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FISHERIES DEVELOPMENT BOARD

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Fisheries Development Board ("the Company") as at **30 June, 2015** and the related income and expenditure account, statement of cash flows and statement of changes in fund together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit, provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

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- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, statement of cash flows and statement of changes in fund together with the notes forming part thereof conform with the approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **30 June, 2015** and of the surplus, its cash flows and changes in unrestricted funds for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The financial statements of the Company for the year ended 30 June, 2014, were audited by another firm of chartered accountants, who expressed an unmodified opinion on those financial statements on 01 December, 2014.

Ernst & Young Fund Rhodes Si dot the law

Chartered Accountants

Engagement Partner's Name: Khayyam Mushir

Date: 12 October, 2015

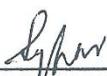
Place: Islamabad

FISHERIES DEVELOPMENT BOARD
(A Company registered under Section 42 of the Companies Ordinance, 1984)
BALANCE SHEET
AS AT 30 JUNE, 2015

	Note	2015	2014
		-----Rupees-----	
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property and equipment	4	46,960,233	3,785,888
CURRENT ASSETS			
Advances	5	6,377,200	232,040
Deposits and prepayments	6	355,500	707,692
Loans and other receivables	7	-	412,265
Advance taxation		617,785	634,572
Short-term investments	8	66,584,578	73,168,548
Cash and bank balances	9	118,836,198	90,768,479
TOTAL ASSETS		239,731,494	169,709,484
<u>FUND AND LIABILITIES</u>			
FUND			
Accumulated surplus		63,835,542	52,251,149
NON-CURRENT LIABILITIES			
Deferred grants	10	133,893,751	116,689,474
CURRENT LIABILITIES			
Trade and other payables	11	42,002,201	768,861
CONTINGENCIES AND COMMITMENTS			
	12	-	-
TOTAL FUND AND LIABILITIES		239,731,494	169,709,484

The annexed notes, from 1 to 23, form an integral part of these financial statements.

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 CHAIRMAN


 CHIEF EXECUTIVE

FISHERIES DEVELOPMENT BOARD
(A Company registered under Section 42 of the Companies Ordinance, 1984)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE, 2015

INCOME	Note	2015	2014
		-----Rupees-----	
Grant income	13	63,966,521	17,259,128
Other operating income	14	<u>11,584,393</u>	<u>8,824,571</u>
		<u>75,550,914</u>	<u>26,083,699</u>
EXPENDITURE			
Programme expenses			
Direct costs	15	49,261,727	5,081,124
Indirect costs	16	7,823,428	2,713,086
Administrative expenses	17	<u>6,881,366</u>	<u>9,464,918</u>
		<u>63,966,521</u>	<u>17,259,128</u>
Net surplus for the year		<u><u>11,584,393</u></u>	<u><u>8,824,571</u></u>

The annexed notes, from 1 to 23, form an integral part of these financial statements.

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 CHAIRMAN


 CHIEF EXECUTIVE

FISHERIES DEVELOPMENT BOARD
(A Company registered under Section 42 of the Companies Ordinance, 1984)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE, 2015

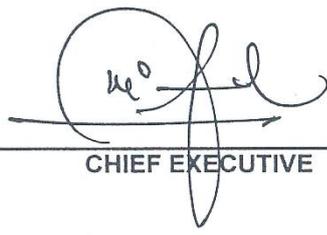
	2015	2014
	-----Rupees-----	
Surplus for the year	11,584,393	8,824,571
Other comprehensive income for the year	-	-
Total comprehensive income for the year	11,584,393	8,824,571

The annexed notes, from 1 to 23, form an integral part of these financial statements.

