


PAKISTAN RED CRESCENT SOCIETY PUNJAB PROVINCIAL BRANCH

AUDITORS' REPORT TO THE MANAGING COMMITTEE



We have audited the accompanying financial statements of **PAKISTAN RED CRESCENT SOCIETY PUNJAB PROVINCIAL BRANCH** which comprises the balance sheet as at December 31, 2014, the income and expenditure account, the cash flows statement and the statement of changes in accumulated funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Managing Committee 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 Managing Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the approved auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditor's 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 auditor 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 Managing Committee, as well as evaluating the overall presentation of the financial statements.

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

Opinion

The financial statements present fairly, in all material respects, the balance sheet of **PAKISTAN RED CRESCENT SOCIETY PUNJAB PROVINCIAL BRANCH** as at December 31, 2014, and its surplus, its cash flows and changes in accumulated funds for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Emphasis of matter

We draw attention to Note 13 of the financial statements which describes the uncertainty related to the outcome of the lawsuits filed by the Society. Our opinion is not qualified in this respect.

Date: 15 OCT 2015
Lahore



Horwath Hussain Chaudhury & Co.
Chartered Accountants

(Engagement Partner: Amin Ali)

**PAKISTAN RED CRESCENT SOCIETY
PUNJAB PROVINCIAL BRANCH**

BALANCE SHEET AS AT DECEMBER 31, 2014

	Note	2014 Rupees	2013 Rupees
Non-Current Assets			
Fixed Assets - at written down value	4	145,187,265	141,157,144
Capital work in progress	5	22,367,760	22,007,760
Long term investments	6	38,500,000	38,500,000
Long term security deposits		730,900	730,900
		206,785,925	202,395,804
Current Assets			
Stores and spares	7	5,701,398	14,096,569
Short term investments	8	27,000,000	27,000,000
Receivables	9	1,727,819	2,077
Advances and other receivables	10	7,564,796	4,456,770
Cash and bank balances	11	117,008,509	26,625,214
		159,002,522	72,180,630
Current Liabilities			
Payables	12	16,048,758	16,132,267
College fee received in advance		70,788,750	-
Rent received in advance		12,250,195	9,812,471
Accrued and other liabilities		260,899	123,617
		(99,348,602)	(26,068,355)
Net current assets		59,653,920	46,112,275
Contingencies and Commitments	13	-	-
NET ASSETS		<u>266,439,845</u>	<u>248,508,079</u>
REPRESENTED BY			
Accumulated Funds		<u>266,439,845</u>	<u>248,508,079</u>

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


CHAIRMAN


SECRETARY


HONY. TREASURER


MANAGER ACCOUNTS & FINANCE

**PAKISTAN RED CRESCENT SOCIETY
PUNJAB PROVINCIAL BRANCH**

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Note	2014 Rupees	2013 Rupees
Income			
Income from medical and dental college	14	47,248,199	41,252,887
Membership subscriptions, grants and donations	15	38,281,995	5,893,907
Rental income		20,160,085	17,651,236
Profit on investments / deposits	16	3,880,352	3,663,642
Prescription fee	17	3,770,811	3,175,971
Red Crescent week collections	18	-	1,824,560
Other income	19	3,831,720	2,958,384
		117,173,162	76,420,587
Expenditures			
Medical and dental college expenses	20	38,820,695	68,303,476
Grants, relief and services	21	26,047,443	10,770,028
Administrative expenses	22	14,812,357	12,920,023
Salaries and allowances	23	13,896,806	14,852,885
National Headquarters' share	24	2,947,525	203,984
Other operating expenses	25	2,716,570	2,449,573
		(99,241,396)	(109,499,969)
Surplus / (Deficit) Transferred to the Balance Sheet		<u>17,931,766</u>	<u>(33,079,382)</u>

