

INDEPENDENT AUDITOR'S REPORT

To the members of Moawin Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Moawin Foundation** (the Foundation), which comprise the statement of financial position as at June 30, 2019 and the Income & expenditure statement and other comprehensive income, the statement of changes in Funds and Reserves, the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the income & expenditure statement and other comprehensive income, the statement of changes in Funds and Reserve and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Foundation's affairs as at June 30, 2018 and of the surplus, the changes in Funds and Reserves and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Foundation as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the income and expenditure account, the statement of changes in Funds and Reserves and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Foundation's business; and
- d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is
M. Faiz-ur-Rahman.

Faiz & Co.

Chartered Accountants
Islamabad
Dated: 4 - Oct - 2019



MOAWIN FOUNDATION
Statement of Financial Position
As at June 30, 2019

	NOTE	2019 Rupees	2018 Rupees (Restated)
NON CURRENT ASSETS			
Property and Equipment	5	1,836,000	1,836,000
Intangible assets	6	59,520	74,400
		1,895,520	1,910,400
CURRENT ASSETS			
Accrued income and other receivables	7	142,465	97,945
Short term investments	8	10,000,000	10,000,000
Cash and Bank Balances	9	6,622,515	2,585,566
		18,660,500	14,593,911
CURRENT LIABILITIES			
Trade and Other Payables	10	(60,000)	(60,000)
NET ASSETS		<u>18,600,500</u>	<u>14,533,911</u>
REPRESENTED BY:			
Funds and Reserves			
Restricted Funds	11	2,000,000	-
General Funds		16,600,500	14,533,911
		<u>18,600,500</u>	<u>14,533,911</u>
Contingencies and Commitments	12	-	-

The annexed notes from 1 to 23 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

MOAWIN FOUNDATION
Income and Expenditure Statement
For the year ended June 30, 2019

	Note	2019 (Rupees)	2018 (Rupees)
INCOME			
			(Restated)
Donations and Grants	13	10,091,183	7,779,919
Profit on fixed deposits		740,136	530,920
		10,831,319	8,310,839
EXPENDITURE			
Program activities	14	8,352,462	7,171,420
Administrative and general expenses	15	334,432	286,000
Withholding taxes		75,914	434,233
Financial charges	16	1,922	773
		8,764,730	7,892,426
Surplus for the year		2,066,589	418,413

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The annexed notes from 1 to 23 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

MOAWIN FOUNDATION
Statement of Comprehensive Income
For the year ended June 30, 2019

Note	2019 (Rupees)	2018 (Rupees)
		(Restated)
Surplus for the year	2,066,589	418,413
Other comprehensive income:		
Items that will be subsequently reclassified in income and expenditure:	-	-
Items that will not be subsequently reclassified in income and expenditure:	-	-
Total comprehensive income for the year	2,066,589	418,413

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The annexed notes from 1 to 23 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

MOAWIN FOUNDATION
Statement of Changes in Funds and Reserves
For the year ended June 30, 2019

	Restricted Funds (Rupees)	General Funds (Rupees)	Total (Rupees)
Balance as at July 01, 2017	-	14,115,498	14,115,498
Surplus for the year <i>(Restated)</i>	-	418,413	418,413
Balance as at June 30, 2018	-	14,533,911	14,533,911
Surplus for the year		2,066,589	4,066,589
Funds received during the year	2,000,000		
Balance as at June 30, 2019	2,000,000	16,600,500	18,600,500

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The annexed notes from 1 to 23 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

MOAWIN FOUNDATION
Statement of Cash Flows
For the year ended June 30, 2019

	2019 (Rupees)	2018 (Rupees) <i>(Restated)</i>
Cash flows from Operating Activities		
(Deficit)/Surplus for the year	2,066,589	418,413
Non cash items		
Amortization	14,880	18,600
Working Capital Changes		
Decrease/(Increase) in accrued mark-up	(44,520)	19,080
(Decrease)/Increase in payable to Chief Executive	-	(300,000)
(Decrease)/Increase in trade and other payables	-	20,000
	(44,520)	(260,920)
Net cash flow from operating activities	2,036,949	176,093
Cash Flows from Investing Activities		
Intangible Assets		(93,000)
Net cash flow from investing activities	-	(93,000)
Cash flows from Financing Activities		
Restricted funds received	2,000,000	
Net cash flow from financing activities	2,000,000	-
Increase/(decrease) in cash and cash equivalents during the year	4,036,949	83,093
Cash and cash equivalents at the beginning of the year	2,585,566	2,502,473
Cash and cash equivalents at the end of the year	6,622,515	2,585,566

