

**AUTISM SOCIETY OF PAKISTAN**  
**AUDIT FOR THE YEAR ENDED**  
**JUNE 30, 2018**



## **INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNERS**

### **Opinion**

We have audited the accompanying financial statements of Autism Society of Pakistan ("the Society") which comprise the statement of financial positions as at June 30, 2018 and statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund balance and the statement of cash flows for the year then ended, and notes to the financial statement, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' code of ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (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 basis for our opinion.

### **Responsibilities of Management & Those Charged with Governance for the Financial Statements**

The Board of Governors is responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Board of Governors 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, Board of Governors is responsible for assessing the Society's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statement**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statement.



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

- Identify and assess the risks of the material misstatement 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Society's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw 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 obtained up to the date of our auditor's report. However, future events or conditions may cause the Society's to cease to continue as a 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 presentation.

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.

  
GRANT THORNTON ANJUM RAHMAN

Chartered Accountants

Engagement Partner: Waqas Waris

Islamabad


October 09, 2018



AUTISM SOCIETY OF PAKISTAN  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2018

	Note	2018 ..... PKR .....	2017
<b>NON - CURRENT ASSETS</b>			
Property and equipment	4	4,520,555	4,825,809
Intangibles	5	79,360	90,059
		4,599,915	4,915,868
<b>CURRENT ASSETS</b>			
Fee receivable		83,750	205,550
Deposits and prepayments	6	595,000	601,370
Other financial assets	7	9,954,641	11,300,971
Cash and bank balances	8	4,364,027	3,331,320
		14,997,418	15,439,211
<b>TOTAL ASSETS</b>		<b>19,597,333</b>	<b>20,355,079</b>
<b>FUND AND LIABILITIES</b>			
Accumulated fund		18,939,018	19,465,533
<b>NON - CURRENT LIABILITIES</b>			
Deferred capital grant	9	526,355	767,727
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	131,960	121,819
<b>TOTAL FUND AND LIABILITIES</b>		<b>19,597,333</b>	<b>20,355,079</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	14		

The annexed notes from 1 to 19 form an integral part of these financial statements.

  
President



  
Chief Executive




**AUTISM SOCIETY OF PAKISTAN**  
**STATEMENT OF INCOME & EXPENDITURE**  
**FOR THE YEAR ENDED JUNE 30, 2018**

		2018	2017
	Note	..... PKR .....	
Donations-unrestricted		11,275,530	10,539,492
Tuition fee		17,181,855	14,932,050
Amortization of deferred capital grant	9	241,372	289,459
Gain on investment		-	938,435
Assessment fee		1,285,180	805,814
Other income	10	661,590	441,750
<b>TOTAL INCOME</b>		<b>30,645,527</b>	<b>27,947,000</b>
<b>EXPENDITURE</b>			
Program cost	12	26,690,645	21,099,507
Administrative expenses	13	4,481,397	3,883,871
<b>TOTAL EXPENDITURE</b>		<b>31,172,042</b>	<b>24,983,378</b>
<b>(DEFICIT) / SURPLUS FOR THE YEAR</b>		<b>(526,515)</b>	<b>2,963,622</b>

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*The annexed notes from 1 to 19 form an integral part of these financial statements.*

  
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 President



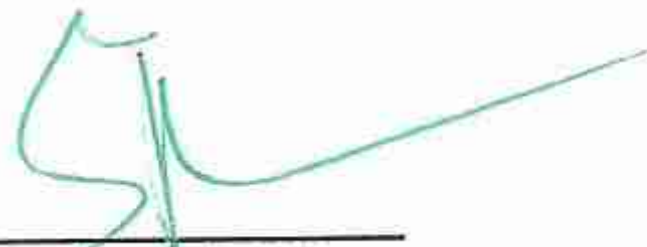
  
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 Chief Executive

AUTISM SOCIETY OF PAKISTAN  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	..... PKR .....	
(Deficit) / Surplus for the year	(526,515)	2,963,622
Other comprehensive income for the year	-	-
Total comprehensive (loss)/income for the year	(526,515)	2,963,622

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The annexed notes from 1 to 19 form an integral part of these financial statements.

  
President




  
Chief Executive



AUTISM SOCIETY OF PAKISTAN  
STATEMENT OF CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2018

	Accumulated Fund ... PKR ...
Balance at July 01, 2016	16,501,911
Surplus for the year	2,963,622
Other comprehensive income	-
Balance at June 30, 2017	19,465,533
Balance at July 01, 2017	19,465,533
Deficit for the year	(526,515)
Other comprehensive income	-
Balance at June 30, 2018	18,939,018

The annexed notes from 1 to 19 form an integral part of these financial statements.

