

**ALIF NOON PARENTS FOUNDATION  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**SHINEWING HAMEED CHAUDHRI & CO.  
C H A R T E R E D   A C C O U N T A N T S**

**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, 2023, 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, 2023 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.

**Principal Office:**  
HM House  
7-Bank Square, Lahore.  
Tel: +92 42 37235084-87  
Email: lhr@hccpk.com

**Other Offices:**  
Karachi, Islamabad & Multan

### **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; OCTOBER 06, 2023  
UDIN: AR202310195gCufyz743

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

**Alif Noon Parents Foundation  
Statement of Financial Position  
As at June 30, 2023**

	Note	2023 ---- Rupees ----	2022
<b>Non-Current Assets</b>			
Property, plant and equipment	5	23,512,888	24,066,001
Intangibles	6	470,874	837,722
Long term investment	7	168,000,000	150,000,000
		<u>191,983,762</u>	<u>174,903,723</u>
<b>Current Assets</b>			
Inventories	8	279,658	235,593
Advance and other receivables	9	130,332	852,502
Tax deducted at source		3,749,764	1,998,512
Cash and bank balances	10	45,201,201	29,109,297
		<u>49,360,955</u>	<u>32,195,904</u>
<b>Current Liabilities</b>			
Trade and other payables	11	1,643,064	4,349,786
		<u>47,717,891</u>	<u>27,846,118</u>
<b>Total Assets less Current Liabilities</b>		<u>239,701,653</u>	<u>202,749,841</u>
<b>Non-Current Liability</b>			
Students security deposits		1,515,000	1,323,000
Deferred income relating to fixed capital expenditure	12	188,863,438	154,149,667
<b>Contingencies and Commitments</b>	13		
<b>Capital Employed</b>		<u>49,323,215</u>	<u>47,277,174</u>
<b>Represented by:</b>			
<b>Funds and Reserves</b>			
Capital fund		3,000,000	3,000,000
General fund		46,323,215	44,277,174
		<u>49,323,215</u>	<u>47,277,174</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, 2023**

	Note	2023 ----- Rupees -----	2022
Income	14	39,616,291	32,731,174
Operating expenses			
- educational programme expenses	15.1	(34,706,438)	(29,256,411)
- administrative expenditures	15.2	(6,156,544)	(5,496,651)
		<u>(40,862,982)</u>	<u>(34,753,062)</u>
<b>Operating deficit for the year</b>		<b>(1,246,691)</b>	<b>(2,021,888)</b>
Other income	16	3,293,486	6,297,216
		<u>2,046,795</u>	<u>4,275,328</u>
Bank charges		(754)	-
<b>Surplus for the year</b>		<b><u>2,046,041</u></b>	<b><u>4,275,328</u></b>

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

Chief Executive

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Director

**Alif Noon Parents Foundation**  
**Statement of Cash Flow**  
**For the year ended June 30, 2023**

	2023	2022
	----- Rupees -----	
<b>Cash flow from operating activities</b>		
Surplus for the year	2,046,041	4,275,328
Adjustments for non-cash charges and other items:		
Depreciation	3,548,471	3,756,394
Amortization	366,848	262,822
Finance cost	754	-
<b>Surplus before working capital changes</b>	<u>5,962,114</u>	<u>8,294,544</u>
<b>Effect on cash flow due to working capital changes</b>		
(Increase) / decrease in current assets:		
Inventories	(44,065)	68,284
Advance and other receivables	722,170	620,029
(Decrease) / increase in trade and other payables	(2,706,722)	2,190,076
	<u>(2,028,617)</u>	<u>2,878,389</u>
<b>Cash generated from operations</b>	<u>3,933,497</u>	<u>11,172,933</u>
Income tax paid	(1,751,252)	(26,399)
Students security deposits received	192,000	192,000
Deferred income relating to fixed capital expenditure	34,713,771	13,780,729
<b>Net cash generated from operating activities</b>	<u>37,088,016</u>	<u>25,119,263</u>
<b>Cash flow from investing activities</b>		
Operating fixed assets	(2,995,358)	(2,858,407)
Intangibles Asset	-	(1,100,544)
Long term investment	(18,000,000)	(111,191,050)
<b>Net cash used in investing activities</b>	<u>(20,995,358)</u>	<u>(115,150,001)</u>
<b>Net cash flow from financing activities</b>		
Finance cost paid	(754)	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>16,091,904</u>	<u>(90,030,738)</u>
<b>Cash and cash equivalents - at beginning of the year</b>	<u>29,109,297</u>	<u>119,140,035</u>
<b>Cash and cash equivalents - at end of the year</b>	<u>45,201,201</u>	<u>29,109,297</u>

