

**CENTRE FOR PEACE
AND DEVELOPMENT INITIATIVES**

FINANCIAL STATEMENTS

**FOR THE YEAR
ENDED JUNE 30, 2017**

AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Peace and Development Initiatives ("the Company") as at June 30, 2017 and the related income and expenditure, statement of comprehensive income, cash flow statement and statement of changes in accumulated funds 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 a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also include 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 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 accounts and are further in accordance with accounting policies consistently applied, except for the changes as stated in note 30 to the accompanying financial statements with which we concur;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and

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- (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, statement of income and expenditure, statement of comprehensive income, cash flow statement and statement of changes in accumulated funds 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, 2017 and of the deficit, its comprehensive income, its cash flows and changes in accumulated funds for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Islamabad,

10 6 OCT 2017


OMER ADIL & Co.
Chartered Accountants



Engagement Partner: Mr. Omer Adil (FCA)

Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)

Balance Sheet

As at June 30, 2017

		Amounts in PKR	
	Note	June 30, 2017	June 30, 2016
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,173,448	8,912,575
Long-term investment	4	22,426,806	17,139,880
		27,600,254	26,052,455
Current assets			
Loans and advances	5	638,658	803,516
Trade deposits and short-term prepayments	6	695,697	1,970,197
Advance income tax	7	326,495	109,595
Cash and bank balances	8	40,040,403	27,551,784
		41,701,253	30,435,092
Total assets		69,301,506	56,487,547
EQUITY AND LIABILITIES			
General Fund	9	24,689,265	29,837,090
Non-current liabilities			
Unutilized Grant	10	44,038,607	26,079,193
Current liabilities			
Trade and other payables	11	573,634	571,264
Contingencies and commitments	12	-	-
Total equity and liabilities		69,301,506	56,487,547

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

The annexed notes 1 to 31 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Statement of Income and Expenditure
For the year ended June 30, 2017

		Amounts in PKR	
	Note	For the year ended June 30, 2017	For the year ended June 30, 2016
Income			
Restricted grant	13	61,560,628	61,719,543
Consultancies		10,613,687	15,760,524
Expenses			
Project Expenses	14	(61,560,628)	(61,719,543)
Consultancy Expenses	15	(10,282,804)	(12,787,345)
Administration and selling expenses	16	(6,246,661)	(18,867,649)
Operating result		(5,915,778)	(15,894,470)
Other charges	17	(756,455)	(572,768)
Other income	18	1,524,408	277,876
Excess of (expenditure) over income for the year		(5,147,825)	(16,189,362)

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


DIRECTOR

Centre for Peace and Development Initiatives
 (A company licensed under section 42 of the Companies Act, 2017)
Statement of Other Comprehensive Income
 For the year ended June 30, 2017

		Amounts in PKR	
	Note	For the year ended June 30, 2017	For the year ended June 30, 2016
Excess of (expenditure) over income for the year		(5,147,825)	(16,189,362)
Other comprehensive income		-	-
Total comprehensive income for the year		(5,147,825)	(16,189,362)

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



DIRECTOR



Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Cash Flow Statement
For the year ended June 30, 2017

		Amounts in PKR	
	Note	For the year ended June 30, 2017	For the year ended June 30, 2016
Cash flows from operating activities			
(Loss) / Profit before taxation		(5,147,825)	(16,189,362)
Adjustments for;			
Depreciation	3.1	1,161,891	4,850,997
Loss on sale of assets		631,455	-
Exchange (losses)	17	(59,568)	462,768
		<u>1,733,778</u>	<u>5,313,765</u>
		(3,414,048)	(10,875,596)
Movement in : Working capital		1,224,828	239,813
Cash generated from operations		(2,189,219)	(10,635,783)
Net cash (used in) / generated from operating activities		(2,189,219)	(10,635,783)
Cash Flows from Investing Activities			
Sale of fixed assets		3,262,900	-
Long term deposits		(5,286,926)	(13,243)
Payments for capital expenditure	3.1	(1,317,118)	(4,468,242)
Net cash (used in) investing activities		(3,341,144)	(4,481,485)
Cash Flows from Financing Activities			
Unutilized grants		17,959,415	15,874,371
Net cash generated from financing activities		17,959,415	15,874,371
Net increase / (decrease) in cash and cash equivalents		12,429,051	757,102
Cash and cash equivalents at the beginning of the year		27,551,784	27,257,450
Effect of foreign currency loss		59,568	(462,768)
Cash and Cash Equivalents as at June 30		40,040,403	27,551,784

