



KPMG Taseer Hadi & Co.
Chartered Accountants

**Diya Pakistan (Formerly Kaneez
Fatima Welfare Foundation).**

Receipt and Payment Account

**For the year ended
30 June 2010**



KPMG Taseer Hadi & Co.
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AUDITORS' REPORT TO THE TRUSTEES

We have audited the annexed receipt and payment account of **Diya Pakistan (formerly Kaneez Fatima Welfare Foundation)** ("the Foundation") for the year ended 30 June 2010 together with the notes forming part thereof (here-in-after referred to as "the account") for the year then ended.

It is the responsibility of the Foundation's management to establish and maintain a system of internal control, and prepare and present the account in conformity with the cash receipt and payment basis as described in Note 2 to the account. Our responsibility is to express an opinion on the account 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 account is free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the account. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the account. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, the account has been prepared on the cash receipt and payment basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion the account presents fairly, in all material respects, the cash receipt and payment of the Foundation for the year ended 30 June 2010 on the basis of accounting described in Note 2 to the account.

Date: 24 May 2011

Islamabad


KPMG Taseer Hadi & Co.
Chartered Accountants
Muhammad Rehan Chughtai


Diya Pakistan (formerly Kaneez Fatima Welfare Foundation)

Receipt and Payment Account

For the year ended 30 June 2010

RECEIPTS

	Note	2010 Rupees	2009 Rupees
Donations - educational		29,862,542	50,644,752
Donations - general	5	2,580,648	-
Bank profit - net of tax and zakat		148,221	258,587
Exchange gain		942,987	2,923,569
Encashment of investment	6	8,110,000	-
Profit on encashment of investment	6	7,158,790	-
Reimbursable expenses		160,000	-
Annual membership fee		-	12,000
		<u>48,963,188</u>	<u>53,838,908</u>

PAYMENTS

EDUCATIONAL SCHOLARSHIPS

Educational stipend	7	21,575,635	24,550,120
Educational stipend as qarz-e-hasna	8	9,468,000	13,462,400
Educational scholarships through Karwan-e-Ilm Foundation		1,331,800	1,734,680
Financial assistance to widows and the poor		3,122,300	3,401,450
Total scholarships and other support		<u>35,497,735</u>	<u>43,148,650</u>

OTHERS

Capital expenditure	9	57,400	286,604
Staff salaries		2,160,350	1,482,437
Office maintenance		114,960	195,395
Communication		124,657	140,281
Printing and stationary		66,812	82,970
Audit expenses		22,766	7,514
Other expenses	10	33,703	62,268
Reimbursable expenses		-	160,000
Domain registration		-	75,000
Total expenditure		<u>2,580,648</u>	<u>2,492,469</u>

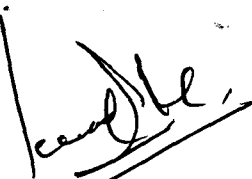
Investment	6	-	8,110,000
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Total expenditure and investment		<u>38,078,383</u>	<u>53,751,119</u>
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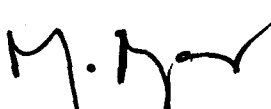
Excess of receipts over payments		<u>10,884,805</u>	<u>87,789</u>
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The annexed notes 1 to 11 form an integral part of this account

This account was approved by the Board in its meeting held on _____



President



Managing Trustee



Director Finance

UNMAY

Diya Pakistan (formerly Kaneez Fatima Welfare Foundation)

Notes to the Account

For the year ended 30 June 2010

1 NATURE OF ACTIVITIES

Diya Pakistan (formerly Kaneez Fatima Welfare Foundation) ("the Foundation") was registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 on April 19, 1992. Its objectives are to provide financial assistance to the students in completing their education, and to assist the widows and the poor in satiating their daily livelihood. With effect from 2 October 2007 the activities are being carried out in the name of Diya Pakistan.

2 BASIS OF ACCOUNTING

a) The receipt and payment account ("the account") has been prepared on cash receipt and payment basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, revenue is recognized when the amount is received and expenses both revenue and capital expenses are recorded when paid.

b) The account has been prepared in accordance with the historical cost convention.

