



Tahir Siddiqi & Co.  
Chartered Accountants



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

### OPINION

We have audited the financial statements of **MISBAH MOMIN FOUNDATION** (the Organization) which comprise the statement of financial position as at 30th June, 2021, and the income and expenditure account, cash flow statement and statement of changes in funds 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 30th June, 2021, its income and expenditure for the year then ended in accordance with the 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 Organization 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.

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

The Board of Trustees is 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 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, Board of Trustees is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

1/3/2021



Those charged with governance are responsible for overseeing the Organization 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 Organization'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 Organization'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 Organization 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.

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Tahir Siddiqi & Co  
Chartered Accountants



Date: August 13, 2021

Lahore

Engagement Partner  
(Muhammad Tahir Siddiqi)

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# Misbah Momin Foundation

MISBAH MOMIN FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2021

		2021	2020
	Note	Rupees	Rupees
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	4	351,950	75,600
<b>CURRENT ASSETS</b>			
Cash and bank balances	5	523,681	3,960
		<u>875,631</u>	<u>79,560</u>
<b>FUNDS &amp; LIABILITIES</b>			
Accumulated Surplus		544,631	79,560
<b>CURRENT LIABILITIES</b>			
Salaries and Other Payables	6	331,000	-
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>875,631</u>	<u>79,560</u>

The annexed notes 1 to Notes 11 form an integral part of these financial statements.

  
PRESIDENT



  
FINANCE SECRETARY




# Misbah Momin Foundation

## MISBAH MOMIN FOUNDATION STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 General fund	2020 General fund
<b>INCOME</b>			
Donations	7	4,759,483	795,000
<b>EXPENSES</b>			
General Operating Expenses	8	3,458,336	705,000
Administration Expenses	9	793,289	93,350
Advertisement Expenses		40,043	
		<b>4,291,668</b>	<b>798,350</b>
Financial Charges		2,744	-
<b>Surplus / (Deficit) for the year</b>		<b>465,071</b>	<b>(3,350)</b>

The annexed notes 1 to Notes 11 form an integral part of these financial statements.

  
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 PRESIDENT



  
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 FINANCE SECRETARY



## Misbah Momin Foundation

### MISBAH MOMIN FOUNDATION STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	Unrestricted General fund	Total
	-----Rupees-----	
<b>Balance as at June 30, 2019</b>	82,910	82,910
Comprehensive income		
Surplus (Deficit) for the year	(3,350)	(3,350)
Other comprehensive income		-
Total comprehensive income (Loss)	(3,350)	(3,350)
<b>Balance as at June 30, 2020</b>	79,560	79,560
Comprehensive income		
Surplus for the year	465,071	465,071
Other comprehensive income		
Total comprehensive income	465,071	465,071
<b>Balance as at June 30, 2021</b>	<b>544,631</b>	<b>544,631</b>

The annexed notes 1 to Notes 11 form an integral part of these financial statements.

  
PRESIDENT



  
FINANCE SECRETARY




# Misbah Momin Foundation

## MISBAH MOMIN FOUNDATION STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Surplus (Deficit) for the year		465,071	(3,350)
Adjustment for non-cash items			
Depreciation	4.2	41,000	-
Financial charges		2,744	-
		<u>43,744</u>	
Operating profit before working capital changes		508,815	(3,350)
Working capital changes			
Salaries and Other Payables	6	331,000	-
		<u>331,000</u>	
Cash generated from operations		839,815	(3,350)
Finance cost paid		<u>(2,744)</u>	
Net cash from operating activities		837,071	(3,350)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets	4.1	(317,350)	-
Net cash used in investing activities		<u>(317,350)</u>	
Net increase/(decrease) in cash & cash equivalents		519,721	(3,350)
Cash and cash equivalents at the beginning of year		3,960	7,310
Cash and cash equivalents at the end of year		<u>523,681</u>	<u>3,960</u>

The annexed notes 1 to Notes 11 form an integral part of these financial statements.

  
PRESIDENT



  
FINANCE SECRETARY



# Misbah Momin Foundation

## MISBAH MOMIN FOUNDATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ending June 30, 2021

### 1 GENERAL INFORMATION

- 1.1 MISBAH MOMIN FOUNDATION was 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 Lahore Cantt. The primary objective of the organization is to promote, initiate, encourage, undertake and contribute towards the relief of poverty, sickness, advancement of education and vocational training, provide financial assistance, goods and services to needy persons for improvement of their socio economic conditions including education, health care and hospitalization, etc.
- 1.2 The financial statements are presented in Pak Rupees, which is functional and presentation currency of the society.

