



MUSTAFA AHMAD & CO.

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the annexed financial statements of **ALAMGIR WELFARE TRUST INTERNATIONAL** (the **Trust**), which comprise the balance sheet as at June 30, 2018, and the income and expenditure account, the cash flow statement 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, the financial position of the Trust as at June 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with 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 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 and The Board of Trustees 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 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, Trustees are 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 Board of Trustees is 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:

KARACHI:

137 / II, Khayaban-e-Ghazi, Phasa 6, Near Khayaban-e-Ittehad, DHA, Karachi. Tel: 0333-3257470, 0333-3311284

HYDERABAD:

Office # 07, 15 & 21, Mezzanine Floor, Reshmeen Center, Near NBP Unit No. 08, Latifabad, Hyderabad. Tel: 022-3864252, 022-3817378 Fax: 022-3813982



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- 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 Trustees 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.

Mustafa Ahmad & Co.
Chartered Accountants

Mustafa Ahmad
Audit Engagement Partner

Karachi

Date: 17 December, 2018

KARACHI:

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ALAMGIR WELFARE TRUST INTERNATIONAL
BALANCE SHEET
AS AT JUNE 30, 2018

	Note	2018 ----- Rupees -----	2017
<u>ASSETS</u>			
NON CURRENT ASSETS			
Operating fixed assets			
- at cost less accumulated depreciation	5	223,577,530	219,764,404
Refundable deposits	6	2,679,940	2,679,940
		226,257,470	222,444,344
CURRENT ASSETS			
Advances and receivables	7	9,914,852	10,312,564
Investment	8	989,116,346	914,404,265
Advance tax		2,992,403	2,992,403
Cash and bank balances	9	740,045,483	758,527,842
		1,742,069,084	1,686,237,074
CURRENT LIABILITIES			
Accrued and other liabilities	10	8,845,499	6,971,108
Short term deposits	11	7,217,452	6,069,252
		16,062,951	13,040,360
		<u>1,952,263,603</u>	<u>1,895,641,058</u>
<u>GENERAL FUNDS</u>			
Special funds	12	120,088,255	118,799,856
Accumulated surplus / (deficit)		1,832,175,348	1,776,841,202
		<u>1,952,263,603</u>	<u>1,895,641,058</u>

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


JOINT SECRETARY
FINANCE


GENERAL SECRETARY


CHAIRMAN

**ALAMGIR WELFARE TRUST INTERNATIONAL
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2018**

	Note	2018 ---- Rupees ----	2017
Income	13	1,283,204,838	1,385,547,579
less: Expenditure	14	(1,227,870,692)	(1,198,754,086)
Surplus for the year		<u>55,334,146</u>	<u>186,793,493</u>
Accumulated surplus - opening		1,776,841,202	1,590,047,709
Accumulated surplus - closing		<u><u>1,832,175,348</u></u>	<u><u>1,776,841,202</u></u>

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


**JOINT SECRETARY
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GENERAL SECRETARY


CHAIRMAN

ALAMGIR WELFARE TRUST INTERNATIONAL
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 ---- Rupees ----	2017
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year		55,334,146	186,793,493
Adjustments for non cash items:			
Gain on investment - net	13	(46,374,228)	(43,939,217)
Unrealized gain on investment - net	13	-	(6,456,612)
Profit shariah (halal) from bank	13	(26,190,905)	(31,668,020)
Gain on disposal of assets	13	(1,269,961)	(192,818)
Depreciation	5	8,820,573	8,107,864
Unrealized loss on investment - net	14	7,633,307	-
		<u>(2,047,068)</u>	<u>112,644,690</u>
Decrease / (increase) in current assets			
Advances and receivables		397,712	1,140,655
Advance tax		-	(20,929)
(Decrease)/ increase in current liabilities			
Accrued and other liabilities		1,874,391	500,687
Short term deposits		1,148,200	1,064,361
(Decrease)/ increase in special funds			
		1,288,399	11,873,543
		<u>4,708,702</u>	<u>14,558,317</u>
Net cash generated from / (used in) operating activities		<u>2,661,634</u>	<u>127,203,007</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(13,244,738)	(23,387,954)
Proceeds from disposal of fixed assets		1,881,000	697,587
Investment made during the year		(270,120,966)	(135,326,518)
Investment matured during the year		187,775,578	85,645,918
Profit received during the year		72,565,133	69,150,624
Net cash generated from / (used in) investing activities		<u>(21,143,993)</u>	<u>(3,220,343)</u>
Cash and cash equivalents increased during the year		<u>(18,482,359)</u>	<u>123,982,664</u>
Cash and cash equivalents at the beginning of year		758,527,842	634,545,178
Cash and cash equivalents at the end of year	9	<u><u>740,045,483</u></u>	<u><u>758,527,842</u></u>

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


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ALAMGIR WELFARE TRUST INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

1 NATURE AND STATUS

1.1 ALAMGIR WELFARE TRUST INTERNATIONAL ("the Trust") is a welfare organization registered as per Registration Certificate No. 164/IV dated 18th July 1995.

