



# Grant Thornton

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

**GRANT THORNTON ANJUM RAHMAN**

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We have audited the annexed balance sheet of **TAF Foundation** (the Foundation) as at **June 30, 2017** and the related income and expenditure account, statement of comprehensive surplus, statement of changes in fund 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 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 Company 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 the Foundation's business; and

- (iii) the business conducted, investments made and the expenditure incurred during the year 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 comprehensive surplus, statement of changes in funds and cash flow statement together with the notes forming part thereof conform with 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 Foundation's affairs as at June 30, 2016 and of the surplus, its cash flows and changes in funds for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Date:  
Karachi

06 DEC 2017

  
Grant Thornton Anjum Rahman  
Chartered Accountants  
Muhammad Shaukat Naseeb  
Engagement Partner

**TAF Foundation**  
**Draft Financial Statements**  
*For the year ended June 30, 2017*

**TAF FOUNDATION  
BALANCE SHEET  
AS AT JUNE 30, 2017**

	Note	2017 -----Rupees-----	2016
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property and equipment	4	10,632,399	3,532,124
Intangibles	5	331,388	171,513
		10,963,787	3,703,637
<b>Current assets</b>			
Advances and deposits	6	1,041,291	-
Prepayments	7	1,421,605	344,828
Short term investments	8	9,876,451	-
Cash and bank balances	9	134,599,677	75,233,035
		146,939,024	75,577,863
<b>Total assets</b>		<b>157,902,811</b>	<b>79,281,500</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds</b>			
Capital fund		800,000	800,000
Unrestricted fund		153,393,078	75,505,082
		154,193,078	76,305,082
<b>Non - current liabilities</b>			
Deferred income	10	1,711,806	1,915,366
<b>Current liabilities</b>			
Accrued and other liabilities	11	1,997,927	1,061,052
<b>Total funds and liabilities</b>		<b>157,902,811</b>	<b>79,281,500</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes from 1 to 23 form an integral part of these financial statements. *5.0m*

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

**TAF FOUNDATION  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2017**

	Note	2017 -----Rupees-----	2016 -----
<b>INCOME</b>			
Donations	13	148,766,483	100,005,957
Other income	14	1,438,928	98,094
		<u>150,205,411</u>	<u>100,104,051</u>
<b>EXPENDITURE</b>			
Donations	15	7,122,638	15,443,227
Programme and administrative expenses	16	65,194,777	24,190,425
		<u>72,317,415</u>	<u>39,633,652</u>
<b>SURPLUS BEFORE TAX</b>		<u>77,887,996</u>	<u>60,470,399</u>
Taxation	17	-	-
<b>SURPLUS FOR THE YEAR</b>		<u>77,887,996</u>	<u>60,470,399</u>

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

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

TAF FOUNDATION  
STATEMENT OF COMPREHENSIVE SURPLUS  
FOR THE YEAR ENDED JUNE 30, 2017

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	2017	2016
	-----Rupees-----	
Surplus for the year	77,887,996	60,470,399
Other comprehensive surplus	-	-
<b>TOTAL COMPREHENSIVE SURPLUS</b>	<u>77,887,996</u>	<u>60,470,399</u>

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

**TAF FOUNDATION  
STATEMENT OF CHANGES IN ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2017**

	* Capital Fund	Unrestricted Fund	Total
	-----Rupees-----		
<b>Balance as at June 30, 2015</b>	600,000	15,034,683	15,634,683
Surplus for the year	-	60,470,399	60,470,399
<b>Transaction with members</b>			
Funds received for admission as member	200,000	-	200,000
<b>Balance as at June 30, 2016</b>	<b>800,000</b>	<b>75,505,082</b>	<b>76,305,082</b>
Surplus for the year	-	77,887,996	77,887,996
<b>Balance as at June 30, 2017</b>	<b>800,000</b>	<b>153,393,078</b>	<b>154,193,078</b>

\* This represents contribution by the members when they joined the Foundation in terms of Article "8" of Articles of Association of the Foundation.

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

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR



**TAF FOUNDATION  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2017**

	2017	2016
Note	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus for the year	77,887,996	60,470,399
<b>Adjustments non-cash items:</b>		
Depreciation	4 1,953,142	240,777
Amortization	5 140,640	24,501
Amortization of deferred income	10 (644,260)	(98,094)
Advances expensed	-	2,867,500
Donation in kind expensed out	-	18,500
Unrealized loss on investments	25,184	-
Profit on savings bank accounts	14 (477,852)	-
	<u>996,854</u>	<u>3,053,184</u>
<b>Working capital changes:</b>		
<b>Increase in current assets</b>		
Prepayments	(1,076,777)	(344,828)
Advances	(1,041,291)	-
	<u>(2,118,068)</u>	<u>(344,828)</u>
<b>Increase in current liabilities</b>		
Accrued and other liabilities	936,875	528,898
	<u>936,875</u>	<u>528,898</u>
<b>Net cash generated from operating activities</b>	<u>77,703,656</u>	<u>63,707,653</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	4 (8,612,717)	(1,777,941)
Purchase of intangibles	5 (300,516)	(196,014)
Purchase of investments	(9,901,634)	-
Profit received on savings bank accounts	14 477,852	-
	<u>(18,337,015)</u>	<u>(1,973,955)</u>
<b>Net cash used in investing activities</b>		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Funds received from member	-	200,000
Amount received against loan advanced	-	777,500
	<u>-</u>	<u>977,500</u>
<b>Net cash generated from / (used in) financing activities</b>		
Net increase in cash and cash equivalent	<u>59,366,642</u>	<u>62,711,198</u>
Cash and cash equivalent at the beginning of the year	<u>75,233,035</u>	<u>12,521,837</u>
Cash and cash equivalent at the end of the year	9 <u>134,599,677</u>	<u>75,233,035</u>

The annexed notes from 1 to 23 form an integral part of these financial statements. (5/2)

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR