



# HAFIZ ASIM & Co.

## Chartered Accountants

### AUDITORS' REPORT TO THE TRUSTEES


We have audited the annexed balance sheet of **MARKAZ ISLAH DARUL AYTAM** ("the Welfare Society") as at June 30, 2020 and the related profit and loss account together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Entity's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the legal requirements applicable on medium-sized entities. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we state that:

- a) in our opinion:
  - i. the balance sheet, profit & loss account together with the notes thereon have been drawn up in agreement with the books of account and are further in accordance with accounting policies consistently applied;
  - ii. the expenditure incurred during the year was for the purpose of the Entity's business; and
  - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Entity;
- b) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit & loss account together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan in the manner so required and respectively give a true and fair view of the state of the Entity's affairs as at June 30, 2020 and of the profit for the year then ended; and
- c) in our opinion "no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980)".

Date: 27 September 2020  
Place: Islamabad.

  
HAFIZ ASIM & CO.  
Chartered Accountants  
(HAFIZ ASIM KHURSHID, ACA)

# MARKAZ ISLAH DARUL AYTAM

## BALANCE SHEET

AS AT JUNE 30,2020

	NOTE	2020 RUPEES	2019 RUPEES
<b>PROPERTY AND ASSETS</b>			
<b>FIXED ASSETS-at Cost</b>			
Less accumulated depreciation	3	11,972,371	11,870,832
<b>CURRENT ASSETS</b>			
Advances,deposits and other receivables	4	4,667,027	5,524,771
Receivables from Qatar Charity		-	-
Cash and bank balances	5	735,522	1,778,169
		5,402,549	7,302,940
		<u>17,374,920</u>	<u>19,173,772</u>
<b>FUNDS AND LIABILITIES</b>			
<b>GENERAL FUND</b>			
	6	15,906,183	18,065,047
<b>CURRENT LIABILITIES</b>			
Creditors	7	1,162,133	752,645
Accrued and other liabilities	8	306,604	356,080
		1,468,737	1,108,725
		<u>17,374,920</u>	<u>19,173,772</u>



The annexed notes form an integral part of these accounts

  
SECRETARY  
**Secretary**  
Markaz Islah  
Darul Aytam  
Maltoon Town Mardan

  
PRESIDENT  
**PRESIDENT**  
**AL-ISLAH CTNTER**

**MARKAZ ISLAH DARUL AYTAM**  
**INCOME AND EXPENDITURES ACCOUNT**  
**AS AT JUNE 30,2020**

	NOTE	2020 RUPEES	2019 RUPEES
<b>INCOME</b>			
Qatar Charity	9	-	3,676,427
DonationS-KTC	10	1,200,000	1,200,000
Karachi Donaros		936,855	-
Donations-Others	10	7,536,969	8,652,574
Sale Of Dry Bread/Scrap		11,100	-
		9,684,924	13,529,001
<b>EXPENDITURES</b>			
	11	11,843,788	13,066,022
SURPLUSE/(DEFECIT)-Carries to General Fund		(2,158,864)	462,979



The annexed notes form an integral part of these accounts

*[Handwritten Signature]*  
**SECRETARY**

**Secretary**  
 Markaz Aslah  
 Darul Aytam  
 Sheikh M. Town Mardan

*[Handwritten Signature]*  
**PRESIDENT**

**PRESIDENT**  
**AL-ISLAH CENTER**



**MARKAZ ISLAH DARUL AYTAM**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED JUNE 30,2020**

NOTE	2020 RUPEES	2019 RUPEES
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Surpluse/(Deficit) for the year	(2,158,864)	462,979
Adjustments for non cash items:		
Depreciation	751,759	631,633
	751,759	631,633
Surpluse/(Deficit) before working capital changes	(1,407,105)	1,094,612
<b>Decrease/increase in working capital</b>		
Advances,deposits and other receivables	857,746	(324,435)
Receivable from Qatar Charity	-	1,720,000
Creditors	409,488	(258,442)
Accrued and other Liabilities	(49,476)	50,958
	1,217,758	1,188,081
Net cash flow from operating activities	(189,347)	2,282,693
<b>CASH FLOW FROM INESTING ACTIVITIES</b>		
Purchase Of fixed Assets	(853,300)	(757,600)
Net cash flow from Investing activities	(853,300)	(757,600)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Funds introduce	-	-
Net cash flow from financing activities	-	-
Net Decrease in Cash and cash equalents	(1,042,647)	1,525,093
Cash And Cash Equalent At The Beginning Of The Year	1,778,169	253,076
Cash and Cash equalent at the end of the year	735,522	1,778,169



