

**FINANCIAL STATEMENTS**

**ORANGE TREE FOUNDATION**

**JUNE 30, 2018**

**SALAHUDDIN & CO.**

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**CHARTERED ACCOUNTANTS**

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# SALAHUDDIN & CO.

## CHARTERED ACCOUNTANTS

### AUDITORS' REPORT TO THE GOVERNING BODY

We have audited the annexed balance sheet of the **Orange Tree Foundation** as at **30 June 2018**, the related income and expenditure account and cash flow statement 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 governing body 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 Foundation as at **30 June 2018** and of its surplus for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

KARACHI.

Dated: September 10, 2018



SALAHUDDIN & CO.  
CHARTERED ACCOUNTANTS



Orange Tree Foundation  
Balance Sheet  
As at 30 June 2018

	Note	2018 (Rupees)	2017 (Rupees)
<b>FOUNDATION FUND</b>	3	<u>26,905,693</u>	<u>20,439,893</u>
<b>CURRENT LIABILITIES</b>			
Accrued Expenses		152,280	126,000
		152,280	126,000
		<u>27,057,973</u>	<u>20,565,893</u>
<b>NON CURRENT ASSETS</b>			
Fixed Assets - net	4	942,465	980,302
<b>CURRENT ASSETS</b>			
Cash and Bank Balances	5	25,670,095	19,362,023
Advances, Deposits and Prepayments		445,413	223,568
		26,115,508	19,585,591
<b>NET ASSETS</b>		<u>27,057,973</u>	<u>20,565,893</u>

These accounts should be read in conjunction with the attached notes.



HONARARY GENERAL  
SECRETARY



TREASURER



## Orange Tree Foundation

### Income and Expenditure Account

For the year ended 30 June 2018

	2018 (Rupees)	2017 (Rupees)
<b>INCOME</b>		
Donation	10,309,386	6,290,547
Zakat	23,381,672	20,166,598
	<u>33,691,058</u>	<u>26,457,145</u>
<b>EXPENDITURE</b>		
Scholarships to students	19,238,147	11,358,499
Uniform, Shoes & Stationery to students	948,357	1,148,201
Transport to students	7,000	-
Donation - Medical & Welfare	1,626,643	224,577
Salaries and Wages	2,925,227	2,873,183
Fuel & Conveyance	69,733	59,574
Insurance	27,989	22,050
Rent	830,540	755,050
Legal and Professional	64,560	22,440
Printing and Stationery	133,890	102,140
Postage & Courier	1,800	870
Utilities	138,080	105,037
Repair and Maintenance	169,712	266,778
Advertising & Marketing	59,500	47,698
Communication	50,890	52,500
Other Operating Expense	721,021	317,235
Bank Charges	15,852	1,934
Depreciation Expense	166,317	172,994
Auditor's Remuneration	30,000	30,000
	<u>27,225,258</u>	<u>17,560,760</u>
Surplus transferred to the General Fund	<u>6,465,800</u>	<u>8,896,385</u>

These accounts should be read in conjunction with the attached notes.

HONARARY GENERAL  
SECRETARY

TREASURER



# Orange Tree Foundation

## Cash Flow Statement

For the year ended 30 June 2018

	2018 (Rupees)	2017 (Rupees)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus for the year	6,465,800	8,896,385
Adjustments for non cash items:		
Depreciation	166,317	172,994
Surplus before changes in working capital	<u>6,632,117</u>	<u>9,069,379</u>
Working capital changes		
(Increase) in advances	(221,845)	(139,892)
Increase in accrued expenses	26,280	48,000
Net cash flow from operating activities	<u>6,436,552</u>	<u>8,977,487</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure - net	(128,480)	(781,320)
Net outflow from investing activities	<u>(128,480)</u>	<u>(781,320)</u>
Net increase in cash and cash equivalents	<u>6,308,072</u>	<u>8,196,167</u>
Cash and cash equivalents at the beginning of the year	<u>19,362,023</u>	<u>11,165,856</u>
Cash and cash equivalents at end of the year	<u>25,670,095</u>	<u>19,362,023</u>

These accounts should be read in conjunction with the attached notes.



HONARARY GENERAL  
SECRETARY



TREASURER



# Orange Tree Foundation

## Notes to the Accounts

For the year ended 30 June 2018

### 1. STATUS AND NATURE OF OPERATIONS

Orange Tree Foundation was incorporated on 11 February 2013 under the Societies Registration Act, 1860. The primary objectives of the foundation are to provide welfare activities focused towards children education, medical support and other welfare activities.

### 2. ACCOUNTING POLICIES

#### 2.1 Accounting Convention

These financial statements have been prepared in accordance with the historical cost convention.

#### 2.1 Statement of Compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan.

#### 2.2 Income Recognition

Donations are recognized as and when such donations are received.

#### 2.3 Fixed Assets

These are stated at written down value. Depreciation is charged to income applying the written down value method. Full year's depreciation is charged in the year of purchase whereas no depreciation is charged in the year of sale.

#### 2.4 Cash and Cash Equivalents

Cash and cash equivalents include cash at bank in current account.

### 3. FOUNDATION FUND

	2018 (Rupees)	2017 (Rupees)
Opening Balance	20,439,893	11,543,508
Surplus for the year	6,465,800	8,896,385
Balance as at 30 June	<u>26,905,693</u>	<u>20,439,893</u>



4 FIXED ASSETS

(Rupees)

Particulars	COST			DEPRECIATION			Rate	Written Down Value as at 30 June 2018
	As at 01 July 2017	Additions	As at 30 June 2018	As at 01 July 2017	For the year	As at 30 June 2018		
Office Equipment	138,900	33,000	171,900	55,020	17,532	72,552	15%	99,348
Furniture and Fixtures	287,147	7,500	294,647	93,917	30,110	124,027	15%	170,620
Computer Equipment	63,620	87,980	151,600	24,550	19,057	43,607	15%	107,993
Vehicle	781,320	-	781,320	117,198	99,618	216,816	15%	564,504
2018	<u>1,270,987</u>	<u>128,480</u>	<u>1,399,467</u>	<u>290,685</u>	<u>166,317</u>	<u>457,002</u>		<u>942,465</u>
2017	<u>489,667</u>	<u>781,320</u>	<u>1,270,987</u>	<u>117,691</u>	<u>172,994</u>	<u>290,685</u>		<u>980,302</u>



5. CASH AND BANK BALANCES

	2018 (Rupees)	2017 (Rupees)
Cash in hand	1,034	1,998
Cash at bank – in current account	25,669,061	19,360,025
	<u>25,670,095</u>	<u>19,362,023</u>

6. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial instruments carried on the balance sheet of the Foundation include bank balances and accrued expenses.

*Interest / Mark-up Rate Risk*

The financial assets and liabilities of the Foundation do not carry / bear any interest / mark-up.

*Fair value*

The carrying amount of financial assets and liabilities are estimated to approximate their fair values.

*Credit Risk*

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted. The Foundation endeavors to mitigate its credit risk by monitoring the credit worthiness of its counter parties.

7. GENERAL

7.1 Previous year's figures have been re-arranged and re-grouped, wherever necessary, for the purposes of comparison.

7.2 These financial statements were authorised for issue in the Trustees meeting held on **10-September-2018** .



HONARARY GENERAL  
SECRETARY



TREASURER

