



STATEMENT OF RECEIPTS AND DISBURSEMENTS  
OF  
COMMITTEE FOR THE WELFARE OF PRISONERS  
FOR THE YEAR ENDED  
JUNE 30, 2024

The Chairman  
Committee for the Welfare of Prisoners  
Finance Trade Center (FTC),  
Block C, First Floor,  
Shahrah-e-faisal, Karachi

August 5, 2024  
C-135/AA-1108/24

**AUDIT OF STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED JUNE 30, 2024**

Dear Sir,

We have completed the audit of the receipts and disbursements account of Committee for the Welfare of Prisoners ("the Committee") for the above referred year and are pleased to enclose herewith two copies of draft receipts and disbursements account together with our draft audit report duly initialed by us for identification purposes. We shall be pleased to sign our report in its present or amended form after the receipts and disbursements account has been duly signed by yourself and Secretary to the Committee and upon receipt of the following:

1. Letter of representation addressed to us and signed by yourself and Secretary to the Committee as per draft provided by us.
2. Committee resolution in respect of the following items:
  - Grant received from the Government during the year amounting to Rs. 90.936 million.
  - Decrease in capital expenditure during the year amounting Rs. 108,677.

Our observations on this statement of receipts and disbursements account are as follows:

**1. RESPONSIBILITIES OF THE MANAGEMENT AND AUDITORS IN RELATION TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS**

The responsibilities of the independent auditors in a usual examination of statement of receipts and disbursements are International Standards on Auditing. While the auditors are responsible for forming and expressing their opinion on the statement of receipts and disbursements, the responsibility for preparation of such statement is primarily that of the Committee's management.

The management's responsibilities include the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Committee and prevention and detection of frauds and irregularities. The audit of financial statements does not relieve the management of its responsibilities.

**2. SERVICE CONTRACT WITH NAI ZINDAGI TRUST**

During the last year ended June 30, 2023, the Committee had entered into a service contract agreement with Nai Zindagi for provision of legal services. Provision of such service may trigger applicability of Sindh Sales Tax on Services.

We suggest that the Committee should seek independent legal opinion in respect of applicability of sales tax to avoid any future repercussion.

**3. TAX STATUS OF THE COMMITTEE**

The Committee is formed by the provincial government. As per section 49 sub section 2 of Income Tax Ordinance 2001, provincial government is exempt from any income tax. Therefore, no provision for taxation has been recorded in these financial statements.

Kindly confirm the representation made by the management.

**4. FRAUD AND ERRORS**

We have been informed by the management that no case of fraud and error has been brought to their knowledge during the period except for as disclosed and intimated to us by management. Kindly confirm the representations made by management.

**5. COMPLIANCE WITH LAWS AND REGULATIONS**

We have been informed by the management there have been no instances of non-compliance with laws and regulations other than those disclosed above that could have a material effect on the financial statements. Kindly confirm the representation made to us by management.



We take this opportunity to thank all your staff for the courtesy and cooperation extended to us during the course of our audit.

Yours faithfully,

*BDO Ebrahim & Co.*

**BDO EBRAHIM & CO.**

Enclosed as above

## **INDEPENDENT AUDITOR'S REPORT TO THE CHAIRMAN OF COMMITTEE FOR THE WELFARE OF PRISONERS**

### **Opinion**

We have audited the financial statement of Committee for the Welfare of Prisoners ("the Committee") which comprises the statement of receipts and disbursements (here-in-after referred to as the financial statement) for the year ended June 30, 2024 and notes to the financial statement, including a summary of significant accounting policies.

In our opinion, the accompanying financial statement of the Committee is prepared, in all material respects, in accordance with cash receipts and disbursements basis of accounting as described in note 2.1 to the financial statement.

### **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 Committee 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 and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of the financial statement in accordance with cash receipts and disbursements basis of accounting described in note 2.1 to the financial statement and for such internal control as the Management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, Management is responsible for assessing the Committee'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 Committee or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 the 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 material misstatement of the financial statement, 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 Committee'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 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 Committee'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 statement 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 Committee to cease to continue as a going concern.

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.

The engagement partner on the audit resulting in this independent auditors' report is Tariq Feroz Khan.

