



IQBAL & YAWER ASSOCIATES

CHARTERED ACCOUNTANTS

AL-QAIM TRUST

**Financial Statements
For the year ended June 30, 2023**

AUDITORS' REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the Financial Statements of **AL-QAIM TRUST** which comprise the Statement of Financial Position as at 30 June, 2023 and the Income and Expenditure Account of the Trust for the year then ended, and notes to the Financial Statements.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the Statement of Financial Position of the said Trust as at 30 June, 2023 and its Income and Expenditure for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Emphasis of Matter

We draw attention to Note 1 which describes the evolution of activities of the Trust and its accounting, especially the fact that welfare and charity activities carried out in different capacities by the members of the Trust have been brought under the umbrella of Al-Qaim Trust with start date of July 2022. As such the Trust is effectively functioning as feeding arm for the various projects sponsored by it over and above charity and welfare disbursements to individuals from its principal office. Our opinion is not qualified in respect of this matter.

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 below given section entitled Auditor's Responsibilities for the Audit of the Financial Statements. We are independent of the Trust 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 Those Charged with Governance for the Financial Statements

The Board of Trustees is responsible for the preparation and fair presentation of the Financial Statements in accordance with the approved accounting and reporting standards as applicable in Pakistan and for such internal control as the Board 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, the Board is responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust 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 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 Trust'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 Trust ability to continue as 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 Trust 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 those charged with governance 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

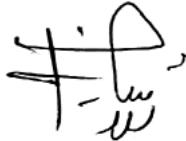
Engagement partner: I.M. Noorani

Date: 28/12/2023
Place: Karachi



**AL-QAIM TRUST
BALANCE SHEET
AS AT JUNE 30, 2023**

Fixed Assets	Note	
Furniture, Fixture & Equipment	4	693,890
Current Assets		
Security Deposit		300,000
Prepaid Rent		300,000
Cash & Bank balance		2,179,529
		<u>2,779,529</u>
Total Assets		<u><u>3,473,419</u></u>
Liabilities & Equity		
Current Liabilities		
Bills Payable		1,968,300
Restricted Fund		1,000,000
		<u>2,968,300</u>
General Fund		
Balance 1-7-2022		1,454,297
Add: Surplus / (deficit) of Income & Expenditure for the year		(949,178)
		<u>505,119</u>
Total Liabilities & Equities		<u><u>3,473,419</u></u>



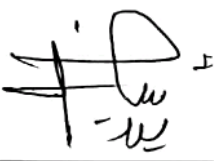
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**AL-QAIM TRUST
INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE, 2023**

Gross Revenues	Note 5	89,348,630
Expenditure		
Project Expenses		75,505,332
Non Project Welfare Expenses		9,372,721
	6	84,878,053
Office Administration Expenses	7	5,419,755
Total		90,297,808
Surplus for the year		(949,178)



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 28/12/2023



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AL-QAIM TRUST
NOTES TO THE FINANCIAL STATEMENTS

1. LEGAL STATUS AND NATURE OF OPERATIONS

- 1.1 Al-Qaim Trust was formed vide Trust deed dated 25-Oct-2010 and registered with sub registrar office, New Karachi Town on 12-Nov-2010. The charity, welfare, educational and religious activities had been initiated by Agha Naqvi and his team in personal capacity much before the date of registration and even thereafter. These activities are now carried out under the banner of Al Qaim Trust. Now 20 such projects and units spread over all provinces of Pakistan are deemed to be functioning independently with their own managing committees and funds. Shortages and deficits faced by these units are met by Al Qaim Trust and accounted for accordingly.
- 1.2 A regular Al Qaim Trust office was set up in July 2022 and staff was hired to effectively control the Trust affairs and Trust accounts. The first annual accounts covering the period 1 July, 2022 to 30 June, 2023 are hereby presented. A bank account was opened by one of the projects at Uch Sharif which was subsequently taken over by the Trust for its entire operations.
- 1.3 Estimates of opening balances of ledger accounts of the Trust have been made and booked as under to enable stream line separate independent accounting of the Trust head office and proceed as feeding arm for the different projects sponsored by it.

