

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF TRUSTEES OF DIYA PAKISTAN (The Foundation)

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Diya Pakistan (the "Foundation")**, which comprise the statement of financial position as at June 30, 2019 and the statement of income or expenditure / comprehensive income, the statement of changes in funds, the 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, (or give a true and fair view of) the financial position as at June 30, 2019 and the statement of income or expenditure / comprehensive income, the statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements for the year then ended in accordance with accounting and reporting standards for Not for profits Organizations (NPOs) issued by ICAP.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation 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 Board of Trustees for the Financial Statements

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

P&C

In preparing the financial statements, management is responsible for assessing the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Board of Trustees is responsible for overseeing the Foundation'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 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 Foundation'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 Foundation'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

P&C

evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Foundation 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 the Board of Trustees 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.

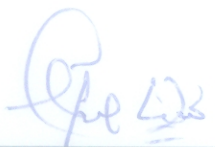
Peter & Co.

Date: March 2, 2020
Islamabad
Aneel Peter

Diya Pakistan
Statement of Financial Position
As at June 30, 2019

	Note	2019 Rupees	2018 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	160,332	219,598
Long term investment	5	5,624,755	7,271,862
		<u>5,785,087</u>	<u>7,491,460</u>
CURRENT ASSETS			
Advances	6	-	20,601
Short term investments	7	2,725,000	2,725,000
Accrued interest		112,175	108,292
Cash and bank balances	8	21,341,436	5,781,900
		<u>24,178,611</u>	<u>8,635,793</u>
TOTAL ASSETS		<u>29,963,698</u>	<u>16,127,253</u>
FUNDS AND LIABILITIES			
FUNDS			
Endowment fund - General	9.1	5,222,587	3,225,000
Endowment fund - Specific	9.2	3,225,000	6,869,694
Accumulated surplus		5,548,887	4,139,425
		<u>13,996,474</u>	<u>14,234,119</u>
NON-CURRENT LIABILITIES			
Deferred capital grant	10	181,344	240,610
Restricted funds	11	15,581,188	1,582,665
		<u>15,762,532</u>	<u>1,823,275</u>
CURRENT LIABILITIES			
Accrued and other liabilities	12	204,692	69,859
TOTAL FUND AND LIABILITIES		<u>29,963,698</u>	<u>16,127,253</u>
CONTINGENCIES AND COMMITMENTS	13	-	-

The annexed notes from 1 to 24 form an integral part of these financial statements.



 President



 Chairman

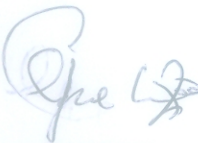


 Director Finance

Diya Pakistan
Income and Expenditure Statement
For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
INCOME			
Donation income	14	102,204,467	102,270,547
Donation for operating expenses	14.1	4,674,974	4,932,580
Foreign exchange gain - net .	15	7,974,426	1,976,410
Other operating income	16	173,828	219,956
		<u>115,027,695</u>	<u>109,399,493</u>
EXPENDITURE			
Programme costs	17	108,700,993	108,714,854
Operating costs	18	4,674,974	4,932,580
Audit cost		150,000	-
Depreciation		92,266	117,852
		<u>113,618,233</u>	<u>113,765,286</u>
SURPLUS / (DEFICIT) FOR THE YEAR		<u><u>1,409,462</u></u>	<u><u>(4,365,793)</u></u>

The annexed notes from 1 to 24 form an integral part of these financial statements.



 President



 Chairman



 Director Finance

Diya Pakistan
Statement of Comprehensive Income
For the year ended June 30, 2019

	2019	2018
	Rupees	Rupees
Surplus / (deficit) for the year	1,409,462	(4,365,793)
Other comprehensive income for the year	-	-
Total comprehensive income/(loss) for the year	<u><u>1,409,462</u></u>	<u><u>(4,365,793)</u></u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

PKC



President



Chairman



Director Finance

Diya Pakistan
Statement of Cash flows
For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
SURPLUS / (DEFICIT) FOR THE YEAR		1,409,462	(4,365,793)
Adjustments:			
- Depreciation	4	92,266	117,852
- Amortisation of deferred capital grant	10	(92,266)	(117,852)
- Amortisation of restricted fund	11	(102,112,201)	(102,152,695)
- Exchange gain on foreign currency bank deposits	15	(7,974,426)	(1,976,410)
- Profit on investments and bank deposits	16	(173,828)	(219,956)
		(110,260,455)	(104,349,061)
Operating deficit before working capital changes		(108,850,993)	(108,714,854)
Changes in working capital:			
Decrease in advances	6	20,601	34,399
Increase/(decrease) in accrued and other liabilities	12	134,833	(214,363)
Decrease in other receivables		-	771,300
		155,434	591,336
Restricted funds received during the year		116,143,724	72,491,866
Profit received		169,945	401,485
Net cash generated from / (utilised in) operating activities		7,618,110	(35,230,167)
CASH FLOW FROM INVESTING ACTIVITIES			
Addition to property and equipment	4	(33,000)	(27,400)
Investments encashed during the year		-	4,685,000
Investments made during the year		-	(2,542,868)
Net cash (utilised in) / generated from investing activities		(33,000)	2,114,732
CASH FLOW FROM FINANCING ACTIVITIES			
Endowment funds received during the year		-	2,469,798
Net cash generated from financing activities		-	2,469,798
Net decrease in cash and cash equivalents		7,585,110	(30,645,637)
Cash and cash equivalents at beginning of the year		5,781,900	34,451,128
Exchange gain on foreign currency bank deposits	15	7,974,426	1,976,410
Cash and cash equivalents at the end of the year	8	21,341,436	5,781,900

The annexed notes from 1 to 24 form an integral part of these financial statements.



 President



 Chairman



 Director Finance

Diya Pakistan
Statement of Changes in Funds
For the year ended June 30, 2019

	Endowment Fund- general	Endowment Fund- Specific	Accumulated surplus	Total
	Rupees			
Balance as at July 1, 2017	3,225,000	5,349,088	8,505,219	17,079,307
Endowment funds received during the year		2,469,798	-	2,469,798
Unrealised loss on investments		(949,192)		(949,192)
Total comprehensive income for the year			(4,365,793)	(4,365,793)
Balance as at June 30, 2018	3,225,000	6,869,694	4,139,425	14,234,119
Balance as at July 1, 2018	3,225,000	6,869,694	4,139,425	14,234,119
Endowment Funds received during the year	-	-	-	-
Unrealised loss on investments	-	(1,647,107)		-
Total comprehensive income for the year	-	-	1,409,462	1,409,462
Balance as at June 30, 2019	3,225,000	5,222,587	5,548,887	15,643,581

The annexed notes from 1 to 24 form an integral part of these financial statements.



President



Chairman



Director Finance

Diya Pakistan
Notes to the Financial Statements
For the year ended June 30, 2019

22 Number of Employees

At year end	18	14
Average for the year	18	14

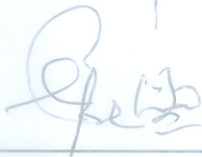
23 DATE OF APPROVAL

These financial statements were approved by the Board of Trustees in their meeting held on *17 January, 2020*

24 GENERAL

Amounts have been rounded off to the nearest Pak Rupees.

PKR



President



Chairman



Director Finance