

**Sindh Irrigation and  
Drainage Authority**

**Financial Statements  
For the year ended June 30, 2016**

## **INDEPENDENT AUDITORS' REPORT TO THE SINDH IRRIGATION AND DRAINAGE AUTHORITY**

We have audited the accompanying financial statements of **Sindh Irrigation And Drainage Authority (the Authority)**, which comprise the balance sheet as at June 30, 2016, and the related income and expenditure account, statement of changes in accumulated surplus and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Authority's management is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting standards as applicable in Pakistan, and for such internal control as the Authority's management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as, evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects the financial position of the Authority as at June 30, 2016, and of its income and expenditure, changes in accumulated surplus and its cash flows for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

  
**Chartered Accountants**  
Engagement Partner:  
Mushtaq Ali Hirani

Date 02 MAY 2017  
Karachi

**SINDH IRRIGATION AND DRAINAGE AUTHORITY**  
**BALANCE SHEET**  
**AS AT JUNE 30, 2016.**

	Note	2016 —(Rupees in '000)—	2015
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property and equipment	4	9,195	24,383
<b>CURRENT ASSETS</b>			
Advance, deposits and other receivables	5	22,543	49,278
Prepayments	6	1,490	426
Receivable from donor agencies and governments	7	64,028	70,057
Cash and bank balances	8	556,730	46,857
		644,791	166,618
		653,986	191,001
<b>FUND AND LIABILITIES</b>			
<b>FUND</b>			
Accumulated surplus / (deficit)		627	(989)
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Gratuity payable to employees		2,427	-
<b>CURRENT LIABILITIES</b>			
Funds from donor agencies and governments for specific projects - net	9	513,547	13,857
Creditors, accrued and other liabilities	10	135,278	175,873
Provision for taxation		2,107	2,260
		650,932	191,990
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11		
		653,986	191,001

The annexed notes from 1 to 16 form an integral part of these financial statements.

MYA

  
**Managing Director**

  
**Member SDA Board**

  
**General Manager Finance**

**SINDH IRRIGATION AND DRAINAGE AUTHORITY**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Note	2016 (Rupees in '000)	2015
<b>Grant from donor</b>			
Grants received from the Government of Sindh - non project		58,526	35,451
<b>Non-project expenditure - from Government grant</b>			
Salaries and allowances		53,172	37,731
Provision for gratuity	5.3	2,427	
Telephone and postage		446	339
Travelling and conveyance		926	1,005
Electricity		1,917	-
Printing and stationery		30	-
Others		124	114
		<u>(59,042)</u>	<u>(39,189)</u>
Deficit during the year		(516)	(3,738)
Additional grant received from the Government of Sindh - non project in relation to deficit for the year 2013 - 14		-	11,671
		<u>(516)</u>	<u>7,933</u>
<b>Other income</b>			
Profit on saving bank accounts		166	704
Insurance claims of vehicles		2,542	1,001
Others		350	26
		<u>3,058</u>	<u>1,731</u>
<b>Non-project expenditure - from other income</b>			
Salaries		-	38
Others		-	123
		-	(161)
		<u>3,058</u>	<u>1,570</u>
Surplus before taxation		<u>2,542</u>	<u>9,503</u>
Taxation		(926)	(572)
Surplus after taxation		<u>1,616</u>	<u>8,931</u>
Other comprehensive surplus for the year		-	-
Total comprehensive surplus for the year		<u>1,616</u>	<u>8,931</u>
Accumulated deficit as on 1 July		(989)	(9,920)
Accumulated surplus / (deficit) as on 30 June		<u>627</u>	<u>(989)</u>

The annexed notes from 1 to 16 form an integral part of these financial statements.

  
**Managing Director**

  
**Member SIDA Board**

  
**General Manager Finance**

**SINDH IRRIGATION AND DRAINAGE AUTHORITY**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2016**

2016                      2015  
 — (Rupees in '000) —

**A. CASH FLOWS FROM OPERATING ACTIVITIES**

Surplus before taxation from Government grant and other income net of non-project expenditure	2,542	9,503
<b>Adjustment for non-cash items</b>		
Provision for gratuity	2,427	-
<b>Working capital changes</b>		
Decrease in current assets		
Advances, deposit and other receivables	26,735	32,378
Prepayments	(1,064)	618
	25,671	32,996
(Decrease) in current liabilities		
Creditors, accrued and other liabilities	(40,595)	(425,617)
	(9,955)	(383,118)
Taxes paid	(1,079)	(70)
Net cash used in operating activities	(11,034)	(383,188)

**B. CASH FLOWS FROM INVESTING ACTIVITIES**

Addition to property and equipment	(97)	(1,496)
Net cash used in investing activities	(97)	(1,496)


**C. CASH FLOWS FROM FINANCING ACTIVITIES**

Funds received from donor agencies and governments for specific projects - net	1,915,745	2,408,613
Costs incurred on specific projects	(376,363)	(2,457,158)
Advances (extended) / utilized for specific projects	(1,018,378)	331,044
Net cash generated from in financing activities	521,004	282,499
Net increase / (decrease) in cash and cash equivalents (A+B+C)	509,873	(102,185)
Cash and cash equivalents as on July 01	46,857	149,042
Cash and cash equivalents as on June 30	556,730	46,857

The annexed notes from 1 to 16 form an integral part of these financial statements.

*MMA*

  
 Managing Director

  
 Member SIDA Board

  
 General Manager Finance