TAQSEEM FOUNDATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

Mohiuddin & Company
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS'

We have audited the annexed Financial Statement of TAQSEEM FOUNDATION as at June 30, 2023 which comprises the Statement of Financial Position as at 30th June 2023 and the Statement of Income and Expenditure, Statement of changes in fund, statement of cash flow for the year then ended including summary of significant accounting policies and other explanatory information and we state that we have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

In our opinion and to the best of our information and according to the explanations given to us, the Statement of Financial Position, the Statement of Income and Expenditure, statement of changes in fund, statement of cash flow together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required, in the manner so required and respectively give a true and fair view of the state of the Foundation's affairs as at June 30, 2023 and of the Deficit / Surplus and for the period 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 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the trustees' report, but does not include the financial statements and our auditor's 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, then we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Board of Trustees 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 Trust Act, 2020 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 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.

Board of trustee are responsible for overseeing the Trust's 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

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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 the board of trustees' 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.

Mohiuddin & Company
Chartered Accountants
Dated: August 9, 2023
Karachi

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UDIN AR202310380XtWTUFNDn

TAQSEEM FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	2023 Rupees
ASSETS		
NON-CURRENT ASSETS		
Property and equipment	4	1,383,015
Long term advances and deposits		-
		1,383,015
CURRENT ASSETS		
Advances, prepayments and other receivables	5	190,000
Cash and bank balances	6	937,392
		1,127,392
TOTAL ASSETS		2,510,407
FUNDS & LIABILITIES		
FUNDS		
General fund		1,737,407
Restricted Fund		600,000
		2,337,407
CURRENT LIABILITIES		
Provision for taxation		-
Accrued and other payables	7	173,000
		173,000
TOTAL FUNDS & LIABILITIES		2,510,407
CONTINGENCIES AND COMMITMENTS	8	-

The annexed notes, from 1 to 18, form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

TAQSEEM FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees
FUNDS & INCOME		
FUNDS	9	1,785,300
TOTAL FUNDS & INCOME		1,785,300
EXPENDITURES		
OPERATIONS		
Operational expenses	10	1,740,968
General and administrative expenses	11	127,684
Finance cost	12	791
		1,869,443
TOTAL EXPENDITURES		1,869,443
SURPLUS/(DEFICITE) FROM OPERATIONS		(84,143)
SURPLUS/(DEFICITE) BEFORE TAXATION		(84,143)
Provision for taxation	13	
SURPLUS/(DEFICITE) AFTER TAXATION		(84,143)
OTHER COMPREHENSIVE INCOME		
		-
OTHER COMPREHENSIVE INCOME		-
TOTAL COMPREHENSIVE SURPLUS/(DEFICITE) FOR THE YEAR		(84,143)

The annexed notes, from 1 to 18, form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

TAQSEEM FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Total comprehensive income for the year before taxation		(84,143)
Adjustments for non-cash items:		
Depreciation and amortization		248,535
Operating Surpluse/(deficit) before working capital changes		164,392
(Increase)/ decrease in current assets		-
Increase/ (decrease) in current liabilities		-
Accrued and other payables		173,000
Net cash used in operating activities		337,392
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of operating assets		-
Long term advances and deposits		-
Net cash generated from investing activities		-
CASH FLOW FROM FINANCING ACTIVITIES		
Restricted fund receipt		600,000
Net cash generated from financing activities		600,000
Net increase/(decrease) in cash and cash equivalents		937,392
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents at the end of the year		937,392

The annexed notes, from 1 to 18, form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

TAQSEEM FOUNDATION
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	Funds Rupees	Accumulated Surplus Rupees	Total Rupees
Balance as at 30 June 2022		-	-	-
Funds Received in kind		1,821,550		1,821,550
Restricted Fund		600,000		600,000
Total comprehensive Surplus/(Deficite) for the year		-	(84,143)	(84,143)
Balance as at 30 June 2023		**2,421,550**	**(84,143)**	**2,337,407**

The annexed notes, from 1 to 18, form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

TAQSEEM FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

4 PROPERTY AND EQUIPMENT

	2023							
	Cost				Depreciation			Carrying value
Particulars	As on 1-Jul-21	Additions	As at 30-Jun-22	Rate %	As on 1-Jul-21	For the year	As at 30-Jun-22	As at 30-Jun-22
Furniture and fixtures	-	648,200	648,200	15%	-	97,230	97,230	550,970
Electrical equipment	-	958,000	958,000	15%	-	143,700	143,700	814,300
Office equipment	-	25,350	25,350	30%	-	7,605	7,605	17,745
Others	-	-	-		-	-	-	-
Total June 30, 2022 (Rupees)	-	**1,631,550**	**1,631,550**		-	**248,535**	**248,535**	**1,383,015**

