





# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MISBAH MOMIN FOUNDATION

### Report on the Audit of the Financial Statements

#### OPINION

We have audited the financial statements of Misbah Momin Foundation, which comprise the statement of financial position as at 30-06-2022, and the income & expenditure account and statement of comprehensive income and statement of changes in equity and 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, the financial position of Misbah Momin Foundation as at 30-06-2022 and of its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting 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 ouropinion.

# RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Trustees are 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 the 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, Trustees are responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust 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 statements.

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 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 the audit evidence obtained, 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 the 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 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.

Fahir Siddiqi & Co. Chartered Accountants

Lahore: December 19, 2022

Mohammad Tahir Siddiqi FCA

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# MISBAH MOMIN FOUNDATION STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
Assets			
Non Current Assets			
Property, plant and equipment	4	734,895	351,950
Current Assets			
Advances & deposits  Cash & bank balances	5 6	25,715 1,362,268 1,387,983 <b>2,122,878</b>	523,681 523,681 875,631
Funds and Liabilities			
General Fund		1,802,878	544,631
Current Laibilities			
Other payables	7	320,000	331,000
		2,122,878	875,631

The annexed notes from 1 to notes 16 form an integral part of these financial statements.

PRESIDENT

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SECRETARY



# MISBAH MOMIN FOUNDATION STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2022

		General	Fund
	Nata	2022	2021
	Note	Rupees	Rupees
Income			
Donations	8	9,321,133	4,759,483
Expenses			
General and administrative expenses	9	1,377,979	793,289
Selling & distribution expenses	10	-	40,043
Other operating expenses	11	6,677,884	3,458,336
		8,055,862	4,291,668
Operating profit		1,265,271	467,815
Finance cost	12	7,024	2,744
Profit before taxation		1,258,247	465,071
Taxation			
Surplus for the year		1,258,247	465,071
Other comprehensive income			
Total Comprehensive income for the year		1,258,247	465,071

The annexed notes from 1 to notes 16 form an integral part of these financial statements.

SECRETARY



MISBAH MOMIN FOUNDATION STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED JUNE 30, 2022

	Unrestricted	Total
	General fund	Total
	Rup	ees
Balance as at June 30, 2020	79,560	79,560
Surplus for the year	465,071	465,071
Other comprehensive income	-	-
Total comprehensive income for the year	465,071	465,071
Balance as at June 30, 2021	544,631	544,631
Surplus for the year	1,258,247	1,258,247
Other comprehensive income	-	-
Total comprehensive income for the year  Balance as at June 30, 2022	1,258,247	1,258,247
Data i da de	1,802,878	1,802,878

The annexed notes from 1 to notes 16 form an integral part of these financial statements.

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MISBAH MOMIN FOUNDATION STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2022

