



**FINANCIAL STATEMENTS OF
AKBAR KARE INSTITUTE**

**FOR THE YEAR ENDED
JUNE 30, 2022**

The Board of Directors,
Akbar Kare Institute,
Islamabad.

September 15, 2022
BDO/AUD/1224/2022

AUDIT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Dear Sirs,

We are pleased to enclose two copies of draft financial statements of Akbar Kare Institute for the year ended June 30, 2022 together with our auditors report thereon duly initialed by us for identification purposes. We shall be pleased to sign our report in its present or amended form after the financial statements have been approved by the board and signed on their behalf by the Chief Executive and at least one other director and on receipt/review of the following:

- a) Letter of representation addressed to us on behalf of the Board of Directors and signed by the Chief Executive and Manager Finance as per the draft provided by us;
- b) Board of Directors resolution in respect of the following:
 - Patients' Social Support expense incurred amounting to RS. 1.960 million;
 - Additions to fixed assets amounting to Rs. 0.065 million.
- c) Legal Confirmation; and
- d) Director's report for the year ended June 30, 2022.

We would like to advise that unless we sign our audit report these financial statements shall remain and be deemed un-audited.

Our comments and observations on this set of financial statements are as follows:

1. RESPONSIBILITIES OF THE MANAGEMENT AND AUDITORS IN RELATION TO THE FINANCIAL STATEMENTS

The responsibilities of the independent auditors in a usual examination of financial statements are stipulated in International Standards on Auditing. While the auditors are responsible for forming and expressing their opinion on the financial statements, the responsibility for preparation of such statements is primarily that of the Company's management.

The management's responsibilities include the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularities. The audit of financial statements does not relieve the management of its responsibilities.

1. UNIQUE DOCUMENT IDENTIFICATION NUMBER (UDIN)

To enhance public trust on auditors report, the Institute of Chartered Accountants of Pakistan (ICAP) has issued a Directive 4.27, whereby it is required that every practicing chartered accountant will place UDIN generated from ICAP portal on the following reports:

- Auditors' Report on General Purpose Financial Statements
- Auditors' Report on Interim Financial Information
- Auditors' Report on Statement of Compliance with Code of Corporate Governance.

In order to obtain the UDIN, auditors are required to upload certain financial information of the reporting entity. Accordingly, we are required to upload the information on ICAP's portal for generation of UDIN. The ICAP, in its frequently asked questions, has assured that Client's confidential data would be entered by the concerned engagement partner himself and such data would not be available for any unauthorized use.

Compliance of the above ICAP Directive is mandatory and non-compliance of results in professional misconduct under Chartered Accountants Ordinance, 1961.

2. COMPLIANCE WITH STATUTORY LAWS AND REGULATIONS

We have been informed by the management that there were no instances of non-compliance with statutory laws and regulations, which would have financial reporting implications. Kindly confirm the representations made by management.

3. RELATED PARTY TRANSACTIONS

We have been informed by the management that there were no transactions with the related parties other than those disclosed in the notes to the financial statements. Kindly confirm the management representation.

4. CONTINGENCIES AND COMMITMENTS

We have been informed by the management that there are no contingencies and commitments as on the date of the financial statements. Kindly confirm the representations made by management.

5. FRAUD AND ERROR

We have been informed by the management that no case of fraud and error has been brought to their knowledge during the period. Kindly confirm the representations made by management.

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We wish to place on record our appreciation for the courtesy and cooperation extended to us during course of our audit.

Yours faithfully,

BDO Ebrahim & Co.

BDO EBRAHIM & CO.

(Enclosed as above)

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AKBAR KARE INSTITUTE

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **AKBAR KARE INSTITUTE** (the Company), which comprise the statement of financial position as at June 30, 2022 and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund, 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 statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund, 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 Company's affairs as at June 30, 2022 and of the deficit and other comprehensive loss, its changes in fund 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 Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 Auditors Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be

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materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditors 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 auditors 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors 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 auditors report. However, future events or conditions may cause the Company 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.

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.

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 Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund, 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 Company'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 auditors report is Iffat Hussain.

