

**AL-SHEAH FOUNDATION  
(LIMITED BY GUARANTEE)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2016**

RAFAQAT MANSHA  
MOHSIN DOSSANI  
MASOOM & CO  
Chartered Accountants

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### AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **AL-SEHAH FOUNDATION (LIMITED BY GUARANTEE)** as at **30 June 2016**, the related income and expenditure account and the statement of cash flows together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Foundation's Management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

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

- a) in our opinion, proper books of account have been kept by the Foundation as required by the Companies Ordinance, 1984;
- b) in our opinion-
  - (i) the balance sheet, the income and expenditure account and statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies.
  - (ii) the expenditure incurred during the year was for the purpose of the Foundation; and
  - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Foundation;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, the income and expenditure account and the statement of cash flows together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Foundation affairs as at **30 June 2016** and of the deficit for the year then ended; and
- d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Date: 30 September 2016  
Karachi

*Rafaqat Mansha Mohsin Dossani Masoom & Co.*  
**Rafaqat Mansha Mohsin Dossani Masoom & Co.**  
Chartered Accountants  
Engagement Partner  
Ahmed Umer Galaria



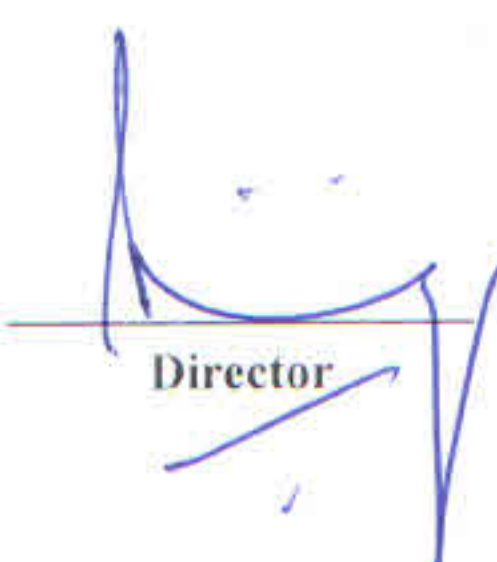
**AL-SEHAH FOUNDATION  
(LIMITED BY GUARANTEE)  
BALANCE SHEET  
AS OF 30 JUNE 2016**

	Notes	2016 RUPEES	2015 RUPEES
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Advance tax		600	
Cash and bank balances	3	956,300	1,000,400
<b>TOTAL ASSETS</b>		<u>956,900</u>	<u>1,000,400</u>
<b>REPRESENTED BY:</b>			
<b>FUNDS AND LIABILITIES</b>			
<b>GENERAL FUND</b>			
Accumulated surplus		941,900	985,400
<b>CURRENT LIABILITIES</b>			
Accrued expenses		15,000	15,000
<b>CONTINGENCIES AND COMMITMENTS</b>			
	4	-	-
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>956,900</u>	<u>1,000,400</u>

*RmOm*

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

  
Chief Executive

  
Director

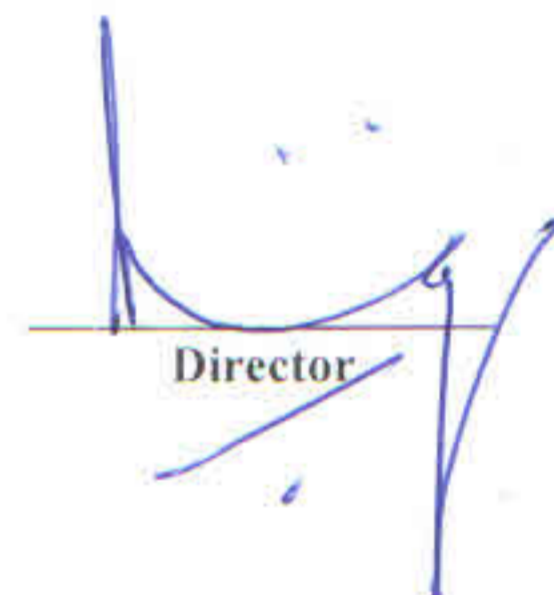
**AL-SEHAH FOUNDATION  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED ON 30 JUNE 2016**

