

INDEPENDENT AUDITORS' REPORT

We have audited the financial statements of **Vocational Welfare Society For Mentally Retarded**, as at June 30, 2020, including the statement of financial position, the statement of income and expenditure account and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared, as per the requirement of management.

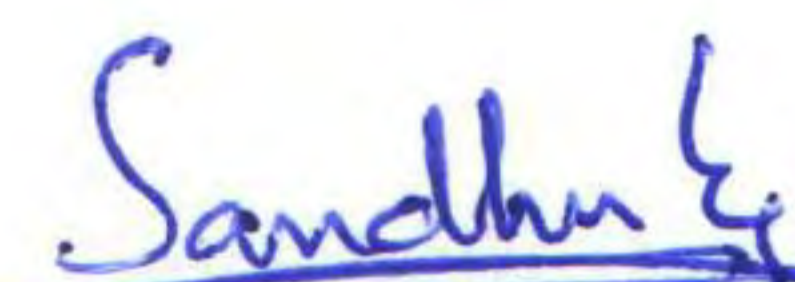
Responsibilities of Management and Those Charged with Governance for the Financial Statements


The management is responsible for the preparation and fair presentation of the financial statements in accordance with normal accounting practice.

In preparing the financial statements, Management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so. The management is also responsible to prepare the Accounts as per generally accepted Accounting Principles

Those charged with governance are responsible for overseeing the organization's financial reporting process.

We performed our job as per scope agreed with the management and report that the statement is prepared as per requirement of management; we further report that the financial statements are prepared as per information and explanations provided.


Sandhu & Co.
Chartered Accountants
Mohammad Hussain Lakhani



Date: **29 OCT 2020**
Karachi:

**VOCATIONAL WELFARE SOCIETY
FOR MENTALLY RETARDED (REGISTERED) KARACHI
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020**

	Note	2020 ----Rupees----	2019
ASSETS			
Non current assets			
Property, plant and equipment	4	8,614,597	2,037,642
Long term deposit		6,000	6,000
Investment in property		4,778,125	4,778,125
Therapy & Rehabilitation Centre(Work in progress)		-	6,542,104
		13,398,722	13,363,871
Current assets			
Cash and bank balances		2,314,545	3,372,487
		15,713,267	16,736,358
FUND & LIABILITIES			
General fund			
Opening balance		9,052,357	9,646,366
(Excess of expenditure over income)excess of income over expenditure		3,910,610	(594,009)
		12,962,967	9,052,357
Therapy & Rehabilitation centre		-	6,334,001
Research Centre Fund		300,000	300,000
SGD's Awareness Program Fund		-	400,000
Youth Development Programs Fund		-	300,000
		300,000	7,334,001
Current liabilities			
Accrued expenses		2,450,300	350,000
		15,713,267	16,736,358

The annexed notes 1 to 7 form an integral part of these financial statements.



SECRETARY



TREASURER

**VOCATIONAL WELFARE SOCIETY
FOR MENTALLY RETARDED (REGISTERED) KARACHI
STATEMENT OF INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2020**

EXPENDITURE	2020	2019	INCOME	2020	2019
	----- Rupees -----			----- Rupees -----	
Advertisement and publicity	44,316	20,310	Donation	10,026,408	5,484,636
Art and drawing program	156,000	243,353	Donation in kind	611,190	859,842
Academic education program	-	126,000	Therapy & Rehabilitation centre	6,334,001	-
Auditt fee	23,200	20,000	Zakat	3,316,850	6,122,000
Bank charges	11,069	7,958		20,288,449	12,466,478
Computer expense	26,400	30,460			
Conveyance	2,409	3,130			
Creative work program	28,305	84,000			
Depreciation	1,071,391	358,349			
Electricity bil	85,396	137,369			
Entertainment expense	18,531	11,119			
Evening program	3,582,938	3,121,782			
Function expense	145,115	203,023			
Gardening expense	207,260	186,540			
Generator expense	47,983	29,992			
Health and nutrition	480,000	480,000			
Internet expense	63,700	11,000			
Miscellaneous expense	278,967	264,742			
Medical	623	500			
Physical therapy program	90,000	125,000			
Postage	17,110	176,843			
Photostat	15,326	21,173			
Research and development	1,477,500	960,000			
Printing and stationary	73,497	144,835			
Repair and maintenance- building	39,075	191,774			
Repair and maintenance- vehicle	188,227	153,364			
Skill development project	240,000	221,000			
Specail Education	541,000	639,000			
Staff salary	2,862,000	2,469,500			
Staff welfare	62,962	117,232			
School acitvities	25,000	-			
Spreading hope	359,830	492,000			
Spreading education	208,138	210,050			
SDG's Awareness	874,460	-			
Subscription & Membership fee	12,000	-			
Therapy & Rehabilitation center	969,164	249,040			
Telephone expense	79,215	106,267			
Transportation account	989,560	990,546			
Training seminar	11,130	10,646			
Travelling expense	266,381	-			
Uniform	174,170	69,122			
Women empowerment program	506,000	358,168			
Zoo expense	22,491	15,300			
	16,377,839	13,060,487			
Excess of income over expenditure	3,910,610	594,009			
	<u>20,288,449</u>	<u>13,060,487</u>		<u>20,288,449</u>	<u>13,060,487</u>

