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**INDEPENDENT
AUDITORS' REPORT
TO THE MANAGEMENT
OF
ATTOCK SAHARA FOUNDATION**

We have audited the annexed Statement of Financial Position of "ATTOCK SAHARA FOUNDATION" as at June 30, 2012 and related Statement of Comprehensive Income together with the notes forming part thereof, for the year then ended.

Management's Responsibility

It is the responsibility of the organization's management to prepare and present the above said financial statements. Our responsibility is to express an opinion on these statements based on our audit.

Auditors' Responsibility

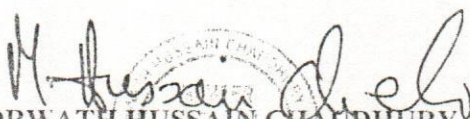
We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we have found the Statement of Financial Position of "ATTOCK SAHARA FOUNDATION" as at June 30, 2012 and the related Statement of Comprehensive Income for the year then ended to be in order and in accordance with the record provided to us.

Place: Rawalpindi.

Dated: 06 SEP 2012



(HORWATH HUSSAIN CHAUDHURY & CO.)
CHARTERED ACCOUNTANTS

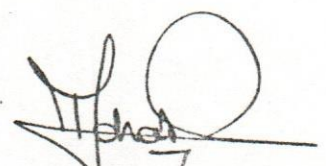
ATTOCK SAHARA FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2012

	Notes	2012 ------(Rupees)-----	2011
FUNDS AND LIABILITIES			
Accumulated fund	3	7,377,614	6,278,955
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	4	244,241	646,719
		<u>7,621,855</u>	<u>6,925,674</u>
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	776,962	827,048
CURRENT ASSETS			
Stock in trade		782,880	960,710
Account receivables		1,265,354	697,864
Term deposit receipt (TDR)		2,500,000	-
Accrued interest		26,813	-
Advances, deposits and prepayments		65,000	436,306
Cash and bank balances	6	2,204,846	4,003,746
		6,844,893	6,098,626
		<u>7,621,855</u>	<u>6,925,674</u>

AUDITOR'S REPORT ANNEXED:

Note: Annexed notes form an integral part of these financial statements.


PRESIDENT


FINANCE SECRETARY

STATEMENT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

	2012	2011
Notes	------(Rupees)-----	
INCOME		
Contribution and donations	2,549,065	2,811,518
Income from sale of garments	7,983,339	4,483,285
Nursery fee/tuition fee	330,370	310,345
Beauty parlour income	208,855	179,875
Vocational/HSD section	188,555	148,478
Computer fee	96,785	107,845
Flood donation	-	944,150
Zakat	552,379	282,000
Members subscription fee	6,680	6,760
	11,916,028	9,274,256
EXPENDITURE		
Salaries and wages	3,200,052	2,444,917
Stitching material consumed	3,842,345	1,988,648
Printing and stationery	65,542	66,255
Repair and maintenance	11,450	43,262
Utility bill	272,627	263,336
Rent	54,000	54,000
Entertainment	63,974	56,561
Travelling expense	7,400	2,800
Auditors' remuneration	6,500	6,500
Certification fees	74,749	30,000
Bank charges	27,392	33,377
Tentage	156,350	162,410
Advertisement	22,240	25,370
Meena bazaar	29,700	36,867
Beauty parlour expenses	10,680	24,127
Zakat and welfare activities	2,602,836	3,090,911
Miscellaneous expenses	9,031	32,987
Depreciation	345,237	325,482
	(10,802,105)	(8,687,810)
OTHER INCOME		
Disposal of assets	79,610	-
Interest income	131,902	126,023
Other income	6,459	-
	217,971	126,023
Surplus for the year transferred to accumulated fund	1,331,894	712,469

Note: Annexed notes form an integral part of these financial statements.

PRESIDENT

FINANCE SECRETARY

ATTOCK SAHARA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

1 STATUS AND OPERATION

This Organization is registered under Voluntary Social Welfare Agencies Registration and Control Ordinance, 1961 (XLVI of 1961).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These financial statements have been prepared under historical cost convention without any

2.2 Property, Plant And Equipment

Property, plant and equipment, are stated at cost less accumulated depreciation and any identified impairment loss. Cost includes direct cost, related overheads and mark up.

Depreciation on all property, plant and equipment is charged on straight line method so as to write off the depreciable amount of an asset over its useful estimated life at the rates mentioned in the schedule.

Full year's depreciation is charged on additions to property, plant and equipment, while no depreciation is charged on deletions. Any gain or loss on disposal is charged to income or expense for the year.

Maintenance and normal repairs are charged to income as and when incurred. Renewals and improvements are capitalized when it is probable that respective future economic benefits will flow to the entity and the cost of the item can be measured reliably.

2.3 Revenue recognition

Revenue is recognized on receipt basis.

2.4 General

Figures have been rounded off to the nearest rupee.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

	Note	2012	2011
		-----Rupees-----	
3 ACCUMULATED FUND			
Opening balance		6,278,955	5,566,486
Prior year adjustment	3.1	(436,306)	-
Prior year adjustment	3.2	203,071	-
Surplus/(Deficit) for the year		1,331,894	712,469
		<u>7,377,614</u>	<u>6,278,955</u>
3.1 This amount represents accumulated Withholding tax deducted by customers during the period 2005 to 2009. During this period Income Tax exemption was not available with ASF and the deducted amount was shown as "Tax Deducted at source" by the customers, while as per Income Tax Ordinance this amount should be charged off as Tax Expense because it came under the ambit of "Final Taxation".			
3.2 It represents amount payable in respect of ASF Tuck shop and PIAMAN projects. In the year 2007-08 these provisions were recorded in books of accounts, subsequently it was paid off but erroneously provisions were not reversed.			
4 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Accounts payable		237,741	368,959
Auditor's remuneration		6,500	6,500
Zakat payable		-	271,260
		<u>244,241</u>	<u>646,719</u>
5 PROPERTY, PLANT AND EQUIPMENT (Schedule annexed)		<u>776,962</u>	<u>827,048</u>
6 CASH AND BANK BALANCES			
Faisal Bank A/C # 1262025604006		52,132	52,122
Faisal Bank A/C # 1262025612006		26,318	26,308
Habib Bank A/C # 10962-0		1,065,945	1,390,217
Habib Bank A/C # 11595-7		1,024,384	1,811,739
Habib Bank A/C # 12503-6		25,179	547,722
Habib Bank A/C # (Paiman)		10,888	175,638
		<u>2,204,846</u>	<u>4,003,746</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

Notes 2012 2011
------(Rupees)-----

7 STITCHING MATERIAL CONSUMED

Opening balance
Add: Purchases
Less: Closing stock

960,710	683,755
3,664,515	2,265,603
(782,880)	(960,710)
<u>3,842,345</u>	<u>1,988,648</u>

8 ZAKAT AND WELFARE ACTIVITIES

Zakat
Flood activity
Assistance to poor
Scholarship to deserving students
Marriage fund
Poor patient fund
Sports for girls
Charity in kind

552,379	282,000
-	638,814
355,070	508,100
289,205	176,192
735,000	660,000
535,759	700,126
61,803	34,560
73,620	91,119
<u>2,602,836</u>	<u>3,090,911</u>

ATTOCK SAHARA FOUNDATION
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
AS AT JUNE 30, 2012

Particulars	Cost			Depreciation				W.D.V. as at 30-06-12	Rate %
	as at 01-07-11	Additions	as at 30-06-12	as at 01-07-11	for the Year	as at 30-06-12			
	(Rupees)								
Sewing machines	1,698,171	232,000	1,930,171	1,207,581	193,017	1,400,598			
Furniture and fixture	612,317	46,250	658,567	449,778	65,857	515,635	529,573	10	
Computers	331,502	-	331,502	274,962	56,540	331,502	142,932	10	
Equipment	281,331	16,900	298,231	163,951	29,823	193,774	-	20	
2012	2,923,321	295,150	3,218,471	2,096,272	345,237	2,441,509	104,457	10	
2011	2,923,321	-	2,923,321	1,770,790	325,482	2,096,272	76,962		
							827,048		