

VISION

Financial Statements

For the year ending June 30, 2019

Independent Auditors' Report to the Members of Vision

Opinion

We have audited the financial statements of Vision ("The Society"), which comprise the statement of financial position as at June 30, 2019, the statement of income and expenditure and statement of changes in funds 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 Vision as at June 30, 2019, of its financial performance and of its changes in funds for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

Basis of 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 Vision in accordance with the International Ethics Standard 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing financial statements, the 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 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

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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 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's 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.

Date: 23.12.2019
Islamabad


KHALID MAJID REHMAN
Chartered Accountants
Engagement Partner: Khalid Majid

VISION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

		2019	2018
	NOTE	(Rupees)	(Rupees)
NON-CURRENT ASSETS			
Property, plant & equipment	6	409,636	523,369
CURRENT ASSETS			
Advances, prepayments and security deposits	7	210,401	72,000
Income tax refundable		155,359	124,233
Cash and bank balances	8	3,451,875	1,926,253
		3,817,635	2,122,486
Total Assets		4,227,271	2,645,855
FUNDS AND LIABILITIES			
FUNDS			
Restricted funds	9	2,826,322	1,376,075
General funds		236,326	334,622
Total Funds		3,062,648	1,710,697
CURRENT LIABILITIES			
Payable to Oxfam Novib	10	425,654	425,654
Payable to Tahir Ali Khilji		184,500	-
Accounts payable	11	554,469	294,781
Income tax payable		-	214,723
Total Liabilities		1,164,623	935,158
Total Funds and Liabilities		4,227,271	2,645,855
CONTINGENCIES AND COMMITMENTS			
	12		

The annexed notes from 1 to 20 form an integral part of these financial statements.

Naheed Khilji
SECRETARY

Azra Kamal
PRESIDENT

VISION
STATEMENT OF INCOME AND EXPENDITURE
FOR YEAR ENDED 30 JUNE 2019

	Note	2019 (Rupees)	2018 (Rupees)
INCOME	13	7,347,585	2,444,006
EXPENSES			
Project expenses	14	(6,295,621)	(600,506)
General and administration expenses	15	(1,151,768)	(2,313,335)
		(99,804)	(469,835)
OTHER INCOME	16	1,508	44,677
DEFICIT BEFORE TAX		(98,296)	(425,158)
Provision for taxation		-	-
DEFICIT FOR THE YEAR		(98,296)	(425,158)

The annexed notes from 1 to 20 form an integral part of these financial statements.

Nahed Khilji
SECRETARY

Aska Kameel
PRESIDENT

VISION
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2019

	General Funds	Restricted Funds	Total Funds
	Rupees		
Balance at 01 July 2017 (General fund)	759,780	-	759,780
Balance at 01 July 2017 (Tabeer-e-Hum)	-	425,654	425,654
Grant received during the year (Protection from the Ground Up)	-	1,976,581	1,976,581
Utilization of grants for expenses	-	(600,506)	(600,506)
Grant adjusted during the year	-	(425,654)	(425,654)
Deficit for the year	(425,158)	-	(425,158)
Balance at 30 June 2018	334,622	1,376,075	1,710,697
Balance at 01 July 2018 (General fund)	334,622	-	334,622
Balance at 01 July 2018 (Protection from the Ground Up)	-	1,376,075	1,376,075
Grant received during the year (Protection from the Ground Up)	-	4,874,829	4,874,829
Grant received during the year (Pride)	-	2,871,039	2,871,039
Utilization of grants for expenses (Protection from the Ground Up)	-	(3,992,543)	(3,992,543)
Utilization of grants for expenses (Pride)	-	(2,303,078)	(2,303,078)
Grant adjusted during the year	-	-	-
Deficit for the year	(98,296)	-	(98,296)
Balance at 30 June 2019	236,326	2,826,322	3,062,648

The annexed notes from 1 to 20 form an integral part of these financial statements.

Nabeed Khilgi
SECRETARY

Abse Kameel
PRESIDENT

1 STATUS AND OPERATIONS

Vision "the society" is a non - profit organization established in March 1998 under the Societies Registration Act, 1860. Its registered office is located at Shahra-e-Fatima Jinnah, Lahore. The society is working for the promotion of information ,education and communication skills as intervention technique in the areas of health and education and creating a support system through consciousness raising campaigns for vulnerable populations. The society is also working for the rights of street children by creating awareness on issues of children's mental, physical and emotional well being and related services. The society also has a office located in Multan for conducting its activities.

2 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting and financial reporting standards as applicable in Pakistan. Approved accounting and financial reporting standard comprise of Revised Accounting and Financial reporting Standards for Small-sized Entities (SSEs) issued by the Institute of Chartered Accountant of Pakistan (ICAP) and Accounting standards for Non for Profit Organizations issued by ICAP.

3 Basis of measurement

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

4 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Society's functional currency.

5 SIGNIFICANT ACCOUNTING POLICIES

5.1 Property, plant & equipment

Initial recognition

All items of property, plant and equipment are initially recorded at cost.

