



**Building a better
working world**

HABIB UNIVERSITY FOUNDATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

EY Ford Rhodes
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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Habib University Foundation (the Foundation)** as at 30 June 2017 and the related Income and expenditure account, cash flow statement and statement of changes in funds together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Foundation's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the repealed Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) In our opinion, proper books of account have been kept by the Foundation as required by the repealed Companies Ordinance, 1984;
- b) in our opinion:
 - i) the balance sheet and income and expenditure account, together with the notes thereon, have been drawn up in conformity with the repealed Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the changes as stated in note 4 to the accompanying financial statements with which we concur;
 - ii) the expenditure incurred during the year was for the purpose of the Foundation's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Foundation;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, cash flow statement and statement of changes in funds together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the repealed Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Foundation's affairs as at 30 June 2017, and of the surplus, its cash flows and changes in funds for the year then ended; and
- (d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

EY Ford Rhodes

Chartered Accountants

Audit Engagement Partner: Riaz A. Rehman Chamdia


Date: 03 October 2017

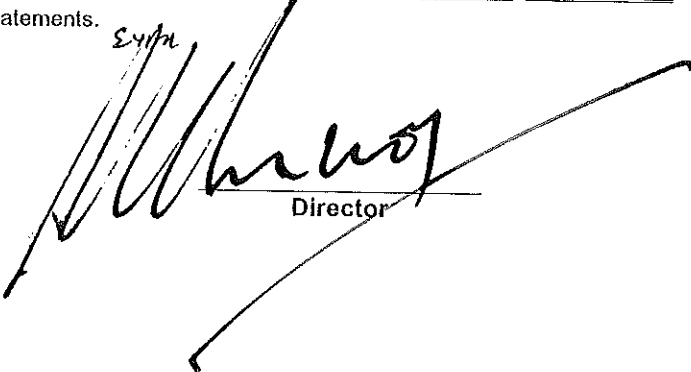
Karachi

HABIB UNIVERSITY FOUNDATION
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT JUNE 30, 2017

Note	-----Restricted Funds-----			2017 Total	2016 Total	
	General Fund	Endowment Fund	Other Restricted Funds			
----- (Rupees `000) -----						
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	7	3,055,917	-	-	3,055,917	3,234,225
Intangible assets	8	241,043	-	-	241,043	345,503
Long term investments	9	-	583,915	-	583,915	384,159
		3,296,960	583,915	-	3,880,875	3,963,887
CURRENT ASSETS						
Advances	10	2,447	-	-	2,447	1,498
Deposits and short term prepayments	11	3,062	-	-	3,062	4,020
Accrued profit		135	-	-	135	154
Other receivables	12	25,363	-	-	25,363	1,077
Short term investments	13	3,008	223,240	120,318	346,566	122,117
Taxation – net		4,668	-	-	4,668	4,483
Cash and bank balances	14	19,769	72,726	128,491	220,986	228,369
		58,452	295,966	248,809	603,227	361,718
TOTAL ASSETS		3,355,412	879,881	248,809	4,484,102	4,325,605
FUNDS AND LIABILITIES						
FUND BALANCES						
General Fund		3,266,694	-	-	3,266,694	3,523,374
Endowment Fund-Restricted	15	-	879,881	-	879,881	554,833
Other Restricted Funds						
Zakat Fund	16	-	-	120,503	120,503	72,901
HU Scholarship Fund	17	-	-	46,512	46,512	-
HU Student Loan Fund	18	-	-	81,794	81,794	-
Sinking Fund	19	-	-	-	-	596
HU TOPS Fund	20	-	-	-	-	56,189
		-	-	248,809	248,809	129,686
		3,266,694	879,881	248,809	4,395,384	4,207,893
NON-CURRENT LIABILITIES						
Non-monetary government grant	21	-	-	-	-	570
CURRENT LIABILITIES						
Trade and other payables	22	88,148	-	-	88,148	113,726
Current portion of non-monetary government grant	21	570	-	-	570	3,416
		88,718	-	-	88,718	117,142
CONTINGENCIES AND COMMITMENTS						
	23	-	-	-	-	-
TOTAL FUND AND LIABILITIES		3,355,412	879,881	248,809	4,484,102	4,325,605

The annexed notes 1 to 39 form an integral part of these financial statements.

