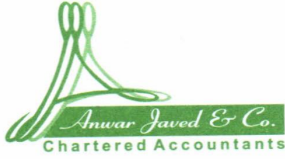


**CENTRE FOR GOVERNANCE
& PUBLIC ACCOUNTABILITY
(CGPA)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2023**



Anwar Javed & Co.

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To The Board of Governors

Report on the Audit of Financial Statements

Opinion

We have audited the annexed Financial Statements of “CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY (CGPA)” which comprise the Statement of Financial Position as at **June 30, 2023**, together with the Income and Expenditure Account, Cash Flow Statement and a summary of Significant accounting policies and other explanatory information 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 purpose of our audit.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at **June 30, 2023** and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis of Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further disclosed in Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the relevant institute (the Code) and we have fulfilled our other ethical responsibilities in accordance with the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting standards as applicable in Pakistan and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as going concern, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or cease operations, or has no realistic alternative but to do so. Those charges with governance are responsible for overseeing the Organization's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance whether the Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes an opinion. Reasonable level of assurance is a high level of assurance, but is not guaranteed that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

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Anwar Javed & Co. Chartered Accountants


As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organizational internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw our attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence up to the dates of our auditor's report. However, future events or conditions may cause the organization to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentations.

We communicate with those charged with governance, regarding among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

PESHAWAR
October 16, 2023
UDIN: AR202310283wqrakLAMY




Anwar Javed & Co.
Chartered Accountants

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CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY (CGPA)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	JUNE 30, 2023 Rupees	JUNE 30, 2022 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	719,897	799,886
CURRENT ASSETS			
Trade debtors, Advances and Receivables	5	1,589,200	1,446,645
Cash and bank balances	6	24,593,459	16,174,294
		26,182,659	17,620,939
		<u>26,902,556</u>	<u>18,420,825</u>
FUND AND LIABILITIES			
General fund	7	2,288,691	1,512,058
CURRENT LIABILITIES			
Restricted grant received in advance	8	21,709,525	15,441,086
Accrued and other liabilities	9	2,904,340	1,467,681
		24,613,865	16,908,767
		<u>26,902,556</u>	<u>18,420,825</u>

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




EXECUTIVE DIRECTOR




FINANCE MANAGER

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY (CGPA)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2023

	Note	JUNE 30, 2023 Rupees	JUNE 30, 2022 Rupees
INCOME			
Grant			
Restricted	10	85,672,248	46,426,634
Unrestricted	11	-	853,031
		<u>85,672,248</u>	<u>47,279,665</u>
EXPENDITURE			
Program cost	12	83,473,750	46,478,041
General and administrative expenses	13	1,421,865	902,058
		<u>84,895,615</u>	<u>47,380,099</u>
Surplus for the year		<u><u>776,633</u></u>	<u><u>(100,434)</u></u>

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




EXECUTIVE DIRECTOR




FINANCE MANAGER

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY (CGPA)
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

	JUNE 30, 2023 Rupees	JUNE 30, 2022 Rupees
a) CASH FLOW FROM OPERATING ACTIVITIES		
(Deficit)/surplus for the year	776,633	(100,434)
Adjustment for non cash charges:		
Depreciation	79,989	88,776
Cash flow before working capital changes	856,622	(11,658)
Working capital changes		
(Decrease) in current assets		
Trade debtors, Advances and Receivables	(142,555)	10,317,476
Increase/(decrease) in current liabilities		
Accrued and other liabilities	1,436,659	25,399
Restricted grant received in advance	6,268,439	(4,153,758)
	7,562,543	6,189,117
Net cash generated from operating activities	8,419,165	6,177,459
b) CASH FLOW FROM INVESTMENT ACTIVITIES		
Additions in property and equipment	-	-
Net cash (used in) investing activities	-	-
Net increase/(decrease) in cash and cash equivalents (a+b)	8,419,165	6,177,559
Cash and cash equivalent at the beginning of the year	16,174,294	9,996,735
Cash and cash equivalent at the end of the year	24,593,459	16,174,294

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




EXECUTIVE DIRECTOR




FINANCE MANAGER

CENTRE FOR GOVERNANCE & PUBLIC ACCOUNTABILITY (CGPA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1 STATUS AND OPERATION

Centre for Governance & Public Accountability (CGPA) is an independent, non-profit, non-gender, non-governmental and non-sectarian organization. It is registered under the Societies registration Act XXI of 1860 on January 31, 2012

AIMS AND OBJECTS

The objects (must be Literacy , Scientific, Charitable, etc) of which the society is established are:

- a) Open Governance, Right to Information.
- b) Rule of Law, Access to Justice and Police Reforms.
- c) Democratic Governance.
- d) Social Accountability & Budget Advocacy.
- e) Promotion of Plurasim, peace & tolerance.

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 Standard for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 ACCOUNTING CONVENTION

These financial statements have been prepared under the historical cost convention.

3.2 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are prepared in Pakistani Rupees which is the Organization's functional and presentation currency.

