



Financial Statement



INDEPENDENT AUDITOR'S REPORT

To the Trustees of Amanatdaar Welfare Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Amanatdaar Welfare Trust (the Trust), which comprise the statement of financial position as at 30 June 2023, and the statement of income and expenditure, statement of comprehensive income, statement of changes in accumulated surplus, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 30 June 2023 and its financial performance for the year then ended, in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust 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 Board of Trustees for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting standards as applicable in Pakistan and for such internal control 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting unless the management intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees is responsible for overseeing the Trust'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.

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As part of an audit in accordance with ISAs, 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 Trust'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 Trust'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 Trust 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 the Board of Trustees 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.

The engagement partner on the audit resulting in this independent auditor's report is Farrukh V. Junaidy.



Chartered Accountants

Date: 25 OCT 2023

Karachi

UDIN: AR202310653uRKgsEWZw



Statement of Financial Position

As at June 30, 2023

	Note	2023			2022		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		----- Rupees -----			----- Rupees -----		
ASSETS							
Non-current assets							
Equipment	4	8,462,928	-	8,462,928	2,247,997	-	2,247,997
Intangible capital work-in-progress	5	204,221	-	204,221	-	-	-
		8,667,149	-	8,667,149	2,247,997	-	2,247,997
Current assets							
Accrued income, and other receivable	6	701,835	-	701,835	328,983	-	328,983
Short-term investment	7	30,000,000	-	30,000,000	10,000,000	-	10,000,000
Cash and bank balances	8	9,526,879	7,816,019	17,342,898	4,273,770	7,023,726	11,297,496
		40,228,714	7,816,019	48,044,733	14,602,753	7,023,726	21,626,479
TOTAL ASSETS		48,895,863	7,816,019	56,711,882	16,850,750	7,023,726	23,874,476
FUNDS AND LIABILITIES							
Funds							
Unrestricted funds		48,745,863	-	48,745,863	16,676,092	-	16,676,092
Restricted funds		-	7,816,019	7,816,019	-	7,023,726	7,023,726
		48,745,863	7,816,019	56,561,882	16,676,092	7,023,726	23,699,818
Current liabilities							
Accrued Expenses	9	150,000	-	150,000	174,658	-	174,658
Contingencies and commitments	10						
TOTAL FUNDS AND LIABILITIES		48,895,863	7,816,019	56,711,882	16,850,750	7,023,726	23,874,476

The annexed notes from 1 to 16 form an integral part of these financial statements.

CEO / TRUSTEE

MANAGING TRUSTEE

TRUSTEE



Statement of Income and Expenditure

For the year ended June 30, 2023

	Note	2023			2022		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Rupees			Rupees		
INCOME							
Donations		113,108,557	-	113,108,557	83,030,514	-	83,030,514
Zakat		20,000,000	792,293	20,792,293	10,000,000	6,142,966	16,142,966
Profit on Term Deposit Receipts		1,814,794	-	1,814,794	174,660	-	174,660
		134,923,351	792,293	135,715,644	93,205,174	6,142,966	99,348,140
EXPENDITURE							
Welfare project expenses	11	(95,475,601)	-	(95,475,601)	(68,855,528)	-	(68,855,528)
Administrative expenses	12	(7,377,979)	-	(7,377,979)	(6,892,181)	-	(6,892,181)
		(102,853,580)	-	(102,853,580)	(75,747,709)	-	(75,747,709)
Surplus for the year before taxation		32,069,771	792,293	32,862,064	17,457,465	6,142,966	23,600,431
Taxation	13	-	-	-	-	-	-
Surplus for the year after taxation		32,069,771	792,293	32,862,064	17,457,465	6,142,966	23,600,431

The annexed notes from 1 to 16 form an integral part of these financial statements.


CEO / TRUSTEE


MANAGING TRUSTEE


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Statement of Comprehensive Income

For the year ended June 30, 2023

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	----- Rupees -----			----- Rupees -----		
Surplus for the year after taxation	32,069,771	792,293	32,862,064	17,457,465	6,142,966	23,600,431
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	32,069,771	792,293	32,862,064	17,457,465	6,142,966	23,600,431

The annexed notes from 1 to 16 form an integral part of these financial statements.