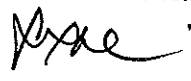

 Chief Executive

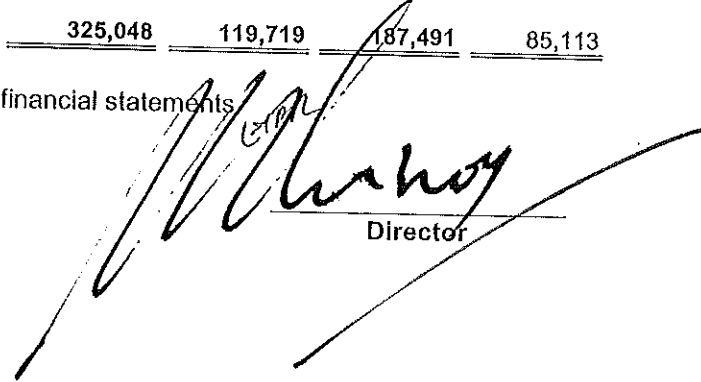

 Director

HABIB UNIVERSITY FOUNDATION
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	---Restricted Funds---			2017 Total	2016 Total
		General Fund	Endowment Fund	Other Restricted Funds		
-----Rupees in '000'-----						
INCOME						
Donations / Contributions	25	95,388	593,181	369,080	1,057,649	915,715
Other income	26	4,985	55,975	3,323	64,283	51,487
		<u>100,373</u>	<u>649,156</u>	<u>372,403</u>	<u>1,121,932</u>	<u>967,202</u>
EXPENDITURE						
Donations to related parties		-	-	-	-	(348,032)
Utilization of fund		-	(306,012)	(181,307)	(487,319)	(71,813)
Scholarship to Habib University students		-	-	-	-	(90,519)
Zakat provided to Habib University students		-	-	(71,377)	(71,377)	(38,617)
Loss on investments at fair value through profit or loss		-	(17,399)	-	(17,399)	-
Depreciation		(238,202)	-	-	(238,202)	(212,955)
Amortization		(104,460)	-	-	(104,460)	(103,113)
Program and administrative expenses		(2,613)	(697)	-	(3,310)	(5,107)
		<u>(345,275)</u>	<u>(324,108)</u>	<u>(252,684)</u>	<u>(922,067)</u>	<u>(870,156)</u>
(Deficit) / Surplus before projects		(244,902)	325,048	119,719	199,865	97,046
Net deficit on projects	29	(12,374)	-	-	(12,374)	(11,933)
(Deficit) / Surplus of income over expenditure for the year		<u>(257,276)</u>	<u>325,048</u>	<u>119,719</u>	<u>187,491</u>	<u>85,113</u>

The annexed notes 1 to 39 form an integral part of these financial statements.


 Chief Executive


 Director

HABIB UNIVERSITY FOUNDATION
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		----- (Rupees `000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		187,491	85,113
Adjustment for non-cash and other items			
Depreciation		243,567	214,914
Amortization		104,460	103,113
Amortization of non-monetary government grant		(3,416)	(3,416)
Profit on sale of investments		(55,975)	-
Profit on deposit accounts		(8,054)	(51,482)
Loss on investments at fair value through profit or loss		15,383	-
Exchange gain		(44)	(5)
Gain on sale of fixed assets		(1,102)	-
		294,819	263,124
Working capital changes			
(Increase) / decrease in current assets		(24,462)	12,701
(Decrease) in current liabilities		(28,423)	(121,829)
		(52,885)	(109,128)
NET CASH GENERATED FROM OPERATING ACTIVITIES		429,425	239,109
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(65,258)	(194,982)
Sale proceeds on disposal of operating fixed assets		1,102	-
Investments made during the year		(430,275)	-
Investments encashed during the year		50,000	-
Profit received on deposit accounts		69,749	9,611
NET CASH USED IN INVESTING ACTIVITIES		(374,682)	(185,371)
Net increase in cash and cash equivalents		54,743	53,738
Cash and cash equivalents at the beginning of the year		349,243	295,505
Cash and cash equivalents at the end of the year		403,986	349,243
CASH AND CASH EQUIVALENTS			
Cash and bank balances	14	220,986	228,369
Short-term investments	13	183,000	120,874
		403,986	349,243

The annexed notes 1 to 39 form an integral part of these financial statements.



Chief Executive




Director

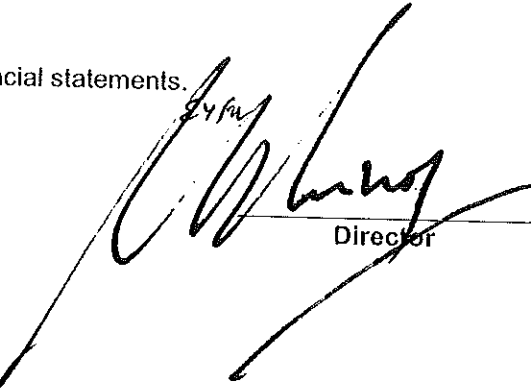
HABIB UNIVERSITY FOUNDATION
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

General Fund	Endowment Fund- Restricted	-----Restricted Funds-----					Sub Total	Total
		Zakat Fund	Sinking Fund	HU TOPS Fund	HU Scholarship Fund	HU Student Loan Fund		
----- (Rupees '000) -----								
Balance as on June 30, 2015	3,657,691	435,241	29,848	-	-	-	29,848	4,122,780
(Deficit) / surplus of income over expenditure for the year	(133,721)	119,592	43,053	-	56,189	-	99,242	85,113
Transfer from General Fund	(596)	-	-	596	-	-	596	-
Balance as on June 30, 2016	3,523,374	554,833	72,901	596	56,189	-	129,686	4,207,893
(Deficit) / surplus of income over expenditure for the year	(257,276)	325,048	47,602	-	(17,831)	8,154	81,794	187,491
Transfer to General Fund	596	-	-	(596)	-	-	(596)	-
Transfer from HU TOPS Fund	-	-	-	-	(38,358)	38,358	-	-
Balance as on June 30, 2017	3,266,694	879,881	120,503	-	-	46,512	81,794	248,809 4,395,384

The annexed notes 1 to 39 form an integral part of these financial statements.



 Chief Executive



 Director

HABIB UNIVERSITY FOUNDATION
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

Habib University Foundation (the Foundation) was incorporated in Pakistan as a company limited by guarantee not having share capital under section 42 of the Companies Ordinance, 1984 on October 10, 2007. The Foundation is principally engaged in establishing a research based university focusing on Science, Engineering, Social Science and Entrepreneurship. Further, the Foundation is engaged in managing a vocational training institute for enhancing marketable skills for the youth to increase youth employability, and various other philanthropic projects that facilitate access to quality education. The Foundation has also undertaken various youth development projects in collaboration with Government of Sindh with an aim to improve the quality of educational programs in the country. The city campus of Habib University is situated at Gulistan-e-Johar and the main campus of Habib University will be situated at Superhighway. The city campus of Habib University commenced its operations during the year ended 30 June 2015. These financial statements do not include the result of operations of Habib University.

2. STATEMENT OF COMPLIANCE

During the year, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular no. 17 of 2017 dated July 20, 2017 communicated Commission's decision that the companies whose financial year closes on or before 30 June 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, these financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and the Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued thereunder. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

3. BASIS OF MEASUREMENT

- 3.1 These financial statements have been prepared under the historical cost convention.
- 3.2 These financial statements are presented in Pak Rupees which is the Foundation's functional and presentation currency.

4. ADOPTION OF NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

4.1 New Standards, Interpretations and Amendments

The Foundation has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

- IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and
IAS 27 - Separate Financial Statements – Investment Entities: Applying the Consolidation Exception
(Amendment)
- IFRS 11 - Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)
- IAS 1 - Presentation of Financial Statements - Disclosure Initiative (Amendment)
- IAS 16 - Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable
Method of Depreciation and Amortization (Amendment)
- IAS 16 - Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants
(Amendment)
- IAS 27 - Separate Financial Statements – Equity Method in Separate Financial Statements
(Amendment)

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Improvements to Accounting Standards Issued by the IASB in September 2014

- IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal
 IFRS 7 - Financial Instruments: Disclosures - Servicing contracts
 IFRS 7 - Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements
 IAS 19 - Employee Benefits - Discount rate: regional market issue
 IAS 34 - Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

The adoption of the above accounting standards did not have any effect on the financial statements.

4.2 Standards and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (accounting periods Beginning on or after)
IFRS 2: Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)	01 January 2018
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IAS 7 Statement of Cash Flows - Disclosure Initiative - (Amendment)	01 January 2017
IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	01 January 2017
IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	01 January 2018
IAS 40 Investment Property: Transfers of Investment Property (Amendments)	01 January 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23 Uncertainty over Income Tax Treatments	01 January 2019

The above standards and amendments are not expected to have any material impact on the Foundation's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018. The Foundation expects that such improvements to the standards will not have any impact on the Foundation's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	01 January 2018
IFRS 14 – Regulatory Deferral Accounts	01 January 2016
IFRS 15 – Revenue from Contracts with Customers	01 January 2018
IFRS 16 – Leases	01 January 2019
IFRS 17 – Insurance Contracts	01 January 2021

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment.

Depreciation is charged to income and expenditure account using straight line method so as to write off the cost of the assets over their estimated useful lives at the rates specified in note 7.1. Depreciation on additions is charged for the full month in which an asset is put to use and on disposal upto the month immediately preceding the disposals. Assets residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each financial year end.

Maintenance and normal repairs are charged to income and expenditure account as and when incurred. Major renewals and improvements, if any, are capitalized when it is probable that respective future economic benefits will flow to the Foundation.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Gains and losses are determined by comparing proceeds with the carrying amount of the relevant assets. These are included in the income and expenditure account in the period in which they arise.

The carrying values of property, plant and equipment are reviewed at each reporting date for indication that an asset may be impaired and carrying values may not be recovered. If such indications exist and where the carrying values exceed the estimated recoverable amounts, the assets are written down to the recoverable amounts.

Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses. It consists of expenditure incurred and advances made in respect of operating assets in the course of construction, installation and borrowing costs for qualifying assets if its recognition criteria are met.

5.2 Intangible assets

Costs incurred on the acquisition of computer software are capitalized and are amortized on straight line basis over their estimated useful life. Amortization is charged in the month in which the asset is put to use at the rates stated in note 8 to the financial statements.

Project development cost comprises of cost in relation to development of academic planning and modeling and networking and partnership frameworks. Following initial recognition of the development expenditure as an asset, the cost model will be applied requiring the amount to be carried at cost less any accumulated amortization and accumulated impairment losses, if any. Capitalized development cost will be amortized on a straight-line basis over the period of expected future benefit from the date of completion / development of these assets and the asset is available for use.

Useful lives of intangible assets are reviewed, at each financial year end and adjusted if appropriate.

The carrying value of intangible assets is reviewed for impairment at each financial year end when events or changes in circumstances indicate that the carrying value may not be recoverable. If such indications exist and where the carrying values exceed the estimated recoverable amounts, the assets are written down to the recoverable amounts.

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5.3 Investments

Held-to-maturity

Investments with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Foundation has the positive intention and ability to hold to maturity.

These investments are initially recognized at fair value plus transaction costs and subsequently measured at amortized cost.

At fair value through profit or loss

Investments at fair value through profit or loss are initially recognized at fair value. Subsequently, these are measured at fair value whereas effects of changes in fair value are taken to the income and expenditure account.

5.4 Advances and other receivables

These are stated at cost less provision for doubtful balances, if any.

5.5 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, bank balances and short-term highly liquid investments with original maturities of three months or less and running finance under mark-up arrangements.

5.6 Restricted Funds

The Foundation follows restricted fund method of accounting. Under restricted fund method of accounting:

- Endowment contributions are accumulated in the endowment fund balance. Other internally and externally restricted contributions are accumulated in the statement of financial position as part of the appropriate restricted fund balance.
- The general fund presents all revenues and expenses related to unrestricted resources. The total excess of revenues over expenses in the general fund reports the change in the organization's unrestricted resources in the period. The restricted funds present revenues and expenses related to restricted resources. Endowment contributions are presented in the endowment fund.

5.6.1 Endowment Fund

The Foundation has established an Endowment Fund restricted for Habib University to support its operations and ensure continued growth and sustainability. The Fund is strengthened by transfer from General Fund and contributions received from donors. The income generated from Endowment Fund is credited to Endowment Fund and utilized for restricted purposes of support to Habib University.

5.6.2 Zakat Fund

The Foundation has established a Zakat Fund restricted for providing financial assistance to the deserving students of Habib University. Zakat Fund is credited at the time of receipt of zakat and is debited at the time of disbursement to Habib University students.

5.6.3 Sinking Fund

The Foundation has provided guarantee against loans issued by a commercial bank to Habib University students. To mitigate the impact of credit risk, Sinking Fund was established last year to offset the risk of student default. The fund was to be credited by transfers of a certain percentage of the loan amounts from General Fund and debited by any impact of student loan default. The fund has been dissolved during the year.

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5.6.4 HU TOPS Fund

The Foundation has established a scholarship fund to assist in Habib University Talent, Outreach, Promotion and Support (HU TOPS), restricted for providing financial assistance to the deserving students of Habib University. The Fund is credited at the time of receipt of funds and debited when expenses are paid or scholarships are disbursed from the Fund. The fund has been disbursed during the year.

5.6.5 HU Scholarship Fund

This is a form of a restricted fund utilized for providing scholarships and grants to students and carrying out activities under different scholarship programs of Habib University including Habib University Talent, Outreach, Promotion and Support (HU TOPS). The Fund is credited when the contributions are received or a firm commitment is received for the purpose and debited when expenses are paid or scholarships are disbursed from the Fund.

5.6.6 HU Student Loan Fund

The Foundation has provided guarantee against loans issued by a commercial bank to Habib University students. To mitigate the impact of credit risk, HU Student Loan Fund has been established during the year to offset the risk of student default. The Fund will be credited by the contributions received for the purpose and debited by any impact of student loan default.

5.7 Trade and other payables

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

5.8 Taxation

The Foundation is a not-for-profit organization and its income was exempt from tax in terms of clauses (59) and (60), Part I of the Second Schedule to the Income Tax Ordinance, 2001 up to 30 June 2014. Through the Finance Act, 2013 and 2014, clauses (59) and (60) were deleted, however a corresponding section 100C was introduced wherein a similar exemption has been duly provided. Accordingly, no current tax provision has been made in the financial statements for the year.

5.9 Provisions

Provisions are recognized when the Foundation has a present legal or constructive obligation as a result of past events, 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

5.10 Employees' benefits

The Foundation operates an approved contributory provident fund for all eligible employees. Equal monthly contributions are made by the Foundation and the employees to the fund at the rate of 8.33% of basic salary. Contributions from Foundation are charged to income and expenditure account for the year.

The Foundation accounts for employees' compensated absences on the basis of un-availed earned leave balance of each employee at the end of the year.

5.11 Foreign currency translations

Foreign currency transactions are translated into Pak Rupees (functional currency) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to income and expenditure account currently.

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5.12 Revenue recognition

Unrestricted donations in cash are recognized as income as and when received. Unrestricted donations in kind in the form of assets with no future related costs are recognized as income of the period in which it becomes receivable / received, at fair value determined by the independent valuers.

Profit on bank accounts, term deposit receipts and PIBs are recognized on time proportion basis. Dividend income is recognized when the right to receive the same is established. Gain on sale of investments is recognized in income and expenditure account in the year in which it arises.

5.13 Government grant

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that is intended to compensate. Grants received in the form of non monetary items are recorded at fair value and recognized as deferred income and released to income and expenditure account on a straight line basis over the useful lives of asset from the date the asset is available for internal use.

6. Significant accounting judgments and estimates

The preparation of the Foundation's financial statements requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The management continually evaluates estimates and judgments which are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances. Revisions to accounting estimates are recognised prospectively. In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

	Note
- determining the residual values and useful lives of property, plant and equipment and intangibles	5.1 & 5.2
- Staff retirement benefits funds and compensated absences	5.10

	Note	2017	2016
		----- (Rupees `000) -----	
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	2,948,723	2,839,421
Capital work-in-progress	7.2	107,194	394,804
		<u>3,055,917</u>	<u>3,234,225</u>

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7.1 Operating fixed assets

	Cost		Accumulated Depreciation / Amortization			Book value		Rate (%)
	As at July 1, 2016	Additions / (Disposals)	As at June 30, 2017	As at July 1, 2016	Charge for the year / (Disposals) /	As at June 30, 2017	as at June 30, 2017	
----- (Rupees `000) -----								
Leasehold land and building	28,468	-	28,468	24,482	3,416	27,898	570	12%
Leasehold land – city campus	529,615	-	529,615	-	-	-	529,615	-
Building on leasehold land – city campus	1,455,981	217,330	1,673,311	52,532	36,335	88,867	1,584,444	3%
Machinery and electrical works	592,518	21,998	614,516	81,865	56,132	137,997	476,519	10%
Motor vehicles	1,247	1,163	2,410	1,037	324	1,361	1,049	20%
Office equipment	143,008	29,825 (3,111)	169,722	48,500	27,799 (3,111)	73,188	96,534	20%
Lab equipment	77,344	5,905	83,249	18,497	17,025	35,522	47,727	20%
Furniture and Fixtures	210,286	58,502 (719)	268,069	43,063	54,448 (719)	96,792	171,277	14.3 to 20%
Library books	13,369	2,810 (426)	15,753	3,492	9,606 (426)	12,672	3,081	20% to 33%
Computers and multimedia	134,574	15,335 (3,562)	146,347	73,520	38,482 (3,562)	108,440	37,907	33%
2017	3,186,410	352,868 (7,818)	3,531,460	346,988	243,567 (7,818)	582,737	2,948,723	
2016	2,765,761	420,649	3,186,410	132,075	214,914	346,989	2,839,421	

7.1.1 Includes assets costing Rs. 2,817.44 (2016: 2,579.80) million with the net book value of Rs.2,590.58 (2016: 2,295.09) million, which are in possession and use of Habib University free of cost.

