

PUBLICAN ALUMINI TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Suite No. 1601, 16th Floor, Kashif Centre, Shahrah-e-Faisal, Karachi. Phone: 92-21-35640050 to 53
Website: www.krestonhb.com E-mail: hyderbhimji@yahoo.com, hyderbhimji@gmail.com

OTHER OFFICES LAHORE - FAISALABAD - ISLAMABAD

A member of kreston international A global network of independent accounting firms.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of **PUBLICAN ALUMNI TRUST** (the Trust), which comprises the statement of financial position as at June 30, 2019, and the income and expenditure account, statement of cash flows and statement of changes in fund 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 the Trust as at June 30, 2019, and of its financial performance, its cash flows and changes in fund for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

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 Trust 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.

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 approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the 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 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'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 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.



KHB

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 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.

Kreston Hyder Bhimji & Co.

KRESTON HYDER BHIMJI & CO.

Chartered Accountants

Engagement Partner: Faiza Hanif

Karachi:

26 OCT 2019

[Signature]

KHB Co.

PUBLICAN ALUMNI TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
Non-Current Assets			
Property, Plant & Equipment	3	7,360,123	7,970,547
		7,360,123	7,970,547
Current Assets			
Accrued interest		196,000	85,706
Advance to contractor		1,150,000	-
Short term investments	4	20,000,000	15,000,000
Tax refundable from the Government		-	9,824
Cash & Bank balances	5	3,621,913	3,748,222
		24,967,913	18,843,752
Total Assets		32,328,036	26,814,299
Less: Current Liabilities			
Accrued liabilities	6	(57,448)	(142,572)
Net Assets		32,270,588	26,671,727
General Fund			
Movement in General Fund			
Balance at the beginning of the year		26,671,727	19,643,964
Surplus for the year		5,598,861	7,027,763
		32,270,588	26,671,727

The annexed notes 1 to 11 form an integral part of these financial statements.



Trustee



Trustee

PUBLICAN ALUMNI TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
Donations and grants	7	9,888,848	10,715,353
Other Income	8	936,724	993,270
Profit on Investments		1,145,089	485,049
		11,970,661	12,193,672
Less: Expenditure	9	(6,371,800)	(5,165,909)
Surplus for the year		5,598,861	7,027,763

The annexed notes 1 to 11 form an integral part of these financial statements. KHS Co.


Trustee


Trustee

PUBLICAN ALUMNI TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019 Rupees	2018 Rupees
Surplus for the year	5,598,861	7,027,763
ADJUSTMENT FOR NON-CASH ITEMS		
Depreciation	863,724	942,330
	6,462,585	7,970,093
CASH FLOW FROM OPERATING ACTIVITIES		
Changes in working capital		
(Increase) / Decrease in advances & receivables	9,824	-
(Increase) in prepaid expense	(1,150,000)	200,000
(Increase) / Decrease in accrued interest	(110,294)	(54,268)
Increase / (Decrease) in accrued expenses	(85,124)	85,399
	(1,335,594)	231,131
Net cash flow from operating activities	5,126,991	8,201,224
CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Investment	(5,000,000)	(6,000,000)
Additions to Property, Plant & Equipment	(253,300)	(873,055)
Net cash flow from investing activities	(5,253,300)	(6,873,055)
Net Increase / Decrease in cash & Cash Equivalent	(126,309)	1,328,169
Cash and cash equivalents at the beginning of the year	3,748,222	2,420,053
Cash and cash equivalents at the end of the year	3,621,913	3,748,222

The annexed notes 1 to 11 form an integral part of these financial statements. *KTB Co.*



 Trustee



 Trustee

**PUBLICAN ALUMNI TRUST
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	GENERAL FUND
Balance as at July 1, 2017	19,643,964
Surplus for the year	7,027,763
Balance as at June 30, 2018	<u>26,671,727</u>
Surplus for the year	5,598,861
Balance as at June 30, 2019	<u><u>32,270,588</u></u>

The annexed notes 1 to 11 form an integral part of these financial statements.



Trustee



Trustee

PUBLICAN ALUMNI TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1. TRUST AND ITS OPERATIONS

Publican Alumni Trust was established on January 29, 2009 under a registered Trust Deed for the fundamental purpose and aim to mobilize participation and efforts by publicans across the world to support the cause of education, in the most comprehensive and qualitative sense. The principal office is situated at C 172 Sector 35 A Zaman Town Korangi, Karachi.

The trust's main activities are broadly aimed at:

- A. Providing financial support to deserving / or disadvantaged students;
- B. establishing educational infrastructure and research;
- C. enabling capacity building of teachers;
- D. Promoting extra curricular activities associated with education;
- E. Social welfare of the staff of schools covered by the trust deed;
- F. any other education related activities;
- G. running and management of the primary level school.

1.1 STATEMENT OF COMPLIANCE:

These financial statements have been prepared in accordance with the approved standards as applicable in Pakistan. Approved accounting standards comprise of Revised Accounting and Financial Reporting Standards for Small-Sized Entities (AFRS for SSEs) and Accounting Standard for Not for profit Organization (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These financial statements are prepared under the historical cost convention.

