

**CENTRE FOR PEACE AND
DEVELOPMENT INITIATIVES- CPDI**

FINANCIAL STATEMENTS

**FOR THE YEAR
ENDED JUNE 30, 2015**



AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Centre for Peace and Development Initiatives – CPDI (“the Company”) as at June 30, 2015 and the related statement of income and expenditure, statement of changes in accumulated funds and cash flow statement 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 statement 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 financial 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 account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion
 - (i) the balance sheet and profit and loss 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;

Arlo



- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, statement of income and expenditure account, statement of changes in accumulated funds, cash flow statement 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, the excess of income over expenditure, changes in accumulated funds and its cash flows for the year then ended; and
- (d) In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Islamabad,

20 NOV 2015


OMER ADIL & Co.
Chartered Accountants



Engagement Partner: Mr. Omer Adil (FCA)

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
BALANCE SHEET
AS AT JUNE 30, 2015

	Note	June 30, 2015 Rupees	June 30, 2014 Restated Rupees	June 30, 2014 Original Rupees
General Fund - Un-Restricted	3.	46,026,452	41,042,571	41,997,141
Current Liabilities				
Accrued and other liabilities	4.	100,000	302,168	302,168
Unutilized grant	5.	10,204,822	954,569	-
		10,304,822	1,256,737	302,168
Contingencies and Commitments	6.	-	-	-
		56,331,274	42,299,309	42,299,309

The Auditor's report is set out on pages 1 and 2.
The annexed notes on pages 7 to 13 form an integral part of these financial statements.


CHIEF EXECUTIVE

ortho.

	Note	June 30, 2015 Rupees	June 30, 2014 Restated Rupees	June 30, 2014 Original Rupees
Operating Assets				
	7.	9,295,331	3,536,024	3,536,024
Long Term Investments	8.	17,126,637	17,117,565	17,117,565
Current Assets				
Advances and other receivables- unsecured	9.	657,535	782,804	782,804
Deposits and short-term prepayments	10.	1,994,322	1,455,721	1,455,721
Cash and bank balances	11.	27,257,450	19,407,195	19,407,195
		29,909,306	21,645,720	21,645,720
		56,331,274	42,299,309	42,299,309


DIRECTOR

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2015

		June 30, 2015	June 30, 2014	June 30, 2014
	Note	Rupees	Restated Rupees	Original Rupees
Revenue				
Restricted grant	12.	50,359,852	73,472,896	89,997,998
Consultancies		56,570,010	35,352,798	23,458,825
Other income		1,451,510	3,676,560	-
		108,381,372	112,502,254	113,456,823
Expenses				
Grant expenses	13.	(50,359,852)	(73,472,896)	(87,292,424)
Consultancies expenses	14.	(39,273,679)	(13,819,528)	-
General and administration expenses	15.	(14,373,327)	(3,695,504)	(3,695,504)
Other charges	16.	(345,203)	-	-
Excess of income over expenditure for the year		4,029,311	21,514,326	22,468,896

The Auditor's report is set out on pages 1 and 2.

The annexed notes on pages 7 to 13 form an integral part of these financial statements.

Arlo

[Signature]

CHIEF EXECUTIVE

[Signature]

DIRECTOR

**CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
STATEMENT OF CHANGES IN ACCUMULATED FUND
AS AT JUNE 30, 2015**

	General Fund
Balance as on June 30, 2013	<u>19,528,245</u>
Excess of income over expenditure for the year ended June 30, 2014	22,468,896
Balance as on June 30, 2014	<u>41,997,141</u>
Excess of income over expenditure for the year ended June 30, 2015	4,029,311
Balance as on June 30, 2015	<u>46,026,452</u>

The Auditor's report is set out on pages 1 and 2.

The annexed notes on pages 7 to 13 form an integral part of these financial statements.

Arlo

[Signature]

CHIEF EXECUTIVE

[Signature]

