

## **AUDITOR'S REPORT TO THE MEMBERS**

We have audited the annexed balance sheet of Comprehensive Disaster Response Services CDRS (the Society) as at December 31, 2015, the related statement of income and expenditure and statement of cash flows together with the notes forming part thereof (here-in-after referred to as the financial statements), for the year then ended.

It is the responsibility of the governing body to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these Financial statements based on our audit.

WE conducted our audit in accordance with the auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements present fairly in all material respects the financial position of the Society as at December 31, 2015 and of its surplus and cash flows for the year then ended in accordance with approved accounting standards as applicable in Pakistan.



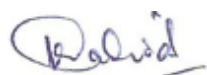
Tahir Shah and Co.  
Chartered Accountants  
Islamabad

Date: 20/02/2016

**COMPREHENSIVE DISASTER RESPONSE SERVICES**  
**BALANCE SHEET**  
**AS AT DECEMBER 31, 2015**

	Note	2015		2014	
		PKR	USD	PKR	USD
<b>NON-CURRENT ASSETS</b>					
Operating fixed assets	4	3,122,486	30,503	3,657,863	35,815
Security deposit	5	68,000	664	100,000	979
<b>CURRENT ASSETS</b>					
Advances, deposits & pre-payments	6	125,000	1,221	-	-
Cash and bank balances	7	1,526,766	14,915	207,694	2,034
		1,651,766	16,136	207,694	2,034
<b>TOTAL ASSETS</b>		<b>4,842,253</b>	<b>47,303</b>	<b>3,965,557</b>	<b>38,827</b>
<b>CURRENT LIABILITIES</b>					
Accrued expenses and other payables	8	3,270,630	31,950	4,353,810	42,629
Contingencies and commitments	9	-	-	-	-
<b>NET ASSETS</b>		<b>1,571,623</b>	<b>15,353</b>	<b>(388,253)</b>	<b>(3,802)</b>
<b>REPRESENTED BY:</b>					
Accumulated deficit of income over expenditure		1,571,623	15,353	(388,253)	(3,802)
		<b>1,571,623</b>	<b>15,353</b>	<b>(388,253)</b>	<b>(3,802)</b>

The annexed notes 1 to 15 form an integral part of these financial statements.



**PRESIDENT**

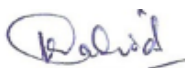


**MEMBER**

**COMPREHENSIVE DISASTER RESPONSE SERVICES**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Note	2015		2014	
		PKR	USD	PKR	USD
<b>INCOME</b>					
Donations	10	35,723,600	348,977	46,765,399	457,885
Other income	11	624,830	6,104	756,606	7,408
		36,348,430	355,081	47,522,005	465,294
<b>EXPENDITURE</b>					
Program expenses	12	29,129,214	283,725	41,259,826	403,980
Admin expenses	13	5,259,340	51,227	5,516,375	54,012
		34,388,554	334,952	46,776,200	457,992
Surplus / (deficit) of income over expenditure for the year		1,959,876	20,128	745,805	7,302
(Deficit) / surplus of income over expenditure brought forward		(388,253)	(3,782)	(1,134,058)	(11,104)
<b>Deficit of income over expenditure carried forward</b>		<b>1,571,623</b>	<b>16,347</b>	<b>(388,253)</b>	<b>(3,802)</b>

The annexed notes 1 to 15 form an integral part of these financial statements.

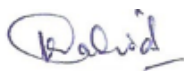
  
**PRESIDENT**

  
**MEMBER**

**COMPREHENSIVE DISASTER RESPONSE SERVICES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>2015</b>		<b>2014</b>	
	<b>PKR</b>	<b>USD</b>	<b>PKR</b>	<b>USD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Surplus / (deficit) of income over expenditure	1,959,876	20,128	745,805	7,302
Depreciation charged during the year	604,377	5,755.97	694,733	6,802
Gain on sale of fixed asset	-	-	(30,007)	(294)
Cash flow before working capital change	2,564,252	25,884	1,410,531	13,810
<b>Changes in working capital</b>				
Advances, deposits & pre-payments	(125,000)	1,221	225,000	2,203
Accrued expenses and other payables	(1,083,180)	31,950	(257,100)	(2,517)
	(1,208,180)	33,171	(32,100)	(314)
Net cash generated from operating activities	<b>1,356,072</b>	<b>59,055</b>	<b>1,378,431</b>	<b>13,496</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Payment for capital expenditure	(69,000)	(657)	(2,508,287)	(24,559)
Sale proceeds from fixed asset	-	-	225,000	2,203
Security deposit	32,000	305	72,450	709
Net cash from investing activities	<b>(37,000)</b>	<b>(352)</b>	<b>(2,210,837)</b>	<b>(21,647)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Net (decrease) / increase in cash and cash equivalents	1,319,072	58,703	(832,406)	(8,151)
Cash & cash equivalents at beginning of the year	207,694	1,978	1,040,100	10,184
<b>Cash &amp; cash equivalents at end of the year</b>	<b>1,526,766</b>	<b>60,681</b>	<b>207,694</b>	<b>2,033</b>