  
President




  
Chief Executive



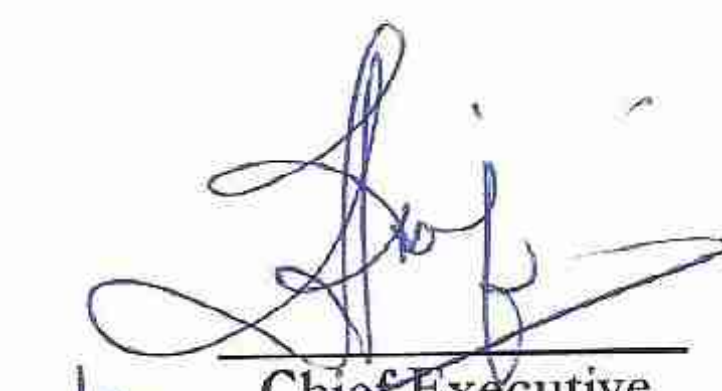
**AUTISM SOCIETY OF PAKISTAN**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	2018	2017
Note	..... PKR .....	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Deficit for the year	(526,515)	2,963,622
Adjustments for:		
Depreciation	793,533	600,873
Amortization	10,700	10,700
Amortization of deferred capital grant	(241,372)	(289,459)
Unrealized loss on other financial assets	1,346,330	699,029
(Gain) on sale of investment	-	(938,435)
Net increase before working capital changes	1,382,676	3,046,330
<b>Changes in Working Capital:</b>		
(Increase) / decrease in current assets:		
Fee receivables	121,800	(71,050)
Advances and prepayments	6,370	(383,747)
Increase/(decrease) in current liabilities:		
Trade and other payables	10,141	(316,984)
	138,311	(771,781)
Tax paid	-	140,372
Cash generated from operations	1,520,987	2,414,921
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to property and equipment	(488,280)	(2,206,661)
Cash received from sale of investments	-	8,100,510
Other financial asset	-	(12,000,000)
Net cash used in investing activities	(488,280)	(6,106,151)
Net (decrease) / increase in cash and cash equivalents	1,032,707	(3,691,230)
Cash and cash equivalents at beginning of the year	3,331,320	7,022,550
Cash and cash equivalents at end of the year	8 4,364,027	3,331,320

*The annexed notes from 1 to 19 form an integral part of these financial statements.*

  
President



  
Chief Executive



**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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**1 LEGAL STATUS AND OPERATIONS**

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Autism Society of Pakistan has been registered under The Societies Act, 1860 in Islamabad (Pakistan) under registration no. RS/ICT/694 on 28 October 2010. Autism Society of Pakistan ("ASP" or "Society") has been established as a non-profit entity as a national umbrella organization with a focused mandate for advocacy, fund raising, training, research, and for generally creating awareness about Autism in Pakistan. It is initially setting-up an Autism Resource Centre ("ARC") in Rawalpindi and later replicate such chapters in all major cities of Pakistan in collaboration with concerned parents and sponsors. A dedicated group of people (primarily affected parents) in Pakistan and abroad have formed a focus group to take this public initiative forward.

**2 BASIS OF PREPARATION**

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**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. Approved accounting and reporting standards comprises of International Financial Reporting Standards issued by International Accounting Standards Board as adopted in Pakistan.

**2.2 Basis of measurement**

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

**2.3 Functional and presentation currency**

Items included in these financial statements are measured using the currency of the primary economic environment in which the Society operates. The financial statements are presented in Pakistani Rupees (PKR), which is the Society's functional and presentation currency. Figures have been rounded off to the nearest rupee, unless otherwise stated.

**2.4 Use of estimates and judgments**

The preparation of financial statements in conformity with the approved accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts 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 the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying 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 revision and future periods. Judgments made by management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the ensuing paragraphs.

**2.4.1 Property and equipment**

The Society reviews useful lives and residual value of property and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property and equipment's with a corresponding effect on the depreciation charge and impairment.

**2.4.2 Impairment of assets**

The carrying amounts of the Society's assets are reviewed at each year end to determine whether there is any indication of impairment loss. Any change in estimates in future years might affect the carrying amounts of respective assets with a corresponding effect on depreciation / amortization charge and impairment.

