



**CENTER FOR
COMMUNICATION PROGRAMS
Audited Financial Statements
For the Year Ended
December 31, 2017**

CPAAI

CPA ASSOCIATES
INTERNATIONAL



NASIR JAVAID MAQSOOD IMRAN
Chartered Accountants

Islamabad Office:
Office # 12 & 13 3rd Floor
Fazal Arcade,
F-11 Markaz, Islamabad.
Tel: 051-2228138
Fax: 051-2228139
E-mail:
njmiconsultants@gmail.com
islamabadoffice@njmi.net

AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed financial statements of **M/s Center for Communication Programs**, which comprise of the balance sheet as at December 31, 2017, the income and expenditure account, cash flow statement with the explanatory notes forming part thereof (hereinafter referred to as "the financial statements") for the year then ended.

Management Responsibility for the financial statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting standards as applicable in Pakistan. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the approved auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the balance sheet of **M/s Center for Communication Programs** as at December 31, 2017, and of its' surplus and cash flows in accordance with approved accounting standards as applicable in Pakistan.

Place: Islamabad

Date:

Nasir Javid Maqsood Imran
Chartered Accountants

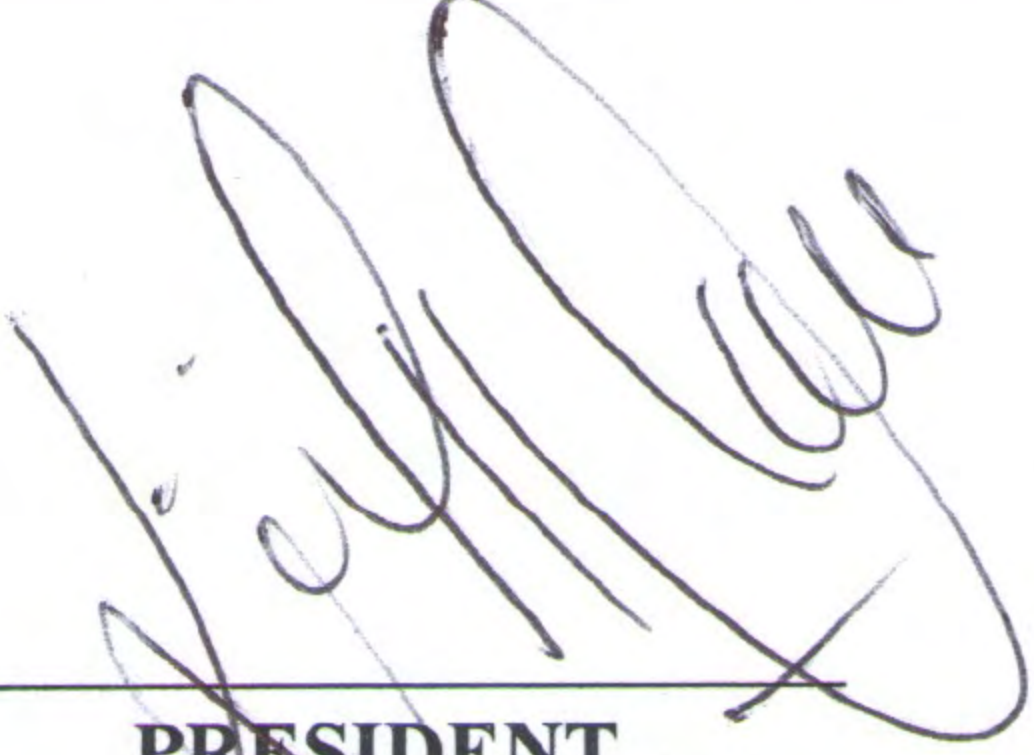
Imran Ul Haq, FCA

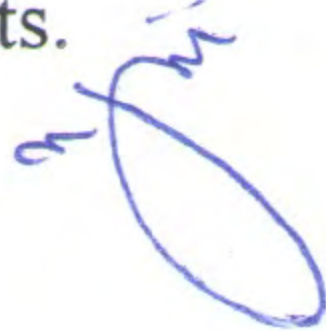

A handwritten signature in blue ink, appearing to read 'Imran Ul Haq', is written over the printed name.

