

**THE HELPCARE SOCIETY**

**FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED JUNE 30, 2014



**ILYAS SAEED & CO**  
(CHARTERED ACCOUNTANTS)

A-4, Sea Breeze Homes, Shershah Block,  
New Garden Town, Lahore - Pakistan.  
Phones : (042) 35861852, 35868849  
Fax : 92-42-35856145  
E-mail : iscoca@wol.net.pk  
www.ilyassaeed.com.pk

## Ilyas Saeed & Co

Chartered Accountants

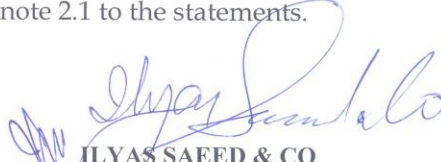
### AUDITORS' REPORT TO THE BOARD OF GOVERNORS

We have audited the annexed statement of financial position of **THE HELPCARE SOCIETY** as at **June 30, 2014** and the related statement of profit and loss, statement of cash flows and statement of changes in funds 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 board of governors to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the cash receipts and expenditure incurred basis of preparation as described in note 2.1 to the annexed financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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.

As described in the note 2.1, the financial statements have been prepared on the cash receipts and expenditure basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. In our opinion the financial statements present fairly in all material respects, the cash receipts and expenditure of **THE HELPCARE SOCIETY** for the year ended **June 30, 2014** on the basis of accounting policies as described in note 2.1 to the statements.

Lahore: 27 DEC 2014

  
ILYAS SAEED & CO  
Chartered Accountants  
Engagement Partner: Irfan Ilyas

Page 01 of 12

**THE HELPCARE SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2014**

ASSETS	Note	2014 Rupees	2013 Rupees
<i>FIXED ASSETS</i>			
Property, plant & equipment	3	61,573,552	66,851,864
Long term deposits	4	262,000	262,000
<i>CURRENT ASSETS</i>			
Stock		104,180	-
Short term investments	5	95,733,792	68,471,867
Advances, deposits & prepayments	6	210,267	196,925
Cash & bank balances	7	10,798,128	13,457,706
		106,846,367	82,126,497
		168,681,918	149,240,361
 <i>FUNDS AND LIABILITIES</i>			
<i>FUNDS</i>			
Capital fund	8	94,895,375	92,535,947
Endowment fund	9	70,372,117	54,566,575
Project fund	10	362,041	-
<i>CURRENT LIABILITIES</i>			
Accrued and other liabilities	11	3,052,385	2,137,839
Contingencies and commitments	12	-	-
		168,681,918	149,240,361

The annexed notes from 1 to 17 form an integral part of these accounts

President 



Finance Secretary 

**THE HELPCARE SOCIETY**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	Note	2014 Rupees	2013 Rupees
<b>INCOME</b>	13	25,387,046	25,498,726
<b>EXPENSES</b>			
Salaries		13,168,007	12,961,900
Educational expenses	14	1,134,375	1,073,708
Uniform & other wears		153,919	653,547
Prizes/rewards & benefits		64,605	18,600
Computer accessories/internet		67,783	106,025
Science laboratory		4,469	14,549
Sports		3,680	98,560
Study tours / training workshops		420	23,034
Functions & delegations		94,020	109,519
Food & nourishment		193,542	135,573
Medical		16,027	1,383
Office repair & maintenance		285,065	442,778
Printing & stationary		467,129	350,911
Photocopies		214,017	351,441
Photocopier expense		49,505	18,500
Periodicals / Newspapers		21,186	20,958
Postage		26,438	25,520
Advertisement		39,221	38,614
Carriage/fare charges		35,697	63,111
Swat relief expense		71,560	-
E.O.B.I.		51,390	146,060
Social Security		39,432	246,966
Utilities		489,269	352,228
Telephone bill		71,039	79,402
Generator fuel		78,117	110,695
Rent rate & taxes		38,867	36,200
Audit fee		40,000	35,000
Bank charges		20,835	12,835
Miscellaneous		32,491	17,598
		16,972,105	17,545,215
<i>Excess of Income over Expenditure</i>		8,414,941	7,953,511
Depreciation		5,726,152	6,181,275
<i>Retained Surplus/ (Deficit)</i>		<u>2,688,789</u>	<u>1,772,236</u>

