



**Omer Adil & Co.**  
**Chartered Accountants**

**BISMILLAH  
WELFARE TRUST  
FINANCIAL STATEMENTS  
FOR THE YEAR  
ENDED JUNE 30, 2018**



**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF**  
**BISMILLAH WELFARE TRUST ("THE TRUST")**

**Opinion**

We have audited the financial statements of **Bismillah Welfare Trust**, ("the Trust") which comprise of balance sheet as at June 30, 2018, statement of income and expenditure account, statement of changes in equity and 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, of the financial position of **Bismillah Welfare Trust** as at June 30, 2018, and (of) its financial performance and its cash flows and statement of change in equity for the year then ended in accordance with the 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 Bismillah Welfare 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 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 and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Trustees determine(s) is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing of financial statements, Trustees are responsible for accessing the Trust's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the trust 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.

#### **Auditor's Responsibilities for the audit of the financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statement 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. Misstatement 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 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 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 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.

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- 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 condition that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a materials uncertainty exists, we are required draw attention in our auditor's report to the related disclosures in the financial statements or, if such discloser are inadequate, to modify our opinion. Our conclusions are based the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust's 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 transaction and events in a manner that achieves fair presentation.

We communicate with those charges 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.

Islamabad,

15 OCT 2018



**OMER ADIL & CO.**  
Chartered Accountants



**Engagement Partner: Mr. Omer Adil (FCA)**

Bismillah Welfare Trust  
Balance Sheet  
As at June 30, 2018

		Amounts in PKR	
	Note	June 30, 2018	June 30, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	12,730,813	3,028,603
		<b>12,730,813</b>	<b>3,028,603</b>
<b>Current assets</b>			
Short-term investment	4	<b>11,000,000</b>	16,000,000
Trade deposit	5	<b>25,000</b>	25,000
Advances	6	<b>93,310</b>	84,521
Cash and bank balances	7	<b>1,669,811</b>	2,857,561
		<b>12,788,121</b>	<b>18,967,082</b>
<b>Total assets</b>		<b>25,518,934</b>	<b>21,995,685</b>
<b>FUNDS AND LIABILITIES</b>			
General funds - unrestricted	7	<b>25,465,438</b>	21,988,989
		<b>25,465,438</b>	<b>21,988,989</b>
<b>Current liabilities</b>			
Creditors, accrued and other liabilities	8	<b>53,496</b>	6,696
<b>Contingencies and commitments</b>	9	-	-
<b>Total funds and liabilities</b>		<b>25,518,934</b>	<b>21,995,685</b>

The Auditor's report is set out on pages 1 to 3.

The annexed notes 1 to 18 form an integral part of these financial statements.

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CHAIRMAN

  
TRUSTEE

Bismillah Welfare Trust  
Statement of Income and Expenditure  
For the year ended June 30, 2018

		Amounts in PKR	
	Note	For the year ended June 30, 2018	For the year ended June 30, 2017
<b>Income</b>	11	<b>7,304,998</b>	<b>4,460,847</b>
<b>Expenses</b>			
Medical programme	12	3,706,646	2,291,127
General and administration expenses	13	650,084	568,715
<b>Operating result</b>		<b>2,948,269</b>	<b>1,601,005</b>
Other income	14	528,180	595,771
<b>Surplus for the year</b>		<b>3,476,449</b>	<b>2,196,776</b>

The Auditor's report is set out on pages 1 to 3.

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CHAIRMAN

  
TRUSTEE

Bismillah Welfare Trust  
Statement of Changes in Accumulated Funds  
For the year ended June 30, 2018

Amounts in PKR

Balance as at June 30, 2016	19,792,213
Surplus for the year	2,196,776
Balance as at June 30, 2017	21,988,989
Surplus for the year	3,476,449
Balance as at June 30, 2018	25,465,438

The Auditor's report is set out on pages 1 to 3.

