HADEEDIAN ASSOCIATION

(Setup under Section 42 of the Companies Ordinance, 1984)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED ON JUNE 30, 2014

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of **"HADEEDIAN ASSOCIATION"** ("the Company") as at 30th June, 2014 and, the related Receipts & Disbursement account and Cash Flow Statement together with the Notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the company'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 misstatements. 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 account have been kept by the company as required by the Companies Ordinance, 1984;

(b) In our opinion: -

(i) The Balance Sheet, Receipts & Disbursement 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 account and are further in accordance with the accounting policies consistently applied;

(ii) The expenditure incurred during the year was for the purpose of company's business; and

(iii) The business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;

(c) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Receipts & Disbursement Account and Cash Flow statement together with the Notes forming part thereof conform with the approved accounting standards as applicable in Pakistan, and give 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 Company's affairs as at 30th June, 2014; and of the Surplus and its Cash Flows for the year then ended; and

(c) In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Islamabad
7th October, 2014

Faisal Latif & Co

Chartered Accountants

Faisal Latif (FCA)

HADEEDIAN ASSSOCIATION
BALANCE SHEET
AS AT JUNE 30, 2014

	NOTE	YEAR ENDED JUNE 30,2014 (RUPEES)	YEAR ENDED JUNE 30,2013 (RUPEES)
RESERVES & LIABILITES			
General Reserves	5	234,938	212,763
		234,938	212,763
CURRENT LIABLITIES			
Accrued and other payable		26,000	35,000
Restricted Fund	6	1,068,000	-
Provision for taxation		55,732	58,922
		1,149,732	93,922
		1,384,670	**306,685**

	NOTE	YEAR ENDED JUNE 30,2014 (RUPEES)	YEAR ENDED JUNE 30,2013 (RUPEES)
PROPERTY & ASSETS			
NON CURRENT ASSETS			
Fixed assets-tangible	8	60,093	66,770
CURRENT ASSETS			
Advances, Deposits, Prepayments and other receivables	9	375,500	-
Cash & bank	10	949,077	239,915
		1,324,577	239,915
		1,384,670	**306,685**

The annexed notes from 1 to 14 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

HADEEDIAN ASSSOCIATION
RECEIPT AND DISBUSEMENT ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2014

	NOTE	YEAR ENDED JUNE 30,2014 (RUPEES)	YEAR ENDED JUNE 30,2013 (RUPEES)
Income	11	551,690	1,087,512
Program and administrative expenses	12	524,922	1,078,616
Bank Charges		1,599	337
		526,521	1,078,953
Surplus for the year before taxation		25,169	8,559
Taxation		(6,292)	(5,438)
Surplus for the year transferred to general fund		18,877	3,122

The annexed notes from 1 to 14 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

HADEEDIAN ASSSOCIATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014

		YEAR ENDED JUNE 30,2014	YEAR ENDED JUNE 30,2013
CASH FLOW FROM OPERATING ACTIVITIES		(RUPEES)	
Surplus before taxation		18,877	8,559
Adjustments for :			
Depreciation		6,677	7,419
Surplus before working capital changes		25,554	15,978
CHANGES IN WORKING CAPITAL			
(Increase)/decrease in current assets			
Advances, deposits and other receivables		(375,500)	-
Increase/(decrease) in current liabilities			
Restricted fund		1,068,000	-
Accrued expenses		(9,000)	10,000
Provision for taxation		(3,190)	-
		680,310	10,000
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	**A**	705,864	25,978
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid to acquire assets		-	-
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES	**B**	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
General reserve		3,298	
NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITES	**C**	3,298	-
Net Increase/ decrease in cash & cash equivalent	**(A+B+C)**	709,162	25,978
Cash & cash equivalents at the beginning of period		239,915	213,937
Cash & cash equivalents at the end of period		**949,077**	**239,915**

The annexed notes from 1 to 14 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

HADEEDIAN ASSSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

1. LEGAL STATUS AND OPERATIONS

1.1 Hadeedian Association (the "Association") was incorporated on January 11, 2011 under section 42 of the Companies Ordinance, 1984 as a company limited by guarantee. The Association's objectives primarily focus on establishing and managing educational institutions to provide facilitate and support education for needy and deserving students. To provide scholarships and gave grants, awards, medals, medicines, educational career support and other incentives for the purposes of advancement of knowledge, education and literacy. During the period the Association received donations from its promoters and directors for its operational requirements.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for Limited by Guarantee Entities issued by the institute of Chartered Accountants of Pakistan and Provisions of and directives issued under the companies Ordinance, 1984. In case the 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.

