

**FINANCIAL STATEMENTS**

**OF**

**THE SOCIAL BOND WELFARE  
ORGANIZATION**

**For the year ended 30 June 2016**

**SAJID & CO**

**(Chartered Accountants)**

**204, Amber Estate (Ext.), Near MCB Kawish Court Branch,  
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**THE SOCIAL BOND WELFARE ORGANIZATION**  
**BALANCE SHEET**  
**AS AT 30TH JUNE, 2016**

	Note	2016 Rupees	2015 Rupees
<b>NON-CURRENT ASSETS</b>			
Tangible fixed assets	4	329,442	313,579
<b>CURRENT ASSETS</b>			
Advances, deposits and other receivables		22,368	15,000
Cash & Bank		1,468,822	1,196,949
		1,491,190	1,211,949
<b>TOTAL ASSETS</b>		<u>1,820,632</u>	<u>1,525,528</u>
<b>GENERAL FUND AND LIABILITIES</b>			
<b>GENERAL FUND ACCOUNT</b>			
General Fund	5	1,805,632	1,518,528
<b>CURRENT LIABILITIES</b>			
Accrued expenses and other liabilities		15,000	7,000
<b>TOTAL FUND AND LIABILITIES</b>		<u>1,820,632</u>	<u>1,525,528</u>

The annexed notes from 1 to 6 form an integral part of these financial statement.

**GENERAL SECRETARY**

**THE SOCIAL BOND**  
Welfare Organization (Regd.)  
General Secretary



**TREASURER**

**Treasurer**  
**THE SOCIAL BOND**  
Welfare Organization (Regd.)

**THE SOCIAL BOND WELFARE ORGANIZATION  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2016**

	NOTES	Rupees	
		30-Jun-16	30-Jun-15
<b>INCOME</b>			
Donations		2,427,328	1,658,543
Member's Contribution		1,678,605	1,006,375
		4,105,933	2,664,918
<b>EXPENDITURES</b>			
Salaries & Allowances		1,656,000	811,000
Office Rent		381,600	179,500
Income Support Expenses		370,185	330,507
Printing & Stationery		204,300	128,753
Clinic & Medical Expenses		203,668	101,531
Uniform Expenses		188,000	199,294
Entertainment		182,890	115,900
Books For Students		175,677	169,885
Miscellaneous Expenses		127,417	52,942
Water Charges		73,730	60,000
Electricity Charges		71,090	12,000
Depreciation Expense		58,137	34,842
Conveyance & Gas		44,450	84,663
Office Expense		27,315	13,544
Telephone Charges		20,760	-
Trophy Expenses		10,400	-
Repair & Maintenance		7,710	38,626
Advertisement		-	820
Audit Fees		15,000	7,000
Bank Charges		500	1,338
		3,818,829	2,342,145
<b>SURPLUS FOR THE YEAR</b>			
<b>TRANSFERRED TO GENERAL FUND</b>		287,104	322,773

The annexed notes from 1 to 6 form an integral part of these financial statements.

**GENERAL SECRETARY**

  
THE SOCIAL BOND  
Welfare Organization (Regd.)  
General Secretary



**TREASURER**

  
Treasurer  
THE SOCIAL BOND  
Welfare Organization (Regd.)

**THE SOCIAL BOND WELFARE ORGANIZATION  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2016**

	Rupees	
	30-Jun-16	30-Jun-15
<b>Cash Flow from Operating Activities</b>		
Surplus / (Deficit) of income over expenditure	287,104	322,773
<b>Adjustment for Non Cash Items:</b>		
Prior year adjustments	-	(10,999)
Add: Depreciation Expenses	58,137	34,842
	<hr/>	<hr/>
<b>Change in Working Capital:</b>		
<b>(Increase) / Decrease in Current Assets</b>		-
Advance Income Tax	(7,368)	
	<hr/>	<hr/>
<b>Increase / (Decrease) in Current Liabilities</b>		
Accrued expenses	8,000	3,000
	<hr/>	<hr/>
<b>Cash Generated from Operations</b>	345,873	349,616
	<hr/>	<hr/>
<b>Cash Flow from Investing Activities</b>		
Tangible Fixed Assets	(74,000)	(273,910)
	<hr/>	<hr/>
<b>Net Increase in Cash and Cash Equivalents</b>	271,873	75,706
	<hr/>	<hr/>
Cash and Cash Equivalents at the beginning of the year	1,196,949	1,121,243
	<hr/>	<hr/>
<b>Cash and Cash Equivalents at the end of the year</b>	1,468,822	1,196,949
	<hr/>	<hr/>

**GENERAL SECRETARY**

  
THE SOCIAL BOND  
Welfare Organization (Regd.)  
General Secretary



**TREASURER**

  
Treasurer  
THE SOCIAL BOND  
Welfare Organization (Regd.)

**THE SOCIAL BOND WELFARE ORGANIZATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2016**

**1. STATUS AND PROFILE**

The Social Bond Welfare Organization was established on October, 2017. The address of the welfare is situated at House No. D-329 KESC 3159 Karim Bux Para Shanti Nagar Dalmia, Karachi

**2. BASIS OF PREPARATION**

**2.1 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

**2.2 BASIS OF MEASUREMENT**

These accounts have been prepared under the historical cost convention.

