UHU Hassan Naeem & Co. Chartered Accountants

193 - A, Shah Jamal, Lahore - 54000, Pakistan

> +92 (0)42 7599938 +92 (0)42 7599948 +92 (0)42 7599640 +92 (0)42 7599740 info@uhy-hnco.com

ARTHRITIS CARE FOUNDATION Financial Statements

For the Year Ended June 30, 2011

AUDITORS' REPORT TO THE BOARD OF TRUSTEES

We have audited the annexed balance sheet of the **Arthritis Care Foundation** as at **June 30**, **2011** and the related Receipt & Payment account together with the notes forming part thereof (here-in-after referred to as the financial statements for the year then ended).

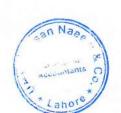
It is the responsibility of the board of trustees to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on those financial statements 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 statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures 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 the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements present fairly, in all material respects, the financial position of the **Arthritis Care Foundation** for the year ended June 30, 2011 and of its balances for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Date: Place: LAHORE

UNY Hanan Mucen & Co.



UHY Hassan Naeem & Co. Chartered Accountants Naeem Akhtar Sheikh (FCA)



Place : Lahore Date :	Trustee Dr. Nighat Mir Ahmad Chairman - ACF		Medicine Stock In Hand Advance Tax Cash In Hand Cash At Bank	Fixed Asset 3 Website 3	ASSETS	ARTHRITIS CARE FOUNDATION (ACF) BALANCE SHEET As on June 30, 2011 Note
		1,573,461	47,592 179 2,482 1,473,208	50,000		CF) te 30-Jun-11
			Reserve Fund	Capital Fund Opening Funds	CAPITAL & LIABILITIES	
	Trustee Ms. Anjum S. Ahmed Treasurer - ACF	1,573,461	932,579 640,882			Amount In Rs. Note 30-Jun-11

1

ARTHRITIS CARE FOUNDATION (ACF) RECEIPT & PAYMENT ACCOUNT For The Year Ended June 30, 2011

Amount in Rs.

	· · ··································		2011
RECEIPT			
Donations			3,204,408
PAYMENT			
Staff Salary			80,000
Medicine For Patients	4		1,386,537
Public Awareness Expenses			
SLE Documentary		80,000	
Childhood Arthritis Campaign		16,562	
Rheumatic Diseases Campaign	_	59,800	156,362
Printing & Stationary	_	- 26.3	3,324
Postage			1,021
Bank Charges			530
Miscellaneous Expenses			3,173
Total Payments			1,630,947
Net Receipts			1,573,461

Less: Transfer To Reserve Fund

Surplus Brought Forward

haha Inglad

Trustee Dr. Nighat Mir Ahmad Chairman - ACF

Place : Lahore Date :

640,882

932,579

2

Trustee Ms. Anjum S. Ahmed Treasurer - ACF

ARTHRITIS CARE FOUNDATION

Note To The Financial Statements For The Year Ended June 30, 2011

1

LEGAL STATUS & ACTIVITIES

Arthritis Care Foundation is a charitable society registered on July 27, 2010 under the laws of Societies Registration Act XXI of 1860. The registered office is situated at 676 Shadman Lahore. The trust was set up with an objective to establish, encourage, assist and finance medical, social welfare and educational activities, of patient suffering from arthritis, rheumatic and other diseases who are poor and needy.

SIGNIFICANT ACCOUNTING POLICIES 2

2.1 Accounting Convention

These accounts have been prepared under the historical cost convention and are in conformity with the approved International Financial Reporting Standards as applicable in Pakistan.

2.3 Functional & Presentation Currency

These financial statements are presented in Pak rupee, which is the functional and presentation currency for the company.

2.4 Fixed Capital Expenditure and Depreciation

Operating fixed assets are stated at cost less accumulated depreciation. Depreciation is charged from the month the assets are available for use, while in case of disposal it is charged up to the month of disposal.

Depreciation is charged on the straight line method.

Normal repair and maintenance is charged to revenue as and when incurred, while major renewal and replacements are capitalized.

2.5 Intangible Assets

Cost that are directly associated with identifiable software products controlled by the company and have probable economic benefits beyond one year are recognized as intangible assets. Theses are stated at cost less accumulated amortization and impairment losses, if any. Amortization is provided on straight line method over the asset's useful life.

2.6 Revenue Recognition

Donation are recognized on receipt basis.

As On June 30, 2011 NOTES TO THE ACCOUNTS **ARTHRITIS CARE FOUNDATION (ACF)**

		Cost			D	Depreciation	
Particulars	As at July 01, 2010	Additions/ (Disposal)	As at June 30, 2011	%	As at July 01, 2010	Charge for the Year	As at June 30, 2011
Website Designing		50,000	50,000		r.	L	r
Total 2011	1	50,000	50,000				

	Joint Replacement Expenses	Expense On Purchase Of Biological Medicines (Injectibles)	Upening Stock Add: Purchase During The Year Less: Closing Stock	Medicine For Patients Medicines
			- 1,073,679 (47,592)	
1,386,53	105.0	255,4	1,026,08	2011