**CENTER FOR COMMUNICATION PROGRAMS
BALANCE SHEET
AS AT DECEMBER 31, 2017**

	<u>NOTE</u>	<u>2017 RUPEES</u>	<u>2016 RUPEES</u>
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	4	7,142,324	5,882,985
Intangible	5	427,366	350,800
		7,569,690	6,233,785
CURRENT ASSETS			
Account receivables	6	28,977,690	15,493,367
Advances, deposits and prepayments	7	2,956,934	1,579,477
Advance Tax		1,964,023	1,183,447
Cash and bank balances	8	30,975,011	9,604,544
		64,873,658	27,860,835
		72,443,348	34,094,620
<u>FUNDS AND LIABILITIES</u>			
FUNDS			
Accumulated surplus	9	22,288,493	15,913,818
Deferred grant	10	45,664,154	11,761,109
CURRENT LIABILITIES			
Creditors, accrued and other payables	11	4,490,701	6,419,693
CONTINGENCIES AND COMMITMENTS			
	12	-	-
		72,443,348	34,094,620

The annexed notes from 1 to 19 form an integral part of these financial statements.

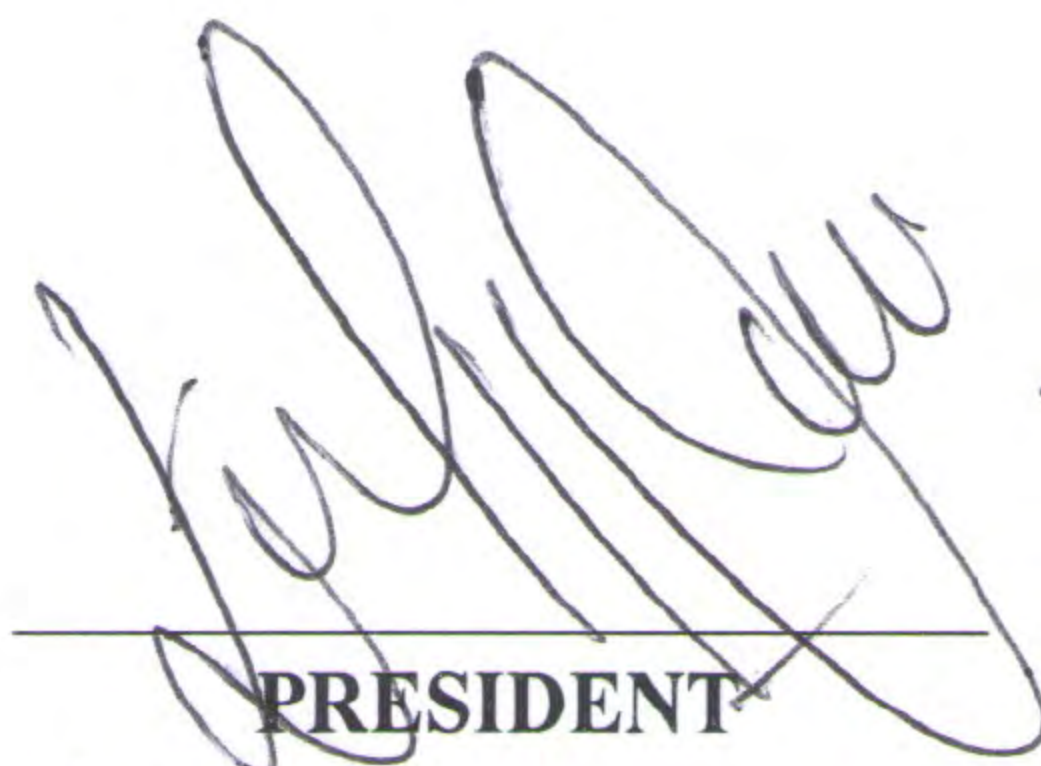

 PRESIDENT
ATIF IKRAM BUTT
 Executive Director
 CCP PAKISTAN



 SECRETARY GENERAL

**CENTER FOR COMMUNICATION PROGRAMS
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>NOTE</u>	<u>2017 RUPEES</u>	<u>2016 RUPEES</u>
INCOME	13	197,321,419	136,646,464
EXPENSES			
Project personnel cost	15	57,026,391	42,744,388
Program cost	16	116,365,384	79,014,941
Administrative cost	17	18,324,779	15,123,122
		191,716,554	136,882,452
Other income	14	769,811	580,630
(DEFICIT) / SURPLUS FOR THE YEAR		6,374,675	344,643

The annexed notes from 1 to 19 form an integral part of these financial statements.