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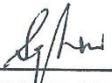


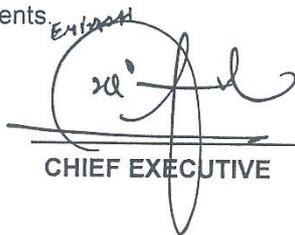
 CHIEF EXECUTIVE

FISHERIES DEVELOPMENT BOARD
(A Company registered under Section 42 of the Companies Ordinance, 1984)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE, 2015

	Note	2015 -----Rupees-----	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		11,584,393	8,824,571
Adjustments for:			
Depreciation		1,752,485	835,592
Amortization of grant		(63,966,521)	(17,259,128)
Profit on investments and bank deposits		(11,526,893)	(8,241,886)
		<u>(73,740,929)</u>	<u>(24,665,422)</u>
		(62,156,536)	(15,840,851)
Working capital changes:			
(Increase) / decrease in current assets			
Inventory		-	528,229
Advances		(6,145,160)	100,000
Deposits and prepayments		352,192	(312,600)
Loans and other receivables		412,265	279,895
Increase / (decrease) in current liabilities			
Increase in trade and other payables		41,233,340	607,153
Cash used in operations		(26,303,899)	(14,638,174)
Income tax refunded/ (paid)		16,788	(58,274)
Grant received		81,170,798	91,913,539
Net cash generated from operating activities		54,883,687	77,217,091
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment		(44,926,830)	(899,783)
Receipt of profit on investments and bank deposits		14,610,862	5,073,338
Net cash (used in) /generated from investing activities		(30,315,968)	4,173,555
Net increase in cash and cash equivalents		24,567,719	81,390,646
Cash and cash equivalents at the beginning of the year		160,768,479	79,377,833
Cash and cash equivalents at the end of the year	18	185,336,198	160,768,479

The annexed notes, from 1 to 23, form an integral part of these financial statements.


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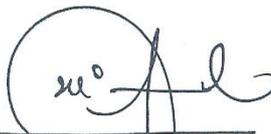
FISHERIES DEVELOPMENT BOARD
(A Company registered under Section 42 of the Companies Ordinance, 1984)
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 30 JUNE, 2015

	FUND -----Rupees-----
Balance at 01 July, 2013	43,426,578
Surplus for the year	8,824,571
Other Comprehensive Income for the year	-
Total Comprehensive Income for the year	8,824,571
Balance at 30 June, 2014	52,251,149
Surplus for the year	11,584,393
Other Comprehensive Income for the year	-
Total Comprehensive Income for the year	11,584,393
Balance at 30 June, 2015	63,835,542

The annexed notes, from 1 to 23, form an integral part of these financial statements.

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FISHERIES DEVELOPMENT BOARD
(A Company registered under Section 42 of the Companies Ordinance, 1984)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1. LEGAL STATUS AND OPERATIONS

Fisheries Development Board (FDB/ the Company), was incorporated on 02 August, 2007 under Section 42 of the Companies Ordinance, 1984 as a company limited by guarantee, having its registered office in Islamabad. The registered office of the Company is situated at 12, Orchard Scheme, Murree Road, Islamabad, with a branch office in Karachi.

The Company has been set up to provide, and maintain, a platform for enhancing and promoting the fisheries sector in Pakistan, where participants, professionals and intermediaries may discuss issues of common interest, identify new solutions that enhance the efficiency of the sector, initiate development programs, promote regional and global integration and undertake activities in Pakistan and / or abroad, for any or all of the purposes for which the company has been established.

The objective of setting up the Company was envisioned under PC-1 of the Aquaculture and Shrimp Farming Project ("the Project") dated April 2007. The Project was originally sponsored by the Ministry of Food, Agricultural and Livestock (MINFAL) and is being executed through the following agencies.

- Ministry of Food, Agricultural and Livestock (MINFAL)
 - Fisheries Management Wing (FMW)
 - Marine Fisheries Department (MFD)
 - Pakistan Agricultural Research Council (PARC)
- Line departments of provinces and special areas
- Private sector / NGOs

Further, after the devolution of the Ministry of Livestock and Dairy Development, the Company has now been placed under the administrative authority of the Ministry of National Food Security and Research.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, as are notified under the Companies Ordinance, 1984, and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of, or directives issued under, the Companies Ordinance, 1984 shall prevail.

