

**ALIF NOON PARENTS FOUNDATION  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022**

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF ALIF NOON PARENTS FOUNDATION**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements of **ALIF NOON PARENTS FOUNDATION** (the Company), which comprise the statement of financial position as at June 30, 2022, and income and expenditure statement, the statement of cash flows, the Statement of Changes in Funds & Reserves for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, income and expenditure statement, the statement of cash flows and the Statement of Changes in Funds & Reserves together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the surplus and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with 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 Company 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.

**Information Other than the Financial Statements and Auditors' Report thereon**

Management is responsible for the other information presented along with the financial statements and the auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines 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, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

## **Auditors' 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 auditors' 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company 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 the board of directors 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.

### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, income and expenditure statement, the statement of cash flows and the Statement of Changes in Funds & Reserves together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The Engagement partner on the audit resulting in this independent auditors' report is Nafees ud din.

LAHORE;  
UDIN: \_\_\_\_\_

**SHINEWING HAMEED CHAUDHRI & CO.,  
CHARTERED ACCOUNTANTS**

**Alif Noon Parents Foundation  
Statement of Financial Position  
As at June 30, 2022**

	Note	2022 ----- Rupees -----	2021
<b>Non-Current Assets</b>			
Property, plant and equipment	5	24,066,001	24,963,988
Intangibles	6	837,722	-
Long term investment	7	150,000,000	38,808,950
		<u>174,903,723</u>	<u>63,772,938</u>
<b>Current Assets</b>			
Inventories	8	235,593	303,877
Advance and other receivables	9	852,502	1,472,531
Tax deducted at source		1,998,512	1,972,113
Cash and bank balances	10	29,109,297	119,140,035
		<u>32,195,904</u>	<u>122,888,556</u>
<b>Current Liabilities</b>			
Trade and other payables	11	4,349,786	2,159,710
		<u>27,846,118</u>	<u>120,728,846</u>
<b>Total Assets less Current Liabilities</b>		<u>202,749,841</u>	<u>184,501,784</u>
<b>Non-Current Liability</b>			
Students security deposits		1,323,000	1,131,000
Deferred income relating to fixed capital expenditure	12	154,149,667	140,368,938
<b>Contingencies and Commitments</b>	13		
<b>Capital Employed</b>		<u>47,277,174</u>	<u>43,001,846</u>
<b>Represented by:</b>			
<b>Funds and Reserves</b>			
Capital fund		3,000,000	3,000,000
General fund		44,277,174	40,001,846
		<u>47,277,174</u>	<u>43,001,846</u>

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

Chief Executive

SHC

Director

**Alif Noon Parents Foundation  
Income & Expenditure Statement  
For the year ended June 30, 2022**

	Note	2022 ----- Rupees -----	2021
Income	14	32,731,174	26,559,135
Operating expenses			
- educational programme expenses	15.1	(25,230,414)	(22,412,242)
- administrative expenditures	15.2	(9,522,648)	(7,404,428)
		<b>(34,753,062)</b>	<b>(29,816,670)</b>
<b>Operating deficit for the year</b>		<b>(2,021,888)</b>	<b>(3,257,535)</b>
Other income	16	6,297,216	6,278,094
		<b>4,275,328</b>	<b>3,020,559</b>
Bank charges		-	(2,378)
<b>Surplus for the year</b>		<b>4,275,328</b>	<b>3,018,181</b>

