

**TEAM KARACHI WELFARE SOCIETY  
(INTERNATIONAL)**

Audited financial statements for the year ended  
June 30, 2022

## **Independent Auditors' Report to the members of the Managing Committee**

### **Opinion**

We have audited the accompanying financial statements of **Team Karachi Welfare Society International** (the Society), which comprise the balance sheet as at June 30, 2022, and the related income and expenditure account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Society as at June 30, 2022, and its financial performance for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

### **Basis for Opinion**

We conducted our audit in accordance with the 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 Institute 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.

### **Responsibilities of Management and Managing Committee for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting and reporting standards as applicable in 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 Institute or to cease operations, or has no realistic alternative but to do so.

Managing Committee is responsible for overseeing the Society's financial reporting process.

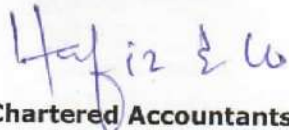
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Institute'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 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 Institute 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 Managing Committee 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.



**Chartered Accountants**

**Engagement Partner**  
Jawwad Lakhani

**Date:** October 27, 2021

**Place:** Karachi

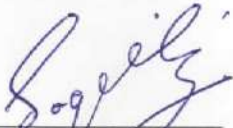
**UDIN:** AR202210539oyxSIkgdP

**TEAM KARACHI WELFARE SOCIETY INTERNTIONAL  
BALANCE SHEET  
AS AT JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		-	-
Investments		-	-
		<hr/>	<hr/>
		-	-
<b>Current assets</b>			
Dues receivable		-	-
Bank balance -saving account in meezan bank		4,747,430	-
		<hr/>	<hr/>
		4,747,430	-
<b>TOTAL ASSETS</b>		<hr/> <b>4,747,430</b> <hr/>	<hr/> <b>-</b> <hr/>
<b>FUND AND LIABILITIES</b>			
Accumulated surplus		4,697,430	-
<b>Current liabilities</b>			
Advance members' subscription		-	-
Accrued expenses and other liabilities -audit fee		50,000	-
		<hr/>	<hr/>
		50,000	-
<b>TOTAL FUND AND LIABILITIES</b>		<hr/> <b>4,747,430</b> <hr/>	<hr/> <b>-</b> <hr/>

**Contingencies and commitments**

The annexed notes from 1 to 6 form integral part of these financial statements

  
\_\_\_\_\_  
PRESIDENT

  
\_\_\_\_\_  
FINANCE SECRETARY

**TEAM KARACHI WELFARE SOCIETY INTERNATIONAL  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2022**

	2022	2021
	----- Rupees -----	
<b>INCOME</b>		
Donations		
Ration project	8,208,227	500,000
Tubewell / Water project	8,045,000	700,000
Qurbani Project	680,000	300,000
Shadi Project	401,000	-
Silai Center Project	460,000	-
Zakat	2,356,822	-
Others (Sadqah)	3,781,675	-
Profit on saving account -net	60,617	-
	<b>23,993,341</b>	<b>1,500,000</b>
<b>EXPENDITURE</b>		
Ration distribution expenses	7,133,438	500,000
Qurbani project expenses	680,000	700,000
Tubewell development expenses	6,970,211	300,000
Shadi Project	401,000	-
Silai Center Project	460,000	-
Zakat	834,000	-
Salaries and wages	1,089,500	-
Rent	385,000	-
Utilities	94,673	-
Entertainment	287,757	-
Website and related expenses	353,000	-
Office renovation expenses	68,372	-
Computer and accessories expenses	255,850	-
Audit fee	50,000	-
Furniture expenses	165,310	-
Software expenses	41,500	-
Legal expense - PCP certification fee	26,300	-
	<b>19,295,911</b>	<b>1,500,000</b>
<b>Surplus for the year</b>	<b>4,697,430</b>	<b>-</b>

