



Audit Report to the Members

Opinion

We have audited the financial statements of **Spok Trust (The Trust)**, which comprise the statement of financial position as at 30th June 2020, and the statement of income and expenditure for the year then ended together with the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, and or give a true and fair view of the financial position of **Spok Trust** as at 30th June 2020 and its financial performance for the year then ended in accordance with note 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with the 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 Trust 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.

Management's Responsibilities

The Management is responsible for the preparation and fair presentation of the financial statements in accordance with the note 2 to the financial statements and for such internal control as the Management determine(s) 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, Management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Board of trustees are responsible for overseeing the Trust financial reporting process.

Auditor's Responsibilities

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.

Lahore Office:

Office No. 914, Al-Hafeez Heights, 65-D/1, Ghalib Road, Gulberg-III.
Tel: 042-35754821-22, Fax: 042-36317513, Email: nasirgulzar@njmi.net

Karachi Office:

Office No. 807, 8th Floor, Q.M. House, Plot No. 11/2, Ellander Road,
Opposite to Shaheen Complex, Off. I.I Chundrigar Road.
Tel: 021-32212382, 32212383, 32211516, Fax: 021-32211515, Email: khi@njmi.net

NJMI



CPAAI

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 statements.

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 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 Trust'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 Trust's ability to continue as a going concern. If we conclude that a 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 Trust'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.

Other Matter

The financial statements of Speak Trust for the year ended June 30, 2019, were audited by another auditor who expressed an unmodified opinion on those statements on October 11, 2019.

Date:

Place: Islamabad

Nasir Javaid Maqsood Imran

Chartered Accountants

IMRAN UL HAQ, FCA

**SPEAK TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020**

	Note	2020 Rupees	2019
Assets			
Non Current Assets			
Property and equipment	3	262,251	287,745
Current assets			
Advance, deposits and prepayments	4	96,249	109,676
Cash and bank balances	5	856,146	210,167
		952,395	319,843
Total assets		1,214,646	607,588
Fund and Liabilities			
General fund			
Accumulated surplus/deficit		1,107,045	110,588
Current Liabilities			
Payable to CEO		-	467,000
Accrued and other liabilities	6	107,601	30,000
		107,601	497,000
Total Fund and liabilities		1,214,646	607,588

The annexed notes from 1 to 11 form an integral part of these financial statements.



CHIEF EXECUTIVE





DIRECTOR

**SPEAK TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED ON JUNE 30, 2020**

	Note	2020 Rupees	2019 Rupees
Income			
Grants	7	7,771,360	2,972,705
Other donations		652,000	354,500
		8,423,360	3,327,205
Less: Expenditure			
Projects	8	5,772,948	2,073,064
Administrative	9	1,653,956	1,143,553
		7,426,903	3,216,617
Surplus / deficit for the year		996,457	110,588
Accumulated surplus at the beginning of year		110,588	-
Accumulated surplus carried forward		1,107,045	110,588

The annexed notes from 1 to 11 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

SPEAK TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING ON JUNE 30, 2020

1 Status and objects

Speak Trust is a Trust registered on February, 2018 under the Trust Act 1882. The principal objects of the Trust is to promote gender equality and human rights along with HIV/AIDS prevention and response. The registered office located at office # 403, 4th floor royals suit plaza, E-11/2, Islamabad.

2 Principal accounting policies

The following accounting policies have been applied consistently in dealing with the items which are considered material to the trust's accounts.

2.1 Basis of preparation and statement of compliance

These financial statements have been prepared in accordance with generally accepted accounting principle as adopted by NGO's in Pakistan.

2.2 Accounting convention

These accounts have been prepared under the historical cost convention.

2.3 Revenue recognition

Income is recognized on receipt basis except for deferred grants which are taken in income on the basis of their utilization during the year.

2.4 Property and equipment

Fixed assets are stated at cost less accumulated depreciation. Depreciation on all fixed assets is charged on straight line method at the rate specified in note 3. Full year's depreciation is charged on addition and no depreciation is charged on assets deleted during the year.

Assets subject to finance lease are being depreciated over the lease term.

2.5 Foreign currency transactions

Transactions in foreign currencies are recorded in the books at the rate of exchange ruling on the date of transaction. All assets and liabilities in foreign currencies are translated into rupees at the rate of exchange ruling on the date of the balance sheet. Exchange differences are dealt with through the income and expenditure account.

2.6 Provision for Taxation

Income of the trust is subject to 100% credit under section 100 C of the Income Tax Ordinance 2001. Accordingly no provision has been made in the accounts.



3 Property and equipment

Cost	Furniture and fixture	Office equipment	Computer and equipment	Auto mobiles	Total
Balance as at July 01, 2019	101,500	92,000	148,700	14,500	356,700
Additions	35,750	6,449	5,000	-	47,199
Disposals	-	-	-	-	-
Balance as at June 30, 2020	137,250	98,449	153,700	14,500	403,899
Accumulated Depreciation					
Balance as at July 1, 2019	15,225	17,900	33,655	2,175	68,955
Charges during the period	17,903	18,549	34,067	2,175	72,693
Disposal during the period	-	-	-	-	-
Balance as at June 30, 2020	33,128	36,449	67,722	4,350	141,648
Net Book Value					
Balance as at June 30, 2020	104,123	62,000	85,978	10,150	262,251
Balance as at June 30, 2019	86,275	74,100	115,045	12,325	287,745
	15%	25%	25%	15%	

4 Advances, deposits and prepayments

	2019	2018
Advance to employees	-	3,000
Income tax withheld	96,249	106,676
	<u>96,249</u>	<u>109,676</u>

5 Cash and bank balances

Cash in hand	4,590	6,063
Cash at bank - current account	851,556	204,104
	<u>856,146</u>	<u>210,167</u>

6 Accrued and other liabilities

Accrued rent	67,601	-
Audit fee payable	40,000	30,000
	<u>107,601</u>	<u>30,000</u>

7 Grants

CARAM Asia	7.1	5,428,148	2,972,705
Freedom House	7.2	2,343,212	-
		<u>7,771,360</u>	<u>2,972,705</u>

- 7.1 CARAM Asia Malaysia grants is to implement of project "advocacy on migrant's Hiv issues, enhancing their access to health services, promoting and protecting HIV positive migrants rights in Pakistan".
- 7.2 Freedom House USA grants is for "research based strategies for the protection of women rights defenders (WRDs)".

Signature

	2019	2018
	Rupees	
8 Project expenditure		
Activity cost	3,042,091	-
Staff program cost	1,986,000	1,376,734
Refreshments and food	115,621	60,006
Repair and maintenance	100,497	59,110
Stationary	19,049	7,570
Utility	70,503	64,360
Telecommunication charges	95,541	23,120
Communication and postal	20,340	27,130
Advertising and social awareness expenses	80,607	400,000
Transportation	83,016	28,930
Medical	1,543	-
Miscellaneous expenses	83,140	25,854
Stipend and allowances	75,000	-
	<u>5,772,948</u>	<u>2,073,064</u>

9 Administrative expenses		
Staff salaries	1,093,170	673,247
Audit fee	40,000	30,000
Legal and professional fee	-	23,500
Office rent	435,600	344,400
Depreciation	72,693	68,955
Bank charges	12,493	3,451
	<u>1,653,956</u>	<u>1,143,553</u>

10 Corresponding figures

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of appropriate presentation. There have been no significant reclassification in these financial statements.



11 General

Figures in these financial statements have been rounded off to the nearest rupees.

These financial statements were authorized for issue by the board of Trustees on _____.



CHIEF EXECUTIVE

DIRECTOR