



A member firm of INPACT Asia Pacific  
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**HUMAN DEVELOPMENT  
ORGANIZATION, BANNU**

***FINANCIAL STATEMENTS***

**FOR THE YEAR ENDED DECEMBER 31, 2018**

## INDEPENDENT AUDITOR'S REPORT

To the members of "HUMAN DEVELOPMENT ORGANIZATION, BANNU"

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the annexed financial statements of "HUMAN DEVELOPMENT ORGANIZATION, BANNU", which comprise the statement of financial position as at December 31, 2018, and the statement of income and expenditure account and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements gives a true and fair view of the financial position of HUMAN DEVELOPMENT ORGANIZATION, BANNU as at December 31, 2018 and of its financial performance for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

#### Basis for Opinion

We conducted our audit in accordance with 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 HUMAN DEVELOPMENT ORGANIZATION, BANNU 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

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance is responsible for overseeing the HUMAN DEVELOPMENT ORGANIZATION, BANNU 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 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 welfare'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 welfare'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 welfare'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 the 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.

The engagement partner on the audit resulting in this independent auditor's report is Mushtaq Akbar, FCA.

PESHAWAR  
January 30, 2019



*Mushtaq Akbar*  
**MUSHTAQ AKBAR & CO.**  
Chartered Accountant





**HUMAN DEVELOPMENT ORGANIZATION, BANNU**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

<b>FIXED ASSETS</b>	<b>NOTE</b>	<b>2018 (RUPEES)</b>	<b>2017 (RUPEES)</b>
Property, plant and Equipment	3	1,089,600	1,089,600
<b>CURRENT ASSETS</b>			
Security and Deposits		15,400	15,400
Receivables- UNDP-IDEA		708,543	-
Stocks		305,411	456,260
Cash and Bank Balance	4	96,828	147,573
		<b>1,126,183</b>	<b>619,233</b>
<b>CURRENT LIABILITIES</b>			
Accrued Expense and Other Liabilities	5	415,441	77,000
<b>NET ASSETS EMPLOYED</b>			
		<b>1,800,342</b>	<b>1,785,834</b>
<b>REPERSENTED BY:</b>			
Accumulated Funds		1,800,342	1,785,834
		<b>1,800,342</b>	<b>1,785,834</b>

The annexed notes form an integral part of these accounts.



**HUMAN DEVELOPMENT ORGANIZATION, BANNU**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

REVENUE	NOTE	2018 (RUPEES)	2017 (RUPEES)
Grants and funds	6	5,164,008	4,838,143
Members donations		100,000	60,000
Donation from general public		700,000	-
Member subscription		200,000	-
		<b>6,164,008</b>	<b>4,898,143</b>
EXPENDITURE			
Program Implementation	7	4,939,126	3,906,611
Administrative Expenses	8	1,210,374	987,859
		<b>6,149,500</b>	<b>4,894,470</b>
Surplus during the period		<u>14,508</u>	<u>3,673</u>
Accumulated surplus brought forward		1,785,834	1,782,160
Accumulated surplus carried forward		<u>1,800,342</u>	<u>1,785,834</u>

The annexed notes form an integral part of these accounts.