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

SHC

Chief Executive

Director

**Alif Noon Parents Foundation**  
**Statement of Cash Flow**  
**For the year ended June 30, 2022**

	2022	2021
	----- Rupees -----	
<b>Cash flow from operating activities</b>		
Surplus for the year	4,275,328	3,018,181
Adjustments for non-cash charges and other items:		
Depreciation	3,756,394	2,425,965
Amortization	262,822	-
Finance cost	-	2,378
<b>Surplus before working capital changes</b>	<b>8,294,544</b>	<b>5,446,524</b>
<b>Effect on cash flow due to working capital changes</b>		
Decrease / (increase) in current assets:		
Inventories	68,284	(22,870)
Advance and other receivables	620,029	(393,330)
Increase / (decrease) in trade and other payables	2,190,076	(127,116)
	<b>2,878,389</b>	<b>(543,316)</b>
<b>Cash generated from operations</b>	<b>11,172,933</b>	<b>4,903,208</b>
Income tax paid	(26,399)	(422,791)
Students security deposits received	192,000	160,000
Deferred income relating to fixed capital expenditure	13,780,729	9,026,912
<b>Net cash generated from operating activities</b>	<b>25,119,263</b>	<b>13,667,329</b>
<b>Cash flow from investing activities</b>		
Operating fixed assets	(2,858,407)	(5,984,145)
Intangibles Asset	(1,100,544)	-
Long term investment	(111,191,050)	(1,533,817)
<b>Net cash used in investing activities</b>	<b>(115,150,001)</b>	<b>(7,517,962)</b>
<b>Net cash flow from financing activities</b>		
Finance cost paid	-	(2,378)
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(90,030,738)</b>	<b>6,146,989</b>
<b>Cash and cash equivalents - at beginning of the year</b>	<b>119,140,035</b>	<b>112,993,046</b>
<b>Cash and cash equivalents - at end of the year</b>	<b>29,109,297</b>	<b>119,140,035</b>

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

Chief Executive

SHC

Director

**Alif Noon Parents Foundation**  
**Statement of Changes in Funds & Reserves**  
**For the year ended June 30, 2022**

	Capital Fund	General Fund	Surplus of Income over expenditure	Total
	----- Rupees -----			
Balance as at July 01, 2020	3,000,000	36,983,665	-	39,983,665
Surplus of income over expenditure for the year	-	-	3,018,181	3,018,181
Transfer of surplus for the year to general fund	-	3,018,181	(3,018,181)	-
<b>Balance as at June 30, 2021</b>	<b>3,000,000</b>	<b>40,001,846</b>	<b>-</b>	<b>43,001,846</b>
Surplus of income over expenditure for the year	-	-	4,275,328	4,275,328
Transfer of surplus for the year to general fund	-	4,275,328	(4,275,328)	-
<b>Balance as at June 30, 2022</b>	<b>3,000,000</b>	<b>44,277,174</b>	<b>-</b>	<b>47,277,174</b>

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

Chief Executive

SHC

Director



**Alif Noon Parents Foundation**  
**Notes to The Financial Statements**  
**For the year ended June 30, 2022**

**1. LEGAL STATUS AND ITS OPERATIONS**

Alif Noon Parents Foundation (the Company) was incorporated in Pakistan on March 27, 2015 as a Company limited by Guarantee and not having share capital set up under Section 42 of the Companies Ordinance, 1984 (Now the Companies Act, 2017). The principal objectives of the Company are to promote and establish educational institutions.

The Company's first project, KPSS Secondary School - Saigolabad, which started its operations on March 21, 2016, is managed by The Makkah Foundation, a society registered under the Societies Registration Act, 1860.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for Small-Sized Entities and Accounting standard for Non Profit Organisation (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Ordinance. In case requirements differ, the provisions or directives of the Ordinance shall prevail.

**2.2 Basis of measurement**

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

**2.3 Functional and presentation currency**

These financial statements are presented in Pak Rupees, which is also the Company's functional currency. All financial information presented in Pak Rupees has been rounded to the nearest Rupee.

**3. USE OF ESTIMATES AND JUDGMENTS**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

**3.1 Operating fixed assets**

The Company reviews appropriateness of the rates of depreciation, useful lives and residual values for calculation of depreciation on an on-going basis. Further, where applicable, an estimate of recoverable amount of asset is made if indicator of impairment is identified.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted in the preparation of these financial statements are set-out below.

**4.1 Operating fixed assets**

Operating fixed assets are stated at cost less accumulated depreciation and any identified impairment loss.

Depreciation is taken to statement of profit and loss account applying reducing balance method except for solar system. Depreciation on solar system is charged to the statement of profit or loss using straight line method so as to write-off the depreciable amount of an asset over its remaining useful life at the rates stated in note 5. The assets' residual values and useful lives are reviewed at each financial year-end and adjusted if impact on depreciation is significant. Depreciation on additions to operating fixed assets is charged from the month in which an asset is acquired or capitalised while no depreciation is charged for the month in which the asset is disposed-off.

Normal repairs and replacements are taken to profit and loss account. Major improvements and modifications are capitalised and assets replaced, if any, other than those kept as stand-by, are retired.