3.3 PROPERTY AND EQUIPMENT

Property and equipment are carried at cost less accumulated depreciation and impairment in value, if any.

Depreciation is charged to income applying the reducing balance method at the rates specified in the property and equipment note.

Depreciation on additions during the year is charged from the month in which an asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed off.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.



Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

3.4 INTANGIBLE ASSETS

These are carried at cost less accumulated amortization and any identified impairment losses. Amortization is charged at the rate specified in the intangible asset rate, using the reducing balance method, to allocate the cost of software over their estimated useful lives specified in note 4, and is charged to income and expenditure for the year. Costs associated with maintaining computer software, are recognized as an expense as and when incurred.

3.5 IMPAIRMENT

The Organization assesses at each balance sheet date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether these are recorded in excess of their recoverable amounts. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in income and expenditures account, unless the relevant assets are carried at revalued amounts, in which case the impairment loss is treated as a revaluation decrease. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

Where impairment loss subsequently reverses, the carrying amounts of the assets are increased to the revised recoverable amounts but limited to the carrying amounts that would have been determined had no impairment loss been recognized for the assets in prior years. A reversal of an impairment loss is recognized immediately in income and expenditures account, unless the relevant assets are carried at revalued amounts, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.6 RECEIVABLES

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. Other receivables are recognized at nominal amount which is fair value of the consideration to be received in future.

3.7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried 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 convertible to known amounts of cash and are subject to insignificant risk of change in value.

3.8 PAYABLES

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether billed to the Organization or not.

3.9 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered in the normal course of business.

- Profit on investments / bank deposits is recognized on time proportionate basis.



- RESTRICTED GRANTS

Grants received for specific purposes and interest thereon are classified as restricted grants. Such grants are transferred to income as grants to the extent of actual expenditure incurred against them. Unspent portion of such grants are reflected as restricted grants in the balance sheet. Expenditure incurred against grant committed but not received is accrued and recognized in income and is reflected as receivable from donors.

- UNRESTRICTED GRANTS

Unrestricted grants, if any, received from donor without any conditions are recognized as income during the year of receipt.

3.10 UNRESTRICTED GRANTS

The preparation of financial statements in conformity with the approved accounting standards require management to make judgment, estimates and assumptions that affect the application of reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets and provision for doubtful receivables. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

3.11 PROVISION FOR

Provision for taxation is based on taxable income at the current tax rates after taking into account applicable tax credits, rebates and exemptions available under Income Tax Ordinance, 2001.

3.12 FOREIGN CURRENCY TRANSLATION

Transactions in currencies other than Pakistani Rupee are recorded at the rates of exchange prevailing on the date of the transaction. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Gains and losses arising on translation are included in income and expenditure account for the year.

3.13 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized when the Organization becomes a party to the contractual provisions of the instruments and derecognized when the Organization loses control of the contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired.

Other particular recognition methods adopted by the Organization are disclosed in the individual policy statements associated with each item of financial instruments.

3.14 OFFSETTING OF FINANCIAL ASSET AND FINANCIAL LIABILITY

A financial asset and a financial liability is offset and the net amount reported in the balance sheet, if the Organization has a legal enforceable right to offset the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.



4 PROPERTY AND EQUIPMENT

2023								
Particulars	C O S T			D E P R E C I A T I O N			W.D.V.	Rate %
	As at July 01, 2022	Additions	As at June 30, 2023	As at July 01, 2022	For the period	As at June 30, 2023	As at June 30, 2023	
	-----Rupees-----							
Computer & Other Office Equipments	1,155,429	-	1,155,429	696,317	45,911	742,228	413,201	10
Furniture and Fixtures	768,033	-	768,033	459,338	30,870	490,208	277,825	10
Books	92,000	-	92,000	59,921	3,208	63,129	28,871	10
	2,015,462	-	2,015,462	1,215,576	79,989	1,295,565	719,897	



Note

5 TRADE DEBTORS, ADVANCES AND RECEIVABLES

Receivables from GIZ-IV
Receivables from NRSP-Internet Dost Program
W.H Tax deducted by Doners
Security with Vendors
Advances to Staff & for Program

**JUNE 30,
2023
Rupees**

**JUNE 30,
2022
Rupees**

200,000	-
834,200	-
-	1,221,645
450,000	-
105,000	225,000
1,589,200	1,446,645

6 CASH AND BANK BALANCES

Cash at Banks

24,593,459	16,174,294
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7 GENERAL FUND

Opening balance
Add: Surplus for the year

1,512,058	1,612,492
776,633	(100,434)
2,288,691	1,512,058

8 RESTRICTED GRANT RECEIVED IN ADVANCE

Strengthen Implementation Mechanism of the RTI Laws in KP-OSF-15
GIZ-FATA Development Programme
Improving Local Governance in KP (NED-IX)
CIPE-Mobilizing Economic Reforms to keep Critical Civic Space open in

