

SADA WELFARE FOUNDATION (TRUST)
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of **SADA WELFARE FOUNDATION (TRUST)** which comprise the statement of financial position as at June 30, 2019, and 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 of the Trust are prepared in all material respects in accordance with generally accepted accounting principles described in note 2.2 to the financial statements.

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 Those Charged with Governance for the Financial Statements

The Trustees are responsible for the preparation of the financial statements in accordance with basis of accounting described in note 2.2 to the financial statements, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, trustees are responsible for assessing the Trust ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless trustees either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust financial reporting process.

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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 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 trustees 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.

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.

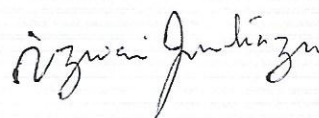
CHARTERED ACCOUNTANTS

KARACHI

ENGAGEMENT PARTNER: ABDUL QADIR

DATE:

07 OCT 2019



SADA WELFARE FOUNDATION (TRUST)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	<u>Note</u>	<u>2019</u> Rupees	<u>2018</u> Rupees
<u>ASSETS</u>			
<u>Property, Plant and Equipment</u>			
(At cost less accumulated depreciation)	3	7,887,501	4,453,163
<u>Current Assets</u>			
Stock of medicines and accessories		3,904,649	2,547,171
Security deposit	4	182,000	182,000
Income Tax refundable		155,735	155,735
Short term investments	5	15,204,288	6,004,838
Cash and bank balances	6	4,608,411	17,622,935
		<u>24,055,083</u>	<u>26,512,679</u>
		<u>31,942,584</u>	<u>30,965,842</u>
<u>FUND AND LIABILITIES</u>			
Reserve Funds	7	7,234,587	5,486,539
Endowment Fund	8	1,200,000	1,200,000
CDP Project Fund	9	-	3,400,000
Accumulated Surplus		23,507,997	20,875,873
Accrued expenses		-	3,430
		<u>31,942,584</u>	<u>30,965,842</u>

The annexed notes 1 to 15 from an integral part of Financial statements

Tahira Jawaid
Treasurer

Fauzia Siddiq
Chairperson

SADA WELFARE FOUNDATION (TRUST)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Note</u>	<u>2019</u> Rupees	<u>2018</u> Rupees
<u>INCOME</u>			
Donation			
- in cash		1,255,397	1,443,881
- in kind	10	3,054,376	406,355
-Zakat - in cash		22,476,728	21,084,568
-Profit on term deposits	11	865,811	458,886
-General income		80,347	53,213
		27,732,659	23,446,903
<u>EXPENDITURES</u>			
Administrative expenses	12	3,922,957	4,742,804
Financial charges		108,599	39,542
Loss on sale of assets		2,221	-
Disbursement to N.I.C.H.	13	20,785,578	17,789,380
Medicine aid social service		281,180	46,830
		25,100,535	(22,618,556)
Surplus /(Deficit) for the year		2,632,124	828,347
Balance brought forward		20,875,873	20,047,526
Surplus of income over expenditure shown in balance sheet		23,507,997	20,875,873

The annexed notes 1 to 15 from an integral part of Financial statements

Tahira Tausif
Treasurer

Kaniz Sulchey
Chairperson

SADA WELFARE FOUNDATION (TRUST)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1 STATUS AND NATURE OF ACTIVITY

Sada Welfare Foundation - Trust was registered on May 31, 2001 and executed trust deed on May 17, 2002. at Karachi. Presently the activities of the trust is to provide assistance to deserving poor persons for health and other social welfare purpose.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These Financial statements have been prepared under the historical cost convention without any adjustment for effect of inflation.

2.2 Basis of accounting

These Financial statements have been prepared under the Generally Accepted Accounting Principle as applied to Not for Profit Organizations in Pakistan.

2.3 Investments

All investments are stated at cost.

2.4 Taxation

The Trust is exempted from income tax under the Income Tax Ordinance, 2001.

2.5 Foreign currency

Foreign currency related transactions are being recorded at the rates prevailing at the date of transactions. The foreign currency related account balances are reported at the rate prevailing at the date of balance sheet.

2.6 Revenue

These are recognized on the basis of cash receipts.

2.7 Fixed Assets

Property, plant and equipment except leasehold land and capital work-in-progress are stated at cost less accumulated depreciation. Depreciation is charged to income applying the reducing balance method so as to write off the cost of the assets over their estimated useful lives at the rates given in note.3.

Depreciation on addition is charged from the month in which the assets are available for use and on disposals up to the preceding month of disposal.

Normal repair and maintenance are charged to income as and when incurred.

