

ORANGE TREE FOUNDATION
Financial Statements
For the year ended 30 June 2019

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY

We have audited the annexed balance sheet of **Orange Tree Foundation (the Foundation)** as at **30 June, 2019**, 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 controls, 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 misstatements. 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, 2019** and of its surplus for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.



Imran Hasan & Co.
Chartered Accountants

Karachi
Date: 4 September, 2019



Orange Tree Foundation
Balance Sheet
As at 30 June 2019

	Note	2019 (Rupees)	2018 (Rupees)
FOUNDATION FUND	3	<u>36,131,327</u>	<u>26,905,693</u>
CURRENT LIABILITIES			
Accrued Expenses		167,508	152,280
		167,508	152,280
		<u>36,298,835</u>	<u>27,057,973</u>
NON CURRENT ASSETS			
Fixed Assets - net	4	1,870,803	942,465
CURRENT ASSETS			
Cash and Bank Balances	5	33,912,367	25,670,095
Advances, Deposits and Prepayments		515,665	445,413
		34,428,032	26,115,508
NET ASSETS		<u>36,298,835</u>	<u>27,057,973</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 2019

	2019 (Rupees)	2018 (Rupees)
INCOME		
Donation	8,997,196	10,309,386
Zakat	29,912,704	23,381,672
	<u>38,909,900</u>	<u>33,691,058</u>
EXPENDITURE		
Scholarships to students	19,844,312	19,238,147
Uniform, Shoes & Stationery to students	1,054,863	948,357
Transport to students	9,840	7,000
Donation - Medical & Welfare	652,112	1,626,643
Salaries and Wages	3,814,991	2,925,227
Fuel & Conveyance	104,442	69,733
Insurance	22,050	27,989
Rent	1,452,397	830,540
Legal and Professional	664,116	64,560
Printing and Stationery	221,404	133,890
Postage & Courier	1,800	1,800
Utilities	111,517	138,080
Repair and Maintenance	438,640	169,712
Advertising & Marketing	197,196	59,500
Communication	81,622	50,890
Other Operating Expense	627,797	721,021
Bank Charges	22,025	15,852
Depreciation Expense	330,142	166,317
Auditor's Remuneration	33,000	30,000
	<u>29,684,266</u>	<u>27,225,258</u>
Surplus transferred to the General Fund	<u>9,225,634</u>	<u>6,465,800</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 2019

	2019 (Rupees)	2018 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	9,225,634	6,465,800
Adjustments for non cash items:		
Depreciation	330,142	166,317
Surplus before changes in working capital	9,555,776	6,632,117
Working capital changes		
(Increase) in advances	(70,252)	(221,845)
Increase in accrued expenses	15,228	26,280
Net cash flow from operating activities	9,500,752	6,436,552
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure - net	(1,258,480)	(128,480)
Net outflow from investing activities	(1,258,480)	(128,480)
Net increase in cash and cash equivalents	8,242,272	6,308,072
Cash and cash equivalents at the beginning of the year	25,670,095	19,362,023
Cash and cash equivalents at end of the year	33,912,367	25,670,095

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 2019

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

	2019 (Rupees)	2018 (Rupees)
Opening Balance	26,905,693	20,439,893
Surplus for the year	9,225,634	6,465,800
Balance as at 30 June	<u>36,131,327</u>	<u>26,905,693</u>



4 FIXED ASSETS

Particulars	COST			DEPRECIATION			Rate	Written Down Value as at 30 June 2019
	As at 01 July 2018	Additions	As at 30 June 2019	As at 01 July 2018	For the year	As at 30 June 2019		
Office Equipment	171,900	384,380	556,280	72,552	72,559	145,111	15%	411,169
Furniture and Fixtures	294,647	725,600	1,020,247	124,027	134,433	258,460	15%	761,787
Computer Equipment	151,600	148,500	300,100	43,607	38,474	82,081	15%	218,019
Vehicle	781,320	-	781,320	216,816	84,676	301,492	15%	479,828
2019	1,399,467	1,258,480	2,657,947	457,002	330,142	787,144		1,870,803
2018	1,270,987	128,480	1,399,467	290,685	166,317	457,002		942,465



2/16

5. CASH AND BANK BALANCES

	2019 (Rupees)	2018 (Rupees)
Cash in hand	16,885	1,034
Cash at bank – in current account	33,895,482	25,669,061
	<u>33,912,367</u>	<u>25,670,095</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 **4 September, 2019**.



HONARARY GENERAL
SECRETARY



TREASURER

