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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, 2016 and the related statement of 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, the statement of 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, 2016 and of the surplus for the year then ended.



M. ASIM IFTIKHAR & COMPANY

Chartered Accountants

Engagement Partner:

Muhammad Asim Iftikhar

Lahore **24 SEP 2016**
Date:

**HELPLINE
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2016**

| | Note | 2016 (Rupees) | 2015 (Rupees) |
|------------------------------------|------|-------------------|-------------------|
| ASSETS | | | |
| NON CURRENT ASSETS | | | |
| Property plant and equipment | 4 | 33,557,477 | 12,505,748 |
| CURRENT ASSETS | | | |
| Advances, deposits and prepayments | 5 | 7,433,883 | 5,775,131 |
| Cash and bank balances | 6 | 7,819,036 | 18,240,453 |
| | | 15,252,919 | 24,015,584 |
| | | <u>48,810,396</u> | <u>36,521,332</u> |
| FUNDS AND LIABILITIES | | | |
| FUNDS | | | |
| Opening balance | | 17,213,143 | 6,306,890 |
| Accumulated surplus | | 19,826,964 | 10,906,253 |
| | | 37,040,107 | 17,213,143 |
| Specials Fund | 7 | 11,745,897 | 19,199,024 |
| CURRENT LIABILITIES | | | |
| Payables | | 24,392 | 109,165 |
| | | <u>48,810,396</u> | <u>36,521,332</u> |

The annexed notes from 1 to 11 form an integral part of these financial statements.


PRESIDENT




SECRETARY

**HELPLINE
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2016**

| | Note | 2016 (Rupees) | 2015 (Rupees) |
|-----------------------------|------|---------------------|------------------|
| Donations | | 102,820,348 | 69,377,440 |
| Expenses | | | |
| Administrative expenses | 8 | 5,002,118 | 3,854,618 |
| Project expenses | 9 | 77,989,266 | 54,564,812 |
| Financial expenses | | 2,000 | 51,757 |
| | | (82,993,384) | (58,471,187) |
| Surplus for the year | | 19,826,964 | 10,906,253 |

The annexed notes from 1 to 11 form an integral part of these financial statements.



PRESIDENT





SECRETARY

**HELPLINE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

1. STATUS AND NATURE OF BUSINESS

M/s Helpline Lahore ("the Agency") is a charitable, non-profit and a non-commercial agency registered under the Voluntary Social Welfare Agencies (Registration & Control) Ordinance 1961. The agency 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 agency receives funds from cross sections of agency within and outside Pakistan for the projects undertaken. The registered office of the agency is situated at 705 A-1, GECHS, Township, Peco Road, Lahore, Pakistan.

2. BASIS OF PREPARATION

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise specifically stated.

2.2 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for NPOs as issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.3 Significant accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about 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 recognised in the period in which the estimates are revised.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets and provision for doubtful receivables. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Functional and presentation currency

These financial statements are prepared in PKR (Pakistan rupees), which is the company's functional as well as presentation currency.

3.2 Property, plant and equipment

Property, plant and equipment 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 agency and the cost of the item can be measured reliably.

Depreciation is charged to income using the straight-line method at the 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.

HELPLINE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

3.3 Impairment of assets

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.

3.4 Foreign currencies

Transactions in foreign currencies during the financial year are converted into PKR at exchange rates ruling at the transaction dates. Foreign currency monetary assets and liabilities at the balance sheet date are translated into PKR at exchange rates prevailing at that date. All exchange gains or losses are dealt with in the income and expenditure account.

3.5 Trade and other receivables

Trade and other receivables are recognized at fair value of consideration receivable. Debts considered irrecoverable are written off and those considered doubtful are provided for when identified.

3.6 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

3.7 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.

3.8 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the agency becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the agency 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.

3.9 Offsetting

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 agency intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.10 Revenue recognition

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

3.12 Provisions

Provisions are recognised in the balance sheet when the agency 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.

3.11 Taxation

The agency 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.

