

AL SADIQ TRUST

**Accounts
For the year ended June 30, 2010**

Auditors' Report to the Trustees

We have audited the annexed balance sheet of the **Al-Sadiq Trust** as at June 30, 2010 and the related revenue and expenditure account and cash flow statement together with the notes forming part thereof (here-in-after referred to as the financial statements for the period then ended).

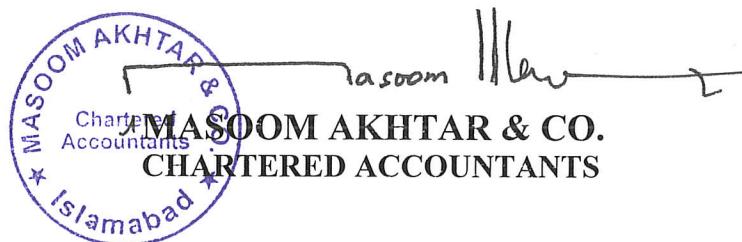
It is the responsibility of the trustees to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based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

- Accounts of the Trust for previous years including year ended June 30, 2008 were not audited by any firm of Chartered Accountants or an independent person. We therefore have relied on the balances provided by the management to verify the opening balances brought forward from previous year.

Except for the above, in our opinion the financial statements present fairly in all material respects the financial position of the **Al-Sadiq Trust** as at June 30, 2010 and excess of expenditure over revenue, its cash flow for the period then ended in accordance with the approved accounting standards as applicable in Pakistan.

Place: Islamabad
Dated: November 17, 2012



AL SADIQ TRUST
Balance sheet as at June 30, 2010

<u>Funds and liabilities</u>	<u>Note</u>	<u>2010</u> (Rupees)	<u>2009</u> (Rupees)
General fund	3	18,728,868	18,540,777
Current liabilities			
Accrued liabilities	4	80,000	-
		<u>18,808,868</u>	<u>18,540,777</u>
Property and assets			
Non - current assets			
Property and equipment	5	17,738,438	16,123,683
Current assets			
Advances and deposits	6	75,836	44,811
Cash and bank balances	7	994,594	2,372,283
		<u>1,070,430</u>	<u>2,417,094</u>
		<u>18,808,868</u>	<u>18,540,777</u>

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



Chairman



Trustee

AL SADIQ TRUST
Revenue and expenditure account
For the year ended June 30, 2010

	<u>Note</u>	<u>2010</u> (Rupees)	<u>2009</u> (Rupees)
Receipts	8	369,537	373,180
Less: Expenditures			
Program activities	9	2,342,595	3,424,599
Administrative expenses	10	3,144,456	3,883,538
Financial charges	11	19,377	1,585
		<u>5,506,428</u>	<u>7,309,722</u>
Excess of (expenditure over revenue) from operating activities		(5,136,891)	(6,936,542)
Receipts from non-operational activities			
Donations	12	4,345,299	5,964,797
Other income	13	59,272	112,670
		<u>4,404,571</u>	<u>6,077,467</u>
Excess of (expenditure over revenue) carried forward to the general fund		<u>(732,320)</u>	<u>(859,075)</u>

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



Chairman



Trustee

AL SADIQ TRUST
Notes to the accounts
For the year ended June 30, 2010

1. Trust and its objectives

AL SADIQ TRUST was registered on December 17, 1996 with the Joint Sub-Registrar of Islamabad. The main object of the trust includes arranging Namaz-e-Jamat and organizing Majalis in Masjid on the death anniversaries of the fourteen Masoomin (A.S). It also includes the elevation of education level, organizing cultural and social programmes and maintenance of bath houses and grave yards for deceased Shia Ishna Asheri Muslims.

Scope of audit

The activities carried out by the library including the cash receipts from members remained outside our scope of audit. Moreover, the value of donations in kind received at Imambagh has also not been incorporated in these accounts.

2. Summary of significant accounting policies

The principal accounting policies which have been adopted in the preparation of these accounts are summarized below:

2.1) Basis of measurement

These accounts have been prepared under the historical cost convention, without any adjustments for the effects of inflation or current values.

