

INDEPENDENT AUDITOR'S REPORT

To the Members of AVT SAWI.

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of AVT SAWI (the Company), which comprise the statement of financial position as at 30 June 2020, and the statement of Income & expenditure, and notes to the financial statements, including a 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2020 and of the surplus, for the year then ended.

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 Company 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.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



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 accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company'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 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 Company'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 Company'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 disclosure 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 Company 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 the board of directors 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income & expenditure, with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Salman Azim


Azim & Co.
Chartered Accountants
Lahore:
October 06, 2020



AVT SAWI

Statement of Financial Position

As at June 30, 2020

	Note	2020	2019
		Rupees	Rupees
CURRENT ASSETS			
Advance taxation		51,591	51,591
Cash and bank balances		360,669	359,969
Other receivable		1,600,000	1,200,000
CURRENT LIABILITIES			
Loan from Directors		(1,000)	(1,000)
NET CURRENT ASSETS		2,011,260	1,610,560
NON-CURRENT LIABILITIES			
Loan from associated company		(1,858,141)	(1,858,141)
NET ASSETS		153,119	(247,581)
REPRESENTED BY:			
Accumulated surplus		153,119	(247,581)
		153,119	(247,581)



CHIEF EXECUTIVE



DIRECTOR



AVT SAWI

Income and expenditure account

For the year ended June 30, 2020

	Note	2020	2019
		Rupees	Rupees
RECEIPTS			
Donations from others		700	5,870,215
Donations From Directors		400,000	-
		400,700	5,870,215
PROJECT EXPENSES			
Sunflower academy		-	996,381
Donations		-	19,250
		-	1,015,631
ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries and benefits		-	801,500
Miscellaneous		-	267,760
Bank charges		-	1,740
		-	1,071,000
Surplus for the year before tax		400,700	3,783,584
Provision for taxation		-	-
Surplus for the year after tax		400,700	3,783,584
Accumulated surplus as at beginning of the year		(247,581)	(4,031,165)
Accumulated surplus as at end of the year		153,119	(247,581)



CHIEF EXECUTIVE



DIRECTOR



AVT SAWI

Statement of Cash flows

For the year ended June 30, 2020

	Note	2020	2019
		Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year before tax		400,700	3,783,584
Income tax paid		-	(31,443)
Changes in working capital			
Other receivable		(400,000)	(400,000)
Cash generated used in operating activities		700	3,352,141
CASH FLOWS FROM INVESTING ACTIVITIES			
		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
		-	(3,174,848)
INCREASE IN CASH AND CASH EQUIVALENTS		700	177,293
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR		359,969	182,676
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR		360,669	359,969



CHIEF EXECUTIVE



DIRECTOR



AVT SAWI

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2020

	Surplus / (Deficit) <i>Rupees</i>	Total equity <i>Rupees</i>
Balance as at July 01, 2018	(4,031,165)	(4,031,165)
Profit before taxation	3,783,584	3,783,584
Balance as at June 30, 2019	<u>(247,581)</u>	<u>(247,581)</u>
Balance as at July 01, 2019	(247,581)	(247,581)
Profit before taxation	400,700	400,700
Balance as at June 30, 2020	<u>153,119</u>	<u>153,119</u>

The annexed notes 1 to 11 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR



4 LOAN FROM ASSOCIATED COMPANY

Transaction during the year	-	5,032,989
Maximum Balance	1,858,141	1,858,141
	<u>1,858,141</u>	<u>6,891,130</u>

5 ADVANCES INCOME TAX

As at beginning of the year	51,591	20,148
Deducted during the year	-	31,443
	<u>51,591</u>	<u>51,591</u>

6 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 06, 2020 by the Board of Directors of the Association.

7 GENERAL

Figures have been rounded off to the nearest rupee.

Comparative figures have been rearranged and reclassified, where necessary, for the purpose of comparison. However, there were no significant reclassifications during the year.



CHIEF EXECUTIVE



DIRECTOR

