

SYED FOUNDATION

**Financial Statements
For the year ended June 30, 2023**

**Audited by:
Siraj & Company
Chartered Accountants**



SIRAJ & COMPANY

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF SYED FOUNDATION

Opinion

We have audited the financial statement of **SYED FOUNDATION**, which comprise the statement of financial position as at June 30, 2023 and the income and expenditure account 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 presents fairly, in all material respects and give a true and fair view of the financial position of **SYED FOUNDATION** as at June 30, 2023 and of 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 Society in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professionals Accountants* as adopted by the Institute 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 and Those Charged with Governance for the Financial Statements

The Board of Governors 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 control as the Board of Governors 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 the Board of Governors is responsible for assessing the Society's ability to continue as going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society 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 whole are free from material misstatements, 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 guarantee that and 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.



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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, international 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 Society'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 based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as 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 Society to cease to continue as 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 those charged with governance 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.

Siraj & Company
Chartered Accountants

Date: January 13, 2024

Place: Karachi

UDIN #: AR2023102716flhzvigE

SYED FOUNDATION
STATEMENT OF FINANCIAL POSITION
As at June 30, 2023

FUND & LIABILITIES	Note	2023 Rupees	2022 Rupees
FUNDS			
General Fund		5,824,193	3,948,942
Restricted Fund - Eye Clinic	3	6,481,244	3,053,000
		12,305,437	7,001,942
CURRENT LIABILITIES			
Other Liabilities	4	40,000	30,000
TOTAL FUND & LIABILITIES		12,345,437	7,031,942
ASSETS			
NON-CURRENT ASSETS			
Long Term Investments	5	1,453,848	4,375,952
CURRENT ASSETS			
Advance Tax	6	113,951	37,529
Advances & Receivables	7	473,400	247,850
Cash & Bank Balances	8	10,304,238	2,370,611
		10,891,589	2,655,990
TOTAL ASSETS		12,345,437	7,031,942

The annexed notes form an integral part of these financial statements



PRESIDENT



SECRETARY

SYED FOUNDATION
INCOME & EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
Activities and Donation	10	34,589,374	12,619,006
Less: Donations Expense	11	32,869,968	10,710,559
		1,719,406	1,908,447
Less: Administrative Expense	12	249,666	233,048
Surplus before taxation		1,469,741	1,675,399
Less: Other Income	9	405,510	21,120
Surplus before taxation		1,875,251	1,696,519
PROPRIATION			
Transfer to General Reserve	13	-	-
Surplus/(Deficit) for the year		1,875,251	1,696,519
PROPRIATION			
Transfer to General Reserve		3,948,942	2,252,423
Appropriated surplus carried forward		5,824,193	3,948,942

Annexed notes form an integral part of these financial statements



PRESIDENT



SECRETARY

SYED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2023

1 STATUS AND ACTIVITIES

Syed Foundation (hereinafter called as trust) is a non profit organization registered on August 13, 2018 under Trust Act -(registration department Government of Sindh) Karachi through register no. 651 of S.R Jamshed I. The current office of the foundation is E-3/1 Hill Park apartment at K.M.C.H.S Karachi, with liaison House No. 15-G, First Floor, 43rd Street, Block-6, PECHS, Karachi

The principle activities of the foundation is to look after and work for the welfare and interest of women, children, senior citizens belonging to under privileged people of society.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

2.2 Accounting convention and basis of preparation

These financial statements have been prepared under the accrual basis of accounting except for the donations which are recognized on receipt basis and historical cost convention.

2.3 Taxation

The foundation has applied to be registered as a Non-Profit Organization under section 2(36)C of Income Tax Ordinance, 2001 (the Ordinance) and is entitled to tax credit under section 100C of the Ordinance. The provision of minimum tax is also not applicable on the trust under Clause 11A of part 4 of second schedule of the Income Tax Ordinance.

2.4 Restricted Funds

Funds received for the purpose to built the Clinic are recorded in "Restricted Funds for eye Clinic" and are strictly used for the purpose only.

2.5 General Fund

The fund is used for all general purposes of the Trust. Any surplus / (deficit) arising out of operations of the Trust is transferred from income and expenditure account to this fund.

2.6 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents comprise of cash in hand and cash with banks on current accounts.

2.7 Trade and other payables

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

2.8 Fixed Assets and Depreciation

Owned Assets

Fixed Asset are stated at cost less accumulated and impairment losses, if any, except for free hold land and capital work in progress which are stated at cost.