2.2) Property and equipment

- i) These are stated at cost less accumulated depreciation and impairment losses; if any.
- ii) Depreciation on operating assets is charged on reducing balance method;
- iii) A full month's depreciation is charged in the month of addition and no depreciation is charged in the month of disposal;
- iv) Gain or loss, if any, on disposal of fixed assets is included in current year's income;
- v) Maintenance and normal repairs are charged to income as and when incurred and major renewals and improvements are capitalized;
- vi) The trust reviews the useful lives and residual value of its assets on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation charge.

2.3) Capital work in progress

Capital work in progress is stated at cost. It consists of payments made against construction of rooms owned by the trust and is to be capitalized on completion of work.

2.4) Foreign currency translation

Transactions in foreign currencies are converted at the rate prevailing at the date of transaction. Monetary assets and liabilities at the year-end are translated at the exchange rate, prevailing at the balance sheet date.

2.5) Revenue recognition

Revenue from donations are recognized on receipt basis.

2.6) Reserve fund

The trust set aside 10% from donations received to meet its emergency operating cost. The reserve can only be utilized after the approval of board of trustees.

2.7) Donations-in-kind

Donations-in-kind received has been valued and recorded at their estimated fair value as provided by the donor or, in absence of donor's valuation, at wholesale values estimated by the organization, at the time the goods are received from the donor.

2.8) Volunteer services

The efforts of volunteer workers are not reflected in the accompanying financial statements, in as much as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time to the organization.

		<u>2010</u> (Rupees)	<u>2009</u> (Rupees)
3.	<u>General fund</u>		
Balance as at June 30,		15,780,132	16,489,009
Add: Excess of (expenditure over revenue)		(732,320)	(859,075)
Less: Transfer to Funds for specific purposes	(3.1)	-	(703,065)
Funds for construction of building		15,047,812	14,926,869
Funds for specific purposes	(3.1)	2,308,149	853,263
Reserve fund		17,355,962	15,780,132
		1,288,015	2,760,645
		84,891	-
		<u>18,728,868</u>	<u>18,540,777</u>

3.1) Funds for specific purposes

Description	Balance as on July 01,2009	Funds received during the	Grants Funds received during the year	Balance as at June 30, 2010
DI. Khan/Parachinar affectees	(448)	144,800	138,244	6,108
Fitraana Syed	49,238	117,130	140,212	26,156
Fitraana Non-Syed	23,308	176,030	157,300	42,038
Kafan/Mayaat	51,949	123,840	99,733	76,056
Khums Seham-e-Saadat	2,215,196	827,086	3,005,412	36,870
Khums Seham-e-Imam	-	364,505	115,350	249,155
Marif-e-Islami	236,826	691,380	286,353	641,853
Medical Centre	100,132	289,560	255,050	134,642
Ramzan	76,944	744,770	771,793	49,921
Zakat	7,500	272,424	254,708	25,216
Total - 2010	2,760,645	3,751,525	5,224,155	1,288,015
Total - 2009	703,065	4,063,709	2,006,129	2,760,645

4. Accrued liabilities

Loan from trustees	80,000	-
	80,000	-

5. Property and equipments

Operating assets - at cost	(5.1)	14,176,295	14,846,349
Capital work-in-progress	(5.2)	3,562,143	1,277,334
		17,738,438	16,123,683

5.1) Operating assets - at cost

Particulars	Cost			Rate %	Depreciation			W.D.V. as at 30.06.2010
	As on 01.07.2009	Addition during the year	As at 30.06.2010		As on 01.07.2009	For the year	As at 30.06.2010	
Building	18,277,970		18,277,970	5	4,157,535	706,022	4,863,557	13,414,413
Carpets	390,900		390,900	15	319,092	10,771	329,863	61,037
Electrical equipment	222,235	46,200	268,435	15	33,335	35,265	68,600	199,835
Furniture and fixtures	77,160	21,300	98,460	15	32,481	9,897	42,378	56,082
Library and books	262,927	67,533	330,460	15	92,737	35,659	128,395	202,065
Multimedia equipments	47,200	37,946	85,146	30	14,160	21,296	35,456	49,690
Computers	-	12,100	12,100	30	-	3,630	3,630	8,470
Office equipment	400,845		400,845	15	183,548	32,594	216,143	184,702
Rupees - 2010	19,679,237	185,079	19,864,316		4,832,888	855,134	5,688,022	14,176,295
Rupees - 2009	19,372,062	307,175	19,679,237		3,953,275	879,613	4,832,888	14,846,349

