Turning over a new leaf

Annual report
2017-2018
Clean water, decent toilets and good hygiene.

Our vision
is a world where everyone, everywhere has safe water, sanitation and hygiene.

Our mission
is to transform the lives of the poorest and most marginalised people by improving access to safe water, sanitation and hygiene.

WaterAid is an international not-for-profit, working in Pakistan since 2006, determined to make clean water, decent toilets and good hygiene normal for everyone, everywhere within a generation.

About the title
Sindhu, 7, plays with ease as she now has a water facility in her school to wash her hands at after playing.

Picture on the right
Saba, 32, Project Coordinator at AGAHE, conducting a hygiene session in Government Primary School, Muzaffargarh, Punjab.

Credits
Contents and technical support by Ayesha Javed
Reviewed by Munawar Hassan
Designed and edited by Retroactive Studios

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The last year has been an inspiring journey for everyone at WaterAid Pakistan. We made progress in bringing water, sanitation and hygiene at the centre of national discourse in Pakistan.
In a country of more than 200 million people that stands at the brink of running dry for the future generations, and where more than half of the population does not have access to clean drinking water, while living under poor sanitation and hygiene facilities, our role is more critical than ever. The impetus for this commitment comes from our strategic focus of reaching everyone, everywhere with safe water, sanitation and hygiene in Pakistan by 2030.

I am pleased to share that our advocacy efforts of engaging with Governments of Punjab and Sindh on issues of improving the situation of institutional WASH, Menstrual Hygiene Management (MHM) and rural sanitation helped to accelerate our sectoral contribution. It is promising that the Government of Punjab agreed to allocate at least 10% of its budget to WASH interventions in 2018-19.

In addition, our programmes in WASH have consistently made progress to improve the lives of the marginalised and disadvantaged communities, empowering adolescent girls, women and their families in Pakistan.

WaterAid Pakistan (WAP) was among one of the key organisers of the 7th South Asian Conference on Sanitation (SACOSAN-VII) in Pakistan to collaborate with the Ministry of Climate Change (MoCC) through both technical and intellectual support.

We also delivered a landmark work for the Ministry of Federal Education and Professional Training (MoFE&PT) to support the development of a new curriculum for all primary government schools in Islamabad. This gave us an opportunity to integrate WASH in wider development.

Going forward, I applaud the efforts of our team, partners and supporters alike for helping us to achieve significant milestones.

The momentum that has picked up, over the last few years, has made WaterAid Pakistan one of the credible voices. This heralds the beginning of promising times aimed at transforming lives of the people through access to WASH in Pakistan.

I hope you will find the information in this annual report interesting and useful.

Siddiq Khan
Country Director
Looking back on how we are changing lives

The year in review (2017-18) puts the spotlight on our key interventions aimed at bringing inclusive WASH facilities to the marginalised communities in Pakistan.

Constructing decent toilets
187 toilets installed

Improving good hygiene practices
69,404 people trained

Sensitising schools on MHM to promote girls’ attendance
110 schools reached out

Providing access to inclusive WASH services
38,028 schoolgirls and 875 female teachers reached out

Bringing clean water
98 water facilities for the schools

Promoting rural sanitation
161 ODF villages

Making more time for women to do productive chores
87 communal water points

Influencing Government
At least 10% budget allocated to WASH in Punjab

Looking back on how we are changing lives

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Influencing Government
At least 10% budget allocated to WASH in Punjab
Clean water, decent toilets and good hygiene

Promoting improved WASH behaviour
Creating replicable models
Enabling pro-poor WASH policy & programmes
Constructing sustainable infrastructure

WaterAid’s presence in Pakistan
Our strategic approach

Shazia, 24, making tea in her house in a village of Muzaffargarh, Punjab.
Our strategic approach includes interconnected aims to influence change towards: addressing inequality of access to WASH, strengthening sustainable WASH services, integrating WASH with other essential areas of sustainable development and improving hygiene behaviour.