Perveen Adani

 CEO / TRUSTEE

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 MANAGING TRUSTEE

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Statement of Changes in Funds

For the year ended June 30, 2023

	Unrestricted	Restricted	Total
	----- Rupees -----		
Opening balance	(781,373)	880,760	99,387
Surplus for the year after taxation	17,457,465	6,142,966	23,600,431
Balance as at June 30, 2022	16,676,092	7,023,726	23,699,818
Surplus for the year after taxation	32,069,771	792,293	32,862,064
Balance as at June 30, 2023	48,745,863	7,816,019	56,561,882

The annexed notes from 1 to 16 form an integral part of these financial statements.



CEO / TRUSTEE



MANAGING TRUSTEE



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Statement of Cash Flows

For the year ended June 30, 2023

	2023	2022
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before taxation	32,862,064	23,600,431
Adjustments for:		
Depreciation	1,178,721	363,502
	34,040,785	23,963,933
Changes in working capital		
<i>Increase in current assets</i>		
Accrued income, and other receivable	(547,510)	(174,660)
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	150,000	(2,344,050)
	(397,510)	(2,518,710)
	33,643,275	21,445,223
Income tax paid	-	-
Net cash generated from operating activities	33,643,275	21,445,223
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment made	(20,000,000)	(10,000,000)
Fixed capital expenditure	(7,597,873)	(1,542,835)
Net cash used in investing activities	(27,597,873)	(11,542,835)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Net increase in cash and cash equivalents	6,045,402	9,902,388
Cash and cash equivalents at the beginning of the year	11,297,496	1,395,108
Cash and cash equivalents at the end of the year	17,342,898	11,297,496

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The annexed notes from 1 to 16 form an integral part of these financial statements.



 CEO / TRUSTEE



 MANAGING TRUSTEE



 TRUSTEE



Notes to the financial statements

For the year ended June 30, 2023

1. STATUS AND NATURE OF BUSINESS

- 1.1** Amanatdaar Welfare Trust (the Trust) was incorporated in Pakistan on August 11, 2020 under The Trust Act, 1882. The trust was registered under the Sindh Trust Act 2020 with registration number KAR/EAST/134/2023 in October 2023, after the reported fiscal year. The main objective of the Trust is to engage in wellbeing of under privileged people. The Trust provides food, clothes and other necessities to needy people.
- 1.2** The registered office address of the Trust is situated at office no. 22, 1st floor, Shaheen Towers, Block 6, P.E.C.H.S, Sharah-e-Faisal, Karachi.

2. ACCOUNTING CONVENTION AND BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

- Revised accounting and financial reporting standards for the Small Sized Entities (Revised AFRS for SSE's) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017
- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017
- Where provisions of and directives issued under the Companies Act, 2017 differ from the AFRS for SSEs or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.



Notes to the financial statements

For the year ended June 30, 2023

2.2 Use of estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Trust's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

	<i>Notes</i>
a) Operating fixed assets - depreciation	3.1
b) Taxation	3.5
c) Provisions	3.7

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

2.3 Functional currency

These financial statements are presented in Pakistan Rupees which is the functional currency of the Trust. Figures have been rounded off to the nearest rupee.

3. SIGNIFICANT ACCOUNTING POLICES

3.1 Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent cost

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and its cost can be reliably measured. Cost incurred to replace a component of an item of property, and equipment is capitalized and the asset so replaced is retired from use. Normal repairs and maintenance are charged to the income and expenditure account during the period in which they are incurred.

Depreciation

Depreciation on all items of operating fixed assets is charged to income and expenditure account applying the reducing balance method. Depreciation rates are disclosed in note 4 of the financial statements. On additions to operating fixed assets, depreciation is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is disposed-off.



Notes to the financial statements

For the year ended June 30, 2023

Disposal

Gains or losses on disposal or retirement of items of operating fixed assets are determined as the difference between the sale proceeds and the carrying amounts of assets and are included in the income and expenditure account.

Impairment

The Trust assesses at each reporting date whether there is any indication that operating fixed assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is taken to income and expenditure account except for impairment loss on revalued assets, which is adjusted against related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and bank balances and are carried at cost.

3.3 Trade and other payables

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

3.4 Income recognition

- Donations and Zakat are recognized as income as and when received. Donations in kind are recognized at fair value prevailing at the time of receipt of such donations.
- Return on bank deposits is accounted for an accrual basis.