**2.4.3 Provisions and contingencies**

The Society reviews the status of all the legal cases on a regular basis. Based on the expected outcome and lawyers' judgments, appropriate disclosure or provision is made.

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**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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**2.4.4 Taxation**

The Society takes into account the current income tax laws and decisions taken by appellate authorities. Instances where the Society's view differs from that taken by the income tax department at the assessment stage and where the Society considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**3.1 Grant**

**Restricted grant**

Grants received for specific purposes are classified as restricted grant. Such grants are transferred to income to the extent of actual expenditure incurred there against. Unspent portion of such grant are reflected as restricted grant in the statement of financial position.

**Deferred capital grant**

Restricted funds utilized for capital expenditure are transferred from the restricted grant and accounted for as a deferred capital grant. An amount equal to the charge for depreciation and amortization for the year, on property and equipment acquired, is then recognized in the income and expenditure statement.

**Unrestricted grant**

An unconditional grant is recognized as income when the grant is received.

**3.2 Income from student assessment and tuition fee**

Tuition and student assessment fee is recognized as income when the related services are provided to the students.

**3.3 Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost in relation to property and equipment comprises acquisition and other directly attributable costs.

Depreciation is recognized in income and expenditure account on straight line method over the estimated useful life of each part of an item of property and equipment at rates given in note 4 to these financial statements. Depreciation on additions to property and equipment is charged from the month in which property and equipment is acquired or capitalized while no depreciation is charged for the month in which property and equipment is disposed off / derecognized.

The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Society and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in income and expenditure account as incurred.

Gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of property and equipment and is recognized in income and expenditure account.

**3.4 Intangible assets**

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. The Society charges amortization on all additions from the month in which an asset is acquired or capitalized up to the month in which the asset is disposed off.

**3.5 Foreign currency transactions**

Transactions in foreign currencies are translated into functional currency at exchange rates at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at year end are translated to the functional currency at the exchange rates at that date. Exchange differences are included in the income and expenditure account.

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**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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**3.6 Financial instruments**

All financial assets and financial liabilities are recognized at the time when the Society becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Society loses control of the contractual rights that comprise the financial assets. All financial liabilities are de-recognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expired. Gains or losses on de-recognition of the financial assets and financial liabilities are taken to the income and expenditure statement immediately.

**a) Financial assets**

**Classification, initial recognition and subsequent measurement**

The Society classifies its financial assets in the four categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Regular purchases and sales of financial assets are recognized on the trade date – the date on which the Society commits to purchase or sell the asset.

**i) Financial assets - at fair value through profit or loss**

Financial assets at fair value through profit or loss account include financial assets held-for-trading and financial assets designated upon initial recognition at fair value through profit or loss.

Financial assets are classified as held-for-trading if they are acquired for the purpose of short-term profit making. These are initially measured at fair value. Whereas on subsequent reporting dates, these are measured at fair value on the basis of observable market yields, and any changes in fair value are recognized in the income and expenditure statement.

The Society has designated its financial asset at fair value through profit or loss as indicated in note 7 of the financial statements.

**ii) Held-to-maturity investments**

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Society has a positive intention and ability to hold these assets to maturity. These are initially recognized at fair value plus transaction costs. After initial recognition, held-to-maturity investments are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the income and expenditure statement when the investments are derecognized, as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition, and fees or costs that are an integral part of the EIR. The EIR amortization is included in other operating income in the Income and Expenditure statement.

No financial asset of the Society has been classified as held-to-maturity.

**iii) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets, which are either designated in this category, or not classified in any of the other categories. These are included in non-current assets, unless management intends to dispose them off within 12 months from the statement of financial position date.

These are initially recognized at fair value plus any transaction costs. After initial measurement, available-for-sale financial investments are subsequently measured at fair value, with unrealized gains or losses recognized as other comprehensive income until the investment is derecognized, at which time the cumulative gain or loss is recognized in other operating income; if determined to be impaired, the cumulative loss is reclassified to the income and expenditure statement.

The Society has not classified any financial asset as available-for-sale investment.

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**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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**iv) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets, classified as loans and receivables, are initially measured at fair value. At subsequent reporting dates, these are carried at amortized cost using the EIR method less impairment losses, if any. The Society's loans and receivables comprise of deposits, accrued interest, other receivables and cash and bank balances.