Gain / loss on disposal of operating fixed assets, if any, is taken to profit and loss account.

#### **4.2 Intangible assets and amortisation thereon**

Expenditures incurred to acquire computer software and website development are capitalised as intangible assets and stated at cost less accumulated amortisation. Amortisation is taken to statement of profit or loss, applying straight-line method to amortise the cost of intangible assets over their estimated useful life. Rate of amortisation is stated in note 6.

#### **4.3 Inventories**

These are valued at average cost.

Any receipt from the students against issued inventory items are net off with store consumptions and net amount is taken to profit and loss account.

#### **4.4 Receivables**

Receivables are carried at original fee bill amounts less an estimate for doubtful receivables based on review of outstanding amounts at the period-end. Doubtful receivable balances are written-off when identified.

#### **4.5 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 consist of cash-in-hand and bank balances.

#### **4.6 Trade and other payables**

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

#### **4.7 Provisions**

Provisions are recognised when the Company has a present 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 can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

#### **4.8 Taxation**

The Company is Non Profit Organisation under the definition of section 2(36)(c) of the Income Tax Ordinance, 2001 and its income is exempt from tax under section 100C of the Income Tax Ordinance, 2001.

#### **4.9 Revenue recognition**

- Donations for school operations are recognised as income on receipt basis.
- Specific donations related to fixed capital expenditure e.g. for building schools, received in cash, are recognised as deferred income and amortized over the useful lives of assets.
- Tuition fees are recognised when the services are rendered and the related fees from students are received .
- Registration fees are recognised on 'receipt basis'.
- Return on bank deposits and other income are accounted for on 'receipt basis'.

## 5. PROPERTY, PLANT &amp; EQUIPMENTS

	Note	2022 --- Rupees ---	2021
Operating fixed assets	5.1	24,066,001	20,963,988
Capital work-in-progress - advance for building improvements on leasehold land		-	4,000,000
		<b>24,066,001</b>	<b>24,963,988</b>

## 5.1 Operating fixed assets

	Leasehold Building improvements	Generator	Computers and appliances	Office equipments	Electric installations	Furniture and fixtures	Books and periodicals	Laboratory equipments	Arms and Ammunations	Vehicles	Solar system	Total
	----- Rupees -----											
Cost												
Balance as at July 01, 2020	6,260,227	2,023,000	1,727,970	1,439,221	519,559	7,021,862	621,432	27,241	103,209	3,646,250	2,300,000	25,689,971
Additions during the year	-	-	402,900	-	-	96,500	-	-	-	5,484,745	-	5,984,145
Balance as at June 30, 2021	6,260,227	2,023,000	2,130,870	1,439,221	519,559	7,118,362	621,432	27,241	103,209	9,130,995	2,300,000	31,674,116
Depreciation												
Balance as at July 01, 2020	1,646,747	817,381	601,444	471,996	169,139	2,063,696	142,530	15,988	46,957	2,269,951	38,333	8,284,163
Charge for the year	461,348	120,562	142,206	96,723	35,042	501,446	47,890	2,813	8,438	549,497	460,000	2,425,965
Balance as at June 30, 2021	2,108,095	937,943	743,650	568,719	204,181	2,565,142	190,420	18,801	55,395	2,819,448	498,333	10,710,128
Cost												
Balance as at July 01, 2021	6,260,227	2,023,000	2,130,870	1,439,221	519,559	7,118,362	621,432	27,241	103,209	9,130,995	2,300,000	31,674,116
Additions during the year	4,000,000	-	272,000	99,450	-	2,486,957	-	-	-	-	-	6,858,407
Balance as at June 30, 2022	10,260,227	2,023,000	2,402,870	1,538,671	519,559	9,605,319	621,432	27,241	103,209	9,130,995	2,300,000	38,532,523
Depreciation												
Balance as at July 01, 2021	2,108,095	937,943	743,650	568,719	204,181	2,565,142	190,420	18,801	55,395	2,819,448	498,333	10,710,128
Charge for the year	815,213	108,506	443,367	90,365	31,538	492,713	43,101	2,110	7,172	1,262,309	460,000	3,756,394
Balance as at June 30, 2022	2,923,308	1,046,449	1,187,017	659,084	235,719	3,057,855	233,521	20,911	62,567	4,081,757	958,333	14,466,522
Book value as at												
June 30, 2021	4,152,132	1,085,057	1,387,220	870,502	315,378	4,553,220	431,012	8,440	47,814	6,311,547	1,801,667	20,963,988
Book value as at												
June 30, 2022	7,336,919	976,551	1,215,853	879,587	283,840	6,547,464	387,911	6,330	40,642	5,049,238	1,341,667	24,066,001
Depreciation rate (%)	10	10	30	10	10	10	10	25	15	20	20	

