

**Auditors' Report  
of**

**PAKISTAN RED  
CRESCENT SOCIETY  
PUNJAB PROVINCIAL ZONE**

**for the year ended  
December 31, 2015**

## 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, 2015, the income and expenditure account, the cash flow 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**

In our 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, 2015, and its surplus, its cash flows and the changes in accumulated funds for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

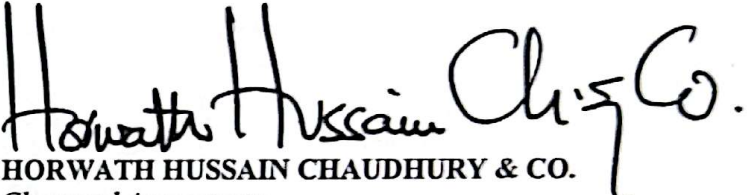
**Emphasis of matter**

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 respect of this matter.

LAHORE

Dated:

02 DEC 2016

  
HORWATH HUSSAIN CHAUDHURY & CO.  
Chartered Accountants

(Engagement Partner: Amin Ali)



**PAKISTAN RED CRESCENT SOCIETY  
PUNJAB PROVINCIAL BRANCH**

**BALANCE SHEET AS AT DECEMBER 31, 2015**

	Note	2015 Rupees	2014 Rupees
<b>Non-Current Assets</b>			
Fixed Assets - at written down value	4	139,416,748	145,187,265
Capital work in progress	5	58,104,365	22,367,760
Long term investments	6	38,500,000	38,500,000
Long term security deposits		780,900	730,900
		<b>236,802,013</b>	<b>206,785,925</b>
<b>Current Assets</b>			
Stores and spares	7	7,382,722	5,701,398
Short term investments	8	27,000,000	27,000,000
Receivables	9	13,621,687	1,727,819
Advances and other receivables	10	6,582,951	7,564,796
Cash and bank balances	11	67,323,541	117,008,509
		<b>121,910,901</b>	<b>159,002,522</b>
<b>Current Liabilities</b>			
Payables	12	12,232,504	16,048,758
College fee received in advance		23,218,872	70,788,750
Rent received in advance		11,603,117	12,250,195
Accrued and other liabilities		303,299	260,899
		<b>(47,357,792)</b>	<b>(99,348,602)</b>
Net current assets		<b>74,553,109</b>	<b>59,653,920</b>
Contingencies and Commitments	13	-	-
<b>NET ASSETS</b>		<b>311,355,122</b>	<b>266,439,845</b>
<b>REPRESENTED BY</b>			
<b>Accumulated Funds</b>		<b>311,355,122</b>	<b>266,439,845</b>

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

CHAIRMAN

SECRETARY

HONORARY  
TREASURER

MANAGER ACCOUNTS  
& FINANCE

**PAKISTAN RED CRESCENT SOCIETY  
PUNJAB PROVINCIAL BRANCH**

**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Note	2015 Rupees	2014 Rupees
<b>Income</b>			
Income from medical and dental college	14	95,445,852	47,248,199
Membership subscriptions, grants and donations	15	7,857,326	38,281,995
Rental income		28,823,208	20,160,085
Profit on investments / deposits	16	5,086,165	3,880,352
Prescription fee	17	4,547,016	3,770,811
Other income	18	546,711	3,831,720
		142,306,278	117,173,162
<b>Expenditures</b>			
Medical and dental college expenses	19	60,291,931	38,820,695
Grants, relief and services	20	5,929,409	26,047,443
Administrative expenses	21	15,957,328	14,812,357
Salaries and allowances	22	14,380,389	13,896,806
National Headquarters' share	23	19,480	2,947,525
Other operating expenses	24	812,464	2,716,570
		(97,391,001)	(99,241,396)
<b>Surplus Transferred to Accumulated Fund</b>		<u>44,915,277</u>	<u>17,931,766</u>