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


CHAIRMAN


SECRETARY


HONY. TREASURER


MANAGER ACCOUNTS & FINANCE

**PAKISTAN RED CRESCENT SOCIETY
PUNJAB PROVINCIAL BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2014**

	2014 Rupees	2013 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / (deficit) for the year	17,931,766	(33,079,382)
Adjustments for:		
- Depreciation	9,201,736	6,782,588
- Liabilities written back	-	(400,000)
- Balances / stocks written off	1,032,886	1,447,083
- Provision for doubtful debts	421,246	-
- Donation in kind - income	(3,525,472)	(3,440,982)
- Donation in kind - expense	3,525,472	6,618,050
- Gain on disposal of fixed assets	(3,542,070)	(1,630,661)
	<u>7,113,798</u>	<u>9,376,078</u>
Operating surplus / (deficit) before working capital changes	25,045,564	(23,703,304)
Decrease / (increase) in current assets		
- Stores and spares	8,395,171	659,629
- Receivables	(2,758,628)	5,697,277
- Advances and other receivables	(3,529,272)	1,941,952
(Decrease) / increase in current liabilities		
- Payables	(83,509)	(5,015,797)
- College fee received in advance	70,788,750	-
- Rent received in advance	2,437,724	777,841
- Accrued and other liabilities	137,282	(448,353)
	<u>75,387,518</u>	<u>3,612,549</u>
Net Cash generated from / (used in) Operating Activities	100,433,082	(20,090,755)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(13,572,287)	(60,704,552)
Capital work in progress	(360,000)	43,729,248
Short term investments	-	(10,000,000)
Proceeds from disposal of fixed assets	3,882,500	2,779,781
Net Cash used in Investing Activities	(10,049,787)	(24,195,523)
Net Increase / (Decrease) in Cash and Cash Equivalents during the Year	90,383,295	(44,286,278)
Cash and cash equivalents at the beginning of the year	26,625,214	70,911,492
Cash and Cash Equivalents at the End of the Year	<u>117,008,509</u>	<u>26,625,214</u>

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

CHAIRMAN

SECRETARY

HONY. TREASURER

MANAGER ACCOUNTS & FINANCE

**PAKISTAN RED CRESCENT SOCIETY
PUNJAB PROVINCIAL BRANCH**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Accumulated fund - un-restricted
	Rupees
Balance as at 1 January 2013	281,587,461
Net deficit for the year	(33,079,382)
Balance as at 31 December 2013	248,508,079
Net surplus for the year	17,931,766
Balance as at 31 December 2014	266,439,845

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



CHAIRMAN



SECRETARY



HONY. TREASURER



MANAGER ACCOUNTS & FINANCE

**PAKISTAN RED CRESCENT SOCIETY
PUNJAB PROVINCIAL BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 1

Status and Operations

Pakistan Red Crescent Society, Punjab Provincial Branch is constituted under the Pakistan Red Crescent Society Act (XV of 1920) as amended up to February 1974. The principal activity of the Society is to provide humanitarian and voluntary services to mankind in war and peace. The registered office of the Society is situated at 2 - Shara-e-Fatima Jinnah, Lahore.

Note 2

Basis of Preparation**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with the "Guideline for Accounting and Financial Reporting for Non-government / Non-profit organisations" as issued by the Institute of Chartered Accountants of Pakistan.

2.2 Accounting convention

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

2.3 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable by the management under different circumstances. These estimates and related assumptions are reviewed on ongoing basis. Accounting estimates are revised in the period in which such revisions are made.

Significant management estimates in these financial statements relate to the useful life of fixed assets, provisions for doubtful receivables and slow moving and obsolete inventory. However, the management believes that the change in outcome of these estimates would not have a material effect on the amounts disclosed in the financial statements.

2.4 Financial and Presentation Currency

These financial statements are prepared and presented in Pak Rupees which is the Society's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest rupee, unless otherwise stated.

Note 3

Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied, unless stated otherwise.

3.1 Fixed assets

All fixed assets are stated at written down value except freehold land which is stated at cost.