7.1.2 Depreciation charge for the year has been allocated as under:

	Note	2017 ----- (Rupees `000) -----	2016 -----
Income and expenditure account		238,202	212,955
Project expenses		5,365	1,959
		<u>243,567</u>	<u>214,914</u>

7.2 Capital work-in-progress

Opening balance		394,804	621,272
Capital expenditure incurred/advances made during the year		63,686	190,791
Transfer to operating fixed assets	7.2.1	(351,296)	(417,259)
Closing balance		<u>107,194</u>	<u>394,804</u>

EY/FA

7.2.1 Transfer to operating fixed assets

Building on leasehold land – city campus	7.2.2	217,330	132,129
Machinery and electrical works		21,998	140,261
Office equipment		29,751	6,240
Lab equipment		5,905	47,057
Furniture and fixtures		58,502	69,598
Library books		2,810	8,999
Computers and multimedia		15,000	12,975
		<u>351,296</u>	<u>417,259</u>

7.2.2 This represents civil works incurred on university building.

8. INTANGIBLE ASSETS

	COST		ACCUMULATED AMORTIZATION			BOOK VALUE		Amortization rate %
	As at July 01, 2016	Additions	As at June 30, 2017	As at July 01, 2016	Charge for the year	As at June 30, 2017	As at June 30, 2017	
Computer software	27,163	-	27,163	17,594	7,757	25,351	1,812	33%
Project development cost (note 8.1)								
- Academic Planning and Modeling	420,890	-	420,890	126,268	75,575	201,843	219,047	20%
- Networking and partnership	59,017	-	59,017	17,705	21,128	38,833	20,184	20%
2017	<u>507,070</u>	-	<u>507,070</u>	<u>161,567</u>	<u>104,460</u>	<u>266,027</u>	<u>241,043</u>	
2016	<u>506,269</u>	801	<u>507,070</u>	<u>58,454</u>	<u>103,113</u>	<u>161,567</u>	<u>345,503</u>	

8.1 Includes assets costing Rs. 479.91 (2016: 479.91) million with the net book value of Rs. 239.23 (2016: 335.94) million, which are in possession and use of Habib University free of cost.

	Note	2017	2016
		----- (Rupees `000) -----	
9. LONG-TERM INVESTMENTS			
Held to maturity			
Term Deposit Receipts		238,500	288,500
Accrued profit thereon		90,067	95,659
	9.1	<u>328,567</u>	<u>384,159</u>
PIBs			
Accrued interest		254,387	-
		961	-
	9.2	<u>255,348</u>	-
		<u>583,915</u>	<u>384,159</u>

9.1 Represents term deposits with Habib Metropolitan Bank Limited, a related party. These carry profit at the rate of 12.25% (2016: 12.25%) per annum and will mature latest by 2020. The long term investments pertain in entirety to the Endowment Fund.

9.2 These carry interest at the rate ranging from 8.75% to 9.75% per annum and having maturity up to April 2026.

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Habib University Foundation

	Note	2017		2016
		----- (Rupees `000) -----		
10. ADVANCES--unsecured, considered good				
- Employees		-		100
- Suppliers		2,447		1,398
		2,447		1,498
11. DEPOSITS AND SHORT TERM PREPAYMENTS				
Security deposits		3,056		4,012
Prepayments				
- Insurance		6		8
		3,062		4,020
12. OTHER RECEIVABLES				
Considered good				
Due from related party	12.1	19,732		-
Due from projects		4,855		277
Miscellaneous		776		800
		25,363		1,077
Considered doubtful				
Benazir Bhutto Shaheed Youth Development Program		-		602
Less: Provision for doubtful receivables	12.2	-		(602)
		-		-
		25,363		1,077

12.1 Represents receivable from a donor against financial support provided to Habib University students.

12.2 This has been written off during the year.

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	Note	2017 ----- (Rupees `000) -----	2016 ----- (Rupees `000) -----
13. SHORT-TERM INVESTMENTS			
At fair value through profit or loss			
Quoted Shares			
Abbott Laboratories (Pakistan) Limited		8,318	-
Attock Cement Pakistan Limited		5,690	-
Adamjee Insurance Company Limited		9,058	-
Attock Petroleum Limited		10,963	-
Colgate Palmolive (Pakistan) Limited		368	-
Dolmen City REIT		10,367	-
D. G. Khan Cement Company Limited.		7,141	-
Engro Fertilizers Limited		9,280	-
EFU Life Insurance Limited		4,400	-
GlaxoSmithKline (Pakistan) Limited		7,325	-
Habib Bank Limited		14,372	-
HUB Power Company Limited		8,983	-
ICI Limited		7,005	-
IGI Insurance Limited		8,554	-
Jubilee Life Insurance Company Limited		7,636	-
Lucky Cement Limited		5,686	-
Mari Petroleum Company Limited		9,454	-
Meezan Bank Limited		6,794	-
Oil and Gas Development Corporation Limited		8,863	-
Searle Company Limited		6,758	-
Shifa International Hospitals Limited		1,353	-
Service Industries Limited		4,855	-
	13.1	<u>163,223</u>	-
Held to maturity			
Term Deposit Receipts		183,000	120,874
Accrued profit thereon		343	1,243
	13.2	<u>183,343</u>	<u>122,117</u>
		<u>346,566</u>	<u>122,117</u>

