



**M. ASIM IFTIKHAR & COMPANY**  
CHARTERED ACCOUNTANTS

**AUDITORS' REPORT TO THE MEMBERS**

We have audited the accompanying statement of financial position of HELPLINE as at June 30, 2014 and the related income and expenditure account together with the notes forming part thereof for the year then ended. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements.

We conducted our work in accordance with International Standards on Auditing as applicable to such engagements. These standards require that we plan and perform our work to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, income and expenditure account together with notes forming part thereof conform with approved accounting standards as applicable in Pakistan, in the manner so required, and respectively give true and fair view of the society's affairs as at June 30, 2014 and of the surplus for the year then ended.

Lahore  
Date:

**M. ASIM IFTIKHAR & COMPANY**  
Chartered Accountants  
Engagement Partner:  
Muhammad Asim Iftikhar



**HELPLINE**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2014**

	Note	2014 (Rupees)	2013 (Rupees)
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property plant and equipment	4	2,149,791	1,278,008
<b>CURRENT ASSETS</b>			
Advances, deposits and prepayments	5	4,818,783	5,278,278
Cash and bank balances	6	5,560,206	5,758,303
		10,378,989	11,036,581
		12,528,780	12,314,589
<b>FUNDS AND LIABILITIES</b>			
<b>CURRENT LIABILITES</b>			
Payables	7	326,829	1,367,236
<b>FUNDS</b>			
Opening balance		4,983,739	9,914,770
Accumulated surplus		1,323,151	(4,931,631)
		6,306,890	4,983,739
Special Funds	8	5,895,061	5,963,614
		12,528,780	12,314,589

The annexed notes from 1 to 12 form an integral part of these financial statements.

  
 \_\_\_\_\_  
**PRESIDENT**

  
 \_\_\_\_\_  
**SECRETARY**

HELPLINE  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	Note	2014 (Rupees)	2013 (Rupees)
<b>Donations</b>		59,541,281	44,484,244
<b>Expenses</b>			
Administrative expenses	9	4,745,277	3,238,988
Welfare Project expenses	10	53,421,802	46,125,811
Financial expenses		51,051	50,476
		<b>(58,218,130)</b>	<b>(49,415,275)</b>
<b>Surplus/(deficit) for the period</b>		<b>1,323,151</b>	<b>(4,931,031)</b>

The annexed notes from 1 to 12 form an integral part of these financial statements.

  
 \_\_\_\_\_  
 PRESIDENT

  
 \_\_\_\_\_  
 SECRETARY



**HELPLINE**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**1. THE ORGANIZATION AND ITS ACTIVITIES**

M/s Helpline Lahore is a charitable, non-profit and a non-commercial organization registered under the Voluntary Social Welfare Agencies (Registration & Control) Ordinance 1961. The organization is principally engaged in providing educational, health and other social services to the under-privileged segment of the populace irrespective of race, creed, sex and language. The organization receives funds from cross sections of society within and outside Pakistan for the projects undertaken.

The registered office of the Organization is situated at 705- A-1 GECHS, Township, Peco Road Lahore, Pakistan.

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Basis of measurement**

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

**3.2 Use of estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, 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 the judgements about the carrying values 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the subsequent years are as follows:

**Operating fixed assets**

The Organization reviews the rate of depreciation, useful life and value of assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of operating fixed assets with a corresponding effect on the depreciation charge and impairment.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

### **3.3 Property, plant and equipment**

#### **3.3.1 Owned**

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost include expenditure directly attributable to the acquisition of an asset. Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Organization and the cost of the item can be measured reliably.

Depreciation is charged to income under the straight-line basis at rates specified in note 4 to these financial statements. Depreciation is charged on operating fixed assets from the date asset is available for intended use upto the date the asset is disposed off. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Normal repairs and maintenance are charged to income and expenditure account as and when incurred. Gains and losses on disposal of an item of property, plant and equipment are taken to income and expenditure account currently.

Capital work in progress is stated at cost accumulated upto the balance sheet date. Assets are transferred to operating fixed assets when they are available for intended use.

