

Naveed Zafar Ashfaq Jaffery & Co.

Chartered Accountants

A member firm of



PrimeGlobal

An Association of
Independent Accounting Firms

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AUDITORS REPORT TO THE TRUSTEES

We have audited the annexed balance sheet of **Bright Star Mobile Library (the Trust)** as at June 30, 2015, the related income and expenditure account, statement of changes in funds and reserves and cash flow statement together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year then ended.

It is the responsibilities of the trustees to establish and maintain a system of internal control, and prepare and present the financial statement in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining on a test basis, evidence supporting the amount and disclosure 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 financial statements. We believe that our audit provides a reasonable basis for our opinion, and after due verification, we report that:

In our opinion the financial statements presents fairly in all material respects the financial position of the **Bright Star Mobile Library (the Trust)** as at June 30, 2015 and its surplus and cash flow statement for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Dated: 29 DEC 2015

Place: Islamabad

Naveed Zafar Ashfaq Jaffery & Co.

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

NZAJ

Engagement Partner:
Javed K. Siddiqui

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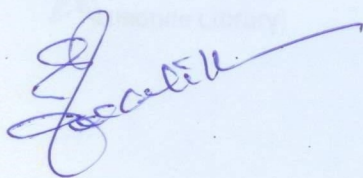
BRIGHT STAR MOBILE LIBRARY
BALANCE SHEET
AS AT JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	3	374,933	26,812
CURRENT ASSETS			
Cash and bank	4	3,711,450	135,596
CURRENT LIABILITIES			
Advance payable		-	25,000
TOTAL ASSETS		<u><u>4,086,383</u></u>	<u><u>137,408</u></u>
REPRESENTED BY:			
FUNDS AND RESERVES			
General Fund		4,086,383	137,408
		<u><u>4,086,383</u></u>	<u><u>137,408</u></u>

CONTINGENCIES AND COMMITMENTS

5

The annexed notes 1-7 form an integral part of these financial statements.



CHAIRMAN



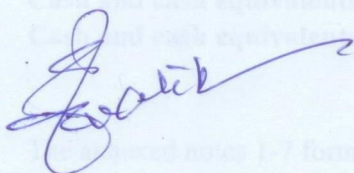
Naved Shikhar
SECRETARY



**BRIGHT STAR MOBILE LIBRARY
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2015**

	Note	2015 Rupees	2014 Rupees
Income			
Donations received	6	5,409,102	1,520,206
Less: Expenditures			
Staff salaries and benefit		1,147,264	1,448,866
Vehicle running and maintenance		160,475	221,878
Vehicle wrapping charges		48,000	103,000
Insurance		4,936	4,688
Printing and stationery		26,566	23,980
Purchase books		-	118,234
Depreciation		21,055	8,250
Other		51,831	18,136
		1,460,127	1,947,032
SURPLUS / (DEFICIT) FOR THE YEAR		3,948,975	(426,826)

The annexed notes 1-7 form an integral part of these financial statements.



CHAIRMAN



Naveed Iftikhar

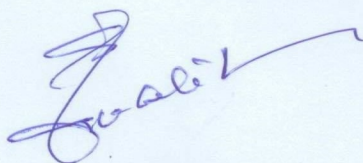
SECRETARY



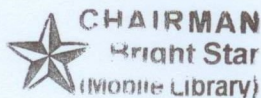
**BRIGHT STAR MOBILE LIBRARY
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015**

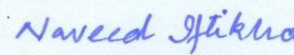
	2015 Rupees	2014 Rupees
Cash flow from operating expenses		
Deficit of (expenditure over revenue)/revenue over expenditure	3,948,975	(426,826)
Adjustment for:		
Depreciation	21,055	8,250
	<u>21,055</u>	<u>8,250</u>
Operating profit before working capital changes	3,970,030	(418,576)
(Increase)/decrease in current assets	-	-
(Increase)/decrease in current liabilities	(25,000)	25,000
	<u>(25,000)</u>	<u>25,000</u>
Cash flow from operating activities before taxation	3,945,030	(393,576)
Income tax paid	-	-
Net cash (used)/generated from operating activities	<u>3,945,030</u>	<u>(393,576)</u>
Cash flow from investing activities		
Purchase of fixed assets	(369,176)	-
Net cash (used)/generated in investing activities	<u>(369,176)</u>	<u>-</u>
Cash flow from financing activities		
Fund account	-	-
Net cash (used)/generated in financing activities	<u>-</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	3,575,854	(393,576)
Cash and cash equivalents at the beginning of the year	135,596	529,172
Cash and cash equivalents at the end of the year	<u><u>3,711,450</u></u>	<u><u>135,596</u></u>

The annexed notes 1-7 form an integral part of these financial statements.



