

**Audited Financial Statements of Acid Survivors Foundation  
for the year ended June 30, 2019**

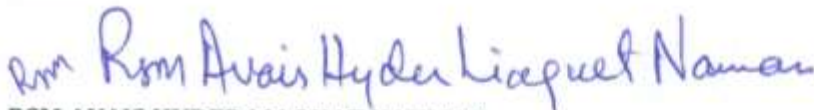
that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material 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 Foundation'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 Foundation'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 Foundation 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.

The engagement partner on the audit resulting in this independent auditor's report is Syed Naveed Abbas.

A handwritten signature in blue ink, reading "RSM Avasi Hyder Liaquat Nauman".  
**RSM AVAIS HYDER LIAQUAT NAUMAN**  
**CHARTERED ACCOUNTANTS**

Place: Islamabad

Date: 31 OCT 2023

## **Independent Auditor's report to the Management of Acid Survivors Foundation**

### **Opinion**

We have audited the financial statements of **Acid Survivors Foundation** (The Foundation), which comprise the statement of financial position as at June 30, 2019, and statement of income and expenditure account, the statement of changes in fund, the statement of cash flows 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 present fairly, in all material respects, the financial position as at June 30, 2019 and its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

### **Basis for Opinion**

We conducted our audit in accordance with 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 foundation' 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 Board of Directors for the Financial Statements**

Management 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 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 foundation'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 foundation' or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the foundation'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

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**ACID SURVIVORS FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2018**

	Note	2019 Rupees	2018 (Restated) Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	4,284,479	4,212,794
		<u>4,284,479</u>	<u>4,212,794</u>
<b>CURRENT ASSETS</b>			
Advances, Deposits and Prepayments	5	5,919,213	7,912,913
Cash and Bank Balances	6	36,633,132	17,448,789
		<u>42,552,345</u>	<u>25,361,702</u>
<b>TOTAL ASSETS</b>		<u><b>46,836,824</b></u>	<u><b>29,574,496</b></u>
<b>FUNDS AND LIABILITIES</b>			
General Funds		15,180,045	9,515,339
		<u>15,180,045</u>	<u>9,515,339</u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable and Other Liabilities	7	697,500	82,500
Deferred grant	8	30,959,279	19,976,656
		<u>31,656,779</u>	<u>20,059,156</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u><b>46,836,824</b></u>	<u><b>29,574,496</b></u>
Contingencies and Commitments	9	-	-

*The annexed notes from 1 to 15 form an integral part of these financial statements.*



Chairperson



Executive Director



**ACID SURVIVORS FOUNDATION**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED JUNE 30, 2019**

Note	2019			2018 (Restated)		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	(Rupees)					
<b>INCOME</b>						
Grants and Voluntary Contribution	7,065,005		7,065,005	2,235,088		2,235,088
Deferred grant recognised as income	-	20,670,722	20,670,722	-	13,277,402	13,277,402
Other Income	1,439,498	-	1,439,498	1,361,765	-	1,361,765
	8,504,503	20,670,722	29,175,225	3,596,853	13,277,402	16,874,255
<b>EXPENDITURES</b>						
Salaries, wages and other benefits	1,200,000	12,171,922	13,371,922	2,807,199	6,511,455	9,318,654
Rent, rates & taxes	-	1,588,200	1,588,200	-	794,100	794,100
Auditor's remuneration	-	110,000	110,000	60,000	82,500	142,500
Medical assistance - survivors	107,986	-	107,986	782,355	-	782,355
Travelling boarding and lodging - survivors	459,187	-	459,187	727,925	351,085	1,079,010
Supplies and services - survivors	167,179	-	167,179	284,035	-	284,035
Research and development	-	2,287,500	2,287,500	-	1,088,090	1,088,090
Meeting charges	-	-	-	319,417	-	319,417
Monitoring and evaluation	-	1,087,451	1,087,451	-	263,765	263,765
IEC and visibility material	-	772,380	772,380	-	672,690	672,690
Utilities	-	295,983	295,983	43,344	104,376	147,720
Office supplies	-	31,120	31,120	-	105,661	105,661
Printing and stationary	-	35,768	35,768	3,400	51,816	55,216
Repairs & maintenance - Office	-	173,752	173,752	16,843	-	16,843
POL - Vehicle	-	698,331	698,331	67,192	13,290	80,482
Postage & Communications	5,280	223,039	228,319	5,930	96,961	102,891
Bank Charges	125,531	-	125,531	173,748	-	173,748
Depreciation	756,634	-	756,634	632,123	-	632,123
Miscellaneous expenses	18,000	1,195,276	1,213,276	-	1,060,722	1,060,722
Skill development trainings	-	-	-	-	2,080,891	2,080,891
	2,839,797	20,670,722	23,510,519	5,923,511	13,277,402	19,200,913
<b>SURPLUS / (DEFECIT) FOR THE YEAR BEFORE TAX</b>	5,664,706	-	5,664,706	(2,326,658)	-	(2,326,658)
<b>TAXATION</b>	-	-	-	-	-	-
<b>SURPLUS / (DEFECIT) FOR THE YEAR AFTER TAX</b>	5,664,706	-	5,664,706	(2,326,658)	-	(2,326,658)

