

INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF FOUNDATION FOR POOR SOULS

Opinion

We have audited the financial statements of **Foundation for Poor Souls**, which comprise the statement of financial position as at June 30, 2019, the income and expenditure account 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 Foundation for Poor Souls as at June 30, 2019 and its financial performance for the year ended in accordance with approved accounting standard for Not for Profit Organizations (NPOs) issued by ICAP.

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 Foundation 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 management is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting standard for Not for Profit Organizations (NPOs) issued by ICAP, and for such internal controls as the 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 Foundation's ability to continue as a going concern and using going concern, disclosing, applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities 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 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

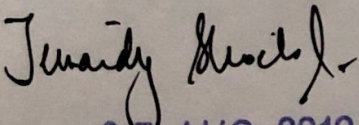


Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 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.
- 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 Foundation'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 Foundation'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 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 Foundation 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.



Date: 27 AUG 2019

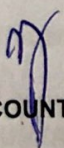
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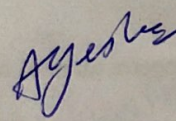
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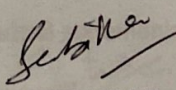
FOUNDATION FOR POOR SOULS
STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2019

| | Note | 2019 Rupees | 2018 Rupees |
|--------------------------------|------|------------------|------------------|
| ASSET | | | |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 4 | 6,348,386 | 7,697,660 |
| CURRENT ASSETS | | | |
| Receivables | 5 | 266,640 | 155,894 |
| Withholding tax | | 15,450 | 42,500 |
| Cash and Bank Balances | 6 | 240,616 | 1,306,372 |
| | | 522,705 | 1,504,766 |
| | | <u>6,871,091</u> | <u>9,202,426</u> |
| FUND AND LIABILITIES | | | |
| FUNDS | | | |
| General Fund | 7 | 87,230 | 102,716 |
| NON-CURRENT LIABILITIES | | | |
| Payables | 8 | 728,861 | 1,747,210 |
| Deferred Income | 9 | 6,055,000 | 7,352,500 |
| | | 6,783,861 | 9,099,710 |
| Contingencies & Commitments | | <u>6,871,091</u> | <u>9,202,426</u> |

Note: The annexed notes from 1-24 form an integral part of these financial statements.


ACCOUNTANT



GENERAL SECRETARY

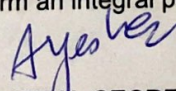

PRESIDENT

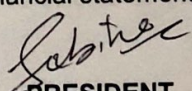
FOUNDATION FOR POOR SOULS
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019

| | Note | 2019 | 2018 |
|--|------|------------------|------------------|
| | Note | Rupees | Rupees |
| <u>INCOME</u> | | | |
| Donation | 10 | 2,610,517 | 3,973,977 |
| Amortization of Deferred Income | | 1,297,500 | 1,297,500 |
| | | <u>3,908,017</u> | <u>5,271,477</u> |
| <u>EXPENDITURE</u> | | | |
| Project Expenditure | | | |
| General Public Utility | 11 | 1,366,037 | 2,787,830 |
| Salaries Wages & benefits | 12 | 364,140 | 357,000 |
| Advertisement & Marketing | 13 | 116,905 | 113,500 |
| Travelling & Conveyance | 14 | 361,692 | 354,600 |
| Depreciation | 4 | 1,323,151 | 1,327,678 |
| | | <u>3,531,925</u> | <u>4,940,608</u> |
| Administrative and Management Expenditure | | | |
| Printing & Stationary | 15 | 13,000 | 20,000 |
| Utility Charges | 16 | 60,000 | 80,000 |
| Fee & Subscription | 17 | 14,500 | 58,000 |
| Repair and Maintenance | 18 | 83,714 | 160,000 |
| Office Supplies | 19 | 74,240 | 120,000 |
| Professional Charges | 20 | 120,000 | 45,000 |
| Depreciation | 4 | 26,123 | 30,733 |
| | | <u>391,577</u> | <u>513,733</u> |
| (Deficit) /Surplus for the year | | <u>(15,486)</u> | <u>(182,864)</u> |

Note: The annexed notes from 1-24 form an integral part of these financial statements.


ACCOUNTANT


GENERAL SECRETARY


PRESIDENT

FOUNDATION FOR POOR SOULS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Note 1

The Trust and its Operation

Nature and Status of the Foundation

The Foundation was registered in Pakistan on July 08, 2010 as a foundation under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 (XI.VI of 1961). The foundation's registered office is located at 1-E Model Town Lahore.

Note 2

2.1 Statement of Compliance

The Financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise Accounting Standards for Not for Profit Organizations (NOPs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 Accounting Convention

The financial statements have been prepared under the historical cost convention.

2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees which is Trust's functional currency. All figures have been rounded off to the nearest Pak Rupees.

Note 3

Significant Accounting Policies

3.1 Property, plant and equipment's

Property, plant and equipment are stated at cost less accumulated depreciation and identified impairment losses, if any depreciation is charged to the income and expenditure over their expected useful life at the rates given in note 3.

Depreciation on additions is charged from the month in which the asset is available for the use up to the month in which the asset is disposed off. When an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated remaining useful life.

Property, plant and equipment received directly as grant are debited to property, plant and equipment at the fair value and a corresponding amount is credited to deferred income in the statement of financial position. Such items are thereafter depreciated as per the policy of the trust while a corresponding amount is transferred from deferred income to the income and expenditure statement.

3.2 Income Taxes

The amount of taxation has been calculated according to the provisions of the income tax ordinance 2001. The organization is allowed hundred percent tax credit under the provision of aforesaid ordinance as the company is a non profit organization.

4 PROPERTY, PLANT & EQUIPMENT

| Sr.# | Description |Cost..... | |Depreciation..... | | W.D.V | | | |
|------|----------------------|------------------|----------|------------------------|------|------------------|------------------|---------------------|------------------|
| | | 01/07/2018 | Note | 30/06/2019 | Rate | | 01/07/2018 | Charge For the year | 30/06/2019 |
| i) | Motor Vehicles | 4,260,000 | - | 4,260,000 | 15% | 773,991 | 610,651 | 1,384,642 | 2,875,358 |
| ii) | Furniture & Fixtures | 360,000 | - | 360,000 | 15% | 185,849 | 26,123 | 211,972 | 148,028 |
| iii) | Medical Equipments | 4,750,000 | - | 4,750,000 | 15% | 712,500 | 712,500 | 1,425,000 | 3,325,000 |
| | Rupees - 2019 | 9,370,000 | - | 9,370,000 | | 1,672,340 | 1,349,274 | 3,021,614 | 6,348,386 |

| Sr.# | Description |Cost..... | |Depreciation..... | | W.D.V | | | |
|------|----------------------|----------------|---------------------|------------------------|------|----------------|------------------|---------------------|------------------|
| | | 01/07/2017 | Addition / Deletion | 30/06/2018 | Rate | | 01/07/2017 | Charge For the year | 30/06/2018 |
| i) | Motor Vehicles | 360,000 | 3,900,000 | 4,260,000 | 15% | 158,813 | 615,178 | 773,991 | 3,486,009 |
| ii) | Furniture & Fixtures | 360,000 | - | 360,000 | 15% | 155,117 | 30,732 | 185,849 | 174,151 |
| iii) | Medical Equipments | - | 4,750,000 | 4,750,000 | 15% | - | 712,500 | 712,500 | 4,037,500 |
| | Rupees - 2018 | 720,000 | 8,650,000 | 9,370,000 | | 313,930 | 1,358,411 | 1,672,340 | 7,697,660 |
| | Rupees - 2017 | 720,000 | - | 720,000 | | 242,270 | 71,660 | 313,930 | 406,071 |

The Depreciation Charge for the year has been allocated as follows:

| | 2019 | 2018 |
|---|------------------|------------------|
| Project Expenditure | Rupees 1,323,151 | Rupees 1,327,678 |
| Administrative and Management Expenditure | Rupees 26,123 | Rupees 30,732 |
| | <u>1,349,274</u> | <u>1,358,411</u> |

FOUNDATION FOR POOR SOULS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Note 13

Advertisement & Marketing

| | 2019 | 2018 |
|---------------------------|----------------|----------------|
| | Rupees | Rupees |
| Advertisement & Marketing | 116,905 | 113,500 |
| | <u>116,905</u> | <u>113,500</u> |

Note 14

Travelling & Conveyance

| | 2019 | 2018 |
|-------------------------|----------------|----------------|
| | Rupees | Rupees |
| Travelling & Conveyance | 361,692 | 354,600 |
| | <u>361,692</u> | <u>354,600</u> |

Note 15

Printing & Stationary

| | 2019 | 2018 |
|-----------------------|---------------|---------------|
| | Rupees | Rupees |
| Printing & Stationary | 13,000 | 20,000 |
| | <u>13,000</u> | <u>20,000</u> |

Note 16

Utility Charges

| | 2019 | 2018 |
|----------------------|---------------|---------------|
| | Rupees | Rupees |
| Electricity | 26,863 | 35,817 |
| Gas | 3,314 | 4,418 |
| Telephone & Internet | 16,568 | 22,091 |
| Water | 7,732 | 10,309 |
| Sewage | 5,524 | 7,365 |
| | <u>60,000</u> | <u>80,000</u> |

Note 21

Number of Employees

No. of employees at year end

Average no. of employees during

FOUNDATION FOR POOR SOULS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Note 17

Fee & Subscription

| | 2019 | 2018 |
|--------------------|---------------|---------------|
| | Rupees | Rupees |
| Fee & Subscription | 14,500 | 58,000 |
| | <u>14,500</u> | <u>58,000</u> |

Note 18

Repair & Maintenance

| | 2019 | 2018 |
|-------------|---------------|----------------|
| | Rupees | Rupees |
| Building | 40,300 | 73,171 |
| Motor Bikes | 25,915 | 51,829 |
| Vehicles | 17,500 | 35,000 |
| | <u>83,714</u> | <u>160,000</u> |

Note 19

Office Supplies

| | 2019 | 2018 |
|-----------------|---------------|----------------|
| | Rupees | Rupees |
| Office Supplies | 74,240 | 120,000 |
| | <u>74,240</u> | <u>120,000</u> |

Note 20

Professional Charges

| | 2019 | 2018 |
|----------------------|----------------|---------------|
| | Rupees | Rupees |
| Professional Charges | 45,000 | 45,000 |
| Audit Fee | 75,000 | - |
| | <u>120,000</u> | <u>45,000</u> |

Note 21

Number of Employees

| | 2019 | 2018 |
|------------------------------------|------|------|
| No. of employees at year end | 16 | 17 |
| Average no. of employees during tl | 16 | 16 |

FOUNDATION FOR POOR SOULS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30,2019

Note 22

Contingencies and commitments

Contingencies and commitments are accounted for when these become due. There are no known contingencies and commitments as at June 30, 2019 (2018: NIL).

Note 23

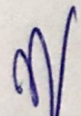
Date of authorization for issue

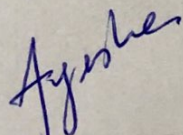
These financial statements have been authorized for issue by the governing council / board of directors of the Foundation on 27 AUG 2019.

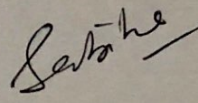
Note 24

Figures

In these financial statements have been rounded of to the nearest of Rupee.


ACCOUNTANT


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