



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

**BISMILLAH WELFARE TRUST**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED**  
**JUNE 30, 2016**

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

We have audited the accompanying financial statements of **Bismillah Welfare Trust**, ("the Trust") which comprise of balance sheet as at June 30, 2016, statement of income and expenditure, cash flow statement and statement of changes in accumulated funds for the period then ended, and a summary of significant accounting policies and other explanatory information.

***Management's Responsibility for the Financial Statements***

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting standards as applicable in Pakistan, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the approved auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Trustees, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Arlo.



*Opinion*

In our opinion the financial statements present fairly, in all material respects, the financial position of the Trust as at June 30, 2016, its financial performance, cash flows and changes in accumulated funds for the period then ended in accordance with the approved accounting standards as applicable in Pakistan.

Islamabad,

120 SEP 2016

  
**OMER ADIL & CO.**  
Chartered Accountants



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

**BISMILLAH WELFARE TRUST  
BALANCE SHEET  
AS AT JUNE 30, 2016**

	Note	June 30, 2016 Rupees
<b>Accumulated Funds</b>		
General funds - unrestricted	3	19,792,213
<b>Current Liabilities</b>		
Creditors, accrued and other liabilities	4	-
<b>Contingencies and Commitments</b>	5	-
		<u>19,792,213</u>

**Tangible Fixed Assets**

Operating assets

**Long Term Investment**


**Current Assets**

Trade deposits  
Advances and other receivables - unsecured  
Cash and bank balances

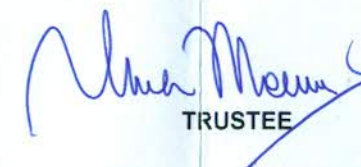
Note	June 30, 2016 Rupees
6	84,194
7	18,000,000
8	25,000
9	30,869
10	1,652,150
	<u>1,708,019</u>
	<u>19,792,213</u>

The Auditor's report is set out on page 1 & 2.

The annexed notes on pages 7 to 11 form an integral part of these financial statements.

  
CHAIRMAN

*Attd.*

  
TRUSTEE



**BISMILLAH WELFARE TRUST**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2016**

		For the Period From October 23, 2014 to June 30, 2016 Rupees
	Note	
Income	11	20,795,037
General and administration expenses	12	<u>2,057,456</u>
Operating excess of income over expenditure		18,737,581
Other income	13	1,054,632
Excess of income over expenditure for the year		<u><u>19,792,213</u></u>

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

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**CHAIRMAN**

  
**TRUSTEE**

**BISMILLAH WELFARE TRUST**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2016**

	<u>Note</u>	<u>2015 Rupees</u>
<b>Cash Flows from Operating Activities</b>		
Excess of income over expenditure for the year		19,792,213
Adjustment for non cash items :		
Depreciation		38,157
		<u>19,830,370</u>
Movement in working capital:		
<b>(Increase) in current assets</b>		
Trade deposit		(25,000)
Advances and other receivables - unsecured		(30,869)
		<u>(55,869)</u>
<b>Increase / (decrease) in current liabilities</b>		
Creditors, accrued and other liabilities		-
		<u>-</u>
		<u>19,774,500</u>
<b>Cash Flows from Investing Activities</b>		
Payments for capital expenditure		(122,350)
Long term investment		(18,000,000)
Net cash (used in) investing activities		<u>(18,122,350)</u>
<b>Cash Flows from Financing Activities</b>		
Net cash generated from financing activities		-
<b>Net increase in cash and cash equivalents</b>		1,652,150
<b>Cash and cash equivalents as at October 23, 2014</b>		-
<b>Cash and cash equivalents as at June 30, 2016</b>	10	<u><u>1,652,150</u></u>

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

The annexed notes on pages 7 to 11 form an integral part of these financial statements.