Our programme delivery approach is pivoted around collaboration. The approach seeks to place us in a collaborative position to catalyse change across the WASH sector. Our role relies on three mutually reinforcing pillars, including motivating and inspiring key opinion leaders and decision makers for wider mobilisation, promoting viable programme interventions that show the benefits of cross-sectoral collaboration and fostering effective partnerships that deliver sustainable programmes.

**Making change happen**

Access to safe water, sanitation and hygiene affects so many aspects of people’s lives. WaterAid focuses on these services because they bring about transformation in people’s health, education and livelihoods. We believe that the engagement of all stakeholders in the process of change creates ownership and contributes to a more cohesive society.

Our work with the Government and service providers helps to develop skills and systems to deliver clean water supply, sanitation and hygiene education. At the local level, we support partners to build and maintain facilities, improve hygiene behaviours and mobilise communities to call for their WASH rights. We use evidence from our work to influence decision-makers to reach everyone, everywhere with safe water, sanitation and hygiene by 2030.
Our priorities for 2016–2023

Saba, 32, Project Coordinator at AGAHE, with school girls after conducting a hygiene session in Government Primary School, Muzaffargarh, Punjab.
The WaterAid Pakistan’s Country Programme Strategy sets out five strategic objectives for over the next five years

**Sustainable WASH services**
We will create conditions where the most vulnerable people are able to access sustainable and disaster-resilient WASH services, understand the relationship of hygienic behaviour with the quality of life, and assume responsibility for sustaining WASH initiatives.

**Improved sector governance**
We will support all collaborative efforts and mechanisms to strengthen institutional capabilities for delivering inclusive WASH services effectively and sustainably.

**Cross-integrating WASH with other social sectors**
We will engage with other social sectors relevant to WASH such as education, health and nutrition in ways that help the cross-integration of approaches for effective programmes.

**Improved sector coordination**
We will engage with stakeholders to help streamline effective programme coordination mechanisms within the WASH sector.

**WASH legislation and prioritisation**
We will provide support to all legislative efforts for the recognition of water, sanitation and hygiene as basic human rights. We will also proactively work to secure development and fiscal priority status for WASH within the Government and the legislature.

This report gives an overview of our performance against the priorities set out in our Country Programme Strategy, demonstrating how we are supporting partners to deliver high-quality water, sanitation and hygiene programmes, and generating evidence for policy dialogue and advocacy around WASH.
Our partners

Noor, 45, sewing a rug in her house in the village of Thatta, Sindh.
We partnered with non-governmental organisations, academia and local government departments, providing technical and financial support to ensure community-centred service delivery in WASH. Working with partners not only helped deliver and sustain our project activities and implementation but also ensured communities’ involvement in their own development, enabling them to evolve local solutions to meet the most pressing needs in WASH.

**Cross-sectoral collaboration**

Sustainable Development Goals’ (SDG) targets are reliant on success in WASH. We believe this can only be approached with cross-sectoral collaboration. Collaborative partnerships with actors outside of the WASH sector provides a key to successful advocacy in WASH as well as ensuring sustainable achievements in global development as a whole.

WaterAid continued to direct its expertise at supporting the Government’s development aspirations in WASH. WaterAid was approached by the Federal Ministry of Education and Professional Training to help cross-integrate WASH with education. WaterAid also provided technical assistance in the development of the school curriculum by incorporating cross-cutting themes and messages on WASH related to the holistic development of children from grades pre-1 to 5 and onwards to higher levels of schooling.

Our collaboration with education sector helped us align the WASH agenda with them and reach out common advocacy goals to communicate WASH messages more broadly.

In 2017-18, we worked with ten partners in Punjab, Sindh and Khyber Pakhtunkhwa provinces.
"Now the school has all kinds of facilities, particularly water and bathroom. Parents are happy and feeling comfortable that their children are going to school. It is a proud feeling for a mother to see her child going to school."