Depreciation on fixed assets is charged using the reducing balance method at the rates specified in Note 4. Depreciation is provided on assets from the month of purchase, while no depreciation is provided for the month of disposal.

Note 3, Significant Accounting Policies - Continued...

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. All other repairs and maintenance costs are included in the income and expenditure account during the period in which they are incurred.

The Society reviews the useful lives of fixed assets on a regular basis. Any change in the management's estimates might affect the carrying amount of respective item of fixed assets, with a corresponding effect on the depreciation charge and impairment.

Fixed assets received as a donations or endowments are included in the fixed assets at fair value and a corresponding amount recognised in deferred income account. Such items are thereafter depreciated in accordance with the Society's policy and corresponding amounts are transferred from deferred income to the income and expenditure account.

Cost of any improvements in land is capitalised as part of the cost of land. In case of vested government land, the cost of improvement to land is not capitalised but treated as revenue expenditure. Cost of any structure build on donated land is capitalised separately.

Profit / (loss) on disposal of fixed assets is reflected in the current income. Major repairs and maintenance are capitalized while normal repairs and maintenance expenses are charged to income.

3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss.

3.3 Impairment

Carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount is the higher of the fair value less costs to sell and value in use. In the absence of any information about the fair value of a cash-generating unit, the recoverable amount is deemed to be the value in use.

3.4 Investments

These are stated at cost.

3.5 Stores, spares and stocks

These are valued at lower of cost and net realizable value. Cost is determined using first in first out basis. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

3.6 Receivables

Known bad debts are written off and provision is made for receivables considered doubtful, if any.

3.7 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at bank and short term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

3.8 Provisions

A provision is recognized in the financial statements when the Society has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Note 3, Significant Accounting Policies - Continued...

3.9 Retirement benefits

The Society in the year 1992 introduced General Provident Fund and Pension Fund Schemes as per the Punjab Government Rules for its employees. Employees make monthly contributions to the fund at the rate of 10% of basic salary. Employees are paid commutation and pension at and after the retirement of service.

3.10 Revenue recognition

The Society recognize its income as under:

- Membership subscriptions are accounted for on receipt basis.
- Donations in cash are accounted for on receipt basis.
- Donations in kind are recognised on fair value on receipt basis.
- Red Crescent week collections are accounted for on receipt basis.
- Profits on investments are accounted for on accrual basis.
- Rental income is accounted for on accrual basis.
- Fee from medical and dental college is accounted for on accrual basis.
- Grant including non-monetary grants at fair value are recognised only if the conditions for its receipts have been complied with and there is reasonable assurance that grant will be received. If there is no reasonable assurance that the donation or grant, or any part thereof, will be received recognition of such donation or grant, or part thereof, should be postponed and such donation or grant is recognised in the period in which reasonable assurance is obtained that the donation or grant will be received.

3.11 Foreign Currencies

Foreign currency transactions are translated at rates prevailing on the date of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pak rupees at exchange rates prevailing on the balance sheet date. Exchange differences, if any, are taken to income and expenditure account.