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The annexed notes from 1 to 23 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

MOAWIN FOUNDATION
Notes to the Financial Statements
For the year ended June 30, 2019

1 Corporate and General Information

1.1 Legal status and operations

Moawin Foundation ("the Foundation") is a Not for Profit company / organization limited by guarantee incorporated in Pakistan on October 23, 2014 under section 42 of the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017).

The Registered office of the Foundation is situated at House No. B-9, Navy Housing Scheme, F-11/1, Islamabad. The main Objective of the Foundation is to improve standard of education/training at government schools and to employ good teachers, train them and make them teach well and arrange vocational trainings for boys and girls in rural areas of Pakistan.

1.2 Summary of significant events and transactions in the current reporting period

The Foundation's financial position and performance was particularly affected by the following events and transactions during the reporting period:

- The Foundations has applied for renewal of license for three years onward.
- The TDRs of Rs. 10 million matured during the year and were re-invested for 6 months @ 10.25% pa.
- The Foundation resolved drinking water issues in 11 schools at cost of Rs. 800,528/-

2 BASIS FOR PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standards' for Not for Profit Organizations (Accounting Standards for NPOs) issued by the Institute of Chartered Accountants of Pakistan; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis for Measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

2.3 Functional and Presentation Currency

These financial statements are presented in Pakistan Rupee (PKR) which is the Foundation's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Pakistan Rupees (PKR), unless otherwise stated.

2.4 Key Judgements and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgments in the process of applying the company's accounting policies. The areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

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MOAWIN FOUNDATION

Notes to the Financial Statements

For the year ended June 30, 2019

- Useful lives, residual values and depreciation method of property and equipments	Note	3.1
- Estimation of Provision	Note	3.9
- Income tax	Note	3.13

The revision to accounting estimates (if any) are recognized in the period of in which the estimate is revised if the revision affects only that period or in the period of the revision; and future periods if the revision affects both current and future periods.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Significant accounting policies adopted 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 and Equipment

These are stated at historical cost less accumulated depreciation and impairment losses, if any, except freehold land and capital work in progress which are stated at cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items including borrowing costs (if any).

Cost of self-constructed assets includes the cost of material and direct labor and other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When major components of an item of property and equipment have different useful lives, these are accounted for as separate items of property and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to income and expenditure account during the financial period in which they are incurred.

Gains and losses, if any, on disposal of property and equipment are taken to income and expenditure account.

Depreciation on addition to property and equipment is charged from the month in which an item is put to use while no depreciation is charged for the month in which the item is derecognized / disposed off.

3.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization. Amortization on all intangible assets is charged on straight line method at 20%. Amortization on additions is charged from date of purchase till year

3.3 Financial Instruments

3.3.1 Financial Assets

The Foundation classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, available-for-sale and held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition:

a) At fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

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MOAWIN FOUNDATION
Notes to the Financial Statements
For the year ended June 30, 2019

b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non-current assets. Loans and receivables comprise deposits, other receivables and cash and bank balances in the statement of financial position.

c) Available for Sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. These are included in non-current assets unless investment matures or management intends to dispose of the investments within twelve months from the balance sheet date. There are no available-for-sale financial assets at the balance sheet date.

d) Held to maturity

Financial assets with fixed or determinable payments and fixed maturity, where management has intention and ability to hold till maturity are classified as held to maturity.

All financial assets are recognized at the time when the Foundation becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognized on the trade-date — the date on which the Foundation commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed to the income and expenditure account. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Foundation has transferred substantially all the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held to maturity investments are carried at amortized cost using the effective interest method.

Gains or losses arising from changes in fair value of the financial assets at fair value through profit or loss category are recognized in the income and expenditure account.