CASH FLOW FROM OPERATING ACTIVITIES           Surplus before taxation         1,258,247         465,071           Adjustment for non-cash items         88,135         41,000           Depreciation on PPE Finance cost         88,135         41,000           Finance cost         7,024         2,744           Surplus before working capital changes         1,353,406         508,815           Working capital changes         (25,715)         -           Advances and deposits         (11,000)         331,000           Other payables         (11,000)         331,000           Cash flows from operations         1,316,691         839,815           Finance cost paid         (7,024)         (2,744)           Net cash inflow from operating activities         1,309,667         837,071           CASH FLOW FROM INVESTING ACTIVITIES		Note	2022 Rupees	2021 Rupees
Adjustment for non-cash items  Depreciation on PPE Finance cost  7,024  95,159  43,744  Surplus before working capital changes  Advances and deposits Other payables  Cash flows from operations Finance cost paid  Net cash inflow from operating activities  Advances and deposits (25,715) - (11,000) 331,000 331,000 (36,715) 331,000 (2,744)  Net cash inflow from operating activities	CASH FLOW FROM OPERATING ACTIVITIES			
Depreciation on PPE       88,135       41,000         Finance cost       7,024       2,744         95,159       43,744         Surplus before working capital changes       1,353,406       508,815         Working capital changes       (25,715)       -         Advances and deposits       (11,000)       331,000         Other payables       (36,715)       331,000         Cash flows from operations       1,316,691       839,815         Finance cost paid       (7,024)       (2,744)         Net cash inflow from operating activities       1,309,667       837,071	Surplus before taxation		1,258,247	465,071
Finance cost         7,024         2,744           95,159         43,744           Surplus before working capital changes         1,353,406         508,815           Working capital changes         40 (25,715)         -           Advances and deposits         (25,715)         -           Other payables         (11,000)         331,000           Cash flows from operations         1,316,691         839,815           Finance cost paid         (7,024)         (2,744)           Net cash inflow from operating activities         1,309,667         837,071	Adjustment for non-cash items			
95,159   43,744	Depreciation on PPE		88,135	41,000
Working capital changes         1,353,406         508,815           Working capital changes         Advances and deposits         (25,715)         -           Other payables         (11,000)         331,000           Cash flows from operations         1,316,691         839,815           Finance cost paid         (7,024)         (2,744)           Net cash inflow from operating activities         1,309,667         837,071	Finance cost		7,024	2,744
Working capital changes         Advances and deposits       (25,715)       -         Other payables       (11,000)       331,000         Cash flows from operations       1,316,691       839,815         Finance cost paid       (7,024)       (2,744)         Net cash inflow from operating activities       1,309,667       837,071			95,159	43,744
Advances and deposits Other payables  (25,715) (11,000)  (36,715) (331,000)  Cash flows from operations Finance cost paid  (7,024)  Net cash inflow from operating activities  (25,715) (331,000)  331,000  (36,715) (36,715) (37,01	Surplus before working capital changes		1,353,406	508,815
Other payables         (11,000)         331,000           Cash flows from operations         1,316,691         839,815           Finance cost paid         (7,024)         (2,744)           Net cash inflow from operating activities         1,309,667         837,071	Working capital changes			
Cash flows from operations         (36,715)         331,000           Finance cost paid         1,316,691         839,815           (7,024)         (2,744)           Net cash inflow from operating activities         1,309,667         837,071	Advances and deposits		(25,715)	70000
Cash flows from operations         1,316,691         839,815           Finance cost paid         (7,024)         (2,744)           Net cash inflow from operating activities         1,309,667         837,071	Other payables		(11,000)	331,000
Finance cost paid (7,024) (2,744)  Net cash inflow from operating activities 1,309,667 837,071			(36,715)	331,000
Net cash inflow from operating activities 1,309,667 837,071	Cash flows from operations		1,316,691	839,815
	Finance cost paid		(7,024)	(2,744)
CASH FLOW FROM INVESTING ACTIVITIES	Net cash inflow from operating activities		1,309,667	837,071
	CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment (471,080) (317,350)	Purchase of property, plant and equipment		(471,080)	(317,350)
Net cash (outflow) from investing activities (471,080) (317,350)	Net cash (outflow) from investing activities		(471,080)	(317,350)
Net increase in cash & cash equivalents 838,587 519,721	Net increase in cash & cash equivalents		838,587	519,721
Cash and cash equivalents at the beginning of year 523,681 3,960	Cash and cash equivalents at the beginning of year		523,681	3,960
Cash and cash equivalents at the end of year 1,362,268 523,681	Cash and cash equivalents at the end of year		1,362,268	523,681

The annexed notes from 1 to notes 16 form an integral part of these financial statements.



MISBAH MOMIN FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ending June 30, 2022

#### 1 GENERAL INFORMATION

#### 1.1 Legal status and operations

MISBAH MOMIN FOUNDATION is registered under the Societies Registration Act, XXI of 1860 as a non-profit organization on August 11, 2012. The registered office of the society is situated at 103/2, Fazil Road, St. John Park, Lahore Cantt. MISBAH MOMIN FOUNDATION works with the vision to enlighten, enable, empower and evolve people by channelizing their inner potential to creatively carve their own path in life. The Foundation is contributing in sustainable development goals 2030 by imparting skills through vocational courses, contributing towards the relief of poverty through income support, making public and mental health services accessible and facilitating education through scholarships. MISBAH MOMIN FOUNDATION is also an active advocate of women's rights, climate change, environmental protection and sports.