The annexed notes from 1 to 17 form an integral part of these accounts

President



Finance Secretary



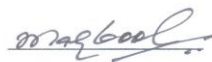


**THE HELPCARE SOCIETY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<u>2014</u> <u>Rupees</u>	<u>2013</u> <u>Rupees</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Surplus/ (Deficit) for the year	2,688,789	1,772,236
<b>Non cash adjustments</b>		
Depreciation for the year	5,726,152	6,181,275
Impairment loss	-	-
Surplus before changes in working capital	8,414,941	7,953,511
<b>Changes in working capital</b>		
(Increase)/ Decrease in stock	(104,180)	-
(Increase) / Decrease in receivables	(4,280)	9,499
Increase / (Decrease) in accounts payable	914,546	(338,056)
	806,086	(328,557)
<b>Net cash from operating activities</b>	9,221,027	7,624,954
Income Tax (Paid) / Refunded	(9,062)	(8,174)
	9,211,965	7,616,780
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions in investment	(27,261,925)	(29,402,541)
Additions of fixed assets	(447,840)	(2,521,308)
<b>Net cash from investing activities</b>	(27,709,765)	(31,923,849)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Endowment fund	15,805,542	34,281,785
Project fund	32,680	-
<b>Net Increase / (Decrease) in Cash and Cash Equivalent</b>	(2,659,579)	9,974,715
Cash and cash equivalent at the beginning of the year	13,457,706	3,482,990
Cash and cash equivalent at the end of the year	10,798,128	13,457,706

The annexed notes from 1 to 17 form an integral part of these accounts

President




Finance Secretary



**THE HELPCARE SOCIETY  
STATEMENT OF CHANGES IN FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014**

Particulars	Capital	Endowment Fund	Total
Balance as at June 30, 2012	90,763,711	20,284,790	111,048,501
Donations received during the year			-
Addition during the year	-	34,281,785	34,281,785
Surplus for the year	1,772,236	-	1,772,236
<b>Balance as at June 30, 2013</b>	<b>92,535,947</b>	<b>54,566,575</b>	<b>147,102,522</b>
Donations received during the year			-
Addition during the year	-	15,805,542	15,805,542
Surplus for the year	2,688,789	-	2,688,789
Charged to specific funds	(329,361)	-	(329,361)
<b>Balance as at June 30, 2014</b>	<b>94,895,375</b>	<b>70,372,117</b>	<b>165,267,492</b>

The annexed notes from 1 to 17 form an integral part of these accounts

President

Finance Secretary



---

# THE HELPCARE SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2014

#### **1 The Organization and Its Activities**

THE HELPCARE SOCIETY is a charitable not-for-profit and a non-commercial organization registered in Lahore under the Societies Registration Act 1860 (XXI of 1860), duly approved by the Income tax Commissioner u/s 2(36), committed to undertake projects (educational health and other social services program) for the under-privileged segment of the populace irrespective of the race creed sex and language.

#### **2 Accounting Policies**

##### **2.1- Accounting Convention**

These accounts have been prepared under the historical cost convention on cash receipt and disbursement basis. On this basis revenue is recognized when received rather when earned, and expenses are recognized when paid rather than when incurred.

##### **2.2- Property, Plant & Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises acquisition and other directly attributable costs.

Depreciation is provided on reducing balance basis so as to write off the cost of an asset over its estimated useful life without taking into account any residual value. Depreciation on all additions / deletions is being charged on monthly basis. Full month's depreciation is charged on normal additions, while no depreciation is charged on items deleted during the month.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant. Normal repairs and maintenance are charged to income, while major renewals and improvements are capitalized.

Gain and loss on disposal of fixed assets are included in other income.

##### **2.3- Impairment**

The carrying amounts of the Society's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in profit & loss account.



---

**THE HELP CARE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**2.4- Long Term Deposits**

Long term deposits are stated at cost and are refundable or adjustable on maturity.

**2.5- Stock**

Stocks are valued at the lower of cost and net realizable value by using FIFO method. Cost includes applicable purchase cost and specific value addition.

Net realizable value signifies the estimated selling price in the ordinary course of business less net of estimated cost of completion and selling expenses.

**2.6- Investments**

All investments are initially recorded at cost, which is the fair value of the consideration given for its purchase/acquisition.

Investments made by the fund are classified as held to maturity. These are held by the Fund with the positive intent and ability to hold till maturity. These are valued at cost plus accrued profit. Premium paid, if any, on acquiring such investments is reduced from its cost.

