

Khalid Majid Rehman
Chartered Accountants

**Ch. Adalat Hussain (Shaheed) Education School
And Vocational / Technical Training Centre /
Welfare Trust**

Financial Statements

For the Period May 09, 2017 to 30 June 2018

Khalid Majid Rehman

Chartered Accountants
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INDEPENDENT AUDITORS' REPORT TO THE EXECUTIVE BODY OF CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL & VOCATIONAL / TECHNICAL TRAINING CENTRE / WELFARE TRUST

Opinion

We have audited the accompanying financial statements of Ch. Adalat Hussain (Shaheed) Education School & Vocational / Technical Training Centre / Welfare Trust ("the Trust"), which comprise of the Statement of Financial Position as at June 30, 2018 and the Statement of income and expenditure, the statement of changes in fund and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, , the accompanying financial statements present fairly in all material respects, the financial position of Ch. Adalat Hussain (Shaheed) Education School & Vocational / Technical Training Centre / Welfare Trust as at June 30, 2018 and of its financial performance, and its cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting standards as applicable in Pakistan, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing financial statements, the Management is responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the trust financial reporting process.


Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust's 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.

Date: 1 February 2019
Islamabad



KHALID MAJID REHMAN
Chartered Accountants
Engagement Partner: Khalid Majid

**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
TECHNICAL TRAINING CENTRE / WELFARE TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018**


	<u>Note</u>	<u>2018</u> <u>(Rupees)</u>
Non Current Assets:		
Property, plant and equipment - received in kind	4	9,380,000
Capital work in progress	5	2,000,000
		11,380,000
Current Assets		
Withholding tax	6	12,000
Cash & bank balances	7	8,187,594
		8,199,594
Total Assets		19,579,594
Current Liabilities		
Accrued and other liabilities	8	-
NET ASSETS		19,579,594
Represented by:		
General fund	9	19,579,594
		19,579,594
Contingencies and commitments	10	

The Annexed notes 1 to 16 form an integral part of these financial statements.

Chairman / Finance Secretary
Maryam Afzal
Ch Adalat Hussain (Shaheed) Education School and
Vocational / Technical Training Centre / Welfare Trust



CHAIRMAN



TRUSTEE
(Khalid Zubair Akhtar)

**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
TECHNICAL TRAINING CENTRE / WELFARE TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE PERIOD MAY 09, 2017 TO JUNE 30, 2018**

	<u>Note</u>	<u>MAY 09, 2017 to JUNE 30, 2018 (Rupees)</u>
INCOME		
Donations	11	<u>19,580,000</u>
		<u>19,580,000</u>
EXPENDITURE		
General and administrative	12	-
Financial charges		406
		406
SURPLUS FOR THE YEAR		<u>19,579,594</u>

The Annexed notes 1 to 16 form an integral part of these financial statements.

Maryam Afzal
Chairman / Finance Secretary
Maryam Afzal
Ch. Adalat Hussain (Shaheed) Education School and
Vocational / Technical Training Centre / Welfare Trust
CHAIRMAN

Khalid Zubair Akhtar
TRUSTEE
(Khalid Zubair Akhtar)

**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
TECHNICAL TRAINING CENTRE / WELFARE TRUST
STATEMENT OF CHANGES IN FUND
FOR THE PERIOD MAY 09, 2017 TO JUNE 30, 2018**

	GENERAL FUND
	<u>Rupees</u>
Balance as at May 09, 2017	-
Surplus for the year	19,579,594
Balance as at June 30, 2018	<u><u>19,579,594</u></u>

The Annexed notes 1 to 16 form an integral part of these financial statements.

Maryam Afzal
Chairman / Finance Secretary
Maryam Afzal
Ch. Adalat Hussain (Shaheed) Education School and
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TRUSTEE

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**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
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CASH FLOW STATEMENT
FOR THE PERIOD MAY 09, 2017 TO JUNE 30, 2018**

	MAY 09, 2017 to JUNE 30, 2018
Note	(Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES	
Surplus/ (deficit) for the year	9 19,579,594
Adjustments for:	
Donations received in kind	11 (9,380,000)
	<u>10,199,594</u>
Operating profit/(loss) before working capital changes	10,199,594
Prepaid Insurance	-
Increase in withholding tax	6 (12,000)
Net cash generated from operating activities	<u>10,187,594</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment in Capital work in progress	5 (2,000,000)
Net cash used in investing activities	<u>(2,000,000)</u>
	<u>8,187,594</u>
NET CASH GENERATED / (USED) DURING THE YEAR	8,187,594
CASH AND CASH EQUIVALENTS AS AT MAY 09, 2017	-
CASH AND CASH EQUIVALENTS AS AT JUNE 30, 2018	7 <u>8,187,594</u>

The Annexed notes 1 to 16 form an integral part of these financial statements.

