

**RIZQ TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2020**

	Notes	2020 Rupees
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Operating fixed assets	5	<u>1,404,700</u>
<b>CURRENT ASSETS</b>		
Advances, deposits and prepayments	6	33,991
Cash and bank balances	7	3,431,212
		<u>3,465,204</u>
		<u>4,869,904</u>
<b>FUNDS &amp; LIABILITIES</b>		
<b>FUNDS</b>		
Accumulated fund		<u>4,723,654</u>
<b>CURRENT LIABILITIES</b>		
Other Liabilities	8	146,250
<b>CONTINGENCIES AND COMMITMENTS</b>		
	9	-
		<u>4,869,904</u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

*Rukhona Yghwar*  
**PRESIDENT**

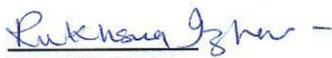
*M. S. S.*  
**SECRETARY FINANCE**

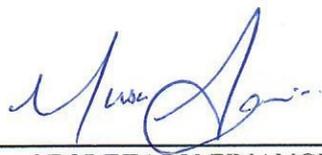


**RIZQ TRUST**  
**INCOME AND EXPENDITURE**  
**FOR THE PERIOD FROM FEBRAURY 13, 2020 TO JUNE 30, 2020**

	Notes	2020 Rupees
Donations - in cash	10	10,919,807
Donations - in kind	11	14,979,516
		<u>25,899,323</u>
<b>Expenditures</b>		
Food Items distribution	12	19,312,652
Operating and administrative expenses	13	1,743,788
Finance cost	14	119,229
		<u>21,175,669</u>
<b>Surplus Before Taxation</b>		<u>4,723,654</u>
Provision for taxation	15	-
<b>Surplus For The Year</b>		<u><u>4,723,654</u></u>

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**PRESIDENT**

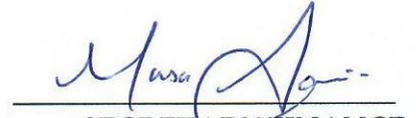
  
**SECRETARY FINANCE**

**RIZQ TRUST**  
**STATEMENT OF CHANGES IN FUND**  
**FOR THE PERIOD FROM FEBRAURY 13, 2020 TO JUNE 30, 2020**

	Accumulated fund	Total
	----- (Rs.) -----	
Balance as at Febraury 13, 2020	----- -	----- -
Surplus for the year	4,723,654	4,723,654
Balance as on June 30, 2020	<u>4,723,654</u>	<u>4,723,654</u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

  
PRESIDENT

  
SECRETARY FINANCE

**RIZQ TRUST**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD FROM FEBRAURY 13, 2020 TO JUNE 30, 2020**

**2020**  
**Rupees**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Operating surplus before tax 4,723,654  
Adjustments for non-cash items:

**Increase in current assets**

Advances, deposits and prepayments (33,991)

**Increase in current liabilities**

Other Liabilities 146,250

Net cash generated from operating activities 4,835,912

**CASH FLOWS FROM INVESTING ACTIVITIES**

Additions to operating fixed assets (1,404,700)

Net cash used in investing activities (1,404,700)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Net cash generated from financing activities -

Net increase in cash and cash equivalents 3,431,212

Cash and cash equivalents at the beginning of the year -

Cash and cash equivalents at the end of the year 3,431,212

The annexed notes from 1 to 18 form an integral part of these financial statements.

*Rukhsana Iqbal*  
**PRESIDENT**

**GENERAL SECRETARY**



## **RIZQ TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM FEBRAURY 13, 2020 TO JUNE 30, 2020**

#### **1 LEGAL STATUS AND OPERATIONS**

1.1 The Rizq Trust was registered on Febraury 13, 2020 under the Trust Act, 1882, with the objective of to establish, run and managed food points to distribute food at subsidized rates or free of cost to underprivileged people, provision of health awareness and health education and promotion especially among poor and oppressed communities, research into developing nutritious product to cater to malnourishment.

1.2 The trust seeks to work for:

- Distribution of food at subsidized rates
- Provision of food free of cost to underprivileged people
- Provision of health awareness and health education
- Social justice, good governance and Social mobilization
- Research into developing nutritious products

1.3 The registered office of the Rizq trust is located at 40-Commercial area, Calvalry Ground Lahore.

#### **2 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for Not for Profit Organizations (Accounting Standard for NPOs) issued by the institute of chartered Accountants of Pakistan as notified under the Companies Act, 2017

Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs or the accounting standards for NPOs, the provisions of and directives issued under the Companies Act , 2017 have been followed.

#### **3 BASIS OF PREPARATION**

##### **3.1 Basis of measurement**

These financial statements have been prepared under historical cost convention.

##### **3.2 Functional and presentation currency**

These financial statements are presented in Pakistan Rupees (Pak Rupees), which is also the Trust's functional currency.

##### **3.3 Going concern**

These financial statements have been prepared on going concern basis without any adjustments to assets and liabilities based on operation results and future projections. The management is also confident of generating surplus fund through streamlining the operations of the trust.