#### 2 BASIS OF PREPARATION

## 2.1 Statement of compliance

The financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards issued by the Institute of Chartered Accountants of Pakistan (ICAP). Approved Accounting and Reporting Standards comprise of Accounting and Reporting Standards for SSEs and NPOs issued by ICAP. These financial statements have also been prepared in accordance with guideline for accounting and reporting for non government organizations and not for profit organizations issued by ICAP and In case requirements differ accounting and financial reporting standards for SSEs and NPOs shall prevail.

#### 2.2 Basis of measurement

The financial statements have been prepared under the accrual basis. The principal accounting policies adopted in the financial statements are stated below.

#### 2.3 Functional and presentation

The financial statements are presented in Pak Rupees, which is functional and presentation currency of the society.

#### 2.4 Key Judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. In the preparation of these financial statements following estimates and judgements have been made

#### -Useful lives

-residual values and depreciation method of Property , Plant and equipment

#### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### 3.1 Property, Plant and Equipment

These are initially measured at cost. The cost comprises of an item of PPE comprises of its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to working condition for its intended use, any trade discounts and rebates are deducted in ariving at the purchase price.

Subsequently these are measured at cost model and depreciation is charged using reducing balance method an item of PPE is derecognized when it is dispose off or no future economic benefits are expected from the assets. The gain or loss arising from the derecognition of an item of PPE shall be included in profit or loss when the item is derecognized. Day to day cost of an item of PPE are recognized in profit or loss in the period in which cost are incurred. Subsequent cost which meet the recognition criteria are included in the assets carrying amount recognized as a separate asset. Depreciation is charged using reducing balance method. Depreciation on additions is charged on usage basis.





**Disbursement**Expenses are charged at the fair value of the consideration paid and is recognized as payment as and when paid.

#### 3.3 Cash and cash equivalents

3.2

Cash and cash equivalents comprises cash in hand, cash at bank on current account and other short term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

#### 3.4 Impairment of non-financial assets other than inventories

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

# 3.5 Impairment of financial assets other than trade receivables

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

#### 3.6 Trade and other payables

Trade payables are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

#### 3.7 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 3.8 Borrowing costs

Borrowing costs are recognised on the basis of the effective interest method. All borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.





3.9	Income recognition
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Income from fund raising activities is recognized on accrual basis.

Donations and zakat are recognized when the entitlement of the organization is established i.e when the amounts received

#### 3.10 Grants

Grants are initially recognized at fair value if there is reasonable assurance that they will be received and the trust will comply with the conditions associated with the grants and they are then recognized in the income and expenditure account.

		Note	2022 Rupees	2021 Rupees
4	Property Plant and Equipment			
	Property plant and equipment	4.1	734,895	351,950
5	Advances & Deposits			
	Advance income tax	5.1	3,715	
	Advance to employees	5.2	22,000	
			25,715	·
5.1	Advance income tax relates to the tax deducted by storm fi	bre internet bill, which is adjustable.		
5.2	This relates to the advance given to an employee, which is	adjustable against salary during the	year.	
6	Cash and Bank Balances			
	Cash in hand		13,020	11,395
	Cash at bank-Current account		1,349,248	512,286
			1,362,268	523,681
7	Other Payables			
	Audit fee payable		10,000	10,000
	Salary payable		310,000	321,000
			320,000	331,000
8	Donations			
	General funds	8.1	8,455,183	4,269,657
	Specific funds	8.2	865,950	489,826
			9,321,133	4,759,483
8.1	It includes the donations given by related party disclsoed in	n note # 13 and other local donors.		
8.2	Specific funds			
	Vocational Training Campus			96,416
	Awareness & Plantation program			81,310
	Blanket drive			148,390
	Women campaign			42,862
	16 Days of Activism			38,208
	Ramzan campaign		736,750	
	Students fee		129,200	
	Talisman- winter clothes			
	distribution			82,640
			865,950	489,826