KARACHI

DATED: 19 AUG 2024

UDIN: AR202410166sP4DcJ1R7

  
BDO EBRAHIM & CO.  
CHARTERED ACCOUNTANTS

**COMMITTEE FOR THE WELFARE OF PRISONERS  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
Cash and bank balances as at July 1	3	16,751,841	11,946,328
<b>ADD: RECEIPTS</b>	4	<u>97,497,233</u>	<u>89,290,810</u>
		114,249,074	101,237,138
<b>LESS: DISBURSEMENTS</b>			
Salaries and other benefits		66,769,576	53,560,869
Medical expenses		3,823,332	5,100,405
Traveling, conveyance and accommodation		460,993	1,882,174
Capital expenditure	5	144,035	2,863,636
Fuel expense		6,804,003	8,890,880
Office rent		2,015,332	1,486,850
Printing and stationary		2,077,257	1,420,521
Repair and maintenance		899,622	1,156,073
Entertainment		868,939	750,890
Audit fee		26,000	185,815
Internet expense		99,314	452,861
Utility charges		413,694	441,414
Advertising and promotion		85,940	87,713
Surety fine court claim expenses		2,511,935	1,959,398
Training expenses		1,594,364	355,000
Vehicle insurance		588,356	206,400
Prisoner's welfare expenses		2,520,590	3,596,564
Other expenses		69,180	87,834
		(91,772,462)	(84,485,297)
Cash and bank balance as at June 30	3	<u>22,476,612</u>	<u>16,751,841</u>

The annexed notes from 1 to 8 form an integral part of this statement.

CHAIRMAN

MEMBER PROGRAM MANAGER

**COMMITTEE FOR THE WELFARE OF PRISONERS  
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

**1 NATURE OF OPERATION**

The Committee for the Welfare of Prisoners ("the Committee") was established by the Government of Sindh on January 21, 2004 under the Sindh Prisons Corrections Service Act and Rules. The objective of the committee is to improve jail conditions, particularly for female prisoners, and to assist in the management of women's jails for the welfare of under-trial and convicted women prisoners in the province of Sindh. The Committee has been reconstituted with a new Chairperson and members, and is currently chaired by Mr. Muhammad Siddique Memon.

- The Committee's office is located at Finance Trade Centre (FTC), Block C, First Floor, Shahrah-e-Faisal, Karachi. The terms of reference of the Committee are as follows:
- Provide legal awareness and legal empowerment to prisoners
- Provide free legal aid, advice and assistance to prisoners
- To work for the welfare of juvenile prisoners, women prisoners and children living with their mothers in prisons, in the areas of education, health, rehabilitation and livelihood
- To review laws, rules, regulations and policies related to prisoners and prisons and suggest repeal, amendment or new legislation if needed

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of measurement**

The statement of receipts and disbursements has been prepared on a cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. Under the cash basis of accounting, remittances from Government of Sindh are recognised when received and expenses are recognised when paid rather than when incurred.

**2.2 Functional and presentation currency**

These financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Committee.

**2.3 Cash and Bank balances**

Cash in hand and banks are carried at nominal amount.

## 2.4 Cash and cash equivalents

Cash and cash equivalents comprises of cash in hand and balances with bank.

## 2.5 Taxation

The Committee is formed by the provincial government, as per section 49 sub section 2 of Income Tax Ordinance 2001, provincial government is exempt from any income tax. Therefore, no provision for taxation has been recorded in these financial statements.

	Note	2024 Rupees	2023 Rupees
<b>3 CASH AND BANK BALANCE</b>			
Balance as at July 1			
With bank - in local currency		<u>16,751,841</u>	<u>11,946,328</u>
Balance as at June 30			
With bank - in local currency		22,468,092	16,751,658
Cash in hand		8,520	183
		<u>22,476,612</u>	<u>16,751,841</u>
<b>4 RECEIPTS</b>			
Grant in aid from the Home Department, Government of Sindh		90,936,000	82,578,000
Donations		343,525	2,727,509
Donation for Surety		311,500	394,494
Advances received		252,712	-
Disposal of asset (old generator)		-	1,505,000
Other income	4.1	5,653,496	2,085,807
		<u>97,497,233</u>	<u>89,290,810</u>
<b>4.3 Other income</b>			
Income from Nai Zindagi Trust		5,468,474	1,544,558
Overhead fee		107,177	519,699
Others		77,845	21,550
		<u>5,653,496</u>	<u>2,085,807</u>
<b>5 CAPITAL EXPENDITURE</b>			
Office equipments		29,800	-
Computer accessories		-	2,599,803
Advances against expense		114,235	263,833
		<u>144,035</u>	<u>2,863,636</u>

**6 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison. There have been no significant reclassifications or rearrangements in these financial statements during the current year.

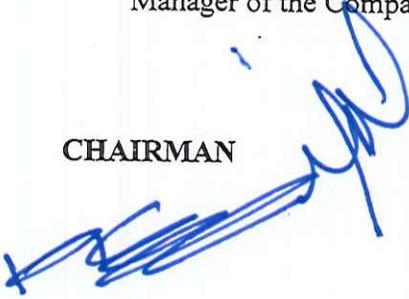
**7 GENERAL**

Figures have been rounded off to the nearest Rupee, unless otherwise stated.

**8 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements were approved on 16 AUG 2024 by the Chairman and Program Manager of the Company. *h*

**CHAIRMAN**



*Harpreet*  
**MEMBER/PROGRAM MANAGER**