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

  
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**PAKISTAN RED CRESCENT SOCIETY  
PUNJAB PROVINCIAL BRANCH**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	2015 Rupees	2014 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus for the year	44,915,277	17,931,766
Adjustments for:		
- Depreciation	9,161,237	9,201,736
- Balances / stocks written off	-	1,032,886
- Provision for doubtful debts	-	421,246
- Donation in kind - income	-	(3,525,472)
- Donation in kind - expense	-	3,525,472
- Advance fee income from previous year	(70,788,750)	-
- Gain on disposal of fixed assets	(345,000)	(3,542,070)
	<u>(61,972,513)</u>	<u>7,113,798</u>
<b>Operating (deficit) / surplus before working capital changes</b>	<b>(17,057,236)</b>	<b>25,045,564</b>
Decrease / (increase) in current assets		
- Stores and spares	(1,681,324)	8,395,171
- Receivables	(11,893,868)	(2,758,628)
- Advances and other receivables	981,845	(3,529,272)
(Decrease) / increase in current liabilities		
- Payables	(3,816,254)	(83,509)
- College fee received in advance	23,218,872	70,788,750
- Rent received in advance	(647,078)	2,437,724
- Accrued and other liabilities	42,400	137,282
	<u>6,204,593</u>	<u>75,387,518</u>
<b>Net Cash (Used in) / Generated from Operating Activities</b>	<b>(10,852,643)</b>	<b>100,433,082</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(3,391,620)	(13,572,287)
Capital work in progress	(35,736,605)	(360,000)
Long term deposits	(50,000)	-
Proceeds from disposal of fixed assets	345,900	3,882,500
<b>Net Cash Used In Investing Activities</b>	<b>(38,832,325)</b>	<b>(10,049,787)</b>
<b>Net (Decrease) / Increase In Cash and Cash Equivalents during the Year</b>	<b>(49,684,968)</b>	<b>90,383,295</b>
Cash and cash equivalents at the beginning of the year	117,008,509	26,625,214
<b>Cash and cash equivalents at the end of the year</b>	<b><u>67,323,541</u></b>	<b><u>117,008,509</u></b>

  
CHAIRMAN

  
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**PAKISTAN RED CRESCENT SOCIETY  
PUNJAB PROVINCIAL BRANCH**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Accumulated fund - un-restricted Rupees</b>
<b>Balance as at December 31, 2013</b>	248,508,079
Net surplus for the year	17,931,766
<b>Balance as at December 31, 2014</b>	266,439,845
Net surplus for the year	44,915,277
<b>Balance as at December 31, 2015</b>	<u><u>311,355,122</u></u>

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

  
CHAIRMAN

  
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**PAKISTAN RED CRESCENT SOCIETY  
PUNJAB PROVINCIAL BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**Note 1**

**Status and Operations**

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Pakistan Red Crescent Society, Punjab Provincial Branch was 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 operating fixed assets, provisions for doubtful receivables, loss on investments 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**

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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 Operating fixed assets**

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

Fixed assets received as a donations or endowments are recognized at fair value and a corresponding amount is 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 Society'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. However, in the absence of any actuarial valuation no provision as to liability for pension and related benefits is incorporated in these financial statements and the related expense is recorded on cash payment basis.

**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 receipt basis and recognized in income and expenditure account on time proportionate 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 Translations in Foreign Currency**

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 the income and expenditure account.



Note 4  
Fixed Assets - Written Down Value

Particulars	Note	Written Down Value			As At 31-12-2015 Rupees	Depreciation		As at December 31, 2015 Rupees
		As at January 1, 2015 Rupees	Additions Rupees	Disposals / Adjustments Rupees		Rate %	For the Year Rupees	
<b>Land</b>								
Shahalam Market - Freehold		2,533,600	-	-	2,533,600	-	-	2,533,600
Dena Nath - Freehold		29,389,925	-	-	29,389,925	-	-	29,389,925
<b>Buildings</b>								
R.C House office on leasehold land	4.1	3,329,042	873,437	-	4,202,479	5	166,452	4,036,027
R.C Training Centre, Murree on leasehold land	4.1	1,880,626	-	-	1,880,626	5	94,031	1,786,595
R.C House Shahalam Market on freehold land		614,643	-	-	614,643	5	30,732	583,911
R.C Complex Dena Nath - Freehold land		58,362,889	264,350	-	58,627,239	5	2,918,144	55,709,095
R.C warehouse Gujranwala on freehold donated land		345,251	-	-	345,251	5	17,263	327,988
<b>Plant and equipment</b>								
Electric installation		2,940,115	-	-	2,940,115	10	294,012	2,646,103
Sui gas installation		24,548	-	-	24,548	10	2,455	22,093
Computers and accessories		367,809	8,000	-	375,809	30	110,343	265,466
Office equipment		10,321,376	83,840	-	10,405,216	10	1,032,138	9,373,078
Blood donor service		197,392	-	-	197,392	10	19,739	177,653
Clinical laboratory		24,386	-	-	24,386	5	1,219	23,167
Maternity hospital		335,714	-	-	335,714	10	33,571	302,143
Eye department		173,749	-	-	173,749	10	17,375	156,374
Red Crescent M.C.H. Centre, Murree		866,659	308,184	-	1,174,843	10	86,666	1,088,177
Red Crescent Thalassemia Centre		16,155	-	-	16,155	10	1,616	14,539
Ultra sound machine		4,603,957	-	-	4,603,957	10	460,396	4,143,561
Red Crescent Medical and Dental College		15,714,607	301,275	(300)	16,015,582	10	1,571,461	14,444,121
<b>Furniture and fixture</b>								
Office		428,268	6,800	-	435,068	10	42,827	392,241
Blood donor service		7,527	-	-	7,527	10	753	6,774
Red Crescent Training Centre, Murree		102,559	-	-	102,559	10	10,256	92,303
Red Crescent Complex Dena Nath		103,012	1,176,055	(600)	1,278,467	10	10,301	1,268,166
Red Crescent Medical and Dental College		2,612,033	301,380	-	2,913,413	10	261,203	2,652,210
<b>Vehicles / Ambulances</b>								
		9,891,423	68,299	-	9,959,722	20	1,978,285	7,981,438
<b>Total Rupees 2015</b>		<u>145,187,265</u>	<u>3,391,620</u>	<u>(900)</u>	<u>148,577,985</u>		<u>9,161,237</u>	<u>139,416,748</u>
<b>Total Rupees 2014</b>		<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>

