



“Education is the most powerful weapon which
you can use to change the world”
(Nelson Mandela)

DAMEN
Annual Report
2018

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Message from the Executive Director

Dear Friends,

Thank you for making 2018 another remarkable year for Development Action for Mobilization and Emancipation (DAMEN). We've accomplished another impactful year, full of successful community stories of committed field service, by engaging with our communities. DAMEN staff executed more incredible jobs than before, in expanding community women and girls outreach program by engaging more numbers than before, through interactive and customized social awareness campaigns, built around customized field trainings that are designed to meet the community's health care and basic non formal primary education services.

Our core thrust consistently remains the same since our startup days. To thrive and increase our work impact by creating more value in our healthcare and basic non formal primary education service from our home schools operations base, by engaging more and more committed and dedicated young women as teachers for our 100 dedicated home school and a reckoning team of 15 Lady Health Visitors, serving right in their neighborhoods. Our students' tally totals an impressive 4,500 plus students, with girls topping the numbers list, 62% higher in comparison with their boy counterparts.

DAMEN consistently focuses on investing in women and girls. It considers them as the country's underutilized human capital and contributes directly to them in their healthcare, wellbeing and primary education, for a healthy and educated next generation workforce. Intelligent countries assess their growth potential by assessing how much wealth they are foregoing because of human capital and gender gaps, and how much faster can they turn these losses into gains, if they act right now. DAMEN acts on the spot and believes that as a nation we've already lost a lot of time, in comprising on our growth plan and potential by keeping the women workforce out of the earnings equation.

By improving women vocational skills, health, knowledge, and resilience, DAMEN efforts to make women more productive, flexible, and innovative. Human capital is the central driver of sustainable growth and poverty reduction. Investments in human capital have become more and more important for nations, as the nature of work has evolved. Yet despite substantial progress, significant gaps exist in men versus women human capital investments, primarily due to inequitable education levels and skills. This has left the women poor, dependent and totally unprepared for the future that lies ahead for them. DAMEN program is built around raising awareness of the costs of inaction on women's part and making a case for investing in them, now more important than ever before. DAMEN's education goal is in which, all children arrive at school ready to learn, and the time spent in school translate into better learning opportunities for them. This will help them grow up to live and work as healthy, skilled, and productive adults to reach their full earning potential.

A few program highlights include, providing school furniture to 35 DAMEN Home schools that means 1400 students sit on a student-desk while taking lessons. Distributing complete set of free text course books to 4,500 students across 5 districts of Punjab. Starting DAMEN Smart Home Schools Pilot project at 3 schools, equipped with internet enabled LED TV. Shifting office premises to another location to reduce operating costs. Regularly conducting quarterly board meetings to improve our working efficiency. Deciding to carry health tests of our field staff. Enrolling our support staff with Punjab Social Security Program. Arranging 2018 summer internship program with the University of the Punjab, Gender Studies Department and engaging 8 girl students, while 4 boy students from the Development Economics Department of the same University were enrolled as summer interns, too. Signing an MOU with the Lahore University of Management Sciences' Schools of Education to engage them in improving learning outcomes for our girl students. Signing another working MOU with University of Management and Technology for assisting their undergraduate students in completing 72 credit hours of community service at DAMEN Home Schools. 72 students served this year.

Our ongoing goal is to keep our overhead low while increasing our service in the field, by making it possible to build stronger than ever engagements, due to our continually increasing demands of our communities. Garner talent to support our mission. Our Board of Directors has helped us dramatically increase our value base and our Technical Advisor to the Board has consulted us by increasing our value be for empowered women and girls' communities.

Thank you for wholeheartedly being a part of DAMEN movement. We are looking forward to scaling up and higher in 2019!



Executive Director
Salman Javed



- | | |
|------------------------|----------------|
| • Ms. Saweela Anees | Chairperson |
| • Mr. Sajid Maruf Khan | Treasurer |
| • Mr. Adnan Afaq | Director |
| • Mr. Ghayoor Obaid | Director |
| • Ms. Ghazala Saigol | Director |
| • Mr. Imran Niazi | Director |
| • Ms. Zareen Niazi | Director |
| • Ms. Salma Rashid | Director |
| • Ms. Shazi Malik | Director |
| • Ms. Naghma Rashid | Advisor to BOD |

Committees

Operations/Human Resource

- | | |
|---------------------|-------------|
| • Mr. Imran Niazi | Chairperson |
| • Ms. Zareen Niazi | Member |
| • Mr. Ghayoor Obaid | Member |
| • Ms. Salma Rashid | Member |
| • Ms. Saweela Anees | Member |

Finance / Audit

- | | |
|------------------------|-------------|
| • Mr. Sajid Maruf Khan | Chairperson |
| • Mr. Imran Niazi | Member |
| • Ms. Shazi Malik | Member |

DAMEN STAFF

Mr. Salman Javed

Executive Director

Social Sector:

Ms. Tania Rashid
Nabila Roohi
Hira Jamil

Team Leader
Training Coordinator
Field Coordinator

Finance & Administration:

Farhan Ashraf
M. Azeem Javed

Manager Accounts & Administration
Accounts & Administration Officer

Auxiliary Staff:

Mr. M. Ashraf
Mr. Abdullah Saleem
Mr. Wahid Iqbal
Mr. M. Attique

Office Boy
Front Desk Officer
Driver
Driver

Social Organizers:

Ms. Sakina Amir
Ms. Robina Begum
Ms. Nargis Rehman
Ms. Shabnam Batool
Ms. Nasrin Sharif
Ms. Sadia Saeed
Ms. Shabila Arther

SO Area 1
SO Area 1
SO Area 2
SO Area 3
SO Area 4
SO Area 4
SO Area 5



DAMEN visualizes “Development” as a process of capacity building of the people in order to empower them to solve their socio-economic problems through collective action and their own participation.

