



AUDITORS REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Centre for Peace and Development Initiatives - (CPDI) as at June 30, 2012 and the related income and expenditure account, cash flow statement and statement of changes in equity, 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 purposes 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 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 the 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 account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account 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 explanations given to us, the balance sheet, income and expenditure account, cash flow statement and statement of changes in equity 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, 2012 and of the surplus, its cash flows and changes in equity 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).

Chartered Accountants

Islamabad: August 1, 2012

CPDI- CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES
BALANCE SHEET
AS AT JUNE 30, 2012

| | Note | 2012 Rupees | 2011 Rupees |
|--|------|------------------|-------------------|
| OPERATING FIXED ASSETS - Tangible | | | |
| (At cost less accumulated depreciation) | 3 | 1,860,045 | 1,587,273 |
| Long term investements | 4 | 5,550,000 | 2,641,713 |
| CURRENT ASSETS | | | |
| Advances, deposits and prepayments | | 520,462 | 444,571 |
| Cash and bank balances | 5 | 1,276,955 | 14,614,984 |
| | | 1,797,417 | 15,059,555 |
| | | <u>9,207,462</u> | <u>19,288,541</u> |
| Fund and liabilities | | | |
| Fund account | | 725,629 | 3,197,726 |
| CURRENT LIABILITIES | | | |
| Creditors and accrued expenses | | 1,859,731 | 1,987,300 |
| Advance against projects | 6 | 6,622,103 | 14,103,515 |
| | | 8,481,833 | 16,090,815 |
| | | <u>9,207,462</u> | <u>19,288,541</u> |


CHIEF EXECUTIVE


DIRECTOR



CPDI- CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2012

| | Notes | 2012 (Rupees) | 2011 (Rupees) |
|--------------------------------------|-------|-----------------------|-------------------------|
| REVENUE- recognized | 7 | 47,169,212 | 45,558,753 |
| Overheads | | - | - |
| | | <u>47,169,212</u> | <u>45,558,753</u> |
| Expenditure | 8 | 48,739,229 | 41,998,753 |
| | | <u>(1,570,017)</u> | <u>3,560,000</u> |
| ADM & GENERAL EXPENSES | 9 | 312,476 | - |
| Surplus/(deficit) for the year | | <u>(1,882,493)</u> | <u>3,560,000</u> |
| Depreciation | | 544,604 | 412,367 |
| Financial charges | | <u>45,000</u> | <u>-</u> |
| Net deficit for the year | | <u>(2,472,097)</u> | <u>3,147,633</u> |
| Surplus at the beginning of the year | | 3,197,726 | 50,093 |
| Surplus C/F to balance sheet | | <u><u>725,629</u></u> | <u><u>3,197,726</u></u> |

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CHIEF EXECUTIVE


DIRECTOR

CPDI- CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2012

CASH FLOW FROM OPERATING ACTIVITIES

Net surplus/(deficit) for the year

2012
(Rupees)

(2,472,097)

Add: Non-cash adjustments

Depreciation

544,604

Amortization

-

Financial charges

-

544,604

Profit before working capital changes

(1,927,493)

Working capital adjustments

(Increase)/decrease in current assets

Advances, deposits and prepayments

(75,891)

Increase/(decrease) in current liabilities

(127,569)

Creditors, accrued and other liabilities

(7,481,412)

Un-earned income- project advances

(7,684,873)

Cash generated from operations

(A) (9,612,366)

Income tax paid during the year

-

Net cash flow from operating activities

(9,612,366)

CASH FLOW FROM INVESTING ACTIVITIES

Fixed assets purchased

(817,376)

Net cash flow from investing activities

(B) (817,376)

CASH FLOW FROM FINANCING ACTIVITIES

Liability against assets subject to finance lease

-

Short running finances- secured

-

Long term investments

(2,908,287)

Share deposit money

-

Personal drawings

Net cash flow from financing activities

(C) (2,908,287)

(Decrease)/increase in cash & cash equivalents

(A)+(B)+(C) (13,338,029)

Cash & cash equivalents at the beginning of the year

14,614,984

Cash & cash equivalents at the close of the year

1,276,955

(0)


CHIEF EXECUTIVE


DIRECTOR

CPDI- CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES
NOTES TO THE ACCOUNTS

1. INCORPORATION AND ACTIVITIES

The company was incorporated as a company limited by guarantee on July 17, 2008 under the Companies Ordinance, 1984 with the object to promote peace, develop initiatives for well being of among the people of Pakistan.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for "Medium-Sized Entities" (MSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions or directives of the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Accounting Conventions

These financial statements have been prepared under the historical cost convention.

2.3 Operating fixed assets

Owned assets

Operating fixed assets are stated at cost less accumulated depreciation and any impairment (if any). Depreciation is charged at the rate specified in the note on reducing balance method. No depreciation is charged on assets disposed off during the year, whereas, full year's depreciation is charged on additions during the year. Normal maintenance and repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain and losses on disposal of assets are taken to profit and loss account.

2.4 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and at banks. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash.

2.5 Trade & other payables

Liabilities for trade & other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the company.

2.6 Revenue recognition

Income from Specific Grants, Research Grants and Contracts is included to the extent of the expenditure incurred during the year, together with any related contributions towards overhead costs. Income from specific endowments not expended in accordance with the restrictions of the endowment is transferred from the income and expenditure account to specific endowments. Income from other services rendered is included to the extent of completion of the contract or services concerned and is measured at the fair value of the consideration receivable. All income from short-term deposits and general endowment asset investments is credited to the Income and Expenditure Account on a receivable basis.



CHIEF EXECUTIVE



DIRECTOR



CPDI- CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES

3. OPERATING FIXED ASSETS - Tangible

| PARTICULARS | Cost as at July 1, 2011 | Addition/ (Deletions) | Total Cost June 30, 2012 | Rate % | July 1, 2011 | Depreciation For the Year | June 30, 2012 | WDV June 30, 2012 |
|-----------------------------|----------------------------|--------------------------|-----------------------------|-----------|--------------|------------------------------|---------------|----------------------|
| <u>Owned assets</u> | | | | | | | | |
| Furniture and fixtures | 386,824 | 2,050 | 388,874 | 10 | 109,470 | 27,940 | 137,410 | 251,464 |
| Fittings | 117,720 | 38,960 | 156,680 | 10 | 38,772 | 11,791 | 50,563 | 106,117 |
| Books | 82,829 | 1,300 | 84,129 | 20 | 57,698 | 5,286 | 62,984 | 21,145 |
| Computers & equipments | 1,561,668 | 775,066 | 2,336,734 | 30 | 829,252 | 452,245 | 1,281,497 | 1,055,237 |
| Rupees | 2,149,041 | 817,376 | 2,966,417 | | 1,035,192 | 497,262 | 1,532,454 | 1,433,963 |
| <u>Leased assets</u> | | | | | | | | |
| Vehicles | 801,750 | - | 801,750 | 10 | 328,326 | 47,342 | 375,668 | 426,082 |
| | 801,750 | - | 801,750 | | 328,326 | 47,342 | 375,668 | 426,082 |
| | 2,950,791 | 817,376 | 3,768,167 | | 1,363,518 | 544,604 | 1,908,122 | 1,860,045 |


CHIEF EXECUTIVE


DIRECTOR

CPDI- CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES

| | 2012 (Rupees) | 2011 (Rupees) |
|---|--------------------------|--------------------------|
| 4 Long term investements-AKDN | | |
| AKDN | 50,000 | 50,000 |
| Islamabad Plot | 5,500,000 | 2,591,713 |
| | <u>5,550,000</u> | <u>2,641,713</u> |
| 5 Cash and bank balances | | |
| Cash in hand | 1,553 | 1,036 |
| Cash at bank- current account | 1,275,402 | 14,613,948 |
| | <u>1,276,955</u> | <u>14,614,984</u> |
| 6 Advance against projects (separate sheet attached) | | |
| 7 REVENUE- recognized | | |
| British High Commision- Investigative journalism | - | 7,162 |
| National Endowment for Democracy2011-2012 | 6,961,615 | 9,736,158 |
| National Endowment for Democracy2012-2013 | 2,331,687 | - |
| The Asia FoundationSTAEP | 18,838,111 | 10,028,766 |
| Asian Development Bank | 3,591,295 | 8,725,579 |
| UNOPS"GJP" | 3,682,835 | 3,482,627 |
| ANSA | 2,350,562 | 1,507,707 |
| FNF | 1,530,916 | 2,025,600 |
| Parliament Watch Project | 1,184,194 | 747,000 |
| FAFEN - Right To Informarion Project | 557,000 | - |
| UNESCO | 37,155 | - |
| PCE | 62,500 | - |
| Actionaid | 136,000 | - |
| Worldlearni-ng | - | - |
| OSI - Workshop | 493,765 | 2,368,326 |
| UNOPS - Survey | 278,764 | - |
| FAFEN - Voters List Display Period | 429,412 | - |
| FAFEN - Active Citizen Program | 694,649 | - |
| FAFEN Misc | 38,828 | 243,563 |
| Oxfam | - | - |
| Common-welath | 191,314 | 386,337 |
| Miscellaneous Consultancies | 28,610 | 2,739,928 |
| Donations | 3,750,000 | 3,560,000 |
| | <u>47,169,212</u> | <u>45,558,753</u> |

