



Grant Thornton

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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Punjab Municipal Development Fund Company** ("the Company") as at **June 30, 2016** and the related income and expenditure account, statement of comprehensive income, cash flow statement and statement of changes in fund balances together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these 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 above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - (i) the balance sheet together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure, statement of comprehensive income, cash flow statement, and statement of changes in fund balances together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2016 and the surplus, total comprehensive income, its cash flows and changes in fund balances for the year then ended; and
- d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Grant Thornton Anjum Rahman
CHARTERED ACCOUNTANTS

Audit Engagement Partner: Imran Afzal

Dated: *October 4, 2016*

Chartered Accountants

Member of Grant Thornton International Ltd
Offices in Karachi & Islamabad

PUNJAB MUNICIPAL DEVELOPMENT FUND COMPANY

(A Company established under section 42 of the Companies Ordinance, 1984)



Balance Sheet

As at June 30, 2016

	Note	2016 (Rupees)	2015 (Rupees)
FUNDS			
Other funds (General)		31,218,394	38,847,931
Total		31,218,394	38,847,931
REPRESENTED BY			
Assets			
Non-current			
Property and equipment	6	4,647,833	3,626,252
Long term deposits	7	401,000	398,500
Total non-current assets		5,048,833	4,024,752
Current			
Advances, prepayments and other receivables	8	4,313,167	4,759,039
Trade debts considered good	9	2,578,846	-
Cash and bank balances	10	58,256,089	64,087,166
Total current assets		65,148,102	68,846,205
Liabilities			
Current			
Trade and other payables	11	38,978,541	34,023,026
Total current liabilities		38,978,541	34,023,026
Net current assets		26,169,561	34,823,179
Total		31,218,394	38,847,931
Contingencies and commitments	12		

The annexed notes 1 to 21 form an integral part of these financial statements.

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Chief Executive/Managing Director

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Director

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PUNJAB MUNICIPAL DEVELOPMENT FUND COMPANY

(A Company established under section 42 of the Companies Ordinance, 1984)

Income and Expenditure Account
For the year ended June 30, 2016



	Note	2016 (Rupees)	2015 (Rupees)
INCOME			
Grant amortised	5	81,347,931	91,014,603
Revenue (Services rendered)	13	44,860,100	21,448,400
Other income	14	16,626,666	16,564,373
Total income		142,834,697	129,027,376
EXPENDITURE			
Staff salaries and benefits		59,614,828	52,121,982
Consultants fee		29,402,155	16,261,483
Security services		490,409	418,701
Travelling and conveyance		3,477,790	4,584,031
Rent, rates and taxes		4,524,216	4,142,168
Insurance		329,867	483,493
Printing and stationery		1,684,026	1,137,453
Repairs and maintenance		4,006,466	3,985,053
Postage and internet		757,112	562,540
Utilities		1,774,121	1,926,735
Legal and professional charges		249,000	150,000
Fees and subscription		46,728	99,887
Advertisement		249,038	321,535
Publicity and awareness campaign and trainings		-	133,722
Entertainment		454,530	300,651
Bank charges		9,188	9,035
Audit fee		350,000	350,000
Other expenses		942,541	533,903
Depreciation	6	629,869	402,330
Total expenditure before taxation		108,991,884	87,924,702
Taxation	15	2,624,419	2,254,743
Net surplus for the year after taxation		31,218,394	38,847,931

The annexed notes 1 to 21 form an integral part of these financial statements.

GIR

Chief Executive/Managing Director

Director