DIRECTOR

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015

	2015	2014	2014
Note	Rupees	Restated Rupees	Original Rupees
Cash Flows from Operating Activities			
Excess of income over expenditure for the year	4,029,311	21,514,326	22,468,896
Adjustments for:			
Depreciation	4,045,355	1,682,200	1,682,200
Exchange loss	345,203	-	-
	8,419,869	23,196,526	24,151,096
Movement in Working Capital			
Increase in current assets			
Advances and other receivables- unsecured	125,269	(6,091,792)	(6,091,792)
Deposits and short-term prepayments	(538,601)	(1,453,875)	(1,453,875)
	(413,332)	(7,545,667)	(7,545,667)
Increase in current liabilities			
Unutilized grant	10,204,822	954,569	-
Accrued and other liabilities	(202,168)	91,511	91,511
	9,589,321	(863,058)	91,511
Net cash generated from / (used in) operating activities	18,009,190	(7,454,156)	(7,454,156)
Cash Flows from Investing Activities			
Payments for capital expenditure	(9,804,661)	(3,757,345)	(3,757,345)
Long term deposits	(9,072)	-	-
Net cash (used in) investing activities	(9,813,732)	(3,757,344)	(3,757,345)
Cash Flows from Financing Activities			
Long term investment	9,072	(5,377,357)	(5,377,357)
Net cash generated from / (used in) financing activities	9,072	(5,377,357)	(5,377,357)
Net increase in cash and cash equivalents	8,195,458	7,562,238	7,562,238
Cash and cash equivalents as at July 01	19,407,195	11,844,957	11,844,957
Effect of foreign currency loss	(345,203)	-	-
Cash and cash equivalents as at June 30	27,257,450	19,407,195	19,407,195

The Auditor's report is set out on pages 1 and 2.

The annexed notes on pages 7 to 13 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

1. Status and Nature of Business

- 1.1 The company was incorporated as a company limited by guarantee on July 17, 2008 under section 42 of the Companies Ordinance, 1984 as an association for not for profit, with the object to promote and initiate steps for developing consensus of opinion on various social and development issues, to strengthen peace and develop initiatives for well being of among the people of Pakistan.
- 1.2 The registered office of the Company is situated at House No. 370 Street No 75, E-11/3 MPCHS Islamabad.
- 1.3 These financial statements cover only the individual activities of Centre for Peace & Development Initiatives.

2. Summary of 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 Companies issued by the Institute of Chartered Accountants of Pakistan through S.R.O No. 859(I)/2007 dated August 21, 2007 and provisions of and directives issued under the Companies Ordinance, 1984. in case requirements differ, the provisions or directive of the Companies Ordinance, 1984 shall prevail. Moreover, these financial are also in compliance with Guideline for Accounting and Financial Reporting Framework By Non Government Organizations (NGOs) / Non-Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 Accounting convention

These accounts have been prepared under the historical cost convention on accrual basis of accounting, except assets and liabilities denominated in foreign currencies, which are dealt with as stated in note 2.10 below.

2.3 Error in Financial Statement in respect of Revenue

In previous years the restricted grant revenue was overstated. It is impracticable to determine the effects of errors on comparative information for prior periods ended upto June 30, 2013. This error in the financial statement has been corrected retrospectively and comparative information has been restated for the year ended June 30, 2014 in accordance with the treatment specified in NPO Guidelines for Accounting and Financial Reporting Framework By Non Government Organizations (NGOs) / Non-Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2.4 Management responsibility for financial statements

The management is responsible for the preparation and presentation of financial statements. The reporting currency of the financial statements is Pakistani Rupee. These financial statements have been prepared for the year from July 01, 2014 to June 30, 2015.

2.5 Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Taxation

Current

The grant income of the Company is exempt from tax under clause 58 of Second Schedule of the Income Tax Ordinance, 2001. The provision for current taxation is based on other taxable income at the current rates of taxation after taking into account tax credit available, if any, or one percent of turnover, whichever is higher in accordance with the provisions of the Income Tax Ordinance, 2001. However provision for current taxation on rental income is based in accordance with the provisions of Division VI of Part I of First Schedule of Income Tax Ordinance, 2001.

Arlo

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

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.

2.7 Tangible fixed assets and depreciation

These are stated at cost, less accumulated depreciation and impairment losses, if any.

Depreciation charge is based on straight-line method at the rates mentioned in the fixed assets schedule, whereby the cost of an asset is written off to profit and loss account over its estimated useful life without taking into account any residual value. Depreciation on additions is charged for full month in the month of addition while no depreciation is charged in the month of deletion.

Normal repairs, maintenance, renewals and improvements are charged to income as and when incurred; major repairs, maintenance, renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Gains and losses on disposal of fixed assets is charged to profit and loss account in the year of disposal.

2.8 Trade and other payables

Trade and other payables are stated at their cost.

2.9 Trade debts and other receivables

Trade debts are stated at cost less impairment losses, if any.

2.10 Grants

This grant is recognized as income to the extent of expenditure incurred during the year. However restricted amount at year end is carried as restricted grant.

