

**The Office of the United Nations High  
Commissioner for Refugees**

Report of the Independent Auditor on the Project  
Financial Report of Society for Human Rights and  
Prisoners' Aid for the period from 01 January 2015  
to 31 December 2015 including liquidation period up  
to 31 January 2016



KPMG Taseer Hadi & Co.  
Chartered Accountants  
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## Independent Auditors' Report

**To:** United Nations High Commissioner for Refugees (UNHCR) Representative in Pakistan  
**CC:** Chairman, Society for Human Rights and Prisoners' Aid

**Audited Project:** Protection of Asylum Seekers and refugees in Punjab, Sindh, ICT and AJK  
**Period covered by the audited Project Financial Report (PFR):** From 01 January 2015 to 31 December 2015 including liquidation period up to 31 January 2016

**Project Partnership Agreement Symbol to identify the PFR:** UNHCR/PAK01/2015/Pillar 1/0000000664

**Name of the Partner:** Society for Human Rights and Prisoners' Aid

**Partner code:** 1205032

**Location:** Islamabad, Pakistan

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We have audited the above mentioned accompanying PFR submitted by Society for Human Rights and Prisoners' Aid ("Partner") reflecting cash receipts and disbursements for the above mentioned project partnership agreement relating to the reporting period from 01 January 2015 to 31 December 2015 including liquidation period up to 31 January 2016. The PFR has been prepared on the basis of cash receipts and disbursements and includes Eligible Costs transactions during the liquidation period up to 31 January 2016.

### Management's Responsibility for the Project Financial Report

The Partner's management is responsible for the preparation and fair presentation of the PFR in accordance with the cash receipts and disbursements basis of accounting. This includes determining that the cash receipts and disbursements basis of accounting is an acceptable basis for the preparation of the PFR in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the PFR that is free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on this PFR based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the PFR is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the PFR. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the PFR, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the PFR in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the PFR.

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

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## Opinion

In our opinion, the accompanying PFR presents fairly, in all material respects, the cash receipts and disbursements paid by the Partner for the period from 01 January 2015 to 31 December 2015 on the basis of the cash receipts and disbursements for the final reporting period including any Eligible Costs transactions conducted during and up to, the end of the authorized liquidation period, 31 January 2016.

## Basis of Accounting

Without modifying our opinion, we draw attention to the Terms of Reference for Audit of UNHCR Funded Projects, which describes the basis of accounting.

The PFR is prepared to provide information to UNHCR. As a result, the PFR may not be suitable for any other purpose.

## Emphasis of Matter

We draw attention to following financial findings amounting to PKR 403,132 [US\$ 3,822] which represents 0.68% of the total expenditure amount reported. These are highlighted here as per the requirements of the Terms of Reference:

- a) We have made financial finding totaling PKR 30,240 [US\$ 287], as this represents advertisement expenses relating to period after the end of liquidation period. Accordingly in our view, cost amounting to PKR 30,240 is ineligible for funding under the contractual conditions of the Project Partnership Agreement (*Refer to finding no. 1 of Management Letter*).
- b) We have made financial finding totaling PKR 365,658 [US\$ 3,467], as this cost represents salaries of shared staff whose time sheets were not prepared by the Partner. In the absence of such information, we remained unable to verify the actual time spent by the employees on the project. Accordingly in our view, cost amounting to PKR 365,658 is ineligible for funding under the contractual conditions of the Project Partnership Agreement (*Refer to finding no. 2 of Management Letter*).
- c) We have made financial finding totaling PKR 7,234 [US\$ 69], as this represents insurance cost which did not pertain to the project implementation period. Accordingly in our view, cost amounting to PKR 7,234 is ineligible for funding under the contractual conditions of the Project Partnership Agreement (*Refer to finding no. 4 of Management Letter*).





KPMG Taseer Hadi & Co.

**The Office of United Nations High Commissioner for Refugees**  
Report of the Independent Auditor on the Project Financial Report of  
Society for Human Rights and Prisoners' Aid

Further, we also draw attention to management control finding [*finding no. 12*] and compliance finding [*finding no. 29 and 32*] as set out in the relevant sections of our report which represent an important control weakness and instances of non-compliance with the terms of the project partnership agreement which we came across during the conduct of our financial audit.

