

INDUS EARTH TRUST
Financial Statements
For the year ended 30 June 2019

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF INDUS EARTH TRUST

Opinion

We have audited the financial statements of Indus Earth Trust ("the Trust"), which comprise the statement of financial position as at 30 June 2019, and the income and expenditure account, statement of changes in general fund and 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 of the Trust as at 30 June 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 the 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 Trust 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.


Emphasis of matter

We draw attention to Note 1.2 in the financial statements, which indicates that the Trust has accumulated deficit amounting to Rs. 29,032,380 as at 30 June 2019 and as of that date, the Trust's current liabilities exceed its current assets by Rs. 30,326,331. As stated in the Note 1.2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Trust's ability to continue as a going concern. However, during the financial year ended 30 June 2019, the Trust incurred a deficit of Rs. 5,222,528 (2018: Surplus 3,202,170). The management has formulated plans as explained in note 1.2 to the financial statements and is confident that the Trust will be able to reverse the deficits in the foreseeable future. Keeping in view these facts, these financial statements have been prepared on going concern basis. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Trustees are 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 the Trustees determine 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, Trustees are responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust financial reporting process. 

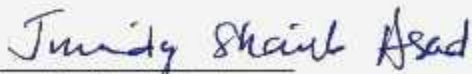
Auditor's Responsibilities for the Audit of the Financial Statements

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 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 Trust'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 Trust'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 Trust 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.



Junaidy Shoaib Asad
Chartered Accountants

Date: **February 25, 2020**

Karachi

INDUS EARTH TRUST
Statement Of Financial Position
As At 30 June 2019

	2019	2018
<i>Note</i>	----- (Rupees) -----	-----
NON-CURRENT ASSETS		
Property and equipment	3 982,069	1,321,861
Capital work in progress	4 260,000	260,000
Intangible assets	5 51,882	77,436
	<u>1,293,951</u>	<u>1,659,297</u>
CURRENT ASSETS		
Micro credit loan portfolio	6 -	-
Advances, deposits, pre-payments and other receivables	7 2,404,586	2,301,340
Cash and bank balances	8 41,815	101,109
	<u>2,446,401</u>	<u>2,402,449</u>
	<u>3,740,352</u>	<u>4,061,746</u>
FUNDS		
Accumulated deficit	(29,032,198)	(23,809,852)
CURRENT LIABILITIES		
Deferred grant	9 6,560,233	1,114,684
Loan from Orangi Charitable Trust	10 3,454,479	3,454,479
Creditors, accrued expenses and other liabilities	11 18,006,728	17,592,335
Other payables	12 4,751,110	5,710,100
	<u>32,772,550</u>	<u>27,871,598</u>
CONTINGENCIES AND COMMITMENTS	13	
	<u>3,740,352</u>	<u>4,061,746</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.

TRUSTEE

TRUSTEE

INDUS EARTH TRUST
Income and Expenditure Account
For The Year Ended 30 June 2019

	Note	2019 ----- (Rupees) -----	2018
INCOME			
Funds from donors	14	19,949,409	29,230,538
EXPENDITURE			
Cost of projects	15	<u>(17,948,909)</u>	<u>(19,824,440)</u>
		2,000,500	9,406,098
Administrative expenses	16	<u>(8,362,579)</u>	<u>(8,652,135)</u>
Finance cost		<u>(11,474)</u>	<u>(6,755)</u>
		(6,373,553)	747,208
Other income	17	<u>1,151,207</u>	<u>2,454,962</u>
Surplus for the year before taxation		<u>(5,222,346)</u>	<u>3,202,170</u>
Taxation	18	-	-
Surplus for the year after taxation		<u><u>(5,222,346)</u></u>	<u><u>3,202,170</u></u>

The annexed notes from 1 to 21 form an integral part of these financial statements.