HELPLINE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

4. PROPERTY PLANT AND EQUIPMENT

| Cost | Owned Assets | | | | | TOTAL |
|--|-------------------|---------------------|------------------|----------------|------------------|-------------------|
| | Land | Furniture & Fixture | Office Equipment | Computers | Vehicles | |
| Balance as at July 01, 2014 | - | 202,477 | 841,640 | 347,001 | 4,227,650 | 5,618,768 |
| Additions during the year | - | - | 28,350 | - | - | 28,350 |
| Disposals | - | - | - | - | - | 10,798,000 |
| Balance as at June 30, 2015 | 10,798,000 | 202,477 | 869,990 | 347,001 | 4,227,650 | 16,445,118 |
| Balance as at July 01, 2015 | 10,798,000 | 202,477 | 869,990 | 347,001 | 4,227,650 | 16,445,118 |
| Additions during the year | 20,349,300 | - | 186,950 | 5,800 | 1,066,550 | 21,608,600 |
| Disposals | - | - | - | - | - | - |
| Balance as at June 30, 2016 | 31,147,300 | 202,477 | 1,056,940 | 352,801 | 5,294,200 | 38,053,718 |
| Depreciation | | | | | | |
| Balance as at July 01, 2014 | - | 72,980 | 433,514 | 71,653 | 2,890,830 | 3,468,977 |
| Charge for the year | - | 17,670 | 85,258 | 27,590 | 339,875 | 470,393 |
| Depreciation on disposals | - | - | - | - | - | - |
| Balance as at June 30, 2015 | - | 90,650 | 518,772 | 99,243 | 3,230,705 | 3,939,370 |
| Balance as at July 01, 2015 | - | 90,650 | 518,772 | 99,243 | 3,230,705 | 3,939,370 |
| Charge for the year | - | 11,183 | 107,634 | 25,356 | 412,699 | 556,871 |
| Depreciation on disposals | - | - | - | - | - | - |
| Balance as at June 30, 2016 | - | 101,833 | 626,406 | 124,599 | 3,643,404 | 4,496,241 |
| Rate of depreciation | 0% | 10% | 20% | 10% | 20% | |
| Written down value as at June 30, 2015 | 10,798,000 | 111,827 | 351,218 | 247,758 | 996,945 | 12,505,748 |
| Written down value as at June 30, 2016 | 31,147,300 | 100,644 | 430,534 | 228,202 | 1,650,796 | 33,557,477 |

**HELPLINE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

| | 2016 (Rupees) | 2015 (Rupees) |
|---|-------------------|-------------------|
| 4.1 ALLOCATION OF DEPRECIATION | | |
| Administrative expenses | 204,764 | 173,058 |
| Project expenses | 352,108 | 297,335 |
| | <u>556,871</u> | <u>470,393</u> |
| 5. ADVANCES DEPOSITS AND PREPAYMENTS | | |
| Advances | 7,029,883 | 5,372,131 |
| Security deposits | 404,000 | 403,000 |
| | <u>7,433,883</u> | <u>5,775,131</u> |
| 6. CASH AND BANK BALANCES | | |
| Cash at bank | 7,233,409 | 17,482,254 |
| Cash in hand | 585,626 | 758,200 |
| | <u>7,819,036</u> | <u>18,240,454</u> |
| 7. SPECIAL FUND | | |
| Patient Welfare Fund | 51,275 | 51,275 |
| Jinnah Hospital Fund | - | 359,209 |
| Zakat Fund | 1,666,805 | 2,977,138 |
| Admin Fund | 54,000 | 15,000 |
| Seerat Book Fund | 171,000 | 140,461 |
| Qurbani Fund | - | 40,000 |
| PHL School Fund | 1,599,513 | 1,599,513 |
| IDPs Fund | 67,000 | 67,000 |
| Flood Relief Fund | 993,119 | 1,024,588 |
| Ramazan package Fund | 1,609,543 | 1,041,631 |
| PDK- FUND | - | 145,862 |
| Misali Goth & Therparker Fund | 3,067,992 | 6,790,942 |
| Education Fund | 614,205 | (50,953) |
| Aligarh Univer. Gojra Fund | - | (524,132) |
| Rana Town Masjid Markaz Fund | (3,269,636) | 5,521,490 |
| FUND - MANAWAN | (517,875) | - |
| FUND - EARTH QUAKE | 6,534,167 | - |
| Gojra Project | (895,211) | - |
| | <u>11,745,897</u> | <u>19,199,024</u> |
| 8. ADMINISTRATIVE EXPENSES | | |
| Salaries wages and benefits | 2,315,592 | 1,690,796 |
| Food expenses | 269,526 | 162,462 |
| Rent and rates | 588,309 | 537,960 |
| Traveling and conveyance | 43,609 | 15,831 |
| Printing and stationary | 29,844 | 37,118 |
| Telephone and mobiles | 218,219 | 241,199 |
| Water and sanitation | 7,660 | 5,930 |
| Electricity | 96,711 | 116,003 |
| Gas | 11,410 | 7,760 |
| Repairs and maintenance | 44,285 | 32,540 |
| Vehicle repair and maintenace | 937,329 | 609,345 |
| Advertisement | 33,982 | 62,253 |
| Postage | 10,394 | 11,634 |
| Utensils | 9,410 | 6,810 |

