

# **Sahil Welfare Association**

Financial Statements for the  
Year Ended June 30, 2022

## 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 Company), which comprise of the statement of financial position as at June 30, 2022, the statement of income and expenditure and other 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, statement of income and expenditure and other 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 Company's affairs as at June 30, 2022 and of the income and expenditure, the changes in funds and reserve 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 Company 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

In connection with our audit of the financial statements of the Company, we have been advised by the management that there is no other information that is attached by them along with the financial statements and our auditor's report thereon, therefore, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company'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 Company'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 Company'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 Company 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.

#### **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 Change as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure and other comprehensive income, 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 Company'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 Shafqat Ali.

  
**Chartered Accountants**  
Place: Karachi  
Dated: May 09, 2023

UDIN: AR202210186XzUxaeJo1

SAHIL WELFARE ASSOCIATION  
(A COMPANY SETUP AS LIMITED BY GUARANTEE UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2022

	Note	2022 ----- (Rupees) -----	2021 -----
<b>ASSETS</b>			
<b>Non - current assets</b>			
Long term investment	4	-	7,000,000
<b>Current assets</b>			
Advance tax	5	655,682	314,257
Accrued profit	6	170,951	102,840
Short term investment	6	11,371,269	4,371,269
Bank balances	7	15,307,015	15,167,843
		<u>27,504,917</u>	<u>19,956,209</u>
<b>TOTAL ASSETS</b>		<u><b>27,504,917</b></u>	<u><b>26,956,209</b></u>
<b>FUND AND LIABILITIES</b>			
<b>Fund and reserve</b>			
Accumulated surplus - unrestricted		19,848,322	20,833,329
Accumulated surplus - restricted		7,562,880	6,122,880
		<u>27,411,202</u>	<u>26,956,209</u>
<b>LIABILITIES</b>			
<b>Current liability</b>			
Accrued liabilities		93,715	-
		<u>93,715</u>	<u>-</u>
<b>TOTAL FUND AND LIABILITIES</b>		<u><b>27,504,917</b></u>	<u><b>26,956,209</b></u>
Contingencies and commitments	8		

The annexed notes 1 to 21 form an integral part of these financial statements.

MP

  
Chief Executive Officer

  
Director