3 BASIS OF PREPARATION

These accompanying financial statements have been prepared under the 'historical cost convention', except investments held-to-maturity, which are measured at their fair values.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards requires management to make judgments, estimates and assumptions that effect the application of policies and the reported amounts of assets and liabilities, income and expenditure.

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The estimates and associated assumptions 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 judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and future periods, if the revision affects both current and future periods.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies, that have the most significant effect on the amounts recognized in the financial statements, is discussed in the following paragraphs.

Property and equipment

The Company reviews the appropriateness of the rates of depreciation, useful lives and residual values used in the calculation of depreciation on an annual basis. Further, where applicable, an estimate of the recoverable amount of assets is also made for possible impairment, on an annual basis. Any change in the estimates in the future might affect the carrying amount of the respective item of property and equipment, with a corresponding effect on the depreciation charge and impairment.

3.1 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following revised standards, amendments and interpretations to approved accounting standards as applicable in Pakistan, will be effective from the dates mentioned below against the respective standard or interpretation.

Standard and amendments	Effective date (annual periods beginning on or after)
IFRS 10 - Consolidated Financial Statements	01 January 2015
IFRS 10 - Consolidated Financial Statements, IFRS 12- Disclosure of interests in other entities and IAS 27 Separate Financial statements - Investment Entities (Amendment)	01 January 2015
IFRS 10 - Consolidated Financial Statements, IFRS 12- Disclosure of interest in other entities and IAS 27-Separate Financial Statements - Investment entities: Applying the consolidation Exception (Amendment)	01 January 2015
IFRS 10 - Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Sale or Contribution of assets between investor and its Associate or Joint Venture (Amendment)	01 January 2016
IFRS 11 - Joint Arrangements	01 January 2015
IFRS 11 - Joint Arrangements - Accounting for acquisition of interest in joint venture - Joint Operation (Amendment)	01 January 2016
IFRS 12 - Disclosure of interests in other entities	01 January 2015
IFRS 13 - Fair value measurement	01 January 2015
IAS 1 - Presentation of financial statements - initiative (Amendment)	01 January 2016
IAS16 - Property Plant and Equipment and IAS 38 intangible assets- Clarification of Acceptable method of Depreciation and Amortization - Amendment	01 January 2016
IAS16 - Property Plant and Equipment and IAS 41 - Agricultural Bearer Plants (Amendment)	01 January 2016
IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment)	01 January 2016

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The Company expects that the adoption of the above amendments and interpretations of the standards will not affect the Company's financial statements, in the period of initial application.

In addition to the above standards and interpretations, amendments to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after 01 July, 2014 and 01 January, 2016. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements, in the period of initial application.

Further, the following new standards have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:

Standard	IASB Effective date
IFRS 9 - Financial Instruments: Classification and Measurement	01 January 2018
IFRS 14 - Regulatory Deferral Accounts	01 January 2016
IFRS 15 - Revenue from Contracts with Customers	01 January 2018

Standards that became effective but not relevant to the Company or do not have material effect:

- IAS 19 - Employee Benefits – (Amendment) - Defined Benefit Plans: Employee Contributions
- IAS 32 - Financial Instruments : Presentation – (Amendment) - Offsetting Financial Assets and Financial Liabilities
- IAS 36 - Impairment of Assets – (Amendment) - Recoverable Amount Disclosures for Non-Financial Assets
- IAS 39 - Financial Instruments: Recognition and Measurement – (Amendment) - Novation of Derivatives and Continuation of Hedge Accounting
- IFRIC 21 – Levies

Improvements to Accounting Standards issued by the IASB

- IFRS 2 - Share-based payments - Definitions of vesting conditions
- IFRS 3 - Business Combinations – Accounting for contingent consideration in a business combination
- IFRS 8 - Operating Segments – Aggregation of operating segments
- IFRS 8 - Operating Segments - Reconciliation of the total of the reportable segments' assets to the entity's assets
- IFRS 13- Fair Value Measurement - Scope of paragraph 52 (portfolio exception)
- IAS16 - Property, Plant and Equipment and IAS 38 Intangible Assets – Revaluation method – proportionate restatement of accumulated depreciation / amortization
- IAS 24 - Related Party Disclosures - Key management personnel
- IAS 40 - Investment Property - Interrelationship between IFRS 3 and IAS 40 (ancillary services)

The adoption of the above improvements to accounting standards did not have any effect on the financial statements.