  
**SECRETARY**

**Secretary**  
 Markaz Islah  
 Darul Aytam  
 Sheikh Maltoon Town Mardan

  
**PRESIDENT**  
**AL-ISLAH CENTER**

**MARKAZ ISLAH DARUL AYTAM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30,2020**

**1 LEGALE ENTITY AND OPERATIONS**

MARKAZ ISLAH DARUL AYTAM was registered under the Voluntary Welfare Agencies "Registration & Control Ordinance 1961" ( XI VI of 1961)" on May 10, 2003. The main objectives of the organization is the community welfare and rehabilitation of orphan children,both boys and girls.

**2 SIGNIFICANT ACCOUNTING POLICIES.**

The following accounting policies have been applied consistently in dealing with items which are considered material to the Organization's accounts.

**2.10 STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with requirements of the approved accounting standards as applicable in Pakistan.

**2.2 Basis of accounting**

These financial statements have prepared under the historical cost convention.

**2.3 FIXED ASSETS**

The operating fixed assets are stated at cost less accumulated depreciation on reducing balance method.The depreciation is charged on reducing balance method at rates specified in note 3. Full year's depreciation is charged on addition made during the year. While no depreciation is charges on the assets disposed off during the year.

**2.4 CASH AND BANK BALANCES**

Cash in hand and at banks are carried at nominal amount.

**2.5 ACCRUED AND OTHER LABILITIES**

Liabilities for amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.whether or not billed to the Organization.

**2.6 REVENUE RECOGNITION**

Donation is recognised on the basis of actual receipts. Interest income is reconised on receipt basis.

	<b>2020 RUPEES</b>	<b>2019 RUPEES</b>
<b>3 FIXED ASSETS</b>	<u>11,972,371</u>	<u>11,870,832</u>

	<b>2020 RUPEES</b>	<b>2019 RUPEES</b>
<b>4 ADVANCES,DEPOSITS AND RECEIVABLES</b>		
Staff advances	30,674	112,540
Advances for Construction Masjid	4,188,772	4,188,772
Al Islah Center Islamabad	17,500	17,500
Advance-Faisal Sb	-	808,300
Advance-Muhammad Ali	200,000	200,000
Advance Income Tax	70,081	37,659
	<u>4,507,027</u>	<u>5,364,771</u>



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**DEPOSIT-SECURITIES:**

B.I.S.E Mardan  
Wapda  
PTCL  
SNGPL

40,000	40,000
44,000	44,000
6,000	6,000
70,000	70,000
160,000	160,000
<u>4,667,027</u>	<u>5,524,771</u>

**2020**  
**RUPEES**

**2019**  
**RUPEES**

**5 CASH AND BANK BALANCES**

Cash In Hand  
Cash At Bank

94,090	54,580
641,432	1,723,589
<u>735,522</u>	<u>1,778,169</u>

**2020**  
**RUPEES**

**2019**  
**RUPEES**

**6 GENERAL FUND**

Balance As At July 01,  
Surpluse/( Deficit) for The Year  
Balance As At June 30,

18,065,047	17,602,068
(2,158,864)	462,979
<u>15,906,183</u>	<u>18,065,047</u>

**2020**  
**RUPEES**

**2019**  
**RUPEES**

**7 CREDITORS**

Masood Canteen ( Pocket Money)  
Mardan Book Agency  
AL Falah Medical Store  
Abu Bakkar Sanitary Store  
Muzaffar Milk  
University Book Agency  
Tariq Karyana  
Abdul Haq Hawker  
Creditors- Misc Masjid

-	27,810
204,664	-
6,299	10,134
44,280	-
399,340	205,000
225,000	172,343
-	54,308
-	500
282,550	282,550
<u>1,162,133</u>	<u>752,645</u>

**2020**  
**RUPEES**

**2019**  
**RUPEES**

**8 ACCRUED EXPENSES**

Salaries Payable  
Electricity Bills  
Suigas Telephone Bill  
Audit Fee

203,051	290,000
90,553	19,580
13,000	11,500
-	35,000
<u>306,604</u>	<u>356,080</u>



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	2020 RUPEES	2019 RUPEES
9 <b>DONATION QATAR CHARITY</b>		
Donations Received-Qatar Cgarity	-	3,676,427
	-	3,676,427