13.1 This represent investments made for Endowment Fund Rs. 163.22 million (2016: nil).

13.2 Represents term deposits receipts with Habib Metropolitan Bank Limited, a related party. These carry profit rates ranging from 5.25% to 5.9% (2016: profit rate of 6% to 6.4%) per annum and have a maturity of three months. This represents investments made for Endowment Fund Rs.60 million, Zakat Fund Rs.90 million and Scholarship Fund Rs.30 million (2016: Endowment Fund Rs.120.87 million, Zakat Fund Rs. nil and Scholarship Fund Rs. nil).

	Note	2017 ----- (Rupees `000) -----	2016 ----- (Rupees `000) -----
14. CASH AND BANK BALANCES			
Cash in hand:		8	10
With banks:			
- in deposit accounts	14.1	115,695	216,031
- in current accounts		105,283	12,328
		<u>220,978</u>	<u>228,359</u>
	14.2	<u>220,986</u>	<u>228,369</u>

14.1 Represents deposit accounts maintained with Habib Metropolitan Bank Limited, a related party, and carry profit at the rates ranging from 3.75% to 4.75% (2016: 4.5% to 5.5%) per annum.

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14.2 This includes following restricted balances:

Habib University Foundation

	Note	2017 ----- (Rupees `000) -----	2016 -----
Endowment Fund			
Zakat Fund		72,743	48,557
HU TOPS Fund		30,502	72,901
HU Scholarship Fund		-	56,189
HU Student Loan Fund		16,513	-
		81,794	11,565
		<u>201,552</u>	<u>189,212</u>
15. ENDOWMENT FUND			
Opening balance			
Contribution received during the year		554,833	435,241
Return on Term Deposit Receipts		593,181	143,463
Loss on investments at fair value through profit or loss		55,975	47,942
Administrative expenses		(17,399)	-
Disbursement during the year to Habib University		(697)	-
Closing balance		<u>(306,012)</u>	<u>(71,813)</u>
	15.1	<u>879,881</u>	<u>554,833</u>
15.1 Endowment Fund			
Represented by:			
Long term investment	9	583,915	384,159
Short term investment	13	223,223	122,117
Cash and bank balances	14.2	72,743	48,557
		<u>879,881</u>	<u>554,833</u>
16. ZAKAT FUND			
Opening balance			
Received during the year		72,901	29,848
Return on investments		116,805	81,670
Disbursement during the year to Habib University students		2,174	-
Closing balance		<u>(71,377)</u>	<u>(38,617)</u>
		<u>120,503</u>	<u>72,901</u>
17. HU SCHOLARSHIP FUND			
Opening balance			
Contribution during the year		-	-
Utilization of funds		167,561	-
Transfer from HU TOPS Fund		(159,407)	-
Closing balance		<u>38,358</u>	-
		<u>46,512</u>	-
18. HU STUDNENT LOAN FUND			
Opening balance			
Contribution during the year		-	-
Closing balance		<u>81,794</u>	-
		<u>81,794</u>	-

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Habib University Foundation

	Note	2017 ----- (Rupees `000) -----	2016 -----
19. SINKING FUND			
Opening balance.		596	-
Transfer (to)/ from general reserve		(596)	596
Closing balance		<u>-</u>	<u>596</u>
20. HU TOPS FUND			
Opening balance		56,189	-
Contribution during the year		2,920	56,990
Return on investments		1,149	-
Utilization of funds		(21,900)	(801)
Transfer to HU Scholarship Fund		(38,358)	-
Closing balance	20.1	<u>-</u>	<u>56,189</u>
20.1 Represents amount transferred to HU Scholarship fund for providing Scholarship / financial aid to deserving students.			
	Note	2017 ----- (Rupees `000) -----	2016 -----
21. NON-MONETARY GOVERNMENT GRANT			
Opening balance		3,986	7,402
Released to income during the year		(3,416)	(3,416)
		570	3,986
Current portion shown under current liabilities		(570)	(3,416)
Closing balance		<u>-</u>	<u>570</u>
22. TRADE AND OTHER PAYABLES			
Payable to suppliers and contractors		716	1,382
Retention money		-	27,983
Projects payable		29,299	14,084
Accrued liabilities		57,889	69,981
Provision for leave encashment	22.1	244	296
		<u>88,148</u>	<u>113,726</u>
22.1 Provision for leave encashment			
Opening balance		296	101
Charge for the year		24	281
Payment paid during the year		(76)	(86)
Closing balance		<u>244</u>	<u>296</u>
23. CONTINGENCIES AND COMMITMENTS			
23.1 Contingencies			
<p>During the year ended June 30, 2016 Cantonment Board Faisal (CBF) raised demand against property tax amounting to Rs. 4.7 million. The Foundation has appealed in the High Court against the decision and obtained injunction order against the demand until the resolution of the case. The management is confident that the decision will be made in its favor and accordingly no provision has been made in these financial statements.</p>			
23.2 Commitments			
<p>(i) Outstanding guarantee to a commercial bank for providing student loans to Habib University students by creating a lien on current account. The commercial bank has disbursed loans amounting to Rs.81.794 million (2016: Rs. 11.585 million).</p>			
<p>(ii) Commitments in respect of outstanding letters of credit for purchase of fixed assets amount to Rs. 5.6 million (2016: Rs. 5.85 million).</p>			

