



KPMG Taseer Hadi & Co.
Chartered Accountants

**Trust for Democratic Education
and Accountability**

Financial Statements
For the year ended 30 June 2011



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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 2011 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.

In our opinion the financial statements present fairly in all material respects the financial position of the Trust for Democratic Education and Accountability as at 30 June 2011 and its surplus and cash flow for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Islamabad
25 March 2012


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

TRUST FOR DEMOCRATIC EDUCATION AND ACCOUNTABILITY
BALANCE SHEET
AS AT 30 JUNE 2011

	Note	2011 Rupees	2010 Rupees
NON CURRENT ASSETS			
Property and equipment	4	5,985,509	6,753,937
Intangible asset	5	933,788	-
		<u>6,919,297</u>	<u>6,753,937</u>
CURRENT ASSETS			
Advances to employees - considered good		1,428,333	1,310,770
Deposits and prepayments	6	5,080,730	337,500
Other receivables	7	3,167,654	167,172
Cash and bank balances	8	12,933,985	13,665,350
		<u>22,610,702</u>	<u>15,480,792</u>
CURRENT LIABILITIES			
Trade and other payables	9	(4,803,285)	(629,448)
Provision for taxation - net	10	(2,081,687)	(1,295,120)
		<u>15,725,730</u>	<u>13,556,224</u>
		<u><u>22,645,027</u></u>	<u><u>20,310,161</u></u>
NON CURRENT LIABILITIES			
Restricted grant	11	(10,989,071)	(10,765,774)
Deferred capital grant	12	(6,919,297)	(6,753,937)
		<u>4,736,659</u>	<u>2,790,450</u>
REPRESENTED BY:			
Endowment fund	13	4,145,745	2,283,019
Accumulated surplus	14	590,914	507,431
		<u>4,736,659</u>	<u>2,790,450</u>
CONTINGENCIES AND COMMITMENTS			
	15		

The annexed notes from 1 to 23 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 2011

	Note	2011 Rupees	2010 Rupees
INCOME			
Grant	11	49,643,228	66,179,545
Amortization of deferred capital grant	12	1,505,800	2,118,809
Other operating income	16	4,633,938	4,220,200
		<u>55,782,966</u>	<u>72,518,554</u>
EXPENDITURE			
Administrative expenses	17	(1,639,771)	(1,070,725)
Project expenses	18	(49,643,228)	(66,179,545)
Depreciation on items of property and equipment	4	(1,340,719)	(2,118,809)
Amortization of intangible asset	5	(29,081)	-
Carrying value of property and equipment disposed off		(136,000)	-
		<u>(52,788,799)</u>	<u>(69,369,079)</u>
Surplus for the year before taxation		2,994,167	3,149,475
Taxation - current		1,047,958	1,102,316
Surplus for the year before appropriation		<u>1,946,209</u>	<u>2,047,159</u>
<i>Appropriation:</i>			
Transfer to Endowment Fund	13	(1,862,726)	(1,543,205)
SURPLUS FOR THE YEAR		<u><u>83,483</u></u>	<u><u>503,954</u></u>

The annexed notes from 1 to 23 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 2011

	2011 Rupees	2010 Rupees
Surplus for the year	83,483	503,954
Other comprehensive income	-	-
Total comprehensive income for the year	<u>83,483</u>	<u>503,954</u>

The annexed notes from 1 to 23 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 2011

	Note	2011 Rupees	2010 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year before taxation		2,994,167	3,149,475
<i>Adjustment for:</i>			
Depreciation		1,340,719	2,118,809
Amortization		29,081	-
Restricted grant recognised		(49,643,228)	(66,179,545)
Deferred capital grant recognised		(1,505,800)	(2,118,809)
Profit on deposit accounts		(189,524)	(479,597)
Loss from sale of property and equipment		108,000	-
Profit from sale of scrap		-	(28,582)
		(49,860,752)	(66,687,724)
Operating deficit before working capital changes		(46,866,585)	(63,538,249)
Advances to employees		(117,563)	(482,017)
Deposits and prepayments		(4,743,230)	(200,000)
Other receivables		(3,000,482)	884,326
Trade and other payables		4,173,837	(319,545)
		(3,687,438)	(117,236)
Restricted grant received		51,552,487	77,085,600
Restricted grant refunded		(14,802)	(6,419)
Income taxes paid		(261,391)	(149,039)
Net cash used in operating activities		722,271	13,274,658
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment		(708,291)	(5,495,720)
Additions to intangible asset		(962,869)	-
Profit on deposit accounts received		189,524	479,597
Proceeds from sale of property and equipment		28,000	-
Proceeds from sale of scrap		-	28,582
Net cash used in investing activities		(1,453,636)	(4,987,541)
Net (decrease) / increase in cash and cash equivalents		(731,365)	8,287,117
Cash and cash equivalents at beginning of the year		13,665,350	5,378,233
Cash and cash equivalents at end of the year	7	12,933,985	13,665,350

The annexed notes from 1 to 23 form an integral part of these financial statements.


Chairperson


Chief Executive Officer