4.1 The Society possess 99 years' rights of use for the leasehold land 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, 2015 is 51 years (2014: 52 years) for both leases.



Note 5  
Capital Work In Progress

	Note	2015 Rupees	2014 Rupees
Building under construction:			
- Additions during the year		32,741,111	-
- Red Crescent Thalassemia Centre - on leasehold land		25,003,254	22,007,760
- Design consultancy fee for Blood Donor Centre		360,000	360,000
		<u>58,104,365</u>	<u>22,367,760</u>

Note 6  
Long Term Investments - at cost

	2015 Rupees	2014 Rupees
Innovative Investment Bank Limited	<u>38,500,000</u>	<u>38,500,000</u>

6.1 This represents the cost of investments made in Regular Income Certificates and Term Deposit Certificates issued by the then Crescent Standard Investment Bank Limited, carrying markup at rates of 8.5% and 11.25%, respectively. Pursuant to merger of Crescent Standard Investment Bank Limited into Innovative Investment Bank Limited such investments were replaced by fresh Certificates of Deposits carrying markup at 7% per annum and maturing earliest by July 29, 2009. Upon such maturity, the principal as well as the accrued markup thereon was not paid to the Society, which therefore filed a recovery suit for these amounts.

6.2 During the proceedings mentioned in Note 6.1 above, the Honorable Lahore High Court, through an order dated February 08, 2011, has passed an interim decree of Rs. 50,842,152 in favour of the Society. The satisfaction of the decree through attachment and sale of Bank's property was not effected owing to the pendency of winding up proceedings of the investee bank in another Court. However, the management intends to pursue the original recovery suit and is hopeful for favourable outcome.

Note 7  
Stores and Spares

	2015 Rupees	2014 Rupees
General stores and spares	<u>7,382,722</u>	<u>5,701,398</u>

Note 8  
Short Term Investments - at Cost

	Maturity	Effective Yield	2015 Rupees	2014 Rupees
The Bank of Punjab	19/01/2016	8.50%	17,000,000	17,000,000
The Bank of Punjab	25/11/2016	8.50%	10,000,000	10,000,000
			<u>27,000,000</u>	<u>27,000,000</u>

Note 9  
Receivables

	Note	2015 Rupees	2014 Rupees
College fee	9.1	<u>13,621,687</u>	<u>1,727,819</u>

9.1 This includes Rs. 3,931,852 (2014:Nil) on account of Detention Fee receivable from students, that has been charged in accordance with College Rules. Such amount has been accounted for on time proportionate basis.

Note 10

Advances and Other Receivables

	2015	2014
	Rupees	Rupees
Advances to employees against expenses (Unsecured)	4,510,569	5,009,115
- Considered good	-	394,904
- Considered doubtful	4,510,569	5,404,019
Less: Provision for doubtful debts	-	(394,904)
	<u>4,510,569</u>	<u>5,009,115</u>
Advances to employees against salaries (Unsecured)	102,941	15,040
- Considered good	-	26,342
- Considered doubtful	102,941	41,382
Less: Provision for doubtful debts	-	(26,342)
	<u>102,941</u>	<u>15,040</u>
Advances against expenses and salaries	4,613,510	5,024,155
Rent receivable	1,032,031	1,032,031
Profit accrued on investments / deposits	937,410	1,508,610
	<u>6,582,951</u>	<u>7,564,796</u>

