

## INDEPENDENT AUDITORS' REPORT

We have audited the financial statements of **Naveed-e-Sehar Trust**, as at June 30, 2020, including the statement of financial position, the income and expenditure, the receipt and payment 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 are prepared, in accordance with the information provided as at June 30, 2020.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

The management is responsible for the preparation and fair presentation of the financial statements in accordance with normal accounting practice.



In preparing the financial statements, Management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to check that the financial statements are prepared in accordance with the information and explanations provided.

We audited the financial statement as per scope agreed with the management of the organization and report that the financial statement conforms with the information and explanation provided by the management.

  
  
Sandhu & Co.  
Chartered Accountants  
Mohammad Hussain Lakhani

Date: 04 FEB 2021  
Karachi:

**NAVEED -E-SEHAR TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS ON 30TH JUNE, 2020**

	Note	2020	2019		2019
		-----Rupees-----			-----Rupees-----
<b>Funds and liabilities</b>					
General fund					
Balance as per last year		16,454,603	15,510,269		3,829,526
Surplus for the year		426,820	944,334		
		16,881,422	16,454,603		
<b>Non current liabilities</b>					
Long term loan	8	200,000	200,000		
<b>Current liabilities</b>					
Trade and other payables	9	35,000	75,000		
		17,116,422	16,729,603		
		17,116,422	16,729,603		
<b>Non current asset</b>					
Property, plant and equipment	3	3,652,494			
<b>Current assets</b>					
Tax refund due from government	4	161,098	121,419		
Investment	5	10,000,000	10,000,000		
Security deposit	6	60,000	60,000		
Cash & bank balance	7	3,242,830	2,718,658		
		13,463,928	12,900,077		

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

*Sheel Ahmed*  
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 TRUSTEE

*R. Shah*  
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 TRUSTEE

*16/1/20*

NAVEED-E-SAHAR TRUST  
INCOME & EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
Income	10	5,775,743	6,889,499
Administrative expenses	11	(5,348,923)	(5,945,165)
Surplus for the year		<u>426,820</u>	<u>944,334</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, 2020**

	2020	2019	Note
	-----Rupees-----	-----Rupees-----	
<b>RECEIPTS</b>			
Opening balances			
Cash in hand	5,500	5,100	
Cash at bank - Faysa Bank	2,713,158	2,106,585	
	2,718,658	2,111,685	
Donation.	5,378,953	6,515,218	
Profit on investment	396,789	374,281	
	5,775,742	6,889,499	
<b>PAYMENTS</b>			
Annual function	20,250	18,590	
Audit & consultancy fee	35,000	35,000	
Computer expenses.	70,500	8,900	
Conveyance	9,870	5,500	
Book Printing / Educational Expenses	450	65,950	
Food /children welfare.	261,785	393,956	
Medicine expenses.	490,628	335,640	
Misc. expenses.	39,120	45,600	
Rent expenses.	590,760	669,261	
Repair & maintenance	60,150	75,890	
Salary expenses.	3,150,178	3,599,800	
Uniform	245,700	295,499	
Utility bills	185,200	181,617	
Water expenses	12,300	15,400	
With holding tax paid	39,679	35,923	
Accrued expenses paid	40,000	-	
Investment	-	500,000	
	5,251,570	6,282,526	
Cash in hand	22,656	5,500	
Cash at bank - Faysal Bank	3,220,174	2,713,158	
	3,242,830	2,718,658	
	8,494,400	9,001,184	

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The annexed notes from 1 to 16 form an integral part of these financial statements

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	2020	2019
	Rupees	
<b>II ADMINISTRATIVE EXPENSES</b>		
Annual function	20,250	18,590
Audit & consultancy fee	35,000	35,000
Book Printing / Educational Expenses	70,500	65,950
Computer expenses.	9,870	8,900
Conveyance	450	5,500
Depreciation.	177,032	198,562
Food /children welfare.	261,785	393,956
Medicine expenses.	490,628	335,640
Misc. expenses.	39,120	45,600
Rent expenses.	590,760	669,261
Repair & maintenance	60,150	75,890
Salary expenses.	3,150,178	3,599,800
Uniform	245,700	295,499
Utility bills	185,200	181,617
Water expenses	12,300	15,400
	<u>5,348,923</u>	<u>5,945,165</u>

12 **DATE OF AUTHORISATION**

These financial statements were authorized for issue in the Board of Trustees meeting held on \_\_\_\_\_.

