

# **Arif Habib Foundation**

**Financial Statements**  
**For the year ended June 30, 2014**

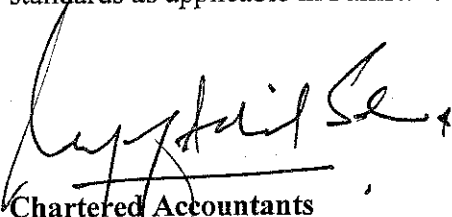
## AUDITORS' REPORT TO THE BOARD OF GOVERNORS

We have audited the annexed balance sheet of **Arif Habib Foundation** (the Foundation) as at June 30, 2014 and the related income and expenditure account, cash flow statement and Statement of Changes in Accumulated Fund together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year then ended.

It is the responsibility of the Board of Governors to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by the management, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements present fairly in all material respects the financial position of the Foundation as at June 30, 2014 and of its surplus/deficit and cash flows and Statement of Changes in Accumulated Fund for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.



Chartered Accountants

**Engagement Partner:**  
Mushtaq Ali Hirani

**Dated: October 09, 2014**  
**Karachi**

## **ARIF HABIB FOUNDATION**

### **Directors' Report**

**For the Year ended 30<sup>th</sup> June 2014**

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The Board of Directors is pleased to submit the Annual Accounts of **Arif Habib Foundation'** (a Company registered under section 42 of the Companies Ordinance 1984 as a non-profit organization without having share capital) for the year ended 30<sup>th</sup> June 2014.

#### **Financial Results**

By the grace of Almighty Allah, Arif Habib Foundation has disbursed Rs 19.53 million in the form of donations during the financial year ended June 30, 2014. The disbursements were made to diversified institutions / individuals for the purposes of medical treatment, educational support and other welfare activities.

#### **The Future**

Arif Habib Foundation is striving hard for increasing its welfare activities in the years to come. The particular areas where the Company is focused are educational / medical support.

#### **Acknowledgement**

In the end, we are very grateful for our Donors, well wishers, bankers and employees for their continued support.

**For and on behalf of the Board**

Karachi

9<sup>th</sup> October 2014



**Arif Habib**

Chief Executive

**ARIF HABIB FOUNDATION  
BALANCE SHEET  
AS AT JUNE 30, 2014**

	<i>2014 Rupees</i>	<i>2013 Rupees</i>
<b>CURRENT ASSET</b>		
Bank balance in current account	352,102	1,052,331
<b>CURRENT LIABILITY</b>		
Accrued expense	<u>27,500</u>	<u>27,500</u>
Net assets	<u>324,602</u>	<u>1,024,831</u>
<b>REPRESENTED BY</b>		
Accumulated fund	<u>324,602</u>	<u>1,024,831</u>

The annexed notes form an integral part of these financial statements

*WAS*

*Amjad Ali*

**CHIEF EXECUTIVE OFFICER**

*Kohir*

**DIRECTOR**

**ARIF HABIB FOUNDATION**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<i>2014</i> <i>Rupees</i>	<i>2013</i> <i>Rupees</i>
<b>INCOME</b>		
Donations received	19,500,000	15,550,000
<b>EXPENDITURE</b>		
Salaries and benefits	632,400	1,618,500
Fees	13,625	18,540
Bank charges	1,800	210
Audit fee	25,000	25,000
	(672,825)	(1,662,250)
	18,827,175	13,887,750
Grants and donations paid	(19,527,404)	(12,888,278)
<b>(Deficit) / surplus for the year</b>	(700,229)	999,472

The annexed notes form an integral part of these financial statements

*Arif Habib*

*Arif Habib*  
**CHIEF EXECUTIVE OFFICER**

*Kohij*  
**DIRECTOR**

**ARIF HABIB FOUNDATION**  
**STATEMENT OF CHANGES IN ACCUMULATED FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<i>General Fund</i>	<i>Accumulated (deficit)/surplus</i>	<i>Total</i>
	-----Rupees-----		
Balance at July 1, 2012	250,000	(224,641)	25,359
Surplus for the year	-	999,472	999,472
Balance at June 30, 2013	250,000	774,831	1,024,831
Deficit for the year	-	(700,229)	(700,229)
Balance at June 30, 2014	250,000	74,602	324,602

The annexed notes form an integral part of these financial statements

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**CHIEF EXECUTIVE OFFICER**

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**DIRECTOR**

**ARIF HABIB FOUNDATION  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2014**

	2014 Rupees	2013 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Deficit) / surplus for the year	(700,229)	999,472
Net (decrease) / increase in cash and cash equivalents	(700,229)	999,472
Cash and bank balances at the beginning of the year	1,052,331	52,859
Cash and bank balances at the end of the year	352,102	1,052,331

The annexed notes form an integral part of these financial statements

*per AS*

*Amir Habib*

**CHIEF EXECUTIVE OFFICER**

*Kohi*  
**DIRECTOR**

**ARIF HABIB FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**1. STATUS AND ACTIVITIES**

**1.1** Arif Habib Foundation (the Foundation) is a Company limited by guarantee incorporated in Pakistan on June 18, 2008 under section 42 of the Companies Ordinance, 1984. The registered office of the Foundation is situated in Karachi in the province of Sindh. The Foundation is formed for educational, health and other welfare activities.

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the guidelines for Accounting and Financial Reporting by Non-government / non-Profit Organisations as issued by the Institute of Chartered Accountants of Pakistan.

**3. BASIS OF MEASUREMENT**

**3.1** These financial statements have been prepared under 'historical cost convention'.

**3.2** The financial statements are presented in Pak Rupees, which is also the Foundation's functional currency.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**4.1 Provisions**

Provisions are recognised when the Foundation has a present, legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

**4.2 Cash and cash equivalent**

Cash and cash equivalents consists of balance with a bank.

**4.3 Taxation**

The Foundation is exempt from Income Tax under clause 58,59 and 60 of Part I of Second Schedule of Income Tax Ordinance, 2001.

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#### 4.4 Revenue recognition

Income is recognised on accrual basis.

Donation received are accounted for on receipt basis.

Donation and Zakat received in kind are recognised at its fair value.

#### 4.5 Financial instruments

Financial assets and liabilities are recognised when the Foundation becomes a party to the contractual provisions of the instrument and de-recognised when the Foundation loses control of the contractual rights that comprise the financial asset and in case of financial liability when the obligation specified is discharged, cancelled or expired.

#### 4.6 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is set off and the net amount reported in the balance sheet, if the Foundation has a legal enforceable right to set off the transaction and also intends either to settle on net basis or to realize the asset and settle the liability simultaneously.

### 5 DATE OF AUTHORIZATION

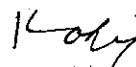
These financial statements have been approved by the board of directors of the Foundation and authorised for issue on 09 OCT 2014.

### 6 GENERAL

Figures have been rounded off to nearest Rupee



CHIEF EXECUTIVE OFFICER

  
DIRECTOR