

Khalid Majid Rehman
Chartered Accountants

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

Financial Statements
For the year ended June 30, 2021

Khalid Majid Rehman

Chartered Accountants
7A, Street 65, F-8/3,
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Independent Auditors' Report to the Members of the Society

Opinion

We have audited the financial statements of Ch. Adalat Hussain (Shaheed) Education School And Vocational / Technical Training Centre / Welfare Trust ("The Society"), which comprise the statement of financial position as at June 30, 2021, the statement of income and expenditure, and statement of changes in funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ch. Adalat Hussain (Shaheed) Education School And Vocational / Technical Training Centre / Welfare Trust as at June 30, 2021, of its financial performance, and its changes in funds for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

Basis of 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 Society 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 the financial statements in accordance with the approved accounting and reporting 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

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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 Society'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 Society'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 Society'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.

We communicate with those charged with governance 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.

Date: 27 December 2021
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, 2021**

	Note	2021 (Rupees)	2020 (Rupees)
Non Current Assets			
Property, plant and equipment - received in kind	6	19,167,863	20,333,027
Property, plant and equipment	7	15,779,153	15,289,234
		34,947,016	35,622,261
Current Assets			
Short term deposit		60,000,000	60,000,000
Withholding tax asset	8	392,714	998,887
Cash and bank balances	9	4,090,490	4,895,294
		64,483,204	65,894,181
Total Assets		99,430,220	101,516,442
Non Current Liabilities			
Retention money	10	206,500	-
Current Liabilities			
Accrued and other liabilities	11	422,480	389,600
NET ASSETS		98,801,240	101,516,442
Represented by:			
General fund	12	26,434,427	26,095,476
Restricted fund	13	72,366,813	75,031,366
		98,801,240	101,126,842
Contingencies and commitments	17		

The Annexed notes 1 to 22 form an integral part of these financial statements.


Chairman
(Major Abouhan Mahmood (Retired))
Ch. Adalat Hussain (Shaheed) Education School and
Vocational/Technical Training Centre/ Welfare Trust

CHAIRMAN


Finance Secretary
(Khalid Zubair Akhtar)
Ch. Adalat Hussain (Shaheed) Education School and
Vocational/Technical Training Centre/ Welfare Trust

TRUSTEE

**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
TECHNICAL TRAINING CENTRE / WELFARE TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2021**

Income	Note	2021	2020
		(Rupees)	(Rupees)
Donations		1,725,000	3,051,517
Income from savings account		178,551	194,933
Income from term deposits		3,894,863	6,261,189
Amortization of restricted capital grants	13.1	1,165,164	1,308,324
Amortization of grants received from FWO	13.2	1,134,906	1,287,008
Amortization of grants received from Khalid Rauf	13.3	364,483	177,302
Other income	14	1,949,150	1,296,390
		<u>10,412,117</u>	<u>13,576,663</u>
Expenditure			
Operating expenses	15	(8,187,053)	(7,322,913)
General and administrative expenses	16	(1,072,216)	(1,102,486)
Surplus before tax		<u>1,152,848</u>	<u>5,151,264</u>
Provision for taxation		(813,897)	-
Surplus for the year		<u><u>338,951</u></u>	<u><u>5,151,264</u></u>

The Annexed notes 1 to 22 form an integral part of these financial statements.



Chairman
(Major Abdullah Mehmood (Retired))
Ch. Adalat Hussain (Shaheed) Education School and
Vocational/Technical Training Centre Welfare Trust



Finance Secretary
(Khalid Zubair Akhtar)
Ch. Adalat Hussain (Shaheed) Education School and
Vocational/Technical Training Centre Welfare Trust