Mission of DAMEN is to make the people of marginalized communities understand the true notion of development and build their capacity, which would enable them to organize themselves into groups for collective action leading towards self-reliance and empowerment.



The long-term goal of DAMEN is of sustainable development through capacity building of the communities and makes them self-reliant in overcoming their problems through collective action.

About DAMEN

DAMEN (Development Action for Mobilization & Emancipation) is a non-profit, non-governmental organization established in May 1992 and registered under society registration act, working for alternative development at grass-root level in Punjab Pakistan. It is an alliance of social scientists, philanthropists and professionals from various fields having significant experience of working with NGOs in and outside Pakistan.

DAMEN plays a proactive role in providing educational opportunities, training, capacity building, health and sustainable livelihoods programs to marginalized communities through its network of non-formal schools, primary health care centers and livestock extension services. An integrated approach that is effective for bringing sustainable improvements in the social and economic status of the people in the target communities of Lahore, Kasur, Sheikhupura and Nankana Sahib.

DAMEN Objectives

DAMEN concentrates on the social and economic uplift of communities, especially in rural and peri-urban areas by encouraging them to assess their own needs and carve- out strategies to fulfill them. The emphasis is therefore placed on such programs that:

Concentrate on activities for integrated, self-reliant and long-term development of the communities through various programs of education, health, livestock extension services and holistic farming practices which, in turn, help sequester carbon emissions and reverse climate change

Enhance the cause of social and economic development of women by initiating programs for income generation and spreading awareness about their legal and fundamental rights

Train and support human resources for devising, implementing and overseeing development projects and programs

Chapter 1

HOME SCHOOL EDUCATION PROGRAM

The goal of DAMEN's social sector programs is to organize activities in the fields of education and primary health, primarily by mobilizing women caught in the cycle of enduring poverty. Through its home school education program, DAMEN seeks to empower poverty riven females by enabling them to start a non-formal home school and provide primary education to 5 to 14 year old out-of-school children. DAMEN currently supports 100 such female-run home schools in Lahore, Sheikhupura, Kasur and Nankana Sahib, which provide primary education to around 4,000 children and thus keeps them off the streets and affords them a chance to educate, learn, and, hopefully, transition into productive citizens. Attached is the home school report of Dec 2018:

Area 1 (District Lahore)				
SO Name	Boys	Girls	Total Students	Total schools
Sakina Amir	179	230	409	14
Robina Begum	246	236	482	14
Sub Total	425	466	891	28
Area 2 (District Lahore)				
Nargis Rehman	233	258	491	15
Sub Total	233	258	491	15
Area 3 (District Sheikhupura)				
Shabnam Batool	217	228	445	15
Sub Total	217	228	445	15
Area 4 (District Kasur)				
Nasreen Jamshed	290	325	615	14
Sadia Saeed	282	290	572	14
Sub Total	572	615	1,187	28
Area 5 (District Nankana)				
Shabila Arther	192	264	456	14
Sub Total	192	264	456	14
Grand Total	1,639	1,831	3,470	100

CASE STORY (Teacher)

Teacher: Irum Latif

Age: 20 Years

Qualification: B.A (Allama Iqbal Open University)

Hobbies: Reading Outing cooking

Marital Status: Unmarried

Irum Latif is a DAMEN teacher associated with organization for last two years. She is orphan and belongs to lower middle class family. She has five sisters and two brothers. After the death of her father she and her sister managed finances of the whole house. She started teaching coaching classes after Matriculations. Then DAMEN approached her as she is a very competent teacher. DAMEN supported her in opening a home school. Her school is progressing day by day. She has 37 students in her school. She has now a qualified teacher as she has completed her graduation in arts. Her school is very popular in nearby communities as she is providing quality education to the children of underprivileged communities. It is her ambition to improve educational system from Primary level to Higher Secondary level.



Chapter 2

HEALTH CARE SERVICES

DAMEN's health centers run on similar lines as its educational program, founded on the principle of empowering local women to develop their communities and bring about positive and sustainable social change. Our 15 Lady Health Visitors (LHVs) not only provide medical treatment through their clinics and camps, they also conduct awareness campaigns on various health related issues such as family planning, maternal and child healthcare, and healthy lifestyle practices.