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
Chairperson

  
Executive Director

**ACID SURVIVORS FOUNDATION  
STATEMENT OF CHANGES IN FUND  
FOR THE YEAR ENDED JUNE 30, 2019**

	Unrestricted Funds	Restricted Funds	Total
	-----Rupees-----		
Balance as at July 01, 2017 (Restated)	11,841,997		11,841,997
Deficit for the year (Restated)	(2,326,658)	-	(2,326,658)
<b>Balance as at June 30, 2018 (Restated)</b>	<b>9,515,339</b>	<b>-</b>	<b>9,515,339</b>
Surplus for the year	5,664,706	-	5,664,706
<b>Balance as at June 30, 2019</b>	<b>15,180,045</b>	<b>-</b>	<b>15,180,045</b>

*The annexed notes from 1 to 15 form an integral part of these financial statements.*

Accounts payable



**Chairperson**



**Executive Director**

**ACID SURVIVORS FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 Rupees	2018 (Restated) Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Surplus for the year		5,664,706	(2,326,658)
Depreciation expense		756,634	632,122
<b>Cash Flows Before Working Capital Changes</b>		<b>6,421,340</b>	<b>(1,694,536)</b>
Decrease/(Increase) in current assets:			
Advances, deposit and prepayments		1,993,700	(3,253,765)
Increase in current liabilities:			
Accounts Payable and Other Liabilities		615,000	7,500
Deferred Income		10,982,623	18,670,615
		13,591,323	15,424,350
<b>Cash (Out)/In Flows After Working Capital Changes</b>		<b>20,012,662</b>	<b>13,729,814</b>
<b>Net cash (used in) / generated from operating activities</b>		<b>20,012,662</b>	<b>13,729,814</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(828,320)	(2,907,017)
<b>Net cash used in investing activities</b>		<b>(828,320)</b>	<b>(2,907,017)</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>		<b>19,184,342</b>	<b>10,822,797</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>		<b>17,448,789</b>	<b>6,625,992</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	6	<b>36,633,132</b>	<b>17,448,789</b>

*The annexed notes from 1 to 15 form an integral part of these financial statements.*



**Chairperson**



**Executive Director**



**ACID SURVIVORS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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**1 THE FOUNDATION AND ITS OPERATIONS**

The Acid Survivors Foundation ("the Foundation") was established in August 2007 and registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961. The registered office of the foundation is situated at House no. 111, Street no. 70, E-11/2, Islamabad. The main purpose of foundation is to provide medical facilities and legal support to acid burn victims in Pakistan.

**2 BASIS OF PREPARATION**

**2.1 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting Standard for Not for Profit Organisations (NPO's) and Revised Accounting and Financial Reporting Standard for Small Sized Entities (SSEs) issued by the Institute of Chartered

**2.2 BASIS OF ACCOUNTING**

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

**2.3 FUNCTIONAL AND PRESENTATIONAL CURRENCY**

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

**2.4 ACCOUNTING CONVENTION**

The Financial statements have been prepared under the historical cost convention.