The annexed notes from 1 to 6 form integral part of these financial statements

  
PRESIDENT

  
FINANCE SECRETARY

**TEAM KARACHI WELFARE SOCIETY INTERNATIONAL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022**

**1. STATUS AND NATURE OF BUSINESS**

- 1.1 Team Karachi Welfare Society International (the Society) has been established under the Societies Registration Act, XXI of 1860 on May 3, 2016. The objects and functions of the Society are to promote education, literary, cultural, eradicate peverty from the country. The registered office of the Society is changed from R-40, Riyaz Chowk, Korangi 2.5, Karachi to Plot No. 1/45, Sector 35-B, Baldia Homeopathic Dispansary, Korangi No. 4, Karachi. The Society has conducted limited welfare activities during previous financial years in which ration distribution and water tube well projects were looked after for the poor people of Sindh province. However, during the year, the Society has successfully got the bank account opened and has conducted welfare activities in full swing in various projects. Furthermore, subsequent to year end, the Society also got successful completion of certification from Pakistan Center of Philathropy (PCP) for a period of three years.

**2.1 STATEMENT OF COMPLIANCE**

- 2.1.1 These financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. Approved accounting and reporting standards comprise of Revised Accounting and Financial Reporting Standard for Small Sized Entities (Revised SSE Standards) issued by Institute of Chartered Accountants of Pakistan (ICAP)

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Basis of preparation of financial statements**

**3.1.1 Accounting convention**

These financial statements has been prepared under historical cost convention.

**3.1.2 Functional and presentation currency**

These financial statements are presented in Pakistan rupees, which is the functional and presentation currency for the Institute.

**3.2 Provisions**

A provision is recognized in the balance sheet when the Institute has legal or contractual obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each balance sheet date to reflect and adjusted to reflect the current best estimate.

**3.4 Taxation**

The Society has obtained exemption from income tax on sources of income specified under clause of sub-section 36 of section 2 of the Income Tax Ordinance, 2001 read with the rule 212, 220 and 220A of the Income Tax Rules, 2002.

### **3.5 Income**

Donation income is recognized as soon as it is received.

### **3.6 Property and equipment**

Property and equipment is stated at cost less accumulated depreciation and impairment losses, if any. Depreciation on property plant and equipment is charged to income by applying the straight line method over its estimated useful lives. Depreciation is charged on additions from the month an asset is available for intended use, while on disposal no depreciation is charged from the month of disposal.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the income and expenditure account as and when incurred.

Gains and losses on disposal of assets, if any, are included in the income and expenditure account.

### **3.7 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and balances with banks in current, savings and deposit accounts. For the purposes of cash flow statement, cash and cash equivalents comprise of cash in hand, balance with banks and short term investments realizable within three months.

### **3.8 Impairment of assets**

#### **3.8.1 Financial assets**

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

#### **3.8.2 Non-financial assets**

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the profit and loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount

### **3.9 Other receivables**

Other receivables are stated at cost less accumulated impairment losses, if any.



**3.10 Accrued expenses and other liabilities**

These are measured 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 Institute.

**4. CONTINGENCIES AND COMMITMENTS**

4.1 There are no contingencies and commitment as at current and prior year ends.

**5. TRANSACTION WITH RELATED PARTY**

The related parties of the Society are the members of Managing Committee. The transactions with related party comprise of donations only. The details of transactions with related party not disclosed elsewhere in these financial statements are as follows:

	Relationship	2022 Rupees	2021 Rupees
<b>Transactions with related parties</b>			
Saqib Zeeshan	President	-	1,000,000

**5.1 Key management personnel**

5.1.1 The members of Managing Committee are not paid any salary and other benefits by the Society.

**6. DATE OF AUTHORISATION FOR ISSUE**

27 OCT 2022

These financial statements were authorised for issue on \_\_\_\_\_ by the members of Managing Committee of the Society.

  
\_\_\_\_\_  
PRESIDENT

  
\_\_\_\_\_  
FINANCE SECRETARY