3 FOREIGN CURRENCY TRANSLATION

Donations received in foreign currency are recorded in Pak Rupees at the rates of exchange which approximate those prevailing at the date of the receipt of donation. Cash and bank balances held in foreign currencies are translated in Pak Rupees at the rates of exchange which approximate those prevailing at the reporting date. The resulting exchange gain or loss is taken into receipts or expenditure currently.

4 CASH AND CASH EQUIVALENTS

	2010	2009
	Rupees	Rupees
Cash at bank	24,025,618	13,140,813
Cash in hand	4,000	4,000
	<u>24,029,618</u>	<u>13,144,813</u>

5 DONATIONS - GENERAL

From 1st July 2009, all administrative expenses are borne by one of the founder members. All other donations including the balance left over after meeting the administrative expenses out of the funds received from founder member will be used specifically for stipend disbursements. Total expenses borne by the founder member were Rs.2,580,648.

6 INVESTMENT

This represented USD 100,000 received from one donor with specific instructions to invest for the future of the Foundation. This amount was invested during the year 2008-09 in Pakistan Euro Bond maturing in 2016. The investment in Euro Bond is liquidated in order to meet the shortcomings in donations required for educational disbursements in 2009-10 in accordance with the instructions of the donor.

Movement in this account is as follows:

	Rupees
Balance as at 30 June 2009	8,110,000
Exchange gain realized on encashment of investment	392,000
Profit on encashment of investment recognized in receipt and payment account	<u>7,158,790</u>
	15,660,790
Liquidation proceeds on 28 May 2010	<u>15,660,790</u>
Balance as at 30 June 2010	<u>-</u>

The entire liquidation proceeds were received in Meezan Rupee account of the Foundation.

UNMMS-20A

Diya Pakistan (formerly Kaneez Fatima Welfare Foundation)

Notes to the Account

For the year ended 30 June 2010

7 EDUCATIONAL STIPEND

Educational Scholarships represents stipends disbursed to students at school, inter and university level. At School level, total of 9858 stipends were disbursed among 359 schools. At Inter level 98 colleges were covered disbursing 1908 stipends where as at University level, 2901 stipends were disbursed to total of 1481 beneficiaries through out Pakistan.

8 EDUCATIONAL STIPEND AS QARZ-E-HASNA

All such amounts are expensed on disbursement. If any of these amounts are received at a future date, these will be treated as donations received.

9 CAPITAL EXPENDITURE

Amount spent on fixed assets that individually cost less than Rs 50,000 are expensed during the year. Any items that cost in excess of 50,000 are capitalised and depreciated over their useful lives.


10 OTHER EXPENSES

	2010 Rupees	2009 Rupees
Computer maintenance expenses	7,750	6,600
Bank charges	12,033	24,647
Travelling	13,920	23,420
Others	-	7,601
	<u>33,703</u>	<u>62,268</u>

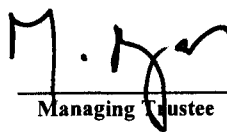
11 GENERAL

Amounts have been rounded off to nearest Pak Rupee.

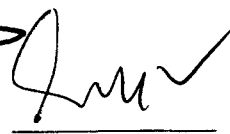
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President



Managing Trustee




Director Finance


Diya Pakistan (formerly Kaneez Fatima Welfare Foundation)

Memorandum Statement of Assets and Donor's Fund Balance

As at 30 June 2010

Assets	2010 Rupees	2009 Rupees
Cash at Bank	24,029,618	13,144,813
Investment	-	8,110,000
	<u>24,029,618</u>	<u>21,254,813</u>
Donors' Funds		
Opening Balance	21,254,813	13,057,024
Add:		
-Donor Fund	-	8,110,000
-Excess of receipt over payment	10,884,805	87,789
Less:		
-Investment liquidated during the year	(8,110,000)	-
Closing Balance of Donors' Funds	<u>24,029,618</u>	<u>21,254,813</u>



President

Managing Trustee

Director Finance