The following tables summarize the outreach of the health care services offered by DAMEN during 2018:

HEALTH CENTER VISITS

Area 1 (District Lahore)		
So Name	No of Health Center	No of Patients
Sakina Amir	1	324
	1	263
Amna Imtiaz	1	383
	1	389
Total	4	1,359
Area 2 (District Lahore)		
Nargis Rehman	1	408
	1	370
Total	2	778
Area 3 (District Sheikhpura)		
Shabnam Batool	1	470
	1	470
Total	2	940
Area 4 (District Kasur)		
Nasreen Jamshed	1	457
	1	447
Sadia Saeed	1	445
Total	3	1,349
Area 5 (District Nankana)		
Shabila Arther	1	359
	1	385
	1	405
	1	342
Total	4	1,491
Grand Total	15	5,917

HEALTH CAMPS

Health camps are regularly set up in Lahore, Sheikhpura, Kasur and Nankana Sahib by mobilizing LHVs to reach out to a greater number of patients. These health camps provide awareness about basic health care and medical services at 10 PKR per patient, and many of our LHVs do not even charge this amount. These camps are set up in various locations such as DAMEN's area offices and home schools. A wide variety of diseases and medical conditions are treated at these camps such as fever, aches and pains, diarrhea, blood pressure, gynecology and pregnancy related issues among others. In addition, awareness about family planning and contraceptives is also provided at these camps.



HEALTH CAMP VISITS

Areas	No of Health Camps	Total No of Patients	Free /Non Free
Area 1	4	153	153/0
Area 2	2	97	97/0
Area 3	2	87	0/87
Area 4	4	138	138/0
Area 5	4	194	194/0
Grand Total	16	669	582/87

CASE STORY (LHV)

Name: Quratulain

Age: 30

Marital Status: Unmarried

Qualification: B.A. and LHV Diploma

Quratulain belongs to lower middle class associated with DAMEN from last six months. Her father worked in pharmaceutical industry before retirement and mother is a housewife. She worked really hard to get a graduation degree in arts. She has also obtained a LHV diploma. It was her dream to treat unprivileged communities in her area by establishing a clinic. She approached DAMEN to get support. DAMEN supported her to establish a clinic in her house. Nearby communities are pleased with her work as she is helping lots of people. It's her ambition to open a big clinic so that she can help and treat underprivileged communities of faraway villages.



Chapter 3

TRAINING AND CAPACITY BUILDING

DAMEN Empirical evidence suggests that capacity building plays an important role in the growth and expansion of communities and organizations. DAMEN therefore places a great deal of importance on the training and capacity building of its staff and the local community in which it carries out its operations.

Community Level

Community capacity building deals with supporting people to develop their skills and use them to raise awareness about social issues and consequently bring about positive change in society. DAMEN's vision and mission are also based on this principle of self-empowerment and active social participation. Community capacity building is primarily achieved by holding regular Women Social Organization (WSO) meetings.

Institutional Level

DAMEN also creates opportunities for its employees to grow and develop their skills, competencies and expertise so as to enable them to contribute to their self-development and the development of the community.

Orientation of New Staff

Orientation sessions for newly hired staff were organized and gave a brief introduction of DAMEN and its policies and role in economic development. The orientation also briefed the new recruits about the code of conduct, social mobilization techniques and the policies and procedures followed by the social sector.



The following are some training activities carried out during this year:

Teacher Training Workshops

Sr. #	Training	Participants	Area
1.	Multigrade Teaching System	23	Area - I
2.	Multigrade Teaching System	11	Area - II
3.	Multigrade Teaching System	10	Area - III
4.	Multigrade Teaching System	18	Area - IV
5.	Multigrade Teaching System	7	Area - V
6.	WSO's Community Base Project	20	Area - I
7.	WSO's Community Base Project	13	Area - II
8.	WSO's Community Base Project	05	Area - III
9.	WSO's Community Base Project	17	Area - IV
10.	WSO's Community Base Project	8	Area - V
Total		132	

External Training and Conferences

Training	Dates	Venue	Participants
Youth Employability	15 March 2018	Faletti's Hotel	Mr. Salman Javed, Ms. Tania Rashid
Ending Gender Based Discriminations and Violence	10 July 2018	Faletti's Hotel	Mr. Salman Javed, Ms. Nabila Roohi, Ms. Hira Jamil, Ms. Nargis Rehman, Ms. Nasrin, Ms. Sadia
Essentials of Social Mobilization	31 July to 03 Aug 2018	CWS, Murree	Mr. Salman Javed, Ms. Tania Rashid, Ms. Nabila Roohi, Ms. Hira Jamil, Ms. Nasreen, Ms. Sakina

WOMEN SOCIAL ORGANIZATIONS (WSO)

Each of the DAMEN home schools supports an associated parental group called Women Social Organization (WSO) which comprises neighborhood women who gather on a regular basis to discuss community problems and engage with home school teachers, social organizers and the training coordinator to gain awareness about various issues dealing with education, health, and environment.