CHAIRMAN

TRUSTEE

**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
TECHNICAL TRAINING CENTRE / WELFARE TRUST
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	General Funds	Restricted Funds	Total Funds
 Rupees		
Balance as at July 1, 2019	20,944,212	77,482,000	98,426,212
Restricted capital grants received during the year	-	322,000	322,000
Restricted Grants received during the year from FWO	-	-	-
Restricted Grants received from Khalid Rauf	-	-	-
Amortization of restricted grants received from Khalid Rauf	-	(177,302)	(177,302)
Amortization of restricted capital grants	-	(1,308,324)	(1,308,324)
Amortization of restricted grants received from FWO	-	(1,287,008)	(1,287,008)
Surplus for the year	5,151,264	-	5,151,264
Balance as at June 30, 2020	26,095,476	75,031,366	101,126,842
Balance as at July 1, 2020	26,095,476	75,031,366	101,126,842
Restricted capital grants received during the year	-	-	-
Restricted Grants received during the year from FWO	-	-	-
Restricted Grants received from Khalid Rauf	-	-	-
Amortization of restricted grants received from Khalid Rauf	-	(364,483)	(364,483)
Amortization of restricted capital grants	-	(1,165,164)	(1,165,164)
Amortization of restricted grants received from FWO	-	(1,134,906)	(1,134,906)
Surplus for the year	338,951	-	338,951
Balance as at June 30, 2021	26,434,427	72,366,813	98,801,240

The Annexed notes 1 to 22 form an integral part of these financial statements.


Chairman
(Major Abdulkarim Mehmood (Retired))
Ch. Adalat Hussain (Shaheed) Education School and
Vocational/Technical Training Centre Welfare Trust


Finance Secretary
(Khalid Zubair Akhter)
Ch. Adalat Hussain (Shaheed) Education School and
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TRUSTEE

1 Legal Status and Operations

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

2 Statement of Compliance

These financial statements have been prepared in accordance with the Approved Accounting Standards for NPOs' issued by the Institute of Chartered Accountants of Pakistan (ICAP). As per the criteria of accounting standard for NPOs' the financial statements of the Society have been prepared under the Accounting and Financial Reporting Standards for SSEs (AFRS for SSEs).

3 Basis of Measurement

These financial statements have been prepared under the historical cost convention.

4 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Society's functional currency.

5 Significant Accounting Policies

5.1 Property, plant and equipment and property, plant and equipment received in kind

Initial recognition

All items of property, plant and equipment (which are directly purchased/prepared by the society) are initially recorded at cost, while the items of property, plant and equipment - received in kind are initially recorded at fair value.

Subsequent measurement

Items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment loss (if any).

Depreciation

Depreciation on property, plant & equipment is charged to the statement of income and expenditure by applying the reducing balance method so as to write off the cost / depreciation amount of the assets over their estimated useful life at the rates as specified in note 6 and note 7 to the financial statements. Depreciation on additions to property, plant & equipment is charged for the whole year irrespective of the month in which an item is put to use while no depreciation is charged for the year in which the item is derecognized/discharged off.

Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of income and expenditure.

Impairment

The management assesses at each statement of financial position date whether there is any indication that items of property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such items are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, items of property, plant and equipment are written down to their recoverable amounts and the resulting impairment loss is recognized in the Statement of income and expenditure. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the items of property, plant and equipment revised carrying amount over its remaining useful life.

5.2 Accrued Liabilities

Accrued liabilities are initially recognized at cost which is the fair value of consideration to be paid in future.

5.3 Cash and cash equivalents

Cash and bank balances are defined as cash in hand and in bank accounts which are readily convertible to known amount of cash and subject to insignificant risk of change in value.

5.4 Fund Accounting

The restricted funds comprise the voluntary contributions and grants for which donors have specified an intention to support a particular aspect of the society's activities. The surplus is held until they are fully expended or returned at the end of the respective grant period or disposed off according to the donor's instructions.

The unrestricted funds comprise the accumulated surplus of donations, voluntary contributions and grants for which donors have not specified any intention together with income accruing directly to those funds.


(Major Abdillah Mehmood (Retired))
Chairman
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Finance Secretary
(Khalid Zubair Akhtar)
Ch. Adalat Hussain (Shaheed) Education School and
Vocational/Technical Training Centre/ Welfare Trust

**CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
TECHNICAL TRAINING CENTRE / WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

5.5 Income

Income is recognized when it is probable that the economic benefits associated with the transactions will flow to the society and the amount of the income and the associated costs incurred or to be incurred can be measured reliably.