PRESIDENT

ATIF IKRAM BUTT
Executive Director
CCP PAKISTAN

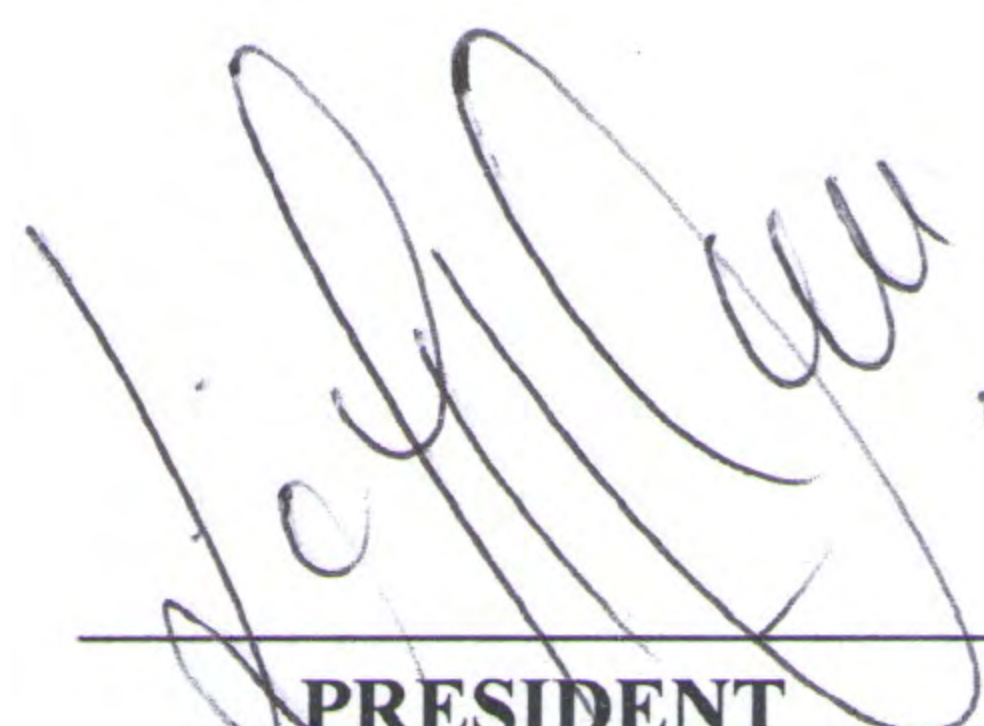


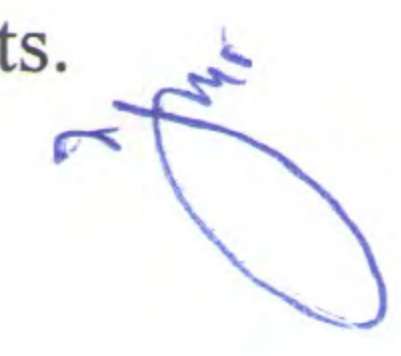

SECRETARY GENERAL

**CENTER FOR COMMUNICATION PROGRAMS
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>2017</u> <u>RUPEES</u>	<u>2016</u> <u>RUPEES</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (deficit) / surplus for the year	6,374,675	344,643
Adjustment for:		
Grant amortized during the year	(122,233,280)	(93,119,056)
Depreciation	2,047,704	1,399,711
Amortization	128,767	87,700
Operating profit before working capital changes	<u>(113,682,135)</u>	<u>(91,287,003)</u>
Working capital changes:		
(Increase) / decrease in current assets :		
Account receivables	(13,484,323)	(8,974,013)
Advances, deposits and prepayments	(1,377,457)	(751,652)
Increase / (decrease) in current liabilities:		
Accrued and other liabilities	(1,928,993)	(13,046,696)
Taxes paid	(130,472,907)	(114,059,364)
	(780,577)	-
Net cash flows from operating activities	<u>(131,253,484)</u>	<u>(114,059,364)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,307,042)	(5,036,093)
Intangible	(205,333)	(438,500)
Net cash flows from investing activities	<u>(3,512,375)</u>	<u>(5,474,593)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Grants received from donors	156,136,326	47,002,974
Net cash flows from financing activities	<u>156,136,326</u>	<u>47,002,974</u>
Net increase in cash and cash equivalents	21,370,467	(72,530,983)
Cash and cash equivalents at the beginning of the year	9,604,544	82,135,527
Cash and cash equivalents at the end of the year	<u><u>30,975,011</u></u>	<u><u>9,604,544</u></u>

The annexed notes from 1 to 19 form an integral part of these financial statements.


 PRESIDENT
ATIF IKRAM BUTT
 Executive Director
 CCP PAKISTAN



 SECRETARY GENERAL

**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

1 THE ORGANIZATION AND ITS OPERATIONS

Center for Communication Programs was incorporated on 22nd February 2011 as a non-profit professional body and registered under Societies Registration Act 1860. The principal office of the Center is situated at Plot No. 23, Street No. 39, I&T Centre, Sector G-10/4, Islamabad.

The Principal objects of the Center are to conduct communication research, evaluations and impact assessments through data collection and analysis techniques.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for Small Size Entities (SSE's) issued by the Institute of Chartered Accountants of Pakistan.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

These financial statements have been prepared under historical cost convention.

3.2 Significant accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards require the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying Center's accounting policies. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The area where various assumptions and estimates are significant to the Center's financial Statements or where judgments were exercised in application of accounting policies are as follows:

- I. Useful life of operating fixed assets
- II. Income taxes.

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

