



BAKER TILLY
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INDEPENDENT PRACTITIONER'S REVIEW REPORT TO THE BOARD OF DIRECTORS

Report on the Financial Statements

We have reviewed the accompanying financial statements of **Donation Foundation** ("the Foundation"), which comprise the statement of financial position as at December 31, 2017, and the statement of income and expenditure, the statement of changes in accumulated funds and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan, 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of the Foundation as at December 31, 2017, and of its financial performance and cash flows for the year then ended, in accordance with approved accounting and reporting standards.

Baker Tilly Miaz

BAKER TILLY MEHMOOD IDREES QAMAR
Chartered Accountants
Name of Engagement Partner: Bilal Ahmed Khan

Lahore
Date: February 06, 2018

**DONATION FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017**

	Note	2017 Rupees	2016 Rupees
ASSETS			
CURRENT ASSETS			
Cash-in-hand	5	37,400	46,100
		<u>37,400</u>	<u>46,100</u>
FUND AND LIABILITIES			
FUNDS			
Accumulated funds		(32,992)	(6,694)
CURRENT LIABILITIES			
Accrued expenses	6	70,392	52,794
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		<u>37,400</u>	<u>46,100</u>

The annexed notes from 1 to 12 form an integral part of these financial statements.



PRESIDENT





DIRECTOR

DONATION FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2017

	Note	2017 Rupees	2016 Rupees
Expenditures	8	(26,298)	(26,098)
Deficit for the year		<u>(26,298)</u>	<u>(26,098)</u>

The annexed notes from 1 to 12 form an integral part of these financial statements.



PRESIDENT





DIRECTOR

**DONATION FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit for the year		(26,298)	(26,098)
Cash flows before working capital changes		<u>(26,298)</u>	<u>(26,098)</u>
Working capital changes:			
Increase in accrued expenses		17,598	17,598
Net cash used in operating activities		<u>(8,700)</u>	<u>(8,500)</u>
Net decrease in cash and cash equivalents during the year		<u>(8,700)</u>	<u>(8,500)</u>
Cash and cash equivalents at beginning of the year		46,100	54,600
Cash and cash equivalents at end of the year	5	<u><u>37,400</u></u>	<u><u>46,100</u></u>

The annexed notes from 1 to 12 form an integral part of these financial statements.



PRESIDENT





DIRECTOR

DONATION FOUNDATION
STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	General endowment fund	Accumulated funds	Total
	-----Rupees-----		
Balance as at December 31, 2015	70,000	(50,596)	19,404
Deficit for the year		(26,098)	(26,098)
Balance as at December 31, 2016	70,000	(76,694)	(6,694)
Deficit for the year	-	(26,298)	(26,298)
Balance as at December 31, 2017	70,000	(102,992)	(32,992)

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The annexed notes from 1 to 12 form an integral part of these financial statements.

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 PRESIDENT



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 DIRECTOR

DONATION FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

Donation Foundation ("the Foundation") was registered in Pakistan on July 23, 2014, under the Societies Registration Act, XXI of 1860, as a non-profit organization. The primary function of the Foundation is to provide financial and non-financial support to the general public regarding health, education and other philanthropic activities. Its registered office is situated at 31/1, Block T, Phase-II, DHA, Lahore Pakistan.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

3 BASIS OF PREPARATION

3.1 Accounting convention

These financial statements have been prepared under historical cost convention.

3.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees (Pak Rupees), which is also the Foundation's functional currency. All financial information presented in Pak Rupees has been rounded off to the nearest Rupee.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Income recognition

Income is recognized when it is probable that the economic benefits will flow to the entity and the income can be measured reliably. Donations and contributions are recognized when received. Deferred income is recognized on provision of related assets/expenses against which that income was received and in pattern of depreciation charged on the related assets/expenses.

4.2 Cash and cash equivalents

Cash and cash equivalents comprise of cash-in-hand, cash at bank on current, saving and deposit accounts and other short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash in hand and bank balances.

4.3 Accrued and other liabilities

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

4.4 Funds

a) Endowment fund

Endowment fund include funds received from the President of the Foundation



b) Restricted funds

Restricted funds, also called "Unspent Grant" represent a part of restricted net assets in NPOs. These funds are received from general public and donors with a specific condition or purpose attached to its use. Such funds are initially recognized as deferred income and subsequently upon fulfilment of the specific condition or purpose these are charged to statement of financial activities, in accordance with the approved accounting standards.

c) Unrestricted

Unrestricted funds are received from donors with no specific condition or purpose attached for its use. Such funds are directly charged to statement of financial activities.

4.5 Recognition of expenditure

Expenditure is recognised as an expense, at historical cost, during the period in which they are incurred, and not in a subsequent period.

4.6 Taxation

Provision for current taxation is based on taxable income at the applicable rates of tax after taking into account applicable tax credits, rebates and exemptions available, if any.

	Note	2017 Rupees	2016 Rupees
5 CASH-IN-HAND			
Cash-in-hand		<u>37,400</u>	<u>46,100</u>
6 ACCRUED EXPENSES			
Auditors' remuneration payable		<u>70,392</u>	<u>52,794</u>
7 CONTINGENCIES AND COMMITMENTS			
Contingencies and commitments outstanding as at December 31, 2017 are nil (2016: nil)			
	Note	2017 Rupees	2016 Rupees
8 EXPENDITURES			
Printing and stationery		1,000	1,100
Travelling and conveyance		4,500	4,000
Communication		1,900	2,000
Auditors' remuneration		17,598	17,598
Miscellaneous		1,300	1,400
		<u>26,298</u>	<u>26,098</u>

8.1 The members of the Board of Foundation have not been paid any salary, remuneration, allowance or any reimbursement against expenses like travelling, because they work voluntarily as philanthropists without any consideration in return.

9 NUMBER OF EMPLOYEES

The total number of employees of the Foundation as at December 31, 2017 are nil (2016: nil)

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10 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, whenever necessary, for the purpose of comparison, however, no significant reclassification has been made in these financial statements.

11 DATE OF AUTHORIZATION FOR ISSUANCE

The financial statements were authorized for issuance by the Board of Foundation in their meeting held on 06-02-2018.

12 EVENTS AFTER THE REPORTING DATE

There are no significant adjusting or non-adjusting event after the reporting date requiring adjustment or disclosure in financial statements.

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PRESIDENT



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DIRECTOR