- (i) Cash donations / voluntary contributions are recognized on cash receipt basis;
- (ii) A grant that does not impose specified future performance conditions on the recipient is recognized in income when the grant proceeds are receivable.
- (iii) A grant that imposes specified future performance conditions on the recipient is recognized in income only when the performance conditions are met.

5.6 Taxation

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date.

5.7 Contingent liabilities

A contingent liability is disclosed when the Society has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the society; or the society has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.8 Financial Instrument

Financial assets and liabilities are recognized when the society becomes a party to the contractual provisions of the instrument and de-recognized when the society loses control of the contractual rights that comprise the financial assets and when the obligation specified in the contract is discharged, cancelled and expired. All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These are subsequently measured at amortized cost.

Impairment of Financial Assets

A financial asset is impaired at each reporting date to ascertain whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. All impairment losses are recognized in the statement of income and expenditure. An impairment loss is reversed if the reversal can be related objectively to an event accruing that impairment loss was recognized.

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6 Property, plant and equipment - received in kind

PARTICULARS	C O S T				Rate	D E P R E C I A T I O N				W.D.V As at June 30, 2021
	Opening Balance	Addition	Deletion	Closing Balance		Opening Balance	For The Year	Adjustment	Closing Balance	
	1st July, 2020	(Rupees)		30th June, 2021		1st July, 2020	(Rupees)		30th June, 2021	
Free hold land	9,380,000	-	-	9,380,000	-	-	-	-	9,380,000	
Building	11,297,336	-	-	11,297,336	10%	-	-	-	8,235,756	
Furniture	192,250	-	-	192,250	15%	2,146,495	-	-	118,065	
Electric Equipment	1,274,750	-	-	1,274,750	15%	53,350	915,085	3,061,580	789,574	
Laboratory Equipment	260,000	-	-	260,000	15%	345,839	20,835	74,185	187,850	
Container Module	500,000	-	-	500,000	10%	39,000	139,337	485,176	364,500	
Fire Fighting Equipment	150,000	-	-	150,000	15%	95,000	33,150	72,150	92,118	
	23,054,336	-	-	23,054,336		41,625	40,500	135,500	19,167,863	
						2,721,309	1,165,164	3,886,473		

6.1 The free hold land (having cost of Rs. 9,380,000) was received as a donation during the year ended June 30, 2018 and the remaining items of the Property, plant and equipment - received in kind were received as restricted capital grants (the cost and written down value of these items as at June 30, 2021 are Rs. 13,674,335 & Rs. 9,787,863 respectively) and their relevant movement is shown in Note 12.1 of the financial statements.
- Items costing Rs. 13,352,335 were received as restricted capital grant during the year ended June 30, 2019 from Mr. General Muhammad Afzal, and
- Items costing Rs. 322,000 were received as restricted capital grant from Mr. Colonel Fakhr-Ud-Din

PARTICULARS	C O S T				Rate	D E P R E C I A T I O N				W.D.V As at June 30, 2020
	Opening Balance	Addition	Deletion	Closing Balance		Opening Balance	For The Year	Adjustment	Closing Balance	
	1st July, 2019	(Rupees)		30th June 2020		1st July, 2019	(Rupees)		30th June 2020	
Free hold land	9,380,000	-	-	9,380,000	-	-	-	-	9,380,000	
Building	11,297,336	-	-	11,297,336	10%	1,129,734	-	-	9,150,841	
Furniture	192,250	-	-	192,250	15%	28,838	1,016,761	2,146,495	138,900	
Electric Equipment	1,212,750	62,000	-	1,274,750	15%	181,913	24,512	53,350	928,911	
Laboratory Equipment	-	260,000	-	260,000	15%	-	163,926	345,839	221,000	
Container Module	500,000	-	-	500,000	10%	-	39,000	39,000	405,000	
Fire Fighting Equipment	150,000	-	-	150,000	15%	50,000	45,000	95,000	108,375	
	22,732,336	322,000	-	23,054,336		22,500	19,125	41,625	20,333,027	
						1,412,985	1,308,324	2,721,309		


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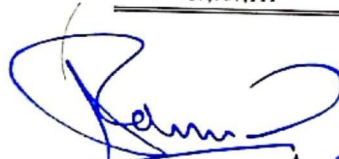
CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

