

**FINANCIAL STATEMENTS
OF
NAVEED E SEHAR TRUST
FOR THE YEAR ENDED 30TH JUNE, 2022**

RAZA SIDDIQUI & CO.

CHARTERED ACCOUNTANTS

Room # 402, Amber Estate (Ext), K.C.H.S.U., Block-7/8, Karachi,
Karachi- Tel: 021-34532778 & 021-34391843



INDEPENDENT AUDITOR'S REPORT

To the members of Naveed e Saher Trust
Report on the Audit of the Financial Statements,

Opinion

We have audited the annexed financial statements of Naveed e Saher Trust (the Trust), which comprise the statement of financial position as at June 30, 2022 and the income and expenditure account, the receipts and payments account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion, the accompanying financial statements present fairly, in all material respects give a true and fair view of the financial position of Naveed e Saher Trust as at June 30, 2022 and its financial performance and its receipts and payments for the year then ended in accordance with approved accounting and reporting standard as applicable in Pakistan .

Basis for Opinion

We conducted our audit in accordance with 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 for the Financial Statements

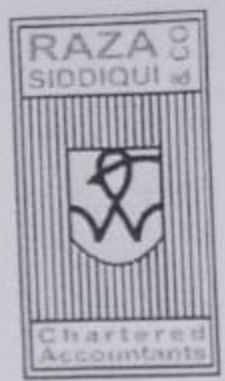
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with the governance are 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.



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 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 directors 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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Shafqat Raza.



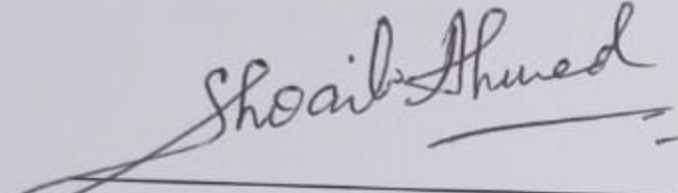
Raza Siddiqui & Co.,
Chartered Accountants.
Date: 20 SEP 2022
Karachi.

UDIN: AR202210266Zetp7SFw2

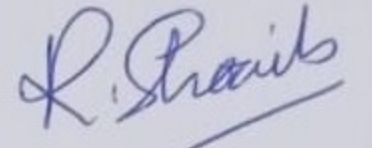
NAVEED-E-SAHAR TRUST
INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 ----- Rupees -----	2021 -----
Income	9	4,689,035	4,919,614
Administrative expenses	10	(5,260,849)	(4,601,688)
Surplus for the year		<u>(571,814)</u>	<u>317,926</u>

The annexed notes from 1 to 13 form an integral part of these financial statements



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NAVEED-E-SAHAR TRUST
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2022

RECEIPTS	Note	2022	2021	-----Rupees-----	PAYMENTS	Note	2022	2021	-----Rupees-----
Opening balances					Annual function		56,095	33,250	
Cash in hand		27,850	22,656		Audit & consultancy fee		95,200	-	
Cash at bank - Faysal Bank		14,169,884	3,220,174		Book printing / Educational Expenses		-	-	
		14,197,734	3,242,830		Computer expenses.		2,140	5,800	
Donation.		4,471,904	4,542,040		Conveyance		20,000	9,700	
Investment		-	10,000,000		Food /children welfare.		244,674	297,540	
Security deposit		-	60,000		Medicine expenses.		164,073	535,625	
Profit on investment		217,131	377,574		Misc. expenses.		68,775	127,957	
		4,689,035	14,979,614		Renovation expense		531,025	-	
		18,886,769	18,222,444		Repair & maintenance		181,724	84,546	
					Salary expenses.		3,474,102	2,486,180	
					Stationary expenpense		23,618	-	
					Tailoring items expense		61,772	-	
					Uniform		43,900	257,850	
					Utility bills		141,519	78,546	
					Water expenses		3,900	13,500	
					With holding tax paid		32,569	59,216	
					Addition PPE		49,500	-	
					Accrued expenses paid		-	35,000	
					Investment		12,500,000	-	
							17,694,586	4,024,710	
					Cash in hand	4	61,234	27,850	
					Cash at bank - Faysal Bank		1,130,949	14,169,884	
							1,192,183	14,197,734	
							18,886,769	18,222,444	

The annexed notes from 1 to 13 form an integral part of these financial statements

Shoaib Ahmed
L. Pratik
TRUSTEE

**NAVEED-E-SAHAR TRUST
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2022**

1 THE TRUST AND ITS OPERATIONS

Naveed-e-Sehar Trust is registered in Pakistan on 20th January, 2004.

It is engaged in providing welfare and charitable services to the poor and needy people in Pakistan.

The registered address of the company is Azeem Goth, Block 4-A, Gulshan e Iqbal, Karachi.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting Convention

These accounts have been prepared under the Historical cost convention.

2.2 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan.

2.3 Property, plant and equipment

These are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is charged to expenditure account, applying the reducing balance method whereby cost of assets is written off over its estimated useful life. A full year depreciation is charged on asset acquired during the year while no depreciation is charges on assets disposed off during the year.

Normal repairs and maintenance are charged to expenditure as and when incurred. Gains or losses on disposal, if any, are taken to profit and loss account. Major renewal and improvements are capitalized.

2.4 Foreign Currency Transaction

These are accounted for in Rupees at the exchange rate on the date of transaction. Assets and liabilities in foreign currencies are converted into Pak rupees at the rate of exchange on the balance sheet date.

2.5 Receipt Recognition

Zakat, Donations and other charitable receipts are recognized on receipt basis.