3.5 Taxation

The Trust is approved as a not-for-profit organization under Section 2(36) of the Income Tax Ordinance, 2001 and as such is eligible for 100% tax credit as per Section 100C of the Income Tax Ordinance, 2001.

3.6 Funds

Unrestricted funds

Funds received for ongoing operations of the Trust, without any restriction on utilization, are classified as unrestricted funds. These funds are recognized as income when received. The disbursement incurred against such funds are recognized in the income and expenditure account as and when incurred.



Notes to the financial statements

For the year ended June 30, 2023

Restricted funds

Funds received as donations for specific purposes and Zakat are classified as restricted fund. For this purpose:

- a) When donations and Zakat received are in excess of their outlay, these are recognized as income to the extent of related/budgeted expenses incurred. The excess balance is carried forward as restricted fund balance; and
- b) In case when donations and Zakat received are less than related expenditure incurred, the balance to the extent commitment is recognized as receivable, if there is a strong probability of recovery of the contractual receivable from the respective donors.

3.7 Provisions

A provision is recognized in the statement of financial position when the Trust has legal or constructive obligation as a result of the past event, and it is probable that an outflow of economics benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Subsequently, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

3.8 Investment

Investment in Term Deposit Receipt (TDR) is initially recorded on cost which is also the fair value of TDR. Subsequently interest is calculated on accrual basis and charged to income and expenditure account.

3.9 Offsetting of financial assets and liabilities

financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle either on a net basis, or realize the asset and settle the liability simultaneously.



Notes to the financial statements

For the year ended June 30, 2023

4. EQUIPMENT

		2023				2022			
		Cost		Depreciation		Cost		Depreciation	
		As at July 01, 2022	Additions	As at June 30, 2023	Rate %	As at July 01, 2022	For the year	As at June 30, 2023	Written down value as at June 30, 2023
		----- Rupees -----		----- Rupees -----		----- Rupees -----		----- Rupees -----	
Unrestricted									
Office equipments		359,935	289,285	649,220	15%	42,994	72,179	115,173	534,047
Generators		1,060,000	-	1,060,000	15%	204,050	128,393	332,443	727,557
Vehicles		1,246,500	5,354,242	6,600,742	15%	171,394	803,136	974,530	5,626,212
Fixtures (Dastarkhawan)		-	1,750,125	1,750,125	15%	-	175,013	175,013	1,575,112
		2,666,435	7,393,652	10,060,087		418,438	1,178,721	1,597,159	8,462,928
Unrestricted									
Office equipments		63,600	296,335	359,935	15%	1,936	41,058	42,994	316,941
Generators		1,060,000	-	1,060,000	15%	53,000	151,050	204,050	855,950
Vehicles		-	1,246,500	1,246,500	15%	-	171,394	171,394	1,075,106
		1,123,600	1,542,835	2,666,435		54,936	363,502	418,438	2,247,997



Notes to the financial statements

For the year ended June 30, 2023

	Note	2023			2022		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		----- Rupees -----			----- Rupees -----		
4.1 ALLOCATION OF DEPRECIATION							
Depreciation has been allocated as follows:							
Welfare project expenses		1,106,542	-	1,106,542	322,444	-	322,444
Administrative expenses		72,179	-	72,179	41,058	-	41,058
		1,178,721	-	1,178,721	363,502	-	363,502
5. INTANGIBLE CAPITAL WORK-IN-PROGRESS							
This include an advance payment made to M/s. Mazen Pakistan (Private) Limited for the development of a software.							
	Note	2023			2022		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		----- Rupees -----			----- Rupees -----		
6. ACCRUED INCOME & OTHER RECEIVABLES							
Mark-up receivable		164,383	-	164,383	174,660	-	174,660
Income tax refundable		343,364	-	343,364	154,323	-	154,323
Other receivable		194,088	-	194,088	-	-	-
		701,835	-	701,835	328,983	-	328,983
7. SHORT-TERM INVESTMENT							
Term deposit receipt (TDR)	7.1	30,000,000	-	30,000,000	10,000,000	-	10,000,000
7.1	This represents investment made in term deposit receipt (TDR) of Soneri Bank Limited. These carry mark-up rate of 20% (2022: 12.5%) per annum whereas the maturity period is 12 months.						
	Notes	2023			2022		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		----- Rupees -----			----- Rupees -----		
8. CASH AND BANK BALANCES							
Cash in hand		117,487	-	117,487	178,657	26,200	204,857
Cash at bank - current account		9,409,392	7,816,019	17,225,411	4,095,113	6,997,526	11,092,639
		9,526,879	7,816,019	17,342,898	4,273,770	7,023,726	11,297,496
9. Accrued Expenses							
Trade creditors		-	-	-	24,658	-	24,658
Audit fee payable		150,000	-	150,000	150,000	-	150,000
		150,000	-	150,000	174,658	-	174,658
10. CONTINGENCIES AND COMMITMENTS							
There were no contingencies and commitments as at June 30, 2023 (2022: Nil).							