3.3 Fixed assets

Fixed assets are stated at cost less accumulated depreciation and any identified impairment loss.

Depreciation on all items of fixed assets is charged to income applying the deminishing balance method so as to write off the depreciable amount of an asset over its useful life. Full years' depreciation is charged on additions during the year and no depreciation is charged on assets disposed off or retired during the year.

Depreciation is being charged at the rates given below:

Assets Class	Rate
Furniture and fixture	10%
Office equipment	10%
Computer and ancillaries	33%

**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

The Assets residual values and useful lives are continuously reviewed by the management and adjusted if impact on depreciation is significant. The management's estimates of the residual values of its property, plant and equipment as at 31 December 2016 has not required any adjustment.

The management continually assesses each balance sheet date whether there is any indication that fixed assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount.

Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in income and expenditure account for the year.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the assets' revised carrying amount over its estimated useful life.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the center and the cost of the item can be measured reliably.

All other repair and maintenance costs are charged to income during the period in which they are incurred.

The profit or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

3.4 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses. The depreciable amount of intangible asset is amortized on a systematic basis over the estimated useful lives using the straight-line method.

Intangible assets are recognized if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and that the cost of such assets can also be measured reliably. Costs associated with the research or maintenance of computer software programmes are recognized as an expense as incurred. However, costs that are directly associated with identifiable software and have probable economic benefits exceeding one year, are recognized as intangible assets. Direct costs include the programmer salaries, Equipment and related overhead costs. Computer software costs that are directly associated with the computer and computer controlled machines which cannot operate without the related specific software, are included in the costs of the respective assets. When the software is not an integral part of the related hardware, it is classified as an intangible asset. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

3.5 Taxation

Current

Provision for current year tax has not been accounted for in these financial statements as the income of the Center being the non-profit organization is exempt under clause 58 of the second schedule of the income tax ordinance 2001, no provision for taxation is required in the financial statements. approval of the commissioner for grant of status of the center as a non-profit organization is in process.

