

INDEPENDENT AUDITOR'S REPORT

To the members of Attock Sahara Foundation Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of “**Attock Sahara Foundation**”, which comprise the Statement of Financial Position as at June 30, 2018 and the Income and Expenditure Statement, the Statement of Comprehensive Income, the Statement of Changes in Accumulated Fund, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the Statement of Financial Position and the Income and Expenditure Statement, the Statement of Comprehensive Income, the Statement of Changes in Accumulated Fund, the Statement of Cash Flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2018 and of the surplus and other comprehensive income, the changes in accumulated funds and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with 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 Company 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 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 Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines 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, management is responsible for assessing the Company'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.

Board of directors are responsible for overseeing the Company'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 statement

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 Company'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 Company'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 conditions may cause the Company 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 the board of directors 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.

Based on our audit, we further report that in our opinion:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) The Statement of Financial Position, Income and Expenditure Statement, Statement of Comprehensive Income, Statement of Changes in Accumulated Fund, Statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with books of account and returns;
- c) Expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is C.A Habib.

Place: Islamabad
Dated: October 17, 2018


HORWATH HUSSAIN CHAUDHURY & CO.
(CHARTERED ACCOUNTANTS)



**ATTOCK SAHARA FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018**

	Note	2018 Rupees	2017 Rupees
FUNDS AND LIABILITIES			
Accumulated fund	3	18,568,531	16,674,327
CURRENT LIABILITIES			
Trade and other payable	4	762,000	1,019,212
TOTAL FUNDS AND LIABILITIES		19,330,531	17,693,539
ASSETS			
NON-CURRENT ASSETS			
Operating assets	5	995,898	1,263,184
CURRENT ASSETS			
Stock-in-trade	6	3,196,540	3,268,280
Trade debts	7	7,298,988	4,060,492
Accured interest		-	32,781
Advances, deposits and prepayments		220,400	32,000
Income tax refundable		1,185,510	730,854
Bank balances	8	6,433,195	8,305,948
		18,334,633	16,430,355
TOTAL ASSETS		19,330,531	17,693,539

AUDITORS' REPORT ANNEXED:

The annexed notes 01 to 14 form an integral part of these financial statements.


PRESIDENT


FINANCE SECRETARY

**ATTOCK SAHARA FOUNDATION
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2018**

	Note	2018 Rupees	2017 Rupees
INCOME			
Gross Revenue	9	21,780,167	21,139,101
Sales tax	9.1	(720,741)	(580,954)
Net revenue		<u>21,059,426</u>	<u>20,558,147</u>
EXPENDITURE			
Operating expenses	10	(18,983,054)	(18,588,874)
Administrative and general expenses	11	(457,240)	(473,368)
		<u>(19,440,294)</u>	<u>(19,062,242)</u>
Operating surplus		1,619,132	1,495,905
Other income	12	275,072	217,763
Surplus for the year		<u><u>1,894,204</u></u>	<u><u>1,713,668</u></u>

The annexed notes 01 to 14 form an integral part of these financial statements.



PRESIDENT

FINANCE SECRETARY

**ATTOCK SAHARA FOUNDATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018**

	2018 Rupees	2017 Rupees
Surplus for the year	1,894,204	1,713,668
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>1,894,204</u>	<u>1,713,668</u>

The annexed notes 01 to 14 form an integral part of these financial statements.


PRESIDENT
FINANCE SECRETARY

**ATTOCK SAHARA FOUNDATION
STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	Accumulated Fund Rupees
Balance as at June 30, 2016	14,960,659
Total comprehensive income for the year	
Surplus for the year	1,713,668
Other comprehensive income for the year	-
	1,713,668
Balance as at June 30, 2017	16,674,327
Total comprehensive income for the year	
Surplus for the year	1,894,204
Other comprehensive income for the year	-
	1,894,204
Balance as at June 30, 2018	18,568,531

The annexed notes 01 to 14 form an integral part of these financial statements.


PRESIDENT


FINANCE SECRETARY

**ATTOCK SAHARA FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018**

	2018 Rupees	2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	17,820,930	21,651,901
Cash paid for operating expenses	(19,602,775)	(19,427,290)
Net cash flows from operating activities	(1,781,845)	2,224,612
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to operating assets	(398,762)	(756,665)
Income on bank deposits received	307,853	184,982
Net cash outflows from investing activities	(90,909)	(571,683)
INCREASE IN CASH AND CASH EQUIVALENTS	(1,872,754)	1,652,929
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	8,305,948	6,653,019
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>6,433,195</u>	<u>8,305,948</u>

The annexed notes 01 to 14 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, 2018

1 THE FOUNDATION AND ITS OPERATION

It is a non-profit organization, 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 adjustment for the effects of inflation or current values.

2.2 Operating assets

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

Depreciation on all operating assets 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. Depreciation on additions is charged from the month of purchase, while no depreciation is charged in the month of derocognition/disposal.

Maintenance and normal repairs are charged to income and expenditure account 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 accrual basis.

2.4 General

Figures have been rounded off to the nearest rupee.