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3.2 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is charged to income applying the straight-line method, whereby the cost of an asset is written-off over its estimated useful life. The rates of depreciation are stated in note 5 to the financial statements. Depreciation on additions is charged from the month of acquisition with no charge of depreciation in the month of deletion.

Useful lives are determined by the management based on the expected usage of assets, the expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amounts of property and equipment, and are recognized within "other operating income/ expenses" in the income and expenditure account.

The assets' residual values, useful lives and methods are reviewed and adjusted, if appropriate, at each financial year end. The effect of any adjustment to residual values, useful lives and methods is recognized prospectively, as a change in accounting estimate.

The carrying values of property and equipment are reviewed for impairment, when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts.

An item of property and equipment is derecognized upon disposal, or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset), is included in the income and expenditure account in the year, the asset is derecognized, and the related surplus on the revaluation is transferred directly to unrestricted funds.

Normal repairs and maintenance costs are charged to the income and expenditure account, as and when incurred.

3.2.1 Capital Work-In-Progress

Capital Work-In-Progress is stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred and advances made, in respect of operating fixed assets and intangible assets, in the course of their acquisition, construction and installation.

3.3 Impairment

Financial assets

A financial asset is assessed at each balance sheet date, to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

Non-financial assets

The carrying values of non-financial assets are assessed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the non-financial assets is estimated. An impairment loss is recognized as an expense in the income and expenditure account, for the amount by which the non-financial asset's carrying value exceeds its recoverable amount.

3.4 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise of the Company's balances of cash in hand, cash at banks and other short-term financial assets, which are highly liquid investments that are readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value.

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3.5 Short-term investments

Investments in securities with fixed maturities, where management has both the intent and the ability to hold to maturity, are classified as held-to-maturity, and carried at amortized cost. This cost is computed as the amount initially recognized minus principal repayments, plus or minus the cumulative amortization, using the Effective Interest Rate method, of any difference between the initially recognized amounts and the maturity amounts. This calculation includes all fees and points paid or received between parties to the contract, that are an integral part of the Effective Interest Rate, transaction costs and all other premiums and discounts. For investments carried at amortized cost, gains and losses are recognized in the income and expenditure account when the investments are derecognized or impaired, as well as through the amortization process.

3.5 Financial Instruments

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset. Individual significant financial assets are tested for impairment, on an individual basis.

3.6 Off-setting

A financial asset and financial liability is offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set-off the transaction, and also intends either to settle on a net basis, or to realize the asset and settle the liability, simultaneously.

3.6 Foreign currency transactions

These financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. Foreign currency transactions, during the year, are recorded at the exchange rates approximating those ruling on the date of the transactions. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange, which approximate those prevailing on the balance sheet date. Gains and losses on translation are taken to income currently. Non-monetary items that are measured in terms of historical cost in a foreign currency, are translated using the exchange rates prevailing at the dates of the initial transactions. Non-monetary items measured at fair values in a foreign currency, are translated using the exchange rates prevailing at the dates when the fair values were determined.

3.7 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

3.8 Provisions

A provision is recognized when, and only when, the Company has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) 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.

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3.9 Grant Income

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Grants against operating activities

Grants of a non-capital nature are recognized as deferred income at the time of their receipt. Subsequently, these are recognized in the income and expenditure account to the extent of expenditure incurred.

