


CONCERN FOR CHILDREN TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2008

A. F. FERGUSON & CO.
CHARTERED ACCOUNTANTS
KARACHI

A member firm of

PRICEWATERHOUSECOOPERS 

AUDITORS' REPORT TO THE TRUSTEES

We have audited the annexed balance sheet of the Concern For Children Trust as at June 30, 2008 and the related income and expenditure account together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year then ended.

It is the responsibility of the trustees to establish and maintain a system of internal control and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements present fairly in all material respects the financial position of the Trust as at June 30, 2008 and of its deficit for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Chartered Accountants

Karachi

Dated:


Aff

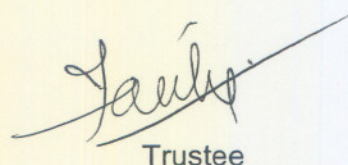
CONCERN FOR CHILDREN TRUST
BALANCE SHEET AS AT JUNE 30, 2008

	Note	2008 Rupees	2007 Rupees (Restated)
Non - current assets			
Fixed assets - property and equipment	3	316,318	422,750
Investment	4	<u>2,835,750</u>	<u>2,835,750</u>
		3,152,068	3,258,500
Current assets			
Investments - Wapda Bonds		-	2,500,000
Loans, advances and other receivables	5	583,874	277,220
Accrued return on investments and bank deposits		72,066	111,941
Taxation		82,348	77,767
Cash and bank balances	6	<u>5,061,594</u>	<u>5,330,672</u>
		5,799,882	8,297,600
Total assets		<u>8,951,950</u>	<u>11,556,100</u>
Less: current liabilities			
Accrued and other liabilities		295,412	127,189
		<u>8,656,538</u>	<u>11,428,911</u>
REPRESENTED BY:			
ACCUMULATED SURPLUS	7	<u>8,656,538</u>	<u>11,428,911</u>

Aff

The annexed notes 1 to 10 form an integral part of these financial statements.


Trustee


Trustee

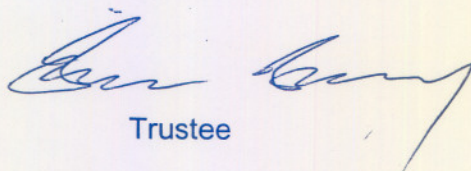
CONCERN FOR CHILDREN TRUST

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED JUNE 30, 2008

	Note	2008 Rupees	2007 Rupees (Restated)
Income			
Donations		2,446,334	720,108
Consultancy fee		251,790	96,630
Return on investments			
Pakistan Investment Bonds (PIBs)		200,000	199,851
Wapda Bonds		197,568	225,839
Others		159,872	260,360
		557,440	686,050
Income from sale of greeting cards	8	171,160	182,767
Interest income		44,541	77,372
Income on disposal of fixed assets		-	175,000
		<u>3,471,265</u>	<u>1,937,927</u>
Expenses			
Operating expenses	9	6,227,332	4,436,189
Bank charges		16,306	15,600
		<u>6,243,638</u>	<u>4,451,789</u>
Deficit before tax		<u>(2,772,373)</u>	<u>(2,513,862)</u>
Taxation		-	(8,381)
Deficit for the year		<u><u>(2,772,373)</u></u>	<u><u>(2,505,481)</u></u>

Aff

The annexed notes 1 to 10 form an integral part of these financial statements


Trustee


Trustee

CONCERN FOR CHILDREN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2008

1. THE TRUST AND ITS OPERATIONS

Concern for Children Trust is a charitable trust formed under the Trust Deed dated October 23, 1997 with an objective to provide funds for the promotion of health and welfare of children in Pakistan.

2. SUMMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the requirements of the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such Accounting and Financial Reporting Standard for Small-Sized Entities as has been issued by the Institute of Chartered Accountants of Pakistan.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention.

2.3 Fixed assets - property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged using the straight line method in accordance with the rates specified in note 3 to the financial statements after taking into account the residual value, if any.

Depreciation on additions is charged when the assets are available for use upto disposal.

Gains and losses on disposals of fixed assets, if any, are included in income currently.

Major renewals and improvements are capitalised and the assets so replaced, if any, are retired. Normal repairs and maintenance are charged to income and expenditure account as and when incurred.