TRUSTEE



TRUSTEE

INDUS EARTH TRUST**Statement Of Cash Flows**

For The Year Ended 30 June 2019

	2019	2018
<i>Note</i>	----- (Rupees) -----	*
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficit) / Surplus before tax for the year	(5,222,346)	3,202,170
Adjustment for:		
Depreciation	3 220,563	263,018
Amortization	5 25,554	38,140
Bad debts written off	-	118,383
Liabilities no more payable	-	(2,319,651)
Profit on PLS saving accounts	(12,458)	(52,164)
Gain on disposal of fixed assets	(59,871)	(83,147)
	173,788	(2,035,421)
Working capital changes		
Decrease / (increase) in current assets		
Advances, deposits, pre-payments and other receivables	(92,660)	348,547
(Decrease) / increase in current liabilities		
Deferred grant	5,445,549	(14,177,730)
Creditors, accrued expenses and other liabilities	414,393	5,558,235
Other payables	(958,990)	(617,744)
	4,900,952	(9,237,239)
Taxes paid	(19,586)	(29,125)
Net cash used in from operating activities	(259,852)	(7,751,068)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	3 (40,900)	(451,657)
Proceeds from disposal of fixed asset	220,000	543,319
Profit received on saving accounts	12,458	52,164
Net cash generated from investing activities	191,558	143,826
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowing under markup arrangement	-	(1,215,091)
Net decrease in cash and cash equivalents	(68,294)	(8,822,332)
Cash and cash equivalents at the beginning of the year	110,109	8,932,441
Cash and cash equivalents at the end of the year	8 41,815	110,109

The annexed notes from 1 to 21 form an integral part of these financial statements



TRUSTEE



TRUSTEE

INDUS EARTH TRUST
Statement Of Changes In General Fund
For The Year Ended 30 June 2019

	General Fund ----- (Rupees) -----
Balance as at 01 July 2017	(27,012,022)
Surplus for the year	3,202,170
Balance as at 30 June 2018	<u>(23,809,852)</u>
Deficit for the year	(5,222,346)
Balance as at 30 June 2019	<u><u>(29,032,198)</u></u>

The annexed notes from 1 to 21 form an integral part of these financial statements.



TRUSTEE



TRUSTEE

INDUS EARTH TRUST

Notes to the Financial Statements

For the year ended 30 June 2019

1. STATUS AND NATURE OF ACTIVITIES

1.1 Indus Earth Trust (The Trust) was constituted under the Trust Act - 1882 on October 02, 2002. The office of the Trust is situated at Mezzanine Floor, Plot No. 29-C, 24th Street, Tauheed Commercial Area, DHA Phase-V, Karachi.

The purpose of the Trust is to built natural environment such as community development, tube wells, energy by wind, sun, biomass and micro hydro system, run and setup hospitals, clinics, schools and relief centers, rehabilitation centers for widows, stranded women and orphans, provide health care to public including financial assistance to needy and poor in urban and rural areas purely on non-profit basis.

1.2 Due to continuous previous deficits, the General Fund of the Trust has completely eroded with negative balance of Rs. 29,032,198 as at June 30, 2019 (2018: Rs. 23,809,852). The Trust's current liabilities exceed its current assets by Rs. 30,326,149 (2018: Rs. 25,469,149) as at the same date. However, for revival of the Trust's operations, the management has formulated its future plans as under:

The management is in the process of finalizing fund raising activities with various national and international Donors including the following:

- Coca Cola Foundation
- United States Agency for International Development
- HBL Foundation
- Pakistan Poverty Alleviation Fund
- Pak-Arab Pipeline Company
- DAI Phase 2, 3 & 4

The management is considering various research and development projects with Pakistan Poverty Alleviation Fund (PPAF). Further, the management asserts that the sponsor Trustees will continue to their support in future.

The management believes that the above plans would result in favorable outcome in future for the continuity of the Trust. Accordingly, these financial statements have been prepared on going concern basis.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of presentation

These financial standards have been prepared in accordance with the approved accounting and reporting standards applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) Accounting Standards for Not for Profit Organizations (Accounting Standards for NPO's) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act 2017 and provisions of and directives issued under the Companies Act 2017. Where provisions of and directives issued under the Companies Act 2017 differ from the IFRS Standards or the Accounting Standards for NPO's, the provisions of and directives issued under the Companies Act 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared on the basis of historical cost convention.

2.3 Fixed assets

Tangible

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation on all property, plant and equipment is charged using the reducing balance method in accordance with the rates specified in note 3 to these financial statements.

Depreciation on additions is charged from the month in which the assets become available for use, while no depreciation is charged in the month of disposal.

Normal repairs and maintenance are charged to income and expenditure as and when incurred. Major renewals and improvements are capitalized.

Gain or loss on disposal of fixed assets is charged to income and expenditure account.

The management assesses at each balance sheet date whether there is any indication that a fixed asset may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying amounts exceed the estimated recoverable amount, assets are written down to the recoverable amount.

Intangible

These are stated at cost less accumulated amortization and impairment, if any.

Amortization charge is based on the straight line method whereby the cost of an asset is written-off over its estimated useful life.