Rubina, 28
Communities of practice in safe sanitation and clean water

The rural sanitation model involved district and provincial governments to reach out and engage with communities, promoting sustainable practices in clean and open defecation-free (ODF) villages, particularly in the districts of Muzaffargarh and Thatta. The effort ensured empowerment and awareness among communities with the enhanced realisation that access to safe sanitation and clean water is their primary right. It was seen that despite lack of resources even the poorest households were taking steps to ensure their family's well-being through construction of toilets and control of open-defecation.

Empowerment through social and economic benefits

Safe water and sanitation is a source of social and economic benefits on multiple levels. The access to WASH services led to a decrease in diseases among children, particularly diarrhoea, offering long-term benefits of health, education and human development. The health of children brought relief and confidence to women who enjoyed more time for pursuing productive chores along with savings in household income through a decline in medical treatment.

Improved menstrual hygiene management (MHM)

Menstrual Hygiene Management (MHM) ensured girls’ access to school-based WASH through improved menstrual hygiene practices. With an objective to support 110 schools, MHM established access to inclusive WASH services for 38,028 school girls and 875 female teachers. The awareness on MHM specifically aimed to empower female students, teachers, and an additional 11,600 community members in hygienic management of menstruation, bringing dignity and self-awareness.

Improvement of WASH facilities, awareness-raising, establishment of affordable supply-chain mechanisms for sanitary materials, and increasing institutional accountability were among the key components in MHM.

Taking rural sanitation and MHM to scale

Our work with rural and urban communities gained more depth and outreach. The focus was largely on improving access to safe and inclusive WASH facilities, MHM and water security.
Our experiences in MHM

• A decrease in the rigidity of communities’ behaviour around MHM through participation

• Enhanced confidence among girls and women

• Improvement in school attendance among girls through girl-friendly toilets

• Community ownership and action through construction of toilets and control of open defecation

• A decrease in the burden of diseases for women and more time for productive chores

• A decrease in the number of OPD patients at local Basic Health Units (BHUs) reported by health officials in District WASH Forum meetings

TOP: WASH group members, (left to right) Kiran, Mahwish, Saba, Ramsha and Iqra, in front of the WaterAid installed girls’ friendly toilet in Government Girls High School, Muzaffargarh, Punjab.

MIDDLE: Hygiene session being conducted in a class in Government Girls High School, Muzaffargarh, Punjab.
City-wide approach to urban sanitation

The city-wide approach for developing models for medium to small towns has continued gaining more traction.

Enhancing community ownership through demonstration

A strong community mobilisation process in vulnerable and poor locations helped to ensure that communities become more vigilant and aware of their rights to safe sanitation and clean water. The city-wide project in Tehsil Jatoi has demonstrated the effectiveness of this approach. The project in Thatta and Jatoi reached 21,022 people who have connected their household latrines with primary sewerage lanes.

The municipality administrations of Thatta and Jatoi showed willingness to take this model to the remaining wards through their own funds.

Promoting urban WASH best practices

WaterAid pursued a collaborative approach to promote best practices in urban WASH. This has ensured that elements of structural design are incorporated according to observed standards of quality and engineering.

Facilitating Pakistan Water Operators Network (P-WON)

WaterAid Pakistan has played the role of a facilitating member of Pakistan Water Operators Network (P-WON), influencing urban WASH practices. Safety guidelines for the sanitation workers were prepared and circulated among the member utilities of P-WON.
Enabling change through advocacy

96 million people reached through mass media across Pakistan

Iqra, student of class 10, conducting a hygiene session in Government Girls High School, Muzaffargarh, Punjab.

BCC around WASH reached 36 union councils in 19 districts
Influencing an enabling environment for WASH builds commitment at the national policy level, bringing water, sanitation and hygiene on the priority list of the political agenda. The year has helped to put our advocacy work on the map, mobilising support from provincial and district governments to strengthen linkages between water, sanitation, hygiene education and health.