7 Property, plant and equipment

PARTICULARS	C O S T				Rate	D E P R E C I A T I O N				W.D.V As at June 30, 2021
	Opening Balance	Addition	Deletion	Closing Balance		Opening Balance	For The Year	Adjustment	Closing Balance	
	1st July, 2020	(Rupees)		30th June, 2021		1st July, 2020	(Rupees)		30th June, 2021	
Building	15,955,722	2,103,717	-	18,059,439	10%	2,970,311	-	-	2,970,311	13,580,215
Infrastructure	700,000	181,105	-	881,105	5%	35,000	1,508,913	-	1,543,913	803,799
Electrical equipment	356,830	-	-	356,830	15%	96,237	42,306	-	138,543	221,504
Office Equipment	34,310	50,700	-	85,010	15%	5,147	39,089	-	44,236	67,883
Laboratory Equipment	386,960	-	-	386,960	15%	58,044	11,980	-	70,024	279,578
Computer and Accessories	547,375	-	-	547,375	30%	274,358	49,338	-	323,696	191,111
Furniture and fixture	973,895	-	-	973,895	15%	226,761	81,906	-	308,667	635,063
	18,955,092	2,335,522	-	21,290,614		3,665,858	1,845,603	-	5,511,461	15,779,153

- 7.1 The amount incurred on Building during the financial year ended June 30, 2019 i.e. Rs. 13,000,000 (from the total cost as at June 30, 2021 amounting to Rs. 18,059,439) had been utilized from the Restricted Grant provided by FWO in this regard (Total Grant Amount: Rs. 13,000,000).
The relevant depreciation on this item is then amortized against the relevant grant amount, as shown in Note 12.2 of the financial statements.
- 7.2 The total amount incurred on the Computer and Accessories i.e. Rs. 547,375 has been utilized from the Restricted Grant provided by FWO in this regard (Total Grant Amount: Rs. 7,000,000).
The relevant depreciation on this item is then amortized against the relevant grant amount, as shown in Note 12.2 of the financial statements.
- 7.3 The amounts incurred on the Building i.e. Rs. 2,784,578 (from the total cost as at June 30, 2021 amounting to Rs. 18,059,439), on Furniture and fixture i.e. Rs. 341,145 (from the total cost as at June 30, 2021 amounting to Rs. 973,895) & on Laboratory equipment i.e. Rs. 386,960 (from the total cost as at June 30, 2021 amounting to Rs. 386,960) have been utilized from the Restricted Grant provided by Khalid Rauf in this regard (Total Grant Amount: Rs. 47,000,000).
The relevant depreciation on this item is then amortized against the relevant grant amount, as shown in Note 12.3 of the financial statements.

PARTICULARS	C O S T				Rate	D E P R E C I A T I O N				W.D.V As at June 30, 2020
	Opening Balance	Addition	Deletion	Closing Balance		Opening Balance	For The Year	Adjustment	Closing Balance	
	1st July, 2019	(Rupees)		30th June, 2020		1st July, 2019	(Rupees)		30th June, 2020	
Building	15,274,861	680,861	-	15,955,722	10%	1,527,487	-	-	1,527,487	12,985,411
Infrastructure	-	700,000	-	700,000	5%	-	1,442,824	-	1,442,824	665,000
Electrical Equipment	335,000	21,830	-	356,830	15%	50,250	35,000	-	85,250	260,593
Office Equipment	-	34,310	-	34,310	15%	-	45,987	-	45,987	29,163
Laboratory Equipment	-	386,960	-	386,960	15%	-	5,147	-	5,147	328,916
Computer and Accessories	524,500	22,875	-	547,375	30%	157,350	58,044	-	215,394	273,017
Furniture and fixture	632,750	341,145	-	973,895	15%	94,913	117,008	-	211,921	747,134
	16,767,111	2,187,981	-	18,955,092		1,830,000	1,835,858	-	3,665,858	15,289,234