	2020 RUPEES	2019 RUPEES
10 <b>DONATIONS OTHERS</b>		
In Cash	3,650,349	6,388,796
Eng Muhammad Raheel	164,000	-
Meesaq School	8,000	24,000
Dr Rizwana Farooq	72,000	72,000
KTC	1,200,000	1,200,000
Dr Muhammad Ali Nadeem	446,500	-
Iqra School	1,500	24,000
Suzuki Showroom	60,000	120,000
STC	12,000	12,000
Karachi Donars-Others	936,855	500,000
Al Fazal	300,000	-
Sahibzada Hussain Ahmad	102,000	-
Mrs Sultan	576,000	-
Ibad Ur Rehman	102,000	-
C/O Shahid Sahib	40,000	-
Nighat Mushtaq	100,000	-
Tanveer Magoo	25,000	-
Abdullah Muslim	41,600	-
In Kind		
Clothing	302,100	49,000
Food Items	1,457,920	884,828
House Keeping Supplies	-	202,600
Books	30,000	-
Electirfication	45,000	21,000
Sports Shoes Track Suits	-	78,000
Uniform	-	275,350
Misc	1,000	1,000
	9,673,824	9,852,574





2020  
RUPEES

2019  
RUPEES

11 EXPENDITURES

Salaries,Wages And Benefits	3,486,655	3,242,266
Educational Expenses	1,441,170	1,919,354
Qurbani Expenses	55,000	-
First Aid/Medicine	104,750	188,278
Food& Kichen Supplies	3,377,909	3,706,981
Fuel Charges	77,230	333,120
Repair-Vehicle	199,930	-
Books And Note Books	-	172,343
Printing And Stationary	29,175	-
School Uniform And Clothing	366,845	341,180
House Keeping Supplies	304,678	332,425
Office Supplies	29,690	16,960
Studnets Pockets Money	207,510	-
Sports Compation/Functions	-	80,540
Promotional Expenses	9,430	511,210
Utilities- Electricity	610,108	756,588
Utilities- Telephone	66,300	-
Utilities- Gas	149,555	-
Entertainment	-	136,610
Repair-Building	71,712	222,320
Repair-Equiments	96,835	-
News Papers & Periodicals	-	6,000
Postage & Courier	-	59,236
Travelling And Transportation	188,730	283,260
Audit Fee	10,000	35,000
Professionnal Charges	7,000	43,400
Bank Charges	8,275	2,149
Depreciation	751,759	631,633
Misc	193,542	45,169
	<u>11,843,788</u>	<u>13,066,022</u>

12 GENERAL

The figures have been rounded to nearest rupee

12 AUTHORIZATION DATE

These financial statements have been authorized for issue on 28-09-2020

SECRETARY

G. Secretary  
Markaz Islah  
Darul Aytam  
Malkh Maltoon Town Mardan

PRESIDENT

PRESIDENT  
AL-ISLAH CENTER



PARTICULARS	COST			Rate %	DEPRECIATION			W.D.V As At 30.06.2020
	As At 01.07.2019	Addition	As At 30.06.2020		As At 01.07.2019	For The Year	As At 30.06.2020	
Land	2,102,000	-	2,102,000		-	-	-	2,102,000
Building	15,461,009	-	15,461,009	5	6,714,278	437,337	7,151,615	8,309,394
Furniture And Fixtures	1,261,680	-	1,261,680	10	655,101	60,658	715,761	545,919
Equipments	614,345	45,000	659,345	20	476,855	36,498	513,353	145,992
Vehicles	735,000	808,300	1,543,300	20	456,968	217,266	674,234	869,066
2020( Rupees)	20,174,034	853,300	21,027,334		8,303,202	751,759	9,054,963	11,972,371
2019( Rupees)	20,174,034	-	20,174,034		7,671,567	631,633	8,303,202	11,870,832

PARTICULARS	COST			Rate %	DEPRECIATION			W.D.V As At 30.06.2019
	As At 01.07.2018	Addition	As At 30.06.2019		As At 01.07.2018	For The Year	As At 30.06.2019	
Land	2,102,000	-	2,102,000		-	-	-	2,102,000
Building	15,461,009	-	15,461,009	5	6,253,924	460,354	6,714,278	8,746,731
Furniture And Fixtures	829,080	432,600	1,261,680	10	587,701	67,398	655,101	606,579
Equipments	614,345	-	614,345	20	442,482	34,373	476,855	137,490
Vehicles	410,000	325,000	735,000	20	387,460	69,508	456,968	278,032
2019( Rupees)	19,416,434	757,600	20,174,034		7,671,567	631,633	8,303,202	11,870,832
2018( Rupees)	1,543,300	-	1,543,300		456,968	217,266	674,234	869,066