**2.7- Advances, Deposits and Prepayments**

Receivables are carried at original invoice amount less on estimates for doubtful receivable balances based on review of outstanding amounts at the year end. Bad debts are written off when identified.

**2.8- Cash & Cash Equivalents**

Cash and cash equivalents consists of cash in hand and deposits at banks.

**2.9- Endowment fund**

Endowment fund is a restricted fund. The main objective of the fund is to generate income for operating expenses of Help Care Society.

**2.10- Income Recognition**

In cash receipts and disbursement basis of accounting, income is recognized when cash is actually received rather than when it earned.





---

**THE HELP CARE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**2.11- Payables**

Liabilities for payables are initially recognized at fair value which is normally the transaction cost. Payables include securities and retention money.

**2.12- Taxation**

The income of THE HELPCARE SOCIETY is exempt from tax under clause 92 of Part-I the Second schedule to the Income Tax Ordinance, 2001.



**THE HELPCARE SOCIETY**  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2014

3. PROPERTY, PLANT & EQUIPMENT

PARTICULARS	COST		Rate %	DEPRECIATION		W.D.V. As At June 30, 2014
	As At July 01, 2013	As At June 30, 2014		As At July 01, 2013	For the year	
Land - Freehold	12,298,305	12,298,305	-	-	-	12,298,305
Building - Freehold	63,244,697	63,244,697	10%	7,043,994	4,620,070	41,580,633
Furniture and Fixture	4,023,497	4,194,184	10%	1,436,373	267,902	2,489,909
Office Equipment	2,284,335	2,341,825	10%	811,608	151,488	1,378,729
Electrical Equipment	2,509,383	2,605,949	10%	667,272	188,931	1,749,746
Computers	3,881,466	3,917,476	20%	1,848,908	413,493	1,655,075
Books	559,640	64,090	20%	285,374	59,653	278,703
Laboratory Equipment	194,382	217,379	15%	85,130	17,651	114,598
Sports Equipment	56,766	56,766	20%	21,949	6,963	27,854
Total 2014	89,052,471	89,500,311		22,200,608	5,726,152	61,573,552

PROPERTY, PLANT & EQUIPMENT  
 FOR THE YEAR ENDED JUNE 30, 2013

PARTICULARS	COST		Rate %	DEPRECIATION		W.D.V. As At June 30, 2013
	As At July 01, 2012	As At June 30, 2013		As At July 01, 2012	For the year	
Land - Freehold	12,298,305	12,298,305	-	-	-	12,298,305
Building - Freehold	63,244,697	63,244,697	10%	11,910,582	5,133,412	46,200,703
Furniture and Fixture	3,823,373	4,023,497	10%	1,158,373	377,999	2,587,125
Office Equipment	2,154,263	2,284,335	10%	654,493	157,115	1,472,727
Electrical Equipment	2,509,383	2,509,383	10%	462,593	204,679	1,842,111
Computers	1,820,056	2,061,410	20%	1,513,668	335,240	2,032,558
Books	440,118	119,522	20%	238,803	46,571	274,266
Laboratory Equipment	194,382	559,640	15%	65,850	19,280	109,252
Sports Equipment	46,586	10,180	20%	14,970	6,979	34,817
Total 2013	86,531,163	89,052,471		16,019,332	6,181,275	66,851,864

**THE HELPCARE SOCIETY**  
Notes to the financial statements for the year ended June 30, 2014

		2014 RUPEES	2013 RUPEES
<b>4 Long term deposit</b>			
Security for affiliation - considered good		260,000	260,000
Security for internet - considered good		2,000	2,000
		<u>262,000</u>	<u>262,000</u>
<b>5 Short term investments</b>			
NIT - Investment at cost	5.1	15,221,721	13,971,867
Fixed Deposits	5.2	80,512,071	54,500,000
		<u>95,733,792</u>	<u>68,471,867</u>
<b>5.1 NIT - investment at cost</b>			
Opening Balance		13,971,867	13,030,065
Addition / Impairment during the year		1,249,854	941,802
		<u>15,221,721</u>	<u>13,971,867</u>
Investments are stated at cost, the Society holds 363,771 (2013: 333,294) NIT units at market value of Rs.60.69 (2013: 42.41) as at June 30, 2014.			
<b>5.2 Fixed deposits</b>			
Opening balance		54,500,000	26,039,260
Additions during the year		26,012,071	28,460,739
		<u>80,512,071</u>	<u>54,500,000</u>
Fixed deposits kept at Faysal bank @ 9% (2013: 8.6%) p.a rate of return.			
<b>6 Advances, deposits &amp; prepayments</b>			
Advance tax	6.1	154,987	145,925
Advances to staff - considered good		53,262	31,000
Advances to students - considered good		-	20,000
Advance to DHIA campus - considered good		2,018	-
		<u>210,267</u>	<u>196,925</u>
<b>6.1 Tax deducted at source</b>			
Opening balance		145,925	137,751
Deducted during the year		9,062	112,819
Adjustment of advance tax		-	(104,645)
		<u>154,987</u>	<u>145,925</u>
<b>7 Cash &amp; bank balances</b>			
Cash in hand		42,556	11,352
Bank balances - saving accounts		10,755,572	13,446,354
		<u>10,798,128</u>	<u>13,457,706</u>

