

**COMPREHENSIVE DISASTER RESPONSE SERVICES
(CDRS)**

FINANCIAL STATEMENTS

FOR THE YEAR

ENDED JUNE 30, 2019

AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the annexed financial statements of **Comprehensive Disaster Response Services - CDRS** (the Trust), which comprise the statement of financial position as at June 30, 2019, and the statement of income and expenditure and other comprehensive income, statement of changes in retained funds 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 Trust as at June 30, 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 Trust 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 the Board of Trustees for the Financial Statements

The Trustees are 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 Trustees determine 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, Trustees are responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust 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



Chartered Accountants

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 considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of the 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 judgement 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 Trust'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 Trust'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 Trust 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.



Tahir Shah and Co.

Chartered Accountants

Islamabad

14/01/2020



COMPREHENSIVE DISASTER RESPONSE SERVICES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	2019		2018	
		PAK Rupees	US Dollars	PAK Rupees	US Dollars
PROPERTY AND ASSETS					
NON-CURRENT ASSETS					
Operating fixed assets	4	797,346	4,937	771,849	6,364
		<u>797,346</u>	<u>4,937</u>	<u>771,849</u>	<u>6,364</u>
CURRENT ASSETS					
General stock- medicines		295,695	1,831	399,075	3,290
Advances, deposits and prepayments	5	4,813,908	29,807	3,411,177	28,125
Cash and bank balances	6	9,461,971	58,588	3,267,637	26,941
		<u>14,571,574</u>	<u>90,226</u>	<u>7,077,890</u>	<u>58,356</u>
TOTAL ASSETS		<u>15,368,920</u>	<u>95,164</u>	<u>7,849,738</u>	<u>64,720</u>
CURRENT LIABILITIES					
Accrued expenses and other payables	7	1,131,855	7,008	972,926	8,022
NET ASSETS		<u>14,237,065</u>	<u>88,155</u>	<u>6,876,812</u>	<u>56,698</u>
REPRESENTED BY:					
Retained funds		14,237,065	88,155	6,876,812	56,698
CONTINGENCIES AND COMMITMENTS	8	-	-	-	-
		<u>14,237,065</u>	<u>88,155</u>	<u>6,876,812</u>	<u>56,698</u>

The annexed notes 1 to 17 form an integral part of these financial statements.


CHAIRMAN


TRUSTEE

COMPREHENSIVE DISASTER RESPONSE SERVICES
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019		2018	
		PAK Rupees	US Dollars	PAK Rupees	US Dollars
INCOME					
Donations	9	54,026,339	387,576	37,508,282	335,283
Other income	10	303,545	2,357	326,222	2,959
		<u>54,329,884</u>	<u>389,932</u>	<u>37,834,504</u>	<u>338,242</u>
EXPENDITURE					
Program expenses	11	41,525,324	302,855	28,454,959	255,259
Administration expenses	12	5,444,307	40,330	4,270,605	38,697
		<u>46,969,631</u>	<u>343,185</u>	<u>32,725,564</u>	<u>293,956</u>
SURPLUS FOR THE YEAR		<u><u>7,360,253</u></u>	<u><u>46,747</u></u>	<u><u>5,108,940</u></u>	<u><u>44,286</u></u>

The annexed notes 1 to 17 form an integral part of these financial statements.

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COMPREHENSIVE DISASTER RESPONSE SERVICES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019		2018	
	PAK Rupees	US Dollars	PAK Rupees	US Dollars
CASH FLOWS FROM OPERATING ACTIVITIES				
Surplus for the year	7,360,253	46,747	5,108,940	44,286
Depreciation for the year	177,798	1,306	129,269	1,066
Cash flow before working capital change	7,538,051	48,053	5,238,209	45,352
CHANGES IN WORKING CAPITAL				
(Increase) / decrease in inventories	103,380	1,459	485,409	5,145
(Increase) / decrease in advances, deposits & prepayments	(1,402,731)	(1,683)	(2,849,415)	(22,767)
Increase / (decrease) in accrued expenses & other payables	158,929	(1,013)	311,260	1,712
	(1,140,422)	(1,237)	(2,052,746)	(15,910)
Net cash generated from operating activities	6,397,628	46,817	3,185,463	29,441
CASH FLOW FROM INVESTING ACTIVITIES				
Payment for capital expenditure	(203,295)	(1,493)	(190,300)	(1,569)
Net cash from investing activities	(203,295)	(1,493)	(190,300)	(1,569)
CASH FLOW FROM FINANCING ACTIVITIES				
	-	-	-	-
Net increase in cash and cash equivalents during the year	6,194,333	45,323	2,995,163	27,872
Effect of exchange rate changes on cash	-	(13,676)		(3,178)
Cash & cash equivalents at beginning of the year	3,267,637	26,941	272,474	2,247
Cash & cash equivalents at end of the year	9,461,971	58,588	3,267,637	26,941

The annexed notes 1 to 17 form an integral part of these financial statements.