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Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Cash Flow Statement
For the year ended June 30, 2017

Note	Amounts in PKR	
	For the year ended June 30, 2017	For the year ended June 30, 2016
Movement in Working Capital		
<i>(Increase) in current assets</i>		
Loans and advances	(52,042)	255,576
Trade deposits and short-term prepayments	1,274,500	(24,125)
	-	-
	1,222,458	(231,451)
Decrease in current liabilities		
Creditors, accrued and other liabilities	2,370	471,264
	2,370	471,264
	1,224,828	239,813

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

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CHIEF EXECUTIVE

DIRECTOR

Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Statement of Changes in Accumulated Funds
For the year ended June 30, 2017

	Amounts in PKR
Balance as at June 30, 2015	46,026,452
Excess of (expenditure) over income for the year	(16,189,362)
Balance as at June 30, 2016	29,837,090
Excess of (expenditure) over income for the year	(5,147,825)
Balance as at June 30, 2017	24,689,265

The Auditor's report is set out on pages 1 and 2.
The annexed notes 1 to 31 form an integral part of these financial statements.

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CHIEF EXECUTIVE



DIRECTOR

Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Notes to the Financial Statements
For the year ended June 30, 2017

1 Status and Nature of Business

The company was incorporated as a company limited by guarantee on July 17, 2008 under section 42 of the Companies Ordinance, 1984 (deemed to be registered under Companies ACT, 2017) 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.

The registered office of the Company is situated at 601 Abu Dhabi Tower , Block B 6th floor F-11 Markaz Islamabad

These financial statements cover only the individual activities of Centre for Peace & Development Initiatives.

2 Summary of Significant Accounting Policies

Following are the details of significant accounting policies applied:

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 Standards for Not for Profit Organizations (NPOs) and Revised Accounting and Financial Reporting Standards for Small-Sized Entities (AFRS for SSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under Companies Ordinance, 1984. In case requirements differ, the provisions or directive of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of preparation

These financial statements have been prepared under the historical cost convention on accrual basis of accounting.

The preparation of financial statements in conformity with approved accounting standards requires management make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and based on historic experience and other factors, including reasonable expectation of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

2.3 Management responsibility for financial statements

The Management of the Company is responsible for the preparation and presentation of financial statements. These financial statements of the Company have been prepared for the year from July 01, 2016 to June 30, 2017.

2.4 Functional and presentation currency

Items included in financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency.

2.5 Foreign currency translations

Transactions denominated in foreign currencies are translated to Pak Rupees at the foreign exchange rate (average rate) ruling at the last day of the preceding month. Monetary assets and liabilities in foreign currencies are re-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 Income and expenditure account account in the year in which they arise.

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Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Notes to the Financial Statements
For the year ended June 30, 2017

2.6 Property, plant and equipment and depreciation

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any.

Depreciation charge is based on straight-line method at the rates mentioned in the note 3 of these financial statements, whereby the cost of an asset is written off to Income and expenditure account over its estimated useful life without taking into account any residual value, if material. Depreciation on additions is charged from the month in which the asset is available for use and on disposal up to the month of disposal.

The residual value, depreciation method and the useful lives of each part of property, plant and equipment that is significant in relation to the total cost of the assets are reviewed at each balance sheet date and adjusted, if appropriate.

Normal repairs, maintenance, renewals and improvements are charged to Income and expenditure account as and when incurred. Improvements are capitalized when it is probable that respective future economics benefits will flow to the Company and cost of the item can be measured reliably. Assets replaced, if any, are derecognized.

Gains and losses on disposal of property, plant and equipment are taken to the income and expenditure account in the year of disposal.

2.7 Trade debts and other receivables

Trade debts and other receivable are recognized at original invoice amount less provision for doubtful debts and other receivables, if any. A provision for doubtful debts and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Bad debts are written off when identified.

2.8 Taxation

Current

The Company is eligible for hundred percent (100%) tax credit on taxes payable on donation and interest income on investments by the Company on donations under clause (a) & (e) of sub-section 2 of section 100C of Income Tax Ordinance, 2001.

