



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, 2017** 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 account, 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, 2017 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

Engagement Partner: Imran Afzal
Lahore

Dated: October 10, 2017

Chartered Accountants

Member of Grant Thornton International Ltd
Offices in Karachi & Islamabad



Balance Sheet

As at June 30, 2017

	Note	2017 (Rupees)	2016 (Rupees)
FUNDS			
Other funds (General)	5	15,342,260	31,218,394
Total		15,342,260	31,218,394
REPRESENTED BY			
Assets			
Non-current			
Property and equipment	6	3,896,623	4,647,833
Long term deposits	7	378,500	401,000
Total non-current assets		4,275,123	5,048,833
Current			
Advances, deposits, prepayments and other receivables	8	6,644,003	5,353,162
Trade debts-considered good	9	1,256,421	1,538,851
Cash and bank balances	10	23,152,088	58,256,089
Total current assets		31,052,512	65,148,102
Liabilities			
Current			
Trade and other payables	11	19,985,375	38,978,541
Total current liabilities		19,985,375	38,978,541
Net current assets		11,067,137	26,169,561
Total		15,342,260	31,218,394
Contingencies and commitments	12		

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

Signature

Signature

Chief Executive/Managing Director

Signature

Director

Signature

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, 2017



	Note	2017 (Rupees)	2016 (Rupees)
INCOME			
Grant amortised	5	81,218,394	81,347,931
Revenue (Services rendered)	13	3,590,517	44,860,100
Other income	14	8,305,809	16,626,666
Total income		93,114,720	142,834,697
EXPENDITURE			
Staff salaries and benefits		61,098,370	59,614,828
Consultants fee		1,431,247	29,402,155
Security services		231,370	490,409
Travelling and conveyance		460,373	3,477,790
Rent, rates and taxes		5,148,178	4,524,216
Insurance		197,882	329,867
Printing and stationery		1,227,117	1,684,026
Vehicle running expenses		1,405,505	2,551,774
Repairs and maintenance		851,410	1,454,692
Postage and internet		411,216	757,112
Utilities		1,584,260	1,774,121
Legal and professional charges		157,000	249,000
Fees and subscription		47,950	46,728
Advertisement		41,564	249,038
Entertainment		384,345	454,530
Bank charges		39,685	9,188
Audit fee		350,000	350,000
Other expenses		1,135,691	942,541
Depreciation	6	887,921	629,869
Total expenditure before taxation		77,091,084	108,991,884
Taxation	15	681,376	2,624,419
Net surplus for the year after taxation		15,342,260	31,218,394

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

GPK

Chief Executive/Managing Director

Director