CHAIRMAN


TRUSTEE

**COMPREHENSIVE DISASTER RESPONSE SERVICES
STATEMENT OF CHANGES IN RETAINED FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	PAK Rupees	US Dollars
Balance as at July 01, 2017		1,767,872	16,861
Total comprehensive income for the year		5,108,940	44,286
Adjustment on translation		-	(4,449)
Balance as at June 30, 2018		<u>6,876,812</u>	<u>56,698</u>
Total comprehensive income for the year		7,360,253	46,747
Adjustment on translation		-	(15,290)
Balance as at June 30, 2019		<u><u>14,237,065</u></u>	<u><u>88,155</u></u>

The annexed notes 1 to 17 form an integral part of these financial statements.



CHAIRMAN



TRUSTEE

COMPREHENSIVE DISASTER RESPONSE SERVICES
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019		2018	
		PAK Rupees	US Dollars	PAK Rupees	US Dollars
Surplus for the year		7,360,253	46,747	5,108,940	44,286
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		<u>7,360,253</u>	<u>46,747</u>	<u>5,108,940</u>	<u>44,286</u>

The annexed notes 1 to 17 form an integral part of these financial statements.


CHAIRMAN


TRUSTEE

COMPREHENSIVE DISASTER RESPONSE SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1. LEGAL STATUS AND OPERATIONS

The Comprehensive Disaster Response Services - CDRS (the Trust) was registered on October 10, 2016 under the Trust Act 1882 vide Registration No 2273. The primary objectives of the Trust is to aid, assist, set up, maintain, administer and run hospitals, nursing homes, laboratories, mother and child care centers, clinics or other centers concerned directly or indirectly with the care of human body, food and medical support of animals and promoting welfare of public at large at any place or places within Pakistan including Gilgit Baltistan, FATA and PATA and Azad Jammu &

The registered office of the Trust is situated at House No 09, Street No 65, Sector G-13/2, Islamabad.

2. STATEMENT OF COMPLIANCE AND SIGNIFICANT ESTIMATES

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 Revised Accounting and Financial Reporting Standards for "Small-Sized Entities" (SSEs) and Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 Significant estimates

The preparation of these financial statements in conformity with Accounting and Financial Reporting Standards for SSEs 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 judgment about carrying value of assets and liabilities that are not readily apparent 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 Trust 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 except as other wise stated in the respective policies and notes given hereunder.

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3.2 Taxation

The Trust is eligible for hundred percent (100%) tax credit on taxes payable under clause (a) of sub-section 2 of section 100C of the Income Tax Ordinance, 2001, introduced under the Finance Act, 2014.

3.3 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 is charged on additions and deletions from and upto the month in which such addition or deletion takes place.

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.

3.4 Cash and cash equivalent

Cash and cash equivalents are carried at cost and comprise of cash in hand and balances with

3.5 Provisions

Provisions are recognised when the Trust 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.

3.6 Unrestricted Fund

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

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

3.7 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.

3.8 Foreign currency translations

Foreign currency transactions are accounted for at the exchange rate prevailing at the date of the transaction or the average monthly rate. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into rupees at exchange rates prevailing at that date. Exchange gains and losses are charged to income and expenditure account.

3.9 Grants and Income recognition

- a) Voluntary donations and contributions are recognized on receipt basis.
- b) Income on bank placements is recognized on accrual basis.

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4 OPERATING FIXED ASSETS - YEAR 2019

	COST				Rate	DEPRECIATION				Net value
	Opening	Additions	Disposal	As at June 30, 2019		Opening	For the year	Disposal	As at June 30, 2019	as at June 30, 2019
	----- Rupees -----					----- Rupees -----				
Electric equipment	273,950	25,600	-	299,550	15%	74,874	32,742	-	107,615	191,935
Furniture, fixture & fittings	98,700	16,000	-	114,700	10%	18,753	8,528	-	27,281	87,419
Medical equipment	446,400	7,300	-	453,700	15%	102,390	51,875	-	154,265	299,435
Computer and equipment	225,700	154,395	-	380,095	30%	76,885	84,653	-	161,538	218,557
TOTAL IN PKR	1,044,750	203,295	-	1,248,045		272,902	177,798	-	450,699	797,346
TOTAL IN USD	8,614	1,493	-	7,728		2,250	1,306	-	2,791	4,937

