GHULAM FARUQUE
WELFARE TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2017

RIAZ AHMAD, SAQIB, GOHAR & CO.
Chartered Accountants

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Services for Growth

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AGN International

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of Ghulam Faruque Welfare Trust (the Trust) which comprise of 'Balance Sheet' as at June 30, 2017, 'Income and Expenditure Account' and 'Cash Flow Statement' and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respect, the Financial Position of the Trust as at June 30, 2017 and it's Surplus and it's cash flows for the year then ended in accordance with the Trust deed and rules and 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 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.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Board of Trustees is responsible for the preparation and fair presentation of these financial statements in accordance with the Trust deed, rules and 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, The Board of Trustees is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to 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 charged with governance are responsible for overseeing the Trust's financial reporting process.

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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 misstatements, 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. Misstatement 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 the 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 through the audit. We also:

- Identify and assess the risk of material misstatement of the financial misstatements, 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 controls.

- Obtain an understanding of internal control relevant to 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 audit evidence, 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 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 represents 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 finding, including any significant deficiencies in internal control that we identify during our audit.

Riaz A. S. Gohar & Co.
Chartered Accountants

04 AUG 2017
Karachi: ______________

Engagement Partner: Muhammad Kamal Gohar

GHULAM FARUQUE WELFARE TRUST
BALANCE SHEET
AS AT JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
ASSETS			
CURRENT ASSETS			
Advance tax		**12,897**	5,254
Cash at bank	3	**1,004,586**	997,256
TOTAL ASSETS		**1,017,483**	1,002,510
FUND AND LIABILITIES			
FUNDS			
Accumulated surplus	4	**947,883**	931,710
CURRENT LIABILITIES			
Accrued expenses	5	**69,600**	70,800
CONTINGENCIES AND COMMITMENTS			
TOTAL FUNDS AND LIABILITIES		**1,017,483**	1,002,510

The annexed notes from 1 to 9 form an integral part of these financial statements.

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GHULAM FARUQUE WELFARE TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Income			
Donation income		**3,246,836**	4,689,934
Zakat		**615,000**	801,000
Profit on PLS savings accounts		**23,173**	24,505
		3,885,009	5,515,439
Expenditure			
Legal and professional charges		**39,800**	41,300
Audit fee		**29,800**	29,500
Donation paid		**3,299,236**	4,576,237
Zakat paid		**500,000**	315,000
Bank charges		**-**	253
		(3,868,836)	4,962,290
Surplus		**16,173**	553,149

The annexed notes from 1 to 9 form an integral part of these financial statements.

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GHULAM FARUQUE WELFARE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus		**16,173**	553,149
Increase in current assets			
Increase in advance tax		**(7,643)**	(4,303)
(Decrease) in current liabilities			
Decrease in payables		**(1,200)**	(199,200)
		(8,843)	(203,503)
Net cash generated from operating activities		**7,330**	349,646
CASH FLOWS FROM INVESTING ACTIVITIES		-	-
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
Net increase in cash and cash equivalents for the year		**7,330**	349,646
Cash and cash equivalents at the beginning of the year		**997,256**	647,610
Cash and cash equivalents at the end of the year		**1,004,586**	997,256

The annexed notes from 1 to 9 form an integral part of these financial statements.
Cash

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GHULAM FARUQUE WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

1 LEGAL STATUS & NATURE OF TRUST

1.1 Ghulam Faruque Welfare Trust is a charitable trust formed under Trust Act 1882 through a trust deed on January 1, 2012. The registered office of the Trust is situated at 2nd Floor , Modern Motors House, Karachi-75530. The objectives of the trust are to provide funds for welfare and charitable causes to alleviate illiteracy and poverty within or outside Pakistan by providing, arranging or procuring aid, assistance, help to the needy belonging to any province , religion, caste or creed for their education, educational needs, vocational training and other welfare activities.

1.2 The status of the Trust as a non-profit organization has been approved by the commissioner of Income Tax, under the terms of SRO 667(1)/2006, dated 27-06-2006. This approval is valid for future years until withdrawn.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with the cash receipt and expenditure incurred basis of accounting.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention.

2.3 Revenue recognition

Profit on bank accounts and donation income including zakat is recognized on receipt basis.

2.4 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents consists of cash in hand, bank balances and short term investment, if any.

2.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Trustees operates. The financial statements are presented in Pakistani Rupees, which is the Trust functional and presentation currency.

2.6 Investments

The Trust determines appropriate classification of its investments in accordance with the requirements of International Accounting Standard 39 'Financial Instruments: Recognition and Measurement' at the time of the purchase and re-evaluates this classification on a regular basis. Accordingly, investments can be classified into three categories namely, at fair value through profit or loss, held-to-maturity and available for sale.

	Note	2017 Rupees	2016 Rupees

3 CASH AT BANK

	Note	2017 Rupees	2016 Rupees
PLS savings accounts	3.1	**1,004,586**	997,256

3.1 Deposit accounts carry profit ranging from 2% to 4% per annum (2016 : 2% to 4%).

4 ACCUMULATED SURPLUS

	2017 Rupees	2016 Rupees
Balance brought forward	**931,710**	378,561
Surplus for the year transferred from income & expenditure account	**16,173**	553,149
Accumulated surplus as at year end	**947,883**	931,710

5 ACCRUED EXPENSES

	2017 Rupees	2016 Rupees
Professional charges payable	**39,800**	41,300
Audit fee	**29,800**	29,500
	69,600	70,800

6 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2017 (2016 : Nil).

7 TAXATION

The Trust is a 'Not for Profit' organization, and holds valid income tax exemption certificate issued by the tax authorities; hence no provision for taxation is required to be made in these financial statements. However, income generated from any business activity is taxable.

8 DATE OF AUTHORIZATION

These financial statements were authorized for issue on [1]4 AUG 2017 by the Board of Trustees of the Trust.

9 GENERAL

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

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