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Habib University Foundation

	2017 ----- (Rupees '000) ----- (Unaudited)	2016 ----- (Rupees '000) ----- (Audited)
24. Payable to Provident Fund	-	-
24.1. General disclosures		
Size of the fund	718	3,875
Cost of investments	596	3,772
Fair value of investments	718	3,800
Percentage of investments	100%	100%

24.1.1 Categories of investments as a percentage of total assets of provident fund:

	2017 (Unaudited)		2016 (Audited)	
	Rupees '000	(%)	Rupees '000	(%)
Bank deposits	596	100%	3,772	100%

Investments of provident fund have been made in accordance with the provisions of the section 227 of the repealed Companies Ordinance 1984, and the rules formulated for this purpose.

	General fund	Endowment fund	Restricted Funds	2017 Total	2016 Total
	----- (Rupees '000) -----				

25. DONATIONS / CONTRIBUTIONS

From related parties	95,388	516,933	289,954	902,275	755,800
Other corporate entities	-	76,248	79,126	155,374	159,915
	95,388	593,181	369,080	1,057,649	915,715

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Habib University Foundation

	General fund	Endowment fund	Restricted Funds	2017 Total	2016 Total
	----- (Rupees `000) -----				
25.1 From related parties					
Ali S. Habib	9,000	-	-	9,000	-
M. Asad Habib	24,538	-	-	24,538	-
Mohamedali Rafiq Habib	14,050	2,500	-	16,550	500
Meherafroze Habib	14,050	-	-	14,050	-
Muhammed H. Habib	14,050	-	-	14,050	46,978
Mohamedali Habib Welfare Trust	19,700	321,434	226,794	567,928	513,166
Indus Motor Company Limited	-	80,000	160	80,160	40,000
Auvitronics Limited	-	-	-	-	50,000
Soorly Enterprises (Private) Limited	-	-	30,000	30,000	20,000
Habib Education Trust	-	69,000	-	69,000	-
Hilton Pharma (Private) Limited	-	-	30,000	30,000	-
Habib Metropolitan Bank Limited	-	24,000	-	24,000	12,000
Thal Limited	-	14,999	-	14,999	6,000
Agriauto Industries Limited	-	5,000	-	5,000	-
Parvez Ghias	-	-	2,000	2,000	-
Towfiq Chnroy	-	-	1,000	1,000	-
Fazilat Hyder	-	-	-	-	6,144
Zubeida Hyder	-	-	-	-	9,667
Khadijah Hyder	-	-	-	-	8,888
Farah Fatimah	-	-	-	-	26,756
MHWT Limited	-	-	-	-	15,701
	95,388	516,933	289,954	902,275	755,800

26. OTHER INCOME

Profit on bank accounts	3,839	-	3,323	7,162	3,540
Return on Term Deposit Receipts	-	55,975	-	55,975	47,942
Gain on sale of fixed assets	1,102	-	-	1,102	-
Exchange gain	44	-	-	44	5
	4,985	55,975	3,323	64,283	51,487

Note
----- (Rupees `000) -----

27. DONATIONS TO RELATED PARTIES

Habib University	-	347,932
Children Foundation Trust	-	100
	-	348,032

28. PROGRAM AND ADMINISTRATIVE EXPENSES

Legal and professional charges		157	3,298
Project consultancy and development charges		200	528
Auditors' remuneration	28.1	550	480
Office expenses		1,706	-
		2,613	4,306

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	2017	2016
	----- (Rupees `000) -----	
28.1 Auditors' remuneration		
Audit fee	325	275
Fee for review of half yearly financial statements	175	150
Out of pocket expenses	50	55
	<u>550</u>	<u>480</u>

29. NET DEFICIT ON PROJECTS

	2017			2016		
	Income	Expenses	Net (Deficit)	Income	Expenses	Net (Deficit)
	----- (Rupees `000) -----			----- (Rupees `000) -----		
Institute for Advancing Careers and Talents	6,125	(21,477)	(15,352)	5,942	(16,993)	(11,051)
Youth Development Programs	43,902	(40,924)	2,978	9,836	(10,718)	(882)
Rupees	<u>50,027</u>	<u>(62,401)</u>	<u>(12,374)</u>	<u>15,778</u>	<u>(27,711)</u>	<u>(11,933)</u>

30. TAXATION

The Foundation has filed its return of income up to tax year 2016. The Foundation is a not-for-profit organization and its income was exempt from tax in terms of clauses (59) and (60), Part I of the Second Schedule to the Income Tax Ordinance, 2001 up to 30 June 2014. Through the Finance Act, 2013 and 2014, clauses (59) and (60) were deleted, however a corresponding section 100C was introduced wherein a similar exemption has been duly provided. Accordingly, no current tax provision has been made in the financial statements for the year.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Foundation's financial instruments are market risks, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

31.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rate and foreign exchange rates.

(i) Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to the changes in market interest rates. The Foundation is exposed to interest rate risk in respect of bank deposits, Pakistan Investment Bonds and term deposit receipts. Management of the Foundation estimates that 1% increase in the market interest rate, with all other factor remaining constant, would decrease the deficit / increase the surplus by Rs.0.96 million (2016:Rs. 0.79 million) and a 1% decrease would result in the increase / decrease in the Foundation's deficit / surplus by the same amount. However, in practice, the actual result may differ from the sensitivity analysis.

