

**THE FRONTIER ASSOCIATION
FOR MENTALLY HANDICAPPED,
MARDAN**

FINANCIAL STATEMENTS

For the year ended June 30, 2019

TABLE OF CONTENTS

❖ Auditors' Report.....	1
❖ Statement of Financial Position.....	2
❖ Income & Expenditure Account.....	3
❖ Notes to the Financial Statements.....	4

INDEPENDENT AUDITOR'S REPORT

To the board of members of "The FRONTIER ASSOCIATION FOR MENTALLY HANDICAPPED, MARDAN (The Society)".

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **THE FRONTIER ASSOCIATION FOR MENTALLY HANDICAPPED, MARDAN (The Society)** which comprise the statement of financial position as at June 30, 2019 and the income and expenditure account 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 purpose of the audit.

In our opinion and to the best of our information and according to explanation given to us, the statement of financial position, the income and expenditure account together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan for Not for Profit Organization issued by the Institute of Chartered Accountant of Pakistan.

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 Society 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

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management for the Financial Statements

Management is responsible for preparation and fair presentation of the financial statements in accordance with the accounting standards as applicable in Pakistan for Not for Profit Organization issued by the Institute of Chartered Accountant of Pakistan 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Board of Members is responsible for overseeing the Society'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 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 procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Society'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

Muhammad Hussain



**THE FRONTIER ASSOCIATION FOR MENTALLY
HANDICAPPED, MARDAN
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019**

	NOTE NO.	2019 RUPEES	2018 RUPEES
FUNDS AND LIABILITIES			
Accumulated Surplus		14,733,322	14,410,594
CURRENT LIABILITIES			
Accrued Expenses		16,500	33,000
		16,500	33,000
TOTAL FUNDS AND LIABILITIES		14,749,822	14,443,594
ASSETS			
NON-CURRENT ASSETS			
Property, Plant & Equipment	02	2,067,950	1,288,471
Capital Work in Progress		11,047,167	10,511,987
CURRENT ASSETS			
CASH AT BANKS			
Advance to Abdul Shakoor Sb.		30,000	30,000
Cash at Bank		1,594,705	2,603,136
Security Deposit		10,000	10,000
		1,634,705	2,643,136
TOTAL ASSETS		14,749,822	14,443,594



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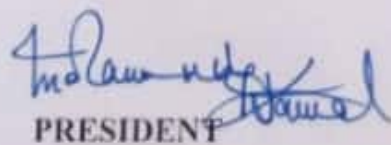
PRESIDENT

[Handwritten Signature]

GENERAL SECRETARY

**THE FRONTIER ASSOCIATION FOR MENTALLY
HANDICAPPED, MARDAN
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019**

	NOTE NO.	2019 RUPEES	2018 RUPEES
INCOME	03	1,911,518	2,417,194
EXPENDITURE			
Salaries and Wages		863,500	856,360
Audit Fee		16,500	21,500
Postage & Telegram		560	-
Printing and Stationery		260	10,560
Electricity / Sui Gas		18,069	79,724
Vehicle Running & Repair and Maintenance		327,580	129,510
Motor Vehicle Registration		44,470	-
Withholding Tax / Bank Charges		19,163	9,358
Petrol & Oil		-	61,772
Entertainment		6,727	9,755
School Building Rent		-	10,000
Travelling & Conveyance / Uniform		1,000	1,550
Repair and Maintenance		4,300	13,230
Miscellaneous Expenses		4,140	14,155
Depreciation		285,521	147,965
		<u>1,591,790</u>	<u>1,365,439</u>
EXCESS OF INCOME OVER EXPENDITURE		319,728	1,051,755
PRIOR YEAR ADJUSTMENT (Audit Fee & Expenses)		3,000	-
		<u>322,728</u>	<u>1,051,755</u>
EXCESS OF INCOME OVER EXPENDITURE		322,728	1,051,755
ACCUMULATED INCOME BROUGHT FORWARD		14,410,594	13,358,839
ACCUMULATED INCOME CARRIED FORWARD		<u>14,733,322</u>	<u>14,410,594</u>


PRESIDENT


GENERAL SECRETARY



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 Society to cease to continue as 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.

We communicate with the board of members 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 members 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.

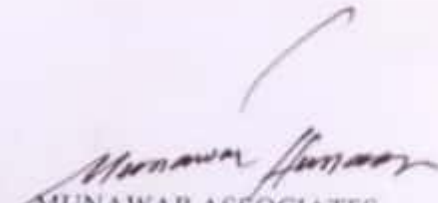
Report on Other Legal and Regulatory Requirements

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

- a) Proper books of accounts have been kept by the Society as required by the applicable accounting standards in Pakistan for Not for Profit Organization issued by the Institute of Chartered Accountant of Pakistan;
- b) the statement of financial position, the income and expenditure account together with notes thereon have been drawn up in conformity with the applicable accounting standards in Pakistan for Not for Profit Organization issued by the Institute of Chartered Accountant of Pakistan and are in agreement with the books of accounts and returns;
- c) investments made, expenditure incurred during the year were for the purpose of Society's business; and
- d) No zakat was deductible at source under the Zakat and Usher Ordinance 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Munawar Hussain.

Lahore:
July 20, 2020


MUNAWAR ASSOCIATES
Chartered Accountants



**THE FRONTIER ASSOCIATION FOR MENTALLY
HANDICAPPED, MARDAN
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019**

02 PROPERTY, PLANT & EQUIPMENT

PARTICULARS	C		O		T	RATE %	D E P R E C I A T I O N		WRITTEN DOWN VALUE
	AS ON 01/07/2018	ADDITION DELETION	AS AT 30/06/2019	AS AT 30/06/2019			AS ON 01/07/2018	FOR THE YEAR	
Land	450,000	-	450,000	-	0%	-	-	450,000	
Building	277,090	-	277,090	-	15%	248,357	4,310	252,667	
Vehicles	839,800	1,065,000	1,904,800	-	15%	706,292	179,776	886,068	
Play Units	1,045,667	-	1,045,667	-	15%	403,497	96,326	499,822	
Other Assets	87,745	-	87,745	-	15%	53,685	5,109	58,794	
2019	Rupees 2,700,302	1,065,000	3,765,302			1,411,831	285,521	1,697,352	2,067,950
2018	Rupees 2,700,302	-	2,700,302			1,263,866	147,965	1,411,831	1,288,471

Amruman
PRESIDENT

Kifayatullah
GENERAL SECRETARY



THE FRONTIER ASSOCIATION FOR MENTALLY
HANDICAPPED, MARDAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

01 SIGNIFICANT ACCOUNTING POLICIES

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention.

1.2 Property, Plant & Equipment And Depreciation

These are stated at cost less accumulated depreciation. Depreciation has been charged on reducing balance method at the normal rates as specified in Note-2. Full year depreciation is provided on addition irrespective of the date of addition.

1.3 Figures

have been rounded off to the nearest rupee.

of the previous year have been re-arranged and re-grouped wherever necessary for the purpose of comparison.

02 PROPERTY, PLANT & EQUIPMENT

Schedule is annexed

2019 RUPEES	2018 RUPEES
<u>2,067,950</u>	<u>1,288,471</u>

03 INCOME

Donation / Subscription
Profit on PLS Account

1,850,600	2,373,100
60,918	44,094
<u>1,911,518</u>	<u>2,417,194</u>

M. Law & Co. Chartered Accountants

PRESIDENT

M. Law & Co. Chartered Accountants

GENERAL SECRETARY

