



KPMG Taseer Hadi & Co.
Chartered Accountants

Trust for Democratic Education and Accountability

Financial Statements
For the Year ended 30 June 2012



KPMG Taseer Hadi & Co.
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AUDITORS' REPORT TO THE TRUSTEES

We have audited the annexed balance sheet of Trust for Democratic Education and Accountability ("TDEA") as at 30 June 2012 and the related income and expenditure account, statement of comprehensive income and cash flow statement together with the notes forming part thereof (here-in-after referred to as the financial statements).

It is the responsibility of the trustees to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

As disclosed in note 19.2.1 to the financial statements cost amounting to Rs. 44.05 million incurred by TDEA through The Asia Foundation ("TAF"), a subcontractor of TDEA, a US based NGO was not subject to our audit. Accordingly, we are unable to verify the completeness and accuracy of this cost.

In our opinion, except for the effect of matter in paragraph above, the financial statements present fairly in all material respects the financial position of the Trust for Democratic Education and Accountability as at 30 June 2012 and its surplus and cash flow for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.


Islamabad
10 November 2013

KPMG Taseer Hadi & Co.
Chartered Accountants
Engagement Partner: Riaz Pesnani

TRUST FOR DEMOCRATIC EDUCATION AND ACCOUNTABILITY
BALANCE SHEET
AS AT 30 JUNE 2012

	Note	2012 Rupees	2011 Rupees
NON CURRENT ASSETS			
Property and equipment	4	12,369,777	5,985,509
Intangible asset	5	625,638	933,788
		<u>12,995,415</u>	<u>6,919,297</u>
CURRENT ASSETS			
Advances to employees - considered good		2,525,611	1,428,333
Deposits and short term prepayments	6	3,957,750	5,080,730
Other receivables	7	5,869,365	3,167,655
Other financial assets	8	1,000,000	-
Cash and bank balances	9	15,430,998	12,933,985
		<u>28,783,723</u>	<u>22,610,703</u>
CURRENT LIABILITIES			
Trade and other payables	10	(7,593,520)	(4,803,285)
Provision for taxation - net	11	(1,081,716)	(2,081,688)
Net current assets		<u>20,108,488</u>	<u>15,725,730</u>
		<u>33,103,903</u>	<u>22,645,028</u>
NON CURRENT LIABILITIES			
Deferred capital grant	12	(13,399,148)	(6,919,297)
Restricted grant	13	(11,330,960)	(10,989,071)
		<u>8,373,795</u>	<u>4,736,660</u>
REPRESENTED BY:			
Endowment fund	14	6,883,308	4,145,744
Accumulated surplus	15	1,490,487	590,916
		<u>8,373,795</u>	<u>4,736,660</u>
CONTINGENCIES AND COMMITMENTS			
	16		

The annexed notes from 1 to 24 form an integral part of these financial statements.

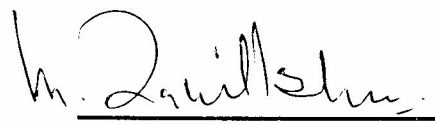

Chairperson


Chief Executive Officer

**TRUST FOR DEMOCRATIC EDUCATION AND ACCOUNTABILITY
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 Rupees	2011 Rupees
INCOME			
Grant	13	194,095,498	49,643,228
Amortization of deferred capital grant	12	3,306,833	1,505,800
Other operating income	17	4,645,117	4,633,938
		<u>202,047,448</u>	<u>55,782,966</u>
EXPENDITURE			
Administrative expenses	18	1,734,421	1,639,771
Project expenses	19	194,095,498	49,643,228
Depreciation on items of property and equipment	4	3,209,084	1,340,719
Amortization of intangible asset	5	308,150	29,081
Carrying value of property and equipment disposed off		-	136,000
		<u>(199,347,153)</u>	<u>(52,788,799)</u>
Surplus for the year before taxation		2,700,295	2,994,167
Taxation - current		(795,717)	(1,047,959)
- prior years		1,732,557	-
Surplus for the year before appropriation		3,637,135	1,946,208
<i>Appropriation:</i>			
Transfer to Endowment Fund	14	(2,737,565)	(1,862,725)
SURPLUS FOR THE YEAR		<u>899,571</u>	<u>83,483</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.



Chairperson


Chief Executive Officer

TRUST FOR DEMOCRATIC EDUCATION AND ACCOUNTABILITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	2012 Rupees	2011 Rupees
Surplus for the year	899,571	83,483
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>899,571</u>	<u>83,483</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.



Chairperson

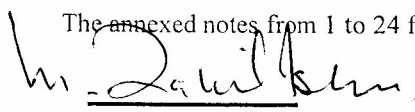


Chief Executive Officer

TRUST FOR DEMOCRATIC EDUCATION AND ACCOUNTABILITY
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 Rupees	2011 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year before taxation		2,700,295	2,994,167
<i>Adjustment for:</i>			
Depreciation		3,209,084	1,340,719
Amortization		308,150	29,081
Restricted grant recognized		(194,095,498)	(49,643,228)
Deferred capital grant recognized		(3,306,833)	(1,505,800)
Profit on deposit accounts		(647,604)	(189,524)
(Gain) / loss from disposal of property and equipment		(470,667)	108,000
		(195,003,369)	(49,860,752)
Operating deficit before working capital changes		(192,303,073)	(46,866,585)
(Increase) / decrease in current assets			
Advances to employees		(1,097,279)	(117,563)
Deposits and short term prepayments		1,122,980	(4,743,230)
Other receivables		(2,701,710)	(3,000,483)
		(2,676,009)	(7,861,276)
Increase in trade and other payables		2,790,235	4,173,837
		114,226	(3,687,439)
Restricted grant received		198,659,032	51,552,487
Restricted grant refunded		-	(14,802)
Income taxes paid		(63,130)	(261,391)
Net cash used in operating activities		6,407,055	722,270
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment		(4,957,646)	(708,291)
Additions to intangible asset		-	(962,869)
Profit on deposit accounts received		647,604	189,524
Proceeds from disposal of property and equipment		1,400,000	28,000
Investment made during the year		(1,000,000)	-
Net cash used in investing activities		(3,910,042)	(1,453,636)
Net increase / (decrease) in cash and cash equivalents		2,497,013	(731,365)
Cash and cash equivalents at beginning of the year		12,933,985	13,665,350
Cash and cash equivalents at end of the year	9	15,430,998	12,933,985

The annexed notes from 1 to 24 form an integral part of these financial statements.



Chairperson



Chief Executive Officer