ISLAMABAD

DATED: 07 OCT 2022

UDIN: AR202210094CtPe8jQyd

Bdo ebrahim & co.
BDO EBRAHIM & CO.
PCHARTERED ACCOUNTANTS
Bdo

AKBAR KARE INSTITUTE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	5	1,004,722	1,196,536
CURRENT ASSETS			
Bank balances	6	425,475	2,999,707
TOTAL ASSETS		<u>1,430,197</u>	<u>4,196,243</u>
FUND AND LIABILITIES			
FUND			
General fund		605,610	3,185,509
NON CURRENT LIABILITIES			
Deferred capital grant	7	764,587	955,734
CURRENT LIABILITIES			
Accrued liabilities	8	60,000	55,000
TOTAL FUND AND LIABILITIES		<u>1,430,197</u>	<u>4,196,243</u>
CONTINGENCIES AND COMMITMENTS	9	-	-

The annexed notes from 1 to 22 form an integral part of these financial statements.

DIRECTOR



Review.

*Anwar-ud-
DIRECTOR*

DIRECTOR

AKBAR KARE INSTITUTE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
INCOME			
Donations from related parties	10	21,600,000	21,600,000
Donations from others	11	5,185,600	5,917,310
Amortization of deferred capital grant	7	191,147	238,933
		<u>26,976,747</u>	<u>27,756,243</u>
EXPENDITURE			
Human resource cost	12	20,264,869	18,050,068
Cost of rehabilitation center	13	4,549,274	4,232,304
Patient care cost		3,257,952	2,530,988
Kitchen expenses		819,340	591,222
Insurance		32,300	32,400
Depreciation	5	257,694	325,474
Printing and stationery		58,851	75,212
Auditors' remuneration		60,000	55,000
Service and Subscription		183,299	11,075
Miscellaneous		73,067	183,041
		<u>29,556,646</u>	<u>26,086,784</u>
(Deficit) / surplus for the year		<u>(2,579,899)</u>	<u>1,669,459</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

DIRECTOR

DIRECTOR

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AKBAR KARE INSTITUTE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	2022 Rupees	2021 Rupees
(Deficit) / surplus for the year	(2,579,899)	1,669,459
Other comprehensive income	-	-
Total comprehensive (loss) / income for the year	<u>(2,579,899)</u>	<u>1,669,459</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.


DIRECTOR

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DIRECTOR

AKBAR KARE INSTITUTE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Total
	-----Rupees-----	
Balance as at July 01, 2020	1,516,050	1,516,050
Surplus for the year	1,669,459	1,669,459
Balance as at June 30, 2021	<u>3,185,509</u>	<u>3,185,509</u>
Deficit for the year	(2,579,899)	(2,579,899)
Balance as at June 30, 2022	<u>605,610</u>	<u>605,610</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.


DIRECTOR


DIRECTOR

AKBAR KARE INSTITUTE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
(Deficit) / surplus for the year		(2,579,899)	1,669,459
Adjustments for non cash items:			
Depreciation	5	257,694	325,474
Amortization of deferred capital grant	7	(191,147)	(238,933)
(Deficit) / surplus before working capital changes		(2,513,352)	1,756,000
Working capital changes			
Accrued liabilities		5,000	5,000
Cash (used in) / generated from operations		(2,508,352)	1,761,000
Net cash (used in) / generated from operating activities		(2,508,352)	1,761,000
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment		(65,880)	-
Net cash used in investing activities		(65,880)	-
Net (decrease) / increase in cash and cash equivalents		(2,574,232)	1,761,000
Cash and cash equivalents at the beginning of the year		2,999,707	1,238,707
Cash and cash equivalents at the end of the year	6	425,475	2,999,707

The annexed notes from 1 to 22 form an integral part of these financial statements.

DIRECTOR



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DIRECTOR

AKBAR KARE INSTITUTE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1 STATUS AND OBJECTIVES

- 1.1 Akbar Kare Institute (the Company) was established on October 09, 2007 and was previously registered in the office of the registrar under firms and societies registration act XXI of 1860 (NWFP). Subsequently, the Company was registered under section 42 of the repealed Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017), as a company limited by guarantee having no share capital.