2.4 Investments

Investments are carried at cost.

2.5 Taxation

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

2.6 Revenue recognition

Income from fund raising activities, consultancy fee, donations and zakat contributions are recognised on receipt basis whereas interest income is recognised on accrual basis.

AKF

3. FIXED ASSETS - property and equipment

	Cost as at July 1, 2007	Additions / (disposals)	Cost as at June 30, 2008	Accumulated depreciation as at July 1, 2007	Depreciation for the year / (on disposals)	Accumulated depreciation as at June 30, 2008	Net book value as at June 30, 2008	Rate of depreciation
	← Rupees →							%
Office equipments	67,159	16,000	83,159	37,328	4,556	41,884	41,275	10 - 25
Motor vehicle	471,503	-	471,503	78,584	117,876	196,460	275,043	25
June 30, 2008	<u>538,662</u>	<u>16,000</u>	<u>554,662</u>	<u>115,912</u>	<u>122,432</u>	<u>238,344</u>	<u>316,318</u>	
June 30, 2007	<u>458,269</u>	<u>502,393</u> <u>(422,000)</u>	<u>538,662</u>	<u>458,267</u>	<u>79,644</u> <u>(421,999)</u>	<u>115,912</u>	<u>422,750</u>	

4. INVESTMENT - at cost

This represents investment in Pakistan Investment Bonds (PIBs) having a market value of Rs. 2,031,650 (2007: Rs. 2,295,870),

- 4.1 In accordance with the Accounting and Financial Reporting Standard for Small-Sized Entities the investment is carried at cost and the provision for diminution of Rs. 539,880 relating to prior years has been reversed by adjusting the opening balance of accumulated surplus. The corresponding figures have been restated accordingly.

2008
Rupees 2007
Rupees

5. LOAN, ADVANCES AND OTHER RECEIVABLES

Loan to employee	369,624	49,122
Advances and other receivables	<u>214,250</u>	<u>228,098</u>
	<u>583,874</u>	<u>277,220</u>

6. CASH AND BANK BALANCES

Balance with banks		
on savings accounts	2,061,594	2,330,672
on deposit accounts	<u>3,000,000</u>	<u>3,000,000</u>
	<u>5,061,594</u>	<u>5,330,672</u>

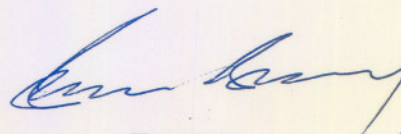
AFF

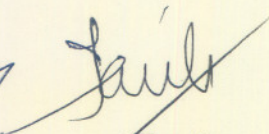
	2008 Rupees	2007 Rupees (Restated)
7. ACCUMULATED SURPLUS		
Balance as at July 1 - as previously stated	10,889,031	13,368,432
Effect of restatement of investments - note 4.1	539,880	565,960
Balance as at July 1 - as restated	11,428,911	13,934,392
Deficit for the year	(2,772,373)	(2,505,481)
	<u>8,656,538</u>	<u>11,428,911</u>
8. INCOME FROM SALE OF GREETING CARDS		
Sale of greeting cards	315,000	471,000
Less: Cost of greeting cards	143,840	288,233
	<u>171,160</u>	<u>182,767</u>
9. OPERATING EXPENSES		
Staff salaries	3,669,858	3,058,505
Event management expenses	1,404,168	210,059
Kashmir project expenses	401,279	405,624
Medical supplies	29,904	32,776
Utilities expenses	27,038	11,286
Cleaning and house keeping	960	2,907
Depreciation	122,432	79,644
Rent, rates and taxes	28,284	28,284
Repairs and maintenance	40,400	40,141
Printing and stationery	55,698	37,596
Travelling	34,196	76,816
Entertainment	32,885	37,154
Vehicle running	205,362	304,566
Insurance	10,583	7,770
Communication	72,626	61,200
Employees training seminars	80,257	39,080
Postage and subscription	1,692	2,781
Other expenses	9,710	-
	<u>6,227,332</u>	<u>4,436,189</u>

10. DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorised for issue on by the Board of Trustees.

AK


Trustee


Trustee