4.1 Depreciation is allocated as follows:

	2023	2022
	Rupees	
General and administrative expenses	49,707	-
Operational expenses	198,828	-
	248,535	-

Depreciation is allocated as follows:

**20% of total depreciation is allocated to "General and Administrative expenses" while the remaining 80% is allocated to "Operational expenses".*

***Depreciation related to right of use assets is allocated to "General and Administrative expenses".*

TAQSEEM FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

		Note	2023 Rupees
5	**ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES**		
	Security deposites for campuses -		
	Campus I		80,000
	Campus II		50,000
	Campus III		60,000
			190,000
6	**CASH AND BANK BALANCES**		
	Cash at bank	6.1	935,722
	Cash in hand		1,670
			937,392
6.1	**Cash at bank**		
	Current accounts		935,722
	Saving accounts		-
			935,722
7	**ACCRUED AND OTHER PAYABLES**		
	Rent of school building		83,000
	Rent of vehicle		30,000
	Audit fee payable		60,000
			173,000

8 CONTINGENCIES & COMMITMENTS

Contingencies

No contingecies and committements are recorded on balance sheet date.

		Note	2023 Rupees
9	**FUNDS & INCOMES RECEIVED**		
	Funds Received in Cash		1,785,300
	Funds Received in Kind for Operation		-
			1,785,300
10	**OPERATIONAL EXPENSES**		
	Salaries, benefits and allowances		1,109,567
	Rent for school buildings		352,000
	Rent for vehicles		60,000
	Vehicle running expenses		18,873
	Depreciation		198,828
	Miscellaneous		1,700
			1,740,968
11	**GENERAL AND ADMINISTRATIVE EXPENSES**		
	Salaries, benefits and allowances		-
	Utilities		2,927
	Printing and stationary		8,450
	Repair and maintenance		6,600
	Auditor's remuneration	11.1	60,000
	Depreciation		49,707
			127,684

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	Note	2023 Rupees
		60,000
11.1 Auditor's remuneration		
Audit fee		60,000
		791
12 FINANCE COST		
Bank charges		791

13 PROVISION FOR TAXATION

The Company has been established as a non-profit organization under section 42 of the Companies' Ordinance, 1984 (now the Companies Act, 2017) and have not obtained the status of Non Profit Organization under the section 2 (36) of the Income Tax Ordinance 2001 for the tax year 2023. Therefore turnover tax liability 1.5% under section 113 have been created under section 113 of Income Tax Ordinance, 2001.

14 RELATED PARTY TRANSACTIONS

Related parties include associated organisations, directors, key management personnel, entities under common control, entities with common directors. The directors of the company governs and controls the Company through direct onwership, therefore all associated relationship and related parties of the Company.

The amounts received from associated entities are disclosed in note 7 to the financial statements. Remuneration to chief executive, directors and executives under the terms of their employment are disclosed in note 17 to the financial statements. Transactions with related parties during the year are as follows:

Name	Relationship with the company	Basis of relationship	Nature of Transaction	2022
Jahngir Waheed	Associated entity	Common directorship	Donation received	300,000
Ambreen Waheed	Associated entity	Common directorship	Donation received	300,000
Imran Jahangir	Associated entity	Common directorship	Donation received	300,000
				900,000

15 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements for remuneration, including all benefits, to the chief executive, directors and executives of the Company are as follows:

	Chief Executive*	Directors**	Executives***
		'Rs.	
2023			
Remuneration and bonus	-	-	-
Medical	-	-	-
Meeting fee	-	-	-
	-	-	-
No of person(s)	1	2	0

	Chief Executive	Directors	Executives
		Rs	
2022			
Remuneration and bonus	-	-	-
Medical	-	-	-
Meeting fee	-	-	-
	-	-	-
No of person(s)	1	2	0

* The CEO are not paif for any remuneration including meeting fee

** Directors are not paid any remuneration including meeting fee.

*** Executive means an employee whose basic salary exceeds Rs 1,200,000 (2021:Rs 1,200,000) during the year.

TAQSEEM FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees

15 NUMBER OF EMPLOYEES

Total number of employees at the end of the year were 34 (2022 0). Average number of employees during the year were 34 (2022: 0)

16 GENERAL

- The figures have been rounded to nearest rupee.
- Corresponding figures, wherever necessary, have been rearranged and reclassified for the purpose of comparison and better presentation. However, these are not considered material enough to be disclosed separately.
- These financial statements have been authorized for issue on ____________ by the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER

DIRECTOR