

**FINANCIAL STATEMENTS  
OF  
NAVEED-E-SEHAR TRUST  
FOR THE YEAR ENDED JUNE 30, 2023**

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**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



# RAZA SIDDIQI & CO.

## CHARTERED ACCOUNTANTS



### 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, 2023 and the income and expenditure account, the receipt and payment 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, 2023 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.

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

Raza Siddiqui & Co.,  
Chartered Accountants.




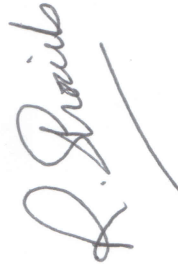
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**NAVEED -E-SEHAR TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS ON JUNE 30, 2023**

	Note	2023	2022
		-----Rupees-----	
<b>Funds and liabilities</b>			
General fund			
Balance as per last year		16,627,534	17,199,348
Deficit for the year		(138,653)	(571,814)
		16,488,881	16,627,534
<b>Non current liabilities</b>			
Long term loan	7	200,000	200,000
<b>Current liabilities</b>			
Trade and other payables	8	656,457	513,287
		17,345,338	17,340,821
<b>Non current asset</b>			
Property, plant and equipment	3	3,279,612	3,395,754
<b>Current assets</b>			
Tax refund due from government	4	380,341	252,884
Investment	5	10,000,000	12,500,000
Cash & bank balance	6	3,685,385	1,192,183
		14,065,726	13,945,067

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

  
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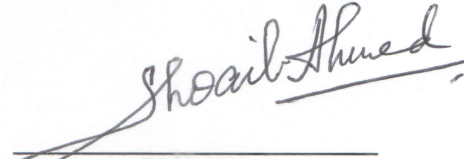
  
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**NAVEED-E-SAHAR TRUST  
INCOME & EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023 ----- Rupees -----	2022 -----
Income	9	5,594,917	4,689,035
Administrative expenses	10	<u>(5,733,570)</u>	<u>(5,260,849)</u>
(Deficit) for the year before tax		(138,653)	(571,814)
Taxation		-	-
(Deficit) for the year after tax		<u><u>(138,653)</u></u>	<u><u>(571,814)</u></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, 2023**

	Note	2023	2022
		Rupees	
<b>RECEIPTS</b>			
Opening balances			
Cash in hand		61,234	27,850
Cash at bank - Faysal Bank		1,130,949	14,169,884
		<u>1,192,183</u>	<u>14,197,734</u>
Donation.		4,745,000	4,471,904
Investment		2,500,000	-
Profit on investment		849,917	217,131
		<u><u>8,094,917</u></u>	<u><u>4,689,035</u></u>
<b>PAYMENTS</b>			
Annual function		35,860	56,095
Audit & consultancy fee		43,200	95,200
Computer expenses.		20,500	2,140
Conveyance		24,000	20,000
Food /children welfare.		313,184	244,674
Medicine expenses.		203,732	164,073
Misc. expenses.		73,117	68,775
Renovation expense		36,480	531,025
Repair & maintenance		269,049	181,724
Salary expenses.		3,972,825	3,474,102
Stationary expense		35,313	23,618
Tailoring items expense		155,751	61,772
Uniform		44,880	43,900
Utility bills		220,837	141,519
Water expenses		2,730	3,900
With holding tax paid		127,457	32,569
Addition PPE		22,800	49,500
Accrued expenses paid		-	-
Investment		-	12,500,000
		<u>5,601,715</u>	<u>17,694,586</u>
		<u><u>9,287,100</u></u>	<u><u>18,886,769</u></u>
Cash in hand	4	123,347	61,234
Cash at bank		3,562,038	1,130,949
		<u>3,685,385</u>	<u>1,192,183</u>
		<u><u>9,287,100</u></u>	<u><u>18,886,769</u></u>

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

*Shoaib Ahmed*  
TRUSTEE

*R. Qureshi*  
TRUSTEE

**NAVEED-E-SAHAR TRUST**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**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.



