

INDEPENDENT AUDITOR'S REPORT

To members of *Insert Name of the Organization*

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of *Insert Name of the Organization*, which comprises of balance sheet of as at June 30, 2017 and related profit and loss account, cash flow statement and statement of changes in equity for the year then ended and notes to the financial statements, including summary of significant accounting policies and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at (*insert the reporting period date*), and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis of 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 disclosed in Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the relevant institute (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 audit opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as the management 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, management is responsible for assessing the Organization's ability to continue as going concern, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibility 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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes an opinion. Reasonable level of assurance is a high level of assurance, but is not guaranteed that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud of 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 Organizational internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw our 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 up to the dates of our auditor's report. However, future events or conditions may cause the organization to cease to continue as 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 presentations.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Date:

Name of Auditors

Place:

Name of Engagement Partner

NAME OF THE ORGANIZATION
BALANCE SHEET
FOR THE PERIOD FROM XXXX TO XXXX

	Notes	AMOUNT (Rupees)	AMOUNT (Rupees)	AMOUNT (Rupees)	
		As at June 30, 2018	As at June 30, 2017	2013	
<u>CAPITAL AND LIABILITIES</u>					
SHARE CAPITAL & RESERVES					
Authorized share capital	3				
Share capital	4				
Capital reserves	5			143,751,000	
Revenue reserves	6				
NON - CURRENT LIABILITIES					
Long Term Borrowings	7				
Deferred Liabilities	8			14,168,592	
				14,168,592	
CURRENT LIABILITIES					
Trade and other payables	9			11,864,098	(11,864,098)
Interest and markup accrued	10				-
Short Term Borrowings	11			238,911,881	#####
Current Portion of Long Term Borrowings	12				
Taxation	13				
				250,775,979	#####
CONTINGENCIES AND COMMITMENTS					
	14			-	
				#REF!	
<u>PROPERTY AND ASSETS</u>					
NON - CURRENT ASSETS					
Property Plant & Equipment	15			-	
Long term investment	16			14,984,880	
Long Term Loans and Advances	17			177,917,865	
Long Term Deposit and Prepayments	18				
				192,902,745	
CURRENT ASSETS					

Stores, spares and loose tools	19				
Stock in trade	20				
Trade Debts	21			2,229,554	2,229,554
Loans and advances	22			188,349,028	188,349,028
Deposit and prepayments	23			44,406,291	44,406,291
Other Receivables	24			14,995,184	14,995,184
Short Term Investment	25				
Cash and Bank Balances	26				

TOTAL ASSETS

	#REF!
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The annexed notes 1 to 26 form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NAME OF THE ORGANIZATION
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM XXXX TO XXXX

	<u>Note</u>	<u>AMOUNT</u> <u>(Rupees)</u> <u>As at June 30,</u> <u>2018</u>	<u>AMOUNT</u> <u>(Rupees)</u> <u>As at June 30,</u> <u>2017</u>
Revenue	27		
Cost of sales	28		
Gross profit		_____	_____
Other income		_____	_____
Administration and selling expenses	29	□	□
Financial charges	30	□	□
Profit / (loss) before tax		_____	_____
Taxation	31		
Net profit / (loss) after tax		=====	=====

The annexed notes 1 to 26 form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NAME OF THE ORGANIZATION
CASH FLOW STATEMENT
FOR THE PERIOD FROM XXXX TO XXXX

	AMOUNT (Rupees)	AMOUNT (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation		
Adjustment for non-cash items		
Revenue		
- amortization of intangibles		
- provision for wwv		
- gain on disposal of fixed asset		
- financial charges		
Profit before working capital changes		
Movement in working capital		
(Increase) / decrease in current assets		
- trade debts		
- stock in trade		
- advances and deposits		
Increase / (Decrease) in accrued and other liabilities		
Cash used in operations		
Financial charges paid		
Income tax paid / deducted at source		
Net cash outflow from operating activities		
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment		
Sale of property, plant and equipment		
Security deposit with leasing company		
Long-term security deposits		
CASH FLOW FROM FINANCING ACTIVITIES		
Running finance		
Payment of liability against long term loan		
Payment of liability against asset subject to finance lease		
NET CASH GENERATED DURING THE YEAR		
CASH AND BANK BALANCE AS AT BEGINNING OF THE YEAR		
CASH AND BANK BALANCE AS AT END OF THE YEAR		

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NAME OF THE ORGANIZATION
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM XXXX TO XXXX

	AMOUNT IN RUPEES			
	Share Capital	Share application money	Accumulated profit / (loss)	Total
	<hr/>	<hr/>	<hr/>	<hr/>
Opening Balance				
Profit for the year				
Balance as at 30 June 2018	<hr/>	<hr/>	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CHIEF EXECUTIVE OFFICER

NAME OF THE ORGANIZATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED XXXX

1 STATUS AND NATURE OF BUSINESS

Bit brief about the registration of the organization, registration authority, nature of the business being involved by the organization.

2 STATEMENT OF COMPLIANCE & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 In the basis of preparation of financial statements will be elaborated along with compliance with any other legal or regulatory requirements.

2.2 ACCOUNTING CONVENTION:

These financial statements have been prepared under historical cost convention.

2.3 IMPAIRMENT:

The carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of such assets is estimated and impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the initial cost of the asset. A reversal of the impairment loss is recognized in profit and loss account.

2.4 TAXATION:

Policy note regarding taxation.

2.5 PROPERTY PLANT & EQUIPMENT:

Property plant & equipment are stated at cost less accumulated depreciation except for land, which is stated at cost. Depreciation is provided on diminishing balance method to write off the cost of an asset over its estimated useful life without taking into account any residual value. Depreciation is charged over its estimated useful life without taking into account any residual value. Depreciation is charged proportionately for the period of use in respect of additions and deletions of Property Plant & Equipment.

Maintenance and repairs are charged out as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gain and losses on disposal of assets, if any, are included in income currently.

2.6 STORES, SPARE PARTS & LOOSE TOOLS:

These are valued at average cost.

2.7 STOCK IN TRADE:

Stocks are valued at lower of cost and net realizable value except for stock in transit which is valued at invoice price at related expenses incurred upto the balance sheet date.

2.8 REVENUE RECOGNITION:

Revenue from sales is recognized on the basis of dispatch of goods to customer.

In addition Notes to the accounts (for all the referred notes in the main component of financial statements).