**De-recognition of financial assets**

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The right to receive cash flows from the asset have expired;
- The Society has transferred its right to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full, without material delay to a third party under a 'pass-through' arrangement; and either

- a) the Society has transferred substantially all the risks and rewards of the asset, or
- b) the Society has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Society has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Society's continuing involvement in the asset.

In that case, the Society also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Society has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Society could be required to repay.

**(b) Financial liabilities**

**Classification, initial recognition and subsequent measurement**

The Society classifies its financial liabilities in the following categories: at fair value through profit or loss and other financial liabilities. The Society determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and in the case of other financial liabilities, also include directly attributable transaction costs.

The subsequent measurement of financial liabilities depend on their classification, as follows:

**(i) Fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Society has not designated any financial liability, upon recognition, as being at fair value through profit or loss.

**(ii) Other financial liabilities**

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the income and expenditure statement, when the liabilities are derecognized as well as through effective interest rate amortization process.

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**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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**De-recognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income and expenditure statement.

**3.7 Impairment**

**i) Financial assets**

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost, and is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognized in the income and expenditure statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the income and expenditure statement.

**ii) Non-financial assets**

The carrying amounts of the Society's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in the income and expenditure statement.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and fair value less cost to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss recognized in the prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**3.8 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability; or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

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**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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The principal or the most advantageous market must be accessible by the Society. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Society uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

**Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

**Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Society determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Society's Senior Management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Society determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

### **3.9 Provisions**

A provision is recognized in the financial statements when the Society has a 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 and a reliable estimate can be made of the amount of obligation.

### **3.10 Taxation**

The Society is registered as not for profit organization under section 2(36) of the Income Tax Ordinance, 2001. The Society is eligible for tax credit under Section 100C of the Income Tax Ordinance 2001 from donations, voluntary contributions, subscriptions and so much of the income chargeable under the head "income from business" as is expended in Pakistan for the purposes of carrying out welfare activities. Hence, the provision for taxation has been not been made in these financials statements.

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**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

**3.11 Amendments to approved accounting and reporting standards that are not yet effective**

The following standards and amendments and interpretations to the approved accounting and reporting standards would be effective from the dates mentioned below against the respective standard.

Standard or interpretation		Effective date (annual periods beginning on or after)
IFRS 2	Share Based Payments - Amendments	January 01, 2018
IFRS 4	Insurance Contracts - Amendments	January 01, 2018
IFRS 9	Financial Instruments	July 01, 2018
IFRS 9	Financial Instruments - Amendments	January 01, 2018
IFRS 10	Consolidated Financial Statements and IAS 28 Investment in Associates and Joint ventures: Sales or Contribution of Assets between an Investor and its Associates or joint Venture - Amendments.	Not yet finalized
IFRS 15	Revenue from Contract with Customers	July 01, 2018
IFRS 16	Leases	January 01, 2019
IAS 19	Plan Amendment, Curtailment or settlement - Amendments	January 01, 2019
IAS 28	Long term interest in Associates and Joint Ventures - Amendments	January 01, 2019
IAS 40	Investment Property: Transfer of Investment Property - Amendments	January 01, 2018
IFRIC 22	Foreign Currency Transactions and Advance Consideration	January 01, 2018
IFRIC 23	Uncertainty over Income Tax Treatments	January 1, 2019

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation/disclosures. The Society is yet to assess the full impact of the amendments.

Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet not applicable in Pakistan:

IFRS 14 Regulatory Deferral Accounts

**3.12 Changes in accounting policies and disclosures resulting from adoption of standards during the year**

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

**New Standards**

The Society has adopted the following applicable accounting standards, amendments and interpretations of IFRSs which became effective for the current year:

IAS 7 Statement of Cash Flows - Disclosure Initiative - Amendment

IAS 12 Income Taxes - Recognition of Deferred Tax Assets for Unrealized Losses - Amendments

The adoption of above accounting standards did not have any effect on the financial statements.