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

Chief Executive

SHC

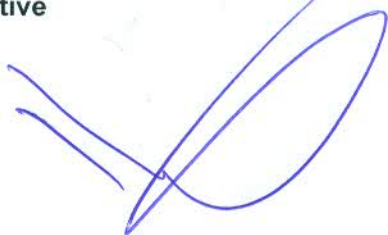
Director

**Alif Noon Parents Foundation**  
**Statement of Changes in Funds & Reserves**  
**For the year ended June 30, 2023**

	Capital Fund	General Fund	Surplus of Income over expenditure	Total
	----- Rupees -----			
Balance as at July 01, 2021	3,000,000	40,001,846	-	43,001,846
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>
Surplus of income over expenditure for the year	-	-	2,046,041	2,046,041
Transfer of surplus for the year to general fund	-	2,046,041	(2,046,041)	-
<b>Balance as at June 30, 2023</b>	<b>3,000,000</b>	<b>46,323,215</b>	<b>-</b>	<b>49,323,215</b>

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

Chief Executive



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Director



**Alif Noon Parents Foundation  
Notes to The Financial Statements  
For the year ended June 30, 2023**

**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 & EQUIPMENTS**

	Note	2023 --- Rupees ---	2022
Operating fixed assets	5.1	<u>23,512,888</u>	<u>24,066,001</u>

**5.1 Operating fixed assets**

	Leasehold Building imp- vements	Generator	Computers and appliances	Office equipments	Electric installations	Furniture and fixtures	Books and periodicals	Laboratory equipments	Arms and Ammunations	Vehicles	Solar system	Total
	----- Rupees -----											
<b>Cost</b>												
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	<u>10,260,227</u>	<u>2,023,000</u>	<u>2,402,870</u>	<u>1,538,671</u>	<u>519,559</u>	<u>9,605,319</u>	<u>621,432</u>	<u>27,241</u>	<u>103,209</u>	<u>9,130,995</u>	<u>2,300,000</u>	<u>38,532,523</u>
<b>Depreciation</b>												
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	<u>2,923,308</u>	<u>1,046,449</u>	<u>1,187,017</u>	<u>659,084</u>	<u>235,719</u>	<u>3,057,855</u>	<u>233,521</u>	<u>20,911</u>	<u>62,567</u>	<u>4,081,757</u>	<u>958,333</u>	<u>14,466,522</u>
<b>Cost</b>												
Balance as at July 01, 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
Additions during the year	2,995,358	-	-	-	-	-	-	-	-	-	-	2,995,358
Balance as at June 30, 2023	<u>13,255,585</u>	<u>2,023,000</u>	<u>2,402,870</u>	<u>1,538,671</u>	<u>519,559</u>	<u>9,605,319</u>	<u>621,432</u>	<u>27,241</u>	<u>103,209</u>	<u>9,130,995</u>	<u>2,300,000</u>	<u>41,527,881</u>
<b>Depreciation</b>												
Balance as at July 01, 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
Charge for the year	798,653	97,655	364,756	87,959	28,384	654,746	38,791	1,583	6,096	1,009,848	460,000	3,548,471
Balance as at June 30, 2023	<u>3,721,961</u>	<u>1,144,104</u>	<u>1,551,773</u>	<u>747,043</u>	<u>264,103</u>	<u>3,712,601</u>	<u>272,312</u>	<u>22,494</u>	<u>68,663</u>	<u>5,091,605</u>	<u>1,418,333</u>	<u>18,014,993</u>
<b>Book value as at</b>												
June 30, 2022	<u>7,336,919</u>	<u>976,551</u>	<u>1,215,853</u>	<u>879,587</u>	<u>283,840</u>	<u>6,547,464</u>	<u>387,911</u>	<u>6,330</u>	<u>40,642</u>	<u>5,049,238</u>	<u>1,341,667</u>	<u>24,066,001</u>
<b>Book value as at</b>												
June 30, 2023	<u>9,533,624</u>	<u>878,896</u>	<u>851,097</u>	<u>791,628</u>	<u>255,456</u>	<u>5,892,718</u>	<u>349,120</u>	<u>4,747</u>	<u>34,546</u>	<u>4,039,390</u>	<u>881,667</u>	<u>23,512,888</u>
<b>Depreciation rate (%)</b>												
	10	10	30	10	10	10	10	25	15	20	20	

