



FINANCIAL STATEMENTS
OF
ALLEVIATE ADDICTION SUFFERING TRUST
FOR THE YEAR ENDED
JUNE 30, 2024

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of ALLEVIATE ADDICTION SUFFERING TRUST ("the Trust"), which comprises of the statement of financial position as at June, 30 2024, and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the statement of financial position of the Trust, as at June 30, 2024 and of its financial performance for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the 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 Trust 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.

Responsibilities of Management and Trustees for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and for such internal control as the Trustees determine 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, Trustees are responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Board of Trustees are responsible for overseeing the Trust'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 Trust'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 Trust'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 disclosures 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 Trust 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 Trustees 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.

KARACHI

DATED: 28 NOV 2024

UDIN: AR2024101660dEQ5ASnF



BDO EBRAHIM & CO.


CHARTERED ACCOUNTANTS

Engagement Partner: Tariq Feroze Khan

**ALLEVIATE ADDICTION SUFFERING TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	5	1,399,285	1,484,460
Long term security deposits		2,575,000	2,230,000
		<u>3,974,285</u>	<u>3,714,460</u>
CURRENT ASSETS			
Prepayments	6	30,097	29,474
Cash and bank balances	7	1,919,437	60,451,428
		1,949,534	60,480,902
TOTAL ASSETS		<u>5,923,819</u>	<u>64,195,362</u>
LIABILITIES			
NON CURRENT LIABILITIES			
Deferred capital grants	8	-	40,000,000
CURRENT LIABILITIES			
Accrued liabilities	9	3,542,819	3,515,517
Other payable	10	90,457	66,995
		3,633,276	3,582,512
TOTAL LIABILITIES		<u>3,633,276</u>	<u>43,582,512</u>
NET ASSETS		<u>2,290,543</u>	<u>20,612,850</u>
REPRESENTED BY:			
General fund		100,000	100,000
Accumulated fund		2,190,544	20,512,850
		<u>2,290,543</u>	<u>20,612,850</u>
CONTINGENCIES AND COMMITMENTS	11		

The annexed notes from 1 to 19 form an integral part of these financial statements.

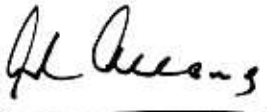

TRUSTEE


TRUSTEE

ALLEVIATE ADDICTION SUFFERING TRUST
 STATEMENT OF INCOME AND EXPENDITURE
 FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
INCOME			
Donations and others	12	98,550,194	90,221,554
EXPENDITURE			
Direct expenses	13	(101,499,562)	(78,830,449)
Administrative expenses	14	(15,372,938)	(11,008,498)
		(116,872,500)	(89,838,947)
Surplus / (deficit) for the year		(18,322,306)	382,607

The annexed notes from 1 to 19 form an integral part of these financial statements.



TRUSTEE



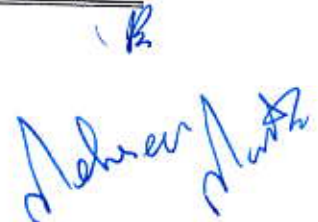
TRUSTEE

ALLEVIATE ADDICTION SUFFERING TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
(Deficit) / surplus for the year	(18,322,306)	382,607
Other comprehensive income	-	-
Total comprehensive(loss) / income for the year	<u>(18,322,306)</u>	<u>382,607</u>

The annexed notes from 1 to 19 form an integral part of these financial statements.


TRUSTEE


TRUSTEE

**ALLEVIATE ADDICTION SUFFERING TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Net surplus / (deficit) for the year		(18,322,306)	382,607
Adjustments for non cash items:			
Amortisation of deferred capital grant		(40,000,000)	(20,000,000)
Depreciation	14	155,477	164,941
Decrease in current assets			
Short term deposit and prepayments		(624)	(624)
Advance to staff		-	24,000
		(624)	23,376
Increase / (decrease) in current liabilities			
Accrued liabilities		27,301	58,169
Other payable		23,461	(2,518)
		50,762	55,651
Net cashflows used in operating activities		(58,116,691)	(19,373,426)
CASH FLOWS FROM INVESTING ACTIVITIES			
Long term deposits		(345,000)	(250,000)
Addition to property and equipment	5	(70,300)	(101,000)
Net cash used in investing activities		(415,300)	(351,000)
CASH FLOWS FROM INVESTING ACTIVITIES			
Deferred capital grants and net cash used in financing activities		-	60,000,000
Net increase / (decrease) in cash and cash equivalents		(58,531,991)	40,275,574
Cash and cash equivalents at beginning of the year		60,451,428	20,175,854
Cash and cash equivalents at end of the year		1,919,437	60,451,428

The annexed notes from 1 to 19 form an integral part of these financial statements.



