

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of **Hidayat Jumani Welfare Trust**, which comprises the statement of financial position as at June 30, 2021, and statement of income and expenditure, statement of changes in net assets 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 Hidayat Jumani Welfare Trust as at June 30, 2021, and 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 our opinion.

Responsibilities of Management of the Trust 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 controls as the Board Trustees determine are 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 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.

The Board of Trustees is responsible for overseeing the Trust'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 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's 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 Board of Trustees 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.

Reanda Haroon Zakaria & Co
Reanda Haroon Zakaria & Company
Chartered Accountants

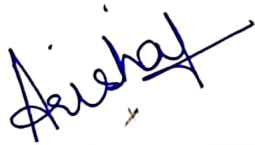
Engagement Partner:
Muhammad Yameen

Place: Karachi
Dated: 06 OCT 2021

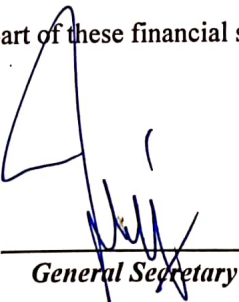
HIDAYAT JUMANI WELFARE TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	<i>Note</i>	<i>2021 Rupees</i>	<i>2020 Rupees</i>
<u>ASSETS</u>			
Fixed assets	4	612,251	765,313
Current Assets			
Advances and prepayments	5	336,132	295,132
Cash and cash equivalent	6	193,892	339,596
		530,024	634,728
Total Assets		1,142,275	1,400,041
 <u>FUND AND LIABILITIES</u>			
Trust Fund			
Opening balance		1,343,641	767,493
(Deficit) / surplus for the year		(266,706)	576,148
		1,076,935	1,343,641
Current Liabilities			
Accrued expenses	7	65,340	56,400
Total Fund and Liabilities		1,142,275	1,400,041


The annexed notes from 1 to 10 forms an integral part of these financial statements



 Treasurer



 General Secretary

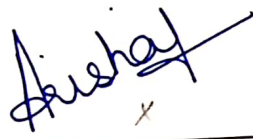


 Chairman

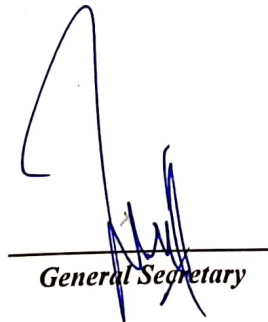
HIDAYAT JUMANI WELFARE TRUST
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2021

	<i>Note</i>	2021 Rupees	2020 Rupees
Income			
Donations		19,080,075	19,785,416
Expenditure			
Salaries, allowances & benefits		4,009,655	3,861,859
Social welfare activities		8,330,803	8,034,633
Charity & donation		4,679,603	4,691,710
Printing & stationery		47,860	12,200
Ambulance running expenses		1,230,837	1,621,060
Advertisement		10,000	-
Insurance		31,335	26,250
Office expenses		253,356	586,934
Audit fee		65,340	55,000
Bank & WHT charges		52,430	61,458
Legal and professional charges		330,000	-
Miscellaneous and general expenses		152,500	79,555
Depreciation	4	153,062	178,609
		19,346,781	19,209,268
(Deficit) / Surplus for the year		(266,706)	576,148

The annexed notes from 1 to 10 forms an integral part of these financial statements



Treasurer



General Secretary

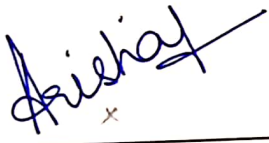


Chairman

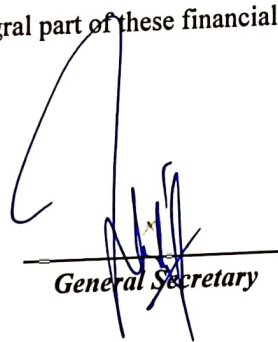
**HIDAYAT JUMANI WELFARE TRUST
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2021**

	<i>Net Assets Rupees</i>
Balance as at July 01, 2019	767,493
Surplus for the year	576,148
Balance as at June 30, 2020	<u>1,343,641</u>
Deficit for the year	(266,706)
Balance as at June 30, 2021	<u><u>1,076,935</u></u>

The annexed notes from 1 to 10 forms an integral part of these financial statements



Treasurer



General Secretary

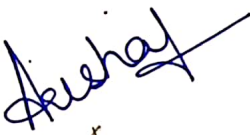


Chairman

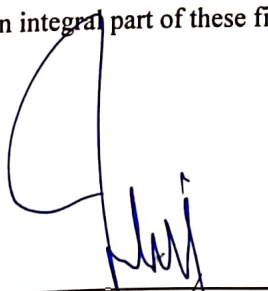
HIDAYAT JUMANI WELFARE TRUST
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2021