Support for SACOSAN-VII
WaterAid supported Ministry of Climate Change (MoCC) for the preparation of SACOSAN-VII. This helped to strengthen our strategic positioning with government and sectoral partners through knowledge management, communications and media outreach.

Integrating WASH in primary school curriculum
The commitment to ensuring sustainable practices in WASH led to a landmark achievement of supporting the Ministry of Federal Education and Professional Training (MoFE&PT) to develop new curriculum for all primary government schools of the Islamabad Capital Territory (ICT). This will help to strengthen the role of WASH, making it a part of education.

Sensitisation of Punjab Local Government Academy (PLGA)
WaterAid prepared a training manual on WASH for the newly elected local representatives of Punjab. Delivery of practice-based 20 training sessions for 900 local government officials ensured that they get hands-on with local solutions for wastewater treatment. As part of training, a demonstration model of Sewage Treatment Unit (STU) was constructed on the premises of PLGA, Lalamusa.

Behaviour Change Campaign reaches wider communities
During the year, Behaviour Change Campaign (BCC) got wider traction as several government and non-governmental organisations requested technical support from WAP.

The national BCC also entered into its next phase of expansion. A community-toolkit was developed in Urdu and Sindhi languages and communities were engaged in 36 union councils of 19 districts, reaching out to nearly 0.6 million people. Currently, WaterAid is supporting Government of Punjab in reviewing its BCC Strategy and developing the capacity of its frontline staff.
Work with parliamentarians

WAP conducted a bilateral party meeting with the MPAs from the WASH Legislators Core Group (LCG). It is a multi-party group of 18 legislators from its HSBC WASH Right project in Punjab province. The meeting with provincial leadership helped to learn the party dynamics, their current priorities on WASH issues and how the party was planning to approach the upcoming General Election 2018. Three dialogues were held with leading political parties (PMLN, PPP and PTI) to feature WASH as a priority within their manifesto. WAP shared the comparative analysis of the 2013 manifestos along with a briefing note on the state of WASH in Pakistan to the manifesto committees before they started work on manifestos. Later on, in February 2018, WAP hosted a national dialogue in collaboration with National Press Club (NPC) to reinforce the significance of WASH for the parliamentary parties on prioritising WASH within their manifestos.
Research with academia

The research project with academia investigated appropriate sanitation technologies for small to medium-sized cities to ensure effective wastewater treatment and safe disposal in urban areas. The project focused on poor communities in informal settlements to develop a prototype for Wastewater Treatment Systems (WWTS). The technology was lab-tested to benchmark its use for treatment of domestic wastewater. An evaluation is underway to develop a full-scale WWTS for small to medium towns.

WASH Media Action

WaterAid continued to support the journalists through knowledge sharing on the status of WASH services in the country. The purpose was to ensure quality media coverage for national, regional and international advocacy in water and sanitation.

The media fellows group was given a new identity of ‘WASH Media Action’ for reinforcing WASH issues. On World Water Day, the combined efforts of the media fellows led to reporting of 27 stories which also included two editorials in leading newspapers. Overall 157 stories were published by media fellows on WASH issues during reporting period.
The journey through the last year has made significant strides in bringing WASH closer to communities. The efforts have also made it part of a larger policy discourse in Pakistan.

Our priority is also on sector reforms to ensure improved governance and sustainability of safe sanitation, clean water and hygiene. Enhanced engagement with government will also inform the importance of curriculum for widespread promotion of WASH to the next generations.

We look forward to another fruitful year to drive forward the agenda of WASH in Pakistan with the enhanced commitment of introducing ‘Quality Programme Standards’.

Bilal, 8, swinging in a village of Badin, Sindh.
Financial summary

Expenditure for the year 2017-2018

- Rural programme: 48%
- Urban Programme: 7%
- Organisational effectiveness: 15%
- Program quality and fundraising: 5%
- Advocacy and influencing: 25%
Zahida, 38, in her home with her youngest child in the village of Thatta, Sindh.
INDEPENDENT AUDITOR’S REPORT
TO WATERAID PAKISTAN

Opinion

We have audited the financial statements of WaterAid Pakistan (the entity), which comprise the statement of financial position as at March 31, 2018, and the statement of comprehensive income, statement of cash flows and statement of movement in restricted donors’ fund / grant 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 the entity as at March 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) issued by International Accounting Standards Board (IASB) as notified by the Securities and Exchange Commission of Pakistan (SECP), and accounting standards for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

Basis for Opinion

We conducted our audit in accordance with 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 entity in accordance with the International Ethics Standard 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 management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs issued by IASB as notified by SECP and accounting standards for NPOs issued by the ICAP, and for such internal control as management determines 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, management is responsible for assessing the entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
PIA Building, 3rd Floor, 49 Blue Area, Fazal-ul-Haq Road, P.O. Box 3021, Islamabad-44000, Pakistan
Tel: +92 (51) 2277457-60/22604934-37; Fax: +92 (51) 2277924, 2260473; <www.pwc.com/pk>

* KARACHI* LAHORE* ISLAMABAD
As part of an audit in accordance with ISAs, as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’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 entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the entity to cease 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
Islamabad: June 22, 2018

Engagement partner: JehanZeb Amin
### Statement of Financial Position

**As at March 31, 2018**

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The annexed notes 1 to 22 form an integral part of these financial statements.

**Country Director**

**Finance Manager**
WATERAID PAKISTAN

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2018

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<th>Note</th>
<th>2018</th>
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<td>Rupees</td>
<td>Rupees</td>
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<td>WaterAid country office expenditure</td>
<td>180,384,327</td>
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<td>Partner organisation expenditure</td>
<td>201,354,326</td>
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<tr>
<td>EXPENDITURE</td>
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<td>Income less expenditure - net</td>
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<td>Other comprehensive loss</td>
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<td>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</td>
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The annexed notes 1 to 22 form an integral part of these financial statements.

COUNTRY DIRECTOR

FINANCE MANAGER
WATERAID PAKISTAN

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018

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<th>Note</th>
<th>2018 Rupees</th>
<th>2017 Rupees</th>
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<td>CASH FLOWS FROM OPERATING ACTIVITIES</td>
<td>371,969,087</td>
<td>371,174,546</td>
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<td>Grant received during the year (net of transfers to deferred grant)</td>
<td>(372,407,905)</td>
<td>(423,454,351)</td>
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<td>Payment of country office cost, partner organisation expenditure and others</td>
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<td>Gratuity paid</td>
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<td>Net cash generated from operations</td>
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</tr>
<tr>
<td>CASH FLOWS FROM INVESTING ACTIVITIES</td>
<td>(733,800)</td>
<td>(5,280,339)</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from disposal of property and equipment</td>
<td>1,242,261</td>
<td></td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(733,800)</td>
<td>(5,280,339)</td>
</tr>
<tr>
<td>NET INCREASE IN CASH AND CASH EQUIVALENTS</td>
<td>(4,181,792)</td>
<td>(63,642,096)</td>
</tr>
<tr>
<td>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</td>
<td>9,202,277</td>
<td>72,844,373</td>
</tr>
<tr>
<td>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</td>
<td>5,020,485</td>
<td>9,202,277</td>
</tr>
</tbody>
</table>

The annexed notes 1 to 22 form an integral part of these financial statements.

COUNTRY DIRECTOR

FINANCE MANAGER
Bring this image to life

- Download the HP Reveal app to your phone (you’ll need to register yourself with a username & password)
- In HP Reveal, search for WaterAidUK, to load the linked files.
- Point the phone at this photo and enjoy the video.

Zainab, 35, fetching water from a WaterAid installed pump in a village of Thatta, Sindh.
We are determined to make clean water, decent toilets and good hygiene normal for everyone, everywhere within a generation. By tackling these three essentials in ways that last, people can change their lives for good.

Find out more at http://www.wateraid.org/pk