TRUSTEE


TRUSTEE

**ALLEVIATE ADDICTION SUFFERING TRUST
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Accumulated fund	Total
	-----Rupees-----		
Balance as at July 01, 2022	100,000	20,130,243	20,230,243
(Deficit) / Surplus for the year	-	382,607	382,607
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	382,607	382,607
Balance as at June 30, 2023	100,000	20,512,850	20,612,850
Balance as at July 01, 2023	100,000	20,512,850	20,612,850
Deficit for the year	-	(18,322,306)	(18,322,306)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(18,322,306)	(18,322,306)
Balance as at June 30, 2024	100,000	2,190,544	2,290,544

The annexed notes from 1 to 19 form an integral part of these financial statements.


TRUSTEE


TRUSTEE

**ALLEVIATE ADDICTION SUFFERING TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

1 STATUS OF TRUST AND NATURE OF ACTIVITIES

The Trust was formed on April 10, 2003 and registered on September 03, 2003 under Trust Act, for the purposes of alleviation of addiction of narcotics from the Society.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the company is situated at 8-C, Old sunset boulevard commercial street, DHA Phase 2, Karachi.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. Accounting standards comprise of:

Revised Accounting and Financial Reporting Standard for Small-Sized Entities (AFRS for SSEs) issued by the Institute of Chartered Accountants of Pakistan

Accounting Standard for Not-for-Profit Organization (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

Where IFRSs for SSEs differ from the requirements of Accounting standard for NPO, the Accounting standard for NPO have been followed.

3.2 Basis of measurement

These financial statements have been prepared under cost convention basis except as disclosed in accounting policy otherwise.

3.3 Functional and presentation currency

These financial statements are presented in Pakistan 'Rupees' or 'Rs.', which is the functional and presentation currency for the Company.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies adopted in the preparation of these financial statements are consistent. The principal accounting policies are summarised below:

4.1 Property and equipment

These are stated at cost less accumulated depreciation. Depreciation is charged by applying reducing balance method at rates specified in relevant note. Full year's depreciation is charged in the year of addition whereas no depreciation is charged in the year of disposal. Gains / losses on disposal of property and equipment are included in income currently. Normal repairs and maintenance is charged to expenses as and when incurred.

4.2 Impairment on non financial assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the assets recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses are recognized as expense in the statement of income and expenditure.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group.

The recoverable amount is the higher of an assets fair value less costs to sell and value in use.

4.3 Other receivables

Other receivables are initially recognized at nominal amount which is fair value of the consideration to be received in future, while subsequently measured at amortized cost.

4.4 Taxation

The Trust has been allowed a tax credit equal to one hundred percent of the tax payable, including minimum tax and final taxes payable subject to the conditions specified under 100C of the Income Tax Ordinance, 2001. As the trust meets the prescribed conditions therefore, no provision for tax has been made for the year.

4.5 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to the statement of income and expenditure.

a) **Financial assets at amortized cost**

Investments with fixed or determinable payments and fixed maturity where management has both the positive intent and ability to hold to maturity are classified as held to maturity and are stated at amortized cost using the effective interest method. Gains and losses are recognised in the statement of income and expenditure when the investments are derecognised or impaired, as well as through the amortisation process.

4.6 **Cash and cash equivalents**

Cash and cash equivalent comprising cash in hand and balances with banks.

4.7 **Contingencies**

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.8 **Donation**

Donation is recognised as income on receipt basis.

4.9 **Deferred grant**

The Trust initially recognises conditional grants related to expenses as deferred income at fair value if there is reasonable assurance that they will be received and the Trust will comply with the conditions associated with the grants. Grants related to expenses are recognised in statement of income and expenditure when its related costs are recognised as expenses in statement of income and expenditure.

4.10 **Provisions**

Provisions are recognized when the Trust has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

4.11 **Trade and other payables**

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for the goods and services received, whether billed or not to the Trust.

4.12 Related party transactions

Transactions with related parties are based on normal commercial rates and agreed terms as approved by the trustees.

4.13 Accumulated funds

a) Unrestricted fund

Funds received for ongoing activities, without any restrictions on utilisation, are classified as unrestricted funds. These funds are recognised as income when received. The expenses incurred against such funds are recognised in the statement of income and expenditure as and when incurred.

b) Restricted fund

Reflect contributions with donor-imposed restrictions that do not expire and that typically allow for the income earned thereon to be expended consistent with donor intent.

4.14 Significant accounting judgments and critical accounting estimates / assumptions

The preparation of financial statements in conformity with the accounting and reporting standards requires the management to:

- exercise its judgments in process of applying the Trust's accounting policies, and
- use of certain critical accounting estimates and assumptions concerning the future.

The areas involving critical accounting estimates and significant assumptions concerning the future are discussed below:

a) Property and equipment

Management has made estimates of residual values, useful lives and recoverable amounts of certain items of property and equipment. Any change in these estimates in future years might affect the carrying amounts of the respective items of property and equipment with corresponding effect on the depreciation charge and impairment loss.

b) Impairment

The carrying amount of the Trust's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any.

