

**FOUNDATION FIGHTING POVERTY  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018**

	Note	30 June 2018 Rupees	30 June 2017 Rupees
<b>Assets</b>			
<b>Non - Current Assets</b>			
Tangible fixed assets	5	<u>148,885</u>	<u>26,667</u>
<b>Current Assets</b>			
Short term deposits and prepayments		110,000	-
Cash in hand		1,564,340	945,156
		<b>1,674,340</b>	<b>945,156</b>
<b>Total Assets</b>		<u><b>1,823,225</b></u>	<u><b>971,823</b></u>
<b>Funds And Liabilities</b>			
<b>Accumulated Fund</b>			
General Fund – Unrestricted		<u>890,368</u>	<u>661,400</u>
<b>Liabilities</b>			
<b>Non - Current Liabilities</b>			
Zakat fund	6	892,557	310,423
Deferred Income	7	40,300	-
		<b>932,857</b>	<b>310,423</b>
<b>Total Funds And Liabilities</b>		<u><b>1,823,225</b></u>	<u><b>971,823</b></u>

The annexed note from 1 to 11 forms an integral part of these financial statements.

\_\_\_\_\_  
President

\_\_\_\_\_  
Finance Secretary

**FOUNDATION FIGHTING POVERTY  
STATEMENT OF INCOME & EXPENDITURE  
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 Rupees	From 1 <sup>st</sup> Jan 2017 to 30 <sup>th</sup> June 2017 Rupees
<b>Donations Received</b>		<b>1,495,166</b>	1,025,409
<b>Amortization of deferred income</b>		<b>17,700</b>	-
<b>Expenditure</b>			
Education		<b>(201,747)</b>	(32,830)
Health		<b>(82,468)</b>	(11,050)
Campaigns	<b>8</b>	<b>(206,099)</b>	(184,785)
Others		<b>(223,517)</b>	(71,100)
		<b>(713,831)</b>	(299,765)
<b>Administrative Expenses</b>	<b>9</b>	<b>(570,067)</b>	(64,244)
<b>Surplus for the Period</b>		<b>228,968</b>	661,400

The annexed note from 1 to 11 forms an integral part of these financial statements.

\_\_\_\_\_  
President

\_\_\_\_\_  
Finance Secretary

**FOUNDATION FIGHTING POVERTY  
STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 30 JUNE 2018**

	<b>2018 Rupees</b>	<b>From 1<sup>st</sup> Jan 2017 to 30<sup>th</sup> June 2017 Rupees</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Surplus as per income and expenditure account	228,968	661,400
Adjustment for non - cash items		
Depreciation	43,722	3,333
<b>Operating surplus before working capital changes</b>	<b>272,690</b>	<b>664,733</b>
<b>Working capital changes</b>		
(Increase) in current assets		
Prepayment	(22,000)	-
Deposits	(88,000)	-
	<b>(110,000)</b>	<b>-</b>
Zakat fund – net	582,134	310,423
Deferred Income – net	40,300	-
<b>Net cash generated from operations</b>	<b>785,124</b>	<b>975,156</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for capital expenditure	(165,940)	(30,000)
<b>Net Increase in cash and cash equivalents</b>	<b>619,184</b>	<b>945,156</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>945,156</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,564,340</b>	<b>945,156</b>

The annexed note from 1 to 11 forms an integral part of these financial statements.

\_\_\_\_\_  
President

\_\_\_\_\_  
Finance Secretary

**FOUNDATION FIGHTING POVERTY**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Unrestricted Fund General Fund</b>	<b>Total</b>
	----- Rupees -----	
<b>Balance as at 01 January 2017</b>	-	-
Surplus for the period	661,400	661,400
<b>Balance as at 30 June 2017</b>	<b>661,400</b>	<b>661,400</b>
Surplus for the year	<b>228,968</b>	<b>228,968</b>
<b>Balance as at 30 June 2018</b>	<b>890,368</b>	<b>890,368</b>

The annexed note from 1 to 10 forms an integral part of these financial statements.

\_\_\_\_\_  
 President

\_\_\_\_\_  
 Finance Secretary

## **FOUNDATION FIGHTING POVERTY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

#### **1. THE FOUNDATION AND ITS OPERATION**

Foundation Fighting Poverty was registered on 28th April 2017 at Karachi, Pakistan, as a non-political and non-commercial organization under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961. The principal objects of the Foundation are to help the indigents in their medical and educational needs, to advise and assist unemployed men and women in securing gainful employment, environmental benefits and to give interest free loans to deserving peoples. The Foundation is also engaged in various other social and charitable activities.

The office of the Foundation is situated at Suite no 311, 3rd floor, Kawish crown plaza, Main Shahra-e-Faisal, Karachi.

#### **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 international Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board and Accounting Standards for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the Companies Act, 2017, provisions of and directives issued thereunder. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

#### **3. BASIS OF MEASUREMENT**

These financial statements have been prepared under historical cost convention.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **4.1. Tangible fixed assets**

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged to income applying the straight-line method whereby the cost of an asset is written-off over its estimated useful life. In respect of additions, depreciation is charged from the month of addition whereas no depreciation is charged in the month of disposal.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount. The recoverable amount of tangible fixed asset is the greater of net selling price and value in use.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements which meet the recognition criteria are capitalized and the assets so replaced, if any, are retired. Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the relevant assets. These are included in the income and expenditure account currently.

