

**PUBLICAN ALUMNI TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

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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, 2020, 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, 2020, 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.

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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 Muhammad Usman

Karachi:

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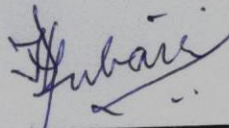
PUBLICAN ALUMNI TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
Non-Current Assets			
Property, Plant & Equipment	3	16,826,622	7,360,123
Current Assets			
Accrued interest		-	196,000
Advance to contractor		-	1,150,000
Short term investments	4	-	20,000,000
Cash & Bank balances	5	19,226,897	3,621,913
		19,226,897	24,967,913
		36,053,519	32,328,036
Total Assets			
Less: Current Liabilities			
Accrued liabilities	6	(59,666)	(57,448)
		(59,666)	(57,448)
		35,993,853	32,270,588
Net Assets			
General Fund			
Movement in General Fund		32,270,588	26,671,727
Balance at the beginning of the year		3,723,265	5,598,861
Surplus for the year		35,993,853	32,270,588

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



 Trustee

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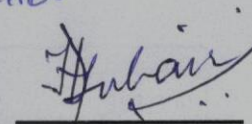
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PUBLICAN ALUMNI TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
Donations and grants	7	7,042,248	9,888,848
Other Income	8	1,387,840	936,724
Profit on Investments		1,955,016	1,145,089
		10,385,104	11,970,661
Less: Expenditure	9	(6,661,839)	(6,371,800)
Surplus for the year		3,723,265	5,598,861

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

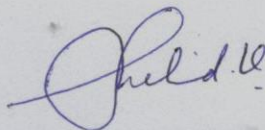

Trustee


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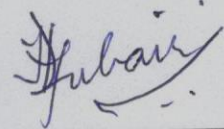
PUBLICAN ALUMNI TRUST
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	2020 Rupees	2019 Rupees
Surplus for the year	3,723,265	5,598,861
ADJUSTMENT FOR NON-CASH ITEMS		
Depreciation	917,564	863,724
	4,640,829	6,462,585
CASH FLOW FROM OPERATING ACTIVITIES		
Changes in working capital		
Decrease in advances & receivables	-	9,824
(Increase) in advance to contractor	1,150,000	(1,150,000)
(Increase) / decrease in accrued interest	196,000	(110,294)
Increase / (decrease) in accrued expenses	2,218	(85,124)
	1,348,218	(1,335,594)
Net cash flow from operating activities	5,989,047	5,126,991
CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / decrease in short term investments	20,000,000	(5,000,000)
Additions to property, plant & equipment	(10,384,063)	(253,300)
Net cash flow from investing activities	9,615,937	(5,253,300)
Net increase / decrease in cash & cash equivalents	15,604,984	(126,309)
Cash and cash equivalents at the beginning of the year	3,621,913	3,748,222
Cash and cash equivalents at the end of the year	19,226,897	3,621,913

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



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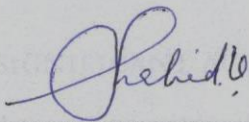
PUBLICAN ALUMNI TRUST
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2020

GENERAL FUND

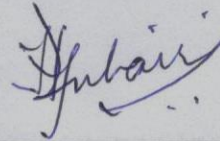
Balance as at July 1, 2018	26,671,727
Surplus for the year	5,598,861
Balance as at June 30, 2019	32,270,588
Surplus for the year	3,723,265
Balance as at June 30, 2020	35,993,853

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

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Trustee



Trustee

PUBLICAN ALUMNI TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1. TRUST AND ITS OPERATIONS

Publican Alumni Trust (the 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 qualitative sense. The principal office of the Trust is situated at C 172 Sector 35 A Zaman Town Korangi, Karachi.

The main activities of the Trust 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; and
- 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 an accrual basis.

2.3 Investments

Investments represent place of funds in term deposits of banks.

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.