8 COST OF PROJECTS

| | 2012 (Rupees) | 2011 (Rupees) |
|------------------------------------|-------------------|-------------------|
| Salaries, Wages & Perdiems | 21,988,834 | 11,872,449 |
| Seminar & Workshops | 12,014,478 | 2,916,175 |
| Research & development | 50,000 | 423,571 |
| Travelling, Boarding & Lodging | 4,184,522 | 4,701,366 |
| Communications | 879,756 | 971,692 |
| Benefits Taxes & Allowances | 409,734 | 303,500 |
| Supplies & Equipments | 513,277 | 1,790,409 |
| Consultancy & Contractual Services | 3,486,400 | 10,474,890 |
| Meetings Trainings & Forums | - | 1,092,556 |
| Printing & Stationery | 1,324,054 | 1,798,014 |
| Space & Utilities | 377,046 | 1,924,760 |
| Overheads | 3,511,128 | 3,729,371 |
| | <u>48,739,229</u> | <u>41,998,753</u> |

9 ADMN. & GENERAL EXPENSES

| | |
|-------------------------|----------------|
| Travelling & Conveyance | 31,715 |
| Communication | 16,206 |
| Food & Refreshment | 32,545 |
| Newspaper & Periodicals | 13,494 |
| Research & Training | 35,738 |
| Fee & subscription | 68,428 |
| Professional Charges | 39,350 |
| Auditors remuneration | 60,000 |
| Miscellaneous | 15,000 |
| | <u>312,476</u> |

**8. FIGURES**

-have been rounded off to the nearest rupee and comparative figures re-arranged where necessary.

9 Date of authorization

These financial statements were authorized for issue by the board of directors on _____.

10 FIGURES

- have been rounded - off to the nearest Rupee.

Chai - Figures of the previous year have been rearranged wherever necessary **General Secretary**

- Figures of the previous year have been rearranged wherever necessary.


CHIEF EXECUTIVE
DIRECTOR

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| | National Endowment for Democracy 2011-2012 | National Endowment for Democracy 2012-2013 | The Asia Foundation STAEP | The Asia Foundation "Community Policing Survey" | Asian Development Bank | UNOPS "GJP" | OSI | ANSA | FNF |
|----------------------------------|---|---|---------------------------------|---|------------------------------|------------------|------------------|------------------|------------------|
| Balance As on July 1,2011 | 398,880 | - | 2,812,690 | 347,433 | 3,951,030 | 1,537,373 | 1,433,857 | 1,350,647 | (7,714) |
| Fund Received During Year | 6,562,735 | 2,969,100 | 16,081,525 | - | - | 2,145,462 | 3,886,160 | 999,915 | 1,600,000 |
| Expenditures: | | | | | | | | | |
| Personnel Cost | 3,132,000 | 1,852,335 | 11,199,296 | - | 931,773 | 696,500 | 1,450,000 | 885,130 | - |
| Benefits, Taxes and Allowances | 409,734 | - | - | - | - | - | - | - | - |
| Travel & Per Diems | 495,000 | 95,117 | 2,486,117 | - | 210,164 | 28,500 | 343,025 | 109,292 | - |
| Program Activity | 1,417,039 | 139,018 | 3,474,908 | - | - | 2,223,214 | 2,435,565 | 709,720 | 408,409 |
| Research & Development | - | - | - | - | - | 50,000 | - | - | - |
| Space and Utilities charge | 170,845 | 34,253 | - | - | - | - | 45,400 | 52,508 | - |
| Supplies and Equipment | 95,002 | 91,050 | - | - | 192,074 | - | 117,587 | 17,564 | - |
| Communications and Postage | 91,995 | 119,914 | 423,905 | - | 13,421 | - | 161,440 | 36,131 | - |
| Contractual Services | 1,150,000 | - | - | - | - | - | 767,000 | 295,000 | 1,064,000 |
| Meeting Training & Forums | - | - | - | - | - | - | - | - | - |
| Printing & Stationery | - | - | - | - | 237,544 | 574,100 | - | 212,000 | 57,600 |
| Overheads | - | - | 1,253,885 | - | 2,006,319 | 110,521 | - | 33,217 | 907 |
| Total Expenditures: | 6,961,615 | 2,331,687 | 18,838,111 | - | 3,591,295 | 3,682,835 | 5,320,017 | 2,350,562 | 1,530,916 |
| | - | 637,413 | 56,104 | 347,433 | 359,735 | - | - | - | 61,370 |