**3 SIGNIFICANT ACCOUNTING POLICIES**

**3.1 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS**

These are stated at cost less accumulated depreciation. Depreciation is charged to statement of income and expenditure by applying the reducing balance method so as to write off the operating fixed assets over their expected useful life. Depreciation is charged from the month of acquisition while no depreciation is charged during the month of disposal. Maintenance and normal repairs are charged to statement of income and expenditure. Gains or losses on disposal of property, plant and equipment are included in current year's statement of income and expenditure respectively.

**3.2 PROPERTY, PLANT AND EQUIPMENT**

The entity has a policy to charge depreciation on written down value at the rates specified in note 4. Cost of property, plant and equipment comprises of purchase price, non-refundable local. The entity charges depreciation on all additions to property, plant and equipment from the date asset is available. Full month depreciation is charged on assets in the month of acquisition while no depreciation is charged for the month in which property, plant and equipment is disposed. Renewals and replacements are recognized in the carrying amount of the property, plant and equipment if it is probable that future embodied economic benefits will flow to the Entity. Other maintenance and repairs are charged to statement of income and expenditure. The project assets are recognized at cost in the books of the entity when transferred to it by donor or purchased out of donor funds whereas disposal is made upon completion of project as per instructions of the donor.

**3.3 ADVANCES, DEPOSITS AND PREPAYMENTS**

These are recognized and carried at their original amount less provision for any uncollectable amounts.

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**ACID SURVIVORS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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**3.4 Accrued and other liabilities**

Accrued and other liabilities are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

**3.4 TAXATION**

No provision for tax has been recognized in the financial statements of the Acid Survivors Foundation in the light of section 100C of the Income Tax Ordinance, 2001 (the Ordinance). The Acid Survivors Foundation is allowed a tax credit equal to one hundred percent of the tax payable including minimum tax and final tax payable, under any of the provisions of the ordinance, subject to conditions as outlined in section 100C.

**3.5 INCOME RECOGNITION**

Income is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of income can be measured reliably.

**Unrestricted grants**

Unrestricted grants and contributions are recognised as income on accrual basis.

**Restricted grants/funds**

Restricted grants/funds are deferred when received and charged to income to the extent of actual expenditure incurred. Expenditure incurred against grant committed but not received is accrued and recognised in income and is reflected as grant receivable.

**Income on Investment**

Income on investment (bank deposits, term deposits and saving accounts etc.) is recognized on time proportion basis.

**3.6 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are carried in statement of financial position at cost. For the purpose of statement of cash flow, cash and cash equivalents include cash in hand and cash at bank.

**3.7 RELATED PARTY TRANSACTIONS**

Transactions with related parties are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

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ACID SURVIVORS FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019

4	Property, Plant And Equipment	Furniture & Fixture	Computer Equipment	Electric & Office Equipment	Vehicles	Total
	Rupees					
	<b>Cost</b>					
	Balance as at July 01, 2017	497,722	1,841,520	1,868,244	826,384	5,033,870
	Additions during the year	-	207,017	11,500	2,688,500	2,907,017
	<b>Balance as at June 30, 2018</b>	<b>497,722</b>	<b>2,048,537</b>	<b>1,879,744</b>	<b>3,514,884</b>	<b>7,940,887</b>
	Additions during the year	-	495,000	333,320	-	828,320
	<b>Balance as at June 30, 2019</b>	<b>497,722</b>	<b>2,543,537</b>	<b>2,213,064</b>	<b>3,514,884</b>	<b>8,769,207</b>
	<b>Accumulated Depreciation</b>					
	Balance as at June 30, 2017	340,721	1,381,789	889,855	483,608	3,095,973
	Charge for the Year	23,550	174,147	147,765	286,660	632,122
	<b>Balance as at June 30, 2018</b>	<b>364,271</b>	<b>1,555,936</b>	<b>1,037,620</b>	<b>770,268</b>	<b>3,728,094</b>
	Charge for the Year	20,018	184,905	140,018	411,692	756,634
	<b>Balance as at June 30, 2019</b>	<b>384,289</b>	<b>1,740,841</b>	<b>1,177,638</b>	<b>1,181,960</b>	<b>4,484,728</b>
	<b>WDV as at June 30, 2019</b>	<b>113,433</b>	<b>802,696</b>	<b>1,035,426</b>	<b>2,332,924</b>	<b>4,284,479</b>
	WDV as at June 30, 2018	133,451	492,601	842,124	2,744,616	4,212,794
	<b>Depreciation Rate</b>	<b>15%</b>	<b>30%</b>	<b>15%</b>	<b>15%</b>	