Subsequent Cost

The cost of replacing part of an item of Fixed Asses is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Trust and its cost can be measured reliably, The Costs of the day-to-day servicing of fixed asset are recognized in profit and loss account as incurred.

SYED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2023

Depreciation

Depreciation is charged to income on diminishing balance method. The rates used are stated in the fixed assets note to the financial statements. Depreciation on additions is charged for the full month in which an asset is put to use and on disposals upto the month immediately preceding the disposals.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant

The gain or loss on disposal or requirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or loss.

2.9 Capital Work in Progress

Capital work in Progress represents expenditures on fixed assets in the course of construction and installation. Transfers are made to relevant category of Fixed Assets as and when asset are available for use. Capital Work in progress is stated at cost, if any.

2.10 Accrued Expenses & Other Payables

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

2.11 Revenue Recognition

Donation & Contributions are recognized on the basis of cash received.

	NOTE	2023 Rupees	2022 Rupees
3 RESTRICTED FUND - EYE CLINIC			
Opening Balance		3,053,000	3,053,000
Donation received during the year	3.1	3,428,244	-
		6,481,244	3,053,000
Less: expenditure incurred		-	-
		<u>6,481,244</u>	<u>3,053,000</u>
4 OTHER LIABILITIES			
Audit Fee Payable		40,000	30,000
		<u>40,000</u>	<u>30,000</u>
5 LONG TERM INVESTMENTS -AT COST			
National Investment Trust		1,358,000	1,358,000
National Investment Trust - Net Dividend Reinvested		95,848	17,952
Term Deposit Receipt (TDR) BOP		-	3,000,000
		<u>1,453,848</u>	<u>4,375,952</u>

SYED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2023

6 Advance Tax		
Withholding Tax u/s.236 P	34,037	34,037
Withholding Tax u/s.231 A	324	324
Withholding Tax u/s.150	16,914	3,168
Withholding Tax u/s.151	62,676	
	<u>113,951</u>	<u>37,529</u>
7 Advances & Receivables		
Receivable from Donors	313,800	247850
Other Receivables	159,600	
	<u>473,400</u>	<u>247,850</u>
8 CASH & BANK BALANCES		
Cash at bank with current A/c	10,304,238	2,370,611
	<u>10,304,238</u>	<u>2,370,611</u>
9 OTHER INCOME		
Dividend - NIT	91,642	21,120
Bank Profit	313,868	
	<u>405,510</u>	<u>21,120</u>
10 CHARITIES AND DONATION		
Sunday Lunch	2,383,864	1,199,490
Education Scholarship Funds	2,183,720	854,098
Donations for Ration & Poor Family Assistance	12,150,593	7,049,240
Medicine & Medical Treatments	775,000	781,150
Sadqate Nafilah	852,550	996,106
Ramadan & Eid Funds	2,043,000	592,622
Ijtamai Qurbani	519,300	696,300
Disaster Relief Funds	12,681,347	-
Other Donation	1,000,000	450,000
	<u>-</u>	<u>12,619,006</u>

SYED FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023

11 DONATION EXPENSE

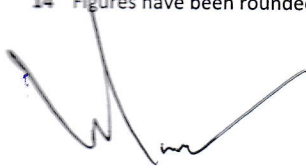
Sunday Lunch expense	2,062,929	1,110,838
Education Scholarship	1,498,123	535,465
Donations of Rations & Poor Family Assistance	12,364,904	5,757,452
Medicine & Medical Treatments	1,116,354	1,091,000
Sadqate Nafilah	1,018,900	672,603
Ijtamai Qurbani	616,250	696,300
Ramadan & Eid Funds	2,109,300	846,901
Disaster Relief Funds	10,904,021	-
General Donations	1,179,187	-
	<u>32,869,968</u>	<u>10,710,559</u>

12 ADMINISTRATIVE EXPENSES

Printing & Stationery	7,500	18,480
Soft Ware Expense	-	31,000
Audit Fee	10,000	10,000
Legal & Professional	-	39,500
Volunteers Expense	157,000	128,000
Conveyance Expense	17,300	-
Misc Expense	44,220	2,000
Bank Charges	13,646	4,068
	<u>249,666</u>	<u>233,048</u>

13 No provision has been made for the tax because the trust is availing 100% tax credit u/s.100 C (1) by complying the requirements of section 100 C of I.T Ordinance 2001.

14 Figures have been rounded off to nearest rupee



PRESIDENT



SECRETARY