



Omer Adil & Co.
Chartered Accountants

BISMILLAH WELFARE TRUST

FINANCIAL STATEMENTS

**FOR THE YEAR
ENDED JUNE 30, 2022**



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 statement of financial position as at June 30, 2022, statement of income and expenditure, statement of changes in accumulated funds 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 the Trust as at June 30, 2022, and (of) its financial performance and change in accumulated funds and its cashflows 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 future described in the Auditor's responsibilities for the Audit of the Financial Statements section of our report. We 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 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 assessing 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.
- 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.

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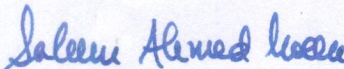
Bismillah Welfare Trust
Statement of Financial Position
As at June 30, 2022

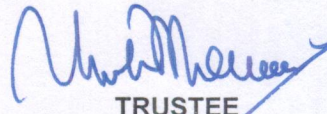
	Note	2022 (Rupees)	2021 (Rupees)
ASSETS			
Non-current assets			
Property, plant and equipment	3	10,506,754	11,146,552
Current assets			
Short-term investment	4	13,000,000	13,000,000
Trade deposit	5	25,000	25,000
Advances	6	150,000	150,000
Advance income tax-net	7	205,320	115,289
Cash and bank balances	8	4,961,381	6,984,082
		18,341,701	20,274,371
Total assets		28,848,455	31,420,923
FUNDS AND LIABILITIES			
General funds	9	28,633,986	31,186,790
Current liabilities			
Trade and other payables	10	214,468	234,133
Contingencies and commitments	11	-	-
Total funds and liabilities		28,848,455	31,420,923

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

The annexed notes 1 to 27 form an integral part of these financial statements.

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CHAIRMAN


TRUSTEE

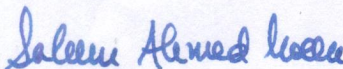
Bismillah Welfare Trust
Statement of Financial Position
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CHAIRMAN


TRUSTEE

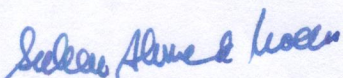
Bismillah Welfare Trust
Statement of Income and Expenditure
For the year ended June 30, 2022

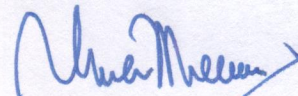
	Note	2022 (Rupees)	2021 (Rupees)
Income	12	6,606,000	7,682,048
Medical programme expenses	13	(9,266,945)	(7,230,444)
		(2,660,945)	451,604
General and administration expenses	14	(728,005)	(846,781)
Other income	15	846,731	858,493
Other charges	16	-	(135,933)
(Deficit) / surplus before taxation		(2,542,219)	327,383
Income tax expense	17	(10,584)	(72,024)
Total (deficit) / surplus for the year		(2,552,803)	255,359

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

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CHAIRMAN

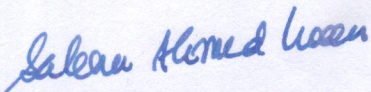

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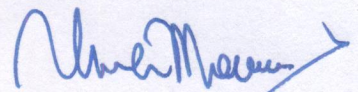
Bismillah Welfare Trust
Statement of Changes in Accumulated Funds
For the year ended June 30, 2022

	(Rupees)
Balance as at June 30, 2020	30,931,431
Surplus for the year	255,359
Balance as at June 30, 2021	31,186,790
Surplus for the year	(2,552,803)
Balance as at June 30, 2022	28,633,986

The Auditor's report is set out on pages 1 to 2.

The annexed notes 1 to 27 form an integral part of these financial statements.


CHAIRMAN


TRUSTEE

Bismillah Welfare Trust
Statement of Cash flows
For the year ended June 30, 2022

	Note	2022 (Rupees)	2021 (Rupees)
Cash Flows from Operating Activities			
Surplus for the year		(2,542,219)	327,383
Adjustments for:			
Loss on disposal		-	135,933
Depreciation	3.1	639,798	706,858
		<u>(1,902,421)</u>	<u>1,170,174</u>
Movement in working capital:			
(Increase) in current assets			
Advances		-	-
(Decrease) / Increase in current liabilities			
Trade and other payables		<u>(19,665)</u>	<u>(142,999)</u>
Cash (used in) operations		<u>(19,665)</u>	<u>(142,999)</u>
Tax paid		(100,615)	(137,073)
Net cash generated from operating activities		(2,022,701)	890,102
Cash flows from investing activities			
Proceeds from sales of assets			300,000
Payments for capital expenditure		-	(97,600)
Long-term investment		-	-
Net cash generated from / (used in) investing activities		-	202,400
Cash flows from financing activities			
		-	-
Net cash generated from financing activities		-	-
Net (decrease) / increase in cash and cash equivalents		(2,022,701)	1,092,502
Cash and cash equivalents as at beginning of the year		6,984,082	5,891,580
Cash and cash equivalents as at end of the year	24	4,961,381	6,984,082

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

The annexed notes 1 to 27 form an integral part of these financial statements.

