

**ASAD FOUAD**  
**CHARTERED ACCOUNTANTS**

**PAKISTAN OVERSEAS EMPLOYEMENT  
PROMOTORS ASSOCIATION**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**



# Asad Fouad

## CHARTERED ACCOUNTANTS

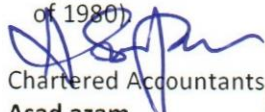
### AUDITORS REPORT TO MEMBERS

We have audited the annexed balance sheet of Pakistan Overseas Employment Promoters Association - (POEPA) a Trade Association with limited liability u/s 43 of the Companies Ordinance, 1984 and licensed by the Federal Government under clause 3 of Trade Organizations Ordinance, 2007 as at June 30, 2017 and the related profit and loss account, cash flow statement and statement of changes in equity, 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.

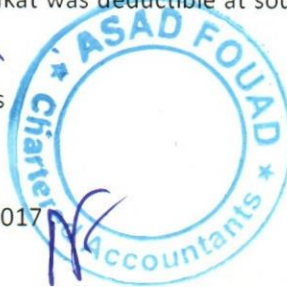
It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an 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 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 the 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 accounts have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
  - (i) the balance sheet and profit and loss account 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 explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity 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 of the loss, its cash flows and changes in equity for the year then ended;
- (d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980)

  
Chartered Accountants  
**Asad azam**  
Engagement Partner


Islamabad: August 5, 2017



**PAKISTAN OVERSEAS EMPLOYEMENT PROMOTORS ASSOCIATION**  
 Registered as a Trade Association with limited liability u/s 43 of the Companies Ordinance, 1984  
 (Set-up/Licensed under clause 3 of Trade Organization Ordinance, 2007)  
**BALANCE SHEET AS AT 30 JUNE 2017**

	Notes	2017 (Rupees)	2016 (Rupees)
<b>PROPERTY AND ASSETS</b>			
Fixed assets-tangible, at book value	5	275,281	311,989
<b>CURRENT ASSETS</b>			
Cash and bank balances	6	417,786	1,309,455
Advance income tax		41,115	26,909
Other receivables		2,277,028	2,556,506
		2,735,929	3,892,870
		<b>3,011,210</b>	<b>4,204,859</b>
<b>REPRESENTED BY:</b>			
General fund	7	2,641,210	4,204,859
Other payable		370,000	-
		<b>3,011,210</b>	<b>4,204,859</b>
<b>AUDITORS' REPORT ANNEXED</b>		0	

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

  
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**CHIEF EXECUTIVE**



  
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**DIRECTOR**

**PAKISTAN OVERSEAS EMPLOYMENT PROMOTORS ASSOCIATION**  
Registered as a Trade Association with limited liability u/s 43 of the Companies Ordinance, 1984  
(Set-up/Licensed under clause 3 of Trade Organization Ordinance,2007)  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Notes	2017 (Rupees)	2016 (Rupees)
<b>Revenue</b>			
Contribution from members		3,514,602	7,103,190
<b>Administration and general expenses</b>			
Salaries,wages and other benefits		1,436,000	2,317,750
Rent,rates and taxes		14,206	400,000
Communication expenses		65,846	6,965
Advertisement		127,200	25,000
Office rent		405,000	32,175
Printing and stationary		280,819	112,158
Legal and professional charges		787,767	40,000
Utility charges		158,248	156,203
Repair and maintenance		16,000	368,965
Entertainment		171,756	416,124
Travelling and conveyance		95,300	79,733
Purchase of stores		-	17,150
Miscellaneous		110,500	25,963
Depreciation		36,709	41,868
FPCCI subscription		132,000	94,464
Postage and couriers		90,778	21,348
News paper and periodicals		3,232	18,135
Bank Charges		1,738	-
Office Supplies		60,868	-
CEC Meeting expenses		869,284	-
Website bill		115,000	-
Hoteling		100,000	-
		<u>5,078,251</u>	<u>4,174,001</u>
(Deficit)/Surplus for the year		<u>(1,563,649)</u>	<u>2,929,189</u>

  
**CHIEF EXECUTIVE**



  
**DIRECTOR**

**PAKISTAN OVERSEAS EMPLOYMENT PROMOTORS ASSOCIATION**  
Registered as a Trade Association with limited liability u/s 43 of the Companies Ordinance, 1984  
(Set-up/Licensed under clause 3 of Trade Organization Ordinance, 2007)  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>Note</b>	<b>2017 Rupees</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Deficit) for the year		(1,563,649)
<b>Adjustments for non-cash items</b>		
Depreciation		36,709
<b>Operating cash flow before working capital changes</b>		(1,526,940)
<b>(Increase)/ decrease in current assets</b>		
Advances, deposits and other receivables		265,272
<b>Increase / (decrease) in current liabilities</b>		
Accrual and other payables		370,000
		635,272
<b>Cash (used in)/ generated from operation</b>		635,272
<b>Net cash (used in) / generated from operating activities</b>		(891,668)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure		-
<b>Net cash (used in)/ generated from investing activities</b>		-
<b>Net (decrease) / increase in cash and cash equivalents</b>		(891,668)
<b>Cash and cash equivalents at the beginning of the year</b>		1,309,455
<b>Cash and cash equivalents at end of the year</b>		<b>417,786</b>


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**CHIEF EXECUTIVE**


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**DIRECTOR**

**PAKISTAN OVERSEAS EMPLOYMENT PROMOTERS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**1. INCORPORATION AND ACTIVITIES**

1.1 PAKISTAN OVERSEAS EMPLOYMENT PROMOTERS ASSOCIATION was registered in Pakistan on 31 May 1994 as a Trade Association setup by the Federal Government under clause 3 of Trade Organizations Ordinance, 2007 and limited liability Company by Guarantee licensed under section 43 of the Company Ordinance, 1984

1.2 The preliminary objects of the Company is to look after the interest and do all that is necessary for the furtherance and development of promotion of overseas employment.

**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for "Medium-Sized Entities" (MSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions or directives of the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Basis of preparation and accounting convention**

These financial statements have been prepared under the historical cost convention and accrual basis of accounting except for cash flow statement.

**3.2 Property, plant and equipment**

**Owned**

Operating fixed assets are stated at cost less accumulated depreciation and any impairment (if any). Depreciation is charged at the rate specified in the note on reducing balance method. No depreciation is charged on assets disposed off during the year, whereas, full year's depreciation is charged on additions during the year. Normal maintenance and repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain and losses on disposal of assets are taken to profit and loss account.

**Leased**

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company recognizes finance leases as assets and liabilities in the balance sheet at amounts equal, at the inception of the lease, to the fair value of the assets or, if lower, at the present value of the minimum lease payments. In calculating the present value of the minimum lease payments the discount factor used is the incremental borrowing rate of the lease. Initial direct costs incurred are included as part of the amount recognized as an asset. Lease payments are apportioned between the finance cost and the reduction of outstanding liability. The finance cost is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Finance cost is charged directly to income.

Rentals payable under operating leases are charged to income for the year on straight line basis over the term of relevant lease.

**3.3 Impairment**

The company assesses at each balance sheet date whether there is any indication that assets except inventories and deferred tax 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 amounts. 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 statement. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where impairment loss subsequently reverses, the increased carrying amount of the asset other than goodwill attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years. Reversal of impairment loss is recognized as an income.

**3.4 Trade debts and other receivables**

Trade debts and other receivables are carried at original invoice amount less an estimate made for doubtful receivables based on review of outstanding amounts at the year end. Balances considered bad and irrecoverable are written off when identified.

### 3.5 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers and recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

### 3.6 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks and highly liquid short-term investments that are readily convertible to known amounts at cash and which are subject to insignificant risk of change in value.

### 3.7 Mark-up bearing borrowings

Mark-up bearing borrowings are recognized initially at cost being the fair value of consideration received, less attributable transaction costs. Subsequent to initial recognition, markup bearing borrowings are stated at originally recognized amount less subsequent repayments, while the difference between the original recognized amounts (as reduced by periodic payments) and redemption value is recognized in the profit and loss account over the period of borrowings on an effective rate basis.

### 3.8 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred except where such costs relate to the acquisition, construction or production of a qualifying asset in which case such costs are capitalised as part of the cost of that asset. Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent these are regarded as an adjustment to borrowing costs.

### 3.9 Taxation

**Current:** Provision for taxation is based on taxable income at current rate of taxation after taking into account tax credits and losses, if any. In making the estimates for income taxes payable by the Company, the management looks at the applicable law and decisions of appellate authorities on certain issues in the past.

**Deferred tax:** is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

### 4.0 Revenue recognition

Revenue from services/ sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of commission. Revenue is recognized when significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Scrap sales and miscellaneous receipts are recognised on realised amounts. Profit on deposits and advances is accounted for on a time proportion basis using the applicable rate of interest.

### 4.1 Foreign currency transactions

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into Pak Rupees at exchange rate prevailing at the date of transaction. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

All exchange differences are charged to income for the year.

### 4.2 Related party transactions

All transactions with related parties arising in the normal course of business are carried out by the company at an arm's length basis at normal commercial rates on the same terms and conditions as applicable to third party transactions.

5. FIXED ASSETS - Tangibles, at book value

PARTICULARS	COST		RATE	DEPRECIATION			TOTAL AS AT 30 JUNE 2017	W.D.V AS AT 30 JUNE 2017
	COST AS AT 01 JULY 2016	ADDITION (DELETION)		COST AT 30 JUNE 2017	AS AT 01 JULY 2016	FOR THE YEAR		
Furniture and fixtures	60,150	-	10%	24,867	3,528	28,395	31,755	
Office equipments	342,505	-	10%	175,994	16,651	192,645	149,860	
Computer equipments	251,360	-	15%	141,164	16,529	157,693	93,667	
	<u>Rupees 2017</u> <u>654,015</u>	<u>-</u>		<u>342,026</u>	<u>36,709</u>	<u>378,734</u>	<u>275,281</u>	
	<u>Rupees 2016</u> <u>559,015</u>	<u>95,000</u>		<u>300,157</u>	<u>41,868</u>	<u>342,026</u>	<u>311,858</u>	

6 CASH AND BANK BALANCES

Cash in hand	30,116	40,154
Cash at bank (Current deposit)	387,671	1,269,301
	<u>417,786</u>	<u>1,309,455</u>

7 GENERAL FUNDS

Opening balance	4,204,859	1,275,670
Accumulated (Deficit)/surplus for the year	(1,563,649)	2,929,189
	<u>2,641,210</u>	<u>4,204,859</u>

8 CORRESPONDING FIGURES

Certain corresponding figures have been re-arranged for comparison purposes.

CHIEF EXECUTIVE




DIRECTOR