The following tables summarize the total number of WSO meetings held during this year:

WSO Meetings with Social Organizers

Area1 (District Lahore)		
Social Organizer	Participants	No of Meetings
Sakina Amir	1,299	124
Robina Begum	1,153	124
Sub Total	2,452	248
Area 2 (District Lahore)		
Nargis Rehman	1,340	134
Sub Total	1,340	134
Area 3 (District Sheikhpura)		
Shabnam Batool	1,404	127
Sub Total	1,404	127
Area 4 (District Kasur)		
Nasreen Jamshaid	1,444	98
Sadia Saeed	1,408	97
Sub Total	2,852	195
Area 5 (District Nankana)		
Shabila Arther	2,791	151
Sub Total	2,791	151
Grand Total	10,839	855

WSO Meetings with Training Coordinator

Sr. #	Topics	Area	Participants
1.	Gender Sensitization	Nankana Sahib - V	26
2.	Gender Sensitization	Nankana Sahib - V	30
3.	Gender Sensitization	Pattoki - IV	22
4.	Gender Sensitization	Jumber - IV	19
5.	Gender Sensitization	Muridke - III	20
6.	Gender Sensitization	Sharqpur - III	22
7.	Gender Sensitization	Hunjarwal - I	09
8.	Gender Sensitization	Barkat Pura - I	14
9.	Gender Sensitization	Niaz Baig - I	14
10.	Gender Sensitization	Manowal - I	14
11.	Gender Sensitization	Chong - I	19
12.	Gender Sensitization	Manowal - I	24
13.	Gender Sensitization	Shamke Bhattian - II	18
14.	Gender Sensitization	Juliana - II	15
15.	Gender Sensitization	Harban da Daira - III	15
16.	Gender Sensitization	Muridke - III	16
17.	Gender Sensitization	Pattoki - IV	25
18.	Gender Sensitization	Choonian - IV	20
Total			342

Chapter 4

NETWORKING & LINKAGES

The following collaboration events took place during this quarter:

- DAMEN, Kashf, Bunyad, CSC and Mojaz have collaborated for an integrated development project to be executed in Jatoi, Muzafargarh that is going to be funded by PPAF if the proposal is accepted.
- DAMEN in collaboration with Damen Support Program (DSP) celebrated the International Women's Day on 9th March, 2018. This function was dedicated to the late Ms. Asma Jahangir for her contribution to Human Rights in Pakistan. Nearly 400 people including field and head office staff, board members, civil society organizations and media personnel were invited to the event.



- Mr. Anis Ahmad, representative of Packages Foundation, was invited to DAMEN to participate in the textbook distribution to home school students, which were purchased from the donation given by their organization
- DAMEN has submitted a proposal with British Council for Engagement with Youths (Girls and Boys). It is volunteer training program for one year to motivate parents through volunteers to increase the enrolment level of their local children in schools.
- June 2018 Memorandum of Understanding was signed between LUMS and DAMEN to conduct Community Service Program. In this regard MPhil Students of LUMS School of Education visited DAMEN schools in Area-1 to collect teacher data for their practicum notes



- Mr. Salman Javed, Ms. Nabila Roohi, Ms. Hira Jamil, Ms. Nargis Rehman, Ms. Nasrin, Ms. Sadia and two DAMEN interns attended a Provincial conference on “Ending Gender Based Discriminations and Violence” by BAIDARIE at Faletti’s Hotel on 10 July 2018.

Community Service Program 2018

On August 2018 Memorandum of Understanding was signed between UMT and DAMEN to conduct Community Service Program.

Administration of UMT announced that UMT students will work for 72 hours with DAMEN administration to achieve Community Service Credits Hours.

Proceedings

- ✓ UMT Scholars visited some selected schools to analyze performance of administration and teachers
- ✓ After analysis scholars generated reports that helped the administration to apply corrective measures in order to achieve mission of DAMEN

Results

- ✓ The performance of administration and school teachers falls in compliance status.



- DAMEN organized Health Camp at Barkat Pura, Lahore Area-1. Awareness session lead by LHV, Ms. Saeeda, REKO Pharmacal, donated free drugs valued around Rs. 20,000. Local women were extremely happy and appreciated DAMEN's effort, while desiring for more such camps.



- DAMEN signed an MOU with Damen Support Program (DSP) for one year to conduct 48 Medical Camps and 24 WSO meetings in DSP designated areas.

AUDIT REPORT 2018



**DEVELOPMENT ACTION FOR MOBILIZATION AND
EMANCIPATION (DAMEN- SOCIETY)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

EY Ford Rhodes
Chartered Accountants
96-B-I, 4th Floor, Pace Mall Building
M. M. Alam Road, Gulberg-II
P.O. Box 104, Lahore-54660

Tel: +9242 3577 8402-11
Fax: +9242 3577 8412-13
ey.lhr@pk.ey.com
ey.com/pk

INDEPENDENT AUDITORS' REPORT TO THE GENERAL BODY

Opinion

We have audited the accompanying financial statements of **Development Action for Mobilization and Emancipation** (the Society), which comprise of the balance sheet as at 31 December 2018, and the income and expenditure account, the statement of changes in funds and the statement of cash flows for the year then ended, and 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, the financial position of **Development Action for Mobilization and Emancipation** (the Society) as at 31 December 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 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 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 and Those Charged with Governance for the Financial Statements

The Executive committee 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 Executive committee 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, the Executive committee is responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis for accounting unless 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 financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatements 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.