The annexed notes 1 to 7 form an integral part of these financial statements.

SECRETARY

TREASURER

**VOCATIONAL WELFARE SOCIETY
FOR MENTALLY RETARDED (REGISTERED) KARACHI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

The Society was registered in Pakistan under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961 on November 13, 1971.

The objective of the Society is providing welfare and charitable services to the poor and needy

The roistered office of the society is situated at Adjacent, APWA College Compound, Karimabad F.B Area Karachi, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standers as applicable in Pakistan. Approved accounting standards comprise of Revised Accounting and Financial Reporting Standard for Small-Sized Entities (SSes) issued by the Institute of Chartered

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 Pakistan Rupee (PKR) which is the Society's functional cu

2.4 Use of Estimates and Judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and

The areas where required assumptions and estimated are significant to the Society's financial statements or where judgment was exercised in application of accounting policies are as follows;

- a) Useful lives of depreciable assets
- b) Impairment of assets

NOTE

3.1

3.2

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated:

3.1 Property, plant and equipment

Property, plant and equipment including all additions are stated at cost or revalued amount less accumulated depreciation and impairment loss, if any.

Depreciation is calculated so as to write-off the assets over their expected economic lives under the diminishing balance method at rates given in note 4 to the financial statements.

Depreciation is charged from the month the assets are available for use while no depreciation is charged in the month in which the asset is disposed off.

The profit or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as other operating income or expense. Maintenance and normal repairs are charged to income. Major renewals and improvements are capitalized.

3.2 Impairment

The carrying amount of the company's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated and accordingly an impairment loss is recognized in the statement of profit or loss account for the carrying amount of the asset that exceeds its recoverable amount.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, Term Deposit Receipts, maturing within three months from the date of placement, other short term highly liquid investment that are readily convertible to know amount of cash and which are subject to an insignificant risk of change in value.

4 PROPERTY, PLANT AND EQUIPMENT

NAME OF THE ASSETS	W.D.V AS ON 01.07.2019	ADDITION/ DELETION	TOTAL AS ON 30.06.2020	RATE %	DEPRECIATION FOR THE YEAR	W.D.V AS ON 30.06.2020
Building	59,878	-	59,878	10%	5,988	53,890
Therapy & Rehabilitation centre	-	7,602,146	7,602,146	10%	760,215	6,841,931
Furniture	204,714	46,200	250,914	15%	37,637	213,277
Educational Equipment	34,735	-	34,735	15%	5,210	29,525
Office Equipment	146,730	-	146,730	15%	22,010	124,721
Electric Equipment	24,225	-	24,225	15%	3,634	20,591
Computer	10,315	-	10,315	30%	3,095	7,221
Motor Vehicle	1,318,495	-	1,318,495	15%	197,774	1,120,721
Water Coover	18,743	-	18,743	15%	2,811	15,932
Generator	170,569	-	170,569	15%	25,585	144,984
Motor Cycle	44,408	-	44,408	15%	6,661	37,747
Printer	312	-	312	30%	94	218
Wheel Chairs	4,518	-	4,518	15%	678	3,840
	2,037,642	7,648,346	9,685,988		1,071,391	8,614,597

Note 2020 2019
----- (Rupees) -----

5 CASH AND BANK BALANCES

Cash in hand	157,064	119,736
Cash at banks:		
- Current accounts	<u>2,157,481</u>	<u>3,252,751</u>
	<u><u>2,314,545</u></u>	<u><u>3,372,487</u></u>