Dividend income from financial assets at fair value through profit or loss is recognized in the income and expenditure account as part of 'other income' when the Foundation's right to receive payments is established. Gains or losses on sale of investments at fair value through profit or loss are recognized in the income and expenditure account as 'gains and losses from investment securities'.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the income and expenditure account as gains and losses from investment securities. Interest on available-for-sale securities calculated using the effective interest method is recognized in the income and expenditure account as part of 'other income.' Dividends on available-for-sale equity instruments are recognized in the income and expenditure account as part of 'other income' when the Foundation's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Foundation measures the investments at cost less impairment in value, if any. Changes in the fair value of securities classified as available-for-sale are recognized in other comprehensive income.

3.3.2 Financial liabilities

All financial liabilities are recognized at the time when the Foundation becomes a party to the contractual provisions of the instrument.

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MOAWIN FOUNDATION
Notes to the Financial Statements
For the year ended June 30, 2019

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the income and expenditure account.

3.3.3 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are off-set and the net amount is reported in the financial statements only when the Foundation has a legally enforceable right to off-set the recognized amounts and the Foundation intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, balance with banks on current, deposit and savings accounts and short term investments with original maturities of three months or less.

3.5 Impairment

Non-Financial Assets:

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the income and expenditure statement.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the income and expenditure

Financial Assets other than trade receivables:

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

The impairment loss is recognized immediately in the income and expenditure statement and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3.6 General fund

Contributions made by the members of the Foundation and donors, without any specific purpose or activity, are classified as unrestricted general funds. Accordingly, any income generated and expenses incurred with respect to normal operations of the Foundation, which are not related to Specific funds/activities, are charged to statement of income and expenditure.

3.7 Restricted Fund

A restricted contribution is a contribution subject to externally imposed stipulations that specify the purpose for which the contribution asset or fund is to be used. Restricted contributions for the purchase of capital assets that will be depreciated are deferred and recognised as revenue in the income and expenditure statement on the same basis as the depreciation expense related to the acquired capital assets. The net investment income earned, to the extent attributable restricted contribution including endowment contribution/fund, are recognised as increase or decrease in the deferred contribution balance and

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MOAWIN FOUNDATION
Notes to the Financial Statements
For the year ended June 30, 2019

3.8 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

3.9 Provisions

Provisions are recognized when the Foundation has a present legal or constructive obligation as a result of past events and 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 the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

3.10 Contingent Liabilities

A contingent liability is disclosed when the Foundation has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Foundation; or the Foundation has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.11 Grants

Funds received directly for specific purposes, are classified as grants. Funds provided or utilized for the purchase of capital items from grants are shown in the balance sheet as deferred income and a portion of the grant is recognized as income in the income and expenditure account to match the depreciation and amortization recognized during the year on the related capital items. Grants utilized for operations are credited to income and expenditure account to the extent of related actual operating expenses. Committed grant is accrued in case where it is probable that the economic benefits of such grant will flow to the Foundation

3.12 Income

Income is recognized to the extent it is probable that the economic benefits will flow to the Foundation and the income can be measured reliably. Income is measured at the fair value of the consideration received or receivable and is recognized on the following basis:

Donations related to specific projects are deferred and recognized as income on a systematic basis to match them with the related costs that they are intended to compensate.

- Donations related to operating fixed assets received are recognized as deferred capital grant and amortized over the useful lives of assets from the date the asset is available for intended use.
- Donation other than those related to specific projects and operating fixed assets are recognized as income on receipt.
- Income from other sources is recorded on receipt basis.
- Income on investment is recognized on time proportion basis taking into account the implicit rate of return on investments.
- Income on savings bank accounts is recognized on accrual basis.

3.13 Income Tax

The Foundation has been granted approval as a non-profit organization under section 2(36) of the Income Tax Ordinance, 2001 (the Ordinance) by the Commissioner of Income Tax. Therefore, the management of the Foundation, based on the advice of its tax consultant, is of the view that its income would not be liable to tax in view of tax credit available under section 100C of the Ordinance.

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MOAWIN FOUNDATION
Notes to the Financial Statements
For the year ended June 30, 2019

3.14 Foreign currency transactions and translation

The financial statements are presented in Pakistan Rupees which is the Foundation's functional currency. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income and expenditure account.