Note 11

Cash and Bank Balances

	2015	2014
	Rupees	Rupees
Cash in hand	551,697	211,077
Cash at banks in:		
- Current accounts	348,040	348,040
- Savings accounts	66,423,804	116,449,392
	<u>67,323,541</u>	<u>117,008,509</u>

Note 12

Payables

	2015	2014
	Rupees	Rupees
Payable to:		
- National Headquarter		
Opening balance	8,626,541	5,679,016
Share of current year (refer to note 23)	19,480	2,947,525
	<u>8,646,021</u>	<u>8,626,541</u>
- Trade and other payables	3,586,483	7,422,217
	<u>12,232,504</u>	<u>16,048,758</u>

Note 13

Contingencies and Commitments

Contingencies

- As mentioned in Note 6, the Society owes the decretal amount of Rs. 50.842 million from Innovative Investment Bank Limited through Interim decree order issued by the Honourable Lahore High Court, Lahore.
- The Honourable Lahore High Court, Lahore has allowed Pakistan Red Crescent Medical and Dental College to continue with accepting admissions from students on an interim basis. However, the final list of admissions shall be subject to final decision by the Honorable Court, which matter is pending for further adjudication.

Commitments

There are no material contingencies and commitments outstanding as at the balance sheet date (2014:Nil).



Note 14

**Income from Dena Nath Medical College and Training College**

	Note	2015 Rupees	2014 Rupees
Medical college tuition fee	14.1 & 14.2	95,387,282	45,768,251
University of Health and Sciences fee		10,000	1,064,000
Hostel rent		48,000	333,000
Miscellaneous		570	82,948
		<u>95,445,852</u>	<u>47,248,199</u>

14.1 The medical college fee includes Rs.70.89 million received in previous year as advance fee.

14.2 Students enrolled in Medical College as on December 31, (Number) 131 148

Note 15

**Membership Subscriptions, Grants and Donations**

	Note	2015 Rupees	2014 Rupees
<b>Membership Subscriptions:</b>			
- Provincial Headquarter		1,700	77,800
<b>Grants - net:</b>			
- Pakistan Red Crescent Society, National Headquarter			
- Receipts	15.1	1,830,900	5,058,868
- Payments	15.2	(4,861,768)	(5,229,001)
		(3,030,868)	(170,133)
ICRC Law and Fundamental Procedures - Receipts		4,046,420	3,400,000
<b>Donations:</b>			
- In kind	15.3	-	3,525,472
- In cash		2,963,380	341,763
- For special purposes - In cash	15.4	193,100	29,397,450
		3,156,480	33,264,685
- Sale of donation tickets		3,683,594	1,709,643
		<u>7,857,326</u>	<u>38,281,995</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. 1,058,676 (2014: Rs. 4,866,208)

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**

	2015 Rupees	2014 Rupees
Short term investments	1,832,630	2,516,946
Saving accounts	3,253,535	1,363,406
	<u>5,086,165</u>	<u>3,880,352</u>



Note 17

**Prescription Fee**

	<b>2015</b>	<b>2014</b>
	Rupees	Rupees
Red Crescent Complex, Dena Nath	3,728,522	2,841,272
Red Crescent Dispensary, Walton and Shadi Pura	62,960	111,124
Red Crescent Centre, PHQ Lahore	18,914	73,960
Hire of ambulances	-	61,391
Income from first aid training	735,250	642,734
Blood screening income	1,370	40,330
	<u>4,547,016</u>	<u>3,770,811</u>

Note 18

**Other Income**

	<b>2015</b>	<b>2014</b>
	Rupees	Rupees
Gain on disposal of property, plant and equipment	345,000	3,542,070
Miscellaneous receipts	201,711	289,650
	<u>546,711</u>	<u>3,831,720</u>

Note 19

**Hospital and Medical and Dental College Expenses**

	<b>2015</b>	<b>2014</b>
	Rupees	Rupees
Salaries and other benefits	42,594,867	29,287,713
Academic session held at Allama Iqbal Medical College Lahore	1,828,800	390,000
Transportation	1,878,151	1,515,885
Fees and subscription	3,531,000	-
Utilities	2,112,456	1,548,485
Fuel expenses	2,310,887	1,294,389
Repairs and maintenance	1,133,756	772,262
Rent rate and taxes - boys hostel	300,000	220,000
Laboratory consumable	-	660,277
Printing and stationery	564,595	88,938
Advertisement	38,261	532,170
Medicine consumed in hospital	1,841,502	2,035,380
X-Ray expenses	2,791	177,212
Telephone and postage charges	43,694	1,575
Entertainment	725,336	138,004
Laundry	274,474	-
Punjab Health Care	25,000	-
Per diems of participants	108,185	-
Sports week celebration	393,000	-
Miscellaneous	585,176	158,405
	<u>60,291,931</u>	<u>38,820,695</u>