The annexed notes 1 to 15 form an integral part of these financial statements.



**PRESIDENT**



**MEMBER**

# COMPREHENSIVE DISASTER RESPONSE SERVICES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

### 1. LEGAL STATUS AND OPERATIONS

- 1.1 The Comprehensive Disaster Response Services - CDRS (the Society) was registered under Pakistan Societies Act 1860/21 applicable to Azad Government of the State of Jammu & Kashmir Muzaffarabad on March 05, 2007. The Society is a non-profit organization which aid, assist, set up, maintain, administer and run hospitals nursing homes, laboratories, mother and child care centers, clinics or other centers connected or concerned directly or indirectly with the care of the human body, promoting welfare of public at large at any place or places in the district of Muzaffarabad and other districts and areas of the State of Azad Jammu & Kashmir.
- 1.2 The registered office of the Society is situated at Union Council Chikar, District Muzaffarabad, State of Azad Jammu and Kashmir (AJK) or such other place as, from time to time, may be determined by the Board of Governors (the "BOARD") of the Society.
- 1.3 1.3 These financial statements cover all the activities of Comprehensive Disaster Response Services (CDRS) which is a society registered under the Societies Registration Act, 1860 in Pakistan.

### 2. STATEMENT OF COMPLIANCE AND SIGNIFICANT ESTIMATES

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards applicable in Pakistan.

#### 2.2 Significant estimates

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which estimates are revised if the revision affects only that year, or in the year of the revision and any future year affected.

##### 2.2.1 Property and equipment

The Society reviews the useful lives of property and equipment on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation charge and impairment.

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1 Basis of preparation**

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

#### **3.2 Operating fixed assets**

Operating fixed assets are stated at cost less accumulated depreciation and impairment. Depreciation on all operating fixed assets is charged using diminishing balance method at the rate specified in note 4 without taking in account the residual value. Depreciation on additions is charged for full year in the year of addition while no depreciation is charged in the year of deletion.

Maintenance and normal repairs are charged to revenue as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

Gains or losses on disposal of property and equipment are charged to the income and expenditure account.

#### **3.3 Cash and cash equivalent**

Cash and cash equivalents are carried at cost and comprise of cash in hand and balance with banks.

#### **3.4 Provisions**

Provisions are recognised when the Society has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

#### **3.5 Unrestricted Fund**

Fund that is not subject to donor-imposed restrictions, normally used to meet the working capital requirements of the Society.

Unrestricted grants are recognized on receipt basis directly in the income and expenditure account.

#### **3.6 Restricted Fund**

Fund that is subject to donor-imposed restrictions may require the passage of time or the occurrence of a specific event to become available for use.

#### **3.7 Revenue from other sources**

Income from other sources is recognized when the right to receive is established.