9	General and adminstrative Expenses			
•	Salaries		892,350	401,400
	Office expenses		22,625	79,658
	Internet expenses		46,542	-
	Legal expenses		68,945	86,300
	Printing & stationery expenses		61,393	98,797
	Travelling expenses		33,684	16,648
	Postage & courier		41,736	650
	AGM expenses		1,500	7,651
	Entertainment		85,030	60,385
	Repair & maintenance		22,540	3,500
	Audit fee		10,000	10,000
	Depreciation	4.1	44,068	20,500
	Miscellaneous		47,566	7,800
	moonunioodo		1,377,979	- 793,289
			2022	2021
		Note	Rupees	Rupees
40	Callian and distribution assessed			
10	Selling and distribution expenses			40,043
	Facebook post charges			40,043
11	General Operating Expenses			
	Kafalat Program			
	Income support to		835,847	544,238
	underprivileged			
	Medical support		292,166	174,161
	Income support to widows		512,692	278,523
			1,640,706	996,922
	Skill Development			
	Hunarmand Qaum Vocational Training Campus-I		910,563	1,121,514
	Hunarmand Qaum Vocational Training Campus-II		212,298	
			1,122,861	1,121,514
	Environment			
	Awareness & Plantation program		10,680	159,809
	Education			,00,000
	Tahira Zaman Education Project		101,800	
	Tanıra Zaman Education Project		101,800	
	Charity Distribution			
	Ramzan campaign		1,630,187	544,590
	Blanket drive		.,000,101	203,390
	Talisman- winter clothes			123,640
	distribution			123,040
	diddiddid		1,630,187	871,620
	Publications			011,020
	Newsletters		89,500	
	Advocacy Compaign			
	16 Days of Activism			140,243
	Women campaign			168,228
				100,228
	Salary- project staff		2,082,150	
			2,082,150	308,471
			6,677,884	3,458,336





12 Finance cost
Bank charges

7,024

2,744

#### 13 Related Party Transactions

Related parties comprise associated companies, companies where directors also hold directorship, retirement benefits fund and key management personnel. Significant transactions with related parties during the year are as under:

Name of the Related Party	Relationship with company	Nature of transaction	2022 Rupees	2021 Rupees
Misbah Momin	President	Donation	4,252,910	3,597,663
Momin Qamar	President husband	Donation	1,008,860	40,000
Ali alam Qamar	President son	Donation	310,000	20,000
Seven world view (Smc-Pvt.)Ltd.	Director/Chief executive	Donation	20,000	
			5.591,770	3,657,663

#### 14 NUMBER OF EMPLOYEES

The total number of employees of the Company as at June 30, 2022 are ten.

### 15 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved by the Central Board of Management of the Society and authorized for issue on August 13, 2022

#### 16 GENERAL

Figures have been rounded off to the nearest rupee.

PRESIDENT USBULLOTIN.

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CECRETARY



MISBAH MOMIN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ending June 30, 2022

**FOUNDATION** 

# 4.1 Operating fixed assets schedule

Particulars	Furniture & Fixture	Office Equipment	IT Equipment	Motor Vehicle	Total
Cost					
Balance as at July 01, 2020	75,600	-	-	-	75,600
Additions	30,000	182,300	105,050		317,350
Disposals		-		-	
Balance as at June 30, 2021	105,600	182,300	105,050	•	392,950
Balance as at July 01, 2021	105,600	182,300	105,050		392,950
Additions	29,200	305,350	65,000	71,530	471,080
Disposals	-			-	
Cost as at June 30, 2022	134,800	487,650	170,050	71,530	864,030
Depreciation rate in percentage	10	10	30	15	
Depreciation as at July 01, 2021	9,060	10,281	21,659		41,000
Charge for the year	12,242	35,934	39,065	894	88,135
Depreciation as at July 01, 2022	21,302	46,215	60,724	894	129,135
Balance as at June 30, 2022	113,498	441,435	109,326	70,636	734,895
4.2 Allocation of depreciation					
Project (underprivileged, widow, medical)	6,121	17,967	19,533	447	44,068
Administration expenses	6,121	17,967	19,533	447	44,068
	12,242	35,934	39,065	894	88,135