Since the aggregate of findings a to c above is below our materiality level, our opinion is not qualified in respect of the above matters.

KPMG Taseer Hadi & Co.  
Chartered Accountants

Riaz Pesnani  
*Engagement Partner*  
Islamabad, 29 April 2016

Enclosure:  
- PFR

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PROJECT CONTROL SECTION

Received by: M. Sohail Gohar

Date Received: 16 Feb 2016

Ex. Rate: 105.24246



Project Financial Report # 8

For Partner 1205032

SOCIETY FOR HUMANITARIAN RIGHT

For Budget Year 2015

Reporting period from: 1st December 2015 to: 3rd Feb 2016

Report Date: 15th Feabruary 2016

Operation: PAK ABC -

BU/Agreement No: PAK01 000000664

Currency: PKR

Run Date: 08/01/16 04:01:41

Cost Centre: 33061 - PAKISTAN, ISLAMABAD; SITUATION: 1900 - ANNUAL BUDGET EXCOM APPROVED; PPG: IPAKC - Refs and Asylum Seekers Pakistan; GOAL: PF - Protection and mixed solutions;

Description	Account	REPORTING							REQUESTS / AUTHORIZATIONS (for planning purposes only)	
		Budget	Instalment(s) released as at	Acumulative Expenses up to	Expenses as % of Budget	Budget Balance	New Expenses	Unused Instalment	New Instalment Request	Authorized for Release (UNHCR Use)
		A	11/30/2015 B	11/30/2015 C	11/30/2015 D	E=A-C	F	G=B-C-F	H	I

Cost Centre: 33061 - PAKISTAN, ISLAMABAD

OBJECTIVE: 113 - Capacity development supported

113AD Capacity development supported

WORKSHOP SUPPLIES	608620	240,000.00		231,652.00	96.52	8,348.00						
<b>TOTAL for 113AD</b>		<b>240,000.00</b>	<b>240,000.00</b>	<b>231,652.00</b>	<b>96.52</b>	<b>8,348.00</b>						
113AH Legal assistance provided												
DIESEL	606030	2,737,881.00		2,426,203.00	88.61	311,678.00	241,740.00					
WORKSHOP SUPPLIES	608620	1,008,019.00		774,200.00	76.80	233,819.00	266,563.00					
ADVERTISING CONTRACT	610010	90,000.00		72,917.00	81.01	17,083.00						
BANK CHARGES - IPs	610050	84,000.00		60,742.99	72.31	23,257.01	-45,090.15					
INSURANCE	610230	8,000.00		8,000.00	100.00							
LEGAL SERVICES CONTRACT	610250	97,560.00		82,808.00	84.87	14,752.00	6,100.00					
SECURITY SERVICES	610390	3,903,204.00		3,408,636.00	87.32	494,568.00	317,310.00					
TRANSPORT CONTRACT	610460	3,703,869.00		3,474,460.00	93.80	229,409.00	221,540.00					
IMPLEMENTING PARTNER NATIONAL PERSONNEL COSTS	614020	19,160,844.00		17,254,658.00	90.05	1,906,186.00	1,456,986.00					
IMPLEMENTING PARTNER TRAVEL COSTS	614050	2,736,216.00		2,260,365.00	82.60	475,851.00	139,478.00					
IMPLEMENTING PARTNER TRAINING COURSE	614060	64,650.00		64,650.00	100.00							
PRINTING, PUBLICATIONS COSTS	623562	62,500.00		60,375.00	96.60	2,125.00	2,900.00					
RENTAL OF OFFICE PREMISES	624110	4,648,386.00		4,488,690.00	96.56	159,696.00	-14,169.00					
UTILITIES (ELECTRICITY, WATER, ETC.)	624260	1,109,967.00		810,136.00	72.98	299,831.00	73,991.00					
COMMUNICATION COSTS (TELEX, TELEPHONE, ETC.)	624491	958,995.00		785,777.00	81.93	173,218.00	131,479.00					
MAINTENANCE AND OPERATION OF TRANSPORTATION EQUIPME	624620	832,098.00		682,764.00	82.05	149,334.00	110,708.00					
MAINTENANCE, REPAIR (EQUIPMENT)	624691	455,286.00		289,577.00	63.60	165,709.00	150,529.00					
MAINTENANCE, REPAIR (PREMISES)	624692	362,940.00		262,437.00	72.30	100,503.00	102,635.00					
OTHER EXPENDABLE OFFICE SUPPLIES	625120	683,415.00		564,768.00	82.63	118,647.00	112,258.00					
<b>TOTAL for 113AH</b>		<b>42,707,830.00</b>	<b>42,983,011.00</b>	<b>37,832,163.99</b>	<b>88.58</b>	<b>4,875,666.01</b>	<b>3,274,957.85</b>	<b>1,644,237.16</b>				
<b>TOTAL for Objective 113</b>		<b>42,947,830.00</b>	<b>43,223,011.00</b>	<b>38,063,815.99</b>	<b>88.63</b>	<b>4,884,014.01</b>	<b>3,274,957.85</b>	<b>1,420,933.16</b>				