3.15 Presentation & Reclassification

Figures are rounded off to the nearest rupee and those for the last year are rearranged if necessary to facilitate comparison. Appropriate disclosure is given in relevant note in case of material rearrangements.

4 Correction of Prior year's Error

The cost of software purchased during 2018 has been wrongly expensed out as consultancy charges. The error has been accounted for in accordance with Section 10 "Accounting Policies, Estimates and Errors" of IFRSs for SMEs. Foundation has corrected error by restating the comparative figures.

Impact on these financial statements of this correction of error is summarized below as of June 30, 2018 and for the year then ended:

Impact on Statement of Financial Position

Increase in Accumulated funds' balance
Increase in Intangible assets

30-Jun-18

74,400
93,000

Impact on Statement of profit or loss

Increase in amortization expense
(Decrease) in consultancy charges

18,600
93,000

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MOAWIN FOUNDATION
Notes to the Financial Statements
For the year ended June 30, 2019

		Note	2019 (Rupees)	2018 (Rupees)
5	Property and Equipment			
	Land - Cost		1,836,000	1,836,000
	Less: Accumulated Depreciation		-	-
			<u>1,836,000</u>	<u>1,836,000</u>
<p>Under an agreement between Moawin Foundation (MF) and Punjab Vocational Training Council (PVTC), Government of Punjab, a Vocational Training Institute (VTI) was built in Mahmuniwala, Sheikhupura through a grant amounting to Rs. 34.182 million provided by the Government of Punjab. The land for the VTI is provided by Moawin Foundation. The VTI now run under the management of PVTC with support and intervention of MF.</p>				
6	Intangible assets			
	Accounting software		74,400	93,000
	Less: Accumulated Amortization		(14,880)	(18,600)
			<u>59,520</u>	<u>74,400</u>
7	Accrued income and other receivables			
	Accrued mark-up on TDRs		142,465	97,945
	<p>This represents accrued mark-up on Term Deposit Receipt (TDR) having 6 months maturity period and yield of 10.5% (2018: 5.5%) receivable upon maturity.</p>			
8	Short term investments			
	Term Deposit Receipts (TDRs)		10,000,000	10,000,000
	<p>This represents investments in Term Deposit Receipt (TDR) having 6 months maturity period and yield of 10.5% per annum (2018: 5.5%) receivable upon maturity.</p>			
9	Cash and Bank Balances			
	Cash in hand		-	28,460
	Cash at bank - Current Account		6,622,515	2,557,106
			<u>6,622,515</u>	<u>2,585,566</u>
10	Trade and Other Payables			
	Audit fee payable		60,000	60,000
11	Restricted Funds		2,000,000	-
	Funds received during the year			
	<p>This represents donations received from donor with specific utilization instruction and classified as restricted fund.</p>			
12	Contingencies and Commitments			
	<p>There are no significant contingencies and commitments as of the reporting date.</p>			
13	Income			
	Donation/Grants	13.1	10,091,183	7,779,919
	Profit on TDRs	13.2	740,136	530,920
			<u>10,831,319</u>	<u>8,310,839</u>
13.1	<p>This represents income from individual and institutional donors received during the year without any restriction.</p>			
13.2	<p>This represents Profit on investments in Term Deposit Receipt (TDR) having 6 months maturity period and yield of 10.5% per annum (2018: 5.5%) receivable upon maturity.</p>			

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MOAWIN FOUNDATION
Notes to the Financial Statements
For the year ended June 30, 2019

14 Program activities

Mehmunwali, Sheikhpura
Ali Pur, ICT

Note	2019 (Rupees)	2018 (Rupees)
14.1	6,281,227	7,171,420
14.2	2,071,235	-
	<u>8,352,462</u>	<u>7,171,420</u>

14.1 Mehmunwali, Sheikhpura

Salaries and benefits
Students' and Teachers' conveyance charges
Schools' Repair and maintenance
Solar systems
Furniture & Fixture
School supplies
Electric Supplies
Telephone and petrol charges
Printing and stationery
Postage and communication
Entertainment
Medical Camp
Fund Raising Event
Amortization
Teachers training
Travelling expenses
Office Supplies

