

**FINANCIAL STATEMENTS
OF
M/S. BISMILLAH DASTARKHAN
FOR THE PERIOD ENDED JUNE 30, 2017**

RAZA SIDDIQUI & CO.

CHARTERED ACCOUNTANTS

Room # 402, Amber Estate (Ext), K.C.H.S.U., Block-7/8, Karachi,
Karachi- Tel: 021-34532778 & 021-34391843



AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **M/s. BISMILLAH DASTARKHAN** as at **June 30th, 2017** and the related revenue and expenditure account, cash flow statement and statement of changes in fund together with the notes forming part thereof, for the period from December 13th, 2016 to June 30th, 2017 and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that-

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion-
 - (i) the balance sheet and revenue and expenditure account and together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the period was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the period were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, revenue and expenditure account, cash flow statement and statement of changes in fund together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **June 30th, 2017** and of the deficit, its cash flows and changes in fund for the period then ended; and
- (d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.
- (e) There is no bank account has been maintained by the Company till period ended.
- (f) This is the first financial period of the Company, so there is no comparative figure reported.

Raza Siddiqui & Co.
Chartered Accountants
Engagement partner
Shafqat Raza



Date: **04 OCT 2017**
Karachi.

BISMILLAH DASTARKHAN
BALANCE SHEET
AS AT JUNE 30 , 2017

	<u>Note</u>	<u>2017</u> <u>Rupees</u>
GENERAL FUND		
Accumulated surplus		<u>11,123,172</u>
REPRESENTED BY :		
ASSETS		
NON - CURRENT ASSETS		
Property and equipment	4	10,954,390
CURRENT ASSETS		
Stock	5	91,575
Advances and prepaymnets		130,000
Cash in hand		148,707
		<u>370,282</u>
TOTAL ASSETS		<u>11,324,672</u>
LESS: CURRENT LIABILITIES		
Payables	6	161,500
Accrued expenses		<u>40,000</u>
		201,500
Contingencies and commitments	7	-
NET ASSETS		<u>11,123,172</u>

The annexed notes from integrated part of this financial statement.


CHIEF EXECUTIVE

F.P




DIRECTOR

BISMILLAH DASTARKHAN
REVENUE AND EXPENDITURE ACCOUNT
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

	<u>Note</u>	<u>2017 Rupees</u>
Revenue	8	6,253,050
Expenditure	9	(6,964,127)
(Deficit) for the period before taxation		(711,077)
Taxation	10	-
(Deficit) for the period after taxation		<u>(711,077)</u>

The annexed notes from integrated part of this financial statement.


CHIEF EXECUTIVE

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F.P.




DIRECTOR

BISMILLAH DASTARKHAN
CASH FLOW STATEMENT
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

	<u>Note</u>	<u>2017 Rupees</u>
Cash Flows Operating Activities		
(Deficit) for the period after taxation		(711,077)
Adjustments for :		
Depreciation	4	879,859
Surplus before changes in working capital		<u>168,782</u>
Changes in Working Capital		
(Increase) / decrease in current assets		
Stock		(91,575)
Advances and prepaymets		(130,000)
Increase / (decrease) in current liabilities		
Accrued and payables		201,500
		<u>(20,075)</u>
Net cash inflow from operating activities		<u>148,707</u>
Net cash Inflow from operating activities		<u>148,707</u>
Cash flows from investing activities		
Fixed capital expenditure		(11,834,249)
Net cash outflow from investing activities		<u>(11,834,249)</u>
Cash flows from financing activities		
Fund raised during the period		11,834,249
Net cash inflow from investing activities		<u>11,834,249</u>
Net Increase in cash and cash equivalents		148,707
Net cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		<u><u>148,707</u></u>

The annexed notes from integrated part of this financial statement.


CHIEF EXECUTIVE




DIRECTOR

BISMILLAH DASTARKHAN
STATEMENT OF CHANGES IN FUND
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

GENERAL FUND

	2017 Rupees
Balances as at December 13, 2016	-
Fund raised during the period	11,834,249
(Deficit) transfer from revenue and expenditure account	(711,077)
Balances as at June 30, 2017	11,123,172

The annexed notes from integrated part of this financial statement.


CHIEF EXECUTIVE




DIRECTOR

BISMILLAH DASTARKHAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

1 STATUS AND NATURE OF BUSINESS

Bismillah Dastarkhan was incorporated in Pakistan as a limited by guarantee, without share capital, on December 13, 2016 under the repealed Companies Ordinance, 2016 (now the Companies Act, 2017), after obtaining the license dated October 7th, 2016 u/s 42 of the repealed Company Ordinance 1984 (now the Companies Act, 2017). The registered office of the Company is situated at ACM Towers Plot no.G-21/22, Khaliq-uz-Zaman Road ,Block 8, Clifton Karachi-Sindh.The Company's objective is to provide basic necessity, need and facilities which include food, foodstuff, drinking water, shelter, accommodation, new and used clothes and other necessary allied items to the poor/needly people and community throughout Pakistan.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with requirements of the Companies Ordinance, 1984 (the Ordinance), directives issued by the Securities and Exchange Commission of Pakistan (SECP) and approved financial reporting standards as applicable in Pakistan. Approved financial reporting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Boards are notified under the provisions of the Ordinance. Wherever the requirements of the Ordinance, or the directives issued by the SECP differ with the requirements of these standards, the requirements of Ordinance or of the said directives have been followed.

- 2.2** During the year, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular no. 17 of 2017 dated July 20, 2017 communicated commission's decision that the companies whose financial year close on or before 30 June 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

2.3 Accounting convention

These financial statements have been prepared under the historical cost convention, except that certain property, plant and equipment is stated at fair value as determined by an independent valuer.