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SADA WELFARE FOUNDATION (TRUST)

3. SCHEDULE OF FIXED ASSETS - TANGIBLE

PARTICULARS	COST		DEPRECIATION				Rate %
	Cost as at July 01, 2018 Rupees	Addition/ (deletion) during the year Rupees	Cost as at June 30, 2019 Rupees	Accumulated depreciation at July 01, 2018 Rupees	Depreciation for the year Rupees	Accumulated depreciation at June 30, 2019 Rupees	Written Down Value at June 30, 2019 Rupees
Office							
Office Computer and Accessories	321,805	18,000	339,805	270,287	12,104	282,391	57,414
Office Equipment	1,805,590	-	1,805,590	868,100	187,498	1,055,598	749,992
Furniture and Fixtures	366,300	215,800	582,100	185,887	72,692	258,579	323,521
Motor Vehicle	690,000	-	690,000	463,901	45,220	509,121	180,879
Total	3,183,695	233,800	3,417,495	1,788,175	317,514	2,105,689	1,311,806
Blood Bank							
Air Conditioners *	103,000	-	103,000	50,264	10,547	60,811	42,189
Computers and Accessories	186,500	-	186,500	91,012	19,098	110,110	76,390
Furniture and Fixtures	46,000	-	46,000	21,339	4,932	26,271	19,729
Blood bank Equipment	3,955,500	4,699,750 (1,200,000)	7,455,250	1,930,284	932,991 (1,157,779)	1,705,496	5,749,754
Total	4,291,000	4,699,750 (1,200,000)	7,790,750	2,092,899	967,568 (1,157,779)	1,902,688	5,888,062
Neonatal ward							
Neonatal Equipment	1,552,692	-	1,552,692	712,094	168,120	880,214	672,478
Water Cooler	37,000	-	37,000	18,056	3,789	21,845	15,155
Total	1,589,692	-	1,589,692	730,150	171,909	902,059	687,633
Total - 2019	9,064,387	4,933,550 (1,200,000)	12,797,937	4,611,224	1,456,991 (1,157,779)	4,910,436	7,887,501
Total - 2018	9,032,387	32,000	9,064,387	3,497,933	1,113,291	4,611,224	4,453,163

Signature

	Note	2019 Rupees	2018 Rupees
4 SECURITY DEPOSITS			
CDP security deposit		170,000	170,000
Mobilink security deposit		12,000	12,000
		<u>182,000</u>	<u>182,000</u>
5 SHORT TERM INVESTMENTS			
- Faisal bank - Islamic Banking - BMIC	5.1	15,200,000	6,000,000
- Al Meezan Investment -TDR's		4,288	4,838
		<u>15,204,288</u>	<u>6,004,838</u>
5.1 This includes Rs. 1,200,000 of Endowment Fund.			
5.2 Expected rate of profit 4.75% to 4.90% (2018:4.75 to 4.9%)			
6 CASH AND BANK BALANCES			
Cash in Hand		21,415	34,848
Cash at Bank		4,586,996	17,588,087
		<u>4,608,411</u>	<u>17,622,935</u>
7 RESERVED FUNDS			
JPMC cancer hospital			
Opening balance		5,283,294	5,186,520
Donation received during the year		7,182,801	10,818,021
		12,466,095	16,004,541
Disbursed during the year		(5,365,303)	(10,721,247)
		<u>7,100,792</u>	<u>5,283,294</u>
Shikarpur Hospital			
Opening balance		203,245	302,715
Donation received during the year		-	-
		203,245	302,715
Disbursed during the year		(69,450)	(99,470)
		<u>133,795</u>	<u>203,245</u>
		<u>7,234,587</u>	<u>5,486,539</u>
8 ENDOWMENT FUND	8.1	<u>1,200,000</u>	<u>1,200,000</u>
8.1 Amount donated for Endowment Fund invested in Barakat Monthly Income Certificates (BMIC).			
9 CDP PROJECT FUND	9.1	-	3,400,000
9.1 This represent payment by Community Development Program (CDP) , Government of Sindh against its share of Rs 3,400,000. out of total project cost of Rs 4,000,000. The balance of Rs. 600,000. is committed by Sada Welfare Foundation.During the year Project has been completed.			

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	Note	2019 Rupees	2018 Rupees
10 INCOME- DONATION IN KIND			
Medicine and accessories		3,054,376	406,355
11 PROFIT ON TERM DEPOSIT			
RBS - Profit on term deposit		865,811	458,886
12 ADMINISTRATIVE EXPENSES			
Salaries, allowances and benefits		2,102,500	1,953,130
Advertisement expenses		-	1,316,616
Stationery and supplies		21,100	-
Printing expenses		11,785	10,460
Telephone Expenses		17,280	19,910
Computer maintenance		66,350	62,430
Office repairs and maintenance		300	1,020
Legal and Professional		8,000	70,150
Conveyance charges		24,610	11,042
Presentation and promotional expenses		60,723	61,143
Depreciation	3	1,456,991	1,113,291
Vehicle Fuel & maintenance office Car		96,058	72,549
Miscellaneous		3,440	4,513
Insurance Expenses		19,600	19,600
Internet and mobile charges		34,220	26,950
		3,922,957	4,742,804
13 DISBURSEMENTS TO NICH'S			
Renovation / Assets/ Misc			
- Equipments		8,000	-
- General		8,620	66,671
- Blood bank		124,190	65,560
- Advertisement expenses		999,735	-
- Repair & Renovation		285,860	221,590
		1,426,405	353,821
Medicine Aid			
- Patients & Blood Bank		16,505,223	14,785,749
Staff Salaries			
- Blood bank		1,207,250	1,032,080
- Neonatal ward		1,646,700	1,617,730
		2,853,950	2,649,810
		20,785,578	17,789,380

14 These financial statements were authorized for issue on 10.7 OCT 2019 by the Board of trustees of the Foundation.

15 GENERAL

Figures have been rounded off to the nearest rupee.

Tahira Jawaid
Treasurer

Kanjan Gulder
Chairperson