The Company is engaged to finance, establish, maintain and run healthcare Centre for disabled and retarded persons and to provide free appropriate treatment and specialization service for mental and physical impairment including self-care, respective and expressive language learning, self direction, mobility, independent living and rehabilitation counselling, nursing and provision of supportive devices used for specific medical and surgical treatment, medicine, restraints, and occupational therapy through qualified physical therapist, speech pathologists and qualified mental retardation professionals.

The registered office of the Company is situated at 4th Floor, Kashmir Commercial Complex, Blue Area, Islamabad. The Company is operating a Pediatric Development Rehabilitation Centre situated in Phase-5 Hayatabad Peshawar.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The approved 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 Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; 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 or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

2.2.1 Basis of Accounting

These financial statements have been prepared under the historical cost convention and on accrual basis of accounting except for the cash flow statement or as otherwise stated, in the respective policies and notes given hereunder.

The Company has adopted deferral method of accounting for recognition and presentation of restricted/unrestricted grants, endowment fund and its net assets as per Accounting Standard for NPOs.

2.2.2 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

3 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the presentation 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 cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure directly attributable to the acquisition of an asset. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Normal repair and maintenance costs are charged to statement of income and expenditure as and when incurred. However, major renewals and improvements are capitalized. Gain and loss on disposal of fixed assets is charged to statement of income and expenditure, if any.

Depreciation is charged on assets on reducing balance method using rates specified in note 5.

3.2 Impairment

The carrying amount of Company's assets is reviewed at each statement of financial position date to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recorded on a judgmental basis, for which, provisions may differ in future years based on actual experience.

3.3 Trade receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

Review

3.4 General fund

The surplus / deficit of the unrestricted fund for the year is accumulated to general fund.

3.5 Deferred capital grant

Deferred capital grant is recognized when operating fixed assets are purchased from donor's funds which is amortized over the useful life of the respective assets based on annual depreciation of respective assets.

3.6 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is in the fair value of the consideration to be paid in future for the goods and services received, whether or not billed to the Company.

3.7 Revenue recognition

3.7.1 Unrestricted grants

Grants received or receivable from donor without any conditions are recognized as income during the year of receipt or when it is certain that grant will be received.

3.7.2 Restricted grants

Grants for specific purposes and interest thereon, are classified as restricted grants - external funding. If given to cover specific expenses, these are deferred and recognized as income on a systematic basis to match them with the related costs that they are intended to compensate.

3.7.3 Capital grants

Grants utilized for capital expenditure are classified as deferred capital grants, which are amortized on a systematic basis to match the related depreciation expense.

3.7.4 Donations

Donations are recognized in the statement of income and expenditure as and when received.

3.8 Taxation

The Company has obtained the registration as a "non-profit organization" under section 2(36) of the Income Tax Ordinance, 2001 from the Commissioner of Inland Revenue.

The Company meets the criteria of a non-profit organization and is registered as non-profit organization, therefore 100% tax credit under section 100C of the Ordinance is available to the Company in respect of incomes specified in the said section. Accordingly, no provision for taxation has been recognized in these financial statements.

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3.9 Cash and cash equivalents

Cash and cash equivalent are carried in the statement of financial position at nominal amounts. For the purpose of statement of cash flows, cash and cash equivalent comprise cash in hand and cash with banks.

3.10 Related party transactions

Transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes as admissible.

3.11 Provisions

Provisions are recognized when the Company has a 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 of the amount can be made.

4 Significant accounting judgments and critical accounting estimates / assumptions

The preparation of financial statements in conformity with approved accounting standards requires the management to:

- exercise its judgment in process of applying the Company's accounting policies, and
- use of certain critical accounting estimates and assumptions concerning the future.

The areas involving critical accounting estimates and significant assumptions concerning the future are discussed below:

4.1 Property and equipment

Management has made estimates of residual values, useful lives and recoverable amounts of certain items of property and equipment. Any change in these estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with corresponding effect on the depreciation charge and impairment loss.