Notes to the financial statements

For the year ended June 30, 2023

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
<i>Notes</i>	----- Rupees -----			----- Rupees -----		
11. WELFARE PROJECT EXPENSES						
Food program	57,872,701	-	57,872,701	41,979,313	-	41,979,313
Water program	6,520,774	-	6,520,774	10,669,090	-	10,669,090
Community support	7,903,300	-	7,903,300	3,417,488	-	3,417,488
Religious obligation	3,894,773	-	3,894,773	4,927,773	-	4,927,773
Seasonal program	13,324,717	-	13,324,717	3,170,632	-	3,170,632
Education guardianship	3,538,157	-	3,538,157	3,156,188	-	3,156,188
Mega event orphans	599,307	-	599,307	1,212,600	-	1,212,600
Health is wealth	715,330	-	715,330	-	-	-
Depreciation	1,106,542	-	1,106,542	322,444	-	322,444
	95,475,601	-	95,475,601	68,855,528	-	68,855,528

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
<i>Note</i>	----- Rupees -----			----- Rupees -----		
12. ADMINISTRATIVE EXPENSES						
Salaries and allowances	6,011,142	-	6,011,142	4,764,518	-	4,764,518
Repairs and maintenance	121,515	-	121,515	726,054	-	726,054
Utilities	251,290	-	251,290	523,666	-	523,666
Legal and professional	438,810	-	438,810	180,200	-	180,200
Printing and stationery	22,653	-	22,653	172,651	-	172,651
Communication	26,161	-	26,161	47,331	-	47,331
Conveyance, fuel and maintenance	150,320	-	150,320	12,660	-	12,660
Internet	48,444	-	48,444	14,296	-	14,296
Entertainment	37,533	-	37,533	56,480	-	56,480
Advertisement and publicity	9,188	-	9,188	97,148	-	97,148
Postage and courier	3,605	-	3,605	14,232	-	14,232
Auditors' remuneration	150,000	-	150,000	150,000	-	150,000
Depreciation	72,179	-	72,179	41,058	-	41,058
Bank charges	4,139	-	4,139	1,222	-	1,222
Others	31,000	-	31,000	90,665	-	90,665
	7,377,979	-	7,377,979	6,892,181	-	6,892,181

12.1 This includes utilities paid directly by donors amounting to Rs. 250,000.

12.2 Auditors' remuneration

Audit fee	135,000	-	135,000	135,000	-	135,000
Out-of-pocket expenses	3,889	-	3,889	3,889	-	3,889
Sindh sales tax at the rate of 8%	11,111	-	11,111	11,111	-	11,111
	150,000	-	150,000	150,000	-	150,000

13. TAXATION

The Trust is approved as a non-profit organization (NPO) u/s 2(36) of the Income Tax Ordinance, 2001 (the Ordinance) and is therefore eligible for 100% tax credit u/s 100C of the Ordinance. Hence, no provision for taxation has been made for the year ended June 30, 2023.



Notes to the financial statements

For the year ended June 30, 2023

2023	2022
---- Number of staff ----	
11	7
10	8

14. NUMBER OF EMPLOYEES

Total number of employees as at June 30
Average number of employees during the year

15. DATE OF AUTHORIZATION

20 OCT 2023

These financial statements were authorized for issue on _____ by the Trustees.

16. GENERAL

- 16.1 Figures have been rounded off to the nearest rupee.
- 16.2 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of better comparison and presentation, the effects of which are not material.

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CEO / TRUSTEE



MANAGING TRUSTEE



TRUSTEE

Narrated 'Abdullah bin 'Amr:

A man asked the Prophet, "What sort of deeds or (what qualities of) Islam are good?"
The Prophet replied, 'To feed (the poor) and greet those whom you know and those whom you do not know.

(See Hadith No. 27).



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