3 ACCUMULATED FUND

Opening balance

Surplus for the year

2018
Rupees

2017
Rupees

16,674,327

1,894,204

18,568,531

14,960,659

1,713,668

16,674,327

4 TRADE AND OTHER PAYABLES

Accured and other Liabilities

Other Creditors

Taxes and Government Duties

700,000

62,000

-

762,000

731,990

107,000

180,222

1,019,212

5 OPERATING ASSETS

(Schedule annexed)

995,898

1,263,184

	Note	2018 Rupees	2017 Rupees
6 STOCK IN TRADE			
Training Centre		91,820	53,800
Finished Stock		859,050	884,200
Raw Material		2,245,670	2,330,280
		3,196,540	3,268,280
7 TRADE DEBTS			
Due from Attock Group of Companies			
Associated Companies			
Attock Refinery Limited		4,194,076	2,850,318
National Cleaner Production Center- Foundation		4,530	11,700
		4,198,606	2,862,018
Other Companies			
Attock Petroleum Limited		1,138,955	222,722
The Attock Oil Company Limited		282,869	179,400
Capgas (Pvt) Limited		111,152	164,352
Attock Gen Limited		50,158	30,959
Pakistan Oilfields Limited		1,042,702	8,640
		2,625,836	606,073
Others			
United Human Resource Services (Pvt) Limited		206,846	417,601
Best Mensol (Pvt) Ltd		267,700	174,800
		474,546	592,401
		7,298,988	4,060,492
8 BANK BALANCES			
Balances with banks:			
Deposits Account		6,421,505	8,294,390
Current Account		11,690	11,558
		6,433,195	8,305,948
9 GROSS REVENUE			
Meena bazar sponsorship fee		4,771,292	4,311,651
Order Section (Sales of Garments)		13,465,998	13,277,890
Nursery Fee / Tuition fee		239,182	221,700
Vocational / HSD Section		581,875	523,645
Beauty Parlour - Training Fee		248,050	467,830
Beauty Parlour- Customers		1,697,840	1,561,910
Computer Fee		74,150	115,650
Zakat		693,000	650,074
Members Subscription		8,780	8,750
		21,780,167	21,139,101
9.1 Sales tax			
Sales of Garments		720,741	580,954

	Note	2018 Rupees	2017 Rupees
10 OPERATING EXPENSES*			
Advertisement expenses		56,817	75,610
Tentage expenses		320,000	290,000
Salaries , wages and other benefits		6,304,737	5,730,245
Stitching material consumed	10.1	7,418,132	7,471,781
Utilities		649,356	629,780
Building rent		115,044	89,772
Training center expenses		362,902	410,315
Insurance expenses		26,050	26,050
Zakat & Welfare Activities	10.2	3,063,968	3,236,831
Deprecation		666,048	628,491
		18,983,054	18,588,874
10.1 STITCHING MATERIAL CONSUMED			
Opening stock		3,268,280	2,869,185
Add: Purchases		7,346,392	7,870,876
Less: Closing stock		(3,196,540)	(3,268,280)
		7,418,132	7,471,781
10.2 Zakat & Welfare Activities			
Zakat		693,000	650,074
Poor patient fund		796,793	797,140
Scholarships		273,237	484,317
Marriage fund		910,000	892,500
Assistance to poor		199,000	299,000
Charity in kind		127,560	47,870
Awareness ,Projects & Staff Trainings		51,600	41,330
Promotional Activities		12,778	24,600
		3,063,968	3,236,831
* Breakup of operating expenses by nature of services provided			
Meena Bazzar		376,817	365,610
Order section expenses		12,824,942	12,233,014
Nursery & miscellaneous expenses		541,712	505,870
Beauty parlour expenses		1,088,113	1,121,250
Vocational / HSD Section expenses		777,871	745,164
Computer expenses		309,631	381,135
Zakat & Welfare Activities		3,063,968	3,236,831
		18,983,054	18,588,874
11 ADMINISTRATIVE AND GENERAL EXPENSES			
Printing and stationery		69,050	69,242
Repair and maintenance		4,880	25,180
Entertainment		118,063	129,532
Traveling expenses		17,740	31,600
Auditor's remuneration		12,000	12,000
Certification fee		163,746	158,456
Advertisement expenses		63,832	41,358
Bank Charges		7,929	6,000
		457,240	473,368

	Note	2018 Rupees	2017 Rupees
12 OTHER INCOME			
Interest income on bank deposits		178,643	115,816
Interest income on treasury bills		24,429	32,781
Income from sports events		72,000	69,166
		275,072	217,763

13 GENERAL

Previous year figures have been rearranged wherever necessary for comparison purposes only.
Figures have been rounded off to the nearest rupee.

14 DATE OF AUTHORISATION

These financial statements have been authorized for issue by executive committee of Foundation on **October 09,2018.**


PRESIDENT


FINANCE SECRETARY

ATTOCK SAHARA FOUNDATION
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
AS AT JUNE 30, 2018

PARTICULARS	COST			DEPRECIATION			W.D.V	RATE %
	As at 01.07.17	Additions	As at 30.06.18	As at 01.07.17	For the year	As at 30.06.18	as at 30.06.18	
	-----Rupees-----							
Sewing Machines	3,434,046	129,870	3,563,916	2,736,629	350,981	3,087,610	476,306	10%
Furniture and fixtures	917,667	117,882	1,035,549	789,597	93,731	883,328	152,221	10%
Computers	850,817	-	850,817	733,108	117,709	850,817	-	20%
Equipments	670,332	151,010	821,342	350,344	103,627	453,971	367,371	10%
2018	5,872,862	398,762	6,271,624	4,609,678	666,048	5,275,726	995,898	
2017	5,116,197	756,665	5,872,862	3,981,186	628,491	4,609,678	1,263,184	