Note 4

Fixed Assets - Written Down Value

Particulars	Note	Written Down Value				Depreciation Rate	For the Year	As at December 31, 2014
		As at January 1, 2014	Additions	Disposals / Adjustments	As At 31-12-2014			
		Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees
Land								
Shahalam Market - Freehold		2,533,600	-	-	2,533,600	-	-	2,533,600
Dena Nath - Freehold		29,389,925	-	-	29,389,925	-	-	29,389,925
Buildings								
R.C House office on leasehold land	4.1	3,395,196	103,606	-	3,498,802	5	169,760	3,329,042
R.C Training Centre, Murree on leasehold land	4.1	1,979,606	-	-	1,979,606	5	98,980	1,880,626
R.C House Shahalam Market on freehold land		646,993	-	-	646,993	5	32,350	614,643
R.C Complex Dena Nath - Freehold land		59,709,813	1,670,004	-	61,379,817	5	3,016,928	58,362,889
R.C warehouse Gujranwala on freehold donated land		363,422	-	-	363,422	5	18,171	345,251
Plant and equipment								
Electric installation		3,266,794	-	-	3,266,794	10	326,679	2,940,115
Sui gas installation		27,276	-	-	27,276	10	2,728	24,548
Computers and accessories		517,074	7,100	-	524,174	30	156,365	367,809
Office equipment		8,255,838	3,042,147	-	11,297,985	10	976,609	10,321,376
Blood donor service		219,324	-	-	219,324	10	21,932	197,392
Clinical laboratory		25,669	-	-	25,669	5	1,283	24,386
Maternity hospital		373,016	-	-	373,016	10	37,302	335,714
Eye department		193,055	-	-	193,055	10	19,306	173,749
Red Crescent M.C.H. Centre, Murree		962,954	-	-	962,954	10	96,295	866,659
Red Crescent Thalassemia Centre		17,950	-	-	17,950	10	1,795	16,155
Ultra sound machine		5,115,508	-	-	5,115,508	10	511,551	4,603,957
Red Crescent Medical and Dental College		15,493,452	1,940,000	-	17,433,452	10	1,718,845	15,714,607
Furniture and fixture								
Office		360,522	109,170	-	469,692	10	41,424	428,268
Blood donor service		8,363	-	-	8,363	10	836	7,527
Red Crescent Training Centre, Murree		113,954	-	-	113,954	10	11,395	102,559
Red Crescent Complex Dena Nath		114,458	-	-	114,458	10	11,446	103,012
Red Crescent Medical and Dental College		1,795,414	1,048,590	-	2,844,004	10	231,971	2,612,033
Vehicles / Ambulances		6,277,968	5,651,670	(340,430)	11,589,208	20	1,697,785	9,891,423
Total Rupees 2014		<u>141,157,144</u>	<u>13,572,287</u>	<u>(340,430)</u>	<u>154,389,001</u>		<u>9,201,736</u>	<u>145,187,265</u>
Total Rupees 2013		<u>88,384,301</u>	<u>60,704,552</u>	<u>(1,149,121)</u>	<u>147,939,732</u>		<u>6,782,588</u>	<u>141,157,144</u>

4.1 The Society possess leasehold land, for 99 years, measuring 0.706 acres in Lahore for Provincial Headquarter and 8 kanals and 4 marlas in Murree for Red Crescent Training Centre. The remaining lease period as on December 31, 2014 is 52 years (2013: 53 years) for both leases.

Note 5
Capital Work in Progress

	Note	2014 Rupees	2013 Rupees
Building under construction:			
- Red Crescent Complex Dena Nath - on freehold land		-	45,616,829
- Additions during the year		-	40,000
- Transfer of fixed assets		-	(45,656,829)
- Red Crescent Thalassaemia centre - on leasehold land		22,007,760	22,007,760
- Design consultancy fee for blood donor centre		360,000	-
		<u>22,367,760</u>	<u>22,007,760</u>

Note 6
Long Term Investments - at cost

	2014 Rupees	2013 Rupees
Innovative Investment Bank Limited	<u>38,500,000</u>	<u>38,500,000</u>

6.1 This represents investment in Innovative Investment Bank Limited (formerly Crescent Standard Investment Bank Limited). The investment matured on July 29, 2011 and carried mark up at 7% per annum. The Society has not been paid any amount by the Bank as per schedule and consequently the Society filed a case for recovery from the bank.

6.2 The Honorable Lahore High Court through an order dated February 08, 2011 passed an interim decision admitting the claim of Pakistan Red Crescent Society to the extent of Rs. 50,842,152.

6.3 The Managing Committee, wide its resolution dated June 22, 2013, has resolved to initiate the proceedings to implement the decree of Honorable Lahore High Court on priority basis to liquidate the property of the bank and recover the amount admitted by the Court. The proceedings have been initiated.