OBJECTIVE: 213 - UNHCR status determination procedure implemented

213AO UNHCR status determination procedure implemented

DIESEL	606030	864,351.00		595,483.00	68.89	268,868.00	57,069.00					
SECURITY SERVICES	610390	1,859,436.00		1,580,971.00	85.02	278,465.00	152,321.00					
TRANSPORT CONTRACT	610460	1,980,000.00		1,805,100.00	91.16	174,900.00	174,900.00					
TRANSLATION, INTERPRETATION COSTS	612320	15,000.00		4,664.00	31.09	10,336.00						
IMPLEMENTING PARTNER NATIONAL PERSONNEL COSTS	614020	8,725,134.00		7,468,489.00	85.59	1,256,645.00	751,841.00					
IMPLEMENTING PARTNER TRAVEL COSTS	614050	147,980.00		51,919.00	35.08	96,061.00						
IMPLEMENTING PARTNER TRAINING COURSE	614060	50,000.00		50,007.00	100.01	-7.00						
RENTAL OF OFFICE PREMISES	624110	1,809,180.00		1,784,609.00	98.64	24,571.00	-5,607.00					
COMMUNICATION COSTS (TELEX, TELEPHONE, ETC.)	624491	62,703.00		10,922.00	17.41	51,781.00	1,348.00					
<b>TOTAL for 213AO</b>		<b>15,513,784.00</b>	<b>15,265,825.00</b>	<b>13,352,164.00</b>	<b>86.07</b>	<b>2,161,620.00</b>	<b>1,131,872.00</b>	<b>550,137.00</b>				



Nil  
[Signature]

Nil  
[Signature]





Project Financial Report # 8

For Partner 1205032

SOCIETY FOR HUMANITARIAN RIGHT

For Budget Year 2015

Reporting period from: 1st December 2015 to: 3rd Feb 2016

Report Date: 15th February 2016

Operation: PAK ABC -

Currency: PKR

Run Date: 08/01/16 04:01:41

BU/Agreement No: PAK01 000000664  
 Cost Centre: 33061 - PAKISTAN, ISLAMABAD; SITUATION:1900 - ANNUAL BUDGET EXCOM APPROVED; PPG: 1PAKC - Refs and Asylum Seekers Pakistan; GOAL: PF - Protection and mixed solutions;