Grants against purchase of fixed assets

Grants received for the purchase of fixed assets, are initially recorded as deferred income upon receipt. Subsequently, these are recognized in the income and expenditure account, on a systematic basis, over the periods necessary to match them with the carrying value of the related assets.

3.10 Taxation

Being a non-profit organization, the company is allowed a tax credit equal to one hundred percent of the tax payable under section 100C to the Income Tax Ordinance, 2001.

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4 PROPERTY AND EQUIPMENT

	2015	2014
Operating fixed assets	21,886,994	3,785,888
Capital work-in-progress	25,073,239	-
	<u>46,960,233</u>	<u>3,785,888</u>

4.1 Operating fixed assets

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE			
	At 01 July	Additions	Disposals	At 30 June	Rate	At 01 July	Charge for the year	Disposals	At 30 June	At 30 June
	Rupees									
2015					%					Rupees
Furniture and fixtures	1,014,899	1,175,616	-	2,190,515	10	450,251	114,543	-	564,794	1,625,721
Office equipment	2,223,588	2,112,764	-	4,336,352	15	1,483,167	536,248	-	2,019,415	2,316,937
Vehicles	3,004,661	-	-	3,004,661	10	1,079,224	300,466	-	1,379,690	1,624,971
Scientific and other equipment	696,566	16,565,211	-	17,261,777	20	141,184	801,228	-	942,412	16,319,365
	<u>6,939,714</u>	<u>19,853,591</u>	-	<u>26,793,305</u>		<u>3,153,826</u>	<u>1,752,485</u>	-	<u>4,906,311</u>	<u>21,886,994</u>

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE			
	At 01 July	Additions	Disposals	At 30 June	Rate	At 01 July	Charge for the year	On Disposals	At 30 June	At 30 June
	Rupees									
2014					%					Rupees
Furniture and fixtures	972,428	42,471	-	1,014,899	10	351,593	98,658	-	450,251	564,648
Office equipment	1,964,078	259,510	-	2,223,588	15	1,166,674	316,493	-	1,483,167	740,421
Vehicles	2,691,918	312,743	-	3,004,661	10	791,789	287,435	-	1,079,224	1,925,437
Scientific and other equipment	411,507	285,059	-	696,566	20	8,178	133,006	-	141,184	555,382
	<u>6,039,931</u>	<u>899,783</u>	-	<u>6,939,714</u>		<u>2,318,234</u>	<u>835,592</u>	-	<u>3,153,826</u>	<u>3,785,888</u>

4.2

This represents expenditure incurred, for the acquisition of equipment to be installed on a shrimp farm in Karachi. The Company has entered into a joint arrangement with Reliance Aqua Farm (Private) Limited (RAFL), dated 6 March, 2015, to undertake a shrimp farming project on a profit sharing basis. The Company is required to contribute capital in the form of equipment, installation costs, supply of fish feed, cost of repair of ponds and other operational expenditure, during the first year of operation at RAFL's existing shrimp farm in Karachi. RAFL will contribute the existing infrastructure at its shrimp farm, and will bear operating costs from the second year of the farm's operation. The joint arrangement agreement is for a period of five years extendable with mutual consent. If the arrangement is terminated by RAFL within five years, the Company is entitled to take back all its equipment.

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FISHERIES DEVELOPMENT BOARD
(A Company registered under section 42 of the Companies Ordinance, 1984)

		2015	2014
		-----Rupees-----	
5	ADVANCES	Note	
	Considered good		
	To employees	5.1	232,040
		<u>6,377,200</u>	<u>232,040</u>
5.1	This represents advances to employees for conducting trainings in the provinces of Punjab and Sindh.		
		2015	2014
		-----Rupees-----	
6	DEPOSITS AND PREPAYMENTS		
	Security deposits	250,000	250,000
	Prepayments	105,500	452,692
	Rent	-	5,000
		<u>355,500</u>	<u>707,692</u>
7	LOANS AND OTHER RECEIVABLES		
	Loan to employees	-	208,473
	Other receivables	-	203,792
		<u>-</u>	<u>412,265</u>
8	SHORT-TERM INVESTMENTS		
	Held-to-maturity		
	Cost	8.1	70,000,000
	Accrued interest		3,168,548
		<u>66,500,000</u>	<u>73,168,548</u>
8.1	These represent two TDRs, placed with the National Bank of Pakistan, with face values of Rs. 50 million and Rs. 16.5 million (2014: Rs. 60 million and Rs.10 million), respectively. These TDRs carry mark-up at the rate of 6.5% and 6.2% (2014: 9.5% and 10.30%) per annum, with maturity periods of 6 months and 1 month, respectively.		
		2015	2014
		-----Rupees-----	
9	CASH AND BANK BALANCES	Note	
	Cash in hand		-
	At Banks in		
	- Current accounts		1,046,268
	- Savings accounts	9.1	89,722,211
		<u>113,350,084</u>	<u>90,768,479</u>
		<u>5,434,526</u>	<u>90,768,479</u>
		<u>118,784,610</u>	<u>90,768,479</u>
		<u>118,836,198</u>	<u>90,768,479</u>
9.1	These carry mark-up at rates ranging from 5% to 6% (2014: 7.5% to 9%) per annum.		
		2015	2014
		-----Rupees-----	
10	DEFERRED GRANTS	Note	
	Against purchase of fixed assets	10.1	3,785,888
	Against operating activities	10.2	112,903,586
		<u>46,960,233</u>	<u>116,689,474</u>
		<u>86,933,518</u>	<u>116,689,474</u>
		<u>133,893,751</u>	<u>116,689,474</u>

EY/ASH

FISHERIES DEVELOPMENT BOARD
(A Company registered under section 42 of the Companies Ordinance, 1984)

		2015	2014
		-----Rupees-----	
10.1	Against purchase of fixed assets		
	Opening balance as at 01 July	3,785,888	4,249,926
	Capital grants received during the year	44,926,830	899,783
	Recognized in income during the year	(1,752,485)	(835,592)
	Reversal of inventory	-	(528,229)
		<u>46,960,233</u>	<u>3,785,888</u>
10.2	Against operating activities		
	Opening balance as at 01 July	112,903,586	37,785,137
	Grants received	81,170,798	91,913,539
	Transferred to deferred capital grant	(44,926,830)	(899,783)
	Amortization during the year	(62,214,036)	(16,423,536)
	Adjustment	-	528,229
		<u>86,933,518</u>	<u>112,903,586</u>
11	TRADE AND OTHER PAYABLES		
	Trade payables	39,095,629	644,911
	Withholding tax payable	18,923	23,950
	Accrued liabilities	848,526	-
	Payable to employees	1,739,123	-
	Audit fee payable	300,000	100,000
		<u>42,002,201</u>	<u>768,861</u>
12	CONTINGENCIES AND COMMITMENTS		
	There are no contingencies and commitments as at the end of the current and prior year.		
		2015	2014
		-----Rupees-----	
13	GRANT INCOME		
	Recognized against deferred grants for:		
	Purchase of fixed assets	1,752,485	835,592
	Operating activities	62,214,036	16,423,536
		<u>63,966,521</u>	<u>17,259,128</u>
14	OTHER OPERATING INCOME		
	Income from financial assets		
	Profit on investments and bank deposits	11,526,893	8,241,886
	Project income - MDP	-	501,272
	Others	57,500	47,500
	Income from non-financial assets		
	Interest income on loans	-	33,913
		<u>11,584,393</u>	<u>8,824,571</u>
14.1	This amount represents interest accrued and interest earned on TDRs placed with the National Bank of Pakistan and interest earned on the Company's savings account.		