*oA/s*

*Saleem Ahmed Hosen*

CHAIRMAN

*Ali Memon*  
 TRUSTEE

**BISMILLAH WELFARE TRUST**  
**STATEMENT OF CHANGES IN ACCUMULATED FUND**  
**AS AT JUNE 30, 2016**

	General Funds	Restricted Funds	Total Accumulated Funds
	Rupees		
Balance as on October 23, 2014	-	-	-
Excess of expenditure over income for the period from October 23, 2014 to June 30, 2016	19,792,213	-	19,792,213
Balance as on June 30, 2016	<u>19,792,213</u>	<u>-</u>	<u>19,792,213</u>

The Auditor's report is set out on page 1 & 2.

The annexed notes on pages 7 to 11 form an integral part of these financial statements.

*Arto*

*Salim Ahmed Hussein*  
 CHAIRMAN

*Alien Meeun*  
 TRUSTEE



**BISMILLAH WELFARE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2016**

**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**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with Guideline for Accounting and Financial Reporting Framework by Non Government Organizations (NGOs) / Non-Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

**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 period from October 23, 2014 (registration date) to June 30, 2016.

**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 Tangible fixed assets and depreciation**

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 Other receivables**

Other receivables 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.

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**BISMILLAH WELFARE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2016**

**2.9 Revenue**

*Donations*

Income from donation is recognized when donations are received.

*Interest*

Interest income on bank accounts and investment is recognized on a time apportion 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.

**For the Period  
From October  
23, 2014 to  
June 30, 2016**

**3 General Funds**

Opening balance

-

Surplus for the period

19,792,213

Closing balance

19,792,213

**4 Creditors, Accrued and Other Liabilities**

Creditor, accrued and other liabilities

-

**5 Contingencies and Commitments**

The Trust does not have any outstanding capital commitments as at the period-end.

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BISMILLAH WELFARE TRUST  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2016

6 Operating Assets

Particulars	A m o u n t     I n     R u p e e s									W.D.V. As at June 30, 2016
	COST			Rate %	DEPRECIATION			As at June 30, 2016		
	As at October 23, 2014	Additions	(Disposals)		As at October 23, 2014	For the Period	(Disposals)			
Furniture, Fixtures & Fittings	-	82,100	-	82,100	20	-	24,630	-	24,630	57,470
Electrical Equipment	-	31,050	-	31,050	20	-	8,973	-	8,973	22,078
Computer Equipment		9,200		9,200	30		4,554		4,554	4,646
June 30, 2016	-	122,350	-	122,350		-	38,157	-	38,157	84,194

Atgls.

**BISMILLAH WELFARE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2016**

**For the Period  
From October  
23, 2014 to  
June 30, 2016**

7	<b>Long Term Investment</b>	
	Term deposits account - at cost	<u>18,000,000</u>
8	<b>Trade Deposits</b>	
	Security deposits - Office	<u>25,000</u>
9	<b>Advances and Other receivable - unsecured</b>	
	Considered good	
	Advances to employees	25,000
	Advance income tax	5,869
		30,869
	Less: Provision for doubtful advances and other receivables	-
		<u>30,869</u>
10	<b>Cash and Bank Balance</b>	
	<i>In current accounts-</i>	
	Cash at bank - Local currency account	1,652,150
		<u>1,652,150</u>
11	<b>Donations</b>	
	Donations received from trustees	<u>20,795,037</u>
12	<b>General and Administrative Expenses</b>	
	Entertainment	16,221
	Miscellaneous expenses	6,076
	Printing, stationery & periodicals	478,679
	Rent, rates & taxes	192,000
	Repair and maintenance	15,601
	Salaries, wages & benefits	1,137,500
	Bank charges	100,587
	Utilities	72,636
	Depreciation	38,157
		<u>2,057,456</u>
13	<b>Other Income</b>	
	Interest on investments	<u>1,054,632</u>

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**BISMILLAH WELFARE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2016**

**For the Period**  
**From October**  
**23, 2014 to**  
**June 30, 2016**

**14 Taxation**

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.

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, 2016.

**15 Transaction and Balance with 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 period end are given below.

**Transaction with the related parties**

Donation received from trustees 20,795,037

**16 Date of Authorization**

These financial statements were authorized for issue by the trustee on 20 SEP 2016 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.

**17 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.

  
**CHAIRMAN**

  
**TRUSTEE**