



KPMG Taseer Hadi & Co.

Sahil Welfare Association

Financial Statements

**For the year ended
30 June 2018**



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REPORT

To the members of Sahil Welfare Association

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Sahil Welfare Association** (the Association), which comprise the statement of financial position as at 30 June 2018, and the income and expenditure statement, the statement of comprehensive income, the statement of changes in funds and reserves, 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, income and expenditure statement, statement of comprehensive income, the statement of changes in funds and reserves and 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 Association's affairs as at 30 June 2018 and of the surplus and other comprehensive loss, the changes in funds and reserves 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 Association 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the Other Information. The Other Information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.



KPMG Taseer Hadi & Co.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Association'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.



KPMG Taseer Hadi & Co.

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 Association'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 Association'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 Association 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.



KPMG Taseer Hadi & Co.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Association as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the income and expenditure statement, the statement of comprehensive income, the statement of changes in funds and reserves and the 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 the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Association'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 auditor's report is **Muhammad Taufiq**.

Date: 10th OCT 2015

Karachi

KAMS Taseer Hadi
KPMG Taseer Hadi & Co.
Chartered Accountants

Sahil Welfare Association

(A company set up under section 42 of the Companies Act, 2017)

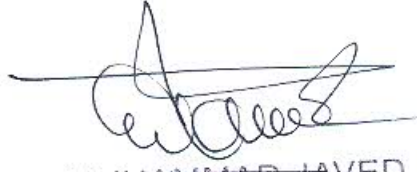
Statement of Financial Position

As at 30 June 2018

	Note	2018 (Rupees)	2017
ASSETS			
Non-current assets			
Property and equipment	4	2,971	20,796
Current assets			
Advance tax		66,484	57,683
Accrued profit on bank deposit		11,224	8,860
Short term investment	5	4,434,417	4,515,228
Cash and bank balances	6	5,221,228	5,101,492
Net assets		<u>9,736,324</u>	<u>9,704,059</u>
REPRESENTED BY:			
Accumulated surplus		<u>9,736,324</u>	<u>9,704,059</u>
Contingencies and Commitments	7		

The annexed notes 1 to 20 form an integral part of these financial statements.


Chief Executive Officer
SYED IMDAD IMAM JAFRI HI(M)
Rear Admiral (Retd)
Deputy Managing Director
(Commercial Business)
BAHRIA FOUNDATION


MUHAMMAD JAVED
Director
Commodore (Retd)
Director Finance
Bahria Foundation

Sahil Welfare Association

(A company set up under section 42 of the Companies Act, 2017)

Income and Expenditure Statement

For the year ended 30 June 2018

	Note	2018 (Rupees)	2017
INCOME			
Donations	8	2,982,830	2,306,428
Zakat receipts for people of coastal areas		3,021,700	6,376,550
Profit on bank account		93,374	132,138
Other income		-	210,000
		6,097,904	9,025,116
EXPENDITURE			
Administrative expense	9	591,790	409,464
Educational welfare expenses	10	250,000	217,300
Environmental relief expenses	11	4,693,000	2,392,100
Health relief expenses	12	100,038	180,000
Other relief expenses	13	350,000	400,000
		5,984,828	3,598,864
Surplus transferred to fund account		113,076	5,426,252

The annexed notes 1 to 20 form an integral part of these financial statements.

KfM


Chief Executive Officer
SYED IMDAD IMAM JAFRI HI(M)
Rear Admiral (Retd)
Deputy Managing Director
(Commercial Business)
BAHRIA FOUNDATION


MUHAMMAD JAVED
Director
Common Director
Director Finance
Bahria Foundation

Sahil Welfare Association

(A company set up under section 42 of the Companies Act, 2017)

Statement of Comprehensive Income

For the year ended 30 June 2018

	2018 (Rupees)	2017
Surplus of income over expenditure for the year	113,076	5,426,252
Unrealized (loss) / gain on remeasurement of available for sale investments	(80,811)	15,228
Other comprehensive income for the year	(80,811)	15,228
Total comprehensive income for the year	<u>32,265</u>	<u>5,441,480</u>

The annexed notes 1 to 20 form an integral part of these financial statements.

KOM


Chief Executive Officer
SYED IMDAD IMAM JAFRI (M)
Rear Admiral (Retd)
Deputy Managing Director
(Commercial Business)
BAHRIA FOUNDATION


Director
MUHAMMAD JAVED
Commodore (Retd)
Director Finance
Bahria Foundation

Sahil Welfare Association

(A company set up under section 42 of the Companies Act, 2017)

Statement of Changes in Funds and Reserves

For the year ended 30 June 2018

	2018 (Rupees)	2017
Opening balance	9,704,059	4,262,579
Total comprehensive income for the year		
Surplus of income over expenditure for the year	113,076	5,426,252
Other comprehensive income	(80,811)	15,228
	32,265	5,441,480
Balance as at 30 June	9,736,324	9,704,059

The annexed notes 1 to 20 form an integral part of these financial statements.

km


Chief Executive Officer


Director

MUHAMMAD JAVED
Commodore (Retd)
Director Finance
Bahria Foundation