Note 7
Stores and Spares

	2014 Rupees	2013 Rupees
General stores and spares	<u>5,701,398</u>	<u>14,096,569</u>

Note 8
Short Term Investments - at cost

	Maturity	Effective Yield	2014 Rupees	2013 Rupees
The Bank of Punjab	19/01/2015	9.30%	17,000,000	17,000,000
The Bank of Punjab	25/11/2015	9.00%	10,000,000	10,000,000
			<u>27,000,000</u>	<u>27,000,000</u>

Note 9
Receivables

	2014 Rupees	2013 Rupees
Receivable from:		
- Sundry debts	-	2,077
- College fee	1,727,819	-
	<u>1,727,819</u>	<u>2,077</u>

Note 10

Advances and Other Receivables

	Note	2014 Rupees	2013 Rupees
Advances to employees against expenses (Unsecured)			
- Considered good	10.1	5,009,115	613,502
- Considered doubtful		394,904	-
		5,404,019	613,502
Less: Provision for doubtful debts		(394,904)	-
		5,009,115	613,502
Advances to employees against salaries (Unsecured)			
- Considered good		15,040	133,473
- Considered doubtful		26,342	-
		41,382	133,473
Less: Provision for doubtful debts		(26,342)	-
		15,040	133,473
Advances against expenses and salaries		5,024,155	746,975
Rental receivable		1,032,031	2,105,897
Profit accrued on investments / deposits		1,508,610	1,603,898
		7,564,796	4,456,770

10.1 This amount includes Rs. 2,576,177 given to Dr. Tahir to meet construction and daily expenses at Medical and Dental College and Hospital at Dina Nath.

Note 11

Cash and Bank Balances

	2014 Rupees	2013 Rupees
Cash in hand	211,077	69,340
Cash at banks in:		
- Current accounts	348,040	348,040
- Saving accounts	116,449,392	26,207,834
	117,008,509	26,625,214

Note 12

Payables

	2014 Rupees	2013 Rupees
Payable to:		
- National Headquarter		
Opening balance	5,679,016	5,742,040
Share of current year (refer to note 24)	2,947,525	203,984
Payment made during the year	-	(267,008)
	8,626,541	5,679,016
- Trade and other payables	7,422,217	10,453,251
	16,048,758	16,132,267

Note 13

Contingencies and Commitments

Contingencies

Following cases has been filed by the Society but no material unfavorable outcome is expected. (2013: Nil).

- Investment in Innovative Investment Bank Limited amounting to Rs. 38,500,000.
- Litigation with PMDC for admission in Medical and Dental College Dina Nath.

Commitments

Commitments / contracts for PESSI affiliation fee outstanding as at the balance sheet date amount to Rs. Nil (2013: Rs. 5.5 M).

Note 14

Income from Dena Nath Medical College and Training College

	Note	2014 Rupees	2013 Rupees
Medical college tuition fee	14.1	45,768,251	38,464,000
University of Health and Sciences Fee		1,064,000	373,500
Hostel rent		333,000	640,500
Miscellaneous income		82,948	1,774,887
		<u>47,248,199</u>	<u>41,252,887</u>

14.1 One hundred new students enrolled in Pakistan Red Crescent Medical and Dental college in MBBS during the year tuition fee of which amounting to Rs. 94.3 million (2013: Nil)

Note 15

Membership Subscriptions, Grants and Donations

	Note	2014 Rupees	2013 Rupees
Membership Subscriptions:			
- Provincial Headquarter		77,800	125,000
Grants - net:			
- Pakistan Red Crescent Society, National Headquarter			
- Receipts	15.1	5,058,868	10,020,460
- Payments	15.2	(5,229,001)	(13,599,570)
		(170,133)	(3,579,110)
ICRC Law and Fundamental Procedures - Receipts		3,400,000	33,780
Donations:			
- In kind	15.3	3,525,472	3,440,982
- In cash		341,763	90,277
- For special purposes - In cash	15.4	29,397,450	2,540,713
		33,264,685	6,071,972
- Sale of donation tickets		1,709,643	3,242,265
		<u>38,281,995</u>	<u>5,893,907</u>