7,068,463	7,068,463
-	8,173,336
11,089,659	-
3,551,403	199,287
21,709,525	15,441,086

9 ACCRUED AND OTHER LIABILITIES

Advocacy Campaign for Effective Local Governments in Khyber Pakhtunkhwa-VIII
Improving Local Governance in KP (NED-IX)

-	1,467,681
2,904,340	-
2,904,340	1,467,681

10 RESTRICTED GRANTS

10.1 Foundation Open Society Institute (FOSI)

Strengthen Implementation Mechanism of the RTI Laws in KP-OSF-13
Support the Grantee to Promote justice & the rule of Law (OSF-14)

-	684,883
3,298,425	-
3,298,425	684,883

10.2 National Endowment for Democracy

Advocacy Campaign for Effective Local Governments in KP-VIII
Improving Local Governance in KP (NED-IX)

-	14,557,464
26,978,372	-
26,978,372	14,557,464

10.3 National Rural Support Program

Internet Dost Project

834,200



	JUNE 30, 2023 Rupees	JUNE 30, 2022 Rupees
10.4 <u>USAID</u>	-	-
10.5 <u>(Oxford Policy Management Pakistan (Pvt) Ltd)</u>		
SNG-GIS enabled automated property valuation model project (SNG-II)	-	14,511,578
SNG-Online Civic Services Center project (SNG-III)	28,518,531	8,928,840
10.6 <u>The Centre for International Private Enterprise (CIPE)</u>		
Mobilizing Economic Reforms to keep Critical Civic Space open in KP	11,370,529	6,429,044
10.7 <u>Centre for Peace & Development Initiatives</u>		
CPDI Project	-	41,700
10.8 <u>Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ)</u>		
FATA Development Programme	14,472,191	1,273,125
Institutional Assessment of KP information Commission (GIZ-IV)	200,000	
	<u>85,672,248</u>	<u>46,426,634</u>
11 <u>UNRESTRICTED GRANTS</u>		
Bank Profit	-	853,031
	<u>-</u>	<u>853,031</u>



12 Program cost

PARTICULARS	(CIPE) Mobilizing Economic Reforms to keep critical Space open in KP	(OSF-14) Support the Guarantee to promote justice & the rule of Law	(GIZ-III) FATA Development Programme	(GIZ-IV) FATA Development Programme	Internet Dost	(NED) Improving Local Governance in Khyber Pakhtunkhwa IX	(SNG) Online Civic Services Center project SNG-III	TOTAL 30-06-2023 Rupees	TOTAL 30-06-2022 Rupees
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PAYMENTS

Consultancies, Translation & Contracts	2,086,019	1,099,475	2,989,000	200,000	-	200,000	-	6,574,494	1,251,137
General & Administrative	-	699,266	1,344,566	-	-	-	-	2,043,832	310,482
Project Output	-	395,813	-	-	-	-	-	395,813	1,574,816
Project Staff	4,651,243	461,779	1,052,895	-	410,000	12,802,834	22,686,952	42,065,703	28,832,562
Travel & Transport	1,055,000	-	274,500	-	196,500	7,148,629	245,170	8,919,799	3,305,357
Communication, Postage & Printing	109,906	-	-	-	61,200	8,840	1,450,918	1,630,864	109,396
Contractual Services	-	-	-	-	-	-	-	-	120,000
Awareness & Mobilization	-	-	1,489,000	-	-	-	-	1,489,000	41,700
Radio Messages	-	-	1,558,700	-	-	-	-	1,558,700	-
Other Direct Cost	2,400,390	444,187	-	-	-	5,412,417	-	8,256,994	5,646,551
Overheads	-	-	-	-	-	-	1,884,758	1,884,758	2,144,791
Trainings	-	-	5,760,006	-	166,500	-	-	5,926,506	115,110
Space & Utilities	719,942	-	-	-	-	-	-	719,942	1,651,208
Office Supplies & Equipment	313,788	197,905	-	-	-	1,405,652	-	1,917,345	1,099,295
Miscellaneous Exp	-	-	-	-	-	-	90,000	90,000	275,636
Total	11,336,288	3,298,425	14,468,667	200,000	834,200	26,978,372	26,357,798	83,473,750	46,478,041



	Note	JUNE 30, 2023 Rupees	JUNE 30, 2022 Rupees
13 <u>GENERAL AND ADMINISTRATIVE EXPENSES</u>			
Legal & Professional Charges		1,265,477	613,801
Miscellaneous Expenses		-	193,800
Bank Charges		76,399	5,581
Depreciation Charges	4	79,989	88,876
		<u>1,421,865</u>	<u>902,058</u>

14 DATE OF AUTHORIZATION FOR ISSUE

These financial statement are authorized for issue by the Board of Directors of the organization October 16, 2023

15 GENERAL

15.1 REARRANGEMENT

Prior year figures have been re-arranged /re-grouped wherever considered necessary for the purpose of comparison.

15.2 Figures have been rounded off to the nearest Rupee.




EXECUTIVE DIRECTOR




FINANCE MANAGER