



RSM Avals Hyder Liaquat Nauman
Chartered Accountants

House # 136-B, Street # 43,
Sector F-10/4,
Islamabad - Pakistan.

T: +92 (51) 211 4096/7/8
F: +92 (51) 229 6688

E: islamabad@rsm-pakistan.com
W: www.rsm-pakistan.com

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTOR

ANJUMAN NAWJAWANAN CHARSA DA

We have audited the Financial Statements of **ANJUMAN NAWJAWANAN CHARSA DA** which comprise the Balance Sheet as at June 30, 2019 and statement of income and expenditure, 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 present fairly, in all material respects, (or give a true and fair view of) the financial position of Anjuman Nawjawan Charsada as at June 30, 2019, and (of) its financial performance for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

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 Organisation 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.

Management is 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 management determines is necessary, to enable the preparation of the 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 organisation'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 organisation's or to cease operations, or has no realistic alternative but to do so.

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

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

THE POWER OF BEING UNDERSTOOD **AUDIT | TAX | CONSULTING**

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Lahore : 92 (42) 3587 2731-3
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Faisalabad : 92 (41) 854 1165, 854 1965
Peshawar : 92 (91) 527 8310/5277205
Quetta : 92 (81) 282 9809
Kabul : 93 (799) 058155

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As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional scepticism 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 the 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 Entity'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 conclusions may cause the entity 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 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.

Place: Islamabad

Date:

30 SEP 2019

RSM AVAIS HYDER LIAQUAT NAUMAN
CHARTERED ACCOUNTANTS
Engagement Partner



ANJUMAN NAWJAWANAN CHARSA DA
BALANCE SHEET
AS AT JUNE, 30 2019

	Note	2019 RUPEES	2018 RUPEES
ASSETS			
NON CURRENT ASSETS			
Property and equipment	3	18,279,931	19,836,178
CURRENT ASSETS			
Investment	4	12,564,000	12,564,000
Cash and bank balances	5	779,444	2,350,694
		13,343,444	14,914,694
TOTAL ASSETS		<u>31,623,375</u>	<u>34,750,872</u>
FUNDS AND LIABILITIES			
FUND			
General Funds	6	31,563,375	34,690,872
CURRENT LIABILITIES			
Audit fee payable		60,000	60,000
TOTAL FUNDS AND LIABILITIES		<u>31,623,375</u>	<u>34,750,872</u>

The annexed notes from 1 to 11 form an integral part of these financial statements.



GENERAL SECRETARY


FINANCE OFFICER

**ANJUMAN NAWJAWANAN CHARSA DA
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 RUPEES	2018 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES			
INCOME			
Grant from donors	7	1,246,000	2,517,575
Other Income	8	1,198,211	933,647
		<u>2,444,211</u>	<u>3,451,222</u>
EXPENDITURE			
Program and administrative	9	5,571,707	7,819,692
		<u>5,571,707</u>	<u>6,072,799</u>
Surplus / (Deficit) for the year		<u>(3,127,497)</u>	<u>(2,621,577)</u>

The annexed notes from 1 to 11 form an integral part of these financial statements.


GENERAL SECRETARY


FINANCE OFFICER

ANJUMAN NAWJAWANAN CHARSA DA
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 RUPEES	2018 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus/(Deficit) for the year		(3,127,497)	(2,621,577)
Adjustment for Non-cash items			
Depreciation		1,564,971	1,727,243
Cash flow-Before working capital changes		(1,562,525)	(894,334)
WORKING CAPITAL CHANGES			
(Increase)/Decrease in Current Assets:		-	-
		-	-
Increase/(Decrease) in Current Liabilities		-	(54,017)
		-	(54,017)
NET CASH FLOW- After Working Capital Change		(1,562,525)	(948,351)
NET CASH FLOW FROM OPERATING ACTIVITIES		(1,562,525)	(948,351)
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed Assets Purchased		(8,725)	-
		-	-
NET CASH FLOW FROM INVESTING ACTIVITIES		(8,725)	-
NET CASH FLOW FOR THE YEAR		(1,571,252)	(948,351)
Cash and cash equivalent at the beginning of the year		2,350,694	3,299,045
Cash and cash equivalent at the end of the year	5	779,444	2,350,694

*The annexed notes from 1 to 11 form an integral part of these financial statements.


GENERAL SECRETARY


FINANCE OFFICER

**ANJUMAN NAWJAWANAN CHARSADA
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2019**

1.1 STATUS AND OPERATION

ANJUMAN NAWJAWANAN, CHARSADDA (the entity) is a non profitable and welfare organization. Main activities of the organization are re-habilitation and special education to special children, basic education to general children and providing vocational training to women youth folk and Capacity Building in Skill Development of Youth.

- 1.2 "These financial statements have been prepared in accordance with the accounting policies as prescribed in note-2, which are in accordance with the approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan."

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These financial statements have been prepared under historical cost convention and under cash receipts and expenditure basis of accounting.

2.2 Property, plant and equipment

These are stated at cost less accumulated depreciation. Depreciation is charged by applying reducing balance method at the rate given in Note-3.

Full month depreciation is charged during the month when the asset is available for use, while no depreciation is charged during the month of disposal/Retirement.

Repairs and maintenance costs are charged to income and expenditure account during the year in which they are incurred. Major renewals and improvements are capitalized.