	2021 Rupees	2020 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
(Deficit) / Surplus for the year	(266,706)	576,148
Adjustment for:		
Depreciation	<u>153,062</u>	<u>178,609</u>
Cash flow from operating activities before working capital changes	<u>(113,644)</u>	<u>754,757</u>
Changes in working capital		
(Increase)/decrease in current assets:		
Advances & prepayments	(41,000)	28,000
Increase/(decrease) in current liabilities:		
Accrued liabilities	8,940	6,400
Temporary bank over draft	-	(394,061)
	<u>(32,060)</u>	<u>(359,661)</u>
Cash (used in) / generated from operating activities	<u>(145,704)</u>	<u>395,096</u>
 B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase motorcycle	-	(55,500)
Cash used in investing activities	<u>-</u>	<u>(55,500)</u>
Net (decrease) / increase in cash and cash equivalents	(145,704)	339,596
Cash and cash equivalents at the beginning of the year	339,596	-
Cash and cash equivalents at the end of the year	<u><u>193,892</u></u>	<u><u>339,596</u></u>

The annexed notes from 1 to 10 forms an integral part of these financial statements



 Treasurer



 General Secretary



 Chairman

HIDAYAT JUMANI WELFARE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2021

1 STATUS AND ACTIVITIES

The HIDAYAT JUMANI WELFARE TRUST having its registered office at 3rd Floor, 15-C, 9th Commercial Lane, Zamzama, DHA, Phase-V, Karachi was established through the deed of Declaration of Welfare Trust duly registered vide R. No. 200, dated 09-05-2009 by Sub-Registrar-I, Clifton Town, Karachi.

The aims, Objectives and purpose of the Hidayat Jumani Welfare Trust are to promote and advance the public charitable causes, without any discrimination as to religion, nationality, cast, colour, status or sex and to plan charitable hospitals, free ambulance services, free educational institutes, vocational centres, distribution of Quran and other Islamic literatures etc. and other charitable activities for the welfare of human beings.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with Guidelines for Accounting and Financial reporting by Non-Government Organizations (NGOs) / Non-Profit Organization (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

2.2 Basis of measurement

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

2.3 Functional and presentation currency

The financial statements are presented in Pak rupees, which is Trusts' functional and presentation currency.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Fixed Assets

The trust is involved in welfare activities. It does not however own and maintain fixed assets except ambulance. Depreciation is charged to income and expenditure account on reducing balance method.

3.2 Liabilities

Liabilities are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the trust.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks.

3.4 Revenue recognition

Income are recorded on charities & donation on realization basis.

3.5 Expenses

All expenses are recognized in the income and expenditure account on accrual basis.

3.6 Taxation

Provision for taxation is based on current applicable rate of tax and exemptions, tax credits if any applicable as per Income Tax Ordinance, 2001

3.7 Related party transactions

All transactions with related parties are carried out by the Company at arms' length price using the admissible pricing method.

FIXED ASSETS

Vehicle - Ambulance

	COST				Rate	DEPRECIATION			W.D.V as at 30/06/2021
	As at 30/06/2020	Addition	As at 30/06/2021			As at 30/06/2020	For the year	As at 30/06/2021	
	----- Rupees -----					----- Rupees -----			
	2,224,500	-	2,224,500	20%	1,459,187	153,063	1,612,249	612,251	
Total 2021	2,224,500	-	2,224,500		1,459,187	153,063	1,612,249	612,251	
Total 2020	2,169,000	- 55,500	2,224,500		1,280,578	178,609	1,459,187	765,313	

2021
Rupees

2020
Rupees

5 ADVANCES AND PREPAYMENTS

Advance income tax	166,132	166,132
Advance to supplier/staff	170,000	129,000
	336,132	295,132

6 CASH AND CASH EQUIVALENTS

Cash at bank (UBL) - Current account	193,892	339,596
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7 ACCRUED EXPENSES

	65,340	56,400
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8 TRANSACTIONS WITH RELATED PARTY

The related parties comprise of associated undertakings on the basis of common directorship, associates, Directors, Chief Executive and key management personnel. All transactions with associated undertakings are carried out on an arm's length basis.

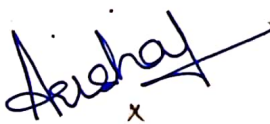
<i>Name of Related Party</i>	<i>Relationship</i>	<i>Nature of Transaction</i>	<i>2021</i>	<i>2020</i>
			----- Rupees -----	
Khairpur Sugar Mills Limited	Associated Company	Receipt of loan	480,900	-
		Repayment of loan	480,900	-

9 DATE OF AUTHORIZATION

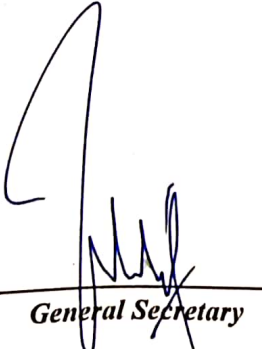
These financial statements were authorized and approved for issue on 06 OCT 2021 by the Board of Trustees of the Trust.

10 GENERAL

- i) These account are based on the record / information and explanations as provided by the trust management.
- ii) Figures have been rounded off to the nearest rupee.



Treasurer



General Secretary



Chairman