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3 PROPERTY PLANT AND EQUIPMENT

Operating fixed assets

Capital work in progress - Civil work

	2020	2019
	Rupees	Rupees
	7,849,153	7,360,123
	8,977,469	-
	16,826,622	-

	2020				
	Building	Furniture and Fixtures	Office Equipment	Computers	Library Book
	Rupees				
					Total

Net Carrying Value Basis as at June 30, 2020

Opening Net Book Value	6,225,721	503,161	499,328	107,891	24,022	7,360,123
Additions	-	833,499	447,395	125,700	-	1,406,594
Depreciation	(622,572)	(114,841)	(111,840)	(63,507)	(4,804)	(917,564)
Closing Net Book Value	5,603,149	1,221,819	834,883	170,084	19,218	7,849,153

Gross Carrying Value Basis

At June 30, 2020

Cost	9,488,983	1,460,647	1,151,279	395,080	55,592	12,551,581
Accumulated Depreciation	(3,885,834)	(238,828)	(316,396)	(224,996)	(36,374)	(4,702,428)
Net Book Value	5,603,149	1,221,819	834,883	170,084	19,218	7,849,153

Annual Rates of Depreciation

	10%	15%	15%	30%	20%	
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	2019				
	Building	Furniture and Fixtures	Electrical Fittings and Equipment	Computers	Library Book
	Rupees				
					Total

Net Carrying Value Basis as at June 30, 2019

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)
Disposals	-	-	-	-	-	-
Closing Net Book Value	6,225,721	503,161	499,328	107,891	24,022	7,360,123

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%	
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		2020 Rupees	2019 Rupees
4	<u>SHORT TERM INVESTMENTS</u>		
	In Term Deposits with Askari Bank	4.1	
		-	20,000,000
		-	20,000,000

4.1 The yield on these instruments was 7.30% per annum and matured during the year.

5	<u>CASH AND BANK BALANCES</u>		
	Cash in hand	70,846	36,777
	Balance with Bank (Askari Bank)		
	- Saving account	5.1 18,998,645	-
	- Current account	157,406	3,585,136
		19,226,897	3,621,913

5.1 It carries interest ranging from 5% to 7%.

6	<u>ACCRUED LIABILITIES</u>		
	Accrued expenses	9,666	7,448
	Audit fee payable	35,000	35,000
	Legal fee payable	15,000	15,000
		59,666	57,448

7	<u>DONATIONS AND GRANTS</u>		
	Donation / Contribution	2,942,248	6,040,848
	Donation in Kind	-	-
	Zakat donation	4,100,000	3,848,000
		7,042,248	9,888,848

8	<u>OTHER INCOME</u>		
	Admission Income	254,275	52,050
	Tuition Fee	1,121,565	880,674
	Membership Fee	12,000	4,000
		1,387,840	936,724

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9 EXPENDITURES

Meeting Expenses (Re-union)
 Tax Withholding
 Bank Charges
 Depreciation
 School events
 Salaries and benefits
 Printing & stationary
 Audit Fee
 Legal Fee
 Repair and Maintenance
 Rates and Taxes
 Communication expense
 Electricity Gas and fuel
 Subsidy on tuition fee (Zakat)
 Books and Copies
 Sundries

2020
Rupees

2019
Rupees

497,751	1,355,620
314,294	120,350
6,025	1,400
917,564	863,724
113,034	159,531
4,112,915	3,083,835
145,812	78,708
35,000	35,000
15,000	18,000
99,040	217,385
38,817	27,741
42,905	29,580
98,025	51,444
129,100	-
-	67,200
96,557	262,282
6,661,839	6,371,800

10 NUMBER OF EMPLOYEES & GENERAL

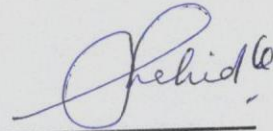
10.1 Number of employees as at the year end was 25 (2019: 21).

10.2 Figures have been rounded off to the nearest rupee.

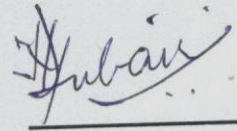
11 AUTHORIZATION FOR ISSUE

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

26 SEP 2020



 Trustee



 Trustee