	2016 RUPEES	24 Oct 2014 to 30 June 2015 RUPEES
<b>INCOME</b>		
Donation	-	1,000,000
Contribution	-	1,000
	-	1,001,000
<b>EXPENDITURE</b>		
Legal and professional	28,192	-
Audit fee	15,000	15,000
Bank charges	308	600
	43,500	15,600
Surplus for the year before taxation	(43,500)	985,400
Accumulated surplus brought forward	985,400	-
<b>ACCUMULATED SURPLUS CARRIED FORWARD</b>	<b>941,900</b>	<b>985,400</b>

*A.M.D.M*

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

  
Chief Executive

  
Director



**AL-SEHAH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED ON 30 JUNE 2016**

**1 NATURE AND STATUS OF FOUNDATION**

The Foundation was incorporated in Pakistan on 24 October 2014 as a Company Limited by Guarantee under section 42 of the Companies Ordinance, 1984. The Registered Office of the Foundation is situated at Plot # N.A, Class 24, Korangi Creek, Karachi. The main objects of the Foundation are to aid, assist, set up, maintain, administer hospitals, medical facilities, nursing homes, sanatoria, maternity homes, mother and child care centers, clinics, dispensaries, laborites and therapy centers and other centers connected with the care of human body both in Urban and Rural areas. And also, to establish, maintain, manage and administer Medical Aid Programmes providing medical relief and help to humans who are needy, the poor and the destitute and undertake charitable and philanthropic activities for the benefit of mankind and also provide aid, assist and co-operate with other organisation and/or persons doing such relief and charitable work.

**2 SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS) for SME,s issued by IASB as adopted in Pakistan by Council of Institute of Chartered Accountants of Pakistan. Wherever, the requirements of the Ordinance or directives issued by the SECP differ with the requirements of these standards, the requirements of the Ordinance or the requirements of the said directives take precedence.

**2.2 Accounting convention**

These accounts have been prepared under the historical cost convention. The accounting policies have been consistently applied by the company with those of previous year.

**2.3 Property, plant and equipment**

These are stated at cost less accumulated depreciation. Depreciation is charged to income applying reducing balance method at the rates specified in the schedule of fixed assets. Depreciation on addition is charged for the full month in which the asset is purchased or put to use while on disposal to the month immediately preceding the disposal. Maintenance and repairs are charged to income as and when incurred.

**2.4 Impairment of financial assets**

An assessment is made at each balance sheet date to determine whether there is evidence that a financial asset may be impaired. If such evidence exists the estimated recoverable amount of that asset is determined and any impairment loss recognized for the difference between the amount and the carrying amount.

**2.5 Financial instruments**

All the financial assets and financial liabilities are recognized at the same time when the forum becomes a party to the contractual provisions of the instruments. Any gain or loss on derecognition of the financial asset and financial liability is taken to profit and loss account currently.

**2.6 Cash and cash equivalent**

Cash and cash equivalents are stated at cost.

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**AL-SEHAH FOUNDATION  
(LIMITED BY GUARANTEE)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2016**

	2016 Rupees	2015 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Deficit/ surplus for the year	(43,500)	985,400
Increase in accrued expenses	-	15,000
Operating profit/ (loss) after working capital changes	<u>(43,500)</u>	<u>1,000,400</u>
Tax paid	<u>(600)</u>	<u>-</u>
<b>NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES</b>	<u>(44,100)</u>	<u>1,000,400</u>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(44,100)</u>	<u>1,000,400</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>1,000,400</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><u>956,300</u></u>	<u><u>1,000,400</u></u>

*pm/m*

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

  
\_\_\_\_\_  
CHIEF EXECUTIVE

  
\_\_\_\_\_  
DIRECTOR



**AL-SEHAH FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED ON 30 JUNE 2016**

**2.7 Offsetting of financial assets and financial liabilities**

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

**2.8 Income Recognition**

Income comprising of donation and contribution is recognized on receipt basis.

**2.9 Expenditure Recognition**

All expenditure are recorded on accrual basis.

	2016 Rupees	2015 Rupees
<b>3 CASH AND BANK BALANCES</b>		
Cash in hand	-	-
Cash at bank - in local currency	<u>956,300</u>	<u>1,000,400</u>
	<u>956,300</u>	<u>1,000,400</u>

**4 CONTINGENCIES AND COMMITMENTS**

There were no contingencies of commitments as at 30 June 2016.

**5 DATE OF AUTHORIZATION**

These financial statements were authorized for issue on 30 September 2016 by the Board of Directors of the foundation.

**6 GENERAL**

Figures have been rounded off to the nearest Rupee.

*RMDm*

  
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Chief Executive

  
\_\_\_\_\_  
Director