CHAIRMAN



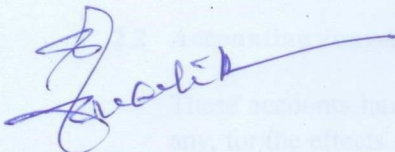

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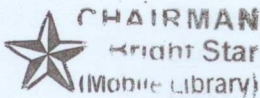
BRIGHT STAR MOBILE LIBRARY
STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED JUNE 30, 2015

	Rupees
Funds and reserves as at July 01, 2013	564,234
Surplus / (Deficit) for the period	(426,826)
Funds and reserves as at June 30, 2014	137,408
Surplus for the period	3,948,975
Funds and reserves as at June 30, 2015	<u>4,086,383</u>

The annexed notes 1-7 form an integral part of these financial statements.



CHAIRMAN



Haveed Iftik

SECRETARY



**BRIGHT STAR MOBILE LIBRARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

1 STATUS AND ACTIVITIES

Bright Star is a not-for-profit organization, registered on October 26, 2009 with joint Sub-Registrar under Trust Act, 1882 Islamabad as Trust. The registered office of the Trust is located at House # 2, Murtaza Street, Bani Galla, Islamabad.

The main object of the Trust is to provide mobile library services to schools in order to cultivate and promote good reading habits among young students of primary and middle schools, and to contribute towards grooming today's children of today to become knowledgeable, responsible and healthy adults of tomorrow.

2 SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with accounting policies as laid down below.

2.1 Basis of preparation

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan.

2.2 Accounting convention

These accounts have been prepared under the historical cost convention, without adjustment, if any, for the effects of inflation or devaluation rupee.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the Trust's financial currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupee.

2.4 Use of significant estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgment, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision effects only that period, or in the period of the revision and future periods if the revision effects both current and future periods. *uzul*

2.5 Taxation

No provision for taxation has been made in these accounts as the income/donation of the Trust is exempt from levy of income tax under section 100 (c) of the Income Tax Ordinance, 2001.

2.6 Property and equipment

These are stated at cost less accumulated depreciation and any accumulated impairment loss. Cost of property, plant and equipment comprises of purchase price, borrowing cost on qualifying assets, non-refundable local taxes and other directly attributable cost.

The cost of an item of property and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the profit and loss account in the year assets is de-recognized.

Depreciation on Property & Equipment is charged on straight line method at the rates specified in property & equipment note. Depreciation on addition to property & equipment is charged from the date when it is available for use and ceases at the date when asset is derecognized.

Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit and loss account during the period in which they are incurred.

Gain or loss, if any, on disposal of fixed assets is included in current year's income.

Maintenance and normal repairs are charged to income as and when incurred and major renewals and improvements are capitalized.

2.7 Revenue recognition

Since all revenues are through donations these are recognized when received.

2.8 Donation-in-kind

Donations received in kind have not been incorporated in these accounts.

2.9 Volunteer services

The efforts of volunteer workers are not reflected in the accompanying financial statements as these are meagre and no objective basis is available to measure the value of such services. *11/2/16*

BRIGHT STAR MOBILE LIBRARY
NOTES TO THE FINANCIAL STATEMENTS

3 PROPERTY, PLANT & EQUIPMENT

Description	C O S T			D E P R E C I A T I O N			Written down value at June 30, 2015	Annual rate of depreciation
	at July 01, 2014	additions/(deletion)	at June 30, 2015	accumulated at July 01, 2014	for the year	accumulated at June 30, 2015		
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	%
Furniture and fittings	55,000	38,300	93,300	28,188	12,220	40,408	52,892	15
Office equipment	-	107,406	107,406	-	8,835	8,835	98,571	15
Computer equipment	-	223,470	223,470	-	-	-	223,470	30
2015	55,000	369,176	424,176	28,188	21,055	49,243	374,933	

3.1 The trust has five vehicles having registration No. X-68-5068, X-68-5069, X-68-5204, X-68-5205, and X-68-5209 provided by World Food Program (WFP) on November 23, 2010, September 27, 2010, July 23, 2013, July 23, 2013 and March 15, 2014 respectively for a period of five years to facilitate promotion of education amongst school children. WFP reserves the right to call back these vehicles if these are not used for the intended purpose.

	2015 Rupees	2014 Rupees
4 CASH AND BANK		
Cash in hand	1,779	4,704
Cash at bank	3,709,671	130,892
	<u>3,711,450</u>	<u>135,597</u>

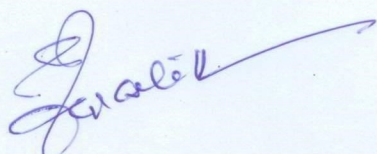
5 CONTINGENCIES AND COMMITMENTS

Currently there are no contingencies outstanding against the trust and no commitments are made by the trust.

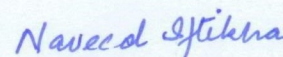
	2015 Rupees	2014 Rupees
6 DONATION RECEIVED		
In cash	5,409,102	1,520,206
6.1 Asia Foundation	1,258,970	676,530
Give to Asia	944,132	536,676
Zabardast Charity Shop of BHC	68,000	300,000
OGDCL	920,000	-
Seerna Hotel Islamabad	2,090,000	-
Excel Engineering (Pvt) Ltd	50,000	-
Others	78,000	7,000
	<u>5,409,102</u>	<u>1,520,206</u>

7 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the board of trustees on 18 DEC 2015.



CHAIRMAN



SECRETARY