4.1 OPERATING FIXED ASSETS - YEAR 2018

	COST				Rate	DEPRECIATION				Net value
	Opening	Additions	Disposal	As at June 30, 2018		Opening	For the year	Disposal	As at June 30, 2018	as at June 30, 2018
	----- Rupees -----					----- Rupees -----				
Electric equipment	265,750	8,200	-	273,950	15%	39,863	35,011	-	74,874	199,077
Furniture, fixture & fittings	98,700	-	-	98,700	10%	9,870	8,883	-	18,753	79,947
Medical equipment	354,000	92,400	-	446,400	15%	53,100	49,290	-	102,390	344,010
Computer and equipment	136,000	89,700	-	225,700	30%	40,800	36,085	-	76,885	148,815
TOTAL IN PKR	854,450	190,300	-	1,044,750		143,633	129,269	-	272,902	771,849
TOTAL IN USD	7,045	1,569	-	8,614		1,184	1,066	-	2,250	6,364

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	2019		2018	
	PKR	USD	PKR	USD
5 ADVANCES, DEPOSITS AND PREPAYMENTS				
Advances for expenses	4,321,897	26,761	3,005,577	24,780
Security deposit - office	90,000	557	90,000	742
Loan to employees	325,000	2,012	275,000	2,267
Medical supplies	-	-	40,600	335
Withholding income tax - Banks	72,930	452	-	-
Withholding income tax - PTCL	4,081	25	-	-
	<u>4,813,908</u>	<u>29,807</u>	<u>3,411,177</u>	<u>28,125</u>
6 CASH AND BANK BALANCES				
Cash in hand	659,835	4,086	331,857	2,736
Cash at bank - note 6.1	8,802,136	54,502	2,935,781	24,205
	<u>9,461,971</u>	<u>58,588</u>	<u>3,267,637</u>	<u>26,941</u>
6.1	This represents balance with JS Bank Limited on current account number 877752 .			
7 ACCRUED EXPENSES AND OTHER PAYABLES				
Salary payable	1,026,275	6,355	852,192	7,026
Audit fee payable	90,000	557	80,000	660
Payable against shawls purchase	-	-	27,050	223
Withholding income tax - employees	1,092	7	6,766	56
Withholding income tax - vendors	14,488	90	6,918	57
	<u>1,131,855</u>	<u>7,008</u>	<u>972,926</u>	<u>8,022</u>
8 CONTINGENCIES AND COMMITMENTS				
	No significant contingencies or commitments existed on the balance sheet date.			
9 DONATIONS				
Donations received from CDRS USA	43,069,747	307,286	24,423,883	218,674
Donations received within Pakistan	2,414,858	17,105	846,525	7,895
Donation from Akhuwat Foundation	20,000	153	300,000	2,847
Donations from UK Medical Aid to Pakistan	2,741,565	20,685	209,655	1,802
Brigadier Sahib Dad Khan Welfare Trust	2,924,707	21,973	9,233,921	80,857
Shehnaz and Bashir Malik Educational Trust	2,855,462	20,374	-	-
Free Kissan Free Pakistan - FKFP	-	-	1,100,000	10,442
Donation in kind	-	-	658,739	5,950
Donation from Mission of Hope	-	-	180,890	1,566
Donation from I-Care Foundation	-	-	480,270	4,558
Donation from Trustees	-	-	60,000	570
Donation from CDRS Youth programme	-	-	14,400	122
	<u>54,026,339</u>	<u>387,576</u>	<u>37,508,282</u>	<u>335,283</u>
10 OTHER INCOME				
	This represents income received from Swat OPD.			