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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 (Rupees)	2020 (Rupees)
8 Withholding tax asset			
Opening balance			
Add: Advance tax withheld during the year		998,887	484,308
Provision for taxation		207,724	514,579
Closing balance		(813,897)	-
		<u>392,714</u>	<u>998,887</u>
9 Cash and bank balances			
Cash in hand			
Cash at bank		17,000	17,000
Current account			
Saving account	9.1	256,169	1,115,423
		<u>3,817,321</u>	<u>3,762,871</u>
		<u>4,073,490</u>	<u>4,878,294</u>
		<u>4,090,490</u>	<u>4,895,294</u>

9.1 It carries mark-up at 5.5% (2020: 6.5-11.25%).


10 Retention money
The Society retains a certain portion of the salary of each employee as security during each month, which is then paid to the employee upon resignation.

	Note	2021 (Rupees)	2020 (Rupees)
11 Accrued and other liabilities			
Utilities payable		-	7,500
Salaries payable		318,980	307,100
Retention money of resigned employees		18,500	-
Audit fee payable		85,000	75,000
		<u>422,480</u>	<u>389,600</u>
12 General fund			
Opening balance			
Surplus for the year		26,095,476	20,944,212
Closing balance		<u>338,951</u>	<u>5,151,264</u>
		<u>26,434,427</u>	<u>26,095,476</u>
13 Restricted fund			
Capital Grants			
Opening Balance as at 1st July	13.1		
Grants received during the year		10,953,026	11,939,350
Grants utilized during the year		-	322,000
Closing Balance as at 30th June		<u>(1,165,164)</u>	<u>(1,308,324)</u>
		<u>9,787,862</u>	<u>10,953,026</u>
Grants from FWO for Construction of Building			
Opening Balance as at 1st July	13.2		
Grants received during the year		10,530,000	11,700,000
Grants utilized during the year		-	-
Closing Balance as at 30th June		<u>(1,053,000)</u>	<u>(1,170,000)</u>
		<u>9,477,000</u>	<u>10,530,000</u>
Grants from FWO for Computer Lab			
Opening Balance as at 1st July	13.2		
Grants received during the year		6,725,642	6,842,650
Grants utilized during the year		-	-
Closing Balance as at 30th June		<u>(81,906)</u>	<u>(117,008)</u>
		<u>6,643,736</u>	<u>6,725,642</u>
Grant from Mr. Khalid Rauf			
Opening Balance as at 1st July	13.3		
Grants received during the year		46,822,698	47,000,000
Grants utilized during the year		-	-
Closing Balance as at 30th June		<u>(364,483)</u>	<u>(177,302)</u>
		<u>46,458,215</u>	<u>46,822,698</u>
Total		<u>72,366,813</u>	<u>75,031,366</u>

13.1 Capital grants represent Property, plant and equipments received in kind and is being amortized on the basis of depreciation charge of the respective assets as shown in Note 6 to the financial statements.

- Items costing Rs. 13,352,335 were received as restricted capital grant during the year ended June 30, 2019 from Mr. General Muhammad Afzal, and

- Items costing Rs. 322,000 were received as restricted capital grant during the year ended June 30, 2020 from Mr. Colonel Fakhr-Ud-Din.


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Ch. Adalat Hussain (Shaheed) Education School and
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CH. ADALAT HUSSAIN (SHAHEED) EDUCATION SCHOOL AND VOCATIONAL /
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- 13.2 Grant received from FWO has two components. Rs. 13,000,000 for construction of building and Rs. 7,000,000 for furnishing of lab. The amount for construction of building is fully utilized and is being amortized according to the rate of depreciation of building. Rs. 547,375 is utilized for Computer Lab from the amount donated for furnishing of labs and is being amortized according to the rates of depreciation for computers and accessories, total depreciation charged on this item till June 30, 2021 amounts to Rs. 356,264 (Depreciation of Rs. 81,906 during the current year and balance of accumulated depreciation as at July 1, 2020 was Rs. 274,358) and funding of Rs 6,452,625 is still available as at June 30, 2021. The construction and furnishing of other labs is in process and remaining amount of grant shall be utilized in the same manner.
- 13.3 Grant received from Mr. Khalid Rauf is intended to be used for construction of 1st and 2nd floor of Trust Building, purchase of furniture and lab equipment and future expansion of Trust. Rs 2,784,578 is utilized for Building from the amount donated for construction purposes (Cost of Building as at July 1, 2020 was Rs. 680,861 and additions of Rs 2,103,717 were made during the year) and is being amortized according to the rates of depreciation for building (Depreciation of Rs. 271,649 during the current year and accumulated depreciation as at June 30, 2021 was Rs. 339,735). the purchase of furniture for the building last year amounting to Rs. 341,145 (Depreciation of Rs. 43,496 during the current year and balance of accumulated depreciation as at June 30, 2021 was Rs 94,668) and the purchase of laboratory equipment last year amounting to Rs. 386,960 (Depreciation of Rs. 49,338 during the current year and accumulated depreciation as at June 30, 2021 was Rs 107,382) will be amortized/adjusted against the grant received on the basis of their respective depreciation charge. Funding of Rs. 43,487,317 is still available as at June 30, 2021.