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FISHERIES DEVELOPMENT BOARD
(A Company registered under section 42 of the Companies Ordinance, 1984)

	Note	2015	2014
-----Rupees-----			
15 PROGRAM EXPENSES - DIRECT COSTS			
GIZ project	15.1	42,876,637	4,995,844
Shrimp farming and cluster development	15.2	6,385,090	85,280
		49,261,727	5,081,124

15.1 The break-up of expenses for the GIZ project is as follows:

Salaries, wages and allowances	1,692,598	2,502,088
Consumables	779,804	-
Legal and professional	-	5,300
Travelling and boarding	9,103,499	899,273
Vehicle running expenses	1,798,340	563,668
Printing, postage and stationery	1,643,641	-
Rent and taxes	1,100,000	500,000
Entertainment	2,078,894	178,727
Trainings	23,880,660	346,788
Communication	249,813	-
Advertisement	549,388	-
	42,876,637	4,995,844

15.2 The break-up of expenses for shrimp farming and cluster development is as follows:

Salaries, wages and allowances	2,677,129	-
Legal and professional	1,306,803	-
Travelling and boarding	324,370	11,060
Vehicle running expenses	1,390,673	48,749
Printing, postage and stationery	290,062	-
Entertainment	-	25,471
Utilities	138,717	-
Rent and taxes	100,000	-
Trainings	157,336	-
	6,385,090	85,280

16 PROGRAM EXPENSES - INDIRECT COST

GIZ Project - FDB indirect cost	16.1	5,801,542	1,658,527
Business development support		369,320	144,472
Research and development		143,540	498,866
Technical back stopping	16.2	1,509,026	411,221
		7,823,428	2,713,086

16.1 GIZ Project - FDB indirect cost

Salaries, wages and allowances	4,537,537	1,108,919
Printing, postage and stationery	443,848	207,215
Utilities	372,107	143,433
Rent and taxes	420,000	195,000
Legal and professional charges	27,025	2,505
Others	1,025	1,455
	5,801,542	1,658,527

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FISHERIES DEVELOPMENT BOARD
(A Company registered under section 42 of the Companies Ordinance, 1984)

	Note	2015	2014
		-----Rupees-----	
16.2 Technical back stopping			
Salaries, wages and allowances		769,749	296,900
Travel and boarding		275,198	64,281
Vehicle running		427,193	26,930
Advertisement		15,736	-
Utilities		10,550	23,110
Printing, postage and stationery		10,600	-
		<u>1,509,026</u>	<u>411,221</u>
17 ADMINISTRATIVE EXPENSES			
Salaries and allowances		2,321,321	3,197,628
Daily wages		188,400	165,350
Travelling and boarding		793,321	1,255,826
Legal and professional charges		207,275	330,400
Vehicle running expenses		298,170	611,156
Postage, telegram and telephone		-	124,060
Printing and stationery		29,764	144,019
Utilities		-	161,901
Rent, rate and taxes		-	125,000
Insurance		-	299,257
Entertainment		45,045	113,014
Auditors' remuneration	17.1	300,000	100,000
Depreciation		1,752,485	835,592
Repair and maintenance		57,433	348,822
Consumables		84,170	-
Bank charges		5,315	6,421
Software		-	41,565
Medical insurance		337,591	-
Advertisement		28,974	-
Advances written-off		432,102	-
Others		-	155,817
Mangla Dam project		-	787,135
Alipur Chatha Farm project		-	661,955
		<u>6,881,366</u>	<u>9,464,918</u>
17.1 AUDITORS' REMUNERATION			
Audit fee of statutory financial statements		200,000	100,000
Fee for review report		100,000	-
		<u>300,000</u>	<u>100,000</u>
18 CASH AND CASH EQUIVALENTS			
Short-term investments - cost	8	66,500,000	70,000,000
Cash and bank balances	9	118,836,198	90,768,479
		<u>185,336,198</u>	<u>160,768,479</u>

Ex Foot

19 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company has exposures to the following risks from its use of financial instruments:

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors of the Company oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

19.1 Credit Risk

Credit risk is the risk of financial loss to a Company if a counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from the counter-parties to its short-term investments and its balances held with the financial institutions.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each counter-party. Geographically, however, there is no concentration of credit risk.