2.9 Cash and cash equivalents

Cash and cash equivalents comprises of cash in hand and current and deposit accounts held with banks.

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.

2.10 Impairment

Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired may include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy.

All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in Income and expenditure account and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through Income and expenditure account.

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Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Notes to the Financial Statements
For the year ended June 30, 2017

Non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("the cash-generating unit, or CGU").

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in Income and expenditure account.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.11 Trade and other payables

Trade and other payables are recognized initially at fair value net of directly attributable cost, if any.

2.12 Borrowings and their cost

Borrowings are recognized initially at fair value, net of transaction cost incurred. All types of borrowing costs are charged to Income and expenditure account as and when incurred.

2.13 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, reliable estimate can be made of obligation. The amount recognized as a provision reflect the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

2.14 Financial assets and liabilities

All financial assets and liabilities are initially recognized at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost

2.15 Revenue recognition

2.15.1 Restricted Grants

Revenue from restricted grants is recognized using restricted fund method.

Restricted grants are accounted for as income when the institute complies with the conditions attaching thereon and the amount is receivable. 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.

2.15.2 Unrestricted Grants

Unrestricted grants and consultancy income are recognized when they are received.

2.16 Related party relationships and transactions

All known related party relationships are disclosed in these financial statements. Transactions with related parties, if any, are entered into and recorded on an arm's length basis at fair value.

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Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Notes to the Financial Statements
For the year ended June 30, 2017

2.17 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. These are derecognized when the Company ceases to be party to contractual provisions of the instrument. All financial assets and financial liabilities are initially measured at fair value. These financial assets and financial liabilities are subsequently measured at amortized cost.

2.18 Financial expense and financial income

Financial expenses comprise foreign currency losses and markup/interest expense on borrowings. Markup / interest expense on borrowings is recognized as it accrues in the Income and expenditure account, using the effective interest rate. Financial income comprises interest income on funds invested. Markup / interest income is recognized as it accrues in Income and expenditure account, using the effective interest rate method.

2.19 Off-setting

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is, legally enforceable right to set-off the recognized amount and the Company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

2.20 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.

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Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Notes to the Financial Statements
For the year ended June 30, 2017

		Amounts in PKR				
		As at June 30, 2017			As at June 30, 2016	
		Note				
3	Property, plant and equipment	3.1			5,173,448	8,912,575
3.1 Following is the statement of property, plant and equipment:						
Particulars	Cost			Depreciation		Written Down Value
	As at July 01, 2016	Additions during the year	Deletions during the year	As at June 30, 2017	As at June 30, 2017	As at June 30, 2017
Land and building	-	-	-	-	-	-
Furniture, fixtures and fittings	2,768,451	938,065	1,882,190	833,140	118,740	592,147
Computers & equipments	12,293,285	379,053	4,892,362	10,449,993	554,971	7,438,387
Vehicles	6,652,550	-	1,770,750	1,518,578	488,180	1,282,120
June 30, 2017	21,714,286	1,317,118	8,545,302	12,801,711	1,161,891	9,312,654
June 30, 2016	17,246,044	4,468,242	-	7,950,713	4,850,997	12,801,711
3.2 The depreciation charge for the year has been allocated as follows						
Administration and selling expenses - note 16						
1,161,891						
4,850,997						

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Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Notes to the Financial Statements
For the year ended June 30, 2017

		Amounts in PKR	
	Note	As at June 30, 2017	As at June 30, 2016
4 Long-term investment			
<i>Available-for-Sale</i>			
- at fair value			
AKDN mutual fund	4.1	188,606	179,880
- at cost			
Plots in Islamabad	4.2	22,238,200	16,960,000
		22,426,806	17,139,880
4.1	The Company holds 3,648.7943 (2016: 3,482.4821) units in AKD Aggressive Income Fund of AKD Investment Management Limited at Net Asset Value of Rs. 51.6901 per unit (2016: 51.6527)		
4.2	The Company holds 4 plots in Multi professional Cooperative Housing Society (MPCHS) B-17 Islamabad.		
5 Loans and advances			
Considered good			
Advances to:			
Directors		-	-
Executives		-	-
Employees		638,658	426,079
Contractors and suppliers		-	377,437
Considered doubtful		-	-
		638,658	803,516
6 Trade deposits and short-term prepayments			
Trade deposits		425,697	1,376,815
Short-term prepayments		270,000	593,382
		695,697	1,970,197
7 Advance income tax			
Tax deducted		326,495	109,595
		326,495	109,595
8 Cash and bank balances			
Cash with banks - local currency			
- current account		28,803,868	25,031,555
Cash with banks - foreign currency			
- current account		11,218,516	2,503,228
Cash in hand - PKR		18,019	17,000
		40,040,403	27,551,784
9 General Fund			
Opening balance	8.1	29,837,090	46,026,452
Less: (Deficit) for the year	8.2	(5,147,825)	(16,189,362)
Closing balance		24,689,265	29,837,090