COMPREHENSIVE DISASTER RESPONSE SERVICES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

4 OPERATING FIXED ASSETS

	COST			DEPRECIATION					Net value as	
	As at Jan 01, 2015	Additions	Disposal	As at Dec 31, 2015	Rate	As at Dec 31, 2014	For the year	Disposal	As at Dec 31, 2015	at Dec 31, 2015
Electric appliances	1,506,237	38,000	-	1,544,237	15%	469,835	161,160	-	630,995	913,242
Other appliances	36,500	-	-	36,500	15%	24,090	1,862	-	25,952	10,549
Office equipment	51,550	-	-	51,550	15%	21,389	4,524	-	25,913	25,637
Furniture, fixture & fittings	358,631	-	-	358,631	15%	185,420	25,982	-	211,402	147,229
Medical equipment	4,007,619	-	-	4,007,619	15%	2,143,385	279,635	-	2,423,020	1,584,599
Ultra sound machine	237,050	-	-	237,050	15%	126,230	16,623	-	142,853	94,197
Air conditioners	75,000	-	-	75,000	15%	49,500	3,825	-	53,325	21,675
Generator	247,186	-	-	247,186	15%	113,378	20,071	-	133,449	113,737
Digital camera	77,600	-	-	77,600	30%	63,300	4,290	-	67,590	10,010
Laptops	379,950	-	-	379,950	30%	296,640	24,993	-	321,633	58,317
Computer & accessories	559,912	31,000	-	590,912	30%	386,205	61,412	-	447,617	143,295
<b>TOTAL 2015</b>	<b>7,537,235</b>	<b>69,000</b>	<b>-</b>	<b>7,606,235</b>		<b>3,879,372</b>	<b>604,377</b>	<b>-</b>	<b>4,483,749</b>	<b>3,122,486</b>

**COMPREHENSIVE DISASTER RESPONSE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Note	2,015		2014	
		PKR	USD	PKR	USD
<b>5. SECURITY DEPOSIT</b>					
Security deposit (Refundable) for CDRS office		68,000	664	100,000	979
		<u>68,000</u>	<u>664</u>	<u>100,000</u>	<u>979</u>
<b>6. ADVANCES, DEPOSITS &amp; PRE-PAYMENTS</b>					
Advances/Loans-other		125,000	1,221	-	-
		<u>125,000</u>	<u>1,221</u>	<u>-</u>	<u>-</u>
<b>7. CASH AND BANK BALANCES</b>					
Cash in hand		280,744	2,743	160,644	1,573
Cash at bank - MCB A/C # 059301010048832		1,246,022	12,172	47,049	461
		<u>1,526,766</u>	<u>14,915</u>	<u>207,693</u>	<u>2,034</u>
<b>7.1</b>	This represents balance with bank on current account.				
<b>8. ACCRUED EXPENSES AND OTHER PAYABLES</b>					
Payroll Liability - Staff		827,344	8,082	2,421,032	23,705
Payroll Liability - ED		1,633,966	15,962	-	-
Per diem Liability - ED		616,320	6,021	1,839,043	18,006
Payroll taxes payable		-	-	13,735	134
Audit fee payable		80,000	782	80,000	783
Office rent payable		68,000	664	-	-
Vehicle rent payable		45,000	440	-	-
		<u>3,270,630</u>	<u>31,950</u>	<u>4,353,810</u>	<u>42,629</u>
<b>9. CONTINGENCIES AND COMMITMENTS</b>					
	No significant contingencies or commitments existed on the balance sheet date.				



**COMPREHENSIVE DISASTER RESPONSE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Note	2015		2014	
		PKR	USD	PKR	USD
<b>10. DONATIONS</b>					
Donation from Global Giving		525,381	5,132	1,750,114	17,136
Donation from Imran Khan Foundation		18,965,936	185,274	34,126,917	334,141
Donation from Todd Shea		2,414,043	23,582	3,575,405	35,007
Donation from Walnut Media		-	-	150,000	1,469
Donation from UKMAP		1,183,303	11,559	1,621,958	15,881
Donation from United Muslim Relief		400,000	3,908		
Donation from fund raising event at USA		11,873,214	115,987	3,954,163	38,716
Donation from individuals		361,723	3,534	1,586,842	15,537
		<u>35,723,600</u>	<u>348,977</u>	<u>46,765,399</u>	<u>457,885</u>
<b>11. OTHER INCOME</b>					
Collection from swat - OPD Fee		624,830	6,104	696,899	6,823
Sale of scrap		-	-	29,700	291
Gain on sale of fixed assets		-	-	30,007	294
		<u>624,830</u>	<u>6,104</u>	<u>756,606</u>	<u>7,408</u>
<b>12. PROGRAM EXPENSES</b>					
Medicines and Medical Supplies		8,183,151	79,940	16,197,706	158,594
Special Patients Support		875,248	8,550	942,272	9,226
Food Aid in Disaster		379,049	3,703	-	-
Food for Employees, Volunteer and Guests		1,104,306	10,788	1,245,176	12,192
Hotel Accommodation in Field		70,989	693	162,660	1,593
Salaries and Benefits		10,402,399	101,619	12,836,635	125,685
Perdiem - ED		369,792	3,612	1,103,426	10,804
Rent of CDRS Facilities		-	-	60,000	587
Office Rent		700,200	6,840	900,000	8,812
Fund Raising Event Expense		-	-	80,000	783
General Supplies		400,147	3,909	526,544	5,155
Cleaning Supplies		48,847	477	65,189	638
Office Costs and Supplies		-	-	89,501	876
Gas Cylinder Refilling		111,425	1,088	132,125	1,294
Repair and Maintenance		241,199	2,356	626,801	6,137
Depreciation		423,064	4,133	486,313	4,762
Earthquake Relief Mission		210,000	2,051	-	-
Truck transportation		354,445	3,463	292,560	2,864
Highway toll & parking fee		18,617	182	-	-
Air fare for field		248,953	2,432	135,760	1,329
Audit Fee		84,000	821	-	-
Additional labour		20,066	196	-	-
Domestic train and bus fare		364,140	3,557	97,209	952
Vehicle Rental		2,224,300	21,729	2,020,996	19,788
Vehicle Fuel		947,304	9,254	1,537,104	15,050
Generator Fuel		339,179	3,313	489,050	4,788
Utility Bills		215,310	2,103	403,858	3,954
Communication		273,148	2,668	254,682	2,494