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AUTISM SOCIETY OF PAKISTAN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018

4 PROPERTY AND EQUIPMENT

Description	COST					ACCUMULATED DEPRICIATION				
	1-Jul-17	Additions	Disposals	30-Jun-18	Rate	1-Jul-17	Disposals	Charge for the year	30-Jun-18	Carrying amount 30-Jun-18
Amount in PKR										
Furniture and fixtures	2,572,937	153,270	-	2,726,207	10%	591,600	-	266,629	858,229	1,867,978
Leasehold improvements	1,800,000	-	-	1,800,000	25%	1,800,000	-	-	1,800,000	-
Computers and printers	285,200	22,600	-	307,800	33%	250,804	-	26,725	277,529	30,271
Office equipments	2,361,770	312,410	-	2,674,180	10%	382,975	-	255,261	638,236	2,035,944
Teaching aid and supplies	728,790	-	-	728,790	20%	257,980	-	95,758	353,738	375,052
Vehicles	745,800	-	-	745,800	20%	385,330	-	149,160	534,490	211,310
<b>Total</b>	<b>8,494,497</b>	<b>488,280</b>	<b>-</b>	<b>8,982,777</b>		<b>3,668,689</b>	<b>-</b>	<b>793,533</b>	<b>4,462,222</b>	<b>4,520,555</b>

4.1 Property and equipment includes capital assets against deferred grant having book value of Rs. 526,355 ( Furniture and fixture: Rs. 109,078, Computer and printers: Rs. 214,750 and vehicle: Rs.202,527).

5 INTANGIBLES

Description	COST					ACCUMULATED AMORTIZATION				
	1-Jul-17	Additions	Disposals	30-Jun-18	Rate	1-Jul-17	Disposals	Charge for the year	30-Jun-18	Carrying amount 30-Jun-18
AIMS Accounting software	107,000	-	-	107,000	10%	16,941	-	10,700	27,641	79,360
<b>Total</b>	<b>107,000</b>	<b>-</b>	<b>-</b>	<b>107,000</b>		<b>16,941</b>	<b>-</b>	<b>10,700</b>	<b>27,641</b>	<b>79,360</b>

PROPERTY AND EQUIPMENT

Description	COST					ACCUMULATED DEPRICIATION				
	1-Jul-16	Additions	Disposals	30-Jun-17	Rate	1-Jul-16	Disposals	Charge for the year	30-Jun-17	Carrying amount 30-Jun-17
Amount in PKR										
Furniture and fixtures	1,678,555	894,382	-	2,572,937	10%	375,388	-	216,212	591,600	1,981,337
Leasehold improvements	1,800,000	-	-	1,800,000	25%	1,800,000	-	-	1,800,000	-
Computers and printers	277,000	8,200	-	285,200	33%	204,250	-	46,554	250,804	34,396
Office equipments	1,536,480	825,290	-	2,361,770	10%	202,008	-	180,967	382,975	1,978,796
Teaching aid and supplies	250,000	478,790	-	728,790	20%	250,000	-	7,980	257,980	470,810
Vehicles	745,800	-	-	745,800	20%	236,170	-	149,160	385,330	360,470
<b>Total</b>	<b>6,287,835</b>	<b>2,206,662</b>	<b>-</b>	<b>8,494,497</b>		<b>3,067,816</b>	<b>-</b>	<b>600,873</b>	<b>3,668,689</b>	<b>4,825,809</b>

INTANGIBLES

Description	COST					ACCUMULATED AMORTIZATION				
	1-Jul-16	Additions	Disposals	30-Jun-17	Rate	1-Jul-16	Disposals	Charge for the year	30-Jun-17	Carrying amount 30-Jun-17
AIMS Accounting software	107,000	-	-	107,000	10%	6,241	-	10,700	16,941	90,059
<b>Total</b>	<b>107,000</b>	<b>-</b>	<b>-</b>	<b>107,000</b>		<b>6,241</b>	<b>-</b>	<b>10,700</b>	<b>16,941</b>	<b>90,059</b>

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**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