5.2) Capital work in progress

Mosque rooms in progress	3,203,143	918,334
Advances to contractors and suppliers	359,000	359,000
	3,562,143	1,277,334

	<u>2010</u> (Rupees)	<u>2009</u> (Rupees)
6. Advances and deposits		
Advances - unsecured and considered good		
To staff		
against salaries	6,000	-
against expenses	60,025	35,000
	66,025	35,000
Deposits		
Tax deducted at source	9,811	9,811
	<u>75,836</u>	<u>44,811</u>
7. Cash and bank balances		
Cash in hand	10,687	13,000
Cash at bank		
- US Dollar-pls account (2010: 2,630.79 \$), (2009: 24,397.44 \$)	201,692	1,987,224.0
- Pak Rupee-current account	782,215	372,059
	983,907	2,359,283
	<u>994,594</u>	<u>2,372,283</u>
8. Receipts		
These represents funds received against:		
Monthly contribution	<u>369,537</u>	<u>373,180</u>
	<u>369,537</u>	<u>373,180</u>
9. Program activities		
Majalis-o-mahafil	1,481,750	1,094,918
Qurbani expenses	822,008	737,500
Ladies wing expenses	129,052	-
Library and education	90,206	20,500
Aftari	-	505,386
Sadqaat	(9.1)	195,677
Khums	(9.2)	2,000
Moharram expense	-	73,848
Ahtekaaf	-	50,241
Tabarak and niaz	(180,421)	744,529
	<u>2,342,595</u>	<u>3,424,599</u>
9.1) Sadqaat		
This represents the sadqaat given against:		
Non Sadaat	-	109,683
Sadaat	-	85,994
	<u>-</u>	<u>195,677</u>
9.2) Khums		
This represents the Khums given against:		
Sehm-e-Imam	-	2,000
	<u>-</u>	<u>2,000</u>

	<u>2010</u> (Rupees)	<u>2009</u> (Rupees)
10. <u>Administrative expenses</u>		
Security expenses	938,885	78,917
Repair and maintenance	429,120	350,846
Electricity charges	300,000	-
Salaries and other benefits	116,158	1,953,591
Miscellaneous	76,402	68,362
Travelling and conveyance	81,804	76,969
Telephone and internet	77,825	76,462
Suspense account	69,331	-
Printing and stationery	53,085	160,902
Petrol, oil and lubricants	43,237	141,410
Advertisement	38,451	26,100
Food and entertainment	18,491	41,736
Computer accessories	15,150	-
Legal and professional charges	10,000	25,000
Office accessories	9,491	-
Gardening expenses	8,720	-
Postage expense	2,072	3,630
Kitchen accessories	1,100	-
Depreciation	855,134	879,613
	3,144,456	3,883,538
11. <u>Financial charges</u>		
Bank charges	19,377	1,585
	19,377	1,585
12. <u>Donations</u>		
This represents the donation received against:		
General donation	1,945,564	2,056,468
Qurbani	948,410	954,410
Majalis-o-mahafil	865,229	89,500
Security	469,440	395,725
Mosque	49,626	437,857
Tabarak and niaz	43,900	420,631
Trustees contribution	19,880	2,200
Library and education	3,250	79,070
Sadqaat - Saadat	-	393,050
Moharram	-	344,765
Khums	(12.1)	328,371
Zakat fund	-	23,150
Ramzan	-	439,600
	4,345,299	5,964,797
12.1) <u>Khums</u>		
This represents the Khums received against:		
Sehm-e-Imam	-	328,371
	-	328,371

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	<u>2010</u> (Rupees)	<u>2009</u> (Rupees)
Sale of scrap	37,120	-
Sale of books	13,827	-
Profit on US dollar account	8,325	1,370
Foreign exchange gain	-	111,300
	59,272	112,670

14. Figures

in foreign currency have been translated in Pak Rupees USD\$1 = 85.3 Rupees (2009:USD\$1=81.45 Rupees). 



Chairman



Trustee