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Chairman / Finance Secretary
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Ch. Adalat Hussain (Shaheed) Education School and
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**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
TECHNICAL TRAINING CENTRE / WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD MAY 09, 2017 TO JUNE 30, 2018**

1 LEGAL STATUS AND OBJECTS:

The CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL / TECHNICAL TRAINING CENTRE / WELFARE TRUST ("the Trust") was established and registered under the Societies Registration Act, 1860 on May 09, 2017. The principal activities of the Trust are to support / sponsor welfare schemes, programmes and activities in educational, medical and humanization mainly in Jhelum District. The registered office of the trust is situated at Village Haji Aima, Post Office Kala Gujran, Tehsil & District Jhelum.

2 Basis of Preparation

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the accounting standards for NPOs'. Accounting standard for NPOs' comprise of Accounting and Financial Reporting Standards for Small - Sized Entities (AFRS for SSEs) as approved by the council of the Institute of Chartered Accountants of Pakistan

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Trust's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material to the Trust's accounts.

3.1 Accounting Convention

These accounts have been prepared under the historical cost convention as modified by the donations in kind which are recorded on the basis of information provided by the donors and trustees.

3.2 Fixed Assets and Depreciation

Fixed assets acquired from funds of the trust are stated at cost less accumulated depreciation except land. Fixed assets donated to the trust are stated at fair value determined by the trustees on the basis of information provided by donors less accumulated depreciation.

Land is stated at cost or assessed value.

Depreciation on fixed assets is provided at the rates disclosed in the schedule of fixed assets by using straight line method. Depreciation is charged for full year in the year of purchase while no depreciation is charged in the year of disposal. Major renewals and replacements are capitalized. Gains or losses on retirement or disposal of fixed assets are taken to income and expenditure account.

3.3 Grants & Donations

Grants are recognized, including non-monetary grants at fair value, on receipt basis and when there is reasonable assurance that the Trust will be able to comply with the conditions attaching to them. Grants received as compensation for expenses or losses already incurred or for the purpose of financial support with no future related costs are recognized as income for the period in which it is received. Grants related to capital expenditure, including non-monetary grants at fair value, are recognized on a systematic basis over the useful life of the asset.

All donations received during the year are recognized as income


Chairman / Finance Secretary
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**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
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FOR THE PERIOD MAY 09, 2017 TO JUNE 30, 2018**

4 PROPERTY, PLANT AND EQUIPMENT RECEIVED IN KIND

P A R T I C U L A R S	C O S T				D E P R E C I A T I O N			W.D.V As at June 30, 2018
	Opening Balance	Addition	Deletion	Closing Balance	Rate	For The Year	Adjustment	
	Rupees							
As at June 30, 2018	-	9,380,000	-	9,380,000	-	-	-	9,380,000
Free hold land	-	9,380,000	-	9,380,000	-	-	-	9,380,000


 Maryam Afzal / Finance Secretary
 Maryam Afzal
 Ch Adalat Hussain (Shaheed) Education School and
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**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
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FOR THE PERIOD MAY 09, 2017 TO JUNE 30, 2018**

	<u>2018</u>
	<u>(Rupees)</u>
5 CAPITAL WORK IN PROGRESS	
This represents the payments made for construction of the building of the trust	<u>2,000,000</u>
6 WITHHOLDING TAX	
This represents tax deducted by banks on cash withdrawls.	<u>12,000</u>
7 CASH AND BANK BALANCES	
Cash in hand	-
Cash at Bank	<u>8,187,594</u>
	<u>8,187,594</u>
8 ACCRUED AND OTHER LIABILITIES	
No liabilities exist at the balance sheet date.	
9 GENERAL FUND	
Opening balance	-
Surplus for the year	<u>19,579,594</u>
	<u>19,579,594</u>
10 CONTINGENCIES AND COMMITMENTS	
No known contingencies and commitments exist as at the balance sheet date	
	MAY 09, 2017 to JUNE 30, 2018
11 DONATIONS	<u>(Rupees)</u>
Trustees	-
Donations	<u>10,200,000</u>
Donations received in kind	<u>9,380,000</u>
Other Donations	<u>19,580,000</u>
12 GENERAL AND ADMINISTRATIVE EXPENSES	
No general and administrative expenses incurred for the period May 09, 2017 to June 30, 2018	
13 PROVISION FOR TAXATION	
The Trust is in process of registering for 100% tax credit under section 100C of Income Tax Ordinance, 2001	
14 NUMBER OF EMPLOYEES	
There are no employees of the Trust as at the statement of financial position date	
15 POST BALANCE SHEET EVENTS	
There have been no material event occurring after the balance sheet date that require adjustment or disclosure in the financial statements.	
16 DATE OF APPROVAL	
These financial statements have been approved by the Board of Trustees on <u>31 Dec, 2018</u>	

Maryam Afzal
Chairman / Finance Secretary
Maryam Afzal
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