		2018	2017
		..... PKR .....	
<b>6 DEPOSITS &amp; PREPAYMENTS</b>			
Prepayment insurance		-	6,370
Security deposit		595,000	595,000
		<u>595,000</u>	<u>601,370</u>
<b>7 OTHER FINANCIAL ASSETS</b>			
Meezan Strategic Allocation Plan (MSAP-IV)		9,954,641	11,300,971
		<u>9,954,641</u>	<u>11,300,971</u>
<b>7.1</b>	These represent funds invested with Al-Meezan Investment Management Limited in 2018: 233,010 (2017: 233,010) units of mutual funds having market value of Rs. 2018: 42.72 (2017: 48.50) per unit.		
		2018	2017
		..... PKR .....	
<b>8 CASH AND BANK BALANCES</b>			
Cash at bank - current account		4,354,783	3,319,609
Cash in hand		9,244	11,711
		<u>4,364,027</u>	<u>3,331,320</u>
<b>9 DEFERRED CAPITAL GRANT</b>			
Cost		1,520,100	1,520,100
Additions		-	-
Accumulated amortization		(752,373)	(462,914)
Opening book value		767,727	1,057,186
<b>Amortization of deferred capital grant:</b>			
Amortization for the year		(241,372)	(289,459)
Closing balance		<u>526,355</u>	<u>767,727</u>
<b>10 OTHER INCOME</b>			
This represent net receipts from World Autism Day celebrations on 2 April 2018.			
		2018	2017
		..... PKR .....	
<b>11 TRADE AND OTHER PAYABLES</b>	Note		
Loan from directors		47,635	47,635
Accrued expenses		18,325	14,184
Audit fee		66,000	60,000
		<u>131,960</u>	<u>121,819</u>
<b>12 PROGRAM COST</b>			
Salaries and wages		18,700,609	14,561,699
Rent expenses		5,271,018	3,687,845
Depreciation	4	793,533	600,873
Amortization	5	10,700	10,700
Repair and maintenance		213,305	355,477
Utility expenses		559,887	500,666
Printing and stationery		340,231	428,624
Travelling and conveyance		340,000	494,250
Cleaning and sanitation		178,544	145,342
Fuel for vehicle and generators		95,546	150,596
Others		187,272	163,435
		<u>26,690,645</u>	<u>21,099,507</u>

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	2018	2017
	..... PKR .....	
<b>13 ADMINISTRATIVE EXPENSES</b>		
Salaries and wages	2,762,886	2,740,774
Rent expenses	191,929	134,541
Loss on financial asset	1,346,330	699,029
Utility expenses	16,079	14,378
Bank charges	47,173	196,149
Audit fee	66,000	60,000
Consultancy charges	51,000	39,000
	<u>4,481,397</u>	<u>3,883,871</u>

**14 CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments at the year end (2017: Nil).

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**AUTISM SOCIETY OF PAKISTAN**  
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**FOR THE YEAR ENDED JUNE 30, 2018**

**15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Society has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

The Board of Governors has overall responsibility for the establishment and oversight of the Society's risk management framework and developing and monitoring the Society's risk management policies.

The Society's risk management policies are established to identify and analyze the risks faced by the Society, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Society's activities. The Board of Governors of the Society oversees how management monitors compliance with the Society's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Society.

**15.1 Credit risk**

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Society attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. The Society's credit risk is primarily attributable to fee receivable, deposits and prepayments, other financial assets and cash and bank balance.

The Society's financial assets amounting to Rs. 14,988,174 (2017 : Rs. 15,421,130) are significant to its operations. The carrying values of financial assets represents the maximum credit exposure at the reporting date are as follows:

	June 30, 2018	June 30, 2017
	----- Rupees -----	
Fee receivable	83,750	205,550
Security deposits	595,000	595,000
Other financial assets	9,954,641	11,300,971
Bank balances	4,354,783	3,319,609
	<u>14,988,174</u>	<u>15,421,130</u>

Geographically there is no concentration of credit risk. None of the financial assets are overdue. Based on the past experience, the management believes that no impairment allowance is necessary in respect of the Society's financial assets.

The credit quality of financial assets, for which the counter party is a bank, can be assessed by reference to external credit ratings as shown below:

Bank name	Rating	Rating Agency	June 30, 2018	June 30, 2017
			----- Rupees -----	
Bank Alfalah Limited	AA+/A-1+	PACRA	4,354,783	3,319,609
Bank balance			<u>4,354,783</u>	<u>3,319,609</u>

The management believes that no impairment allowance is necessary in respect of these financial assets unless explicitly stated in the respective notes.

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**AUTISM SOCIETY OF PAKISTAN**  
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**15.2 Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed condition, without incurring any unacceptable loss or damage to the Society's reputation.

The maturity profile of the Society's financial liabilities based on the contractual amounts is as follows:

	Carrying amount	Contractual cash flows	Maturity up to one year	Maturity after one year and up to five years
	..... Rupees .....			
<b>Financial liabilities</b>				
Trade and other payables	131,960	131,960	131,960	-
<b>2018</b>	<b>131,960</b>	<b>131,960</b>	<b>131,960</b>	<b>-</b>
<b>Financial liabilities</b>				
Trade and other payables	121,819	121,819	121,819	-
<b>2017</b>	<b>121,819</b>	<b>121,819</b>	<b>121,819</b>	<b>-</b>

**15.3 Market risk**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, due to changes in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

**15.3.1 Currency risk**

Currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Society is not exposed to currency risks as it has no transaction in foreign currency.