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Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Notes to the Financial Statements
For the year ended June 30, 2017

		Amounts in PKR	
	Note	As at June 30, 2017	As at June 30, 2016
10 Unutilized Grant			
Opening balance		26,079,192	10,204,822
Funds earned during the year	10.1	79,520,044	77,593,912
Charged to grant revenue		(61,560,628)	(61,719,543)
Closing balance		44,038,607	26,079,192
10.1 International Media Safety (IMS)		16,999,144	17,815,886
Creative (DESEY)		-	9,424,333
Citizen Action for Democratic Governance in Pakistan (CADGP)		-	5,462,415
National Endowment for Democracy (NED)		17,432,297	19,573,156
International Foundation for Electoral Systems (IFES)		6,214,770	6,345,458
Foundation Open Society Institute (FOSI)		21,412,554	6,825,999
European Union-DLG		5,500,000	-
By- Elections		373,340	-
UNDP-CIAF		2,100,665	2,090,600
USAID-Citizen Voice Project (CVP-5)		1,861,745	-
TDEA-DESP		760,020	-
Friedrich Naumann Foundation (FNF)		2,269,885	3,192,653
Ilm Possible		1,013,010	1,556,254
IRADA		200,961	-
Oxfam-Novib		3,381,653	-
Social Audit		-	2,084,960
Coalition on Right to Information (CRTI)		-	3,222,200
		79,520,044	77,593,912
11 Trade and other payables			
Accrued liabilities		573,634	571,264
Other liabilities		-	-
		573,634	571,264
12 Contingencies and commitments			
Contingencies and commitments		-	-
13 Revenue			
Restricted grant		61,560,628	61,719,543
Consultancies		10,613,687	15,760,524
		72,174,315	77,480,067
14 Project Expenses			
Salaries, wages and per diems		23,209,267	26,065,063
Seminar and workshops		16,379,577	26,212,485
Travelling, boarding and lodging		7,679,869	4,075,492
Communications		934,113	1,069,943
Supplies and equipments		37,410	89,211
Consultancy and contractual services		11,411,020	630,000
Meetings, trainings and forums		-	105,016
Printing and stationery		154,000	329,078
Space and utilities		188,141	975,547
Bank charges		152,819	368,716
Office supplies		81,418	1,278,413
Repair & maintenance-vehicle		15,612	31,610
Repair & maintenance- equipment		600	870
Online services fee		334,688	17,777
Other expenses		23,696	420,692
Production and broadcasting		957,383	49,230
Newspapers		1,015	400
	14.1	61,560,628	61,719,543

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Centre for Peace and Development Initiatives
(A company licensed under section 42 of the Companies Act, 2017)
Notes to the Financial Statements
For the year ended June 30, 2017