Gains and losses on disposal of assets, if any, are recognized in receipt and expenditure account as and when occurred.

2.3 Taxation

The organization is a non profit organization and is approved under clause 100 of section of the income Tax Ordinance, 2001. The income of the organization is exempt from Income Tax under Clause 100 of part I of second schedule to the Income Tax Ordinance, 2001. Accordingly, no provision for tax has been made in the financial statements.

2.4 General Fund

The general fund comprises of the accumulated surplus and deficit of donations and grants for which the donor has specified an intention to support a particular aspect of activities together with income accruing directly to those restricted funds. Surplus is held until it is fully expended or returned at the end of the respective grant period / project.

2.5 Revenue recognition

Revenue in form of grants from donors, profit on saving bank accounts and other sources is recognized on actual receipt basis.

2.6 Expenditure recognition and measurement

Expenditure is recognized on payment and accrual basis.

2.7 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. The fair value of cash and cash equivalents approximate their carrying amount. For the purpose of cash flow statement, cash and cash equivalent comprises cash in hand and at bank.

2.8 Foreign Currency Conversion

Transactions in currencies other than Pakistani Rupee are recorded at the rates of exchange prevailing on the date of the transaction. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Gains and losses arising on translation are included in receipt and expenditure account for the year.

3 PROPERTY, PLANT AND EQUIPMENT-NON CURRENT ASSETS

PARTICULARS	COST			RATE	DEPRECIATION		W.D.V.	
	As at July 1, 2018	Addition/ (Deletion)	As at June 30, 2019		As at July 1, 2018	For the year	As at June 30, 2019	As at June 30, 2019
Land	2,375,000	-	2,375,000	-	-	-	-	2,375,000
Building	4,952,277	-	4,952,277	5	1,311,898	182,019	1,493,917	3,458,360
Motor Vehicles	1,155,500	-	1,155,500	10	541,419	61,408	602,827	552,673
Equipment	17,940,735	8,725	17,949,460	10	6,442,155	1,150,731	7,592,886	10,356,575
Computer Laboratory	2,510,000	-	2,510,000	10	1,176,083	133,392	1,309,475	1,200,525
Furniture and Fixture	463,969	-	463,969	10	217,397	24,657	242,054	221,915
Electric and Suigas Installation	15,400	-	15,400	10	7,215	818	8,034	7,366
Cover Library	95,000	-	95,000	10	18,050	7,695	25,745	69,255
Generator	80,000	-	80,000	10	37,486	4,251	41,737	38,263
TOTAL (RUPEES) 2019	29,587,881	8,725	29,596,606		9,751,704	1,564,971	11,316,675	18,279,931
TOTAL (RUPEES) 2018	29,587,881	-	29,587,881		8,024,460	1,727,243	9,751,703	19,836,178

	2019 RUPEES	2018 RUPEES
4 INVESTMENT		
Investment in property	12,564,000	12,564,000
	<u>12,564,000</u>	<u>12,564,000</u>

This represent the amount invested in property held to maturity by the organization on the decision of Board of Directors. This investment carry no fixed interest.

	2019 RUPEES	2018 RUPEES
5 CASH AND BANK BALANCES		
Cash in Hand		-
Cash at Bank	779,444	2,350,694
	<u>779,444</u>	<u>2,350,694</u>

	2019 RUPEES	2018 RUPEES
6 GENERAL FUND		
Opening balance	34,690,872	37,312,449
Add: Surplus/(Deficit) for the year	(3,127,497)	(2,621,577)
	<u>31,563,375</u>	<u>34,690,872</u>

	2019 RUPEES	2018 RUPEES
7 GRANT FROM DONORS		
General donations	1,224,500	2,517,575
Grant from SGAFP-USAID	21,500	-
	<u>1,246,000</u>	<u>2,517,575</u>

	2019 RUPEES	2018 RUPEES
8 OTHER INCOME		
Bank Profit	113,831	101,247
Project Receipts	1,074,380	832,400
Rent Receipts	10,000	-
	<u>1,198,211</u>	<u>933,647</u>

2019 (RUPEES)	2018 (RUPEES)
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9 PROGRAM AND ADMINISTRATIVE EXPENDITURE

Staff Salaries
 Utilities Charges
 Vehicle Operation and Maintenance
 Postage & Courier
 Printing and Stationary
 Repair & Maints: of Equipments
 Repair & Maints: of Building
 Banners for Training
 Teacher Training Workshop
 Bad debts
 Transportation Charges
 Website Charges
 Annual day
 Consultancy Charges
 Refreshment charges
 Office Supplies
 Bank Charges
 Misc Charges
 Depreciation

3,374,000	3,524,000
129,273	116,126
122,224	100,324
405	-
31,105	25,934
800	49,780
19,065	6,285
11,240	-
4,010	-
-	298,983
30,500	-
22,500	12,000
16,220	14,400
20,000	-
119,725	113,164
62,455	43,905
32,114	30,655
1,100	-
1,564,971	1,727,243
5,571,707	6,072,799

10 AUTHORISATION

These financial statements are authorised for issue by the Board of Directors on 30 SEP 2019

11 GENERAL

Figures in these accounts have been rounded off to the nearest rupee.

GENERAL SECRETARY

FINANCE OFFICER