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AUDITOR'S REPORT
For the Year ended June 30, 2020

HAMARA GHAR WELFARE TRUST

Asif Associates
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of **HAMARA GHAR WELFARE TRUST** (the trust), which comprise the statement of financial position as at 30 June 2020, and the income and expenditure account, statement of changes in Fund and statement of cash flows 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 give a true and fair view of the financial position of **HAMARA GHAR WELFARE TRUST** as at 30 June 2020, and its financial performance, and its cash flows for the year then ended in accordance with approved Accounting 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 **HAMARA GHAR WELFARE 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 Those Charged with Governance for the Financial Statements

The Board of Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with approved Accounting Standards as Applicable in Pakistan, and for such internal control as the Board Of 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, Board of Trustees are responsible for assessing the **Hamara Ghar 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 company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the **Hamara Ghar 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 **Hamara Ghar 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 **Hamara Ghar Trust's** ability 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 those charged with governance 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.

Asif Associate
Asif Associate
Chartered Accountants
Engagement Partner
Muhammad Asif Raza (FCA)



Place: Islamabad
Date: September 17, 2021

Hamara Ghar Welfare Trust
Statement of Financial Position
As at June 30, 2020

	Note	<u>2020</u> Rupees	<u>2019</u> Rupees
FUND & LIABILITIES			
Fund			
General Fund		1,674,542	1,046,670
Non-Current Liabilities			
Deffered Capital Grant	4	23,232,255	5,322,286
Current Liabilities			
Creditors and other Payables	5	75,000	50,000
TOTAL FUND & LIABILITIES		<u><u>24,981,798</u></u>	<u><u>6,418,956</u></u>
ASSETS			
Non Current Assets			
Property Plant & Equipment	6	23,515,933	2,162,504
Current Assets			
Cash and Bank Balances	7	1,465,864	4,256,452
TOTAL ASSETS		<u><u>24,981,798</u></u>	<u><u>6,418,956</u></u>

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The annexed notes from 1 to 10 form and integral part of these financial statements


President




Trustee

Hamara Ghar Welfare Trust
Statement of Income and Expenditure
For The Year Ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
INCOME			
Grant	8	15,091,262	21,071,460
		15,091,262	21,071,460
EXPENDITURE			
Salaries and Wages		1,748,400	2,025,450
House Hold		448,690	541,480
Electricity Charges		253,065	358,953
Kitchen Expenses		4,696,124	6,707,007
Education		4,324,301	7,005,474
Travelling & Conveyance		-	-
Professional Fee & Taxes		25,000	25,000
Rent Rate and Taxes		606,000	615,000
Repair & Maintenance		351,977	323,934
Depreciation	6.1	322,371	369,089
Medicine Consumed		344,358	424,791
Miscellaneous		1,343,104	2,085,355
		14,463,390	20,481,533
(Deficit) / Surplus for the year		627,872	589,927

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The annexed notes from 1 to 10 form and integral part of these financial statements


President




Trustee

Hamara Ghar Welfare Trust
Statement of Changes in Funds
For The Year Ended June 30, 2020

General Fund	Total
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(-----Rupees-----)

Balance as at July 1, 2018	456,743	456,743
Surplus/(Deficit) for the year	589,927	589,927
Balance as at June 30, 2019	<u>1,046,670</u>	<u>1,046,670</u>
Balance as at July 1, 2019	1,046,670	1,046,670
Surplus/(Deficit) for the year	627,872	627,872
Balance as at June 30, 2020	<u>1,674,542</u>	<u>1,674,542</u>

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The annexed notes from 1 to 10 form and integral part of these financial statements



President


Trustee

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Hamara Ghar Welfare Trust
Statement of Cash Flows
For The Year Ended June 30, 2020

Note	2020 Rupees	2019 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Deficit for the year	627,872	589,927
Adjustments for non-cash and other items:		
Depreciation	322,371	369,089
Operating profit before working capital changes	950,243	959,017
Movement in Working Capital		
Increase / (Decrease) in Current Liabilities:		
Trade and other payables	25,000	25,000
Net cash generated from/(Used in) operating activities	975,243	984,017
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(21,675,800)	(2,253,500)
Net cash used in investing activities	(21,675,800)	(2,253,500)
CASH FLOW FROM FINANCING ACTIVITIES		
Capital Grant received	17,909,969	4,217,772
Net cash used in investing activities	17,909,969	4,217,772
Net (decrease) / increase in cash and cash equivalents	(2,790,588)	2,948,288
Cash and cash equivalents at the beginning of the year	4,256,452	1,308,164
Cash and cash equivalents at the end of the year	1,465,864	4,256,452

The annexed notes from 1 to 10 form and integral part of these financial statements



President


Trustee

Hamara Ghar Welfare Trust
Notes To The Financial Statements
For The Year Ended June 30, 2020

1 HAMARA GHAR WELFARE TRUST

Hamara Ghar welfare Trust (Regd) was registered as Trust under the Trust Act, 1882 vide Registered No.350 dated 16th Febuary 2017. The Trust is non - governmental , not for profit organization working as public charitable and welfare institution. The Trust is established for providing free of cost education, health, transport, water, financial support & other basic necessities of life to less privileged segment of society.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with guidelines & requirements of Accounting Standards for Non Profit Organizations (NPOs) issued by Institute of Chartered Accountants of Pakistan as applicable in Pakistan.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Accounting Convention

The accounts have been prepared under the historical cost convention.