2.11 Foreign currency transactions and translations

Transactions denominated in foreign currencies are translated to Pak Rupees at the foreign exchange rate (average rate) ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the foreign exchange rates prevailing at the balance sheet date and the resultant exchange gains and losses are charged to statement of income and expenditure in the year in which they arise.

2.12 Cash and cash equivalents

Cash comprises of cash in hand and demand deposits maintained with banks in current accounts.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.13 Long term investments

The Company has invested in land which is carried at cost.

Investment in units of mutual fund are revalued using market rate.

Arlo

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

	Note	June 30, 2015 Rupees	June 30, 2014 Restated Rupees	June 30, 2014 Original Rupees
3. General Fund				
Opening balance		41,997,141	19,528,245	19,528,245
Less: Excess / (deficit) of income over expenditure for the year		4,029,311	21,514,326	22,468,896
Closing balance		<u>46,026,452</u>	<u>41,042,571</u>	<u>41,997,141</u>
4. Accrued and Other Liabilities				
Accrued liabilities		100,000	302,168	302,168
Other liabilities		-	-	-
		<u>100,000</u>	<u>302,168</u>	<u>302,168</u>
5. Unutilized Grant				
It represents grant received in advance		<u>10,204,822</u>	<u>954,569</u>	<u>-</u>
6. Contingencies and Commitments				
6.1 There were no contingencies and commitments as at year end (2014: NIL)		<u>-</u>	<u>-</u>	<u>-</u>

Arlo

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

7. Operating Assets

Amount in Rupees

Particulars	COST		Rate %	DEPRECIATION		W.D.V. As at June 30, 2015
	As at July 01, 2014	Additions/ (Adjustments)		As at July 01, 2014	For the year	
Furniture, fixtures and fittings	641,454	2,058,739	10	287,876	270,019	2,142,298
Books	84,129	-	20	84,039	90	84,129
Computers & equipments	4,606,179	6,997,122	30	2,979,922	3,480,990	5,142,389
Vehicles	2,193,750	748,800	10	637,651	294,255	2,010,644
Year ended June 30, 2015	7,525,512	9,804,661		3,989,488	4,045,355	9,295,331
Year ended June 30, 2014 Restated	3,768,167	3,757,345		2,725,564	1,682,200	3,536,024
Year ended June 30, 2014 Original	3,768,167	3,757,345		2,725,564	1,682,200	3,536,024

or
As at

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

	Note	June 30, 2015 Rupees	June 30, 2014 Restated Rupees	June 30, 2014 Original Rupees
8. Long Term Investments				
AKDN mutual fund		166,637	157,565	157,565
Plots in Islamabad		16,960,000	16,960,000	16,960,000
		<u>17,126,637</u>	<u>17,117,565</u>	<u>17,117,565</u>
9. Advances and Other Receivables - Unsecured				
Considered good				
Advances to employees		563,635	688,904	688,904
Advance tax		93,900	93,900	93,900
Considered doubtful		<u>657,535</u>	<u>782,804</u>	<u>782,804</u>
Less: Provision for doubtful other receivable		-	-	-
		<u>657,535</u>	<u>782,804</u>	<u>782,804</u>
10. Deposits and Short-Term Prepayments				
Security deposit		1,291,700	1,024,700	1,024,700
Short term prepayments - office rent		702,622	431,021	431,021
		<u>1,994,322</u>	<u>1,455,721</u>	<u>1,455,721</u>
11. Cash and Bank Balances				
Cash in hand		5,815	19,928	19,928
Cash with banks - current accounts				
Local currency		9,847,094	8,605,000	8,605,000
Foreign currency		17,404,541	-	-
		27,251,635	10,782,267	10,782,267
		<u>27,257,450</u>	<u>19,407,195</u>	<u>19,407,195</u>
12. Revenue				
Restricted grant		50,359,852	74,427,465	89,997,998
Consultancies		56,570,010	35,352,798	23,458,825
Other income		1,451,510	3,676,560	-
		<u>108,381,372</u>	<u>113,456,823</u>	<u>113,456,823</u>
13. Project Expenses				
Salaries, wages and per diems		23,787,244	34,411,787	34,739,112
Seminar and workshops		15,625,169	25,943,264	24,338,978
Travelling, boarding and lodging		5,832,519	4,979,080	8,110,326
Communications		528,580	1,250,047	2,003,882
Supplies and equipments		33,496	1,068,524	1,258,966
Consultancy and contractual services		2,679,810	6,592,397	7,337,897
Meetings, trainings and forums		23,345	492,729	960,514
Printing and stationery		235,112	75,503	2,966,102
Space and utilities		488,944	1,583,212	3,679,945
Bank charges		8,296	62,175	2,076
Office supplies		522,344	1,112,660	784,314
Repair & maintenance-vehicle		-	-	352,240
Repair & maintenance- equipment		1,192	2,500	65,195
Online services fee		130,456	116,425	-
Other expenses		6,637	56,551	-
Production and broadcasting		334,208	-	-
Newspapers		-	23,213	40,184
Jhang office expense		122,500	-	162,758
Bank charges		-	3,368	66,220
		<u>50,359,852</u>	<u>77,773,435</u>	<u>87,292,424</u>

