

Punjab Pension Fund - Expense Account

Condensed Interim Financial statements for the period
ended 31 December, 2014



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Independent Auditors Report on Review of Condensed Interim Financial Information to the Members

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Punjab Pension Fund Expense account** ("the Fund") as at 31 December 2014 and the related condensed interim income and expenditure account and condensed statement of cash flows together with the notes forming part thereof for the six-month period then ended (here-in-after referred as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and present the above said statements in conformity with the requirements of Punjab Pension Fund Act, 2007 ("the Act") and Punjab Pension Fund Rules 2007 ("the Rules"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Other Matters

The figures for the quarters ended 31 December 2014 and 31 December 2013 in the condensed interim income statement, condensed interim statement of comprehensive income, and condensed interim cash flow statement have not been reviewed and we do not express a conclusion thereon.

Lahore

Date: 30 September 2015

KPMG Taseer Hadi & Co.
Chartered Accountants
(Bilal Ali)


Punjab Pension Fund - Expense Account
 Condensed Interim Statement of Assets and Liabilities
 As at 31 December 2014

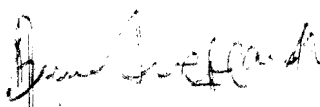
	Note	(Un-Audited) 31 December 2014 Rupees	(Audited) 30 June 2014 Rupees
Operating fixed assets	4	502,834	485,545
<i><u>Current assets</u></i>			
Prepaid rent		550,000	239,580
Security Deposit		825,000	-
Cash and cash equivalents	5	2,724,213	12,629,855
		4,099,213	12,869,435
<i><u>Current liabilities</u></i>			
Accrued expenses	6	357,480	712,989
		357,480	712,989
Net working capital		3,741,733	12,156,446
Contingencies and commitments	7	-	-
Net assets		4,244,567	12,641,991
<i>Represented by:</i>			
Net surplus		4,244,567	12,641,991

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

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Lahore


 General Manager


 Private Member


 Chairman

Punjab Pension Fund - Expense Account
 Condensed Interim Income and Expenditure Account (Un-Audited)
 For the half year and quarter ended 31 December 2014

	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
	Note ----- Rupees -----			
Budgetary receipts	5,000,000	-	5,000,000	-
Income on saving account	277,862	250,293	79,919	80,864
Other income	5,200	565	5,200	565
	<u>5,283,062</u>	<u>250,858</u>	<u>5,085,119</u>	<u>81,429</u>
Operating expenses	8 13,680,486	10,290,847	7,234,013	6,411,677
Net deficit for the period	<u>(8,397,424)</u>	<u>(10,039,989)</u>	<u>(2,148,894)</u>	<u>(6,330,248)</u>
Accumulated surplus brought forward	12,641,991	8,913,181	6,393,461	5,203,440
Net surplus / (deficit) carried forward	<u>4,244,567</u>	<u>(1,126,808)</u>	<u>4,244,567</u>	<u>(1,126,808)</u>

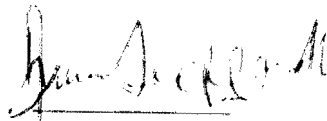
The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

3 2014

Lahore



General Manager



Private Member




Chairman

Punjab Pension Fund - Expense Account
 Condensed Interim Cash Flow Statement (Un-Audited)
 For the half year and quarter ended 31 December 2014

	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
----- Rupees -----				
<i>Cash flows from operating activities</i>				
Net deficit for the period	(8,397,424)	(10,039,989)	(2,148,894)	(6,330,248)
<i>Adjustments for non cash items:</i>				
Depreciation on operating fixed assets	104,211	155,994	53,133	77,997
<i>(Increase)/ decrease in Current Assets:</i>				
Prepaid rent	(310,420)	-	-	359,370
Security Deposit	(825,000)	-	-	-
<i>(Decrease)/ increase in Current liabilities:</i>				
Accrued expenses	(355,509)	2,148,384	(490,539)	2,037,390
Cash used in operating activities	(9,784,142)	(7,735,611)	(2,586,300)	(3,855,491)
<i>Cash flows from investing activities</i>				
Fixed capital expenditure	(121,500)	-	(121,500)	-
Cash used in investing activities	(121,500)	-	(121,500)	-
Net decrease in cash and cash equivalents during the period	(9,905,642)	(7,735,611)	(2,707,800)	(3,855,491)
Cash and cash equivalents at the beginning of the period	12,629,855	8,961,210	5,432,013	5,081,090
Cash and cash equivalents at the end of the period	2,724,213	1,225,599	2,724,213	1,225,599

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

Lahore


 General Manager


 Private Member


 Chairman

Punjab Pension Fund- Expense Account

Notes to the Condensed Interim Financial Statements

For the half year and quarter ended 31 December 2014

1 Status and nature of the business

The Punjab Pension Fund (the Fund) has been established under the Punjab Pension Fund Act 2007 (the Act). The Government of the Punjab has notified the Punjab Pension Fund Rules 2007 (the Rules) under section 24 of the Act.

The Fund acts as a management company and is responsible for investing the funds in profitable avenues to generate revenue for the discharge of pension liabilities of the Government of the Punjab.

Expenses incurred on operations of the Fund, including expenses relating to functioning of the Management Committee, are paid out of the trust property in the form of annual / supplementary budgets duly approved by the Management Committee.