2.2 Donations, grants and accrued interest

Donations and grants are accounted for on receipt basis and bank profit on accrual basis.

2.3 Investments

Investments represent placement of funds in Term Deposits of Bank.

2.4 Taxation

The trust is established under the Trust Act, 1881. The trust deed was duly executed on January 29, 2009. The approval from Commissioner of Income for tax exemption has been obtained.

2.5 Property, Plant and Equipment:

These are stated at cost less accumulated depreciation. Depreciation is charged to income on reducing balance method, whereby the cost of an asset is written off over its estimated useful life. Depreciation on additions is charged from the month the asset is available for use upto the month prior to disposal. Maintenance and normal repairs are charged to income when incurred. Gain or loss on disposal of fixed assets is included in income directly.



2019

	Building	Furniture and Fixtures	Office Equipment	Computers	Library Book	Total
Rupees						
Opening Net Book Value	6,917,468	281,477	587,445	154,130	30,027	7,970,547
Additions	-	253,300	-	-	-	253,300
Depreciation	(691,747)	(31,616)	(88,117)	(46,239)	(6,005)	(863,724)
Closing Net Book Value	6,225,721	503,161	499,328	107,891	24,022	7,360,123

Net Carrying Value Basis as at June 30, 2019

Gross Carrying Value Basis

At June 30, 2019

Cost	9,488,983	627,148	703,884	269,380	55,592	11,144,987
Accumulated Depreciation	(3,263,262)	(123,987)	(204,556)	(161,489)	(31,570)	(3,784,864)
Net Book Value	6,225,721	503,161	499,328	107,891	24,022	7,360,123

Annual Rates of Depreciation

10%	15%	15%	30%	20%
-----	-----	-----	-----	-----

2018

	Building	Furniture and Fixtures	Electrical Fittings and Equipment	Computers	Library Book	Total
Rupees						
Opening Net Book Value	7,686,076	88,648	99,307	128,257	37,534	8,039,822
Additions	-	232,821	568,734	71,500	-	873,055
Depreciation	(768,608)	(39,992)	(80,596)	(45,627)	(7,507)	(942,330)
Disposals	-	-	-	-	-	-
Closing Net Book Value	6,917,468	281,477	587,445	154,130	30,027	7,970,547

Net Carrying Value Basis as at June 30, 2018

Gross Carrying Value Basis

At June 30, 2018

Cost	9,488,983	373,848	703,884	269,380	55,592	10,891,687
Accumulated Depreciation	(2,571,515)	(92,371)	(116,439)	(115,250)	(25,565)	(2,921,140)
Net Book Value	6,917,468	281,477	587,445	154,130	30,027	7,970,547

Annual Rates of Depreciation

10%	15%	15%	30%	20%
-----	-----	-----	-----	-----

[Handwritten signature]

		2019 Rupees	2018 Rupees	
4	<u>SHORT TERM INVESTMENTS</u>			
	In Term Deposits with Askari Bank	4.1	20,000,000	15,000,000

4.1 The yield on these instruments is 7.30% per annum with maturities up to three months on rollover basis.

5 CASH AND BANK BALANCES

Cash in Hand

Balance with Bank in Current account
Askari Bank Limited

36,777	6,711
3,585,136	3,741,511
3,621,913	3,748,222

6 ACCRUED LIABILITIES

Accrued expenses

Audit fee payable

Legal fee payable

7,448	95,572
35,000	35,000
15,000	12,000
57,448	142,572

7 DONATIONS AND GRANTS

Donation / Contribution

Donation in Kind

Zakat donation

6,040,848	7,109,353
-	500,000
3,848,000	3,106,000
9,888,848	10,715,353

8 OTHER INCOME

Admission Income

Tuition Fee

Income from the sale of Books and Copies

Income from the sale of Uniforms

Membership Fee

52,050	61,000
880,674	738,525
-	107,150
-	82,595
4,000	4,000
936,724	993,270

KHBC

2019
Rupees

2018
Rupees

9 EXPENDITURES

Meeting Expenses (Re-union)	1,355,620	719,771
Tax Withholding	120,350	44,798
Bank Charges	1,400	700
Depreciation	863,724	942,330
School events	159,531	190,405
Salaries and benefits	3,083,835	2,654,881
Printing & stationary	78,708	76,223
Audit Fee	35,000	35,000
Legal Fee	18,000	14,000
Repair and Maintenance	217,385	246,703
Rates and Taxes	27,741	25,035
Communication expense	29,580	34,220
Electricity Gas and fuel	51,444	46,720
Teachers Training	-	9,502
Books and Copies	67,200	65,400
Sundries	262,282	60,221
	6,371,800	5,165,909

10 NUMBER OF EMPLOYEES & GENERAL


10.1 Number of employees as at the year end was 21 (2018: 20).

10.2 Figures have been rounded off to the nearest rupee.

11 AUTHORIZATION FOR ISSUE

These Financial Statement were authorized for issue by Board of trustees in the meeting of the trust held on 26 OCT 2019


Trustee


Trustee