14.1 Project Expenses														Amounts in PKR										
PROJECTS																								
PARTICULARS	By Elections	CAF	CLE	CPDI	CRTI	CVP-4	DESP	Election Watch	EU-DLG	FNF	FNF-Isd	FOSI	IFES	IFES-Pak Voter	IMS	micro	NED 2016-123	NED 2017-088	Oxam	Oxam-Novisb	World Bank	W-Learning	TOTAL	
Salaries, wages and per diems	-	784,769	804,813	1,255,324	-	-	628,637	2,368	2,774,482	-	-	6,480,150	100,000	553,491	133,575	2,939,258	-	4,521,724	4,606,622	-	387,773	-	-	25,972,966
Program cost	534,100	212,990	489,369	25,066	66,022	-	249,204	268,204	985,823	313,577	1,531,997	417,993	-	-	-	3,504,814	-	5,016,239	868,022	250,000	329,742	-	93,414	15,196,576
Travelling, boarding and lodging	26,850	18,385	169,156	269,042	5,000	3,900	11,829	215	388,516	113,819	302,727	200,703	-	-	104,240	3,247,891	-	1,124,421	592,615	-	56,460	-	12,000	6,679,969
Communications	2,350	68,957	480	74,919	-	-	19,397	-	20,003	761	-	142,093	10,198	2,679	11,410	34,302	-	355,450	152,833	-	26,999	120	1,932	933,883
Consultancy and contractual services	-	-	-	113,910	-	-	8,500	244,000	-	208,000	189,000	30,000	234,120	-	-	1,565,000	198,000	2,069,400	140,000	-	1,487,383	5,237,345	-	11,744,658
Repair & maintenance-vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,700	119,653	-	-	-	-	153,353
Repair & maintenance- equipment	-	1,528	-	-	-	-	-	-	436,920	-	-	-	-	-	-	-	-	197,743	137,000	-	-	-	-	773,191
Bank charges	-	-	-	-	-	-	-	22,000	-	-	-	-	-	-	-	68,000	-	25,222	890	-	-	-	-	110,112
POL expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,850	9,066	-	-	-	-	-
Total	563,200	1,086,629	1,463,818	1,768,261	71,022	3,900	917,567	536,787	4,614,744	636,157	2,023,724	7,270,939	344,318	556,170	249,225	11,379,385	198,000	13,358,749	6,656,701	250,000	5,237,485	107,346	-	61,560,628

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Centre for Peace and Development Initiatives
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Notes to the Financial Statements
For the year ended June 30, 2017

		Amounts in PKR	
	Note	As at June 30, 2017	As at June 30, 2016
15	Consultancy Expenses		
Salaries, wages and perdiems		5,799,120	4,936,623
Seminar and workshops		3,258,666	6,943,484
Travelling, boarding and lodging		31,357	687,170
Communications		-	43,443
Supplies and equipments		81,920	11,840
Meetings, trainings and forums		242,021	18,270
Printing and stationery		347,470	66,042
Office supplies		152,892	79,246
Other expenses		-	1,227
Consultancy and contractual services		369,358	-
		10,282,804	12,787,345
16	Administration and selling expenses		
Administrative staff salaries and benefits		27,000	5,111,541
Office rent		2,121,957	5,410,764
Utilities		106,652	172,589
Printing and stationery		179,321	237,275
Travelling and conveyance		166,492	1,229,815
Fee and subscription		357,058	212,535
Communication		116,498	113,587
Food and refreshment		103,900	57,936
Newspaper and periodicals		12,315	9,941
Postage and courier		25,703	55,307
Research and training		-	50,000
Boarding and lodging		69,974	30,080
Seminar and workshop		-	73,220
Professional charges		110,000	165,699
Office supplies		474,653	95,412
Repairs and maintenance		517,995	610,731
Mess expenses		51,750	126,339
Miscellaneous		643,502	253,881
Depreciation		1,161,891	4,850,997
		6,246,661	18,867,649
17	Other charges		
Auditor's remuneration - statutory audit fee		125,000	110,000
Disposal loss		631,455	-
Exchange loss		-	462,768
		756,455	572,768
18	Other income		
Other income - miscellaneous donations		1,464,840	277,876
Exchange gain		59,568	-
		1,524,408	277,876

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Notes to the Financial Statements
For the year ended June 30, 2017

		Amounts in PKR	
	Note	As at June 30, 2017	As at June 30, 2016

19 Taxation

As per sub-section 2 of section 100C, non-profit organizations, trust or welfare organization shall be allowed a tax credit equal to one hundred percent of the tax payable, including minimum and final tax payable under any of the provision of Income Tax Ordinance, 2001, subject to the following conditions, namely:

- a) return has been filed;
- b) tax required to be deducted or collected has been deducted or collected and paid; and
- c) withholding tax statements for the immediately preceding tax year have been filed.
- d) the administrative and management expenditure does not exceed 15% of of the total receipts:

The operations for the Company fall within the purview of clause (a) & (e) of sub-section 2 of Section 100C of the Income Tax Ordinance, 2001 and the Institute intends to comply with the above-mentioned requirements, hence the Company will be eligible to claim tax credit equal to one hundred percent of the tax payable on donations and interest income on investments by the Company. Tax credit of one hundred percent is allowed under Section 100C of Income Tax Ordinance, 2001 in respect of tax payable including final taxes payable and consequently no charge has been recognized in these financial statement for the period ended June 30, 2017.

20 Related party relationships and transactions

The related parties comprise of directors, key management personnel and entities over the which the directors are able to exercise influence.

Remuneration of chief executive and director are also disclosed separately in the note 21.

21 Remuneration to Chief Executive

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

Managerial remuneration	4,676,131	4,721,122
No. of persons	1	1

22 Fair value of financial assets and liabilities

The carrying amounts of the financial assets and financial liabilities approximate their fair values.

Financial assets	41,374,758	29,732,115
Financial liabilities	573,634	571,264
Net financial assets / (liabilities)	40,801,124	29,160,851

23 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk associated with various financial assets and liabilities respectively, as referred to in notes 23 to 26 below. The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

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Notes to the Financial Statements
For the year ended June 30, 2017

Amounts in PKR

24 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk.

24.1 Interest / Mark up Rate Risk Management

Interest / mark-up rate risk arises from the possibility that changes in interest / mark-up rates will affect the value of financial instruments. In respect of income bearing financial assets and interest / mark-up bearing financial liabilities, the following table indicates their effective interest / mark-up rates at the balance sheet date and the periods in which they will re-price or mature:

	Effective mark up rates (%)	Interest / Mark-up bearing		Non-Interest / Mark-up bearing		Total
		Maturity up to one year	Maturity one to five years	Maturity up to one year	Maturity one to five years	
Financial assets						
Trade deposits	-	-	-	270,000	425,697	695,697
Advances - unsecured	-	-	-	638,658	-	638,658
Cash and bank balances	-	-	-	40,040,403	-	40,040,403
				40,949,061	425,697	41,374,758
Financial liabilities						
Trade and other payables	-	-	-	573,634	-	573,634
				573,634	-	573,634
Net financial assets / (liabilities) - Jun. 30, 2017				40,375,427	425,697	40,801,124
Net financial assets / (liabilities) - Jun. 30, 2016				27,721,085	1,291,700	28,449,150

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For the year ended June 30, 2017

		Amounts in PKR	
	Note	As at June 30, 2017	As at June 30, 2016

25 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into are denominated in foreign currencies. The Company is exposed to foreign currency risk on sales and purchases which are entered in a currency other than Pak Rupees. The Company considered the foreign currency risk to be immaterial currently.

25.1 Exposure to foreign currency risk

The Company's exposure to foreign currency risk was as follows based on following amounts:

		Amounts in USD	
	Note	As at June 30, 2017	As at June 30, 2016
Bank balances		105,289	23,863
Other financial assets		-	-
Gross balance sheet exposure		105,289	23,863

Following significant exchange rates were used:

		Amounts in PKR	
	Note	As at June 30, 2017	As at June 30, 2016
US Dollars -as at balance sheet date		106.55	101.75

25.2 Sensitivity analysis

A 10 percent weakening of the PKR against the foreign currencies at 30 June would have increased accumulated funds and income and expenditure account by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Income and expenditure account	1,121,852	242,806
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A 10 percent strengthening of the Rupee against the respective foreign currencies at 30 June would have had the equal but opposite effect on respective foreign currencies to the amounts shown above, on the basis that all other variables remain constant.

26 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if the counter parties failed completely to perform as contracted.

The Company's credit risk is primarily attributable to its placements with banks. The Company's placements are with banks having high credit. Due to the high credit worthiness of counter parties the credit risk is considered minimal.

27 Liquidity risk

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for meeting new commitments and requirements. As a result the Company saw a significantly improved cash flows from all the operations and hence liquidity risk is considered minimal.

Signature

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Notes to the Financial Statements
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		Amounts in PKR		
	Note	As at June 30, 2017	As at June 30, 2016	
28	Cash and cash equivalents at the end of the year			
	Cash and bank balances	8	40,040,403	27,551,784
29	Number of employees			
	The number of employees as of balance sheet date		27	63
	Average number of employees during the year		23	62

30 Date of authorization

These financial statements were authorized by Board of Directors on 06 OCT 2017. These financial statements are issued by their express approval and any subsequent amendment shall be likewise approved by them also.

31 General

Figures have been rounded off to the nearest rupee.

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

Arlo.

[Signature]

CHIEF EXECUTIVE

[Signature]

DIRECTOR