#### **3.3.2 Leased**

Assets subject to finance lease are accounted for by recording the asset at the lower of present value of minimum lease payments under the lease agreements and the fair value of assets acquired. The related obligations under the lease are accounted for as liabilities. Financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

Depreciation is charged in a manner similar to owned assets. Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives.

Costs that are directly associated with identifiable software products controlled by the Organization and have probable economic benefit beyond one year are recognised as intangible assets.

#### **3.4 Stock**

Stock of uniforms, text books and exercise copies are stated at cost. Cost is determined on the weighted average basis and includes expenditure incurred in acquiring / bringing these items to their existing location and condition.

#### **3.5 Other payables**

Other payables are recognized initially at fair value and subsequently carried at amortised cost.

#### **3.6 Impairment**

The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or group of assets. If any such indication exists, the recoverable amount of such asset is estimated and impairment loss is recognised in the income and expenditure account.

### **3.7 Financial instruments**

All the financial assets and financial liabilities are recognized at the time when the Organization becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Organization loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income and expenditure account.

### **3.8 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are set off and only the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amount and the Organization intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **3.9 Income recognition**

Donations in cash and in kind are recognised as and when received.

### **3.10 Expenses**

All expenses are recognised in the income and expenditure account on an accrual basis.

### **3.11 Taxation**

The Organization enjoys exemption from income tax under clauses (60) and (92) of the Second Schedule to the Income Tax Ordinance, 2001, consequently no provision for taxation is made in these financial statements.

### **3.12 Provisions**

Provisions are recognised in the balance sheet when the Organization has a legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimates.

### **3.13 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, balances with banks and other short term highly liquid investments with maturities of three months or less.

4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Cost			Rate %	Depreciation			WDV as at June 30, 2014
	As on July 01, 2013	Additions/ (Deletions)	As on June 30, 2014		As on July 01, 2013	For the Year	Adjustment	
<b>Owened Assets</b>								
Computer	265,301	81,700	347,001	10%	46,084	25,569	-	71,653
Furniture & Fixture	105,617	96,860	202,477	10%	57,289	15,691	-	72,980
Equipment	715,800	125,840	841,640	20%	364,089	69,425	-	433,514
Vehicles	3,298,881	928,769	4,227,650	20%	2,640,129	250,701	-	2,890,830
<b>Leased assets</b>								
Vehicles	-	-	-	20%	-	-	-	-
<b>Grand Total</b>	<b>4,385,599</b>	<b>1,233,169</b>	<b>5,618,768</b>		<b>3,107,591</b>	<b>361,366</b>	<b>-</b>	<b>2,149,791</b>

Particulars	Cost			Rate %	Depreciation			WDV as at June 30, 2013
	As on July 01, 2012	Additions/ (Deletions)	As on June 30, 2013		As on July 01, 2012	For the Year	Adjustment	
<b>Owened Assets</b>								
Computer	208,700	56,601	265,301	10%	23,227	22,857	-	46,084
Furniture & Fixture	96,867	8,750	105,617	10%	47,200	10,089	-	57,289
Equipment	557,400	158,400	715,800	20%	288,647	75,442	-	364,089
Vehicles	3,323,881	(25,000)	3,298,881	20%	2,365,424	274,748	(43)	2,640,129
<b>Leased assets</b>								
Vehicles	430,000	(430,000)	-	20%	-	-	-	-
<b>Grand Total</b>	<b>4,616,848</b>	<b>(231,249)</b>	<b>4,385,599</b>		<b>2,724,498</b>	<b>393,136</b>	<b>(43)</b>	<b>3,107,591</b>
								<b>1,278,008</b>