2.4 Foreign currency transactions

Foreign currency transactions are recognized or accounted for into Pakistani Rupees using the exchange rate prevailing on the date of the transaction.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Cost comprises acquisition and other directly attributable costs. Depreciation is charged to income on reducing balance basis at the rates mentioned in note No. 4. Depreciation is charged from the month in which assets becomes available for use, while no depreciation is charged for the month in which the assets is disposed off.

Gain and loss on disposal of assets are included in the income currently.

Maintenance and repairs are charged to profit and loss account as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are written off. Gain/(loss) on disposal of assets are included in the income / expense currently.

BISMILLAH DASTARKHAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

3.2 Impairment of Assets

The carrying amount of the Company's assets are reviewed at each balance sheet date to identify circumstances indicating concurrence of impairment loss or reversal of previous impairment losses. If any such indications exist, the recoverable amounts of such assets are estimated and impairment losses or reversal of impairment losses are recognized in the profit and loss account. Reversal of impairment loss is restricted to the original cost of the asset.

3.3 Foreign currency transactions and translation

Monetary assets and liabilities in foreign currencies are translated into pak rupees at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into functional currency using the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account.

3.4 Revenue Recognition

Donations are recognized on receipt basis.

3.5 Contingencies and commitments

There are no material contingencies including Pending "or" Threatened law suit and unasserted claims, further no claims in connection with litigation have been "or" are expected to be received / paid. There are no commitments outstanding as balance sheet date.

3.6 Trade and other receivables

These are stated at cost less impairment losses, if any.

3.7 Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents include cash in hand and with banks.

3.8 Trade and other payable

Liabilities for trade 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.

3.9 Provisions

Provision are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

3.10 Related parties

Transactions with related parties are based on the transfer pricing policy that all transactions between the company and the related party of the company are at arm's length prices using the comparable uncontrolled price method except in circumstances where it is in the interest of the company not to do so.

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BISMILLAH DASTARKHAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

3.11 Taxation

The Company, being the Non profitable Organization, is exempt from income tax on income.

3.12 Off-setting of financial assets and liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.13 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and assets and liabilities are stated at fair value and amortized cost respectively. The Company de-recognizes the financial assets and liabilities when it ceases to be a party to such contractual provision of the instrument.

BISMILLAH DASTARKHAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

4 PROPERTY AND EQUIPMENT

DESCRIPTION	OWNED						TOTAL
	GODOWN	SHOPS	GENERATOR AND UPS	SANITORY EQUIPMENT	KITCHEN EQUIPMENT	ELECTRICITY EQUIPMENT	
COST							
Balances as at December 13, 2016	-	-	-	-	-	-	-
Additions during the period	5,314,173	5,646,309	560,000	7,750	122,912	183,105	11,834,249
Balance as at June 30, 2017	5,314,173	5,646,309	560,000	7,750	122,912	183,105	11,834,249
ACCUMULATED DEPRICIATION							
Balances as at December 13, 2016	-	-	-	-	-	-	-
Charge for the period	398,563	423,473	28,000	388	20,280	9,155	879,859
Balance as at June 30, 2017	398,563	423,473	28,000	388	20,280	9,155	879,859
Carrying Amount -2017	4,915,610	5,222,836	532,000	7,363	102,632	173,950	10,954,390
RATE OF DEPRECIATION (%)	15%	15%	10%	10%	33%	10%	

BISMILLAH DASTARKHAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

	<u>Note</u>	<u>2017 Rupees</u>
5 STOCK		
Rice		91,575
		<u>91,575</u>
6 PAYABLES		
Payable to supplier		161,500
		<u>161,500</u>
7 CONTINGENCIES AND COMMITMENTS		
There were no contingencies and commitments as at June 30, 2017.		
8 REVENUE		
Donation		6,253,050
		<u>6,253,050</u>
9 EXPENDITURE		
Salaries Expense		342,000
Masala Expenses		466,034
Chicken Expenses		1,786,380
Rice consume		908,175
Oil consume		204,650
Housing keeping Expense		2,420
Stationary And Postage Expenses		3,000
Auditors remuniration		40,000
Legal And Professional Charges		86,900
Utility Expenses		31,014
Eid Mela Expenses		404,000
Ramadan Expenses		1,684,426
Petrol and Gas Expense		103,789
Repair and Maintainance		21,480
Depreciation	4	879,859
		<u>6,964,127</u>

10 TAXATION

The Company, being the welfare organization, is exempt from income tax on income.

11 FIANAICAL RISK MANAGEMENT

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risk from its use of financial instruments:

11.1 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is not exposed to any market risk.

11.2 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due.



BISMILLAH DASTARKHAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM DECEMBER 13, 2016 TO JUNE 30, 2017

11.3 Credit Risk

Credit risk represent the accounting loss that would be recognized at the reporting date if counter party fail to performed as contracted. The management of the Company has adopted appropriate policies to minimize its exposure to the risk.

11.4 Fair Value of Financial Assets and Liabilities

The carrying amounts of all financial assets and liabilities reflected in the financial statements approximate their fair value.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. However, the Company does not hold any quoted financial instrument.

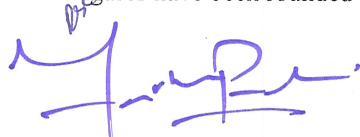
The financial instruments that are not traded in active market are carried at cost and are tested for impairment according to IAS 39 'Financial Instruments: Recognition and Measurement'.

12 DATE OF AUTHORIZATION

These financial statement have been authorized for issue on 04 OCT 2017 by the Board of Directors of the Company.

13 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR