stipulated in International Standards on Auditing.
- 1.2 While the auditors are responsible for forming and expressing their opinion on the statement, the responsibility for preparation of such statement is primarily that of the Company's management. The management's responsibilities include the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies of the Company and prevention and detection of frauds and irregularities. The audit of statement does not relieve the management of its responsibilities.

### 2. PROPERTY AND EQUIPEMENT

We noted that the fixed assets except vehicles of the Company are not insured. We recommend that the fixed assets should be insured in order to mitigate the risk of loss caused by the fire and natural disaster.

### 3. EMPLOYEE OLD AGE BENEFIT

As per Employee old age benefit act 1976, Chapter I section 1 clause 4 (i) "every industry or establishment wherein ten or more persons are employed by the employer, directly or through any other person whether on behalf of himself or any other person or were employed on any duty during the preceding twelve months, shall become entitled to employee old age benefit".