**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

3.6 Foreign currency transaction

Transaction in foreign currencies are translated into Pak Rupees (functional currency) at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Pak Rupees at a foreign exchange rate ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income and expenditure account.

3.7 Revenue Recognition

Grants and donation-in-kind are recognized as income on systematic and rational basis over the period necessary to match these with related expenditures.

Grants related to assets, including non-monetary grants are reflected in the balance sheet as deferred grant, which is recognized as income over the useful life of the depreciable asset equivalent to related depreciation charge.

Grants other than those related to assets are recognized over the periods necessary to match these grants with related costs. However if no basis exists for allocating a grant/donation for more than one accounting period then such grants/ donations are recognized on receipt basis.

Upon conclusion of agreement with a donor, where receipts are in excess of related expenditures, the excess receipts accrue to the donor. In respect of grants for which agreement is signed by the donor, excess of expenditure over receipts, upto the year end is recognized as grant receivable.

Revenue from consultancy services and related program activated is recognized as and when invoice is raised to the client to the extent of services provided.

Profit on bank deposits is recognized on receipt basis.

Voluntary donations are recognized on receipt basis.

3.8 Provisions

The center reviews the carrying amount of liabilities on regular basis and appropriate amount of provision is made as and when necessary.

3.9 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liabilities simultaneously.

3.10 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Center's functional and presentation currency.

3.11 Trade debts and other receivables

Trade and other receivables are measured at original invoice amount less an estimate made for doubtful receivable balances based on the review of all outstanding amounts at the balance sheet date. Bad debts are written off when identified.

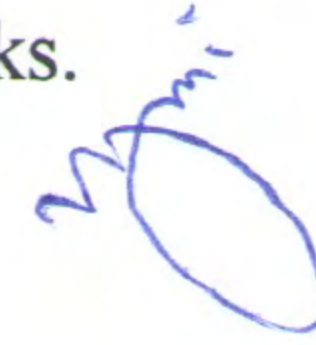
**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

3.12 Trade and other payables

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

3.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits with banks.



**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

4 PROPERTY, PLANT AND EQUIPMENT

	Project Assets			Owned Assets				
	Center for Communication Programs			Center for Communication Programs				
	Furniture and fixtures	Office equipment	Computers and ancillaries	Office equipment	Furniture and fixtures	Computers and ancillaries	Vehicles	Total
	(----- Rupees -----)							
COST								
Balance as at Jan 01, 2014	-	-	-	32,424	61,575	433,893	-	527,892
Additions during the year	-	-	-	59,600	367,315	1,580,810	-	2,007,725
Balance as at December 31, 2014	-	-	-	92,024	428,890	2,014,703	-	2,535,617
Additions during the year	50,757	811,473	693,100	-	120,800	80,330	-	1,756,460
Balance as at December 31, 2015	50,757	811,473	693,100	92,024	549,690	2,095,033	-	4,292,077
Additions during the year	350,156	355,500	591,040	598,146	40,899	14,498	3,085,854	5,036,093
Balance as at December 31, 2016	400,913	1,166,973	1,284,140	690,170	590,589	2,109,531	3,085,854	9,328,170
Additions during the year	113,829	-	-	382,242	33,930	2,777,041	-	3,307,042
Balance as at December 31, 2017	514,742	1,166,973	1,284,140	1,072,412	624,519	4,886,572	3,085,854	12,635,212
DEPRECIATION								
Balance as at Jan 01, 2014	-	-	-	9,726	17,224	342,682	-	369,632
Charge for the year	-	-	-	9,202	42,889	609,334	-	661,425
Balance as at December 31, 2014	-	-	-	18,928	60,113	952,016	-	1,031,057
Charge for the year	5,076	81,147	228,723	9,202	54,970	635,299	-	1,014,417
Balance as at December 31, 2015	5,076	81,147	228,723	28,131	115,083	1,587,315	-	2,045,475
Charge for the year	39,584	108,583	348,288	66,204	47,551	172,331	617,171	1,399,710
Balance as at December 31, 2016	44,659	189,730	577,011	94,335	162,633	1,759,647	617,171	3,445,185
Charge for the year	47,008	97,724	233,353	97,808	46,189	1,031,885	493,737	2,047,704
Balance as at December 31, 2017	91,668	287,454	810,363	192,142	208,822	2,791,532	1,110,907	5,492,889
Carrying amount 2016	356,254	977,243	707,129	595,835	427,956	349,884	2,468,683	5,882,985
Carrying amount 2017	423,074	879,519	473,777	880,270	415,698	2,095,040	1,974,947	7,142,324
Depreciation rate (%)	10%	10%	33%	10%	10%	33%	20%	

