

# **MOAWIN FOUNDATION**

## **FINANCIAL STATEMENTS**

**As on JUNE 30, 2015**



**Danish  
Mehmood & Co.**  
Chartered Accountants




## AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **MOAWIN FOUNDATION (the Foundation)** as at June 30, 2015 and the related income and expenditure account, statement of cash flows and statement of changes in accumulated fund together with the notes forming part thereof, for the period from October 23, 2014 to June 30, 2015 (the period) and we state that we obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

It is the responsibility of the Foundation'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 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 accounts have been kept by the Foundation as required by the Companies Ordinance, 1984;
- (b) in our opinion:
  - (i) the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
  - (ii) the expenditure incurred during the year was for the purpose of Foundation's business; and
  - (iii) the business conducted and the expenditure incurred during the period were in accordance with the objects of the Foundation;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, statement of cash flows and statement of changes in accumulated fund together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, given 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 Foundation's affairs as at June 30, 2015 and of the excess of income over expenditure, its cash flows and changes in accumulated fund for the period then ended.
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

  
**Danish Mehmod & Co.**  
Chartered Accountants  
Danish Mehmod

Islamabad: September 19, 2015


**MOAWIN FOUNDATION**  
**(A Company Incorporated under section 42 of the Companies Ordinance, 1984)**  
**BALANCE SHEET**  
**AS AT JUNE 30, 2015**

	<b>NOTE</b>	<b>2015 Rupees</b>
<b>NON CURRENT ASSETS</b>		
Property & Equipment	6	1,836,000
		<u>1,836,000</u>
<b>CURRENT ASSETS</b>		
Cash and bank balances	5	10,430,136
Advance Tax		15,123
		<u>10,445,259</u>
<b>CURRENT LIABILITIES</b>		
Short term payable	7	1,000,000
Creditors, accrued and other liabilities	8	30,000
		<u>1,030,000</u>
<b>NET ASSETS</b>		<u><u>11,251,259</u></u>
<b>REPRESENTED BY:</b>		
Accumulated Fund	9	<u><u>11,251,259</u></u>

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The annexed notes from 1 to 15 form an integral part of these financial statements.

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**MOAWIN FOUNDATION**

(A Company Incorporated under section 42 of the Companies Ordinance, 1984)

**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2015**

	<u>Note</u>	<u>2015</u> <u>(Rupees)</u>
<b>INCOME</b>		
Donation/Grants		11,820,780
Interest on fixed deposits		<u>151,233</u>
		11,972,013
<b>EXPENDITURE</b>		
Program activities	10	686,824
Operating expenses	11	32,318
Financial charges	12	<u>1,612</u>
		720,754
Excess of income over expenditure		<u><u>11,251,259</u></u>

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
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**CHIEF EXECUTIVE**

  
\_\_\_\_\_  
**DIRECTOR**

**MOAWIN FOUNDATION**  
**(A Company Incorporated under section 42 of the Companies Ordinance, 1984)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2015**

	<b>2015</b> <b>(Rupees)</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Excess of income over expenditure	11,251,259
<b>Adjustment for non-cash items:</b>	
Financial charges	1,612
	<u>11,252,871</u>
<b>Working Capital Changes</b>	
Increase in advances, prepayments and other receivables	(15,123)
Increase in short term payable	1,000,000
Increase in creditor, accrued and other liabilities	30,000
	<u>1,014,877</u>
Financial charges paid	(1,612)
<b>Net cash flow from operating activities</b>	<u>12,266,136</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Fixed capital expenditure	(1,836,000)
<b>Net cash flow from investing activities</b>	<u>(1,836,000)</u>
Increase in cash and cash equivalents during the period	<u>10,430,136</u>
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<u><u>10,430,136</u></u>

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**MOAWIN FOUNDATION**

**(A Company Incorporated under section 42 of the Companies Ordinance, 1984)**

**STATEMENT OF CHANGES IN ACCUMULATED FUND**

**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2015**

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	<b>Accumulated fund (Rupees)</b>
Balance as on October 23, 2014	-
Excess of Income over Expenditure for the period	<u>11,251,259</u>
Balance as at June 30, 2015	<u><u>11,251,259</u></u>

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
\_\_\_\_\_  
**CHIEF EXECUTIVE**

  
\_\_\_\_\_  
**DIRECTOR**

**MOAWIN FOUNDATION****(A Company Incorporated under section 42 of the Companies Ordinance, 1984)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2015**

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**1 THE FOUNDATION AND ITS OPERATIONS**

Moawin Foundation ("the Foundation") was incorporated on October 23, 2014, as a company under Section 42 of the Companies Ordinance, 1984. 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 organization is to improve standard of education/training at government schools and to get good teachers, train them and make them teach well.