Contd... P/2

-: 2 :-

- Obtain an understanding on internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, 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 the 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 a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure 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 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.



Chartered Accountants

Engagement Partner: Naseem Akbar

Lahore: 30 April 2019

**DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

ASSETS	Notes	2018 Rupees	2017 Rupees
Non-current assets			
Property and equipment	5	5,321,039	6,740,472
Loan to Damen Support Programme (DSP)	6	69,000,000	69,000,000
		<u>74,321,039</u>	<u>75,740,472</u>
Current assets			
Accrued markup	7	2,179,334	2,381,025
Current portion of loan to DSP	6	56,000,000	-
Tax refunds due from the Government	8	8,787,455	7,678,535
Short term investments	9	3,140,724	59,492,190
Short term deposits, advances and prepayments	10	797,958	322,307
Cash and bank balances	11	1,849,312	2,390,113
		<u>72,754,783</u>	<u>72,264,170</u>
TOTAL ASSETS		<u>147,075,822</u>	<u>148,004,642</u>
FUND AND LIABILITIES			
FUND			
General fund	12	694,219	2,539,081
Reserves	13	139,766,521	139,766,521
		<u>140,460,740</u>	<u>142,305,602</u>
LIABILITIES			
Current liabilities			
Trade and other payables	14	5,993,312	5,699,040
Deferred income	15	621,770	-
		<u>6,615,082</u>	<u>5,699,040</u>
TOTAL FUND AND LIABILITIES		<u>147,075,822</u>	<u>148,004,642</u>
CONTINGENCIES AND COMMITMENTS	16	-	-

The annexed notes from 1 to 29 form an integral part of these financial statements. 



CHIEF EXECUTIVE OFFICER



TREASURER

**DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 Rupees	2017 Rupees
INCOME:			
Profit on investments and bank deposits	17	11,926,074	11,355,988
Donation		225,000	2,856,951
Other income	18	193,020	738,118
Livestock extension services		-	2,440,750
		<u>12,344,094</u>	<u>17,391,807</u>
EXPENDITURES:			
General and administrative expenses	19	1,756,456	2,960,275
Training expenses	20	2,826,344	3,230,129
Subsidy to home schools	21	6,521,228	4,383,542
Subsidy to health centres	22	2,733,462	3,470,172
Livestock extension services	23	-	3,704,807
Donation to Damen Support Programme		-	7,816,415
		<u>13,837,490</u>	<u>25,565,340</u>
Deficit for the year		<u>(1,493,396)</u>	<u>(8,173,533)</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



TREASURER

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 Rupees	2017 Rupees
Deficit for the year	(1,493,396)	(8,173,533)
Other comprehensive income:		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Unrealized loss on available for sale investments	(351,466)	(750,717)
Total comprehensive loss for the year	<u>(1,844,862)</u>	<u>(8,924,250)</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

31.


CHIEF EXECUTIVE OFFICER


TREASURER

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 31 DECEMBER 2018

	Endowment Fund	General Fund	Reserves	Total
	-----Rupees-----			
Balance as at 01 January 2016	-	11,463,331	139,766,521	151,229,852
Unrealized loss on available for sale investments	-	(750,717)	-	(750,717)
Deficit for the year	-	(8,173,533)	-	(8,173,533)
Balance as at 31 December 2017	-	2,539,081	139,766,521	142,305,602
Unrealized loss on available for sale investments	-	(351,466)	-	(351,466)
Deficit for the year	-	(1,493,396)	-	(1,493,396)
Balance as at 31 December 2018	-	694,219	139,766,521	140,460,740

The annexed notes from 1 to 29 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


TREASURER

**DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 Rupees	2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit for the year		(1,493,396)	(8,173,533)
Adjustments for non cash and other related items			
Depreciation	5.1	829,446	1,045,949
Unrealized loss on available for sale investments		(351,466)	(750,717)
Loss on sale of fixed assets		63,177	-
Donation		-	7,816,415
		<u>541,157</u>	<u>8,111,647</u>
Deficit before working capital changes		(952,239)	(61,886)
Effect of (Increase) / decrease in current assets:			
Short term deposits and prepayments		(475,651)	(111,176)
Accrued markup		201,691	595,908
Short term investments		56,351,466	(3,492,190)
Security deposits		-	(450,000)
Tax refunds due from the Government		(1,108,920)	(523,527)
Effect of Increase / (decrease) in current liabilities:			
Deferred income		621,770	-
Trade and other payables		294,272	79,079
		<u>55,884,628</u>	<u>(3,901,906)</u>
Net cash flows / (used in) operating activities		54,932,389	(3,963,792)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(63,380)	(831,912)
Proceeds from disposal of fixed assets		590,190	5,539,046
Loan to Damen Support Programme (DSP)		(56,000,000)	-
Net cash (used in) / flows from investing activities		(55,473,190)	4,707,134
CASH FLOWS FROM FINANCING ACTIVITIES			
Net (decrease) / increase in cash and cash equivalents		(540,801)	743,342
Cash and cash equivalents at the beginning of year		2,390,113	1,646,771
Cash and cash equivalents at the end of year		<u>1,849,312</u>	<u>2,390,113</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


