

Independent Auditor's Report

To the Trustees of Ahmed Fatima Trust.

Opinion

We have audited the financial statements **Ahmed Fatima Trust (Trust)**, which comprise the balance sheet as at June 30, 2020, income & expenditure account and 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 aspects, the financial position of the Trust as at **30th June 2020**, and its financial performance and its cash flow 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 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 ethical requirements that are relevant to our audit of the financial statement in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Trustees for the Financial Statements

Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan and the requirements of the Trust Deed and the Rules of the Fund and for such internal control as Trustees determination 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 fund'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 Trustees either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Trustees are responsible for overseeing the Fund'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 will always detect a

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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 entity's internal control,
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by trustee,
- Conclude on the appropriateness of Trustee'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 Fund'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 Fund to cease to continue as a going concern; and
- 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 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.

Prof. Jamil

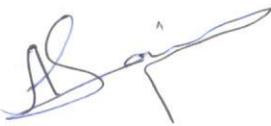
PKF F.R.A.N.T.S.
Chartered Accountants
Karachi
Date: 01 DEC 2020

**AHMED FATIMA TRUST
BALANCE SHEET
AS AT JUNE 30, 2020**

	Notes	Oct-19 to Jun-20 Rupees
<u>ASSETS</u>		
Non-Current Assets		
Operating Fixed Assets	5	518,921
		518,921
Current Assets		
Advances and Prepayments	6	3,000
Cash & Bank Balances	7	287,711
		290,711
Current Liabilities		
Trade and Other Payables	8	219,650
		219,650
Contingencies and Commitments		
	9	-
		589,982
<u>General Funds</u>		
Capital Fund		20,000
Surplus		569,982
		589,982

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The annexed notes from 1 to 14 form an integral part of these financial statements.



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**AHMED FATIMA TRUST
INCOME AND EXPENDITURE ACCOUNTS
FOR THE PERIOD ENDED JUNE 30, 2020**

	Notes	Oct-19 to Jun-20 Rupees
Income	10	1,547,650
Less: Expenditure	11	(977,668)
Surplus for the Year		569,982
Accumulated Surplus - Opening		-
Accumulated Surplus - Closing		569,982

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The annexed notes from 1 to 14 form an integral part of these financial statements.



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**AHMED FATIMA TRUST
CASH FLOW STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2020**

	Notes	Oct-19 to Jun-20 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Suplus for the year		569,982
Adjustment for items not involving movement of funds		
Depreciation	5	27,312
Surplus before working capital changes		597,293
WORKING CAPITAL CHANGES		
Decrease / (Increase) in Current Assets		
Prepaid Rent	6	(3,000)
(Decrease) / Increase in current liabilities		
Account payable		83,050
Audit Fee Payable	8	48,600
Salaries payable		88,000
Net cash generated from Operating Activities		813,943
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	5	(546,232)
Net cash used in investing activities		(546,232)
CASH FLOW FROM FINANCING ACTIVITIES		
Capital grants received		20,000
Net cash generated from financing activities		20,000
Net increase / (decrease) in cash and cash equivalents		287,711
Cash and cash equivalents at beginning of the year		-
Cash and cash equivalents at end of the year	7	287,711

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The annexed notes from 1 to 14 form an integral part of these financial statements.



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**AHMED FATIMA TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2020**

1 Status & Nature of Business

Ahmed Fatima Trust is registered on 3rd October, 2019, under Trust Act 1882, having its registered office at Deh Rahuki, Tapo Tando Qaiser, District Hyderabad. The trust provides primary healthcare to the less privileged people in rural areas of Sindh, of which major are women and children. The trust commenced operations of the primary healthcare facility at its registered address on November 1, 2019.

2 Statement of Compliance

These Financial Statements have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) as notified by the Securities and Exchange Commission of Pakistan (SECP).

3 Basis of Measurement

3.1 Accounting Convention

These financial statements have been prepared under the historical cost convention Further, Accrual basis of Accounting is adopted.

3.2 Functional & Presentation Currency

The 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 30th June each year.

4 Summary Significant Accounting Policies

4.1 General Fund

This is the General Purpose fund. All donations & zakat, other than those which are required to be retained for the benefit of the Trust as capital fund, are recognized in this fund.

4.2 Endowment Fund

This is a form of restricted fund which is held on trust to be retained for the benefit of the Trust as a capital fund. The income generated from this capital fund is also credited to this fund.