The Trust is primarily engaged in providing financial and other support, establishing vocational training centres, distributing medicines, providing food and such other services to poor, widows & orphans and deserving people of the society.

The registered office of the Trust is situated at Z-482/483 Kokan Society, Alamgir Road, Karachi.

1.2 The foundation of this Trust has been conceived and the foundation stone laid by Mr. Anwar Nasim Chandna (Late) S/O Mr. Abdul Khaliq.

The current members of the Board of Trustees are:

1. Mr. Nisar Ahmed Chaudhary S/O Mr. Muhammad Ishaq Chaudhary
2. Mr. Shamim Ahmed Chandna S/O Mr. Mr. Abdul Khaliq
3. Mr. Rehan Yaseen S/O Mr. Muhammad Yaseen
4. Mr. Muhammad Shakeel S/O Mr. Hakeem Muhammad

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Trust Deed and the approved accounting standards as applicable in Pakistan. Wherever the requirements of the Trust Deed differ with the requirements of these standards, the requirements of the Trust Deed shall prevail.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

These financial statements have been prepared under the 'historical cost convention' except investments which are stated at their fair value.

3.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is the company's functional currency.

3.3 Financial year

The books of accounts shall be closed on the 30th of June each year.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Fixed assets

Fixed assets are stated at cost less depreciation, except land which is valued on cost.

Depreciation is charged using the reducing balance method, at the rates specified in Note - 5. Full year's depreciation is charged in the year of acquisition of a fixed asset and none is charged on the fixed assets disposed off during the year.

Gain or loss on disposal is recognized in the Income and Expenditure Account.

4.2 Impairment

The carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there is an indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognised in Income and Expenditure Account.

4.3 Provisions

A provision is recognised in the balance sheet when the company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

4.4 Accrued and other liabilities

Accrued and other liabilities are stated at cost.

4.5 Offsetting of financial assets and liabilities


Financial assets and liabilities are only set off and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amount and the company intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.6 Special Funds

Funds collected for a specific purpose and being used on such are disclosed in the balance sheet as Special Funds. Disbursements of such funds are considered as earning of received collections and are recorded as both Income and Expenditure in the Income and Expenditure Account.

4.7 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances for the purpose of the statement of cash flows.



5 OPERATING FIXED ASSETS

Particulars	WDV as at July 01, 2017	Additions	Deletions	Balance as at June 30, 2018	Rate	Depreciation for the year	WDV as at June 30, 2018
				Rupees		%	
Land & building	174,157,038	-	-	174,157,038	0%	-	174,157,038
Medical equipment	14,896,371	8,145,903	-	23,042,274	15%	3,554,804	19,487,470
Other equipment	8,480,084	922,500	-	9,402,584	15%	1,396,318	8,006,266
Furniture & fixture	247,178	-	-	247,178	15%	37,094	210,084
Vehicles	21,983,733	4,176,335	(611,039)	25,549,029	15%	3,832,357	21,716,672
Other assets	-	-	-	-	15%	-	-
2018	219,764,404	13,244,738	(611,039)	232,398,103		8,820,573	223,577,530
2017	204,989,083	23,387,954	(504,769)	227,872,268		8,107,864	219,764,404