Shoaib Ahmad

R. Shoaib

3 PROPERTY, PLANT AND EQUIPMENT

	Plot	Building	Machine	Tools	Furniture	Equipments	Generator	Total
----- (Rupees) -----								
Net carrying value basis year ended June 30, 2022								
Opening net book value (NBV)	2,154,000	1,203,605	36,674	40,424	25,629	29,735	4,519	3,494,586
Addition (at cost)	-	-	-	-	-	49,500	-	49,500
Disposal (at NBV)	-	-	-	-	-	-	-	-
Depreciation charge	-	(120,360)	(5,501)	(6,064)	(3,844)	(11,885)	(678)	(148,332)
Closing net book value	<u>2,154,000</u>	<u>1,083,244</u>	<u>31,173</u>	<u>34,360</u>	<u>21,785</u>	<u>67,350</u>	<u>3,841</u>	<u>3,395,754</u>

Gross carrying value basis as at June 30, 2021								
Cost	2,154,000	4,660,615	175,390	159,793	144,320	163,349	27,000	7,484,467
Accumulated depreciation	-	(3,577,371)	(144,217)	(125,433)	(122,535)	(95,999)	(23,159)	(4,088,713)
Net book value	<u>2,154,000</u>	<u>1,083,244</u>	<u>31,173</u>	<u>34,360</u>	<u>21,785</u>	<u>67,350</u>	<u>3,841</u>	<u>3,395,754</u>

Net carrying value basis year ended June 30, 2021	2,154,000	1,337,339	43,147	47,558	30,152	34,983	5,316	3,652,494
Addition (at cost)	-	-	-	-	-	-	-	-
Disposal (at NBV)	-	-	-	-	-	-	-	-
Depreciation charge	-	(133,734)	(6,472)	(7,134)	(4,523)	(5,247)	(797)	(157,907)
Closing net book value	<u>2,154,000</u>	<u>1,203,605</u>	<u>36,674</u>	<u>40,424</u>	<u>25,629</u>	<u>29,735</u>	<u>4,519</u>	<u>3,494,587</u>

Gross carrying value basis as at June 30, 2021								
Cost	2,154,000	4,660,615	175,390	159,793	144,320	113,849	27,000	7,434,967
Accumulated depreciation	-	(3,457,010)	(138,716)	(119,369)	(118,691)	(84,114)	(22,481)	(3,940,380)
Net book value	<u>2,154,000</u>	<u>1,203,605</u>	<u>36,674</u>	<u>40,424</u>	<u>25,629</u>	<u>29,735</u>	<u>4,519</u>	<u>3,494,587</u>

Depreciation rate per annum	0%	10%	15%	15%	15%	15%	15%
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Shoab Ahmed

L. Shoab

	2022	2021
Note	Rupees	
4 TAX REFUND DUE FROM GOVERNMENT		
Opening balance	220,314	161,098
With holding tax on cash with drawn	-	2,580
Tax on profit	32,570	56,636
	<u>252,884</u>	<u>220,314</u>
5 INVESTMENT		
Faysal investment certificate.		
5.1 These represent investments in Faysal investment certificates which are to mature within next 12 months.	<u>12,500,000</u>	<u>-</u>
6 CASH & BANK BALANCE		
Cash in hand	61,234	27,850
Cash at bank	1,130,949	14,169,884
	<u>1,192,183</u>	<u>14,197,734</u>
7 LONG TERM LOAN		
Sohaib Umer (Trustee)		
7.1 The above amount represent an unsecured and interest free loan.	<u>200,000</u>	<u>200,000</u>
8 TRADE AND OTHER PAYABLES		
Accrued expenses	513,287	513,287
	<u>513,287</u>	<u>513,287</u>
9 INCOME		
Donation.	4,471,904	4,542,040
Profit on investment	217,131	377,574
	<u>4,689,035</u>	<u>4,919,614</u>

Sohaib Ahmed

R. Pratik

10 ADMINISTRATIVE EXPENSES

Annual function
Audit & consultancy fee
Computer expenses.
Conveyance
Depreciation.
Food /children welfare.
Medicine expenses.
Misc. expenses.
Renovation expense
Repair & maintenance
Salary expenses.
Stationary expenses
Tailoring items expense
Uniform
Utility bills
Water expenses

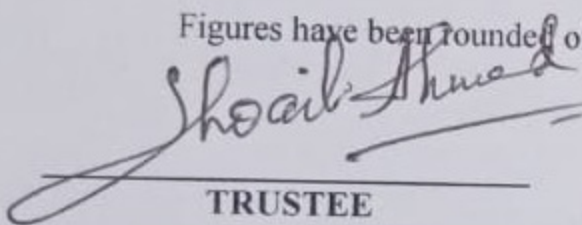
Note	2022	2021
	----- Rupees -----	
	56,095	33,250
	95,200	40,000
	2,140	5,800
	20,000	9,700
3	148,332	157,907
	244,674	297,540
	164,073	535,625
	68,775	127,957
	531,025	-
	181,724	84,546
	3,474,102	2,959,467
	23,618	-
	61,772	-
	43,900	257,850
	141,519	78,546
	3,900	13,500
	<u>5,260,849</u>	<u>4,601,688</u>

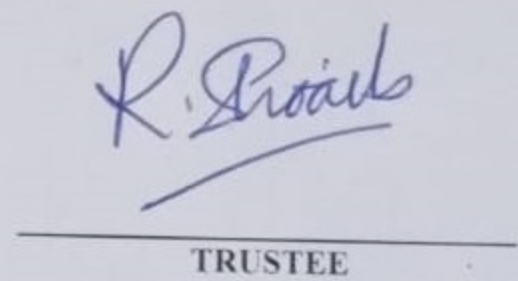
11 DATE OF AUTHORISATION

These financial statements were authorized for issue in the Board of Trustees meeting held on 20 SEP 2022

12 GENERAL

Figures have been rounded off nearest to Rupee


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