15.1 This includes grant received for flood affectees.

15.2 This includes salaries of project staff and meeting and conference expenses amounting to Rs. 4,866,208 (2013: Rs. 11,865,447)

15.3 This represents vehicles, tents, medicines and other items of daily consumption etc. that are valued by management on estimated basis. All these donations are distributed during the year.

15.4 This represents donations received for flood affectees, thalassemia patients and IDPs of Swat, Dir and Malakand etc.

Note 16

Profit on Investments / Deposits

	2014 Rupees	2013 Rupees
Short term investments	2,516,946	1,693,980
Saving accounts	1,363,406	1,969,662
	<u>3,880,352</u>	<u>3,663,642</u>

Note 17

Prescription Fee

	2014	2013
	Rupees	Rupees
Red Crescent Complex, Dena Nath	2,841,272	2,451,521
Red Crescent Dispensary, Walton and Shadi Pura	111,124	115,520
Red Crescent Centre, PHQ Lahore	73,960	5,020
Hire of ambulances	61,391	133,520
Income from first aid training	642,734	140,870
Blood screening income	40,330	329,520
	<u>3,770,811</u>	<u>3,175,971</u>

Note 18

Red Crescent Week Collections

	2014	2013
	Rupees	Rupees
General collections:		
- 2013	-	1,289,560
- 2011	-	540,000
25% Share from district branches	-	1,829,560
Expenses for the year	-	1,829,560
	-	(5,000)
	<u>-</u>	<u>1,824,560</u>

Note 19

Other Income

	2014	2013
	Rupees	Rupees
Liabilities written back	-	400,000
Gain on disposal of property, plant and equipment	3,542,070	1,630,661
Miscellaneous receipts	289,650	927,723
	<u>3,831,720</u>	<u>2,958,384</u>

Note 20

Hospital and Medical and Dental College Expenses

	2014	2013
	Rupees	Rupees
Salaries and other benefits	29,287,713	55,296,407
Academic session held at Allama Iqbal Medical College Lahore	390,000	-
Transportation expenses	1,515,885	1,627,980
Fee and subscription expenses	-	6,051,500
Utilities	1,548,485	1,320,776
Fuel expenses	1,294,389	2,012,664
Repairs and maintenance	772,262	492,213
Rent rate and taxes - boys hostel	220,000	199,625
Laboratory consumable	660,277	4,950
Printing and stationary expenses	88,938	76,800
Advertisement expenses	532,170	228,982
Medicine Consumed in hospital	2,035,380	261,451
X-Ray expenses	177,212	-
Telephone and postage charges	1,575	6,202
Entertainment expenses	138,004	66,967
Miscellaneous	158,405	656,959
	<u>38,820,695</u>	<u>68,303,476</u>

Note 21

Grants, Relief and Services

	Note	2014 Rupees	2013 Rupees
Grants:			
- Chairman discretionary		8,000	10,000
Relief:			
- Disease and disaster	21.1	14,617,149	127,830
- Packing and forwarding expenses		1,846,008	132,353
- Donations in kind		3,525,472	6,618,050
- Seminar on safe drinking water		79,500	-
		20,068,129	6,878,233
Services:			
- Blood donor service			
Salaries and allowances		1,569,979	819,303
Printing and stationery		12,000	11,000
Telephone		4,800	4,125
Repairs and maintenance		23,695	19,643
Transport		2,100	1,675
Entertainment		28,740	29,967
Cost of blood bags, chemicals and medicines		500,940	293,128
Miscellaneous		83,332	89,869
		2,225,586	1,268,710
- Thalassemia centre expenses			
Repairs and maintenance		14,990	-
Entertainment		94,585	-
Medicines consumed		113,474	68,856
Miscellaneous		33,121	47,296
		256,170	116,152
- Red Crescent Dispensary, PHQ, Lahore			
Salaries and allowances		1,662,294	515,905
Medicines consumed		1,813,177	1,970,976
		3,475,471	2,486,881
- Miscellaneous		14,087	10,052
		<u>26,047,443</u>	<u>10,770,028</u>