**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>NOTE</u>	<u>2017 RUPEES</u>	<u>2016 RUPEES</u>
4.1 ALLOCATION OF DEPRECIATION CHARGE:			
Administrative cost		1,669,618	903,257
Program cost		378,085	496,454
		<u>2,047,704</u>	<u>1,399,711</u>
5 INTANGIBLE			
Accounting Software Enterprise Solutions			
Cost:			
Balance as at 1st January		438,500	-
Acquisition		205,333	438,500
Balance as at 31th December		<u>643,833</u>	<u>438,500</u>
Amortization:			
Balance as at 1st January		87,700	-
Amortization for the year		128,767	87,700
Balance as at 31th December		<u>216,467</u>	<u>87,700</u>
Carrying amount as at 30th June		<u>427,366</u>	<u>350,800</u>
Amortization @	20%		
6 ACCOUNT RECEIVABLES			
Receivable from Palladium (EVA-BHN)		28,977,690	15,493,367
		<u>28,977,690</u>	<u>15,493,367</u>
7 ADVANCES, DEPOSITS AND PREPAYMENTS			
Prepaid rent		1,892,000	440,000
Advance to employees		17,250	17,250
Advance against project expenses		764,734	922,227
Prepaid service fee		82,950	-
Security deposit		200,000	200,000
		<u>2,956,934</u>	<u>1,579,477</u>
8 CASH AND BANK BALANCES			
Cash in hand		103,062	69,563
Cash at bank - current account		24,347,285	8,724,301
Cash at bank - saving account	8.1	6,524,664	810,680
		<u>30,975,011</u>	<u>9,604,544</u>
8.1	These carry mark up at the rate ranging from 5% to 7% per annum.		
9 ACCUMULATED SURPLUS			
Opening balance		15,913,818	15,569,175
Transfer on closure of projects		-	-
Surplus for the year		6,374,675	344,643
Closing balance		<u>22,288,493</u>	<u>15,913,818</u>

**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>NOTE</u>	<u>2017 RUPEES</u>	<u>2016 RUPEES</u>
10 DEFERRED GRANT			
	Amplify Change	HCC	HCC
	2017		2016
Opening balance	-	11,761,109	57,877,191
Grant received during the year	6,599,396	149,536,929	47,002,974
Less: Amortized during the year	(3,209,639)	(119,023,641)	(93,119,056)
Closing balance	<u>3,389,757</u>	<u>42,274,397</u>	<u>11,761,109</u>
11 CREDITORS, ACCRUED AND OTHER PAYABLES			
Account payable		183,003	3,446,838
Audit fee payable		110,000	90,000
Account payable - consultancy		1,791,365	1,746,939
Account payable - JHU - CCP		550,557	-
GST payable		98,531	(1,653)
Withholding tax payable		1,757,245	1,137,570
		<u>4,490,701</u>	<u>6,419,693</u>
12 CONTINGENCIES AND COMMITMENTS			
There are no significant contingencies and commitments as at balance sheet date.			
13 INCOME			
Consultancy and program activities:			
Cost reimbursement income-EVA BHN		48,243,050	42,025,601
SUKH Initiative		14,268,140	-
IPC/1		2,485,112	-
WHO		3,100,766	259,813
UNICEF-Jordan		6,991,070	-
RMNCH-UNICEF		-	1,241,994
		<u>75,088,139</u>	<u>43,527,408</u>
Donations		-	-
Amortization of deferred grants - HCC	10	119,023,641	93,119,056
Amplify Change		3,209,639	-
		<u>197,321,419</u>	<u>136,646,464</u>
14 OTHER INCOME			
Bank profit		655,139	580,630
Other		114,672	-
		<u>769,811</u>	<u>580,630</u>