2,505,900	1,492,220
1,472,640	1,318,907
115,700	115,688
-	3,300,000
-	169,500
970,322	325,026
64,560	54,579
-	19,500
21,531	22,933
1,460	1,569
294,627	172,448
-	19,900
745,512	-
14,880	18,600
-	66,160
-	74,390
74,095	-
<u>6,281,227</u>	<u>7,171,420</u>

14.2 Ali Pur, ICT

Salaries and benefits
Schools' Repair and maintenance
School supplies - School bags and Stationery
Water borings in schools
Teachers training

14.2.2	-	-
	692,660	-
	185,969	-
14.2.3	800,518	-
	392,088	-
	<u>2,071,235</u>	<u>-</u>

14.2.1 Moawin Foundation (MF) and Americal Refugee Committee Pakistan (ARC) signed a MOU on April 25, 2018 for achieving Educate A child program objective i.e. enroll and educate Out of School children ages 6-16. As a result, MF entered into a MOU with the Federal Directorate of Education on December 14, 2018 for adoption of 12 schools in the Union Council Ali Pur of ICT. The program in Islamabad is partially funded by ARC.

14.2.2 Program Manager was appointed to handle MF operations in ICT schools in December 2018. His salary is being paid by ARC.

14.2.3 Moawin Foundation started a project during the year to provide clean drinking water in the schools in ICT. Under the project water boring was started in 11 schools of ICT in May 2019. The work is in progress and is expected to be completed in November 2019. Total estimated cost for the project is Rs. 4.2 million.

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MOAWIN FOUNDATION
Notes to the Financial Statements
For the year ended June 30, 2019

15 Administrative and general expenses

Note	2019 (Rupees)	2018 (Rupees)
	240,000	200,000
	-	26,000
	34,432	-
15.1	60,000	60,000
	<u>334,432</u>	<u>286,000</u>

Salaries and benefits
Fees and subscription
Consultancy charges
Auditor's remuneration

15.1 Auditor's remuneration

Audit services

Audit fee
Out of pocket expenses

60,000	60,000
-	-
<u>60,000</u>	<u>60,000</u>

16 Financial Charges

Bank service charges

1,922	773
<u>1,922</u>	<u>773</u>

17 Remuneration to Chief Executive and Directors

No remuneration was paid to the Chief Executive Officer and the Directors of the Foundation during the year.

18 Financial Instruments

	Fair value through profit or loss		Amortized Cost		Total	
	2019	2018	2019	2018	2019	2018
Financial Assets	Rupees					
Accrued income and other receivables	-	-	142,465	97,945	142,465	97,945
Short term investments	-	-	10,000,000	10,000,000	10,000,000	10,000,000
Cash and Bank Balances	-	-	6,622,515	2,585,566	6,622,515	2,585,566
	-	-	<u>16,764,980</u>	<u>12,683,511</u>	<u>16,764,980</u>	<u>12,683,511</u>
Financial Liabilities						
Trade and Other Payables	-	-	60,000	60,000	60,000	60,000
	-	-	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>

19 Number of Employees

Number of Employees of the Foundation during the year
Average number of employees of the Foundation during the year

2019	2018
04	03
<u>04</u>	<u>03</u>

20 Transaction with Related Parties

Related Parties comprise associates, Members of the Foundation, their close family members and other key management personnel. Remuneration to key management personnel is disclosed in Note 17. Significant transactions with related parties during the year are as under:

Name of Related Party	Relationship	Transactions during the year and year end balances	2019 (Rupees)	2018 (Rupees)
Chairman & CEO	Key Management	Loan received	-	300,000
Chairman & CEO	Key Management	Donation received	-	344,000
Mr. Hasan Sandila	Family member - Key management personnel	Donation received	95,000	-

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MOAWIN FOUNDATION

Notes to the Financial Statements

For the year ended June 30, 2019

21 Events After Reporting Date

There are no other significant activities since 30 June 2019 causing any adjustment or disclosure in the financial statements apart from those disclosed in the financial statements.

22 Fund Management

The Foundation's objective when managing Fund balances is to safeguard its ability to continue as a going concern and to maintain a strong fund base to support the sustained development of its operations.

There were no externally imposed capital requirements on the Foundation.

23 Date of Authorization for issue

These financial statements were authorized for issue by the Board of Directors in their meeting held on

4-Oct-2019.



CHIEF EXECUTIVE



DIRECTOR