The credit quality of cash and bank balances, that are neither past due nor impaired, can be assessed by reference to external credit ratings (if available), or to historical information about counter party default rate.

	Note	2015	2014
		-----Rupees-----	
Deposits	6	250,000	250,000
Loans and other receivables		-	412,265
Short-term investments	8	66,584,578	73,168,548
Bank balances	9	118,784,610	90,768,479
		<u>185,619,188</u>	<u>164,599,292</u>

The credit risk related to balances with banks, Term Deposit Receipts, savings accounts and current accounts, is managed in accordance with the Company's policy of placing funds with approved financial institutions and within the limits assigned.

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19.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations, as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash on demand to meet expected cash outflows during its operating cycle. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below analyses the Company financial liabilities into relevant maturity groupings based on the remaining period at the reporting date. The amounts disclosed in the table are the contractual un-discounted cash flows:

	Carrying amount	Contractual cash flows	With in Six months	Six to twelve months
	-----Rupees-----			
Financial liabilities				
2015				
Trade and other payables	41,983,278	41,983,278	41,983,278	-
	<u>41,983,278</u>	<u>41,983,278</u>	<u>41,983,278</u>	<u>-</u>
	Carrying amount	Contractual Cash flows	With in Six months	Six to twelve months
	-----Rupees-----			
Financial liabilities				
2014				
Trade and other payables	744,911	744,911	744,911	-
	<u>744,911</u>	<u>744,911</u>	<u>744,911</u>	<u>-</u>

19.3 Market risk

Market risk is the risk that results from changes in market prices such as foreign exchange rates and interest rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing returns.

19.3.1 Interest rate risk

The interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The majority of the Company's interest rate exposure arises from its deposit accounts with banks. The risk is managed in accordance with the Company's policy of placing funds with approved financial institutions. At the balance sheet date the interest rate profile of the Company's interest bearing financial instruments is as follows:

	2015	2014
	-----Rupees-----	
Fixed rate instruments		
Short-term investments	<u>66,500,000</u>	<u>70,000,000</u>
Variable rate instruments		
Bank balance - savings accounts	<u>5,434,526</u>	<u>89,722,211</u>

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Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates throughout the year would have increased/(decreased) the surplus by the following amounts, assuming that all other variables remain constant.

	impact on	
	100 basis points increase	100 basis points decrease
	-----Rupees-----	
Cash flow sensitivity (net)		
Variable rate instruments	54,345	(54,345)
June 30, 2015	54,345	(54,345)
Variable rate instruments	1,345,833	1,345,833
June 30, 2014	1,345,833	1,345,833

19.4 Fair value of financial assets and liabilities

The carrying values of the Company's financial assets and liabilities approximate their fair values.

19.5 Fund Management

Currently the Company is partially dependent on funds from the Government of Pakistan for its operational expenses. The Company is engaging in new revenue generating activities including investing in fixed maturity TDRs and new joint venture projects as a means of enhancing its fund base.

20 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND DIRECTORS

20.1 The Company has not paid any remuneration to its Chief Executive and directors. However, expenses relating to the meetings of the Board of Directors, held during the year, amounted to Rs. 346,675 (2014: Rs. 934,686).

21 NUMBER OF EMPLOYEES

Number of persons employed at the period end
Average number of employees during the period

-----2015-----	-----2014-----
46	20
33	19

22 DATE OF AUTHORIZATION

These financial statements were authorized for issue on **12 OCT 2015** by the Board of Directors of the Company.

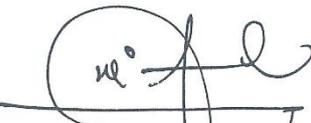
23 GENERAL

The amounts presented in these financial statements have been rounded-off to the nearest Pak Rupee.

EX FIRM



CHAIRMAN



CHIEF EXECUTIVE