2.4 Taxation

The Trust is entitled to a tax credit equal to one hundred percent of the tax payable, including minimum tax and final taxes payable under sub section (1) of section 100C of the Income Tax Ordinance, 2001. Consequently, no provision for income tax has been recorded in these financial statements.

2.5 Income recognition

- Donations for trust operations are recognized as income as and when received.
- Donations received for trust are deferred and recognized as income on systematic basis to match them with the related cost.
- Gain or loss on sale of investments is included in income and expenditure account on the date at which the transaction takes place.
- Grants are recognized in income and expenditure on a systematic basis in accordance with matching principle.
- Income on term finance certificates is recognized using the effective yield basis.
- Miscellaneous income if any is recognized on receipt basis.
- Restricted income is recognized when the related cost is incurred whereas unrestricted income and donations are recognized on receipt basis.
- Mark-up on bank deposits and microfinance loan is recognized on accrual basis.

2.6 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to set-off the recognized amounts and the Trust intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.7 Provisions and Accrued liabilities

Provisions are recorded when the Trust has a present obligation as a result of past events, which it is probable will result in an outflow of economic benefits and a reliable estimate of the amount of the obligation can be made.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise of cash and bank balances, bank overdrawn and bank loan *2018*

3. PROPERTY AND EQUIPMENT

Particulars	Office equipment	Field equipment	Furniture and fixtures	Computer and other accessories	Vehicles	Total
Cost						
As at 01 July 2018	717,598	310,589	928,111	722,795	727,000	3,406,093
Additions	-	-	-	40,900	-	40,900
Disposal / adjustments	-	-	-	-	(600,000)	(600,000)
As at 30 June 2019	<u>717,598</u>	<u>310,589</u>	<u>928,111</u>	<u>763,695</u>	<u>127,000</u>	<u>2,846,993</u>
Accumulated Depreciation						
As at 01 July 2018	321,000	223,860	510,095	534,893	494,384	2,084,232
Depreciation for the year	59,489	13,010	62,705	60,974	24,385	220,563
Disposal / adjustments	-	-	-	-	(439,871)	(439,871)
As at 30 June 2019	<u>380,489</u>	<u>236,870</u>	<u>572,800</u>	<u>595,867</u>	<u>78,898</u>	<u>1,864,924</u>
Written down value as at 30 June 2019	<u>337,109</u>	<u>73,719</u>	<u>355,311</u>	<u>167,828</u>	<u>48,102</u>	<u>982,069</u>
Depreciation rate (per annum)	<u>30%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	
Particulars	Office equipment	Field equipment	Furniture and fixtures	Computer and other accessories	Vehicles	Total
Cost						
As at 01 July 2017	589,141	310,589	652,911	722,795	1,379,000	3,654,436
Additions	128,457	-	275,200	-	48,000	451,657
Disposal / adjustments	-	-	-	-	(700,000)	(700,000)
As at 30 June 2018	<u>717,598</u>	<u>310,589</u>	<u>928,111</u>	<u>722,795</u>	<u>727,000</u>	<u>3,406,093</u>
Accumulated Depreciation						
As at 01 July 2017	251,377	208,554	454,879	454,361	691,871	2,061,042
Depreciation for the year	69,623	15,306	55,216	80,532	42,341	263,018
Disposal / adjustments	-	-	-	-	(239,828)	(239,828)
As at 30 June 2018	<u>321,000</u>	<u>223,860</u>	<u>510,095</u>	<u>534,893</u>	<u>494,384</u>	<u>2,084,232</u>
Written down value as at 30 June 2018	<u>396,598</u>	<u>86,729</u>	<u>418,016</u>	<u>187,902</u>	<u>232,616</u>	<u>1,321,861</u>
Depreciation rate (per annum)	<u>30%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	

Notes ----- (Rupees) -----

4. CAPITAL WORK IN PROGRESS

Advance against purchase of land	4.1	<u>260,000</u>	260,000
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- 4.1 This amount represents advance to Chief Operational Officer / Chief Executive Officer against purchase of a piece of land and it will be capitalized when the title of land is transferred in the name of Trust.