TREASURER

**DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. STATUS AND NATURE OF THE BUSINESS

- 1.1 Development Action for Mobilization and Emancipation (DAMEN) (the Society) was registered in May 1992 as a non profit organization under the Societies Registration Act XXI of 1860. DAMEN has field offices within vicinity of Lahore, Kasur, Sheikhpura & Nankana Districts.
- 1.2 The principal activity of DAMEN is to provide financial and operational support for provision of primary education and basic health facilities through community based schools and health centres in rural areas in vicinity of Lahore, Kasur and Sheikhpura Districts. In addition to these functions, DAMEN also provides non financial services in the form of trainings both to its clients and staff.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards for Small and Medium-sized entities (IFRSs for SMEs) and Accounting standards for Not for profit organizations issued by the Institute of Chartered Accountants of Pakistan.

3. BASIS OF PREPARATION

These accounts have been prepared under the historical cost convention.

3.1 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the Society's functional and presentation currency.

3.2 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Society's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Society's financial statements or where judgments were exercised in application of accounting policies are as follows:

Notes

Residual values and useful lives of property and equipment	(4.1)
Impairment	(4.3)
Provisions	(4.7)

4. SIGNIFICANT ACCOUNTING POLICIES

These accounts have been prepared under the historical cost convention using accrual basis of accounting except for the cash flow information.

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION

4.1 Property and equipment

All operating assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at cost less impairment loss, if any.

Depreciation on all operating fixed assets is charged to income on straight-line method so as to write off the historical cost of assets over estimated useful life at rates specified in Note 5.

Full month's depreciation is charged on additions while no depreciation is charged in the month of disposals during the year. Impairment loss or its reversal, if any, is charged to income. Where an impairment loss is recognized, the depreciation charge is adjusted in the future years to allocate the asset's revised carrying amount over its estimated useful life.

The gain or loss on disposal or retirement of an asset is recognized as an income or expense.

The asset's residual values and estimated useful lives are reviewed at least at each balance sheet date and impact on depreciation is adjusted, if significant.

4.2 Investments

Held-to-maturity investments are investments with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than:

- a) those that the entity upon initial recognition designates as at fair value through profit or loss; and
- b) those that the entity designates as available for sale.

These investments are recognized initially at fair value plus directly attributable transaction costs. The impairment loss, if any, on held to maturity investments and its reversal is recognized in income and expenditure account.

4.3 Impairment of assets

The carrying amounts of the Society's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in Income and expenditure account. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in Income and expenditure account.

4.4 Advances, prepayments and other receivables

Advances, prepayments and other receivables are carried at original cost less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off, when identified.

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DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION

4.5 Trade and other payables

Liabilities for trade and other payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

4.6 Revenue recognition

4.6.1 Grants related to income

Income from grants is recognized on receipt basis.

4.6.2 Bank profit

Profit on bank deposits is recognized on accrual basis.

4.7 Provisions

Provisions are recognized when, and only when, the Society has a present obligation (legal or constructive) as a result of a past event 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 the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.8 Staff retirement benefits

The Society operates a recognized provident fund for all its permanent employees. Equal monthly contributions are made to the fund both by the Society and the employees at the rate of 10 percent of the basic salary. Obligation for contributions to defined contribution plan is recognized as an expense in the Income and expenditure account as and when incurred.

4.9 Foreign currency translations

Transactions in foreign currencies are initially recorded by the trust at their respective functional currency (Pak rupee) spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in income and expenditure account.

4.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

4.11 Related party transactions

Transactions and contracts with related parties are carried out at arms length prices determined in accordance with comparable uncontrolled price method. Parties are said to be related if they are able to influence the operating and financial decision of the Society and vice versa. ✓

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION

5. PROPERTY AND EQUIPMENT

Operating fixed assets

	Note	2018 Rupees	2017 Rupees
	(5.1)	5,321,039	6,740,472

5.1 Operating fixed assets

DESCRIPTION	2018					Rate %
	COST			DEPRECIATION		
	As at 01 January 2017	Additions during the period	Transfers/ deletions during the year	As at 31 December 2018	As at 31 December 2018	
Land	3,866,200	-	-	3,866,200	-	3,866,200
Building	1,157,579	-	-	1,157,579	277,518	822,181
Vehicles	2,624,200	-	-	2,624,200	2,154,289	150,871
Computer equipment	536,302	36,500	-	572,802	443,902	54,702
Furniture and fixture	686,823	-	352,567	334,256	213,025	174,190
Office equipment	2,604,375	26,880	1,130,303	1,500,952	1,646,273	252,895
	11,475,479	63,380	1,482,870	10,055,989	4,735,007	5,321,039

2017								
DESCRIPTION	COST			DEPRECIATION			Book Value as at 31 December 2017	%
	As at 01 January 2016	Additions during the year	Transfers/ deletions during the year	As at 31 December 2017	As at 01 January 2016	Transfers / Adjustments		

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION

		2018	2017
	Note	Rupees	Rupees
6. LOAN TO DAMEN SUPPORT PROGRAMME			
Loan to DSP		125,000,000	69,000,000
Less: current portion	(6.1)	(56,000,000)	-
	(6.2)	<u>69,000,000</u>	<u>69,000,000</u>
6.1	This represent demand finance loans carrying mark-up at 6 months Karachi Interbank Offered Rate (KIBOR) plus 3.25%. These loans are repayable after a period of 1 year. These loans are secured against hypothecation of receivables but the charge is not registered.		
6.2	This represent demand finance loan carrying mark-up at 6 months Karachi Interbank Offered Rate (KIBOR) plus 3.25% (2017: KIBOR plus 3.25%). The loan has a grace period of 5 years. Principal repayments will start from 30, September 2020. Mark-up is receivable on quarterly basis in arrears. This loan is secured against hypothecation of receivables amounting to PKR 69 million but the charge is not registered.		
7. ACCRUED MARKUP			
Profit receivable on:			
- Term deposit receipts		-	744,867
- Loan to Damen Support Programme		<u>2,179,334</u>	<u>1,636,158</u>
		<u>2,179,334</u>	<u>2,381,025</u>
8. TAX REFUNDS DUE FROM GOVERNMENT			
Income tax		<u>8,787,455</u>	<u>7,678,535</u>
9. SHORT TERM INVESTMENT			
Term Deposit Receipts (TDRs) - held to maturity	(9.1)	-	56,000,000
Al-Meezan Assets Allocation Funds		<u>3,140,724</u>	<u>3,492,190</u>
		<u>3,140,724</u>	<u>59,492,190</u>
9.1	These represent investments in Term Deposit Receipts having a term of 1 year. These investments carry mark up rate ranging from 6.15 % to 10.10% (2017: from 6.15 % to 10.10%).		
10. SHORT TERM DEPOSITS, ADVANCES AND PREPAYMENTS			
Security deposits		355,000	185,000
Advance against expense		279,396	-
Prepaid insurance		161,305	137,307
Advances to supplier		1,589	-
Advances to staff		<u>668</u>	<u>-</u>
		<u>797,958</u>	<u>322,307</u>
11. CASH AND BANK BALANCES			
Cash in hand		8,591	6,135
Cash with banks:			
current accounts - local currency		-	2,024
deposit accounts:			
- local currency		<u>1,825,234</u>	<u>2,369,989</u>
- foreign currency		<u>15,487</u>	<u>11,965</u>
		<u>1,840,721</u>	<u>2,381,954</u>
		<u>1,849,312</u>	<u>2,390,113</u>
11.1	The deposit account carry mark up rate ranging from 3.7% to 7% (2017: from 3.7% to 7%).		

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION

		2018 Rupees	2017 Rupees
12. GENERAL FUND	Note		
General Fund - social sector programme	(12.1)	<u>694,219</u>	<u>2,539,081</u>
12.1 Movement during the year:			
Opening balance		2,539,081	11,463,331
Unrealized loss on available for sale investments		(351,466)	(750,717)
Deficit for the year		<u>(1,493,396)</u>	<u>(8,173,533)</u>
		<u>694,219</u>	<u>2,539,081</u>
13. RESERVES			
Social sector programme	(13.1)	<u>139,766,521</u>	<u>139,766,521</u>
13.1 Social sector programme			
Health centre - Shahpur		37,185	37,185
Health centre - Chung		15,761	15,761
Education services		269,400	269,400
Sustainability reserve - social sector programme		<u>139,444,175</u>	<u>139,444,175</u>
		<u>139,766,521</u>	<u>139,766,521</u>
14. TRADE AND OTHER PAYABLES			
Accrued expenses		612,072	372,729
Other payables	(14.1)	<u>5,381,240</u>	<u>5,326,311</u>
		<u>5,993,312</u>	<u>5,699,040</u>
14.1	This includes Rs. 5,126,311 (2017: 5,126,311) payable to an associated entity, Damen Support Programme (DSP) against advance tax recoverable on microfinance operations which have been transferred to DSP.		
15. DEFERRED INCOME			
Donations		250,000	-
Un-earned rental income		<u>371,770</u>	<u>-</u>
		<u>621,770</u>	<u>-</u>
16. CONTINGENCIES AND COMMITMENTS			
Contingencies and Commitments as of reporting date were Rs. Nil (2017: Rs. Nil).			
17. PROFIT ON INVESTMENTS AND BANK DEPOSITS			
Profit on Investments - TDRs		2,451,695	4,859,209
Profit on bank deposits		353,064	248,971
Service charge on loan to Damen Support Programme		<u>9,121,315</u>	<u>6,247,808</u>
		<u>11,926,074</u>	<u>11,355,988</u>