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**ACID SURVIVORS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 Rupees	2018 (Restated) Rupees
<b>5 ADVANCES DEPOSITS AND PREPAYMENTS</b>			
Advance to vendors		-	1,100,000
Advance to employees		1,475,886	2,482,195
Receivable from Group Development Pakistan - Related Party	5.1	500,000	1,500,000
EU Project - Group Development - Share		3,943,327	2,830,718
		<u>5,919,213</u>	<u>7,912,913</u>
<b>5.1</b>	This represent the amount receivable from Group Development Pakistan - Related Party against expenses paid by Acid Survivor Foundation on behalf of Group Development Pakistan under the jointly owned project titled "Addressing Violence against Women & Girls in Pakistan by promoting Women and Girls Empowerment.		
<b>6 CASH AND BANK</b>			
Cash in hand		2,468	110,535
Cash at bank - current accounts	6.1	36,630,664	17,338,254
		<u>36,633,132</u>	<u>17,448,789</u>
<b>6.1 Cash at bank - Current Accounts</b>			
Current accounts - PKR		608,333	508,437
Saving accounts - PKR		36,022,331	16,829,817
		<u>36,630,664</u>	<u>17,338,254</u>
<b>7 ACCOUNTS PAYABLE AND OTHER LIABILITIES</b>			
Accounts payable		587,500	-
Auditors remuneration		110,000	82,500
		<u>697,500</u>	<u>82,500</u>
<b>8 DEFERRED GRANT</b>			
Opening balance		19,976,656	1,101,258
Income received		31,653,345	32,152,800
Transfer to Income & Expenditure Account		(20,670,722)	(13,277,402)
Closing balance		<u>30,959,279</u>	<u>19,976,656</u>
<b>9 CONTINGENCIES AND COMMITMENTS</b>			
There are no contingencies and commitments at reporting date. (2018 : Nill)			
<b>10 OTHER INCOME</b>			
Bank Profit		1,174,437	1,361,765
Rent reimbursed to ASF		265,061	-
		<u>1,439,498</u>	<u>1,361,765</u>

**11 RELATED PARTY TRANSACTIONS**

The related parties of the entity comprise the associated entity and key management personnel. Related party balances have been disclosed under respective notes in these financial statements. However the significant transactions with related parties are as follows



**ACID SURVIVORS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019	2018 (Restated)
		Rupees	Rupees
<b>Remuneration to Executive Director</b>			
The aggregate amount charged in financial statements in respect of remuneration to Executive director is given below:			
Managerial remuneration		<u>4,187,293</u>	<u>3,132,575</u>
Number of persons		1	1
<b>12 NUMBER OF EMPLOYEES</b>			
Average number of employees		<u>10</u>	<u>10</u>
Total number of employees		<u>10</u>	<u>10</u>

**13 CHANGE IN ACCOUNTING POLICY**

The entity was using fund accounting to record restricted its grant income which has been changed in the current year to deferral method.

The effect of change in accounting policy is accounted for retrospectively, and the comparative information for 2018 has been restated. The change in accounting policy has been reflected by restating each of the affected financial statement line items for the prior periods, as follows:

Account Head	June 30, 2018	Adjustment	June 30, 2018 (Restated)
<b>Statement of Financial position</b>			
Deferred Grant	15,420,328	4,556,328	19,976,656
<b>Statement of Comprehensive income</b>			
Income	20,068,818	(4,556,328)	15,512,490
<b>Statement of Changes in Fund</b>			
General Fund	6,376,594	3,138,745	9,515,339
Restricted Fund	7,695,072	(7,695,072)	-
Account Head	June 30, 2017	Adjustment	July 1, 2017 (Restated)
<b>Statement of Changes in Fund</b>			
General Fund	8,703,252	3,138,745	11,841,997
Restricted Fund	3,138,744	(3,138,744)	-

**14 DATE OF AUTHORIZATION**

The financial statements were approved and authorized for issue by the Management on 31 OCT 2019.

**15 GENERAL**

- Figures have been rounded off to the nearest Rupee.
- Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.



Chairperson



Executive Director