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5 PROPERTY AND EQUIPMENT

Description	Motor Vehicle	Computer Equipment	Electrical Equipment	Total
----- Rupees -----				
Year ended June 30, 2022				
Net carrying value basis				
Opening net book value	1,019,170	108,604	68,762	1,196,536
Additions	-	-	65,880	65,880
Depreciation charge	(203,834)	(35,839)	(18,021)	(257,694)
Closing net book value	<u>815,336</u>	<u>72,765</u>	<u>116,621</u>	<u>1,004,722</u>
Gross carrying value basis				
Cost	2,132,700	362,900	200,180	2,695,780
Accumulated depreciation	(1,317,364)	(290,135)	(83,559)	(1,691,058)
Net book value	<u>815,336</u>	<u>72,765</u>	<u>116,621</u>	<u>1,004,722</u>
Year ended June 30, 2021				
Net carrying value basis				
Opening net book value	1,273,963	162,095	85,952	1,522,010
Depreciation charge	(254,793)	(53,491)	(17,190)	(325,474)
Closing net book value	<u>1,019,170</u>	<u>108,604</u>	<u>68,762</u>	<u>1,196,536</u>
Gross carrying value basis				
Cost	2,132,700	362,900	134,300	2,629,900
Accumulated depreciation	(1,113,530)	(254,296)	(65,538)	(1,433,364)
Net book value	<u>1,019,170</u>	<u>108,604</u>	<u>68,762</u>	<u>1,196,536</u>
Annual rate of depreciation <i>Advised</i>	20%	33%	20%	

	Note	2022 Rupees	2021 Rupees
6 BANK BALANCES			
Cash at banks - current accounts		<u>425,475</u>	<u>2,999,707</u>
7 DEFERRED CAPITAL GRANT			
Balance as at July 01,		955,734	1,194,667
Amortization during the year		(191,147)	(238,933)
Balance as at June 30,	7.1	<u>764,587</u>	<u>955,734</u>
7.1 This represents vehicle donated by International Committee of Red Cross (ICRC) Pakistan, received during the financial year ended June 30, 2018.			
8 ACCRUED LIABILITIES			
Audit fee payable		<u>60,000</u>	<u>55,000</u>
9 CONTINGENCIES AND COMMITMENTS			
9.1 Contingencies			
On June 17, 2022, ATIR Peshawar accepted the appeal of the Company to avail the benefit of 100% tax credit given under section 100C of the Income Tax Ordinance. According to the order passed by the lower authorities are annulled. Hence the Company has no contingent liability as at June 30, 2022.			
9.2 Commitments			
The Company has no commitments as at June 30, 2022 (2021: nil)			
		2022 Rupees	2021 Rupees
10 DONATIONS FROM RELATED PARTIES			
Saif Holdings Limited		6,000,000	6,000,000
Saif Textile Mills Limited		6,000,000	6,000,000
Saif Power Limited		6,000,000	6,000,000
Kohat Textile Mills Limited		3,600,000	3,600,000
		<u>21,600,000</u>	<u>21,600,000</u>
11 DONATIONS FROM OTHERS			
Tariq Glass Limited		600,000	600,000
International Committee of the Red Cross-Pakistan	11.1	709,600	645,400
Donations from other individuals		3,876,000	4,671,910
		<u>5,185,600</u>	<u>5,917,310</u>

Balance

11.1 In Continuation of previous support during the year an MoU for 2 years was signed with the International Committee of The Red Cross-Pakistan for assisting children with Neuro-Developmental Diseases including Orthotics materials as Donation in Kind.

	2022	2021
	Rupees	Rupees
12 HUMAN RESOURCE COST		
Salaries & benefits	19,527,039	17,336,491
Health and life insurance premium	737,830	713,577
	<u>20,264,869</u>	<u>18,050,068</u>
13 COST OF REHABILITATION CENTER		
Rent expenses	3,000,000	3,000,000
Utilities	1,314,333	1,068,348
Staff conveyance	42,745	46,428
Repair and maintenance	192,196	117,528
	<u>4,549,274</u>	<u>4,232,304</u>

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14 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year in respect of remuneration including benefits given to the Chief Executive, directors and executives of the Company is as follows:

	2022			2021		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executive
	Rupees					
			Total			Total
Managerial remuneration	-	-	3,238,920	-	-	1,800,000
Benefits	-	-	-	-	-	-
	-	-	3,238,920	-	-	1,800,000
Number of persons	1	4	7	1	3	5

No salary and other benefits were paid to Chief Executive and Directors of the Company during the year.