### 2 STATEMENT OF COMPLIANCE AND SIGNIFICANT ESTIMATES

#### 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 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 shall prevail.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 BASIS OF PREPARATION

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

#### 3.2 DISBURSEMENT

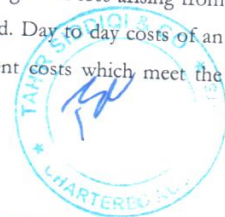
Expenses are charged at the fair value of the consideration paid and is recognized as payment as and when paid.

#### 3.3 CASH AND CASH EQUIVALENTS

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 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 if 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 arriving 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 disposed off or no future economic benefits are expected from the asset. 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 costs of an item of PPE, are recognized in Profit or loss in the period in which costs are incurred. Subsequent costs which meet the recognition criteria are included in the assets carrying amount or recognized as a separate asset.







## Misbah Momin Foundation

Depreciation is charged using reducing balance method on full year basis. Depreciation is charged for full year in the year of addition and no depreciation is charged in the year of disposal.

### 3.7 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 judgments have been made  
-Useful lives, residual values and depreciation method of Property, Plant and equipment.

### 3.8 Income Recognition

Income from fund raising activities is recognized on cash basis.

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

### 3.9 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	2021 Rupees	2020 Rupees
<b>4 Fixed Assets</b>			
Fixed Assets		351,950	75,600
<b>5 Cash &amp; Bank</b>			
Cash in hand		11,395	3,960
Cash at bank		512,286	-
		<b>523,681</b>	<b>3,960</b>
<b>6 Salaries and Other Payables</b>			
Audit Fee Payable		10,000	-
June salary		321,000	-
		<b>331,000</b>	-
<b>7 Donations</b>			
General funds		4,269,657	795,000
Specific funds		489,826	-
		<b>4,759,483</b>	<b>795,000</b>
<b>7.1 Specific donations</b>			
Vocational Training Institute		96,416	-
Tree, Tree and Trees		81,310	-
Blanket Drive		148,390	-
Women Campaign		42,862	-
16 Days of Activism		38,208	-
Talisman		82,640	-
		<b>489,826</b>	-





## Misbah Momin Foundation

### 8 General Operating Expense

Income Support To Needy	544,238	375,000
Medical Support To Poor	174,161	230,000
Ramzan Campaign	544,590	-
Widows & Orphans	278,523	100,000
VII	1,121,514	-
Tress, Tree & Trees	159,809	-
Blanket Drive	203,390	-
Women Campaign	168,228	-
16 Days of Activism	140,243	-
Talisman	123,640	-
	<b>3,458,336</b>	<b>705,000</b>

### 9 Admin Expenses

Salaries	401,400	80,000
Office Expenses	79,658	-
Legal expenses	86,300	-
Printing and Stationary	98,797	3,850
Travelling exp	16,648	4,500
Postage & courier	650	-
AGM Exp	7,651	-
Entertainment	60,385	-
Repair & maintenance	3,500	-
Audit fee	10,000	5,000
Depreciation	20,500	-
Misc.	7,800	-
	<b>793,289</b>	<b>93,350</b>

### 10 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, 2021.

### 11 GENERAL

Figures have been rounded off to the nearest rupee.

  
PRESIDENT



  
FINANCE SECRETARY



## Misbah Momin Foundation

### MISBAH MOMIN FOUNDATION

For the Year Ending June 30, 2021

#### 4.1 Operating fixed assets schedule

Particulars	Furniture & Fixture	Office Equipment	IT Equipment	Total
<b>Cost</b>				
Balance as at July 01, 2019	75,600			75,600
Additions				-
Disposals				-
<b>Balance as at June 30, 2020</b>	<b>75,600</b>	<b>-</b>	<b>-</b>	<b>75,600</b>
Balance as at July 01, 2020	75,600	-	-	75,600
Additions	30,000	182,300	105,050	317,350
Disposals				-
<b>Balance as at June 30, 2021</b>	<b>105,600</b>	<b>182,300</b>	<b>105,050</b>	<b>392,950</b>
<b>Depreciation</b>				
<b>Balance as at June 30, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Balance as at July 01, 2020	-	-	-	-
On opening	7,560			7,560
Additions	1,500	10,281	21,659	33,440
Disposals				-
<b>Balance as at June 30, 2021</b>	<b>9,060</b>	<b>10,281</b>	<b>21,659</b>	<b>41,000</b>
<b>Carrying amounts</b>				
As at June 30, 2021	96,540	172,019	83,391	351,950
As at June 30, 2020	75,600	-	-	75,600
<b>Rate of depreciation (%)</b>	<b>10%</b>	<b>10%</b>	<b>30%</b>	

#### 4.2 Allocation of depreciation

	2021 Rupees	2020 Rupees
Project (Needy)	6,833	-
Project (Medical)	6,833	-
Project (Widow)	6,834	-
Admin	20,500	-
	<b>41,000</b>	<b>-</b>