#### **4.2. Cash and cash equivalents**

Cash and cash equivalents consists of cash in hand and with banks.

#### **4.3. Funds**

##### **Unrestricted funds**

Funds received for ongoing operations, without any restrictions on utilization, are classified as unrestricted funds. Accordingly, such funds received and expenses incurred with respect to normal operations of the Foundation, which are not related to any specific activities are charged to statement of financial activities.

##### **Restricted fund**

Funds received as grant for specific purposes are classified as restricted fund with separate accounting records being maintained for each account. For this purpose:

- i. When grants received are in excess of their outlay, these are recognized in statement of financial activities to the extent of related expenses incurred. The excess balance is carried forward to deferred income as a restricted fund balance; and
- ii. in case of grants received are less than related expenditure incurred, the balance to the extent of commitment is recognized as receivable, if there is a strong probability of recovery of the contractual receivable from the respective donors.

#### **4.4. Income recognition**

Unrestricted donations and grants are recognized in the statement of financial activities in the year of receipt.

Restricted funds are recognized in the statement of financial activities to the extent of actual expenses incurred during the year. Where funds received are in excess of actual expenses, the balances are carried forward as restricted fund balances.

#### 4.5. Accrued and other liabilities

Accrued and other liabilities are recognized at cost which is the fair value of consideration to be paid in future for goods and services.

#### 4.6. Provisions

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

#### 4.7. Foreign currency transactions

Foreign currency transactions are converted into Pak Rupees (functional currency) at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currency are translated into Pak Rupees at the exchange rates prevailing at the balance sheet date. Exchange gains and losses are included in the income and expenditure account.

### 5. Tangible fixed assets

	Cost			Accumulated Depreciation			Net Book Value	Rates %
	As at 01 Jul 2018	Additions	As at 30 Jun 2018	As at 01 Jul 2018	Charge for the year	As at 30 Jun 2018	As at 30 Jun 2018	
Computer	30,000	40,000	70,000	3,333	23,100	26,433	43,567	33%
Furniture & Fixtures	-	63,750	63,750	-	11,156	11,156	52,594	25%
Office Equipment	-	39,650	39,650	-	7,588	7,588	32,062	33%
Vehicles	-	22,540	22,540	-	1,878	1,878	20,662	25%
	<u>30,000</u>	<u>165,940</u>	<u>195,940</u>	<u>3,333</u>	<u>43,722</u>	<u>47,055</u>	<u>148,885</u>	

	Cost			Accumulated Depreciation			Net Book Value	Rates %
	As at 01 Jan 2017	Additions	As at 30 Jun 2017	As at 01 Jan 2017	Charge for the year	As at 30 Jun 2017	As at 30 Jun 2017	
Computer	-	30,000	30,000	-	3,333	3,333	26,667	33%

## 6. Zakat Fund

	Note	30 June 2018	30 June 2017
Opening balance as at 01 January 2017		310,423	-
Add: Zakat received during the period		1,090,137	575,425
		<u>1,400,560</u>	575,425
Less: Amount utilized during the period	6.1	(508,003)	(265,002)
		<u>892,557</u>	<u>310,423</u>

### 6.1. Breakup of amount utilized from zakat fund:

Education	26,713	9,770
Health	223,229	30,780
Marriage	63,000	34,800
Ration Distribution	171,061	145,152
Income Support Program	20,000	20,000
Others	4,000	24,500
	<u>508,003</u>	<u>265,002</u>

## 7. Deferred Income

Opening balance as at 01 July 2017	-	-
Add: Grants received during the year	58,000	-
Less: transferred to P&L to the extent of depreciation	(17,700)	-
	<u>40,300</u>	<u>-</u>



	Note	30 June 2018	30 June 2017
<b>8. Campaigns Expenses</b>			
Ramadan - Iftaar & gift distribution		86,962	128,235
Edhi Campaign		-	17,510
Books & Clothes Distribution		18,000	20,910
Heat Wave		-	3,781
Health Camp		27,700	-
Interior Sindh Campaign		18,600	-
Anniversary Expense		14,960	-
Others		39,877	14,349
		<b>206,099</b>	<b>184,785</b>
<b>9. Administrative Expenses</b>			
Salaries and wages		99,682	
Advertisement Charges		25,278	3,861
Professional and Legal Charges		22,800	40,000
Depreciation Expenses		43,722	3,333
Rent Expense		144,000	-
Other Utilities		48,051	-
Electricity Charges		22,140	-
Website development charges		18,616	-
Entertainment Expenditure		53,990	-
General Repairs and Maintenance		72,562	-
Miscellaneous expenses		19,226	17,050
		<b>570,067</b>	<b>64,244</b>

**10. DATE OF AUTHORISATION**

These financial statements were authorized for issue on \_\_\_\_\_ by the Executive Committee of the Foundation.

**11. GENERAL**

Amounts have been rounded off to the nearest Rupee, unless otherwise stated

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President

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Finance Secretary