

Riaz Ahmad & Company

Chartered Accountants

**SOCIETY FOR THE ADVANCEMENT OF
COMMUNITY HEALTH, EDUCATION AND
TRAINING - PAKISTAN**

**FINANCIAL STATEMENTS WITH
ACCOMPANYING INFORMATION**

FOR THE YEAR ENDED 30 JUNE 2019

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

Opinion

We have audited the financial statements of Society for the Advancement of Community Health, Education and Training (SACHET) - Pakistan ("the Society"), which comprise the statement of financial position as at 30 June 2019, and the statement of income and expenditure, statement of changes in general fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

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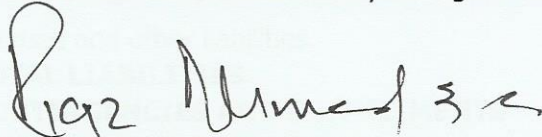
Chartered Accountants

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



RIAZ AHMAD & COMPANY
Chartered Accountants

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Date: 19 FEB 2020

ISLAMABAD

Name of engagement partner: Raheel Arshad

SOCIETY FOR THE ADVANCEMENT OF COMMUNITY HEALTH, EDUCATION AND TRAINING - PAKISTAN

STATEMENT OF FINANCIAL POSITION


AS AT 30 JUNE 2019

	NOTE	2019 Rupees	2018 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	3	18,783,947	19,942,293
Long term investments:	4		
Regular Income Certificates (RICs)		107,650,000	104,379,813
Current portion shown under current assets		(92,550,000)	(2,129,813)
		<u>15,100,000</u>	<u>102,250,000</u>
		33,883,947	122,192,293
CURRENT ASSETS			
Short term investment	5	-	392,296
Current portion of long term investments		92,550,000	2,129,813
Advances and deposits	6	336,348	262,456
Bank balances	7	4,935,387	628,966
		<u>97,821,735</u>	<u>3,413,531</u>
TOTAL ASSETS		<u><u>131,705,682</u></u>	<u><u>125,605,824</u></u>
FUND AND LIABILITIES			
FUND			
General fund	8	119,460,296	111,111,040
NON-CURRENT LIABILITIES			
Deferred income	9	6,995,080	8,839,791
Provident fund payable		3,556,682	3,199,140
		<u>10,551,762</u>	<u>12,038,931</u>
CURRENT LIABILITIES			
Accrued and other liabilities	10	1,693,624	2,455,853
TOTAL LIABILITIES		<u>12,245,386</u>	<u>14,494,784</u>
CONTINGENCIES AND COMMITMENTS			
		-	-
TOTAL FUND AND LIABILITIES		<u><u>131,705,682</u></u>	<u><u>125,605,824</u></u>

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



PRESIDENT



CHIEF EXECUTIVE DIRECTOR



EXECUTIVE DIRECTOR

**SOCIETY FOR THE ADVANCEMENT OF COMMUNITY HEALTH, EDUCATION
AND TRAINING - PAKISTAN**

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 Rupees	2018 Rupees
INCOME			
Receipts from Zakat and Ushr Committee		600,000	1,000,000
Amortization of deferred income	9	1,844,711	1,844,711
Income from programs	11	12,464,430	5,936,735
Other income	12	28,787,666	16,880,828
TOTAL INCOME		43,696,807	25,662,274
OPERATING EXPENDITURE			
Administrative support cost	13	3,931,328	3,062,713
Program development and implementation cost	14	7,669,970	7,356,453
Direct program costs	15	19,558,736	15,574,695
Donation to Dr. A.Q. Khan Trust Hospital - related party		4,000,000	-
Bank charges	16	187,517	25,199
TOTAL EXPENDITURE		35,347,551	26,019,060
Surplus / (deficit) for the year		8,349,256	(356,786)

The annexed notes form an integral part of these financial statements. *Dan.*



PRESIDENT



**CHIEF EXECUTIVE
DIRECTOR**



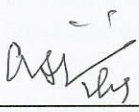
**EXECUTIVE
DIRECTOR**

**SOCIETY FOR THE ADVANCEMENT OF COMMUNITY HEALTH,
EDUCATION AND TRAINING - PAKISTAN**

**STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 Rupees	2018 Rupees
Balance at the beginning of the year	111,111,040	111,467,826
Surplus / (deficit) for the year	8,349,256	(356,786)
Balance at the end of the year	<u>119,460,296</u>	<u>111,111,040</u>

The annexed notes form an integral part of these financial statements. *San.*



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DIRECTOR**



**EXECUTIVE
DIRECTOR**

**SOCIETY FOR THE ADVANCEMENT OF COMMUNITY HEALTH, EDUCATION AND
TRAINING - PAKISTAN**
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / (deficit) for the year	8,349,256	(356,786)
Adjustments for non-cash items:		
Amortization of deferred income	(1,844,711)	(1,844,711)
Gain on re-measurement of investment at fair value	-	(57,456)
Gain on disposal of gold pendants	(166,724)	-
Gain on disposal of property and equipment	(10,000,000)	-
Depreciation	1,224,107	1,298,210
Long outstanding balances written off during the year	(464,397)	-
	(2,902,469)	(960,743)
Working capital changes		
(Increase) / decrease in current assets		
Advances and deposits	(73,892)	19,629
Increase in liabilities		
Accrued and other liabilities	(762,229)	952,218
Provident fund payable	821,939	302,438
	59,710	1,254,656
Net cash (used in) / generated from operating activities	(2,916,651)	313,542
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property and equipment	(65,761)	(420,547)
Proceeds from sale of property and equipment	10,000,000	-
Short term investments encashed	559,020	-
Long term investments made	(3,270,187)	(996,405)
Net cash generated from / (used in) investing activities	7,223,072	(1,416,952)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase / (decrease) in cash and cash equivalents	4,306,421	(1,103,410)
Cash and cash equivalents at the beginning of the year	628,966	1,732,376
Cash and cash equivalents at the end of the year	4,935,387	628,966

The annexed notes form an integral part of these financial statements. *Ran.*



PRESIDENT



**CHIEF EXECUTIVE
DIRECTOR**



**EXECUTIVE
DIRECTOR**