	Note	2021 (Rupees)	2020 (Rupees)
14 Other income			
Rent received from canteen		-	15,800
Income from vocational training course		48,750	132,740
Stationary contribution		1,900,400	1,147,850
		<u>1,949,150</u>	<u>1,296,390</u>
15 Operating expenses			
Salaries		3,162,931	3,093,396
POL charges		29,550	-
Electricity		152,464	275,848
Communication expense		41,770	90,930
Advertisement		45,527	-
Entertainment		39,786	103,688
Uniform expense		252,418	-
Depreciation expense		3,010,767	3,144,182
Repair and maintenance		92,028	35,700
Plants		92,860	202,700
Supplies		4,834	10,598
Tailoring course		34,640	17,674
Printing and stationery		1,227,478	348,197
		<u>8,187,053</u>	<u>7,322,913</u>
16 General and administrative expenses			
Salaries		769,226	760,515
Bank charges		141,057	73,209
FED		8,593	3,653
Fee and subscription		-	70,500
Legal and professional	16.1	97,000	132,100
Misc. expense		56,340	62,509
		<u>1,072,216</u>	<u>1,102,486</u>

16.1 Legal and professional charges also include audit fee amounting to Rs. 85,000 charged by M/s Khalid Majid Rehman Chartered Accountants (2020: Rs. 75,000).

17 Contingencies and Commitments


No known contingencies and commitments exist as at statement of financial position date (2020: Nil)

18 Transaction with Related Parties

Related parties comprise of the members of the society, entities where members hold directorship, and other key management personnel. Balance payable and/or receivable from related parties are shown in respective notes to financial statements, whereas transactions with the related parties during the year are as follows:

	Relationship	2021 (Rupees)	2020 (Rupees)
Transaction with Mian Khalid Rauf Receipt of general donation	Member	-	10,000
Transaction with Lieutenant Colonel Fakhr-Ud-Din (Retired) Receipt of general donation	Member	200,000	-
Receipt of restricted grant		-	322,000
Transaction with Lieutenant General Muhammad Afzal (Retired) Receipt of general donation	Spouse of Member	1,225,000	9,700,000


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19 Number of Employees

Total number of employees at the end of the year
Average number of employees during the year

21	20
21	21

20 General

Figures have been rounded off to the nearest Pakistan Rupee.

21 Implications of COVID-19

On 30th January 2020, The World Health Organization (WHO) declared the outbreak of a "Public Health Emergency of International Concern" and on 11th March 2020, the WHO declared the COVID-19 outbreak to be a pandemic in recognition of its rapid spread across the globe. Many countries, including Pakistan, have taken stringent steps to help contain further spread of the virus. While these events and conditions have resulted in general economic uncertainty, management has evaluated the impact of COVID-19 and concluded that there are no material implications of COVID-19 on the operations of the Society that require specific disclosure in the financial statements. Neither the Society operations were significantly affected due to COVID-19 during the year nor is expected to be adversely affected in the near future. Further, COVID-19 has no impact on the presented amounts and disclosures.

22 Date of Approval

These financial statements have been approved by the members on 27-11-2021.



Chairman
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CHAIRMAN



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