The main objective of the fund is to generate income for the operating expenses of Ahmed Fatima Trust.

4.3 Taxation

The trust is exempt from income tax under clause 66 part 1 of the second schedule of the income tax ordinance, 2001 consequently, no provisions for taxation was made in these financial statements.

4.4 Property, Plant and equipment

4.4.1 Operating Fixed Assets

4.4.1.1 Owned Assets

Owned assets, except for free hold land are stated at cost less accumulated depreciation and any identified impairment loss.



**AHMED FATIMA TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2020**

Depreciation on all items of owned assets, except for free hold land, is charged to income & expenditure account using the straight line method so as to write off the depreciable amount of the assets over their estimated useful lives, at the annual rate given in note 5.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. All other repair and maintenance cost are charged to income & expenditure account during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

4.5 Donations In Kind

Medical and Computer equipment received as donations are initially measured at the market value while prevailing at the time of recognition of donation income. At subsequent reporting dates, these are measured at their fair value prevailing at the statement of financial position date and the difference in the fair value is charged/credited to income & expenditure account.

4.6 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposit held at call with banks and petty cash.

4.7 Income Recognition

Income comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Trust's activities, net of discounts and sales tax. The Trust recognizes income when the amount of income can be reliably measured and it is probable that future economic benefits will flow to the Trust and specific criteria has been met for each of the trust's activities as described below:

- Donations received against depreciable assets are deferred as non-current liabilities and recognized as income when related expenses are incurred.
- Clinical Income is recognized at the time when services are rendered.
- Zakat and donations income are recognized when received.

4.8 Expenses

Expenses are recognized in the income and expenditure account when incurred.

4.9 Deferred Contributions

Restricted contributions are recognized as deferred contributions under non-current liabilities in the General Fund. These are recognized as income in the same period or periods as the related expenses are recognized.

4.10 Contingent Liability

Contingent Liability is disclose when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.



**AHMED FATIMA TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2020**

5 Operating Fixed Assets

Particulars	Cost / value at Oct 01, 2019	Additions / (Deletions)	Cost / value at June 30, 2020	Accumulated depreciation at Oct 01, 2019	Depreciation for the Year	Accumulated depreciation at June 30, 2020	Written down value at June 30, 2020	Rate %
Office & Electrical Equipme	-	304,400	304,400	-	15,220	15,220	289,180	5%
Medical Equipment	-	65,231	65,231	-	3,262	3,262	61,969	5%
Computer Equipment	-	68,951	68,951	-	3,448	3,448	65,503	5%
Furniture & Fixture	-	107,650	107,650	-	5,383	5,383	102,268	5%
2020	-	546,232	546,232	-	27,312	27,312	518,921	





**AHMED FATIMA TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2020**

	Oct-19 to Jun-20 Rupees
6 Advances and Prepayments	
Prepaid Rent	3,000
	<u>3,000</u>
7 Cash and Bank Balances	
Bank Balances - NBP	258,801
Cash	28,910
	<u>287,711</u>
8 Trade & Other Payables	
Account Payable	83,050
Audit fee payable	48,600
Salary Payable	88,000
	<u>219,650</u>
9 Contingencies and Commitments	
As of the balance sheet date, there are no contingencies and commitments to report.	
10 Income	
Donations - Cash	412,750
Donations - Bank	360,000
Donation in Kind	603,760
Clinical Receipts	171,140
	<u>1,547,650</u>
11 Expenditures	
Bank charges	1,199
Office supplies	19,851
Salary	693,350
Rent	8,000
Communication	27,500
Repairing	15,770
Printing and stationery	6,190
Transportation	4,170
Wages	7,250
Marketing and advertisement	19,330
Medicine	99,147
Audit Remuneration	48,600
Depreciation	27,312
	<u>977,668</u>

12 Remuneration of Key Management Personnel

Key management personnel are the person having authority and responsibility for planning, directing & controlling the activities of the trust. Chief Executive Officer has voluntarily withdrawn from charging any salary as per Trust Deed.

13 Date of Approval of Financial Statements

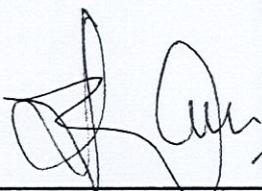
The Financial Statements were approved on 01/12/2020 by the board of Governors of the Trust.

14 General

Figures have been rounded off to the nearest rupee.



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