		2023	2022
		--- Rupees ---	
<b>5.2</b>	<b>Depreciation charge has been allocated as follows:</b>		
	Educational programme expenses	1,909,458	2,249,597
	Administrative expenditures	1,639,013	1,506,797
		<u>3,548,471</u>	<u>3,756,394</u>
<b>6.</b>	<b>INTANGIBLE ASSETS</b>		
	This represent computer accounting software.		
	<b>Net carrying value as at July 1,</b>		
	Opening net book value	837,722	-
	Addition during the year	-	1,100,544
	Amortization for the year	366,848	262,822
	<b>Net book value as at June 30,</b>	<u>470,874</u>	<u>837,722</u>
	<b>Gross carrying value as at June 30,</b>		
	Cost	1,150,544	1,150,544
	Accumulated amortization	679,670	312,822
	<b>Net book value</b>	<u>470,874</u>	<u>837,722</u>
	<b>Amortisation rate</b> (% per annum)	<u>33</u>	<u>33</u>
6.1.	This include fully amortised intangible asset having net book value of Rs. Nil and cost of Rs. 50,000.		
<b>7.</b>	<b>LONG TERM INVESTMENT</b>		
		2023	2022
		--- Rupees ---	
7.1	Investment - at cost	-	33,717,987
	Add: un-winding effect	-	3,782,013
		-	37,500,000
	Less : matured / encashed during the year	-	(37,500,000)
		<u>-</u>	<u>-</u>
7.1.1	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 preceding year.		
<b>7.2</b>	<b>GOP ijarah sukuk investment - at cost</b>	2023	2022
		--- Rupees ---	
	Opening balance	150,000,000	150,000,000
	Add: Investment made during the year	18,000,000	-
	Closing balance	<u>168,000,000</u>	<u>150,000,000</u>
7.2.1	The Company has made investment in five years GOP Ijarah Sukuk having face value of Rs.168 million. This investment carries mark-up at the coupon rate ranging from 11.40% to 15.69% (2022: at the rate of 11.40%) per annum.		
<b>8.</b>	<b>INVENTORIES</b>	2023	2022
		--- Rupees ---	
	Syllabus books	25,623	13,249
	Stationery	174,025	77,669
	Uniforms	80,010	144,675
		<u>279,658</u>	<u>235,593</u>

9. ADVANCE AND OTHER RECEIVABLES		2023	2022
- unsecured, considered good	Note	--- Rupees ---	
Advance to suppliers		18,720	760,787
Receivable from student		32,412	12,515
Security deposits		79,200	79,200
		<u>130,332</u>	<u>852,502</u>
<b>10. CASH AND BANK BALANCES</b>			
Cash at bank on:			
- current accounts		17,074,113	15,020,949
- saving accounts	10.1	3,127,088	14,088,348
- term deposit receipts	10.2	25,000,000	-
		<u>45,201,201</u>	<u>29,109,297</u>
<b>10.1</b> These carry profit at the rates ranging from 12.25% to 19.50% (2022: 5.5% to 12.25%) per annum.			
<b>10.2</b> These carry profit at the rate of 19.70% (2022: 6.24% to 9.10%) per annum.			
<b>11. TRADE AND OTHER PAYABLES</b>			
		2023	2022
		--- Rupees ---	
Accrued expenses		1,092,634	2,147,923
Tax deducted at source		-	32,375
Employees provident fund		-	89,416
Other payables		95,550	1,709,679
Advance from students		454,880	246,045
Security deposit		-	124,348
		<u>1,643,064</u>	<u>4,349,786</u>
<b>12. DEFERRED INCOME RELATING TO FIXED CAPITAL EXPENDITURE</b>			
Opening balance		154,149,667	140,368,938
Add: - donations received during the year		20,000,000	9,500,000
- profit on funds invested in ijarah sukuk		18,262,242	8,037,123
		<u>192,411,909</u>	<u>157,906,061</u>
Less: amortization of income (depreciation for the year)		<u>(3,548,471)</u>	<u>(3,756,394)</u>
		<u>188,863,438</u>	<u>154,149,667</u>
<b>12.1</b> These represent specific donations received for capital expenditure on the Company's project - KPSS Secondary School.			
<b>13. CONTINGENCIES AND COMMITMENTS</b>			
There were no significant contingencies and commitments as at June 30, 2023 and 2022.			