	2019	2018
	----- (Rupees) -----	
5. INTANGIBLE ASSETS		
Cost as at 01 July	427,533	427,533
Addition	-	-
Disposal / adjustments	-	-
Cost as at 30 June	427,533	427,533
Accumulated amortization as at 01 July	(350,097)	(311,957)
Amortization during the year	(25,554)	(38,140)
Disposal / adjustments	-	-
Accumulated amortization as at 30 June	(375,651)	(350,097)
Net book value as at 30 June	51,882	77,436
Amortization rate (per annum)	33%	33%
6. MICRO CREDIT LOAN PORTFOLIO		
Out of funds obtained from Orangi Charitable Trust	1,231,971	1,231,971
Out of funds obtained from trustee / donor	3,906,994	3,906,994
	5,138,965	5,138,965
Less: provision for doubtful receivables		
Opening balance	5,138,965	5,138,965
Provided for the year	-	-
Closing balance	(5,138,965)	(5,138,965)
	-	-
6.1	The Trust provides microfinance loans to poor and needy persons (with in a range of Rs 10,000 to Rs 15,000 each), helping them to start and run their small businesses. The loan is receivable in 12 equal monthly installments along with the amount of mark-up charged at the rate of 30%.	
7. ADVANCES, DEPOSITS, PRE-PAYMENTS AND OTHER RECEIVABLES		
Advance tax	757,133	746,547
Other receivables	1,054,306	945,646
Short term deposits	446,000	446,000
Loan to employees	135,747	152,147
Pre payments	11,400	11,000
	2,404,586	2,301,340
8. CASH AND BANK BALANCES		
Cash in hand	6,041	10,078
Cash at bank:		
- in current accounts	17,032	2,166
- in saving accounts	18,743	88,865
	35,774	91,031
	41,815	101,109

	<i>Notes</i>	2019 ----- (Rupees) -----	2018
9. DEFERRED GRANT			
Coca Cola		4,763,861	15,292,414
NMER II-PPAF		1,171,372	
FUND From MUET		625,000	
	<i>9.1</i>	<u>6,560,233</u>	<u>15,292,414</u>

9.1 This amount 6,560,233 consists of money donated by Coca Cola Foundation for construction of water reservoir, check dams and rehabilitation of dug wells in Kohistan, Sindh, MUET (Mehran University of Engineering & Technology) Funding for Water Wheel in Kohistan, Thatta and Nurturing Mentoring Evaluation Research funding received from PPAF for Monitoring of Solar Minigrid.

10. Loan From Orangi Charitable Trust

Orangi Charitable Trust (OCT)	<i>10.1</i>	3,454,479	3,454,479
		<u>3,454,479</u>	<u>3,454,479</u>

10.1 This represents borrowings from OCT for the purpose of advancing loans for charitable purpose through an agreement. Currently the management of the Trust is in process to negotiation to restructure the loan.

11. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES

Payable against projects	<i>11.1</i>	4,902,669	3,204,308
Accrued expenses	<i>11.2</i>	13,104,059	14,388,027
		<u>18,006,728</u>	<u>17,592,335</u>

11.1 This include Rs.1.8 million payable to nizam Energy (Private)Limited against security deposit.

11.2 This include Rs.5.4 million (2018:6.8 million) payable to headoffice staff against salaries.

12. OTHERS PAYABLES

Payables to others	<i>12.1</i>	2,496,100	3,765,580
Payables to trustees	<i>12.2</i>	2,255,010	1,944,520
		<u>4,751,110</u>	<u>5,710,100</u>

12.1 This represents interest free and unsecured loan obtained from trustees and is repayable on demand. The funds were acquired to meet sort term working capital requirement of the Trust.

12.2 This represents interest free and unsecured loan obtained from trustees and is repayable on demand. The funds were acquired to meet sort term working capital requirement of the Trust.

13. CONTIGENCIES & COMMITMENTS

Contingencies

The Trust has entered into contract with Nizam Energy Private Limited (“NEPL”) for the supply and installation of solar micro-grids. The Trust carried out audit of the services delivered and found that the vendor is in breach of terms of agreement. The Trust has forfeited security deposit and imposed penalty as per agreement on NEPL. The Trust has entered into negotiation with the vendor for amicable solution of the above dispute. No adjustment has been made in these financial statements on the possible outcome of the negotiations.

Commitments

There were no commitments as at 30 June 2019 (2018: Nil)

	Notes	2019 ----- (Rupees) -----	2018
14. FUNDS FROM DONORS			
Restricted Income			
Coca Cola Foundation	14.1	10,008,964	14,176,290
Pakistan Poverty Alleviation Fund (PPAF)	14.2	3,970,628	1,487,440
DAI Pakistan (Private) Limited DAI		-	4,085,510
AFGP Usaid	14.3	3,480,317	-
		17,459,909	19,749,240
Unrestricted Income			
Donations		1,889,500	9,481,298
Funds for construction of Mosque		600,000	-
		2,489,500	9,481,298
		19,949,409	29,230,538

- 14.1 This represents funds received from Coca Cola Foundation for construction of water reservoirs, check dams and dug wells at various locations in Thatta District.
- 14.2 This represents funds received from PPAF for ongoing awareness sessions for use of solar mini-grid in villages of Badin District.
- 14.3 This represents funds received from DAI for conducting business enterprise training and creating financial literacy among individuals affected by the terrorism and increase their employment.