Description	Account	REPORTING							REQUESTS / AUTHORIZATIONS (for planning purposes only)		
		Budget A	Instalment(s) released as at 11/30/2015 B	Acumulative Expenses up to 11/30/2015 C	Expenses as % of Budget 11/30/2015 D	Budget Balance E=A-C	New Expenses F	Unused Instalment G=B-C-F	New Instalment Request H	Authorized for Release (UNHCR Use) I	
Cost Centre: 33061 - PAKISTAN, ISLAMABAD											
<b>TOTAL for Objective 213</b>		15,513,784.00	15,265,825.00	13,352,164.00	86.07	2,161,620.00	1,131,872.00	550,137.00			
<b>OBJECTIVE: 418 - Cash grants or vouchers (multi-purpose) provided</b>											
<b>418AE Cash grants or vouchers (multi-purpose) provided</b>											
DIESEL	606030	117,612.00		113,858.00	96.80	3,754.00					
TRANSPORT CONTRACT	610460	385,000.00		385,000.00	100.00						
MEDICAL REFERRAL, TREATMENT COSTS	612210	175,179.00		27,250.00	15.55	147,929.00					
SUBSISTENCE, LIVING, ROOM AND BOARD ALLOWANCE	612300	1,297,668.00		1,166,985.00	89.92	130,683.00					
IMPLEMENTING PARTNER NATIONAL PERSONNEL COSTS	614020	1,404,012.00		1,365,370.00	97.24	38,642.00					
<b>TOTAL for 418AE</b>		3,379,471.00	3,352,249.00	3,058,463.00	90.50	321,008.00	87,842.00	-25,708.00			
<b>TOTAL for Objective 418</b>		3,379,471.00	3,352,249.00	3,058,463.00	90.50	321,008.00	87,842.00	-25,708.00			
<b>TOTAL for Cost Centre 33061</b>		61,841,085.00	61,841,085.00	54,474,442.99	88.09	7,366,642.01	4,494,671.85	1,945,362.16			
<b>GRAND TOTAL</b>		61,841,085.00	61,841,085.00	54,474,442.99	88.09	7,366,642.01	4,494,671.85	1,945,362.16	0.00	0.00	

*Mik*

Income and Expenditure Summary

ACCOUNT	ACCOUNT DESCRIPTION	EXPENSES
617000	INSTALMENT PAYMENT TO IMPLEMENTING PARTNER	61,841,085.00
618000	IP EXPENDITURES AGAINST INSTALLMENTS	(54,474,442.99)
<b>Grand Total:</b>		<b>7,366,642.01</b>





Project Financial Report # 8

For Partner 1205032

SOCIETY FOR HUMANITARIAN RIGHT

For Budget Year 2015

Reporting period from: 1st December 2015 to: 3rd Feb 2016

Report Date: 15th Febraury 2016

Operation: PAK ABC -

Currency: PKR

Run Date: 08/01/16 04:01:41

BU/Agreement No: PAK01 0000000664  
 Cost Centre: 33061 - PAKISTAN, ISLAMABAD; SITUATION: 1900 - ANNUAL BUDGET EXCOM APPROVED; PPG: 1PAKC - Refs and Asylum Seekers Pakistan; GOAL: PF - Protection and mixed solutions;

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		Budget A	Instalment(s) released as at 11/30/2015 B	Acumulative Expenses up to 11/30/2015 C	Expenses as % of Budget 11/30/2015 D	Budget Balance E=A-C	New Expenses F	Unused Instalment G=B-C-F	New Instalment Request H

Cost Centre: 33061 - PAKISTAN, ISLAMABAD

For completion by the Partner

- (A) Last instalment received from UNHCR:
- (B) Previous instalments received from UNHCR:
- (C) Interest Earned:
- (D) Miscellaneous Income:
- (E) Total Income: (A + B + C + D)

1,266,506.00
60,574,579.00
386,316.22
62,227,401.22

- (F) Less: Total Expenses:
- (G) Balance due to UNHCR:
- (H) Balance due from UNHCR:
- (I) Acquisition value of Assets under the Partner's custody (List Attached)

58,969,114.84
3,258,286.38
0.00

If expenses are incurred in a currency other than the currency in which the instalment has been remitted, please indicate exchange rate(s) used and attach copies of the relevant bank slips.

**CERTIFICATION BY PARTNER**

I hereby certify that the information provided in this report is based on the Partners books of accounts and truly reflects the financial situation of the project. I confirm that all UNHCR funds have been used for the intended purposes and in accordance with the Project Partnership Agreement and its Budget. I also confirm that any UNHCR assets in the Partner's custody are safeguarded. I am aware that any ineligible or unauthorized expenditure may be rejected by UNHCR and the funds recovered. The detailed accounting documents for these expenditures can be made available for examination, when required, for the period of six years from the provision of funds.