6 DATE OF AUTHORIZATION

These financial statements were authorised for issue by the Board of Trustees in their meeting held on

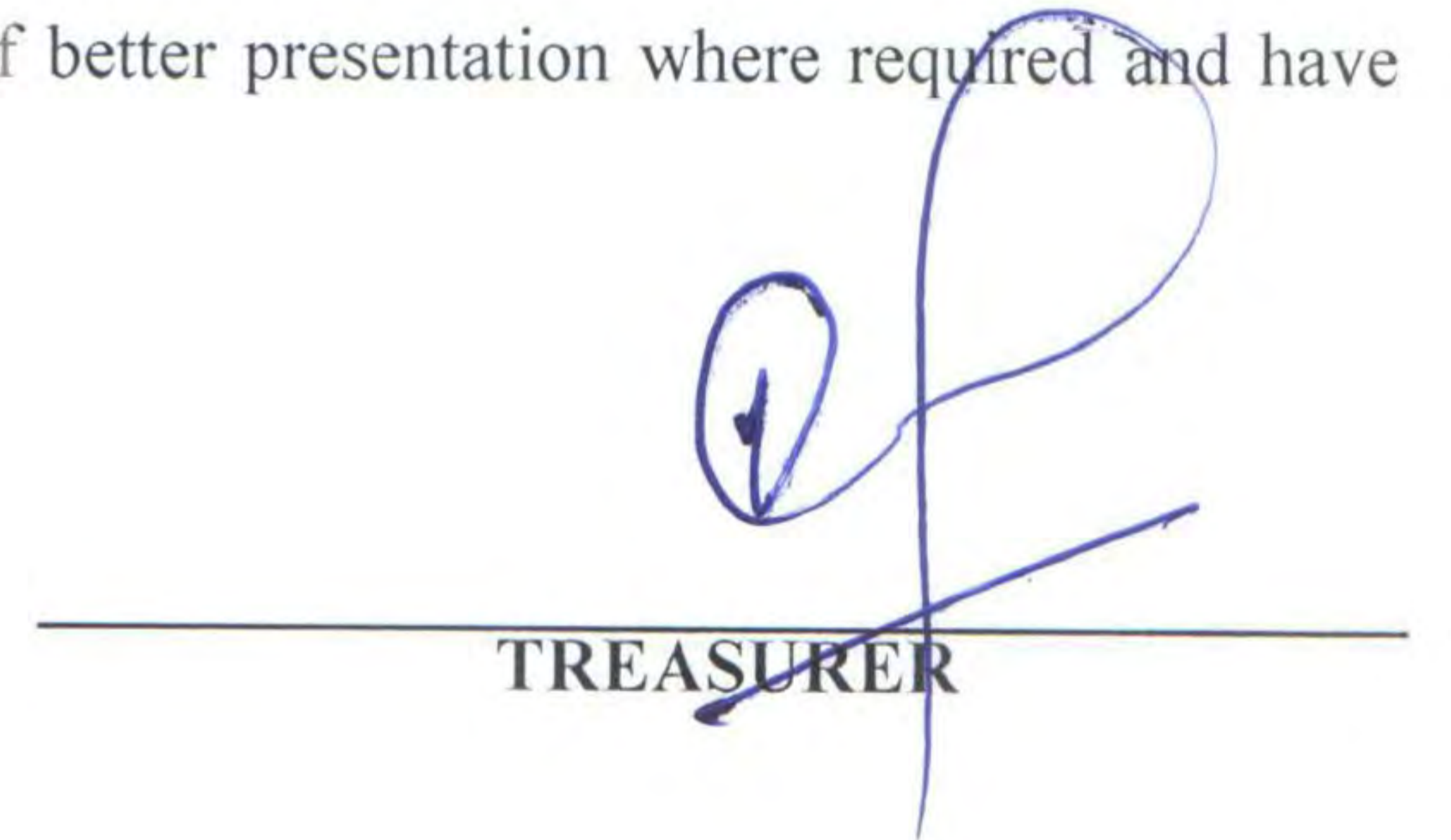
29 OCT 2020

7 GENERAL

Figures have been rearranged and reclassified for the purpose of better presentation where required and have been rounded off to the nearest rupee.



SECRETARY



TREASURER