3.1 Functional and Presentation currency

The financial statements are presented in Pak Rupee, which is the Association's functional and presentation currency

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Equipment

These are stated at cost less accumulated depreciation and impairment losses, If any depreciation is charged on written down value at the rates specified in note 7. Cost of equipment comprises of purchase price, non-refundable local taxes and other directly attributable cost. The association charges depreciation on all additions to equipment from the date asset is available for use. Full months depreciation is charged on the assets in the month of acquisition while no depreciation is charged for the month in which equipment is disposed off. Renewals and replacements are recognized in the carrying amount of the equipment if it is probable that future embodied economic benefits will flow to the Association. Other maintenance and repairs are charged to the receipt and disbursement account. Gain or loss on disposal is taken to the receipt and disbursement account.

4.2 Impairment

The carrying amounts of the Association's non-monetary assets are reviewed at each balance sheet date to determine weather there is any indication of impairment loss. If any such indication exists, the recoverable amount of such assets is estimated and impairment losses are recognized in the receipts and disbursement account. Subsequent reversals in impairment losses. if any, are recognized as income

4.3 Restricted fund

Funds received in kind or related to capital expenditures/ specific programs are presented in balance sheet by setting up the grant/fund as restricted fund and recognized as income on systematic basis over the useful life of the related capital asset/specific on the program.

4.4 Taxation

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax credit, rebates and exemptions available, If any.

4.5 Provisions

Provisions are recognized when the Association has a legal or constructive obligation as or result of past event 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 to the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflected the current best estimate.

4.6 Critical accounting estimates and judgments

The preparation of financial statement in conformity with IASs / IFRSs requires management to make judgment, estimates and assumptions that affect the application of polies and reported amounts of assets and liabilities, receipts and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about caring values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

	YEAR ENDED JUNE 30,2014 (RUPEES)	YEAR ENDED JUNE 30,2013 (RUPEES)
5 GENERAL RESERVE		
Opening balance	212,763	209,641
Surplus/(deficit) for the year	18,877	3,122
Adjustment for last year	3,298	-
	234,938	212,763
6 RESTRICTED FUND		
Opening balance	-	-
Grants received during the year	1,246,550	-
Program expense during the year	178,550	-
	1,068,000	-

Restricted fund represents the grants/donations received for student scholarships program.

7 CONTIGENCIES & COMMITMENSTS

There are no significant contingencies and commitments as at balance sheet date.

9 ADVANCES, DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES

Advance against expense	50,000	-
Advances against student scholarships	325,500	
	375,500	-

10 CASH & BANK

Cash in hand	3,507	3,000
Cash at bank	945,570	236,915
	949,077	239,915

11 INCOME

Member ship fee	21,000	23,000
Donations	530,690	1,064,512
	551,690	1,087,512

12 ADMINISTRTIVE EXPENSES

Salaries and benefits	162,000	-
Communication expense	10,395	17,365
Postage Expense	820	1,506
Printing and stationery	11,850	19,700
Repair and maintenance	4,110	-
Entertainment	8,430	5,841
Legal and Professional fee	35,000	30,000
Office Supplies	1,340	-
Advertising and promotion	14,500	22,516
Travelling, boarding & lodging	39,050	31,630
Seminar Expense	-	210,000
Donation	-	84,815
Student Supplies	48,513	-
Audit fee	-	35,000
Student Scholarships	178,550	612,824
Depreciation	6,677	7,419
Mis. expenses	3,687	-
	524,922	**1,078,616**

13 DATE OF AUTHORIZATION

These financial statements have been authorized for issue by the board of directors of the company on September 30, 2014.

14 FIGURES

In these financial statements are rounded - off to the nearest rupees. Figures of the previous year are re-arranged and restated, wherever necessary for the purpose of comparison.

CHIEF EXECUTIVE

DIRECTOR

8. FIXED ASSETS-tangible

PARTICULARS	COST			RATE %	DEPRECIATION			WRITTEN DOWN VALUE AS AT JUNE 30, 2014
	AS AT JULY 01, 2013	ADDITIONS/ DELETIONS	AS AT JUNE 30, 2014		AS AT JULY 01, 2013	FOR THE YEAR	AS AT JUNE 30, 2014	
	(RUPEES)	(RUPEES)	(RUPEES)		(RUPEES)	(RUPEES)	(RUPEES)	(RUPEES)
Furniture and fixture	82,432	-	82,432	10%	15,662	6,677	22,339	60,093
Year ended June 30, 2014:	**82,432**	-	**82,432**		**15,662**	**6,677**	**22,339**	**60,093**
Year ended June 30, 2013:	**82,432**	-	**82,432**		**8,243**	**7,419**	**15,662**	**66,770**