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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PUNJAB VOCATIONAL TRAINING COUNCIL

We have audited the accompanying financial statements of the Punjab Vocational Training Council, which comprise the balance sheet as at 30 June 2014, and the income and expenditure account, cash flow statement and statement of movement in fund balances for the year then ended, and a summary of significant accounting policies and other explanatory notes (here-in-after referred to as the financial statements).

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditors' 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 auditors 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 management, as well as evaluating the overall presentation of the financial statements.

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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 financial position of the Punjab Vocational Training Council as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.


Chartered Accountants

Engagement Partner: Naseem Akbar

Lahore: 23 December 2014

PUNJAB VOCATIONAL TRAINING COUNCIL
BALANCE SHEET AS AT 30 JUNE 2014

		2014	2013
	Note	Rupees	Rupees
Fund balance		1,800,887,739	1,804,799,128
Grant for establishment / rehabilitation of VTIs	4	722,597,049	93,689,950
		<u>2,523,484,788</u>	<u>1,898,489,078</u>
REPRESENTED BY			
Property and equipment	5	337,538,555	353,952,821
Long term deposits	6	1,113,525	1,050,875
		<u>338,652,080</u>	<u>355,003,696</u>
CURRENT ASSETS			
Fee income receivable	7	673,254,230	592,836,536
Advances	8	7,403,621	2,901,546
Short term prepayments		3,569,357	3,677,775
Interest accrued		23,673,260	5,345,838
Other receivables	9	6,622,560	5,354,720
Taxation - net		23,916,598	17,937,398
Short term investments	10	682,036,000	682,036,000
Cash and bank balances	11	1,193,164,138	587,621,726
		<u>2,613,639,764</u>	<u>1,897,711,539</u>
LESS: CURRENT LIABILITIES			
Trade and other payables	12	318,594,556	244,119,907
Short term loan	13	25,000,000	25,000,000
Interest accrued on long term loan		212,500	106,250
		<u>343,807,056</u>	<u>269,226,157</u>
		<u>2,269,832,708</u>	<u>1,628,485,382</u>
NET CURRENT ASSETS			
LESS: NON-CURRENT LIABILITIES			
Long term loan	14	85,000,000	85,000,000
		<u>2,523,484,788</u>	<u>1,898,489,078</u>
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 24 form an integral part of these financial statements.

(CHAIRMAN)

(MEMBER / SECRETARY)

PUNJAB VOCATIONAL TRAINING COUNCIL
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2014

Income	Note	2014 Rupees	2013 Rupees
Tuition fee	16	963,277,236	900,484,994
Grants and donations	17	75,988,173	307,141,852
Return on saving accounts		40,527,522	26,926,349
Return on investments		70,153,920	84,369,312
Other income		15,097,940	9,036,509
		<u>1,165,044,791</u>	<u>1,327,959,016</u>
Expenditure			
Salaries, wages and other benefits		879,300,472	858,035,534
Security expenses		8,881,998	7,648,722
Repairs and maintenance *		21,684,055	29,644,280
Conveyance		9,738,628	9,769,575
Petrol, oil and lubricants		12,239,842	11,756,992
Postage and telephone		10,529,325	9,299,305
Utilities		31,939,002	28,382,742
Printing and stationery		15,980,791	12,773,350
Newspapers, books and periodicals		514,683	543,078
Insurance		21,554,455	15,747,501
Publicity and advertisement		5,230,408	3,874,022
Entertainment expenses		1,808,348	1,871,585
Examination fee		4,574,674	4,150,755
Legal and professional charges		462,735	612,210
Office supplies		1,267,401	1,387,001
Depreciation	4	95,690,962	104,107,711
Rent, rates and taxes		7,413,024	6,838,242
Auditors' remuneration		2,300,000	2,300,000
Liveries and uniform		10,554,624	12,423,936
Training and teaching material		5,008,617	5,670,367
Laboratory consumables		29,462,768	32,378,889
Receivables written off / other loss		-	-
Provision for doubtful MOZU fee receivable		(18,241,413)	139,508,767
Bank charges		932,194	781,019
Miscellaneous		3,558,286	14,498,663
GIZ stipend		6,570,301	6,682,000
STTI charges		-	-
Supplies and services charges		-	-
		<u>1,168,956,180</u>	<u>1,320,686,246</u>
Excess of (expenditure over income) / income over expenditure		<u>(3,911,389)</u>	<u>7,272,770</u>

*These also include expenditure incurred on renovation of building for establishment of VTIs against which Grant in aid has been received from Planning & Development Department, Government of the Punjab.

The annexed notes from 1 to 24 form an integral part of these financial statements.

(CHAIRMAN)

(MEMBER / SECRETARY)