21.1 Food packets were distributed during the year to the flood affecties, IDPs and Thar victims in the affected areas of different districts like Sheikhpura, Khushab, Saikot, Thar etc. (2013: Nil).

Note 22

Administrative Expenses

	Note	2014 Rupees	2013 Rupees
Travelling:			
- Secretary		67,377	258,820
- Field staff		38,411	43,940
- General		58,235	208,178
		<u>164,023</u>	<u>510,938</u>
Printing and stationery		319,625	264,684
Postage and telegram		94,325	151,863
Telephone		340,444	277,712
Electricity		441,366	479,209
Water and gas		149,898	155,545
Entertainment expenses		193,637	19,493
Repairs and maintenance - vehicles		531,951	361,520
Repairs and maintenance - building and office equipment		810,440	330,617
Fuel expenses		1,092,171	2,078,974
First aid training expenses		269,215	257,210
Legal charges		564,000	431,100
AGM expense		-	150,500
Red Crescent Training Centre, Murree		161,056	111,537
Boarding and lodging		59,333	-
Red Crescent House expenses		86,862	143,841
Miscellaneous		332,275	412,692
Depreciation	4	9,201,736	6,782,588
		<u>14,812,357</u>	<u>12,920,023</u>

Note 23

Salaries and Allowances

	2014 Rupees	2013 Rupees
Staff salaries:		
- General	4,063,106	3,926,696
- Touring	1,694,312	1,620,550
- Red Crescent Warehouse - Gujranwala	-	130,962
- Red Crescent House - General	2,141,571	1,452,295
- Public relations officer	530,323	382,327
	<u>8,429,312</u>	<u>7,512,830</u>
- Pension and commutation	5,464,494	6,338,077
- Annual special pay	3,000	1,001,978
	<u>5,467,494</u>	<u>7,340,055</u>
	<u>13,896,806</u>	<u>14,852,885</u>

Note 24

National Headquarters' Share

	Note	2014 Rupees	2013 Rupees
10% Share of:			
- Membership subscription of provincial headquarters		7,780	12,500
- Red Crescent week collections		-	182,456
- Donations in cash		2,939,745	9,028
	12	<u>2,947,525</u>	<u>203,984</u>

Note 25
Other Operating Expenses

	2014	2013
	Rupees	Rupees
Audit Fee:		
- Special Audit	-	349,600
- Statutory Audit	85,000	85,000
	<u>85,000</u>	<u>434,600</u>
Publicity and advertisement	698,585	96,263
Provision for doubtful debts	421,246	-
Bank charges	478,853	471,627
Balances written off	1,032,886	1,079
Stocks written off	-	1,446,004
	<u>2,716,570</u>	<u>2,449,573</u>

Note 26
Number of Employees

	2014	2013
	Number	Number
Employees as at December 31, 2014	<u>134</u>	<u>114</u>

Note 27
Date of Authorization for Issue

These financial statements have been authorized for issue by the Management Committee of the Society on 15 OCT 2015

Note 28
General

Comparative figures are re-arranged / re-classified, where necessary, to facilitate comparison. Following rearrangements have been made in these financial statements for better presentation of the financial statements:

From	Amount To (Rupees)	Amount (Rupees)
Hospital and Medical and Dental College Expenses (Note 20)	(605,575) Salaries and Allowances (Note 23)	605,575

CHAIRMAN

SECRETARY

HONY. TREASURER

MANAGER ACCOUNTS & FINANCE