13 **GENERAL**

Figures have been rounded off nearest to Rupee

  
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**NAVEED-E-SAHAR TRUST**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**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.

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3 PROPERTY, PLANT AND EQUIPMENT

	Plot	Building	Machine	Tools	Furniture	Equipments	Generator	Total
----- (Rupees) -----								
<b>Net carrying value basis year ended June 30, 2020</b>	2,154,000	1,485,932	50,761	55,950	35,473	41,156	6,254	3,829,526
Opening net book value (NBV)	-	-	-	-	-	-	-	-
Addition (at cost)	-	(148,593)	(7,614)	(8,393)	(5,321)	(6,173)	(938)	(177,032)
Disposal (at NBV)	-	-	-	-	-	-	-	-
Depreciation charge	-	1,337,339	43,147	47,558	30,152	34,983	5,316	3,682,494
Closing net book value	2,154,000	1,485,932	50,761	55,950	35,473	41,156	6,254	3,829,526
<b>Gross carrying value basis as at June 30, 2020</b>	2,154,000	4,660,615	175,390	159,793	144,320	113,849	27,000	7,434,967
Cost	-	(3,323,276)	(132,244)	(112,235)	(114,168)	(78,866)	(21,684)	(3,782,473)
Accumulated depreciation	-	-	-	-	-	-	-	-
Net book value	2,154,000	1,337,339	43,146	47,558	30,152	34,983	5,316	3,652,494
<b>Net carrying value basis year ended June 30, 2019</b>	2,154,000	1,651,036	59,718	65,824	41,733	48,419	7,158	4,028,088
Opening net book value (NBV)	-	-	-	-	-	-	-	-
Addition (at cost)	-	(165,104)	(8,958)	(9,874)	(6,260)	(7,263)	(1,104)	(198,562)
Disposal (at NBV)	-	-	-	-	-	-	-	-
Depreciation charge	-	1,485,932	50,761	55,950	35,473	41,156	6,254	3,829,526
Closing net book value	2,154,000	1,485,932	50,761	55,950	35,473	41,156	6,254	3,829,526
<b>Gross carrying value basis as at June 30, 2019</b>	2,154,000	4,660,615	175,390	159,793	144,320	113,849	27,000	7,434,967
Cost	-	(3,174,683)	(124,630)	(103,843)	(108,847)	(72,693)	(20,746)	(3,605,441)
Accumulated depreciation	-	-	-	-	-	-	-	-
Net book value	2,154,000	1,485,932	50,760	55,950	35,473	41,156	6,254	3,829,526

Depreciation rate per annum

0%

10%

15%

15%

15%

15%

15%

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	Note	2020	2019
		Rupees	
<b>4 TAX REFUND DUE FROM GOVERNMENT</b>			
Opening balance		121,419	85,496
With holding tax on cash with drawn		-	4,875
Tax on profit		39,679	31,048
		<u>161,098</u>	<u>121,419</u>
<b>5 INVESTMENT</b>			
Faysal investment certificate.		<u>10,000,000</u>	<u>10,000,000</u>
5.1 These represent investments in Faysal investment certificates which are to mature within next 12 months.			
<b>6 SECURITY DEPOSIT</b>			
Deposit against Ujala School against School Fees		<u>60,000</u>	<u>60,000</u>
<b>7 CASH &amp; BANK BALANCE</b>			
Cash in hand		22,656	5,500
Cash at bank		3,220,174	2,713,158
		<u>3,242,830</u>	<u>2,718,658</u>
<b>8 LONG TERM LOAN</b>			
Sohaib Umer (Trustee)	8.1	<u>200,000</u>	<u>200,000</u>
8.1 The above amount represent an unsecured and interest free loan.			
<b>9 TRADE AND OTHER PAYABLES</b>			
Accrued expenses		<u>35,000</u>	<u>75,000</u>
<b>10 INCOME</b>			
Donation.		5,378,954	6,515,218
Profit on investment		396,789	374,281
		<u>5,775,743</u>	<u>6,889,499</u>

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