Subsequent measurement

Items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment loss (if any).

Depreciation

Depreciation on property, plant & equipment is charged to statement of income and expenditure applying the reducing balance method so as to write off the cost / depreciation amount of the assets over their estimated useful life at the rates as specified in note 6 to the financial statements. Depreciation on additions to property, plant & equipment is charged for the whole year irrespective of the month in which an item is put to use while no depreciation is charged for the year in which the item is derecognized/disposed off.

Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of income and expenditure.

Impairment

The management assesses at each statement of financial position date whether there is any indication that item of property, plant & equipment may be impaired. If such indication exists, the carrying amounts of such items are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, items of property, plant & equipment are written down to their recoverable amounts and the resulting impairment loss is recognized in statement of income and expenditure. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the items of property, plant & equipment revised carrying amount over its remaining useful life.

5.2 Accrued liabilities

Accrued liabilities are carried at cost which is the fair value of the consideration to be paid in future.

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5.3 Cash and cash equivalents

Cash and cash equivalents are stated in the statement of financial position at their nominal value.

5.4 Income

Income is recognized when it is probable that the economic benefits associated with the transactions will flow to the Society and the amount of the income and the associated costs incurred or to be incurred can be measured reliably.

- (i) Cash donations / voluntary contributions are recognized on cash receipt basis;
- (ii) A grant that does not impose specified future performance conditions on the recipient is recognized in income when the grant proceeds are receivable.
- (iii) A grant that imposes specified future performance conditions on the recipient is recognized in income only when the performance conditions are met.

5.5 Taxation

Provision of current tax is based on taxable income for the year determined in accordance with the prevailing law for taxation of income.

5.6 Funds accounting

This amount also includes donations from director during the year. Details are disclosed in Note 17 to the financial statements.

The unrestricted funds comprise the accumulated surplus of donations, voluntary contributions and grants for which donors have not specified any intention together with income accruing directly to those funds.

5.7 Contingent Liability

Contingent liability is disclosed when the society has a possible obligation as a result of past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the society; or the society has a present legal or constructive obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability.

5.8 Financial Instruments

Financial assets and liabilities are recognized when the society becomes a party to the contractual provisions of the instrument and de-recognized when the society loses control of the contractual rights that comprise the financial assets and when the obligation specified in the contract is discharged, cancelled and expired. All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These are subsequently measured at amortized cost.

5.8.1 Impairment of Financial Assets

A financial assets is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

All impairment losses are recognized in the statement of income and expenditure. An impairment loss is reversed if the reversal can be related objectively to an event accruing that impairment loss was recognized.

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VISION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

6 Property, Plant & Equipment

DESCRIPTION	COST				RATE	DEPRECIATION				NET BOOK VALUE
	1-Jul-18	Additions	Deletions	30-Jun-19		1-Jul-18	Additions	Deletions	30-Jun-19	30-Jun-19
As at June 30, 2019										
	(Rupees)				%	(Rupees)				
Electrical equipments	127,635	-	-	127,635	15%	61,752	9,882	-	71,634	56,001
Computer equipments	515,959	-	-	515,959	33%	320,243	64,586	-	384,829	131,130
Furniture and fixtures	143,300	-	-	143,300	15%	39,439	15,579	-	55,018	88,282
Office equipments	231,818	-	-	231,818	15%	73,909	23,686	-	97,595	134,223
Total	1,018,712	-	-	1,018,712		495,343	113,733	-	609,076	409,636

DESCRIPTION	COST				RATE	DEPRECIATION				NET BOOK VALUE
	1-Jul-17	Additions	Deletions	30-Jun-18		1-Jul-17	Additions	Deletions	30-Jun-18	30-Jun-18
As at June 30, 2018										
	(Rupees)				%	(Rupees)				
Electrical equipments	238,700	-	111,065	127,635	15%	124,075	11,627	73,950	61,752	65,883
Computer equipments	504,884	55,575	44,500	515,959	33%	268,346	96,397	44,500	320,243	195,716
Furniture and fixtures	170,837	-	27,537	143,300	15%	41,933	18,328	20,822	39,439	103,861
Office equipments	231,818	-	-	231,818	15%	46,043	27,866	-	73,909	157,909
Total	1,146,239	55,575	183,102	1,018,712		480,397	154,218	139,272	495,343	523,369

VISION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 (Rupees)	2018 (Rupees)
7 PREPAYMENTS AND SECURITY DEPOSITS			
Prepaid rent		137,038	72,000
Security deposits		65,000	-
Advances to employees		8,363	-
		<u>210,401</u>	<u>72,000</u>
		2019 (Rupees)	2018 (Rupees)
8 CASH AND BANK BALANCES			
Cash in hand		1,637	27,343
Cash at bank:			
In current accounts		3,428,789	1,878,719
In saving account	8.1	21,449	20,191
		<u>3,450,238</u>	<u>1,898,910</u>
		<u>3,451,875</u>	<u>1,926,253</u>