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CHAIRMAN

  
TRUSTEE

**Bismillah Welfare Trust**  
**Cash Flow Statement**  
**For the year ended June 30 , 2018**

Amounts in PKR

	Note	2018 Rupees	2017 Rupees
<b>Cash Flows from Operating Activities</b>			
Surplus for the year		3,476,449	2,196,776
Adjustments for;			
Depreciation		142,853	142,190
Cash generated from operation		3,619,301	2,338,966
<b>Cash generated from operating activities</b>		<b>3,619,301</b>	<b>2,338,966</b>
<b>Movement in working capital:</b>			
<b>(Increase) in current assets</b>			
Advances		(8,790)	(53,651)
<b>Increase in current liabilities</b>			
Creditors, accrued and other liabilities		46,800	6,696
Net cash generated from working capital		38,010	(46,955)
<b>Cash flows from investing activities</b>			
Payments for capital expenditure		(9,845,062)	(3,086,600)
Long-term investment		5,000,000	2,000,000
Net cash (used in) investing activities		(4,845,062)	(1,086,600)
<b>Cash flows from financing activities</b>			
Net cash generated from financing activities		-	-
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(1,187,751)</b>	<b>1,205,411</b>
<b>Cash and cash equivalents as at beginning of the year</b>		<b>2,857,561</b>	<b>1,652,150</b>
<b>Cash and cash equivalents as at end of the year</b>	7	<b>1,669,811</b>	<b>2,857,561</b>

The Auditor's report is set out on pages 1 to 3.

The annexed notes on pages 1 to 18 form an integral part of these financial statements.

  
**CHAIRMAN**

  
**TRUSTEE**

**Bismillah Welfare Trust**  
**Notes to the financial statements**  
**For the year ended June 30, 2018**

**1 Status and Nature of Business**

1.1 Bismillah Welfare Trust "the Trust" has been registered as a Trust under the Trust Act, 1882 on October 23, 2014. The objectives of the Trust to render assistance to poor patients by providing medicines, free treatments etc. provision of health care, preventive medical services (including dental services).

1.2 The registered office of the Trust is situated at House No. 02, Pine Street, Bani Gala, Islamabad.

**2 Summary of Significant Accounting Policies**

Following are the details of significant accounting policies applied:

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with approved accounting standard as applicable in Pakistan approved accounting standard comprised of revised accounting and financial reporting standard for small-sized entities and (AFRS for SSEs ) and accounting standard for not for Profit Organization (NPO) issued by Institute of Chartered Accountants of Pakistan (ICAP).

**2.2 Accounting convention**

These accounts have been prepared under the historical cost convention on accrual basis of accounting.

**2.3 Management responsibility for financial statements**

The Board of Trustees is responsible for the preparation and presentation of financial statements. The reporting currency of the financial statements is Pakistani Rupee. These financial statements of the Trust have been prepared for the year ended June 30, 2018.

**2.4 Provisions**

A provision is recognized in the balance sheet when the Trust has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**2.5 Taxation**

The Trust is eligible for hundred percent (100%) tax credit on taxes payable on donation and interest income on investments by the Trust on donations under clause (a) & (e) of sub-section 2 of section 100C of Income Tax Ordinance, 2001.

**2.6 Property, plant and equipment**

Operating assets are stated at cost or revalued amounts less accumulated depreciation and impairment losses, if any.

Depreciation charge is based on straight line method at the rates mentioned in the note 7 of these financial statements, whereby the net book value of an asset is written off to profit and loss account over its estimated useful life without taking into account any residual value. Depreciation on additions is charged for full month in the month of addition while no depreciation is charged in the month of deletion.

Normal repairs, maintenance, renewals and improvements are charged to income as and when incurred; major repairs, maintenance, renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Gains and losses on disposal of fixed assets are taken to the income and expenditure account in the year of disposal. The related surplus on revaluation of fixed assets is transferred directly to accumulated losses on disposal of the fixed assets.