As per

15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management policies

The Company's objective in managing risks is the creation and protection of stake holders' value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing to meet their objectives. The Company is exposed to credit risk, liquidity risk and market risk (which includes interest rate risk and price risk) arising from the financial instruments it holds.

15.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted and arises principally from receivables. The Company's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regulatory requirements.

Exposure to credit risk

The carrying amounts of the financial assets represent the maximum credit exposures before any credit enhancements. The carrying amounts of financial assets exposed to credit risk at reporting

	2022 Rupees	2021 Rupees
Bank balances	<u>425,475</u>	<u>2,999,707</u>

To manage exposure to credit risk in respect of financial assets, management performs credit reviews taking into account the third party's financial position, past experience and other factors.

The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis.

Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

Impaired assets

During the year no assets have been impaired.

15.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both

normal and stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements, if any:

	Amount	Contractual cash flows	Six months or less	Six to twelve months	Over five years
----- Rupees -----					
2022					
Accrued and other liabilities	60,000	60,000	60,000	-	-
2021					
Accrued and other liabilities	55,000	55,000	55,000	-	-

15.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments. The Company is not exposed to any significant market risk.

15.4 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term loans and short borrowings. The Company is not exposed to any significant interest rate risk.

15.5 Currency risk

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company is not exposed to currency risk.

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date. The financial instruments that are not traded in active market are carried at cost and are tested for impairment according to IAS 39.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Peterson

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy which has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included with in Level 1 that are observable for assets and liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

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

Below.

17 FINANCIAL ASSETS AND LIABILITIES

The Company's exposure to interest rate risk on its financial assets and liabilities are summarized as follows:

				2022		
Total	Interest / mark up bearing		Non interest / mark up bearing			
	Maturity up to one year	Maturity after one year				
----- Rupees -----						
Financial assets						
Loan and Advances at amortized cost						
Bank balances	425,475	-	-	425,475		
Financial liabilities						
Financial liabilities carried at amortized cost						
Accrued and other liabilities	60,000	60,000	-	60,000		
On balance sheet gap	365,475	(60,000)	-	365,475		
				2021		
Total	Interest / mark up bearing		Non interest / mark up bearing			
	Maturity up to one year	Maturity after one year				
----- Rupees -----						
Financial assets						
Loan and Advances at amortized cost						
Bank balances	2,999,707	-	-	2,999,707		
Financial liabilities						
Financial liabilities carried at amortized cost						
Accrued and other liabilities	55,000	55,000	-	55,000		
On balance sheet gap	2,944,707	(55,000)	-	2,944,707		

Rupees.

18 TRANSACTIONS WITH RELATED PARTY

Related parties comprise subsidiary, associated companies, companies where directors also hold directorship, or key management personnel. Significant transactions with related parties during the year are as under:

Name of related party	Relationship	Transactions during the year	2022 Rupees	2021 Rupees
Saif Holdings Limited	By virtue of common directorship	Donations received during the year	6,000,000	6,000,000
Saif Textile Mills Limited	By virtue of common directorship	Donations received during the year	6,000,000	6,000,000
Saif Power Limited	By virtue of common directorship	Donations received during the year	6,000,000	6,000,000
Kohat Textile Mills Limited	By virtue of common directorship	Donations received during the year	3,600,000	3,600,000
Hoor Yousafzai	By virtue of Chief Executive and directorship	Donations received during the year	-	215,000

19 NUMBER OF EMPLOYEES

The number of employees as at year end were 28 (2021: 30) and average number of employees during the year were 26 (2021: 30).

20 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary for the purpose of better presentation. However, no significant reclassification has been made during the year.

21 DATE OF AUTHORIZATION FOR ISSUE

These financial statements are authorized for issue by the Board of Directors on 07 OCT 2022

Chief Executive Officer of the company is out of the Country, therefore these financial statements are signed by two (02) Directors.

22 GENERAL

Figures have been rounded-off to the nearest rupee.

Rs.10.

DIRECTOR



Anwar ul Haq
DIRECTOR