**HELPLINE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

| | 2016 | 2015 |
|--|-------------------|-------------------|
| Note | (Rupees) | (Rupees) |
| Website and Internet charges | 4,600 | 2,800 |
| Books and periodicals | 2,941 | 7,932 |
| Computer repair and maintenance | 99,300 | 66,640 |
| Refreshment | 28,782 | 35,704 |
| Marketing and Fund Raising | - | 6,250 |
| Insurance | 17,875 | - |
| Depreciation | 204,764 | 173,058 |
| Misc expenses | 25,561 | 24,594 |
| | <u>5,002,118</u> | <u>3,854,618</u> |
| 9. WELFARE PROJECTS | | |
| Educational services | 9.1 9,047,054 | 8,142,668 |
| Dispensaries | 9.2 2,092,256 | 2,513,254 |
| Food services in hospitals | 9.3 19,403,375 | 17,812,057 |
| Family welfare services | 9.4 14,400,187 | 9,092,378 |
| Vocational training centres | 9.5 856,184 | 629,083 |
| Flood relief project | 9.6 - | 583,033 |
| Sindh Project (Misali Goth & Therparker) | 9.7 4,480,135 | 1,919,320 |
| Masjid Markaz- Rana Town | 9.8 3,730,243 | 265,926 |
| Other projects | 9.9 23,979,832 | 13,607,093 |
| | <u>77,989,266</u> | <u>54,564,812</u> |
| 9.1 Educational services | | |
| Adopted government schools | 9.1.1 1,258,352 | 153,685 |
| Janjata and shadewal school | 9.1.2 510,073 | 350,000 |
| Gojra Project | 9.1.3 7,278,629 | 7,638,983 |
| | <u>9,047,054</u> | <u>8,142,668</u> |
| 9.1.1 Adopted government schools | | |
| Salaries | 69,000 | - |
| Repairs and renovation | 921,936 | - |
| Traveling and conveyance | - | 2,000 |
| Printing and stationary | 500 | 16,800 |
| Student Welfare | 94,956 | 69,585 |
| Computer repair and maintenance | 3,275 | - |
| Miscellaneous expense | 142,659 | 5,833 |
| Depreciation | 26,026 | 59,467 |
| | <u>1,258,352</u> | <u>153,685</u> |
| 9.1.2 Janjata school | | |
| Salaries | 372,320 | 205,463 |
| Repairs and renovation | 97,100 | 112,419 |
| Others | 40,653 | 32,118 |
| | <u>510,073</u> | <u>350,000</u> |

**HELPLINE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

| | 2016 (Rupees) | 2015 (Rupees) |
|---|-------------------|-------------------|
| 9.1.3 Gojra Project | | |
| Salaries | 4,713,281 | 5,125,507 |
| Repairs and renovation | 308,015 | 102,957 |
| Traveling and conveyance | 58,485 | - |
| Food Expense | 47,160 | 79,000 |
| Printing and stationary | 201,740 | 159,292 |
| Vehicle repair and maintenance | 179,935 | 91,610 |
| Advertisement & Fund raising | 18,600 | 14,765 |
| Vehicle running and maintenance | 544,120 | 734,722 |
| Transport Rent | 508,171 | 432,017 |
| Family Welfare | 13,000 | 226,906 |
| Utility | 106,134 | 104,328 |
| Office & Board Fee | 375,121 | 452,497 |
| Computer repair and maintenance | 5,550 | 4,275 |
| Refreshment | 35,257 | 41,492 |
| Scholarships | - | 6,200 |
| Generator fuel expense | 5,930 | 6,815 |
| Miscellaneous expense | 158,130 | 56,600 |
| | <u>7,278,629</u> | <u>7,638,983</u> |
| 9.2 Health Services/ Dispensaries | | |
| Salaries | 1,235,580 | 1,577,967 |
| Repairs and renovation | 54,671 | 99,747 |
| Traveling and conveyance | 1,860 | 14,310 |
| Rent rates | 125,800 | 114,300 |
| Utilities | 38,167 | 29,405 |
| Telephone expenses | 17,300 | 22,990 |
| Printing and stationary | 13,355 | 13,253 |
| Miscellaneous expenses | 55,160 | 61,870 |
| Medicine | 530,752 | 514,552 |
| Refreshment etc | 2,260 | 5,393 |
| Depreciation | 17,351 | 59,467 |
| | <u>2,092,256</u> | <u>2,513,254</u> |
| 9.3 Food services in Govt. hospitals | | |
| Salaries | 4,912,165 | 3,992,763 |
| Repairs and renovation | 665,321 | 870,785 |
| Food items | 13,025,821 | 12,077,983 |
| Printing and stationary | 20,454 | 18,685 |
| Miscellaneous expenses | 191,368 | 171,204 |
| Vehicle running and maintenance | 435,313 | 401,425 |
| Traveling and conveyance | 51,383 | 38,640 |
| Telephone and Mobile | 24,304 | 27,230 |
| Utensils | 59,895 | 94,407 |
| Depreciation | 17,351 | 118,934 |
| | <u>19,403,375</u> | <u>17,812,057</u> |