Janitorial Services	27,620	270	19,165	188
Professional Fee	98,686	964	202,750	1,985
Printing and Stationery	-	-	158,695	1,554
Bank and Transfer Charges	90,731	886	161,849	1,585
Women's Empowerment Project	302,900	2,959	-	-
Women's Empowerment Project	-	-	-	-
Miscellaneous Expenses	-	-	31,800	311
	<b>29,129,214</b>	<b>284,558</b>	<b>41,259,826</b>	<b>403,980</b>

### 13. ADMIN EXPENSES

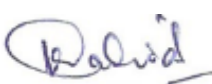
Salaries and Benefits	1,844,750	18,021	946,226	9,265
Medication for Volunteer	1,440	14	13,907	136
Audit Fee	84,000	821	80,000	783
Professional fee	98,686	964	202,750	1,985
Perdiem - ED	246,528	2,408	735,617	7,203
Repair and Maintenance	241,199	2,356	419,902	4,111
General Supplies	266,765	2,606	351,030	3,437
Office Costs and Supplies	32,333	316	59,667	584
Cleaning Supplies	32,565	318	43,459	426
Gas Cylinder Refilling	-	-	-	-
CDRS Promo Expenses	-	-	-	-
Miscellaneous	-	-	41,718	408
Depreciation	181,313	1,771	208,420	2,041
Food for Employees, Volunteer and Guests	1,104,306	10,788	1,245,176	12,192
Office Rent	159,300	1,556	132,000	1,292
Communication	30,350	296	28,298	277
Janitorial Services	29,120	284	-	-
Vehicle rental	-	-	224,555	2,199
Vehicle Fuel	-	-	170,678	1,671
Highway toll & Parking Fee	2,069	20	-	-
Air fare	248,953	2,432	135,760	1,329
Additional Labour	46,820	457	-	-
Domestic Train and Bus Fare	-	-	97,209	952
Utility Bills	53,828	526	100,965	989
Printing and Stationery	343,312	3,354	158,695	1,554
Office Costs and Supplies	-	-	-	-
Bank charges	211,706	2,068	120,343	1,178
	<b>5,259,340</b>	<b>51,377</b>	<b>5,516,375</b>	<b>54,012</b>

### 14. GENERAL

- (i) All figures in the financial statements have been rounded off to the nearest rupee.
- (ii) Total number of employees at year end was 55 (2014: 109).
- (iii) Expenses have been apportioned between program and admin on basis defined by management of CDRS depending upon the nature of activity performed.
- (iv) Perdiem Payable to ED for year 2014 and Salary Expenses amounting Rs. 575000 for year 2015 was recorded books of account. It was not paid but it was donated by Executive Director CDRS during the year.
- (v) Corresponding figures have been re-arranged, where necessary, for the purpose of comparison.

### 15. DATE OF AUTHORISATION

These financial statements have been authorised for issue by the Board of Governors of the Society on  
20/02/2016

  
**PRESIDENT**

  
**MEMBER**