

# FINANCIAL STATEMENTS

OF

## THE SOCIAL BOND WELFARE ORGANIZATION

For the year ended 30 June 2017

**SAJID & CO**

(Chartered Accountants)

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**THE SOCIAL BOND WELFARE ORGANIZATION**  
**BALANCE SHEET**  
**AS AT 30TH JUNE, 2017**

	Note	2017 Rupees	2016 Rupees
<b>NON-CURRENT ASSETS</b>			
Tangible fixed assets	4	308,799	329,442
<b>CURRENT ASSETS</b>			
Advances, deposits and other receivables		30,540	22,368
Cash & Bank		3,953,379	1,468,822
		3,983,919	1,491,190
<b>TOTAL ASSETS</b>		<b>4,292,718</b>	<b>1,820,632</b>
<b>GENERAL FUND AND LIABILITIES</b>			
<b>GENERAL FUND ACCOUNT</b>			
General Fund	5	4,262,718	1,805,632
<b>CURRENT LIABILITIES</b>			
Accrued expenses and other liabilities		30,000	15,000
<b>TOTAL FUND AND LIABILITIES</b>		<b>4,292,718</b>	<b>1,820,632</b>

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**

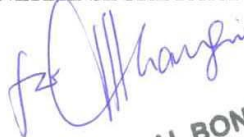
  
Treasurer  
**THE SOCIAL BOND**  
Welfare Organization (Regd.)

**THE SOCIAL BOND WELFARE ORGANIZATION  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2017**

	NOTES	Rupees	
		30-Jun-17	30-Jun-16
<b>INCOME</b>			
Donations		5,188,580	2,427,328
Member's Contribution		1,713,046	1,678,605
		6,901,626	4,105,933
<b>EXPENDITURES</b>			
Salaries & Allowances		2,016,500	1,656,000
Office Rent		333,500	381,600
Income Support Expenses		652,523	370,185
Printing & Stationery		91,120	204,300
Clinic & Medical Expenses		275,049	203,668
Uniform Expenses		93,000	188,000
Entertainment		136,665	182,890
Books For Students		376,699	175,677
Miscellaneous Expenses		150,290	127,417
Water Charges		82,000	73,730
Electricity Charges		70,075	71,090
Depreciation Expense		60,643	58,137
Conveyance & Gas		26,510	44,450
Office Expense		51,556	27,315
Telephone Charges		-	20,760
Trophy Expenses		6,900	10,400
Repair & Maintenance		6,510	7,710
Advertisement		-	-
Audit Fees		15,000	15,000
Bank Charges		-	500
		4,444,540	3,818,829
<b>SURPLUS FOR THE YEAR</b>			
<b>TRANSFERRED TO GENERAL FUND</b>		<u>2,457,086</u>	<u>287,104</u>

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, 2017**

	Rupees	
	30-Jun-17	30-Jun-16
<b>Cash Flow from Operating Activities</b>		
Surplus / (Deficit) of income over expenditure	2,457,086	287,104
<i>Adjustment for Non Cash Items:</i>		
Add: Depreciation Expenses	60,643	58,137
<b>Change in Working Capital:</b>		
<b>(Increase) / Decrease in Current Assets</b>		
Advance Income Tax	(8,172)	(7,368)
<b>Increase / (Decrease) in Current Liabilities</b>		
Accrued expenses	15,000	8,000
<b>Cash Generated from Operations</b>	2,524,557	345,873
<b>Cash Flow from Investing Activities</b>		
Tangible Fixed Assets	(40,000)	(74,000)
<b>Net Increase in Cash and Cash Equivalents</b>	2,484,557	271,873
Cash and Cash Equivalents at the beginning of the year	1,468,822	1,196,949
<b>Cash and Cash Equivalents at the end of the year</b>	3,953,379	1,468,822

**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, 2017**

**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 terms 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 30/6/2017
	As at 01/7/2016	Addition / (deletion)	As at 30/6/2016	Rate %	Accumulated as at 01/7/2016	For the year	Accumulated as at 30/6/2017	
Furniture and fixtures	56,970	-	56,970	15%	13,888	7,392	21,280	36,190
Office equipments	341,451		341,451	15%	81,730	44,137	125,867	223,363
Transportation	24,000	40,000	64,000	15%	5,640	9,114	14,754	49,246
<b>Total 2016</b>	<b>422,421</b>	<b>40,000</b>	<b>462,421</b>		<b>101,258</b>	<b>60,643</b>	<b>161,901</b>	<b>308,799</b>
<b>Total 2015</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>

4.1 Fixed Assets are not physically verified by the auditors.



5. GENERAL FUND

	30-Jun-17	30-Jun-16
Balance brought forward	1,805,632	1,518,528
Surplus for the period	2,457,086	287,104
	<u>4,262,718</u>	<u>1,805,632</u>

6. GENERAL

6.1 These financial statements were authorized for issue on October 31st, 2017 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 2017 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 2017 for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.



CHARTERED ACCOUNTANTS

Karachi: Dated:

**END**