## **4 SIGNIFICANT ACCOUNTING POLICIES**

### **4.1 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprises cash in hand, cash at bank on current, saving and deposit accounts and other short term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

### **4.2 ACCRUED AND OTHER PAYABLES**

Liabilities for accrued and other payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received.

### **4.3 DONATION RECOGNITION**

Donations are recognized when it is probable that the economic benefits associated with the transactions will flow to the trust and the amount of donation can be measured reliably.

### **4.4 EXPENDITURES**

Expenditures on various social activities are recorded by the Trust when they are incurred.

### **4.5 RELATED PARTY TRANSACTIONS**

Transactions with related parties are priced at comparable uncontrolled market price.

Parties are said to be related if they are able to influence the operating and financial decision of the Trust and vice versa keeping in view the definition of related party as defined in Guideline for Accounting and Financial Reporting by Non-Government Organisations (NGOs)/Non-Profit Organisations (NPOs).

### **4.6 ESTIMATION UNCERTAINTY**

The preparation of financial statements, in conformity with the approved accounting standards, requires the use of certain critical accounting estimates. It also requires the management to examine its judgment in the process of applying the Trust's accounting policies. Estimates and judgments are continuously evaluated and are based on historical experiences, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Trust's financial statements and where judgment was exercised in the application of relevant accounting policies are estimation of depreciation on operating fixed assets of the Trust.

### **4.7 TAXATION**

Tax liability is the amount of tax payable on taxable income for the year using tax rates enacted or substantively enacted by the reporting date. Provision for taxation is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any.

**RIZQ TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM FEBRAURY 13, 2020 TO JUNE 30, 2020**

**5 Operating Fixed Assets**

Particulars	Furniture and Fixture	IT Equipment	Office Equipment	Misc.	Total
	<b>Rupees</b>				
<b>Year ended June 2020</b>					
Opening net book value	-	-	-	-	-
Additions	437,500	626,000	278,000	63,200	1,404,700
Depreciation charge	-	-	-	-	-
Closing net book value	<b>437,500</b>	<b>626,000</b>	<b>278,000</b>	<b>63,200</b>	<b>1,404,700</b>
Depreciation rate	15%	15%	15%	15%	



	Note	2020 Rupees
<b>6 ADVANCES, DEPOSITS, AND PREPAYMENTS</b>		
Advance income tax		<u>33,991</u>
<b>7 CASH AND BANK BALANCES</b>		
Safepay		2,814,675
Cash at bank - current account		<u>616,537</u>
		<u>3,431,212</u>
<b>8 OTHER LIABILITIES</b>		
Audit Fee Payable		<u>146,250</u>
		<u>146,250</u>
<b>9 CONTINGENCIES AND COMMITMENTS</b>		
No contingencies and commitments for the period ended from February 13, 2020 to June 30, 2020.		
<b>10 DONATIONS - IN CASH</b>		
Donations received in Bank		7,585,903
Donations received in Safepay		<u>3,333,904</u>
		<u>10,919,807</u>
<b>11 DONATIONS - IN KIND</b>		
Food items received from Fauji Fresh n Freeze Limited		9,317,795
Food items received from Nestle Pakistan Limited		4,257,021
Equipment received		<u>1,404,700</u>
		<u>14,979,516</u>
<b>12 FOOD ITEMS DISTRIBUTION</b>		
Ration procured for distribution		5,737,836
Fauji Fresh n Freeze Limited supplies distributed		9,317,795
Nestle Pakistan Limited supplies distributed		<u>4,257,021</u>
		<u>19,312,652</u>
<b>13 OPERATING AND ADMINISTRATIVE EXPENSES</b>		
Salaries, wages and other benefits		1,597,538
Audit fee		131,250
Other expenses		<u>15,000</u>
		<u>1,743,788</u>

**14 FINANCE COST**

Bank Charges

119,229

**15 PROVISION FOR TAXATION**

The tax liability of the organization is subject to hundred percent tax credit under section 100C of Income Tax Ordinance, 2001.

**16 TRANSACTION WITH RELATED PARTIES**

The related parties comprise of a related company, trustees and employees of the trust. Transaction with related parties are as follows

**Transactions with related parties**

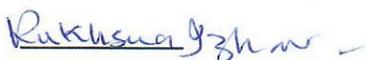
<b>Relation with the Trust</b>	<b>Nature of transaction</b>	<b>Amount</b>
Trustees and employees	Donation in kind	1,404,700

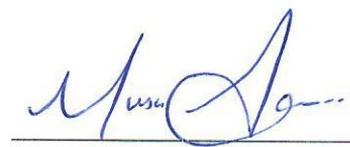
**17 DATE OF AUTHORIZATION FOR ISSUANCE**

The financial statements were authorized for issuance by the Trustee in their meeting held on \_\_\_\_\_

**18 GENERAL**

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

  
**PRESIDENT**

  
**SECRETARY FINANCE**