Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

A member firm of
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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, 2016, 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.

Management's Responsibility

It is the responsibility 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.

Auditor's Responsibility

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:

Opinion

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, 2016 and its surplus and cash flow statement for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

Engagement Partner:
Javed K. Siddiqui

Dated: 27 OCT 2016

Place: Islamabad

BRIGHT STAR MOBILE LIBRARY
BALANCE SHEET
AS AT JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	3	358,533	374,933
CURRENT ASSETS			
Cash and bank	4	1,640,386	3,711,450
CURRENT LIABILITIES			
Accrued Liabilities		10,000	-
TOTAL ASSETS		**1,988,919**	**4,086,383**
REPRESENTED BY:			
FUNDS AND RESERVES			
General Fund		1,988,919	4,086,383
		1,988,919	**4,086,383**
CONTINGENCIES AND COMMITMENTS	5		

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

Naveed Iftikhar

CHAIRMAN **SECRETARY**

CHAIRMAN Bright Star (Mobile Library)

BRIGHT STAR Mobile Library

SECRETARY Bright Star (Mobile Library)

BRIGHT STAR MOBILE LIBRARY
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
Income			
Donations received	6	32,500	5,409,102
Less: Expenditures			
Staff salaries and benefit		1,689,530	1,147,264
Vehicle running and maintenance		276,293	160,475
Vehicle wrapping charges		-	48,000
Insurance		27,334	4,936
Printing and stationery		32,245	26,566
Depreciation		80,400	21,055
Audit Fee		10,000	-
Other		14,162	51,831
		2,129,964	1,460,127
SURPLUS / (DEFICIT) FOR THE YEAR		**(2,097,464)**	**3,948,975**

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

Naveed Iftikhar

CHAIRMAN

SECRETARY

CHAIRMAN Bright Star (Mobile Library)

BRIGHT STAR (Mobile Library)

SECRETARY Bright Star (Mobile Library)

BRIGHT STAR MOBILE LIBRARY
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	2016 Rupees	2015 Rupees
Cash flow from operating expenses		
Deficit of (expenditure over revenue)/revenue over expenditure	(2,097,464)	3,948,975
Adjustment for:		
Depreciation	80,400	21,055
	80,400	21,055
Operating profit before working capital changes	(2,017,064)	3,970,030
(Increase)/decrease in current assets	-	-
(Increase)/decrease in current liabilities	10,000	(25,000)
Cash flow from operating activities before taxation	(2,007,064)	3,945,030
Income tax paid	-	-
Net cash (used)/generated from operating activities	(2,007,064)	3,945,030
Cash flow from investing activities		
Purchase of fixed assets	(64,000)	(369,176)
Net cash (used)/generated in investing activities	(64,000)	(369,176)
Cash flow from financing activities		
Fund account	-	-
Net cash (used)/generated in financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(2,071,064)	3,575,854
Cash and cash equivalents at the beginning of the year	3,711,450	135,596
Cash and cash equivalents at the end of the year	**1,640,386**	**3,711,450**

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

CHAIRMAN

CHAIRMAN Bright Star (Mobile Library)

BRIGHT STAR (Mobile Library)

Naveed Iftikhar

SECRETARY

SECRETARY Bright Star (Mobile Library)

BRIGHT STAR MOBILE LIBRARY
STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED JUNE 30, 2016

	Rupees
Funds and reserves as at July 01, 2014	137,408
Surplus / (Deficit) for the period	3,948,975
Funds and reserves as at June 30, 2016	4,086,383
Surplus for the period	(2,097,464)
Funds and reserves as at June 30, 2016	**1,988,919**

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

CHAIRMAN

Naveed Iftikhar

SECRETARY

CHAIRMAN
Bright Star
(Mobile Library)

BRIGHT STAR
(Mobile Library)

SECRETARY
Bright Star
(Mobile Library)

BRIGHT STAR MOBILE LIBRARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

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.

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.

BRIGHT STAR MOBILE LIBRARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

3 PROPERTY, PLANT& EQUIPMENT

Description	COST			DEPRECIATION			Written down value at June 30, 2016	Annual rate of depreciation
	at July 01, 2015	additions/ (deletion)	at June 30, 2016	accumulated at July 01, 2015	for the year	accumulated at June 30, 2016		
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	%
Furniture and fittings	93,300	64,000	157,300	40,408	19,595	60,003	97,297	15
Office equipment	107,406	-	107,406	8,835	16,111	24,946	82,460	15
Computer equipment	223,470	-	223,470	-	44,694	44,694	178,776	20
2016	**424,176**	**64,000**	**488,176**	**49,243**	**80,400**	**129,643**	**358,533**	
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.

		2016 Rupees	2015 Rupees
4	**CASH AND BANK**		
	Cash in hand	9,212	1,779
	Cash at bank	1,631,174	3,709,671
		1,640,386	**3,711,450**

5 CONTINGENCIES AND COMMITMENTS

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

6 DONATION RECEIVED

	In cash	**32,500**	**5,409,102**
6.1	Asia Foundation	-	1,258,970
	Give to Asia	-	944,132
	Zabardast Charity Shop of BHC	-	68,000
	OGDCL	-	920,000
	Seerna Hotel Islamabad	-	2,090,000
	Excel Engineering (Pvt) Ltd	-	50,000
	Others	32,500	78,000
		32,500	**5,409,102**

7 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the board of trustees on 26 OCT 2016.

CHAIRMAN

Naveed Iftikhar

SECRETARY

CHAIRMAN
Bright Star
(Mobile Library)

BRIGHT STAR
(Mobile Library)

SECRETARY
Bright Star
(Mobile Library)