- 5.2. The management of the Company, during the year, carried out an internal exercise to ascertain the useful life of computers and appliance. Keeping in consideration the assessed useful life of these depreciable assets, the depreciation rate has been increased to 30% per annum from 10% per annum. The aforementioned revision has been accounted for as change in accounting estimates in accordance with the requirements of IAS 8 (Accounting policies, changes in accounting estimates and errors). The effect of this change in accounting estimate has been recognised prospectively in the Income & Expenditure Statement of the current year. Had there been no revision, surplus for year and the carrying value of operating fixed assets would have been higher by Rs.295,577.

6. INTANGIBLE ASSETS	Note	2022	2021
		--- Rupees ---	
This represent computer accounting software			
<b>Net carrying value as at July 1,</b>			
Opening net book value		-	-
Addition during the year		1,100,544	-
Amortization for the year		262,822	-
<b>Net book value as at June 30,</b>		<u>837,722</u>	<u>-</u>
<b>Gross carrying value as at June 30,</b>			
Cost	6.1	1,150,544	-
Accumulated amortization		312,822	-
<b>Net book value</b>		<u>837,722</u>	<u>-</u>
<b>Amortisation rate</b> (% per annum)		<u>33</u>	<u>-</u>

- 6.1. This include fully amortised intangible asset having net book value of Rs. Nil and cost of Rs. 50,000.

7. LONG TERM INVESTMENT	Note	2022	2021
		--- Rupees ---	
Investment - at cost	7.1	33,717,987	33,717,987
Add: un-winding effect		3,782,013	3,731,588
		<u>37,500,000</u>	<u>37,449,575</u>
Add: accrued mark-up		-	1,359,375
Less : matured / encashed during the year		(37,500,000)	-
		<u>-</u>	<u>38,808,950</u>
GOP Ijarah Sukuk Investment - at cost	7.2	150,000,000	-
		<u>150,000,000</u>	<u>38,808,950</u>

- 7.1. The Company during the year ended June 30, 2019 made investment in three years Pakistan Investment Bond (PIBs) having face value of Rs.37.500 million. This investment carries mark-up at the coupon rate of 7.25% per annum. The investment matured during the year.

- 7.2. The Company during the year made investment in five years GOP Ijarah Sukuk having face value of Rs.150 million. This investment carries mark-up at the coupon rate of 11.40% per annum.

8. INVENTORIES	Note	2022	2021
		--- Rupees ---	
Syllabus books		13,249	5,789
Stationery		77,669	64,718
Uniforms		144,675	222,570
Prospectus		-	10,800
		<u>235,593</u>	<u>303,877</u>
<b>9. ADVANCE AND OTHER RECEIVABLES</b>			
- unsecured, considered good			
Advance to suppliers		760,787	1,393,331
Receivable from student		12,515	-
Security deposits		79,200	79,200
		<u>852,502</u>	<u>1,472,531</u>
<b>10. CASH AND BANK BALANCES</b>			
Cash at bank on:			
- current accounts		15,020,949	7,242,629
- saving accounts	10.1	14,088,348	11,897,406
- term deposit receipts	10.2	-	100,000,000
		<u>29,109,297</u>	<u>119,140,035</u>
<b>10.1</b>	These carry profit at the rate of 5.5% to 12.25% (2021: 5.5%) per annum.		
<b>10.2</b>	These carry profit at the rates ranging from 6.24% to 9.10% (2021: 6% to 6.53%) per annum.		
<b>11. TRADE AND OTHER PAYABLES</b>		2022	2021
		--- Rupees ---	
	Note		
Accrued expenses		2,147,923	1,806,849
Tax deducted at source		32,375	6,468
Employees provident fund		89,416	78,696
Other payables		1,709,679	2,652
Advance from Students		246,045	265,045
Security deposit		124,348	-
		<u>4,349,786</u>	<u>2,159,710</u>
<b>12. DEFERRED INCOME RELATING TO FIXED CAPITAL EXPENDITURE</b>			
Opening balance		140,368,938	131,342,026
Add: - donations received during the year	12.2	9,500,000	7,300,000
- profit on funds invested in term deposit receipts		8,037,123	4,152,877
		<u>157,906,061</u>	<u>142,794,903</u>
Less: amortization of income (depreciation for the year)		<u>(3,756,394)</u>	<u>(2,425,965)</u>
		<u>154,149,667</u>	<u>140,368,938</u>