5 PROPERTY AND EQUIPMENT

Operating fixed assets

Particulars	Cost		Rate %	Accumulated Depreciation			W.D.V. As at June 30, 2024
	As at July 01, 2023	Addition during the year		As at June 30, 2024	For the year	As at June 30, 2024	
Owned							
Furniture	1,852,341		10%	1,293,301	55,904	1,349,205	503,136
Office equipment	1,497,436	70,300	10%	720,001	84,774	804,775	762,962
Generator	51,000	-	10%	33,217	1,778	34,995	16,005
Medical equipments	178,605	-	10%	48,403	13,020	61,423	117,182
Total Rupees - 2024	3,579,382	70,300		2,094,922	155,476	2,250,398	1,399,285
Total Rupees - 2023	3,478,382	101,000		1,929,981	164,941	2,094,922	1,484,460

	Note	2024 Rupees	2023 Rupees
6 PREPAYMENTS			
Prepaid insurance		<u>30,097</u>	<u>29,474</u>
7 CASH AND BANK BALANCES			
Cash in hand		147,583	78,772
Cash at bank in current account		<u>1,771,854</u>	<u>20,097,082</u>
		<u>1,919,437</u>	<u>20,175,854</u>
8 GRANT IN AID FROM GOVERNMENT OF SINDH - RESTRICTED			
Balance as at July 01,		40,000,000	-
Grant received during the year	8.1	-	60,000,000
Released to income and expenditure to the extent of expenses		<u>(40,000,000)</u>	<u>(20,000,000)</u>
Balance as at June 30,		<u>-</u>	<u>40,000,000</u>
8.1 This represents Grant received from Government of Sindh and utilized specifically for the intended purpose.			
9 ACCRUED LIABILITIES			
Salaries payable		3,542,819	3,515,517
		<u>3,542,819</u>	<u>3,515,517</u>
10 OTHER PAYABLE			
Others		<u>90,457</u>	<u>66,995</u>
11 CONTINGENCIES AND COMMITMENTS			
There were no contingencies and commitments as at the reporting date (2023: Nil).			
12 DONATION AND OTHERS			
Restricted donations from government of		40,000,000	20,000,000
Unrestricted donations	12.1	54,519,089	67,197,054
Patient and consulting fee		<u>4,031,105</u>	<u>3,024,500</u>
		<u>98,550,194</u>	<u>90,221,554</u>

	Note	2024 Rupees	2023 Rupees
12.1 UNRESTRICTED DONATIONS			
Indus Health Network		14,175,000	11,300,000
CJMF Foundation		22,304,948	7,327,876
Donation from BAT		11,210,000	8,176,080
Others		6,829,140	40,393,098
		<u>54,519,089</u>	<u>67,197,054</u>
13 DIRECT EXPENSES			
Salaries, allowance and other benefits		35,517,844	32,036,608
Rent expense		7,873,437	6,427,520
Patients welfare expense		45,012,319	33,078,666
Electricity charge		7,096,580	4,526,284
Repair and Maintenance		5,999,382	2,761,371
		<u>101,499,562</u>	<u>78,830,449</u>
14 ADMINISTRATIVE EXPENSES			
Salaries, allowances and other benefits		6,267,855	5,653,519
Repair and maintenance		1,058,714	376,551
Printing and stationery		961,262	619,166
Telephone, water and gas charges		2,689,391	1,177,940
Insurance expense		90,803	88,303
Fuel expense		2,369,530	1,800,916
Bank charges		36,289	134,012
Depreciation	5	155,476	164,941
Legal and professional charges		102,600	114,000
Education Expenses		692,252	278,091
Miscellaneous expenses		637,316	601,060
Travelling expense		311,448	-
		<u>15,372,938</u>	<u>11,008,498</u>
15 TRANSACTIONS AND BALANCES WITH RELATED PARTIES			

The related parties comprise of related group companies, local associated companies, trustees, directors and key management personnel. Key transactions with related parties other than disclosed elsewhere in the financial statements are as follows:

15.1 NAME AND NATURE OF RELATIONSHIP

Name of Related party	Nature of Relation	Basis of Relationship
Alson Autoparts (Private) Limited	Associated Company	Common Directorship
Alson Industries (Private) Limited	Associated Company	Common Directorship
Alson Technologies (Private) Limited	Associated Company	Common Directorship
Alson Tatsuno (Private) Limited	Associated Company	Common Directorship
AAS Recovery Center Abdul Rehman Allana	Associated Undertaking Director	Common Trustee Director

**2024
Rupees**

**2023
Rupees**

15.2 Key transaction with related parties are as follows

Relationship	Nature of Transaction		
Trustees	Donation received	-	3,000,000

15.3 There was no outstanding balances with related parties as at reporting date.

16 NUMBER OF EMPLOYEES

The number of employee as at year end were 95 (2023: 87)

17 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation However, there is no material reclassification to report.

18 DATE OF AUTHORIZATION FOR ISSUE

The Board of Trustees authorized these financial statements for issue on 06 NOV 2024

19 GENERAL

Figures have been rounded off to the nearest Pakistani rupee unless stated otherwise *Rs*


TRUSTEE


TRUSTEE