3.2 Property, Plant & Equipment

All fixed assets are stated at cost less accumulated depreciation. Depreciation on fixed assets is charged to Income & Expenditure account by reducing balance method at the rates given in the notes relating to fixed assets .Full Depreciation is charged in the year of purches while no depreciation iss charged in the year of disposal.

Maintenance & normal repairs are charged to income & expenditure account when incurred while major renewals & improvements are capitalized.

3.3 Trade & Other Payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

3.4 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand and at bank and includes short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk.

3.5 Income Recognition

Donations restricted by the donors for particular purpose are treated as restricted fund and amount unspent shall be carried forward in accounts to the next year.

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Hamara Ghar Welfare Trust
Notes To The Financial Statements
For The Year Ended June 30, 2020

	Note	<u>2020</u> Rupees	<u>2019</u> Rupees
4		This represent Deffered Capital Grant received for purchase of land and construction of building.	
5 CREDITORS & OTHER PAYABLES			
Audit Fee Payable		<u>75,000</u>	<u>50,000</u>
		<u><u>75,000</u></u>	<u><u>50,000</u></u>
6 PROPERTY, PLANT & EQUIPMENT			
(Annexure Attached)	6.1	<u>23,515,933</u>	<u>2,162,504</u>
		<u><u>23,515,933</u></u>	<u><u>2,162,504</u></u>
7 CASH AND BANK BALANCES			
Cash at Bank		1,465,864	4,256,452
Cash in Hand		-	-
		<u><u>1,465,864</u></u>	<u><u>4,256,452</u></u>
8 GRANT INCOME			
H.G Account		13,135,751	17,273,628
In Cash		<u>1,955,511</u>	<u>3,797,832</u>
		<u><u>15,091,262</u></u>	<u><u>21,071,460</u></u>

9 GENERAL

Figure have been Rounded off to the nearest Rupee
 Corresponding Figures have been rearranged, wherever necessary, for the purpose of comparison.

10 DATE OF AUTHORIZATION

These financial statements have been authorized for issue on _____ by the Board of Trustees.



President


Trustee

Hamara Ghar Welfare Trust
Notes To The Financial Statements
For The Year Ended June 30, 2020

6.1 PROPERTY PLANT & EQUIPMENT

PARTICULARS	Land	Furniture and fixtures	Office Equipment	Vehicle	Total
	(.....Rupees.....)				
Cost					
Balance at 1 July 2018	-	116,000	199,437	-	315,437
Additions	-	-	33,500	2,220,000	2,253,500
Disposals	-	-	-	-	-
Balance at 30 June 2019	<u>-</u>	<u>116,000</u>	<u>232,937</u>	<u>2,220,000</u>	<u>2,568,937</u>
Balance at 1 July 2019	-	116,000	232,937	2,220,000	2,568,937
Additions	21,600,000	-	75,800	-	21,675,800
Disposals	-	-	-	-	-
Balance at 30 June 2020	<u>21,600,000</u>	<u>116,000</u>	<u>308,737</u>	<u>2,220,000</u>	<u>24,244,737</u>
Accumulated Depreciation					
Balance at 1 July 2018	-	17,400	19,944	-	37,344
Charge for the year	-	14,790	21,299	333,000	369,089
Disposals	-	-	-	-	-
Balance at 30 June 2019	<u>-</u>	<u>32,190</u>	<u>41,243</u>	<u>333,000</u>	<u>406,433</u>
Balance at 1 July 2019	-	32,190	41,243	333,000	406,433
Charge for the year	-	12,572	26,749	283,050	322,371
Disposals	-	-	-	-	-
Balance at 30 June 2020	<u>-</u>	<u>44,762</u>	<u>67,992</u>	<u>616,050</u>	<u>728,804</u>
Carrying amounts					
At 30 June 2019	<u>-</u>	<u>83,810</u>	<u>191,694</u>	<u>1,887,000</u>	<u>2,162,504</u>
At 30 June 2020	<u>21,600,000</u>	<u>71,239</u>	<u>240,745</u>	<u>1,603,950</u>	<u>23,515,933</u>
Rates of depreciation	<u>0%</u>	<u>15%</u>	<u>10%</u>	<u>15%</u>	

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