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| | Parliament Watch Project | FAFEN - Right To Information Project | UNESCO | PCE | Actionaid | Worldlearn-ing | OSI - Workshop | UNOPS - Survey | FAFEN - Voters List Display Period |
|----------------------------------|-----------------------------|--|----------------|---------------|----------------|-----------------|----------------|-------------------|--|
| Balance As on July 1,2011 | 1,164,062 | - | 242,447 | 81,187 | 468,724 | (46,618) | - | - | - |
| Fund Received During Year | 1,500,000 | 1,470,000 | - | - | - | 756,440 | 501,466 | 910,534 | 161,700 |
| Expenditures: | | | | | | | | | |
| Personnel Cost | 1,184,194 | 557,000 | - | - | - | - | 70,606 | 30,000 | - |
| Benefits, Taxes and Allowances | - | - | - | - | - | - | - | - | - |
| Travel & Per Diems | - | - | 22,336 | - | - | - | 92,892 | 80,744 | 110,700 |
| Program Activity | - | - | 14,819 | - | - | - | 212,230 | 20,120 | 257,200 |
| Research & Development | - | - | - | - | - | - | - | - | - |
| Space and Utilities charge | - | - | - | - | - | - | 45,430 | - | - |
| Supplies and Equipment | - | - | - | - | - | - | - | - | - |
| Communications and Postage | - | - | - | - | - | - | 17,950 | - | 9,000 |
| Contractual Services | - | - | - | 62,500 | - | - | - | 147,900 | - |
| Meeting Training & Forums | - | - | - | - | - | - | - | - | - |
| Printing & Stationery | - | - | - | - | 136,000 | - | 3,475 | - | 23,538 |
| Overheads | - | - | - | - | - | - | 51,182 | - | 28,974 |
| Total Expenditures: | 1,184,194 | 557,000 | 37,155 | 62,500 | 136,000 | - | 493,765 | 278,764 | 429,412 |
| | 1,479,868 | 913,000 | 205,292 | 18,687 | 332,724 | 709,822 | 7,701 | 631,770 | (267,712) |

CPDI- CENTRE FOR PEACE AND DEVELOPMENT
NOTES TO THE ACCOUNTS FOR THE YEAR

| 6 | | FAFEN - Active Citizen Program | FAFEN Misc | Oxfam | Common- welath | Miscellaneous Consultancies | Total |
|---|----------------------------------|--------------------------------------|------------|---------|-------------------|--------------------------------|------------|
| | Balance As on July 1,2011 | - | 204,433 | 119,654 | - | 45,431.00 | 14,103,516 |
| | Fund Received During Year | 390,820 | 19,690 | - | - | 1,302,268 | 41,257,815 |
| | Expenditures: | | | | | | |
| | Personnel Cost | - | - | - | - | - | 21,988,834 |
| | Benefits, Taxes and Allowances | - | - | - | - | - | 409,734 |
| | Travel & Per Diems | 71,807 | 38,828 | - | - | - | 4,184,522 |
| | Program Activity | 510,922 | - | - | 191,314 | - | 12,014,478 |
| | Research & Development | - | - | - | - | - | 50,000 |
| | Space and Utilities charge | - | - | - | - | 28,610 | 377,046 |
| | Supplies and Equipment | - | - | - | - | - | 513,277 |
| | Communications and Postage | 6,000 | - | - | - | - | 879,756 |
| | Contractual Services | - | - | - | - | - | 3,486,400 |
| | Meeting Training & Forums | - | - | - | - | - | - |
| | Printing & Stationery | 79,797 | - | - | - | - | 1,324,054 |
| | Overheads | 26,123 | - | - | - | - | 3,511,128 |
| | Total Expenditures: | 694,649 | 38,828 | - | 191,314 | 28,610 | 48,739,229 |
| | | (303,829) | 185,295 | 119,654 | (191,314) | 1,319,089 | 6,622,103 |