8.1 It carries mark-up at the rate of 3.05% - 4.05% (2018: 3.7%).

9 RESTRICTED FUNDS

Donors	Oxfam Novib	Advocates for Youth	COC Netherlands	Total
Projects	Taabee Hum	Protection from the Ground-up	Pride	
..... Rupees				
Balance at 01 July 2017	425,654	-	-	425,654
Grants received during the year	-	1,976,581	-	1,976,581
Grants utilized/adjusted during the year	(425,654)	(600,506)	-	(1,026,160)
Balance at 30 June 2018	-	1,376,075	-	1,376,075
Balance at 01 July 2018	-	1,376,075	-	1,376,075
Grants received during the year	-	4,874,829	2,871,039	7,745,868
Grants utilized/adjusted during the year	-	(3,992,543)	(2,303,078)	(6,295,621)
Balance at 30 June 2019	-	2,258,361	567,961	2,826,322

10 PAYABLE TO OXFAM

This represents amount due to Oxfam Novib. Some assets were also purchased from the restricted fund from Oxfam Novib relating to Taabeer-e-hum project. Despite several attempts to correspond with Oxfam Novib regarding the final settlement of the grant, no response was received therefore after due consideration management resolved that the net amount of Rs.425,654 will be booked as payable to Oxfam Novib.

	2019 (Rupees)	2018 (Rupees)
11 ACCOUNTS PAYABLE		
Audit fee payable	155,000	75,000
Salaries payable	173,944	118,000
Other payables	115,384	20,000
Withholding tax payable	110,141	81,781
	<u>554,469</u>	<u>294,781</u>

12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2019; (2018:Nil)

VISION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 (Rupees)	2018 (Rupees)
13 INCOME			
Income recognized under restricted fund:			
Grants recognized as income from Protection from the Ground Up		3,992,543	600,506
Grants recognized as income from COC		2,303,078	-
Income recognized under unrestricted fund:			
Donations	13.1	1,051,964	1,843,500
		<u>7,347,585</u>	<u>2,444,006</u>
13.1 This amount also includes donations from director during the year. Details are disclosed in Note 17 to the financial statements.			
		2019 (Rupees)	2018 (Rupees)
14 PROJECT EXPENSES		<u>6,295,621</u>	<u>600,506</u>
14.1 Advocates for Youth			
Salaries and other benefits		1,468,907	345,000
Rent, rate and taxes		476,080	72,000
Travelling		843,175	138,283
Entertainment		284,310	21,815
Per diem		89,500	23,408
Workshops and seminars		440,600	-
Consultancy fee		150,000	-
Other expenses		239,971	-
		<u>3,992,543</u>	<u>600,506</u>
14.2 COC Netherland			
Salaries and other benefits		400,510	-
Rent, rate and taxes		281,103	-
Travelling		274,252	-
Entertainment		170,314	-
Per diem		151,000	-
Workshops and seminars		703,594	-
Training and development		26,955	-
Audit fee		80,000	-
Consultancy fee		205,000	-
Other expenses		10,350	-
		<u>2,303,078</u>	<u>-</u>
		2019 (Rupees)	2018 (Rupees)
15 GENERAL AND ADMINISTRATION EXPENSES			
Salaries and other benefits		284,967	1,031,500
Utilities		56,505	27,350
Rent, rate and taxes		30,000	456,000
Communication		53,155	42,740
Office maintenance		40,570	5,470
Stationery		20,724	1,280
Travelling expenses		18,279	46,375
Entertainment		10,575	34,345
Legal and professional		477,000	348,470
Office supplies		11,301	6,735
Commission		-	17,000
Food		-	5,640
Audit fee		-	75,000
Depreciation	6	113,733	154,218
Bank Charges		4,500	4,282
Postage & Courier		9,290	9,520
Per diem		-	12,000
Other expenses		21,169	35,410
		<u>1,151,768</u>	<u>2,313,335</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	<u>2019</u>	<u>2018</u>
	<u>(Rupees)</u>	<u>(Rupees)</u>
16 OTHER INCOME		
Profit on bank deposit	1,508	807
Profit on Disposal	-	43,870
	<u>1,508</u>	<u>44,677</u>

17 RELATED PARTY TRANSACTIONS

Related parties comprise of the members of the society, entities where members hold directorship, and other key management personnel. Balance with related parties are disclosed in the respective notes to the financial statements.

Transaction with related parties during the year are as follows:

	<u>Relationship</u>	<u>2019</u>	<u>2018</u>
		<u>(Rupees)</u>	<u>(Rupees)</u>
Mr. Tahir Ali Khilji	Director		
Donations to vision during the year		340,000	1,051,964
Purchase of assets from vision during the year		-	26,500

18 NUMBER OF EMPLOYEES

Total number of employees as at year end	<u>6</u>	<u>4</u>
Average number of employees during the year	<u>5</u>	<u>6</u>

19 GENERAL

Figures have been rounded off to the nearest Pak Rupee.

20 DATE OF APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the authorized members of the Society on 14/12/19.

Nahid Khilji
 SECRETARY

Azra Kamal
 PRESIDENT