2 Basis of preparation

2.1 Statement of compliance

These condensed interim financial information have been prepared using historical cost convention, in accordance with the requirements of the Punjab Pension Fund Act 2007, Punjab Pension Fund Rules 2007 and the approved International Financial Reporting Standards (IFRSs) as applicable in Pakistan. Approved accounting standards comprise of such IFRSs as notified under the provisions of the Companies Ordinance, 1984. Wherever, the requirements of the Punjab Pension Fund Act 2007 and Punjab Pension Fund Rules 2007 differ with the requirements of these standards, the requirements of Punjab Pension Fund Act 2007 and Punjab Pension Fund Rules 2007 shall prevail.

This information is unaudited but subject to limited scope review by auditors and is being submitted to Management Committee in accordance with the requirements of the Rules. This financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the period ended 30 June 2014.

2.2 Significant estimates

The preparation of the condensed interim financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities and income and expenses. The estimates and associated assumptions and judgments 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 carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing the condensed interim financial information, the significant judgments made by the management in applying accounting policies and the key sources of estimates used were the same as those applied to the annual financial statements for the year ended 30 June 2014.

2.3 Taxation

The income of the Fund is exempt from tax under Section 57(3)(xii) of Part I of the Second Schedule of the Income Tax Ordinance 2001, therefore no provision for taxation has been made in these condensed interim financial information.

2.4 Financial Risk Management

The financial risk management objectives and policies adopted are consistent with those disclosed in the annual financial statements for the year ended 30 June 2014.

3 Summary of significant accounting policies

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the fund ("Expense Account") at and for the year end 30 June 2014.

4 Operating fixed assets

<i>Particulars</i>	For the period ended 31 December 2014							Written Down Value as at 31 Dec 2014
	Cost			Rate %	Depreciation		As at 31 Dec 2014	
	As at 01 July 2014	Additions	As at 31 Dec 2014		As at 01 July 2014	Charge for the period		
	Rupees				Rupees			
Furniture and fittings	56,750	-	56,750	20	39,189	5,676	44,865	11,885
Office equipment	1,248,665	121,500	1,370,165	33.33	798,720	80,499	879,219	490,946
Motor vehicles	193,558	-	193,558	20	175,519	18,036	193,555	3
	1,498,973	121,500	1,620,473		1,013,428	104,211	1,117,639	502,834

<i>Particulars</i>	For the year ended 30 June 2014							Written Down Value as at 30 June 2014
	Cost			Rate %	Depreciation		As at 30 June 2014	
	As at 01 July 2013	Additions	As at 30 June 2014		As at 01 July 2013	Charge for the year		
	Rupees				Rupees			
Furniture and fittings	56,750	-	56,750	20	27,837	11,352	39,189	17,561
Office equipment	785,865	462,800	1,248,665	33.33	583,379	215,341	798,720	449,945
Motor vehicles	193,558	-	193,558	20	136,807	38,712	175,519	18,039
	1,036,173	462,800	1,498,973		748,023	265,405	1,013,428	485,545

		(Un-Audited) 31 December 2014 Rupees	(Audited) 30 June 2014 Rupees
5	Cash and cash equivalents		
	Cash in hand	39,950	5,111
	Bank balance - Savings account	2,684,263	12,624,744
		<u>2,724,213</u>	<u>12,629,855</u>

5.1 This carries interest at the rate of 7.00% (30 June 2014: 7.00% to 9.50%) per annum.

		(Un-Audited) 31 December 2014 Rupees	(Audited) 30 June 2014 Rupees
6	Accrued expenses		
	Audit fee payable	302,502	605,000
	Vehicle running payables	52,973	46,285
	Utilities payables	-	37,049
	Security fee payable	360	23,424
	Courier & Postage payable	1,645	1,231
		<u>357,480</u>	<u>712,989</u>

7 **Contingencies and commitments**

There were no contingencies and commitments as at 31 December 2014.

		(Un-Audited) Half year ended 31 December	
		2014 Rupees	2013 Rupees
8	Operating expenses		
	Salaries and wages	10,357,868	7,954,039
	Rent	1,302,913	718,740
	Utilities	271,319	146,287
	Repair and maintenance	326,403	162,418
	Vehicle running expenses	314,688	273,555
	Traveling, lodging and boarding	95,869	10,755
	Fee and subscription	41,886	58,741
	Printing and stationery	97,174	147,547
	Courier and postage	9,149	7,071
	Office and other expenses	349,427	233,889
	Depreciation	104,211	155,994
	Auditors remuneration	302,502	290,002
	Advertisement	35,449	60,587
	Training and Development	20,000	32,847
	Bank charges	1,400	500
	Miscellaneous	50,228	37,875
		<u>13,680,486</u>	<u>10,290,347</u>

10/10/14

9 Date of authorization for issue

The condensed interim financial informations were authorized for issue on 30 SEP 2015 by the Management Committee of the Fund.

10 General

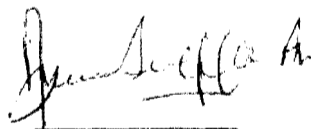
Figures have been rounded off to the nearest rupees

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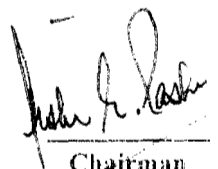
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General Manager



Private Member



Chairman