	Note	2014 (Rupees)	2013 (Rupees)
<b>4.1 ALLOCATION OF DEPRECIATION</b>			
Administrative expenses		132,954	140,956
Project expenses		228,432	242,180
		<u>361,386</u>	<u>383,136</u>
<b>5. ADVANCES DEPOSITS AND PREPAYMENTS</b>			
Advances		4,417,783	4,868,278
Security		401,000	410,000
		<u>4,818,783</u>	<u>5,278,278</u>
<b>6. CASH AND BANK BALANCES</b>			
Cash at bank		5,185,306	5,746,573
Cash in hand		374,900	11,730
		<u>5,560,206</u>	<u>5,758,303</u>
<b>7. PAYABLES</b>			
Account Payables		326,829	297,679
KMC-liabilities		-	11,613
HBH-account payable		-	168,991
EDU-account payable		-	883,993
Gojra project		-	4,960
		<u>326,829</u>	<u>1,367,236</u>
<b>8. SPECIAL FUNDS</b>			
Patient Welfare Fund		51,275	-
Jinnah Hospital Fund		246,436	-
Zakat Fund		22,000	-
Admin Fund		25,000	-
Seerat Book Fund		68,253	-
Qurbani Fund		69,313	-
PHL School Fund		1,599,513	-
IDPs Fund		1,101,000	-
Flood Relief Fund		343,096	4,404,729
Ramazan package Fund		2,369,175	1,500,000
Gojra project Fund		-	58,885
		<u>5,895,061</u>	<u>5,963,614</u>



	Note	2014 (Rupees)	2013 (Rupees)
<b>9. ADMINISTRATIVE EXPENSES</b>			
Salaries wages and benefits		2,312,655	1,143,563
Food expenses		193,932	273,384
Rent and rates		474,360	432,430
Traveling and conveyance		84,626	72,140
Printing and stationary		60,722	63,483
Telephone and mobiles		237,220	243,855
Water and sanitation		6,480	7,270
Electricity		147,899	66,000
Gas		4,840	6,770
Repairs and maintenance		49,790	101,915
Vehicle repair and maintenance		705,051	421,341
Advertisement		71,987	62,870
Postage		18,462	28,831
Medical		-	7,285
Utensils		5,610	1,150
Website and Internet charges		6,500	15,000
Books and periodicals		5,593	3,049
Computer repair and maintenance		101,865	73,335
Refreshment		54,860	-
Marketing and Fund Raising		7,990	43,265
Night duty allowance		-	-
Insurance		-	14,000
Depreciation	4	132,954	140,944
Misc expenses		61,891	1,499
		<u>4,745,277</u>	<u>3,238,988</u>
<b>10. WELFARE PROJECTS EXPENSES</b>			
Educational services	10.1	9,762,223	5,649,263
Dispensaries	10.2	2,486,045	1,963,353
Food services in Govt. hospitals	10.3	18,873,578	17,382,986
Family welfare services	10.4	5,791,722	4,115,072
Vocational training centres	10.5	562,664	713,220
Flood relief project	10.6	1,495,315	2,909,504
Other projects	10.7	14,450,255	13,392,413
		<u>53,421,802</u>	<u>46,125,811</u>
<b>10.1 Educational services</b>			
Adopted government schools	10.1.1	3,765,205	3,383,871
Janjata and unaided school	10.1.2	10,000	810,984
Gojra Project	10.1.3	1,250,000	1,810,000
		<u>4,915,205</u>	<u>5,994,855</u>

	Note	2014 (Rupees)	2013 (Rupees)
<b>10.1.1 Adopted government schools</b>			
Salaries		1,396,520	1,132,635
Repairs and renovation		16,000	1,037,116
Food and entertainment		30,521	40,873
Traveling and conveyance		4,100	1,086
Printing and stationary		16,499	3,889
Student Welfare		106,218	206,975
Vehicle repair and maintenance		-	380,543
Computer repair and maintenance		33,020	800
Uniforms		-	22,050
Teacher and student training		49,776	213,996
Books & Periodicals		7,395	1,166
Telephone expenses		500	-
Construction material & Labour		-	214,148
Furniture		-	12,125
Miscellaneous expense		58,970	68,033
Depreciation		45,686	48,436
		<u>1,765,205</u>	<u>3,383,871</u>
<b>10.1.2 Janjata school</b>			
Salaries		267,125	408,212
Repairs and renovation		19,715	126,642
Others		23,964	76,130
		<u>310,804</u>	<u>610,984</u>
<b>10.1.3 Gojra Project</b>			
Salaries		4,664,990	816,444
Repairs and renovation		73,807	13,776
Traveling and conveyance		109,120	24,466
Food Expense		119,490	-
Printing and stationary		35,501	11,972
Vehicle repair and maintenance		155,725	44,443
Advertisement & Fund raising		35,490	27,579
Vehicle running and maintenance		1,027,148	330,463
Transport Rent		906,260	-
Utility		80,483	23,796
Office & Board Fee		150,248	-
Computer repair and maintenance		-	12,300
Refreshment		60,451	38,626
Scholarships		9,600	2,400
Generator fuel expense		15,871	118,288
Generator		-	81,500
Miscellaneous expense		242,030	108,355
		<u>7,686,214</u>	<u>1,654,408</u>