Fulcan Ahmed Khan
CHAIRMAN

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TRUSTEE

Bismillah Welfare Trust
Notes to the financial statements
For the year ended June 30, 2022

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). The Trust Act, 1882 is repealed on 28th September, 2020. The Fund has applied for fresh registration under Islamabad Capital Territory Trust Act, 2020
- 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 (Revised 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 from July 01, 2021 to June 30, 2022.

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

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into accounts available tax credits or rebates, if any, in accordance with the Income Tax Ordinance, 2001. The charge for current tax includes adjustments to charge for prior years, if any. The Tax charge calculated under the provision of Section 100C(1A) of the Income Tax Ordinance, 2001 is compared with Alternative Corporate Tax (ACT) @17% of accounting profit under Section 113C and minimum tax @ 1.25% under Section 113 of the Income Tax Ordinance, 2001 whichever is higher is charged as current tax in the Income and Expenditure Account.

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 3 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

Bismillah Welfare Trust
Notes to the financial statements
For the year ended June 30, 2022

2.7 Advances

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

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 appropriation 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, 2022

		2022 (Rupees)		2021 (Rupees)				
3	Property, plant and equipment	10,506,754		11,146,552				
3.1	Following is the statement of property, plant and equipment:							
Particulars	COST			DEPRECIATION		WRITTEN DOWN VALUE		
	As at July 01, 2021	Additions	As at June 30, 2022 (Disposals)	Rate %	As at July 01, 2021		For the year (Disposals)	As at June 30, 2022
Land	2,502,600	-	-	2,502,600	-	-	-	2,502,600
Building	9,808,562	-	-	9,808,562	5	1,471,284	490,428	1,961,712
Furniture, fixtures & fittings	82,100	-	-	82,100	20	82,100	-	82,100
Electrical equipment	127,450	-	-	127,450	20	78,963	25,490	104,453
Mechanical equipment	666,900	-	-	666,900	20	600,580	66,320	666,900
Computer equipment	15,700	-	-	15,700	30	15,700	-	15,700
Office equipment	287,800	-	-	287,800	20	95,933	57,560	153,493
June 30, 2022	13,491,112	-	-	13,491,112		2,344,560	639,798	2,984,358
June 30, 2021	13,896,512	97,600	503,000	13,491,112		1,704,769	706,858	2,344,560
							67,067	11,146,552

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Bismillah Welfare Trust
Notes to the financial statements
For the year ended June 30, 2022

	Note	2022 (Rupees)	2021 (Rupees)
4 Short-term investment			
<u>Held-to-maturity</u>			
Local currency term deposits with banks	4.1	13,000,000	13,000,000
4.1 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%.			
5 Trade deposits			
Security deposits - Office		25,000	25,000
6 Advances			
Employees		150,000	150,000
7 Advance Income tax-net			
Opening		115,289	50,240
Payment during the year		100,615	137,073
Provision for taxation	17	(10,584)	(72,024)
		205,320	115,289
8 Cash and bank balances			
<i>In current accounts-</i>			
Cash at bank - Local currency account		4,961,381	6,984,082
9 General funds - unrestricted			
Opening balance		31,186,790	30,931,431
Surplus for the year		(2,552,803)	255,358
Closing balance		28,633,986	31,186,789
10 Trade and other payables			
Other liabilities		214,468	234,133
11 Contingencies and commitments			
Contingencies and commitments	11.1	-	-
11.1 The Trust does not have any outstanding capital commitments as at the year-end (2021: Nil)			

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Bismillah Welfare Trust
Notes to the financial statements
For the year ended June 30, 2022

	Note	2022 (Rupees)	2021 (Rupees)
12 Income			
Unrestricted contributions			
General donations		6,606,000	2,280,628
Donations received from Secure Tech Consultancy (Pvt) Ltd		-	2,000,000
Donations received from trustees			3,401,420
		6,606,000	7,682,048
13 Medical programme			
<i>Medical and health care facility for poor patients</i>			
Salaries, wages & benefits		4,944,889	3,606,849
Medicine supplies expense		1,094,821	402,320
Kitchen expenses		1,234,152	1,149,082
		7,273,862	5,158,251
<i>Water boring division for clean drinking water</i>			
Water boring expenses		1,502,655	1,581,765
<i>Depreciation</i>			
Building		490,428	490,428
		9,266,945	7,230,444
14 General and administrative expenditure			
Utilities		333,095	164,262
Office Supplies		139,360	227,020
Miscellaneous		1,200	65,000
Printing, stationery & periodicals		61,160	41,030
Repair and maintenance		43,820	15,970
Bank charges		-	117,069
Depreciation		149,370	216,430
		728,005	846,781
15 Other income			
Profit on investments		846,731	858,493
16 Other Charges			
Loss on disposal of fixed assets		-	135,933

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Bismillah Welfare Trust
Notes to the Financial Statements
For the year ended June 30, 2022

Amounts in PKR

21 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk.