All banks are saving accounts and subject to Mark-up ranging from 6 to 7%.

**THE HELPCARE SOCIETY**  
*Notes to the financial statements for the year ended June 30, 2014*

		2014 <u>RUPEES</u>	2013 <u>RUPEES</u>
<b>8 Capital fund</b>			
Opening balance		92,535,947	90,763,711
Surplus/(Deficit) during the year		2,688,789	1,772,236
Less: Charged to specific funds		(329,361)	-
		<u>94,895,375</u>	<u>92,535,947</u>
<b>9 Endowment fund</b>			
Opening balance		54,566,575	20,284,790
Addition during the year		15,805,542	34,281,785
		<u>70,372,117</u>	<u>54,566,575</u>
<b>10 Project fund</b>			
International inspiration fund	10.1	329,361	329,361
Swat relief fund	10.2	32,680	-
		<u>362,041</u>	<u>329,361</u>
<b>10.1 International inspiration fund</b>			
Opening balance		329,361	-
Receipts during the year		-	375,000
Expense during the year		-	(45,639)
		<u>329,361</u>	<u>329,361</u>
<b>10.2 Swat relief fund</b>			
Opening balance		-	-
Receipts during the year		104,240	-
Expense during the year		(71,560)	-
		<u>32,680</u>	<u>-</u>
<b>11 Accrued &amp; other liabilities</b>			
Security staff - unsecured		3,011,742	2,126,722
Sundry creditors - unsecured		32,803	-
EOBI employees contribution - unsecured		7,840	-
With-holding tax payable		-	11,117
		<u>3,052,385</u>	<u>2,137,839</u>
<b>12 Contingencies and commitments</b>			
The society has no contingencies as at June 30, 2014.			
The society has no commitments as at June 30, 2014.			

**THE HELPCARE SOCIETY**

Notes to the financial statements for the year ended June 30, 2014

	2014 <u>RUPEES</u>	2013 <u>RUPEES</u>
<b>13 Income</b>		
Donations	10,059,953	8,269,641
Donations for sponsorship	9,898,930	9,497,477
Swat relief fund	71,560	-
Zakat	2,294,040	1,032,000
Tuition fee from children	30,360	31,973
Student fine	40,265	27,030
Specific funds for johar town campus	400,000	2,275,000
Staff securities retained - written off	3,040	224,097
International inspiration fund	-	329,361
Profit from bank account	609,799	493,041
Profit on fixed deposits	408,877	1,770,487
Dividends on NIT	1,249,854	1,046,447
Other incomes	13.1 320,368	502,171
	<u>25,387,046</u>	<u>25,498,726</u>

**13.1 Other income**

Income from assets other than financial assets:		
25% of O-level admission fee - parents' share	155,000	-
Sale of notebooks/ homework diaries	51,895	-
Sale of uniform	107,501	-
Miscellaneous	5,972	-
	<u>320,368</u>	<u>-</u>

**14 Educational expense**

School affiliation and registration fee	10,000	10,000
Students' external examination fee	660,440	888,733
I.Q. Assessments	56,000	-
University students financial assistance	356,256	-
Co-curricular activities	49,142	-
Miscellaneous	2,537	174,975
	<u>1,134,375</u>	<u>1,073,708</u>

**15 Number of employees**

Number of employees at the end of the year	<u>40</u>	<u>39</u>
--	-----------	-----------

**16 Date of authorization for issue**

These financial statements were authorized for issue on 27 DEC 2014 by the Board of Governors.

**17 General**

Figures have been rounded off to the nearest rupee.

President *Maqbool*

Finance Secretary *Indira*