Name: SYED LIAQAT ALI SHAH BANORI  
 Title: CHAIRMAN  
 Place: ISLAMABAD

Signature:

Date:

15th Feb 2016







Project Financial Report # 8

For Partner 1205032

SOCIETY FOR HUMANITARIAN RIGHT

For Budget Year 2015

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Cost Centre: 33061 - PAKISTAN, ISLAMABAD

FOR UNHCR INTERNAL USE ONLY

A) For Completion by the UNHCR Verifying Officer

I have verified this financial report as to its completeness, accuracy, consistency with delivered performance and compliance with the Project Partnership Agreement and its Budget, and have noted no exceptions/~~the exceptions~~ mentioned below. I have also checked the assets in custody of the Partner. I have reasonable assurance that the financial information submitted by the Partner is reliable, that funds provided by UNHCR have been used for the intended purposes, that UNHCR assets are safeguarded, and that the project ~~being~~ has been implemented as planned.

Please tick the appropriate box below:

- 1. I recommend that the disbursements reported by the Partner, except for an amount of NIL, be accepted as UNHCR project expenditure and that a further instalment/a final payment of NIL be remitted to the Partner.
- 2. I recommend that the expenditure reported by the Patner not to be accepted and further improvement/adjustments or verification to be made.
- 3. I recommend that an amount of 3,258,286.38 be recovered from the Partner.

Comments:

The mathematical accuracy of this report has been checked & found correct. This report has been verified on sampling test basis. The report is attached for further reference. The disbursement reported by the partner is recommended for upload in MSRP & project is recommended for closure.

Name: Josiah Signature:

[Signature]

Title: Sr. Proj In-charge Date:

26/2/16.

Place: COI, Pakistan





Project Financial Report # 8

For Partner 1205032

SOCIETY FOR HUMANITARIAN RIGHT

For Budget Year 2015

Reporting period from: 1st December 2015 to: 3rd Feb 2016

Report Date: 15th Febraury 2016

Operation: PAK ABC -

BU/Agreement No: PAK01 000000664

Currency: PKR

Run Date: 08/01/16 04:01:41

Cost Centre: 33061 - PAKISTAN, ISLAMABAD; SITUATION: 1900 - ANNUAL BUDGET EXCOM APPROVED; PPG: 1PAKC - Refs and Asylum Seekers Pakistan; GOAL: PF - Protection and mixed solutions;

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<p>Cost Centre: 33061 - PAKISTAN, ISLAMABAD</p> <p>B) For Completion by the UNHCR Certifying Officer</p>									

I have reviewed this financial report, supporting documents, related performance monitoring report(s), partner's compliance with Partnership Agreement and its Budget and related reports, as well as the recommendations and commnets of the verifying staff and based on the availability of funds and cash:

Please tick the appropriate box below:

- 1. I concur with results and recommedndations that the expenditure reported by the Partner, except for the amount — 0 —, be accepted as UNHCR Project.
- 2. I concur with recommendation that the amount of PKR. 3,258,286.38 be recovered from the Partner.
- 3. I request further review be made to reconcile my observations and that of the Verifying Staff.
- 4. I recommend subsequent instalment of — 0 — be remitted to the Partner.
- 5. I have informed the Partner about the results of the Verification and certification.

Comments:

Financial verification has been conducted. kindly upload the expenditures and close the project.

Name: Mr. Subair Iqbal Signature: [Signature]

Title: Snr. Prog. Officer Date: 28/1/16

Place: Islamabad



Project Financial Report # 8

For Partner 1205032

SOCIETY FOR HUMANITARIAN RIGHT

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Cost Centre: 33061 - PAKISTAN, ISLAMABAD

C) For Completion by the UNHCR Approving Officer

- 1. I approve the recording in UNHCR accounts, of the disbursements reported by the Partner, in the amount of PKs. 4,494,671.85
- 2. I approve the remittance of —0— as a further instalment/a final payment to the Partner.
- 3. I instruct that an amount of PKs. 3,258,286.38 be recovered from the Partner.

Name: Indrika Ratuwatta Signature:

[Handwritten Signature]

Title: Representative Date:

29/02/16

Place: Islamabad