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

	Note	June 30, 2015 Rupees	June 30, 2014 Restated Rupees	June 30, 2014 Original Rupees
14. Consultancy Expenses				
Salaries, wages and perdiems		17,354,577	2,365,028	-
Seminar and workshops		4,548,947	2,750,885	-
Travelling, boarding and lodging		5,239,108	3,344,635	-
Communications		285,574	191,082	-
Supplies and equipments		1,435,766	274,110	-
Consultancy and contractual services		7,035,867	299,043	-
Meetings, trainings and forums		226,528	-	-
Printing and stationery		218,051	60,639	-
Space and utilities		1,802,574	3,350,932	-
Bank charges		82,915	4,086	-
Office supplies		453,890	273,238	-
Repair & maintenance-vehicle		143,282	352,240	-
Repair & maintenance- equipment		80,891	62,695	-
Online services fee		8,116	188,945	-
Other expenses		47,010	1,820	-
Production and broadcasting		249,600	-	-
Newspapers		60,983	16,971	-
Jhang office expense		-	162,758	-
Bank charges		-	120,421	-
		<u>39,273,679</u>	<u>13,819,528</u>	<u>-</u>
15. General and Administration Expenses				
Administrative staff salaries and benefits		3,606,290	878,616	878,616
Office rent		3,206,400	-	-
Utilities		554,311	90,762	90,762
Printing and stationery		236,853	47,750	47,750
Travelling and conveyance		232,622	46,149	46,149
Fee and subscription		731,271	423,715	423,715
Communication		166,047	210,314	210,314
Food and refreshment		57,051	114,175	114,175
Newspaper and periodicals		7,124	-	-
Postage and courier		62,960	56,229	56,229
Research and training		32,140	-	-
Boarding and lodging		-	35,920	35,920
Donations		146,178	20,655	20,655
Seminar and workshop		400,808	7,943	7,943
Professional charges		277,060	174,850	174,850
Office supplies		110,065	-	-
Repairs and maintenance		122,988	57,867	57,867
Mess expenses		22,929	10,249	10,249
Miscellaneous		354,875	261,825	261,825
Depreciation		4,045,355	1,682,200	1,682,200
		<u>14,373,327</u>	<u>4,119,219</u>	<u>4,119,219</u>

Arlo.

CENTRE FOR PEACE AND DEVELOPMENT INITIATIVES - (CPDI)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

	Note	June 30, 2015 Rupees	June 30, 2014 Restated Rupees	June 30, 2014 Original Rupees
16. Other Charges				
Exchange loss		345,203	-	-
17. Remuneration of Chief Executives				

The aggregate amount charged in these financial statements in respect of remuneration to the directors as given below.

	Chief Executive 2015	Chief Executive 2014 (Restated)	Chief Executive 2014
Managerial Remuneration	5,124,321	4,555,198	4,555,198
Number of persons	1	1	1

18. Transactions and Balance with Related Parties

The related parties comprise of directors, key management personnel and entities over the which the directors are able to exercise influence. Transactions with related parties and balances outstanding at the year-end are given below.

Transactions with the related parties

Remuneration of Chief Executive	5,124,321	4,555,198	4,555,198
---------------------------------	-----------	-----------	-----------

19. Total Number of Employees

Total number of employees as at June 30	63	56	56
Average number of employees for the year end June 30	63	56	56

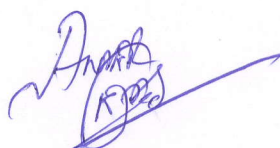
21. Date of Authorization

These financial statements were authorized by Board of Directors on 20 NOV 2015. These financial statements are issued by their express approval and any subsequent amendment shall be likewise approved by them also.

22. General

Figures have been rounded off to the nearest rupee.

Comparative figures have been re-stated, wherever necessary, for the purposes of comparison.



CHIEF EXECUTIVE




DIRECTOR