

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

We have audited the accompanying financial statements of **Pace2life Welfare Foundation** (the Agency) which comprise of the balance sheet as at June 30, 2015 and the income and expenditure account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The management is responsible for the preparation and fair presentation of this financial statement in accordance with the approved accounting standards as applicable in Pakistan, and for such internal control as the management determines is necessary to enable the preparation of financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with the approved auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by the management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects the financial position of **Pace2life Welfare Foundation** as at June 30, 2015 and its financial performance for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.



Chartered Accountants

October 08, 2015

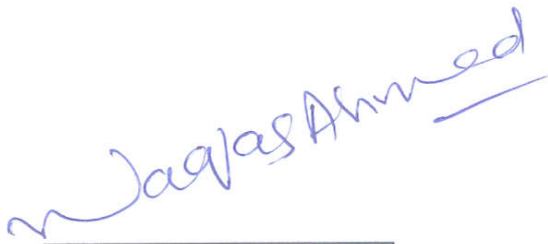
Engagement Partner: Ahmad Salman Arshad
Lahore

Balance Sheet

For the year ended June 30, 2015

| | Note | 2015 Rupees | 2014 Rupees |
|---------------------------|------|----------------|----------------|
| Non current assets | | | |
| Property and equipment | 5 | 55,828 | 50,309 |
| | | 55,828 | 50,309 |
| Current assets | | | |
| Cash and bank balances | 6 | 105,840 | 47,164 |
| Net Assets | | 161,668 | 97,473 |
| Represented by: | | | |
| Accumulated surplus | | 161,668 | 97,473 |
| | | 161,668 | 97,473 |


The annexed notes 1 to 9 form an integral part of these financial statements.



CHAIRMAN



PRESIDENT

Pace2life Welfare Foundation

Income and expenditure account

For the year ended June 30, 2015

| | Note | 2015 Rupees | 2014 Rupees |
|---------------------------------|------|------------------|----------------|
| Income | | | |
| Donations | 7 | 1,703,749 | 388,862 |
| Bank profits | | 6,778 | 1,717 |
| | | 1,710,527 | 390,579 |
| Expenditure | | | |
| Project cost | 8 | 1,645,912 | 378,881 |
| Bank charges | | 420 | 1,427 |
| | | 1,646,332 | 380,308 |
| Net surplus for the year | | 64,195 | 10,271 |

The annexed notes 1 to 9 form an integral part of these financial statements.

Waqas Ahmed

CHAIRMAN

Shabeer Adil

PRESIDENT

Notes to the financial statements

For the year ended June 30, 2015

1 NATURE AND DETAIL OF PROJECT

Pace2life Welfare Foundation was established as a non-profit, non-religious, non-ethnic NGO. Pace2life was registered in September 2009 under the Voluntary Social Welfare Agencies (Registration and Control Ordinance, 1961). The main objectives of Pace2life is to revolutionize the point of view of disabled persons about themselves and the behaviour of society about the disabled persons.

It is situated at 1712-A, Koha Rehmat Raj, Tehsil Bazar, Bhati Gate Lahore.

2 ACCOUNTING CONVENTION

These financial statements have been prepared under historical cost convention.

3 BASIS OF PREPARATION

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 small prevail.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, plant and equipment

Operating assets - Owned

Property, plant and equipment is stated at cost or assessed values less accumulated depreciation and accumulated impairment losses, if any. Freehold land and capital work-in-progress are stated at cost or assessed values less impairment loss, if any.

Repairs and maintenance is charged to income and expenditure statement as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gains and losses on disposals of assets, if any, are charged to income currently.

Depreciation

Depreciation on property, plant and equipment is charged on the reducing balance method so as to write off the depreciable amount of the assets over their expected useful lives at the rates mentioned in Note 6 to the financial statements. Residual values and the useful life of property, plant and equipment are reviewed at least at each financial year-end.

Full month's depreciation is charged in the month of purchase while no depreciation is charged in the month of disposal.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is charged to income in the year the asset is de-recognized.