**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>NOTE</u>	<u>2017 RUPEES</u>	<u>2016 RUPEES</u>
15 PROJECT PERSONNEL COSTS			
Consultancy fee:			
EVA-BHN		7,444,371	5,651,347
EVAC		-	-
SUKH Initiative		3,330,100	-
HCC		3,665,280	2,122,000
IPC/1		51,500	-
Amplify Change		40,000	-
UNICEF-Jordon		-	-
Mobilink		36,550	-
WHO		184,000	75,000
		14,751,801	7,848,347
Project salaries & wages:			
EVA-BHN		16,206,050	14,928,158
HCC		15,937,627	19,743,706
SUKH Initiative		6,937,698	-
WHO		262,500	-
Amplify Change		2,930,715	-
CCP-project staff		-	224,177
		42,274,590	34,896,041
		57,026,391	42,744,388
16 PROGRAM COST			
Accommodation		7,000,578	1,710,615
Contract Services		30,713,483	20,859,189
Office rent		-	3,861,000
Media and advertisement expense		49,612,051	43,334,027
Staff development		72,600	330,601
Utilities		-	338,996
Internet and communication		-	120,364
Travelling and conveyance		7,960,493	2,862,111
Overhead expenses		69,293	78,774
Per-diem		4,666,163	1,484,020
Meeting and conference		8,180,147	1,288,456
Postage & courier		260,899	57,025
Photography and media		-	8,000
Printing & stationery		3,015,136	1,114,008
Depreciation	4.1	378,085	496,454
Amortization	5	128,767	87,700
Vehicle rental		2,500,696	920,360
Supplies		219,025	5,080
Other Direct Expense		1,484,473	-
Miscellaneous		103,496	58,162
		116,365,384	79,014,941

**CENTER FOR COMMUNICATION PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>NOTE</u>	<u>2017 RUPEES</u>	<u>2016 RUPEES</u>
17 ADMINISTRATIVE COST			
Staff salaries		5,817,283	4,959,055
Consultancy and program activities expenses		1,366,400	590,000
Office supplies		186,854	234,726
Utilities		487,566	112,998
Administration expenses		-	-
Repairs and maintenance		370,710	952,674
Printing and stationery		459,742	3,455,666
Advertisement expense		185,621	211,052
Rent expense		6,010,894	1,470,540
Entertainment		251,392	185,060
POL		217,022	45,545
Postage and courier		131,614	67,360
Internet and communication		375,034	70,440
Insurance		392,637	78,286
Overhead Expenses		-	-
Auditor's remuneration	17.1	110,000	90,000
Professional charges		114,000	382,000
Depreciation	4.1	1,669,618	903,257
Miscellaneous expenses		56,756	171,601
Exchange loss on foreign currency translation		6,786	1,040,822
News paper & periodicals		3,526	23,780
Donation		-	-
Bank service charges		111,325	78,261
		<u>18,324,779</u>	<u>15,123,122</u>
17.1 Auditor's remuneration			
Audit fee		110,000	90,000

18 DATE OF AUTHORIZATION

These financial statements were authorized for issue on April 25, 2018 by the Members of the Governing Body.

19 GENERAL

- Figures in the financial statements are rounded-off to the nearest Rupees.
- This year Contact services of Project personnel cost is reclassified and charged to Program cost.
- This year Admin staff salaries has been properly apportioned and charged to admin cost which was previously charged to HCC salaries.


PRESIDENT ATIF IKRAM BUTT
 Executive Director
 CCP PAKISTAN


SECRETARY GENERAL