14. INCOME	Note	2023	2022
--- Rupees ---			
From donations:			
- received from directors	14.1	3,230,000	2,070,000
- received from others (local sources)		6,650,000	5,200,000
From project:			
- tuition fee		24,078,020	19,884,280
- registration fee		111,000	93,000
- annual dues		1,682,500	1,442,500
- admission fee		316,300	285,000
		26,187,820	21,704,780
Amortization of deferred income	12	3,548,471	3,756,394
		<u>39,616,291</u>	<u>32,731,174</u>
<b>14.1</b>	These include donations amounted Rs.2,630 thousand (2022: Rs.1,470 thousand) and Rs.600 thousand (2022: Rs.600 thousand) received from Mr. Ashraf Nawabi and Mr. Khalid Imran respectively (Directors of the Company).		
15. OPERATING EXPENSES	Note	2023	2022
--- Rupees ---			
<b>15.1 Educational Programme Expenses</b>			
Salaries and benefits		18,871,058	15,118,256
Repair and maintenance		938,818	589,301
Power and fuel		2,105,471	1,257,932
Travelling and conveyance		247,535	260,688
Rent rate and taxes		139,599	70,759
Printing and stationery		373,627	274,726
Depreciation	5.2	1,909,458	2,249,597
Students relief		7,942,350	6,819,650
Others		1,417,735	2,615,502
Advances written off		760,787	-
		<u>34,706,438</u>	<u>29,256,411</u>
<b>15.2 Administrative Expenditures</b>			
Salaries and benefits		2,604,983	2,429,249
Utilities		1,242	3,873
Communication		161,377	136,178
Depreciation	5.2	1,639,013	1,506,797
Amortization	6	366,848	262,822
Legal and professional charges		991,906	816,997
Advertisement		13,650	12,485
Auditors' remuneration	15.3	377,525	328,250
		<u>6,156,544</u>	<u>5,496,651</u>

**15.3 Audit Remuneration**

	2023	2022
	--- Rupees ---	
- statutory audit fee (including audit fee of project)	352,275	305,000
- out of pocket expenses	10,000	10,000
Prior year under provision	15,250	13,250
	<u>377,525</u>	<u>328,250</u>

**16. OTHER INCOME**

Profit on saving accounts	832,441	4,550,078
Un-winding effect of long term investment	-	50,425
Net income from the sale of syllabus books	419,495	253,873
Transportation fee received from students	2,031,800	1,421,700
Scrap sale	9,750	21,140
	<u>3,293,486</u>	<u>6,297,216</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 Mr. Khalid Imran & Mr. Ashraf Nawabi as stated in note 14.1 to the financial statements.

**18. NUMBER OF EMPLOYEES**

	2023	2022
Number of employees as at June 30,	<u>66</u>	<u>57</u>
Average number of employees during the year	<u>62</u>	<u>57</u>

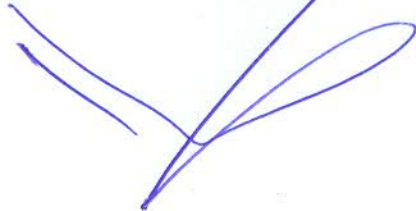
**19. DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on **05 OCT 2023** by the board of directors of the Company.

**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.

Chief Executive



SHC

 2023.10.05  
 Director