21.1 Interest / mark up rate risk management

Interest / mark-up rate risk arises from the possibility that changes in interest / mark-up rates will affect the value of financial instruments. In respect of income bearing financial assets and interest / mark-up bearing financial liabilities, the following table indicates their effective interest / mark-up rates at the balance sheet date and the periods in which they will re-price or mature:

	Effective mark up rates (%)	Interest / Mark-up bearing		Non-Interest / Mark-up bearing		Total
		Maturity upto one year	Maturity one to five years	Maturity upto one year	Maturity one to five years	
Financial assets						
Advances		-	-	150,000	-	150,000
Cash and bank balances		-	-	4,961,381	-	4,961,381
		-	-	5,111,381	-	5,111,381
Financial liabilities						
Trade and other payables		-	-	214,468	-	214,468
		-	-	214,468	-	214,468
Net financial assets / (liabilities)	2022	-	-	4,896,913	-	4,896,913
Net financial assets / (liabilities)	2021	-	-	5,739,688	-	5,739,688

21.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into are denominated in foreign currencies. The Trust considered the foreign currency risk to be immaterial currently.

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Bismillah Welfare Trust
Notes to the financial statements
For the year ended June 30, 2022

	Note	2022 (Rupees)	2021 (Rupees)
17 Taxation			
Current	17.1	10,584	72,024

17.1 Current taxation for the year has been calculated at Rs. 10,584 (2021: Rs. 72,024) @ 1.25% of turnover under section 113 of the Income tax ordinance 2001. The tax calculated is compared with provision of Section 100C(1A) of the Income Tax Ordinance, 2001, Alternate Corporate Tax and Normal Tax @ 22%.

17.2 The applicable tax rate is 21% (2021: 22%) for the current year presented, as provided in the provisions of the Income Tax Ordinance, 2001.

18 Transaction and balance with the related parties

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 year end are given below.

Transaction with the related parties

Donation received from Secure Tech Consultancy (Pvt) Ltd	-	2,000,000
Donation received from trustees	-	3,401,420

19 Fair value of financial assets and liabilities

The carrying amounts of the financial assets and financial liabilities approximate their fair values.

Financial assets	5,111,381	7,134,082
Financial liabilities	214,468	234,133
	4,896,913	6,899,949

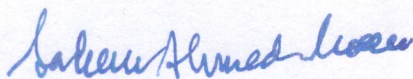
20 Financial risk management objectives and policies

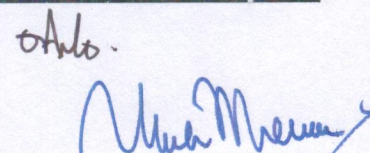
The Trust's activities expose it to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk associated with various financial assets and liabilities respectively, as referred to in notes 21 to 23 below. The Trust's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Trust's financial performance.

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Bismillah Welfare Trust
Notes to the financial statements
For the year ended June 30, 2022

	Note	2022 (Rupees)	2021 (Rupees)
22 Credit risk			
Credit risk represents the accounting loss that would be recognized at the reporting date if the counter parties failed completely to perform as contracted.			
The Trust's credit risk is primarily attributable to its placements with banks. The Trust's placements are with banks having credit rating of A and above. Due to the high credit worthiness of counter parties the credit risk is considered			
23 Liquidity risk			
Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Trust follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for meeting new commitments and requirements. As a result the Trust saw a significantly improved cash flows from all the operations and hence liquidity risk is considered minimal.			
24 Cash and cash equivalents at the end of the year			
Cash and bank balances		4,961,381	6,984,082
25 Number of employees			
The number of employees as of statement of financial position date		10	10
Average number of employees during the year		8	8
26 Date of authorization			
These financial statements were authorized for issue by the trustee on <u>19 OCT 2022</u> 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.			
27 General			
Figures have been rounded off to the nearest rupee.			
Comparative figures have been re-stated, wherever necessary, for the purposes of comparison.			


CHAIRMAN


TRUSTEE