	Note	2014 (Rupees)	2013 (Rupees)
<b>10.2 Health Services/ Dispensaries</b>			
Salaries		1,092,054	989,306
Repairs and renovation		291,641	31,039
Traveling and conveyance		5,724	-
Rent rates		103,000	115,500
Utilities		21,626	19,324
Telephone expenses		7,640	-
Printing and stationary		16,817	10,038
Miscellaneous expenses		52,384	18,537
Medicine		845,261	779,609
Refreshment etc		4,212	-
Depreciation		45,686	-
		<u>2,486,045</u>	<u>1,963,353</u>
<b>10.3 Food services in Govt. hospitals</b>			
Salaries		3,489,800	3,556,654
Repairs and renovation		1,329,493	769,455
Food items		13,100,695	12,156,312
Printing and stationary		12,722	16,119
Miscellaneous expenses		235,317	155,542
Vehicle running and maintenance		554,927	520,354
Traveling and conveyance		32,053	28,936
Telephone and Mobile		19,520	25,240
Utensils		6,650	51,727
Medical		1,022	3,445
Newspaper		-	2,330
Depreciation		91,373	96,872
		<u>18,873,578</u>	<u>17,382,986</u>
<b>10.4 Family welfare services</b>			
Salaries		164,500	206,752
Family welfare rashion-Ramzan		4,462,127	2,448,923
Family welfare sewing machines		176,900	-
Marriage contribution		125,000	120,000
Financial Assistance		788,024	574,221
Vehicle running and maintenance		-	678,424
Printing and stationary		275	7,865
Miscellaneous expenses		74,896	24,383
Staff Medicine		-	6,068
Depreciation		-	48,436
		<u>5,791,722</u>	<u>4,115,072</u>

	Note	2014 (Rupees)	2013 (Rupees)
<b>10.5 Vocational training centres</b>			
Salaries		416,850	391,710
Repairs and renovation		11,775	100,244
Rent rates and taxes		74,800	85,100
Printing and stationary		447	11,072
Miscellaneous expenses		22,099	16,421
Running cost		-	80,000
Traveling and conveyance etc		1,075	6,129
Utilities		35,618	22,544
		<u>562,664</u>	<u>713,220</u>
<b>10.6 Flood relief project</b>			
Salaries		-	-
Food items		296,589	10,005
Family Welf & Medicines		473,933	382,105
Repairs & Renovations		-	-
Construction of homes		459,223	1,544,516
Construction of Mosque		-	523,380
Furniture		-	29,134
Overhead		265,570	420,364
		<u>1,495,315</u>	<u>2,909,504</u>
<b>10.7 Other projects</b>			
Gulab Devi hospital		28,710	42,308
Karbath Welfare Hospital		3,320,897	3,123,112
Hajira Bibi Hospital		8,319,872	7,257,388
Eye Camp		661,875	-
IDP'S		1,000,000	-
Muhammadi Dastarkhawan Link Road		-	9,785
Iftari and Qurbani		585,401	2,369,211
Pind Dadan Khan Project		533,500	558,221
Earth Quake		-	-
Ali Hospital Malakwal		-	31,838
Masjid		-	-
		<u>14,450,255</u>	<u>13,392,413</u>

**11. DATE OF AUTHORIZATION**

These financial statements were authorized for issue on \_\_\_\_\_ by the members of the organization.

**12. GENERAL**

Figures have been rounded off to the nearest rupee.

  
PRESIDENT



  
SECRETARY