**15.3.2 Interest rate risk**

Interest rate risk represents the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rate.

The Society has no significant long-term interest bearing financial asset and liability whose fair value or future cash flows will fluctuate because of changes in market interest rates.

**15.3.3 Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). Other price risk arises from Society's investment in units of mutual fund.

	2018	2017
Units of mutual funds	233,010	233,010

At the year end the Society is exposed to price risk since there are financial instruments whose fair value or future cash flows will fluctuate because of changes in market prices.

**15.4 Off-setting of financial assets and liabilities**

The Society does not off-set any of its financial assets and financial liabilities.

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**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

**15.5 Fair value of financial instruments**

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Society is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair Value Measurements' requires the Society to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

**Financial instruments by category**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial asset and financial liability not measured at fair value at the carrying amount is a reasonable

	Carrying Amount			Fair Value				
	Loans and receivables	Fair value through profit or loss	Other financial instruments	Total	Level 1	Level 2	Level 3	Total
June 30, 2018	-----Rupees-----							
Non-current assets								
Long term investment	-	-	-	-	-	-	-	-
Current assets								
Fee receivable	83,750	-	-	83,750	-	-	-	-
Security deposits	595,000	-	-	595,000	-	-	-	-
Other financial assets	-	9,954,641	-	9,954,641	9,954,187	-	-	9,954,187
Bank balances	4,354,783	-	-	4,354,783	-	-	-	-
	5,033,533	9,954,641	-	14,988,174	9,954,187	-	-	9,954,187
Current liabilities								
Trade and other payables	-	-	131,960	131,960	-	-	-	-
	-	-	131,960	131,960	-	-	-	-

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AUTISM SOCIETY OF PAKISTAN  
NOTES TO THE FINANCIAL STATEMENTS  
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Carrying Amount				Fair Value			
Loans and receivables	Fair value through profit or loss	Other financial instruments	Total	Level 1	Level 2	Level 3	Total
-----Rupees-----							
June 30, 2017							
Non-current assets							
Long term investment	-	-	-	-	-	-	-
Current assets							
Fee receivable	205,550	-	205,550	-	-	-	-
Security deposits	595,000	-	595,000	-	-	-	-
Other financial assets	11,300,971	-	11,300,971	11,300,985	-	-	11,300,985
Bank balances	3,331,320	-	3,331,320	-	-	-	-
	4,131,870	11,300,971	15,432,841	11,300,985	-	-	11,300,985
Current liabilities							
Trade and other payables	-	121,819	121,819	-	-	-	-
	-	121,819	121,819	-	-	-	-



**AUTISM SOCIETY OF PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**16 FUND MANAGEMENT**

The Society's objective when managing fund is to safe guard Society's ability to continue as a going concern so that it can achieve its objectives, provide benefits to other stakeholders and to maintain a strong fund base to support the sustained development of its activities in line with its objects.

**17 RELATED PARTY TRANSACTIONS**

Related parties of the Society comprise of key management personnel and Board of Governors. Remuneration paid to key management personnel which comprise of senior management of Society was as follows:

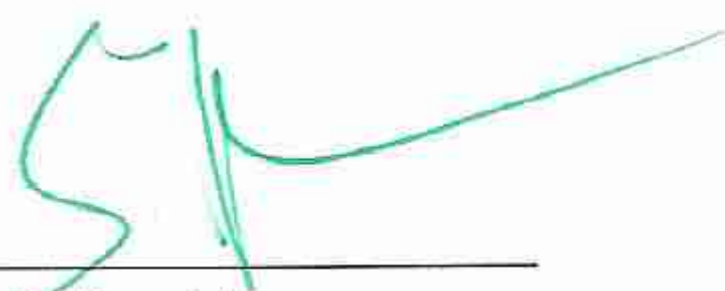
	2018	2017
	..... Rupees .....	
Transaction with key management personnel		
Managerial remuneration	2,497,680	1,040,700

**18 DATE OF AUTHORIZATION**

These financial statements were authorized for issue by the Governors of the Society on  
October 09, 2018

**19 GENERAL**

Figures have been rounded off to the nearest Rupee.

  
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President



  
\_\_\_\_\_  
Chief Executive