15. COST OF PROJECTS

Particulars	Project Cost		2019 ----- (Rupees) -----	2018
	(Restricted)	(Unrestricted)		
NMER-PPAF	3,936,128	34,500	3,970,628	1,487,440
DAI-RISE	-	-	-	4,085,510
AFGP Usaid	3,480,317	-	3,480,317	-
Coca Cola Foundation	10,008,964	-	10,008,964	14,176,290
Others	489,000	-	489,000	75,200
	17,914,409	34,500	17,948,909	19,824,440

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	Note	2019 ----- (Rupees) -----	2018
16. ADMINISTRATIVE EXPENSES			
Salaries and other allowances		5,516,238	5,674,512
Office rent		1,084,400	762,650
Legal & professional		558,229	103,200
Utilities		247,598	253,421
Depreciation	3	220,563	263,018
Amortization	5	-	38,140
Travelling		187,381	69,222
Office expenses		162,586	125,940
Repair and maintenance		130,959	282,530
Miscellaneous		47,240	462,243
Consultancy		-	321,250
Bad debts written off		-	118,383
Auditors' remuneration	16.1	133,800	133,800
Printing & stationery		29,670	28,474
Office supplies		16,810	6,610
Entertainment		27,105	8,742
		<u>8,362,579</u>	<u>8,652,135</u>

16.1 Auditors' remuneration

Audit fee	110,000	110,000
Out of pocket expenses	13,889	15,000
Sindh sales tax @ 8% (2018: 8%)	9,911	8,800
	<u>133,800</u>	<u>133,800</u>

17. OTHER INCOME

Liabilities no more payable	-	11,211,278
Donations received in cash	1,078,878	-
Profit on PLS account	12,458	120,164
Gain on sale of fixed assets	59,871	10,256
	<u>1,151,207</u>	<u>11,341,698</u>

18. TAXATION

The Trust has filed income tax return for the tax year 2018 (financial year ended 30 June 2018) which is deemed to have been assessed under the Income Tax Ordinance, 2001 unless selected by the taxation authorities for audit purposes. The trust is entitled to avail tax credit equal to One Hundred percent of the tax payable, including minimum tax and final tax payable as per section 100 of Income tax Ordinance. Therefore, no provision for income tax has been made in these financial statements.

19. REMUNERATION TO KEY MANAGEMENT PERSONNEL

Salaries, wages and other benefits to Chief Executive Officer

- Managerial remuneration	1,950,000	1,800,000
- Bonus, claims and other allowances	300,000	300,000
	<u>2,250,000</u>	<u>2,100,000</u>

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19.1 No amount was paid during the period to the trustees other than Chief Executive Officer of the Trust in respect of salaries or other benefits.

20. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise trustees, associated undertakings with or without common directors, other companies with common directors, key management personnel and their close family members. Remuneration of key management personnel is in accordance with the terms of employment. Transactions with other related parties are entered into at rates negotiated with them.

Details of transactions and balances with related parties are as follows:

<u>Balances with</u>	<u>Relationship</u>	2019 ----- (Rupees) -----	2018 ----- (Rupees) -----
<u>Payable to:</u>			
Mr. Nadim Shafiqullah	Trustee	<u>1,040,800</u>	<u>2,040,800</u>
Mr. Salim Raza	Trustee	<u>350,000</u>	<u>300,000</u>
Mr. Feroz Sayeed Ud Din	Trustee	<u>350,000</u>	<u>250,000</u>
Ms. Sadaffe Abid	Trustee	<u>200,000</u>	<u>200,000</u>
Mr. Samar Ali Khan	Trustee	<u>300,000</u>	<u>-</u>
Ms. Afia Salam	Trustee	<u>50,000</u>	<u>-</u>
Mr. Shahid Sayeed Khan	CFO	<u>2,731,352</u>	<u>2,629,780</u>

21. GENERAL

21.1 Number of employees

The total number of employees as at 30 June 2019 was 16 (2018: 12). Average number of employees during the year was 13 (2018: 11).

21.2 Figures in these financial statements have been rounded off to the nearest rupee.

21.3 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary, the effect of which is not material.

21.4 These financial statements were authorized for issue by the Board of Trustees on

25 FEB 2020


TRUSTEE



TRUSTEE