3 PROPERTY, PLANT AND EQUIPMENT

	Plot	Building	Machine	Tools	Computer	Furniture	Equipments	Generator	Total
----- (Rupees) -----									
<b>Net carrying value basis year ended June 30, 2023</b>									
Opening net book value (NBV)	2,154,000	1,083,244	31,173	34,360	-	21,785	67,350	3,841	3,395,753
Addition (at cost)	-	-	-	-	22,800	-	-	-	22,800
Disposal (at NBV)	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(108,324)	(4,676)	(5,154)	(6,840)	(3,268)	(10,103)	(576)	(138,941)
Closing net book value	<u>2,154,000</u>	<u>974,920</u>	<u>26,497</u>	<u>29,206</u>	<u>15,960</u>	<u>18,517</u>	<u>57,247</u>	<u>3,265</u>	<u>3,279,612</u>
<b>Gross carrying value basis as at June 30, 2023</b>									
Cost	2,154,000	4,660,615	175,390	159,793	22,800	144,320	163,349	27,000	7,507,267
Accumulated depreciation	-	(3,685,695)	(148,893)	(130,587)	(6,840)	(125,803)	(106,102)	(23,735)	(4,227,655)
Net book value	<u>2,154,000</u>	<u>974,920</u>	<u>26,497</u>	<u>29,206</u>	<u>15,960</u>	<u>18,517</u>	<u>57,247</u>	<u>3,265</u>	<u>3,279,612</u>
<b>Net carrying value basis year ended June 30, 2022</b>									
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>-</u>	<u>21,785</u>	<u>67,350</u>	<u>3,841</u>	<u>3,395,754</u>
<b>Gross carrying value basis as at June 30, 2022</b>									
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>-</u>	<u>21,785</u>	<u>67,350</u>	<u>3,841</u>	<u>3,395,754</u>

<b>Depreciation rate per annum</b>	0%	10%	15%	15%	30%	15%	15%	15%
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	2023	2022
Note	----- Rupees -----	
<b>4 TAX REFUND DUE FROM GOVERNMENT</b>		
Opening balance	252,884	220,314
Tax on profit	127,457	32,570
Less: Provision for taxation	-	-
	<u>380,341</u>	<u>252,884</u>
<b>5 INVESTMENT</b>		
Faysal investment certificate.	<u>10,000,000</u>	<u>12,500,000</u>
<b>5.1</b> These represent investments in Faysal investment certificates which are to mature within next 12 months.		
<b>6 CASH &amp; BANK BALANCE</b>		
Cash in hand	123,347	61,234
Cash at bank	3,562,038	1,130,949
	<u>3,685,385</u>	<u>1,192,183</u>
<b>7 LONG TERM LOAN</b>		
Sohaib Umer (Trustee)	7.1	<u>200,000</u>
		<u>200,000</u>
<b>7.1</b> The above amount represent an unsecured and interest free loan.		
<b>8 TRADE AND OTHER PAYABLES</b>		
Accrued expenses	656,457	513,287
	<u>656,457</u>	<u>513,287</u>
<b>9 INCOME</b>		
Donation.	4,745,000	4,471,904
Profit on investment	849,917	217,131
	<u>5,594,917</u>	<u>4,689,035</u>

**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

2023

2022

----- Rupees -----

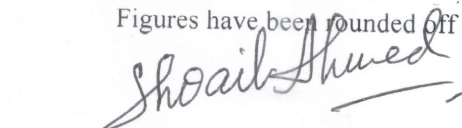
	2023	2022
	35,860	56,095
	86,400	95,200
	20,500	2,140
	24,000	20,000
3	138,941	148,332
	313,184	244,674
	203,732	164,073
	173,088	68,775
	36,480	531,025
	269,049	181,724
	3,972,825	3,474,102
	35,313	23,618
	155,751	61,772
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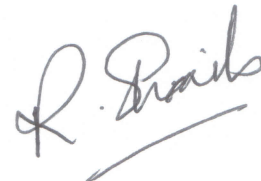
**11 DATE OF AUTHORISATION**

These financial statements were authorized for issue in the Board of Trustees meeting held on 17 NOV 2023.

**12 GENERAL**

Figures have been rounded off nearest to Rupee

  
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