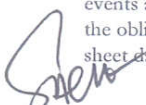
Operating assets - Donated

Property, plant and equipment, not returnable to the donors, are stated at assessed values less accumulated depreciation on the basis of contractual arrangements with the relevant donors. Depreciation is charged over their expected useful lives at the rates mentioned in Note 6 to the financial statements.

Repairs and maintenance are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gains and losses on disposals of assets, if any, are charged to income currently.

4.2 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate if any.



Notes to the financial statements

For the year ended June 30, 2015

4.3 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated and impairment losses are recognized in the statement of income and expenditure. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income and expenditure.

4.4 Donations

Donation is recognized when right to receive is established.

4.5 Loans and advances

These are stated at cost net of provisions for impairment.

4.6 Taxation

Tax charge for current taxation is based on taxable income at the current rates of taxation after taking into account the applicable tax credits and tax rebates realized, if any. Provision for taxation has not been made during the year as the Company obtained exemption from tax authorities.

4.7 Project costs

These are stated at cost as and when actual expenses are incurred on project, including staff training and other project operational expenses.

5 PROPERTY AND EQUIPMENT

| Description | Equipment | Computers and Accessories | Furniture and Fixtures | Total |
|--------------------------------------|------------------|---------------------------|------------------------|----------------|
| | -----Rupees----- | | | |
| Cost | | | | |
| Balance as at July 01, 2014 | 25,900 | 23,250 | 37,950 | 87,100 |
| Additions | - | 7,400 | 16,900 | 24,300 |
| Balance as at June 30, 2015 | 25,900 | 30,650 | 54,850 | 111,400 |
| Depreciation | | | | |
| Balance as at July 01, 2014 | 10,021 | 13,182 | 13,588 | 36,791 |
| Charge for the year | 4,764 | 5,764 | 8,252 | 18,781 |
| Balance as at June 30, 2015 | 14,785 | 18,946 | 21,840 | 55,572 |
| Written down value as at 2015 | 11,115 | 11,704 | 33,010 | 55,828 |
| Written down value as at 2014 | 15,880 | 10,068 | 24,362 | 50,309 |
| Rate of depreciation (%) | 30 | 33 | 20 | |

Notes to the financial statements
For the year ended June 30, 2015

| | Note | 2015 Rupees | 2014 Rupees |
|---------------------------------|------|----------------|----------------|
| 6 CASH AND BANK BALANCES | | | |
| Cash in hand | | 17,542 | 13,450 |
| Cash at bank - pls account | | 88,298 | 33,714 |
| Total | | 105,840 | 47,164 |

| | | | |
|---------------------|--|------------------|----------------|
| 7 Donations | | | |
| Donations (in Cash) | | 1,502,749 | 317,432 |
| Donations (in Kind) | | 201,000 | 71,430 |
| Total | | 1,703,749 | 388,862 |

| | Note | 2015 Rupees | 2014 Rupees |
|--------------------------------------|------|------------------|----------------|
| 8 Expenditure | | | |
| Office rent | | 29,700 | 27,720 |
| Wheel Chairs Distributed | | 260,750 | 194,500 |
| Distribution of awareness literature | | 14,280 | 6,400 |
| Catering expenses | | 94,293 | 45,786 |
| Utilities | | 1,735 | 34,010 |
| Consultancy and Professional Charges | | 120,000 | - |
| Medical Camp Expenses | | 15,379 | - |
| Aid to flood victims | | 916,902 | - |
| Postage, Telephone & Telegram | | 9,490 | 12,855 |
| Repair and Maintenance: | | 26,145 | 5,490 |
| Conveyance, Traveling & Carriage | | 38,930 | 16,869 |
| Printing & Stationery | | 72,122 | 11,205 |
| Broachers printing | | 21,340 | 6,200 |
| Miscellaneous | | 5,065 | 1,921 |
| Website charges | | 1,000 | 1,000 |
| Depreciation | 5 | 18,781 | 14,925 |
| Total | | 1,645,912 | 378,881 |

9 GENERAL
Figures have been rounded off to the nearest rupee.

Shaher Azeed

Jagyas Ahmad

CHAIRMAN

Shaher Azeed

PRESIDENT