Cash in Hand	55,014
Cash at Bank	418,783
Office Furniture, Fixture & Equipment	600,000
Security Deposit	270,000
Prepaid Rent	270,000
Less: Liabilities	(159,500)
TRUST FUND	<u>1,454,297</u>

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standards for Small sized Entities (AFRS for SSEs) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;

Accounting Standards for Non Profit Organizations (Accounting Standards 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 AFRS standards for SSEs or the Accounting Standards for NPOs, the provisions of and directives issued under the Companies Act, 2017, have been followed.

2.2 Accounting Convention

These accounts have been prepared under the historical cost convention.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Fixed Assets

The opening balances of Furniture, Fixture, Electrical Equipment & Computers have been taken at estimated depreciated values as of 1 July, 2022. Additions during the year are taken at cost. Assets purchased, constructed and installed at different projects of AQT are not included as these are deemed to be owned by these units which are functioning independently.

Depreciation is charged to income and expenditure statement under the diminishing balance basis at rates specified in respective note to these financial statements. Depreciation is charged on operating fixed assets from the date asset is available for intended use upto the date asset is disposed off. Normal repairs and maintenance are charged to income and expenditure statement as and when incurred. Gains and losses on disposal of an item of property and equipment are taken to income and expenditure statement.

3.2 Revenue Recognition

Donations for Trusts operations are recognized on receipt basis.

Receipts on account of Khums, Sehme Sadat, Zakat, Qurbani, Masjid & Imam Bargah construction, Other specific program or activity are considered "Restricted Funds" and accounted for accordingly.

3.3 Expenses Recognition

Expenses of the Trust are recognized on accrual basis.

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2023

5. GROSS REVENUE

Donations and Specific contributions received for different projects and also flood relief activities.

89,348,630

6. PROJECT EXPENSES

AQT Medical Center Abbas Town	753,400
AQT Rozgar Scheme	2,255,000
AQT Rescue & Relief	120,000
AQT Flood Relief	44,822,096
AQT Ramazan Ration	3,263,100
AQT Qurbani Expenses	1,550,000
AQT Quran Academy (New Rizvia)	1,258,460
AQT Kidney Center	322,000
Tameer Masjid Imam Bargah	495,000
Masjid o Imam Bargah Mahfil e Mustafa	4,650,446
Al Muntazir Masjid	88,000
Al Mustafa Medical Center (Agra Taj)	1,783,648
AQT Medical Center New Karachi	1,092,400
AQT Medical Center Nawabshah	367,475
Shaikh Mufeed Library Khairpur	659,000
RO Plant Jhaddu	969,200
International Journal of Theology	78,050
Bazm e Ilm	529,275
AQT Medical Center Uch Shareef	402,620
Fatima Zehra Medical Center Koshab	7,749,243
Al Qaim Medical Center Hyderabad	2,296,919
Charity and welfare to individuals	9,372,721
	84,878,053

7. ADMIN & GENERAL EXPENSES

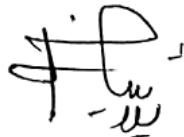
Salaries Expense	2,336,300
Office Maintenance	706,896
Office Rent	570,000
Utilities Expense	360,513
Repairs & Maintenance	317,395
Fuel Expense	298,985
Staff Kitchen	173,147
Professional Fee	155,000
Printing & Stationery	100,430
Accounting Fee	100,000
Communication Expense	43,790
TMA Tax	33,000
Transportation Expense	31,150
Bank Charges	19,874
Postage & Courier	12,165
Security Expense	5,000
Depreciation Expense	156,110
	<u>5,419,755</u>

8. TAXATION

No provision for taxation has been made in these financial statements due to the charitable nature of the Trust. The Trust has initiated documentaion process for seeking tax exemptions and tax relief.

9. DATE OF AUTHORIZATION

These Financial Statements have been approved by the Board of Trustees on 28/12/2023.



TRUSTEE

28/12/2023



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