**2.7 Advances**

Trade deposit and advances are stated at cost less impairment losses, if any.

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**Bismillah Welfare Trust**  
**Notes to the financial statements**  
**For the year ended June 30, 2018**

**2.8 Related party relationships and transactions**

All known related party relationships, if any, are disclosed in these financial statements. Transactions with related parties are entered into and recorded at fair value.

**2.9 Revenue**

*Unrestricted contributions*

Income from donation is recognized when donations are received.

*Interest*

Interest income on bank accounts and investment is recognized on a time apportionment basis that takes into account the effective yield on the respective bank balances and investments.

**2.10 Cash and cash equivalents**

Cash comprises of cash in hand and demand deposits maintained with banks in current accounts.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

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**Bismillah Welfare Trust**  
**Notes to the financial statements**  
**For the year ended June 30, 2018**

**3 Property, plant and equipment**

Amounts in PKR

Particulars	COST				Rate %	DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2017	Additions	(Disposals)	As at June 30, 2018		As at July 01, 2017	For the Period	(Disposals)	As at June 30, 2018	As at June 30, 2018
Land	2,502,600	-	-	2,502,600	-	-	-	-	-	2,502,600
Building	-	9,808,562	-	9,808,562	5	-	-	-	-	9,808,562
Furniture, fixtures & fittings	82,100	-	-	82,100	20	41,050	16,420	-	57,470	24,630
Electrical equipment	31,050	30,000	-	61,050	20	15,183	6,710	-	21,893	39,157
Mechanical equipment	584,000	-	-	584,000	20	116,800	116,800	-	233,600	350,400
Computer equipment	9,200	6,500	-	15,700	30	7,314	2,923	-	10,237	5,464
<b>June 30, 2018</b>	<b>706,350</b>	<b>9,845,062</b>	<b>-</b>	<b>10,551,412</b>		<b>180,347</b>	<b>142,853</b>	<b>-</b>	<b>323,199</b>	<b>12,730,813</b>
<b>June 30, 2017</b>	<b>122,350</b>	<b>3,086,600</b>	<b>-</b>	<b>3,208,950</b>		<b>38,157</b>	<b>142,190</b>	<b>-</b>	<b>180,347</b>	<b>3,028,603</b>

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**Bismillah Welfare Trust**  
**Notes to the financial statements**  
**For the year ended June 30, 2018**

		Amounts in PKR	
	Note	As at June 30, 2018	As at June 30, 2017
<b>4</b>	<b>Short-term investment</b>		
	<u>Held-to-maturity</u>		
	Local currency term deposits with banks	11,000,000	16,000,000
		<b>11,000,000</b>	<b>16,000,000</b>
<b>4.1</b>	The local currency short-term deposits have a maximum maturity period of 30 days on monthly roll over, carrying profit ranging from 3% to 4%.		
<b>5</b>	<b>Trade deposits</b>		
	Security deposits - Office	25,000	25,000
<b>6</b>	<b>Advances</b>		
	<b>Considered good</b>		
	Advances to employees	43,070	35,000
	Tax deducted at source/income tax recoverable	50,240	49,521
		<b>93,310</b>	<b>84,521</b>
	<b>Considered doubtful</b>	-	-
		<b>93,310</b>	<b>84,521</b>
	Less: Provision for doubtful advances and other receivables	-	-
		<b>93,310</b>	<b>84,521</b>
<b>7</b>	<b>Cash and bank balances</b>		
	<i>In current accounts-</i>		
	Cash at bank - Local currency account	1,669,811	2,857,561
		<b>1,669,811</b>	<b>2,857,561</b>
<b>8</b>	<b>General funds - unrestricted</b>		
	Opening balance	21,988,989	19,792,213
	Surplus for the period	3,476,449	2,196,776
	Closing balance	<b>25,465,438</b>	<b>21,988,989</b>
<b>9</b>	<b>Creditors, accrued and other liabilities</b>		
	Accrued liabilities	44,375	-
	Other liabilities	9,121	6,696
		<b>53,496</b>	<b>6,696</b>
<b>10</b>	<b>Contingencies and commitments</b>		
	The Trust does not have any outstanding capital commitments as at the year-end. (2017: Nil)	-	-
<b>11</b>	<b>Income</b>		
	<b>Unrestricted contributions</b>		
	General donations	1,404,998	769,000
	Donations received from Secure Tech Consultancy (Pvt) Ltd	2,000,000	2,000,000
	Donations received from trustees	3,900,000	1,691,847
		<b>7,304,998</b>	<b>4,460,847</b>

**Bismillah Welfare Trust**  
**Notes to the financial statements**  
**For the year ended June 30, 2018**

		Amounts in PKR	
	Note	As at June 30, 2018	As at June 30, 2017
<b>12 Medical programme</b>			
<i>Medical and health care facility for poor patients</i>			
Salaries, wages & benefits		2,005,945	1,257,625
Medicine supplies expense		1,119,160	617,932
Laboratory expenses		-	45,000
		3,125,106	1,920,557
<i>Water boring division for clean drinking water</i>			
Salaries, wages & benefits		-	192,000
Water boring expenses		581,540	178,570
		581,540	370,570
		<b>3,706,646</b>	<b>2,291,127</b>
<b>13 General and administrative expenditure</b>			
Miscellaneous		28,015	33,670
Printing, stationery & periodicals		17,200	2,980
Rent, rates & taxes		160,000	176,000
Repair and maintenance		17,250	88,900
Bank charges		152,149	18,393
Entertainment		1,930	19,269
Utilities		120,057	86,118
Office Supplies		10,630	1,195
Depreciation		142,853	142,190
		<b>650,084</b>	<b>568,715</b>
<b>14 Other income</b>			
Islamic profit on investments		528,180	595,771
<b>15 Taxation</b>			
As per sub-section 2 of section 100C, non-profit organizations, trust or welfare organization shall be allowed a tax credit equal to one hundred percent of the tax payable, including minimum and final tax payable under any of the provision of Income Tax Ordinance, 2001, subject to the following conditions, namely:			
a) return has been filed;			
b) tax required to be deducted or collected has been deducted or collected and paid; and			
c) withholding tax statements for the immediately preceding tax year have been filed.			
d) the administrative and management expenditure does not exceed 15% of the total receipts:			
The operations for the Trust fall within the purview of clause (a) & (e) of sub-section 2 of Section 100C of the Income Tax Ordinance, 2001 and the Institute intends to comply with the above-mentioned requirements, hence the Trust will be eligible to claim tax credit equal to one hundred percent of the tax payable on donations and interest income on investments by the Trust. Tax credit of one hundred percent is allowed under Section 100C of Income Tax Ordinance, 2001 in respect of tax payable including final taxes payable and consequently no charge has been recognized in these financial statement for the period ended June 30, 2018.			
<b>16 Transaction and balance with related parties</b>			
The related parties comprise of trustees, key management personnel and entities over which the trustees are able to exercise influence. Transaction with related parties and balance outstanding at the period end are given below.			
<b>Transaction with the related parties</b>			
Donation received from trustees		3,900,000	1,691,847
		<b>3,900,000</b>	<b>1,691,847</b>

**Bismillah Welfare Trust**  
**Notes to the financial statements**  
**For the year ended June 30, 2018**

Amounts in PKR

**17 Date of authorization**

These financial statements were authorized for issue by the trustee on 15 OCT 2018 The financial statements are issued by the express approval of the under-signed for the purpose of approval by the Board of Trustees who shall ratify or amend the same, as may be prescribed.

**18 General**

Figures have been rounded off to the nearest rupee.

Comparative figures have not been stated, as these are the first financial statements of the Trust.

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CHAIRMAN

  
TRUSTEE