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(ii) Foreign currency risk

Foreign currency risk is the risk that the value of financial assets or financial liabilities will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Foundation's exposure to foreign currency risk is as follows:

	2017 USD	2016 USD
Bank Balances	<u>31,119</u>	<u>11,200</u>

The following significant exchange rates have been applied at the reporting dates:

	2017 Rupees	2016 Rupees
Closing Exchange Rates	<u>106.4</u>	<u>104.7</u>

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar's exchange rate, with all other variables held constant, of the Company's profit before tax and the Company's equity.

	Change in USD's rate	Effect on (Deficit) or Surplus	Effect on Funds
		--- (Rupees in '000) ---	
2017	+10%	<u>331</u>	<u>331</u>
	-10%	<u>(331)</u>	<u>(331)</u>
		--- (Rupees in '000) ---	
2016	+10%	<u>117</u>	<u>117</u>
	-10%	<u>(117)</u>	<u>(117)</u>

31.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Foundation's performance to developments affecting a particular industry.

The Foundation is exposed to credit risk mainly on short term investments and bank balances. The Foundation seeks to minimize the credit risk exposure through having exposure only to customers considered credit worthy and obtaining securities where applicable.

The table below provides the analysis of the credit quality of financial assets on the basis of external credit rating or the historical information about counter party default rates.

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Habib University Foundation

	2017	2016
	----- (Rupees `000) -----	
Bank balances		
Ratings		
A1+	220,391	227,772
A-1+	587	587
	<u>220,978</u>	<u>228,359</u>
Short term investments		
Ratings		
A1+	183,343	122,117
	<u>183,343</u>	<u>122,117</u>

31.3 Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulties in raising funds to meet commitments associated with financial instruments. The management of the Foundation believes that it is not exposed to any significant level of liquidity risk.

The management forecasts the liquidity of the Foundation on the basis of expected cash flow considering the level of liquid assets necessary to mitigate the liquidity risk.

	On demand	Less than 3 months	3 to 12 Months	Total
	----- (Rupees in `000) -----			
Trade and other payables - 2017	-	88,148	-	88,148
	<u>-</u>	<u>88,148</u>	<u>-</u>	<u>88,148</u>
	On demand	Less than 3 months	3 to 12 Months	Total
	----- (Rupees in `000) -----			
Trade and other payables - 2016	1,678	112,048	-	113,726
	<u>1,678</u>	<u>112,048</u>	<u>-</u>	<u>113,726</u>

32. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all other financial assets and liabilities reflected in the financial statements approximate their fair values:

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from their book value.

The table below analyses financial instruments carried at fair value by valuation method. The different level have been defined as follows:

- Quoted prices (unadjusted) in active markets for assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

	Level 1	Level 2	Level 3	Total
	----- (Rupees in `000) -----			
2017				
- Available for sale investments	418,571	-	-	-
	<u>418,571</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Level 1	Level 2	Level 3	Total
	----- (Rupees in `000) -----			
2016				
- Available for sale investments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

33. CAPITAL RISK MANAGEMENT

The Foundation's objectives when managing capital is to maintain an optimal capital structure to reduce the cost of capital. The Foundation is currently financing majority of its operations through funds and working capital. The capital structure of the Foundation is fund based with no financing through long term borrowings.

34. TRANSACTIONS WITH RELATED PARTIES

The related parties include members, entities having directors in common with the Foundation, directors and other key management personnel. The Foundation in normal course of business carries out transactions with various related parties, amount due from and due to related parties and amount due from executives are disclosed in the relevant notes to the financial statements. Other material transactions with related parties are given below:

Relationship	Nature of Transaction	2017	2016
		----- (Rupees `000) -----	
Common Directorship	Investments in term deposit receipts	<u>1,917,622</u>	<u>86,986</u>
Common Directorship	Encashment of term deposit receipts	<u>1,885,496</u>	<u>104,874</u>
Director	Contribution to restricted funds	<u>42,600</u>	<u>47,478</u>
Common Directorship	Contribution to restricted funds	<u>821,087</u>	<u>656,867</u>
Director's relative	Contribution to restricted funds	<u>38,588</u>	<u>51,455</u>
Common Directorship	Purchase of fixed assets	<u>-</u>	<u>3,661</u>
Common Directorship	Profit on bank deposits and term deposit receipts	<u>69,749</u>	<u>9,611</u>
Common Directorship	Insurance premium	<u>11,176</u>	<u>9,710</u>

35. REMUNERATION OF THE CHIEF EXECUTIVE AND DIRECTORS

	2017	2016
	----- (Rupees `000) -----	
Remuneration	-	-
Retirement benefits	-	-
Others	-	-
	<u>-</u>	<u>-</u>
Number of directors	<u>16</u>	<u>17</u>

No remuneration or benefits are paid to the Chief Executive and Directors of the Foundation.

36. NUMBER OF EMPLOYEES

Number of persons employed as at year end were 2 (2016: 2) and the average number of persons employed during the year were 2 (2016: 2).

37. GENERAL

37.1 Figures have been rounded off to the nearest thousand rupees.

37.2 Certain prior period figures have been reclassified or rearranged due to adoption of accounting standard for Not for Profit Organizations.

38. RECONCILIATION

Adoption of Accounting Standard for NPOs does not have any material impact on the Foundation's financial statements in the period of initial application. Therefore a reconciliation to its surplus or deficit in accordance with the Accounting Standard for NPOs is not provided.

39. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorized for issue on 18-09-17 by the Board of Directors of the Foundation. *AM*

AM

Chief Executive

[Signature]

Director