	2019		2018	
	PKR	USD	PKR	USD
11 PROGRAM EXPENSES				
Salaries and benefits	10,118,236	74,419	8,211,571	74,616
Donation of medicines and medical supplies	2,024,551	15,074	2,235,837	20,422
Donation of clothing for poor	572,680	4,490	225,213	2,021
Donations in kind	42,000	317	131,900	1,144
Donation for food aid	500,640	3,430	494,806	4,259
Donation for arts and culture	65,271	525	50,000	421
Donation for animal welfare projects	1,009,510	7,156	228,663	2,133
Donation of cows and calves for widows	593,200	4,326	-	-
Donations for school construction	6,430,080	45,004	-	-
Donations for shelter construction	1,773,394	12,953	-	-
Donation for clean water projects	7,820,188	57,521	-	-
Donation for livelihood support	483,584	3,467	-	-
Donation for orphanage support	104,100	701	-	-
Educational support - individual and schools	618,597	4,838	-	-
Donation to individuals and family support	3,093,376	22,476	-	-
Donation for special patient support	48,700	340	-	-
Donation for other construction projects	591,500	4,374	-	-
Donation in cash	-	-	1,037,106	9,466
Donation for rescue purpose and others	-	-	3,692,032	33,676
Donation to Karam Bagh	-	-	5,859,305	50,247
Donation to Nagar Forte School	-	-	307,189	2,741
Building and construction material	-	-	1,381,671	12,361
Medication for the poor	17,308	125	-	-
Food for employees, volunteers and guests	1,471,024	10,724	683,160	6,219
Hotel accommodation in field	284,970	2,046	118,510	1,083
Vehicle rent	591,780	4,326	500,149	4,536
Vehicle rent of ambulance / others	131,870	913	100,980	959
Vehicle fuel	694,132	5,120	583,106	5,280
Repair and maintenance	64,240	476	83,133	763
General supplies	205,224	1,529	592,103	5,295
Generator fuel	11,860	84	27,600	246
Cleaning supplies	57,765	415	34,914	315
Depreciation	88,899	573	64,635	588
Transportation	133,980	958	328,160	2,884
Highway toll and parking fee	23,947	176	15,984	146
Air fare	31,150	231	117,111	1,056
Labor charges	12,963	100	69,108	608
Travelling - bus and cabs	485,155	3,556	388,116	3,590
Printing and stationery	70,199	506	72,024	675
Utilities	249,898	1,810	253,818	2,326
Communication	265,378	1,948	254,181	2,312
Janitorial services	76,766	564	51,500	465
Professional fee	634,400	5,040	210,000	1,945
Miscellaneous	32,810	223	51,375	461
	41,525,324	302,855	28,454,959	255,259

	2019		2018	
	PKR	USD	PKR	USD
12 ADMINISTRATION EXPENSES				
Salaries and benefits	1,019,774	7,478	540,371	4,895
Office rent	1,255,500	9,252	1,085,475	9,874
Food for employees, volunteers and guests	367,756	2,681	683,160	6,219
Medication for employees	47,049	337	28,407	258
Professional fee	794,164	6,443	1,000	9
Highway toll and parking fee	2,661	20	-	-
Audit fee	90,000	580	80,000	673
General supplies	136,816	1,020	262,263	2,348
Cleaning supplies	38,510	277	23,276	210
Communication	29,486	216	28,242	257
Eidi to volunteers	25,000	161	-	-
Food and catering	-	-	9,240	79
Multimedia rent	-	-	21,300	202
Depreciation	88,899	573	64,635	588
Vehicle rent	253,620	1,854	214,350	1,944
Vehicle fuel	297,485	2,194	249,903	2,263
Repair and maintenance	38,760	289	120,851	1,112
Travelling - bus and cabs	53,906	395	15,650	147
CDRS promo expenses	140,476	1,000	-	-
Janitorial services	78,796	579	51,500	465
Air fare	31,150	231	117,111	1,056
Labor charges	30,247	233	161,252	1,418
Office cost and supplies	57,010	407	78,728	700
Postage and delivery	29,889	221	-	-
Utility bills	62,475	453	63,454	582
Printing and stationery	163,797	1,181	168,055	1,575
Miscellaneous	63,661	459	41,736	380
Bank charges	247,420	1,797	160,646	1,443
	5,444,307	40,330	4,270,605	38,697

13 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of affiliates of the Trust, chairman, trustee, key management personnel and entities over which the chairman or trustees are able to exercise significant influence. No transactions with the related parties occurred during the year.

14 FUND MANAGEMENT

The Board of Trustees of the Trust monitors the performance along with the related funds requirement. The Trust is not subject to externally imposed fund requirements.

15 NUMBER OF EMPLOYEES

	2019	2018
Number of employees at the end of the year	<u>33</u>	<u>36</u>
Average number of employees during the year	<u>34</u>	<u>35</u>

16 GENERAL

- (i) All figures in the financial statements have been rounded off to the nearest rupee/dollar.
- (ii) Corresponding figures have been re-arranged, where necessary, for the purpose of comparison. However, no significant re-classifications have been made.

17 DATE OF AUTHORISATION

These financial statements have been authorised for issue by the Board of Trustees on

14-Jan-2020.

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CHAIRMAN



TRUSTEE