**2.3 FUNCTIONAL AND PRESENTATION CURRENCY**

These financial statements are presented in Pak Rupees, which is the Organization's functional currency. All financial information presented in Pak Rupee has been rounded to the nearest rupee.

**2.4 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRSs) require the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Society's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectation of future events that are believed to be reasonable under current circumstances. Revisions to accounting estimates are recognized prospectively.

**2.5 NEW AND AMENDED STANDARDS AND INTERPRETATIONS**

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted by the Society:

	Effective date (annual reporting periods beginning on or after)
IFRS 5 Non-current Assets Held for Sale and Discontinued Operations (Amendments)	1st July, 2016
IFRS 7 Financial Instruments: Disclosures (Amendments)	1st July, 2016
IFRS 11 Joint Arrangements (Amendments)	1st January, 2017
IFRS 14 Regulatory Deferral Accounts	1st January, 2016
IFRS 15 Revenue from Contracts with Customers	1st January, 2018
IFRS 16 Leases	1st January, 2019
IAS 1 Presentation of Financial Statements (Amendments)	1st January, 2016
IAS 7 Statement of Cash Flows (Amendments)	1st January, 2017
IAS 12 Income Taxes (Amendments)	1st January, 2017
IAS 16 Property, Plant and Equipment (Amendments)	1st January, 2016
IAS 19 Employee Benefits (Amendments)	1st January, 2016





IAS 27 Separate Financial Statements (Amendments)	1st January, 2016
IAS 28 Investment in Associates and Joint Ventures (Amendments)	1st January, 2016
IAS 34 Interim Financial Reporting (Amendments)	1st January, 2016
IAS 38 Intangible Assets (Amendments)	1st January, 2016
IAS 41 Agriculture (Amendments)	1st January, 2016

The management anticipates that, adoption of above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than presentation / disclosures.

Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1 First-time Adoption of International Financial Reporting Standards  
IFRS 9 Financial Instruments

The following interpretations issued by the IASB have been waived off by SECP:

IFRIC 4 Determining whether an arrangement contains lease  
IFRIC 10 Service concession arrangements

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 PROPERTY, PLANT AND EQUIPMENTS

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is charged on reducing balance method at the rates disclosed in note 4 to the financial statements.

Full year's depreciation is charged in the year of addition whereas no depreciation is charged in the year of disposal.

Normal repairs and maintenances are charged to income as and when incurred. Gains and losses on disposal are included in income currently.

#### 3.2 ADVANCES AND OTHER RECEIVABLES

Advances and other receivables are recognised at fair value and subsequently measured at amortized cost. A provision for impairment in advances and other receivables is made when there is objective evidence that the Society will not be able to collect all amounts due according to original items of receivables. Advances and other receivables considered irrecoverable are written off.

#### 3.3 ACCRUED EXPENSES AND OTHER PAYABLES

Liabilities for expenses and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

#### 3.4 REVENUE RECOGNITION

Contributions, donations, fees and profit on investment are recorded when received. Expenses are recorded when paid except audit fee which is accrued.

#### 3.5 TAXATION

The Trust not liable to income tax hence no provision is made for taxation.



#### 4. TANGIBLE FIXED ASSETS

Particulars	Cost			Depreciation				W.D.V. as at 30/6/2016
	As at 01/7/2015	Addition / (deletion)	As at 30/6/2016	Rate %	Accumulated as at 01/7/2015	For the year	Accumulated as at 30/6/2016	
Furniture and fixtures	56,970	-	56,970	15%	6,197	7,691	13,888	43,582
Office equipments	267,451	74,000	341,451	15%	34,524	47,206	81,730	267,500
Transportation	24,000	-	24,000	15%	2,400	3,240	5,640	18,360
<b>Total 2016</b>	<b>348,421</b>	<b>74,000</b>	<b>422,421</b>		<b>43,121</b>	<b>58,137</b>	<b>101,258</b>	<b>329,442</b>
<b>Total 2015</b>	<b>74,511</b>	<b>273,910</b>	<b>348,421</b>		<b>8,279</b>	<b>34,842</b>	<b>43,121</b>	<b>313,579</b>

4.1 Fixed Assets are not physically verified by the auditors.



**5. GENERAL FUND**

	<b>30-Jun-16</b>	<b>30-Jun-15</b>
Balance brought forward	1,518,528	1,206,754
Prior year adjustment	-	(10,999)
Surplus for the period	287,104	322,773
	<u>1,805,632</u>	<u>1,518,528</u>

**6. GENERAL**

6.1 These financial statements were authorized for issue on October 31st, 2016 by the Trustees.

6.2 Figures have been rounded off to the nearest rupee.







# SAJID & CO.

## Chartered Accountants

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and Maqbool Masjid, Near Baloch Colony Bridge, Shahrah-e-Faisal, Karachi.  
Mobile: 0332-3146394 - 0303-2412694, PTCL No. 34320685, E-mail: sajid\_yunus@yahoo.com

### AUDITORS' REPORT TO THE MEMBERS

We have examined the annexed balance sheet of the **THE SOCIAL BOND WELFARE ORGANIZATION** as at 30 June 2016 and the related Income and expenditure account 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 management 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 generally accepted auditing standards. 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 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 SOCIAL BOND WELFARE ORGANIZATION** as at 30 June 2016 for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.



CHARTERED ACCOUNTANTS

Karachi: Dated:

**END**