

Khalid Majid Rehman
Chartered Accountants

VISION

Financial Statements

For the year ending June 30, 2018

Khalid Majid Rehman

Chartered Accountants
7A, Street 65, F-8/3,
Islamabad-44000

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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, 2018 and the statement of income and expenditure, 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, 2018, 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: 31.07.2019
Islamabad


KHALID MAJID REHMAN
Chartered Accountants
Engagement Partner: Khalid Majid

VISION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	NOTE	2018 (Rupees)	Restated 2017 (Rupees)
NON-CURRENT ASSETS			
Property, plant & equipment	6	523,369	665,842
CURRENT ASSETS			
Prepayments and security deposits	7	72,000	224,000
Income tax refundable		124,233	118,295
Cash and bank balances	8	1,926,253	564,300
Total Assets		2,122,486	906,595
FUNDS AND LIABILITIES			
FUNDS			
Restricted funds			
General funds	9	1,376,075	425,654
Total Funds		334,622	759,780
CURRENT LIABILITIES			
Payable to Oxfam Novib	10	425,654	-
Accounts payable	11	294,781	172,280
Income tax payable		214,723	214,723
Total Liabilities		935,158	387,003
Total Funds and Liabilities		2,645,855	1,572,437
CONTINGENCIES AND COMMITMENTS			
	12		

The annexed notes from 1 to 22 form an integral part of these financial statements.

Nabeed Khilji
SECRETARY

Azra Kamel
PRESIDENT

VISION
STATEMENT OF INCOME AND EXPENDITURE
FOR YEAR ENDED 30 JUNE 2018

	Note	2018 (Rupees)	Restated 2017 (Rupees)
INCOME			
EXPENSES	13	2,444,006	21,880,528
Project expenses			
General and administration expenses	14	(600,506)	(18,207,064)
Other income	15	(2,313,335)	(3,060,492)
(DEFICIT)/SURPLUS BEFORE TAX	16	44,677	137,803
Provision for taxation		(425,158)	750,775
(DEFICIT)/SURPLUS FOR THE YEAR		(425,158)	(214,723)
			536,052

The annexed notes from 1 to 22 form an integral part of these financial statements.

Nahed Khilji
SECRETARY

Azla Kamal
PRESIDENT

VISION
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2018

	General Funds	Restricted Funds	Total Funds
 Rupees		
Balance at 01 July 2016 (General fund)	223,728	-	223,728
Balance at 01 July 2016 (Listen To My Voice)	-	76,898	76,898
Balance at 01 July 2016 (Tabeer-e-Hum)	-	1,463,373	1,463,373
Grant received during the year	-	17,169,345	17,169,345
Utilization of grants for expenses	-	(18,207,064)	(18,207,064)
Grant adjusted during the year	-	(76,898)	(76,898)
Surplus/(Deficit) for the year - Restated	536,052	-	536,052
Balance at 30 June 2017 - Restated	<u>759,780</u>	<u>425,654</u>	<u>1,185,434</u>
Balance at 01 July 2017 (General fund) - Restated	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)
Surplus/(Deficit) for the year	(425,158)	-	(425,158)
Balance at 30 June 2018	<u>334,622</u>	<u>1,376,075</u>	<u>1,710,697</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

Nabeed Khilji
SECRETARY

Azra Kameel
PRESIDENT

VISION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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.

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 Accounting and Financial reporting Standards for Small-sized Entities (AFRS for 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 estimated 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.

VISION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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

The restricted funds comprise the voluntary contributions and grants for which donors have specified an intention to support a particular aspect of the society's activities.

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. The surplus is held until they are fully expended or returned at the end of the respective grant period or disposed off according to the donor's instructions.

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.

VISION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

6 Property, Plant & Equipment

DESCRIPTION	COST				RATE	DEPRECIATION				NET BOOK VALUE
	1-Jul-17	Additions	Deletions	30-Jun-18		1-Jul-17	Additions	Deletions	30-Jun-18	
As at June 30, 2018										
	(Rupees)				%	(Rupees)				
Electrical equipments	238,700		111,065	127,635	15%	124,075	11,617	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

DESCRIPTION	COST				RATE	DEPRECIATION				NET BOOK VALUE
	1-Jul-16	Additions	Deletions	30-Jun-17		1-Jul-16	Additions	Deletions	30-Jun-17	
As at June 30, 2017										
	(Rupees)				%	(Rupees)				
Electrical equipments	166,280	72,420	-	238,700	15%	103,847	20,228	-	124,075	114,625
Computer equipments	363,884	141,000	-	504,884	33%	151,842	116,504	-	268,346	236,538
Furniture and fixtures	71,837	99,000	-	170,837	15%	19,185	22,748	-	41,933	128,904
Office equipments	88,390	143,428	-	231,818	15%	13,259	32,784	-	46,043	185,775
Total	690,391	455,848		1,146,239		288,133	192,264	-	480,397	665,842

6.1 The assets as at June 30, 2017 include those having book value amounting to Rs.559,224 which pertains to grant received from Oxfam Novib, but now purchased by Vision.

VISION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

7 PREPAYMENTS AND SECURITY DEPOSITS

Prepaid rent
Security deposits

2018 (Rupees)	2017 (Rupees)
72,000	168,000
-	56,000
72,000	224,000

8 CASH AND BANK BALANCES

Cash in hand
Cash at bank:
In current accounts
In saving account

2018 (Rupees)	2017 (Rupees)
27,343	2,484
1,878,719	536,519
20,191	25,297
1,898,910	561,816
1,926,253	564,300

8.1 It carries mark-up at the rate of 3.6% Semi - Annually (2017: 3.7%).

9 RESTRICTED FUNDS

Donors	Oxfam Novib	Group Development	Advocates for Youth	Total
Projects	Taabeer Hum	Listen to my voice	Protection from the Ground-up	
 Rupees			
Balance at 01 July 2016	1,463,373	76,898	-	1,540,271
Grants received during the year	17,169,345	-	-	17,169,345
Grants utilized during the year	(18,207,064)	(76,898)	-	(18,283,962)
Balance at 30 June 2017	425,654	-	-	425,655
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

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.