Note 20

Grants, Relief and Services

	Note	2015 Rupees	2014 Rupees
<b>Grants:</b>			
- Chairman discretionary		-	8,000
<b>Relief:</b>			
- Disease and disaster	20.1	3,299,040	14,617,149
- Packing and forwarding expenses		-	1,846,008
- Donations in kind		-	3,525,472
- Seminar on safe drinking water		-	79,500
		3,299,040	20,068,129
<b>Services:</b>			
- Blood donor service			
Salaries and allowances		1,547,951	1,569,979
Printing and stationery		66,753	12,000
Telephone		-	4,800
Repairs and maintenance		-	23,695
Transport		15,590	2,100
Entertainment		81,051	28,740
Cost of blood bags, chemicals and medicines		-	500,940
Miscellaneous		51,032	83,332
		1,762,377	2,225,586
- Thalassemia centre expenses			
Repairs and maintenance		125,000	14,990
Entertainment		-	94,585
Medicines consumed		13,205	113,474
Medical instruments		-	-
Miscellaneous		17,580	33,121
		155,785	256,170
- Red Crescent Dispensary, PHQ, Lahore			
Salaries and allowances		706,452	1,662,294
Medicines consumed		620	1,813,177
		707,072	3,475,471
- Miscellaneous		5,135	14,087
		<u>5,929,409</u>	<u>26,047,443</u>

**20.1** Food packets were distributed during the year to the flood affectees, IDPs and Thar victims in the affected areas of different districts like Sheikhpura, Khushab, Sailkot, Thar etc.

Note 21

Administrative Expenses

	Note	2015 Rupees	2014 Rupees
Travelling:			
- Secretary		116,918	67,377
- Field staff		76,370	38,411
- General		191,790	58,235
		<u>385,078</u>	<u>164,023</u>
Printing and stationery		218,591	319,625
Postage and telegram		105,748	94,325
Telephone		377,040	340,444
Electricity		375,911	441,366
Water and gas		207,140	149,898
Entertainment expenses		204,382	193,637
Repairs and maintenance - vehicles		342,039	531,951
Repairs and maintenance - building and office equipment		967,801	810,440
Fuel expenses		897,941	1,092,171
First aid training expenses		349,155	259,215
Legal charges		1,681,807	564,000
Red Crescent Training Centre, Murree		259,876	161,056
Boarding and lodging		-	59,333
Red Crescent House expenses		102,614	86,862
Transport		41,490	-
Miscellaneous		279,478	332,275
Depreciation	4	<u>9,161,237</u>	<u>9,312,263</u>
		<u>15,957,328</u>	<u>14,922,884</u>

Note 22

Salaries and Allowances

	2015 Rupees	2014 Rupees
Staff salaries:		
- General	6,344,905	4,063,106
- Touring	-	1,694,312
- Red Crescent House - General	1,113,458	2,141,571
- Public relations officer	221,956	530,323
	<u>7,680,319</u>	<u>8,429,312</u>
- Pension and commutation	6,694,070	5,464,494
- Annual special pay	6,000	3,000
	<u>6,700,070</u>	<u>5,467,494</u>
	<u>14,380,389</u>	<u>13,896,806</u>

Note 23

National Headquarters' Share

	Note	2015 Rupees	2014 Rupees
10% Share of:			
- Membership subscription of provincial headquarters		170	2,780
- Donations in cash for special purposes	12	19,310	2,939,745
		<u>19,480</u>	<u>2,942,525</u>



Note 24  
Other Operating Expenses

	2015	2014
	Rupees	Rupees
Audit Fee:	85,000	85,000
Publicity and advertisement	138,667	698,585
Provision for doubtful debts	-	421,246
Bank charges	24,732	478,853
Withholding tax	564,065	-
Balances written off	-	1,032,886
	<u>812,464</u>	<u>2,716,570</u>

Note 25  
Number of Employees

	2015	2014
	Number	Number
Employees as at December 31, 2015	<u>152</u>	<u>134</u>

Note 26  
Date of Authorization for Issue

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

02 DEC 2016

Note 27  
General

Figures have been rounded off to the nearest rupee.

Comparative figures have been re-arranged / reclassified, wherever necessary, to facilitate comparison. No material rearrangements have been made in these financial statements.

CHAIRMAN

SECRETARY

HONORARY TREASURER

MANAGER ACCOUNTS  
& FINANCE