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION

		2018	2017
	Note	Rupees	Rupees
18. OTHER INCOME			
Building and equipment rental income		156,230	660,000
Membership fee		13,000	2,000
Miscellaneous Income		23,790	76,118
		<u>193,020</u>	<u>738,118</u>
19. GENERAL AND ADMINISTRATIVE EXPENSES			
Salaries, wages, stipends and other benefits		1,048,146	988,137
Auditors' remuneration		250,000	200,000
Depreciation		207,362	209,190
Legal and professional charges		46,619	956,200
Office supplies		44,561	104,886
Travelling expenses		34,872	5,145
Rent, rates and Taxes		19,368	-
Utilities		17,564	14,192
Loss on disposal of fixed assets		15,794	-
Communications		15,472	12,939
Insurance		14,352	27,218
Printing and stationary		12,601	133,138
Bank charges		10,368	69,261
Repair and maintenance		5,550	51,790
Strategic retreat		-	61,193
Vehicles running expense		-	31,937
Networking and linkages		-	81,604
Miscellaneous		13,827	13,445
		<u>1,756,456</u>	<u>2,960,275</u>
20. TRAINING EXPENSES			
Salaries, wages, stipends and other benefits		2,138,078	2,635,033
Depreciation		207,362	209,190
Workshop and training		174,187	91,907
Legal and professional charges		95,096	-
Travel expenses (POL)		59,472	61,643
Rent, rates and taxes		39,508	-
Utilities		35,829	37,846
Communications		31,562	34,504
Staff refreshment		19,046	-
Loss on disposal of fixed assets		15,794	-
Vehicles running expense		4,933	35,930
Insurance		-	27,218
Meeting expense		-	76,191
Miscellaneous		5,477	20,667
		<u>2,826,344</u>	<u>3,230,129</u>

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION

21. SUBSIDY TO HOME SCHOOLS	Note	2018 Rupees	2017 Rupees
Salaries, wages, stipends and other benefits		3,063,933	2,195,861
Books, furniture and equipment		1,555,108	-
Subsidy to home schools		681,840	691,800
Depreciation		207,362	209,190
Field staff travelling allowance		170,813	219,350
Legal and professional charges		136,275	-
Office repair and maintenance		117,479	-
Vehicles running and maintenance		94,716	55,012
Rent rates and taxes		56,617	-
Printing and stationary		87,380	-
Travel expenses (POL)		76,400	61,643
Insurance		72,722	27,218
Utilities		51,344	31,538
Communications		45,229	28,753
Networking and linkages		35,998	-
Staff refreshment		18,781	-
Loss on disposal of fixed assets		15,794	-
Bank charges		14,690	-
Charity to staff		5,300	-
Miscellaneous		13,447	20,667
Fund raising event expense		-	842,510
		<u>6,521,228</u>	<u>4,383,542</u>
22. SUBSIDY TO HEALTH CENTRES			
Salaries, wages, stipends and other benefits		1,307,198	2,195,861
Subsidy to health centers		870,000	890,000
Depreciation		207,362	209,190
Vehicles running expense		128,907	5,302
Travel expenses (POL)		63,987	61,643
Legal and professional charges		58,141	-
Rent, rates and taxes		24,155	-
Utilities		21,905	31,538
Communications		19,296	28,753
Loss on disposal of fixed assets		15,794	-
Staff refreshment		12,378	-
Insurance		-	27,218
Miscellaneous expenses		4,339	20,667
		<u>2,733,462</u>	<u>3,470,172</u>
23. LIVESTOCK EXTENSION SERVICES			
Salaries, wages, stipends and other benefits		-	2,964,412
Development and research costs / medicines		-	259,945
Travel expenses (POL)		-	131,143
Communications		-	38,817
Utilities		-	42,576
Vehicles running expense		-	31,506
Insurance		-	27,218
Depreciation		-	209,190
		<u>-</u>	<u>3,704,807</u>

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION

24. REMUNERATION OF KEY MANAGEMENT PERSONNEL

The aggregate amount charged in the financial statements for the year in respect of remuneration including certain benefits to the Chief Executive Officer of the Society is as follows:

	2018 Rupees	2017 Rupees
Managerial remuneration	1,200,000	2,400,000
	-----Number-----	
No. of persons	1	1

25. RELATED PARTY TRANSACTIONS

The related parties comprise of associated companies, directors of the Society, companies with common directorship and key management personnel. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Relation	Nature of transaction	2018 Rupees	2017 Rupees
Associated entity	Service charge recieved on loan to DSP	2,451,695	6,347,808
	Loan provided	56,000,000	-
	Furniture and fixture transferred (NBV)	240,920	-
	Office equipment transferred (NBV)	412,447	-
	Rent received	156,230	660,000
	Livestock extension service	-	2,440,750
	Land transferred	-	6,887,500
	Building transferred (NBV)	-	11,313,481
Staff provident fund	Contribution paid	328,108	1,076,310

Transactions entered into with the key management including Chief Executive Officer as per terms of employment are excluded from related party transactions.

	2018 -----Number-----	2017 -----Number-----
26. NUMBER OF EMPLOYEES		
Number of employees at the end of the year	17	16
Average number of employees during the year	17	21

27. DATE OF AUTHORIZATION

These financial statements have been approved by the Board of Directors and authorized for issuance on 29 MAR 2019.

28. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison, however no significant classification has been made during the year.

29. GENERAL

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



CHIEF EXECUTIVE OFFICER



TREASURER



1st Floor, 187 Excise & Taxation Employees Cooperative Housing Society, Abdul
Sattar Edhi Road, Lahore
Ph No: +92 (42) 35452500
E-mail: info@damen-pk.org www.damen-pk.org