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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 2015, 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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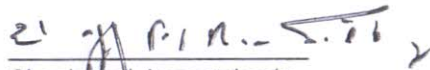
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 2015** 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

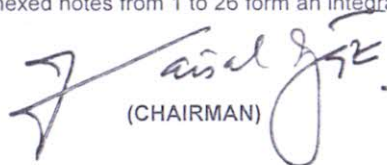
Engagement Partner: Naseem Akbar

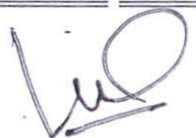
Lahore: 29 January 2016

PUNJAB VOCATIONAL TRAINING COUNCIL
BALANCE SHEET
AS AT 30 JUNE 2015

		2015	2014
	Note	Rupees	Rupees (Restated)
NON-CURRENT ASSETS			
Property and equipment	4	458,958,019	337,538,555
Long term deposits	5	1,526,647	1,113,525
		<u>460,484,666</u>	<u>338,652,080</u>
CURRENT ASSETS			
Fee income receivable	6	811,290,922	702,511,958
Advances	7	1,196,418	7,403,621
Short term prepayments		3,389,834	3,569,357
Interest accrued		29,763,451	23,673,260
Other receivables	8	6,800,233	6,622,561
Taxation - net		36,419,762	23,916,598
Short term investments	9	682,036,000	682,036,000
Cash and bank balances	10	2,063,015,374	1,193,164,138
		<u>3,633,911,994</u>	<u>2,642,897,493</u>
		<u>4,094,396,660</u>	<u>2,981,549,573</u>
TOTAL ASSETS			
FUND AND LIABILITIES			
Fund balance	11	1,469,092,463	1,352,991,439
Grant for establishment / rehabilitation of VTIs	12	940,101,215	722,597,049
		<u>2,409,193,678</u>	<u>2,075,588,488</u>
Deferred grants	13	1,104,871,009	447,896,301
		<u>3,514,064,687</u>	<u>2,523,484,789</u>
NON-CURRENT LIABILITIES			
Long term loan	14	85,000,000	85,000,000
CURRENT LIABILITIES			
Trade and other payables	15	469,906,973	347,852,284
Short term loan	16	25,000,000	25,000,000
Interest accrued on long term loan		425,000	212,500
		<u>495,331,973</u>	<u>373,064,784</u>
		<u>4,094,396,660</u>	<u>2,981,549,573</u>
TOTAL FUND AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 26 form an integral part of these financial statements.


(CHAIRMAN)

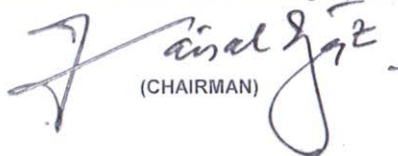

(MEMBER / SECRETARY)

PUNJAB VOCATIONAL TRAINING COUNCIL
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2015


	Note	2015 Rupees	2014 Rupees (Restated)
Income			
Tuition fee	18	1,101,044,099	963,277,236
Grants and donations	19	228,639,696	134,400,245
Return on saving accounts		55,334,726	26,937,176
Return on investments		67,344,797	70,153,920
Other income		11,036,173	15,097,940
		<u>1,463,399,491</u>	<u>1,209,866,517</u>
Expenditure			
Salaries, wages and other benefits		899,347,627	879,300,472
Security expenses		10,913,452	8,881,998
Repairs and maintenance *		52,313,324	21,684,055
Conveyance		10,518,809	9,738,628
Petrol, oil and lubricants		10,416,102	12,239,842
Postage and telephone		10,092,980	10,529,325
Utilities		30,748,323	31,939,002
Printing and stationery		18,089,161	15,980,791
Newspapers, books and periodicals		502,499	514,683
Insurance		18,214,884	21,554,455
Publicity and advertisement		6,699,855	5,230,408
Entertainment expenses		1,905,397	1,808,348
Examination fee		5,620,592	4,574,674
Legal and professional charges		1,067,656	462,735
Office supplies		1,430,459	1,267,401
Depreciation	4.1	111,308,012	95,690,962
Rent, rates and taxes		8,540,089	7,413,024
Auditors' remuneration		2,300,000	2,300,000
Liveries and uniform		11,737,109	10,554,624
Training and teaching material		7,021,688	5,008,617
Laboratory consumables		32,148,687	29,462,768
Receivables written off		180,000	-
Provision for doubtful MOZU fee / PSDF receivable		85,699,180	(18,241,413)
Bank charges		1,041,593	932,194
Miscellaneous		3,276,705	3,558,286
GIZ stipend		6,164,284	6,570,301
STTI charges		-	-
Supplies and services charges		-	-
		<u>1,347,298,467</u>	<u>1,168,956,180</u>
Excess of income over expenditure / (expenditure over income)		<u>✓ 116,101,024</u>	<u>✓ 40,910,337</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 26 form an integral part of these financial statements.


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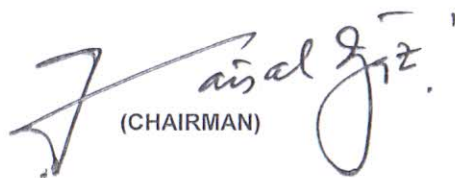



(MEMBER / SECRETARY)

PUNJAB VOCATIONAL TRAINING COUNCIL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 Rupees	2014 Rupees (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	(23)	(30,461,404)	(51,730,447)
Finance cost paid		(829,093)	(825,944)
Interest on saving accounts and investments received		116,589,332	78,763,674
Income tax paid		(12,503,164)	(5,979,200)
Net cash from operating activities		72,795,671	20,228,083
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(232,727,476)	(79,276,696)
Increase in long term deposits		(413,122)	(62,650)
Net cash used in investing activities		(233,140,598)	(79,339,346)
CASH FLOWS FROM FINANCING ACTIVITIES			
Grant received for establishment / rehabilitation of VTIs		1,030,196,163	664,653,675
Net cash from financing activities		1,030,196,163	664,653,675
Net increase in cash and cash equivalents		869,851,236	605,542,412
Cash and cash equivalents at the beginning of the year		1,193,164,138	587,621,726
Cash and cash equivalents at the end of the year	(10)	2,063,015,374	1,193,164,138

The annexed notes from 1 to 26 form an integral part of these financial statements.


(CHAIRMAN)


(MEMBER / SECRETARY)