	Note	2018 ---- Rupees ----	2017
6	REFUNDABLE DEPOSITS		
Deposit against rent (Pugree)		1,680,000	1,680,000
Deposit to hospitals		997,240	997,240
Deposit against lockers		2,700	2,700
		<u>2,679,940</u>	<u>2,679,940</u>
7	ADVANCES AND RECEIVABLES		
Advances		7,699,062	8,292,411
Loan to staff		1,956,560	1,455,163
Other loans		-	559,990
Other receivables		259,230	5,000
		<u>9,914,852</u>	<u>10,312,564</u>
8	INVESTMENT		
Meezan Islamic Fund		12,221,180	14,744,190
Meezan Asset Allocation Plan		19,639,775	-
Meezan Capital Preservation Plan		41,120,786	25,870,858
Certificate of Islamic Investment		790,484,606	753,789,217
Term deposits		125,649,999	120,000,000
		<u>989,116,346</u>	<u>914,404,265</u>
9	CASH AND BANK BALANCES		
Cash in hand		6,741,372	3,172,053
Cash at bank in:			
- deposit accounts		633,934,968	683,223,221
- current accounts		69,945,857	46,927,561
		<u>703,880,825</u>	<u>730,150,782</u>
Cash at bank in foreign currency accounts		29,423,286	25,205,007
		<u>740,045,483</u>	<u>758,527,842</u>
10	ACCRUED AND OTHER LIABILITIES		
Accrued salaries		5,495,499	3,503,982
Payable for Taleem ul Quran		3,350,000	3,350,000
Other payables		-	117,126
		<u>8,845,499</u>	<u>6,971,108</u>

	Note	2018 ----- Rupees -----	2017
11	SHORT TERM DEPOSITS		
Deposit against rent		216,000	-
Deposit against medical items		7,001,452	6,069,252
		<u>7,217,452</u>	<u>6,069,252</u>
12	SPECIAL FUNDS		
Zakat & sadqa funds		(114,477,936)	(103,969,398)
Saafi & attiya funds		123,103,945	119,171,988
Sadqa jaria funds		110,727,121	102,699,119
Special employee fund		735,125	898,147
		<u>120,088,255</u>	<u>118,799,856</u>
13	INCOME		
Zakat & sadqa income		346,781,910	450,765,226
Sadqa animals		396,301,504	404,471,446
Saafi & attiya income		371,894,264	358,183,508
Sadqa jaria		32,959,205	36,824,142
Qurbani		55,577,001	50,641,221
Gain on investment - net		46,374,228	43,939,217
Unrealized gain on investment - net		-	6,456,612
Profit shariah (halal) from bank		26,190,905	31,668,020
Gain on disposal of assets		1,269,961	192,818
Rental income		1,837,293	2,333,954
Exchange gain		4,018,567	71,415
		<u>1,283,204,838</u>	<u>1,385,547,579</u>

	Note	2018 ---- Rupees ----	2017
14 EXPENDITURE			
Zakat & sadqa expenditure	14.1	784,843,179	721,811,855
Saafi & atiyya expenditure	14.2	231,591,021	281,744,091
Sadqa jaria		19,933,302	26,518,970
Qurbani		40,426,993	33,783,340
Aanat fund		430,500	650,000
Staff salaries		55,833,657	44,502,798
Staff welfare		1,863,073	1,470,534
Utilities		10,660,846	8,317,170
Advertisement		24,697,377	25,361,998
Communication		1,115,601	1,106,409
Traveling & conveyance		608,914	244,777
Meals expense		4,631,133	4,231,722
Fuel & lubricants		11,872,009	8,887,004
Repair & maintenance		9,790,029	14,906,368
Printing & stationery		1,213,621	743,650
Postage & courier		652,235	329,104
Depreciation	5	8,820,573	8,107,864
Rent, rates & taxes		455,226	1,515,414
Workshop & seminars		2,154,400	1,125,563
Legal & professional charges		3,239,920	7,448,754
Bank charges		25,063	73,928
Unrealized loss on investment - net		7,633,307	-
Miscellaneous expenses		5,378,713	5,872,773
		<u>1,227,870,692</u>	<u>1,198,754,086</u>

14.1 Zakat & sadqa expenditure

Hospital lab - zakat	170,916,424	152,493,550
Medicines - zakat	157,372,920	142,854,010
Sadqa animals	349,309,716	295,428,794
Other zakat & sadqa expenditure	107,244,119	131,035,501
	<u>784,843,179</u>	<u>721,811,855</u>

14.2 Saafi & atiyya expenditure

Medical & hospital - atiyya	2,827,621	3,688,431
Other saafi & atiyya expenditure	228,763,400	278,055,660
	<u>231,591,021</u>	<u>281,744,091</u>

15 DATE OF AUTHORISATION

These financial statements were authorised for issue in the Board of Trustees meeting held on

17/12/2018.

16 GENERAL

16.1 All financial information has been rounded off to the nearest rupee.

16.2 Prior year's figures in these financial statements have been re-arranged / re-classified, where necessary, for better presentation.



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CHAIRMAN