**HELPLINE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

| | 2016 | 2015 |
|---|-------------------|------------------|
| Note | (Rupees) | (Rupees) |
| 9.4 Family welfare services | | |
| Salaries | 57,000 | 330,218 |
| Family welfare rashion-Ramzan | 13,307,969 | 7,661,967 |
| Family welfare sewing machines | 270,610 | 313,700 |
| Marriage contribution | 99,800 | 128,525 |
| Financial Assistance | 662,823 | 652,620 |
| Printing and stationary | 50 | 2,698 |
| Miscellaneous expenses | 1,935 | 2,650 |
| | <u>14,400,187</u> | <u>9,092,378</u> |
| 9.5 Vocational training centres | | |
| Salaries | 529,130 | 455,000 |
| Repairs and renovation | 47,840 | 24,785 |
| Rent rates and taxes | 146,338 | 81,280 |
| Printing and stationary | 2,425 | 3,535 |
| Miscellaneous expenses | 43,481 | 8,962 |
| Traveling and conveyance etc | 37,783 | 1,482 |
| Utilities | 49,187 | 54,039 |
| | <u>856,184</u> | <u>629,083</u> |
| 9.6 Flood relief project | | |
| Food items | - | 437,000 |
| Family Welf & Medicines | - | 130,522 |
| Construction of homes | - | 2,310 |
| Overhead | - | 13,201 |
| | <u>-</u> | <u>583,033</u> |
| 9.7 Sindh Project (Misali Goth & Therparker) | | |
| Salaries | 1,082,000 | 561,333 |
| Repairs and renovation | 58,290 | 37,235 |
| Food items | 1,000 | 16,120 |
| Printing and stationary | 30,664 | 18,999 |
| Miscellaneous expenses | 149,507 | 21,763 |
| Traveling and conveyance | 118,750 | 77,090 |
| Telephone and Mobile | 39,380 | 14,450 |
| Student Welfare | 88,481 | 203,361 |
| Masjid Construction | 1,125,255 | 630,103 |
| Refreshment | 6,865 | 11,922 |
| Construction material & labour | - | 88,960 |
| Marriage Help | - | 237,984 |
| Mobile Dispensary | 1,618,693 | - |
| Depreciation | 161,250 | - |
| | <u>4,480,135</u> | <u>1,919,320</u> |
| 9.8 Masjid Markaz- Rana Town | | |
| Salaries | 277,204 | - |
| Repairs and renovation (Construction & Purchase) | 3,083,033 | 250,000 |
| Traveling and conveyance | 51,620 | 12,626 |
| Asset Expense (utensils etc) | 13,176 | - |
| Telephone & Mobile | 34,210 | - |
| Miscellaneous expenses | 620 | - |
| Miscellaneous expenses | 193,020 | 3,300 |
| Vehicle running and maintenece | 77,360 | - |
| | <u>3,730,243</u> | <u>265,926</u> |

**HELPLINE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

| | Note | 2016 (Rupees) | 2015 (Rupees) |
|---------------------------|------|-------------------|-------------------|
| 9.9 Other projects | | | |
| Gulab Devi hospital | | 5,780 | 23,350 |
| Karbath Welfare Hospital | | 2,974,504 | 2,847,978 |
| Hajira Bibi Hospital | | 9,902,898 | 7,949,994 |
| Sasta Khana Markaz | | 1,272,151 | - |
| IDP'S | | - | 1,401,000 |
| Iftari and Qurbani | | 1,618,143 | 979,592 |
| Pind Dadan Khan Project | | 116,862 | 390,138 |
| Idara Taraqi-e-Fiqr | | - | 15,042 |
| Earth Quake | | 4,843,184 | - |
| Manawan Complex | | 3,116,080 | - |
| Idara Taraqi-e-Fiqr | | 100 | - |
| Depreciation | | 130,130 | - |
| | | <u>23,979,832</u> | <u>13,607,093</u> |

10. DATE OF AUTHORIZATION

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

11. GENERAL

Figures have been rounded off to the nearest rupee.


PRESIDENT




SECRETARY