12.1 These represent specific donations received for capital expenditure on the Company's project - KPSS Secondary School.

12.2 These include Rs. Nil thousand (2021: Rs.800 thousand) as donations received from Mr. Ashraf Nawabi (Director of the Company).

### 13. CONTINGENCIES AND COMMITMENTS

There were no significant contingencies and commitments as at June 30, 2022 and 2021.

14. INCOME	Note	2022	2021
		--- Rupees ---	
From donations:			
- received from directors	14.1	2,070,000	2,105,000
- received from local sources		5,200,000	2,450,000
From project:			
- tuition fee		19,884,280	18,011,670
- registration fee		93,000	67,500
- annual dues		1,442,500	1,257,500
- admission fee		285,000	241,500
		21,704,780	19,578,170
Amortization of deferred income	12	3,756,394	2,425,965
		<u>32,731,174</u>	<u>26,559,135</u>

14.1 These include donations amounted Rs.1,470 thousand (2021: Rs.1,505 thousand) and Rs.600 thousand (2021: Rs.600 thousand) received from Mr. Ashraf Nawabi and Mr. Khalid Imran respectively (Directors of the Company).

### 15. OPERATING EXPENSES

15. OPERATING EXPENSES	Note	2022	2021
		--- Rupees ---	
<b>15.1 Educational Programme Expenses</b>			
Salaries and benefits		15,118,256	13,568,618
Repair and maintenance		589,301	1,970,517
Travelling and conveyance		260,688	199,454
Rent rate and taxes		70,759	68,385
Printing and stationery		274,726	225,326
Students relief		6,819,650	6,047,828
Others		2,097,034	332,114
		<u>25,230,414</u>	<u>22,412,242</u>
<b>15.2 Administrative Expenditures</b>			
Salaries and benefits		2,429,249	1,910,513
Power and fuel		1,257,932	569,148
Utilities		3,873	129,267
Communication		136,178	124,678
Depreciation	5	3,756,394	2,425,965
Amortization	6	262,822	-
Legal and professional charges		816,997	676,026
Advertisement		12,485	98,684
Auditors' remuneration	15.3.	328,250	275,000
Others		518,468	1,195,147
		<u>9,522,648</u>	<u>7,404,428</u>

**15.3 Audit Remuneration**

	2022	2021
	- - - Rupees - - -	
- statutory audit fee (including audit fee of project)	305,000	265,000
- out of pocket expenses	10,000	10,000
Prior year under provision	13,250	-
	<u>328,250</u>	<u>275,000</u>

**16. OTHER INCOME**

Profit on saving accounts	4,550,078	1,415,941
Mark-up on long term investment	-	2,718,750
Un-winding effect of long term investment	50,425	1,533,817
Net income from the sale of syllabus books	253,873	129,586
Transportation fee received from students	1,421,700	480,000
Scrap sale	21,140	-
	<u>6,297,216</u>	<u>6,278,094</u>

**17. TRANSACTIONS WITH RELATED PARTIES**

The related parties of the Company comprise of associated undertakings, its directors and key management personnel. No transactions were executed during the year except for the receipt of donations from two director's of the Company as stated in note 12.2 and 14.1 to the financial statements.

**18. NUMBER OF EMPLOYEES**

	2022	2021
Number of employees as at June 30,	<u>57</u>	<u>57</u>
Average number of employees during the year	<u>57</u>	<u>56</u>

**19. DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on  
of directors of the Company.

by the board

**20. FIGURES**

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison; however, no material re-arrangements have been made in these financial statements.

SHC

Chief Executive

Director