



KPMG Taseer Hadi & Co.

**Diya Pakistan**  
Financial Statements  
For the year ended  
30 June 2017



KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sixth Floor, State Life Building, Blue Area  
Islamabad, Pakistan  
Telephone 92 (51) 282 3558, Fax 92 (51) 282 2671

## **INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF DIYA PAKISTAN**

### **Opinion**

We have audited the financial statements of Diya Pakistan (the Foundation), which comprise the statement of financial position as at 30 June 2017, the income and expenditure account, statement of comprehensive income, statement of changes in 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 Foundation as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with the approved accounting 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 *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 Those Charged with Governance for the Financial Statements**

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



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In preparing the financial statements, the Board of Trustees is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using 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.

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

#### **Auditors' 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 auditors' 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 reasonableness of accounting estimates and related disclosures made by management.



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- 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 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 auditors' 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 auditors' 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 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.

Islamabad  
30 July 2019

**KPMG Taseer Hadi & Co.**  
**Chartered Accountants**  
**Engagement Partner:**  
**Riaz Pesnani**

Diya Pakistan  
Statement of Financial Position  
As at 30 June 2017

	Note	2017 Rupees	2016 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	4	310,050	380,086
Long term investment	5	500,000	500,000
<i>Total Non-current assets</i>		<u>810,050</u>	<u>880,086</u>
<b>CURRENT ASSETS</b>			
Advances	6	55,000	9,000
Short term investments	7	12,588,186	7,410,000
Accrued interest		289,821	431,150
Other receivables		771,300	-
Cash and bank balances	8	34,451,128	37,440,187
		<u>48,155,435</u>	<u>45,290,337</u>
<b>TOTAL ASSETS</b>		<u><u>48,965,485</u></u>	<u><u>46,170,423</u></u>
<b>FUNDS AND LIABILITIES</b>			
<b>FUNDS</b>			
Endowment fund - General	9	3,225,000	3,225,000
Endowment fund - Specific	9	5,349,088	2,170,122
Accumulated surplus		8,505,219	8,580,851
<i>Total Funds</i>		<u>17,079,307</u>	<u>13,975,973</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred capital grant	10	331,062	361,586
Restricted funds	11	31,270,894	31,719,972
<i>Total Non-current liabilities</i>		<u>31,601,956</u>	<u>32,081,558</u>
<b>CURRENT LIABILITIES</b>			
Accrued and other liabilities	12	284,222	112,892
<b>TOTAL FUNDS AND LIABILITIES</b>		<u><u>48,965,485</u></u>	<u><u>46,170,423</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>	13		

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
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President

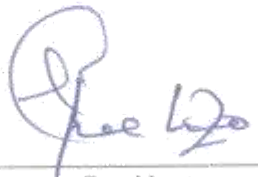
  
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Chairman


  
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Director Finance

Diya Pakistan  
Income and Expenditure Account  
For the year ended 30 June 2017

	Note	2017 Rupees	2016 Rupees
<b>INCOME</b>			
Donation income	14	69,756,871	92,091,823
Other operating income	15	287,270	585,813
		<u>70,044,141</u>	<u>92,677,636</u>
<b>EXPENDITURE</b>			
Programme costs	16	65,282,933	87,906,060
Operating costs	17	4,473,938	4,185,763
Foreign exchange loss - net	18	339,590	586,231
Other operating loss		23,312	-
		<u>70,119,773</u>	<u>92,678,054</u>
<b>DEFICIT FOR THE YEAR</b>		<u>(75,632)</u>	<u>(418)</u>

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
President


  
Chairman


  
Director Finance

Diya Pakistan  
Statement of Comprehensive Income  
For the year ended 30 June 2017

	2017 Rupees	2016 Rupees
Deficit for the year	(75,632)	(418)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>(75,632)</u>	<u>(418)</u>

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
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President

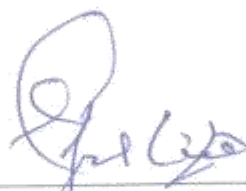
  
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Chairman


  
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Director Finance

Diya Pakistan  
Statement of Cash Flows  
For the year ended 30 June 2017

	Note	2017 Rupees	2016 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Deficit of income over expenditure for the year		(75,632)	(418)
Adjustments:			
- Depreciation	4	103,239	120,670
- Amortization of deferred capital grant	10	(103,239)	(120,670)
- Amortization of restricted fund	11	(65,282,933)	(87,906,060)
- Exchange loss on foreign currency bank deposits	18	339,590	586,231
- Profit on investments	15	(287,270)	(585,813)
		(65,230,613)	(87,905,642)
Operating deficit before working capital changes		(65,306,245)	(87,906,060)
Changes in working capital:			
(Increase) / decrease in advances	6	(46,000)	271,000
Increase in accrued and other liabilities	12	171,330	98,868
(Increase) in other receivables		(771,300)	-
		(645,970)	369,868
Restricted funds received during the year		64,906,570	89,883,528
Profit received		428,599	600,120
Net cash (used in) / generated from operating activities		(617,046)	2,947,456
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Additions to property and equipment	4	(72,715)	(192,000)
Disposals of property and equipment		39,512	-
Investments made during the year		(4,972,000)	-
Net cash used in investing activities		(5,005,203)	(192,000)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Endowment fund received during the year		2,972,780	2,170,122
Net cash generated from financing activities		2,972,780	2,170,122
Net (decrease) / in cash and cash equivalents		(2,649,469)	4,925,578
Cash and cash equivalents at the beginning of the year		37,440,187	33,100,840
Exchange loss on foreign currency bank deposits	18	(339,590)	(586,231)
Cash and cash equivalents at the end of the year	8	34,451,128	37,440,187

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
President

  
Chairman

  
Director Finance




Diya Pakistan  
Statement of Changes in Funds  
For the year ended 30 June 2017

	Endowment Fund - Specific	Endowment Fund - General	Accumulated surplus	Total
Rupees				
Balance as at 01 July 2015	-	3,225,000	8,581,269	11,806,269
Endowment fund received during the year	2,170,122	-	-	2,170,122
Total comprehensive income for the year - loss	-	-	(418)	(418)
Balance as at 30 June 2016	2,170,122	3,225,000	8,580,851	13,975,973
Balance as at 01 July 2016	2,170,122	3,225,000	8,580,851	13,975,973
Endowment Funds received during the year	2,972,780	-	-	2,972,780
Unrealized gain on investments	206,186	-	-	206,186
Total comprehensive income for the year - loss	-	-	(75,632)	(75,632)
Balance as at 30 June 2017	5,349,088	3,225,000	8,505,219	17,079,307

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
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President

  
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Chairman

  
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Director Finance

Diya Pakistan  
Notes to the Financial Statements  
For the year ended 30 June 2017


22 DATE OF APPROVAL

These financial statements were approved by the Board of Trustees in their meeting held on

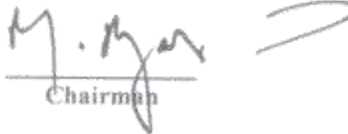
20 MAY 2019

23 GENERAL

Amounts have been rounded off to the nearest Pak Rupees.



President



Chairman



Director Finance