**2 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of the Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, shall prevail.

**3 BASIS OF PREPARATION**

These financial statements have been prepared under the historical cost convention.

This is first financial period after incorporation for which financial statements of the Foundation are presented therefore no comparative information is presented.

**4 SIGNIFICANT ACCOUNTING POLICIES****4.1 Functional and presentation currency**

Items included in these financial statements are measured using the currency of the primary economic environment in which the Foundation operates. These financial statements are presented in Pak Rupees, which is the Foundation's functional and presentation currency.

**4.2 Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise of cash in hand and bank balances.

**4.3 Property & Equipment**

These are stated at cost less accumulated depreciation. Non current assets are depreciated by applying straight line method. Full month's depreciation is charged on additions while no depreciation is charged for the month in which the item is derecognized.

Normal repair and maintenance is charged to expenses as and when incurred. Major renewals and improvements are capitalized. Gains and losses on disposal of non current assets are taken to income & expenditure account.

**4.4 Accrued liabilities and other payables Donation/Grants**

Accrued liabilities 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, whether or not billed to the Foundation.

**MOAWIN FOUNDATION**  
**(A Company Incorporated under section 42 of the Companies Ordinance, 1984)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2015**

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**4.5 Donation Income**

Income from donations is recognised where there is reasonable assurance that the donation will be received and all attached conditions, if any, will be complied with.

**4.6 Financial instruments**

Financial assets and liabilities are recognized when the Foundation becomes a party to the contractual provisions of the instrument. These are initially measured at cost, which is the fair value of the consideration given and received, respectively. These financial assets and liabilities are subsequently measured at amortized cost. The Foundation derecognizes financial assets and liabilities when it ceases to be a party to contractual provisions of the instrument.

**4.7 Provision for taxation**

The Company is a non-profit organization and is exempt under section 100(C) of the Income Tax Ordinance, 2001.



**MOAWIN FOUNDATION****(A Company Incorporated under section 42 of the Companies Ordinance, 1984)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2015**

		Note	2015 Rupees
<b>5</b>	<b>CASH AND BANK BALANCES</b>		
	Cash in hand		83,018
	Cash at bank - Current Account		347,118
	- Fixed Deposit		10,000,000
			<u>10,430,136</u>
<b>6</b>	<b>PROPERTY &amp; EQUIPMENT</b>		
	This represents land cost located at Sheikhpura, District Punjab.		
<b>7</b>	<b>SHORT TERM PAYABLE</b>		
	Payable to Chief Executive - unsecured	7.1	<u>1,000,000</u>
<b>7.1</b>	This does not carry any interest and is repayable on demand.		
<b>8</b>	<b>CREDITORS, ACCRUED AND OTHER LIABILITIES</b>		
	Audit Fee Payable		<u>30,000</u>
<b>9</b>	<b>ACCUMULATED FUND</b>		
	Balance as on October 23, 2014		-
	Excess of Income over Expenditure for the period		11,251,259
			<u>11,251,259</u>
<b>10</b>	<b>PROGRAM ACTIVITIES - SCHOOLS</b>		
	Teacher's Conveyance Allowance		95,650
	Teacher's Salary		370,440
	Repair & Maintenance		35,000
	Shoes For Students		85,040
	Uniforms For Students		78,694
	Electric Supplies		22,000
			<u>686,824</u>

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**MOAWIN FOUNDATION**

**(A Company Incorporated under section 42 of the Companies Ordinance, 1984)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM OCTOBER 23, 2014 TO JUNE 30, 2015**

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	Note	2015 Rupees
<b>11 OPERATING EXPENSES</b>		
Printing & Stationery		318
Web Hosting		2,000
Auditor's remuneration		30,000
		<u>32,318</u>
<b>12 FINANCIAL CHARGES</b>		
Bank service charges		1,612
		<u>1,612</u>
<b>13 REMUNERATION OF DIRECTORS AND CHIEF EXECUTIVE</b>		
No remuneration was paid to the Directors and Chief Executive of the Foundation during the period..		
<b>14 DATE OF AUTHORIZATION FOR ISSUE</b>		
These financial statements were authorized for issue by the Board of Directors of the Foundation in their meeting held on <u>19-09-2015</u> .		
<b>15 GENERAL</b>		

Figures have been rounded off to the nearest rupee.

  
CHIEF EXECUTIVE

  
DIRECTOR