11 ACCOUNTS PAYABLE

Withholding tax payable
Audit fee payable
Salaries payable
Other payables

2018 (Rupees)	2017 (Rupees)
81,781	77,280
75,000	75,000
118,000	-
20,000	20,000
294,781	172,280

12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2018; (2017:Nil)

VISION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018 (Rupees)	2017 (Rupees)
13 INCOME			
Income recognized under restricted fund:			
Grants recognized as income from OXFAM NOVIB - Tabeer Hum Project		-	18,207,064
Grants recognized as income from Protection from the Ground Up		600,506	-
Income recognized under unrestricted fund:			
Grants received from institutions - Funds for Global Human Rights		-	3,070,464
Donations	13.1	1,843,500	603,000
		<u>2,444,006</u>	<u>21,880,528</u>

13.1 This amount represents donations from director during the year. Details are disclosed in Note 18 to the financial statements.

	2018 (Rupees)	2017 (Rupees)
14 PROJECT EXPENSES		
14.1 Tabeer E Hum		
Salaries and other benefits	-	5,596,520
Utilities	-	111,431
Rent, rates and taxes	-	583,374
Communication	-	65,948
Office maintenance	-	145,472
Food	-	2,283,441
Stationery	-	976,638
Travelling expenses	-	1,665,426
Entertainment	-	-
Boarding and lodging	-	3,143,839
Legal and professional	-	2,025,080
Office supplies	-	310,203
Commission	-	-
Training/Workshop	-	-
Per diem	-	-
Depreciation	-	874,500
Bank charges	-	96,132
Other expenses	-	9,030
	-	<u>320,030</u>
	-	<u>18,207,064</u>
14.2 Advocates for Youth		
Salaries and other benefits	345,000	-
Rent, rate and taxes	72,000	-
Travelling	138,283	-
Entertainment	21,815	-
Per diem	23,408	-
	<u>600,506</u>	-

VISION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2018

15 GENERAL AND ADMINISTRATION EXPENSES

	NOTE	2018 (Rupees)	2017 (Rupees)
Salaries and other benefits		1,031,500	1,999,743
Utilities		27,350	52,434
Rent, rate and taxes		456,000	322,022
Communication		42,740	2,860
Office maintenance		5,470	-
Stationery		1,280	6,890
Travelling expenses		46,375	29,009
Entertainment		34,345	-
Legal and professional		348,470	452,300
Office supplies		6,735	7,965
Commission		17,000	-
Food		5,640	-
Audit fee		75,000	75,000
Depreciation		154,218	96,132
Bank Charges		4,282	1,037
Postage & Courier		9,520	-
Per diem		12,000	-
Other expenses		35,410	15,100
		<u>2,313,335</u>	<u>3,060,492</u>

16 OTHER INCOME

	2018 (Rupees)	2017 (Rupees)
Profit on bank deposit	807	60,905
Excess of grants received over expenses	-	76,898
Profit on Disposal	43,870	-
	<u>44,677</u>	<u>137,803</u>

17 RETROSPECTIVE RESTATEMENT OF PRIOR PERIOD ERROR

There was an error in computation of tax liability at June 30, 2017. The correction of the error is accounted for retrospectively, and the comparative information for 2017 has been restated. The error has been corrected by restating each of the affected financial statement line items for the prior periods below.

Statement of financial position

Income tax payable

Net impact

Statement of income and expenditure

For the year ended 2017

Surplus for the year

Provision for taxation

Surplus for the year

	As at 30 June, 2017 Increase/(Decrease)	June 30, 2017 (Restated)
 Rupees	
	214,723	214,723
	214,723	214,723
 Rupees	
	750,775	750,775
	(214,723)	(214,723)
	<u>750,775</u>	<u>536,052</u>

VISION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Statement of changes in funds

For the year ended 2017

	As previously reported	As at 30 June, 2017 Surplus Increase/(Decrease)	2017 (Restated)
	Rupees		
General Funds	974,503	(214,723)	759,780
Net impact	974,503	(214,723)	759,780

18 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:

	Relationship	2018 (Rupees)	2017 (Rupees)
Mr. Tahir AH Khilji	Director	1,843,500	543,000
Donations to vision during the year		26,500	-
Purchase of assets from vision during the year			
Ms. Nabeed Khilji	Director		60,000
Donations to vision during the year			

19 NUMBER OF EMPLOYEES

Total number of employees as at year end
Average number of employees during the year

	2018	2017
Total number of employees as at year end	4	7
Average number of employees during the year	6	13

20 CORRESPONDING FIGURES

Prior year figure have been reclassified to conform to current year's presentation.

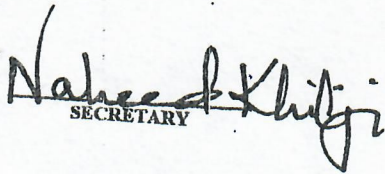
Reclassified from	Reclassified to	Rupees
Accounts Payable	Income Tax Payable	214,723

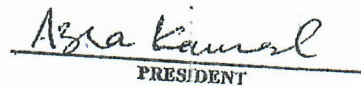
21 GENERAL

Figures have been rounded off to the nearest Pak Rupee.

22 DATE OF APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the authorized members of the Society on June 13th, 2019.


SECRETARY


PRESIDENT