



**CADET COLLEGE HASANABDAL ENDOWMENT
FUND TRUST**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2022**

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF CADET COLLEGE HASANABDAL ENDOWMENT FUND TRUST

Opinion

We have audited the financial statements of **Cadet College Hasanabdal Endowment Fund Trust** (the Trust), which comprise the statement of financial position as at June 30, 2022, statement of income and expenditure, the statement of changes in endowment fund and the statement of cash flows 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, 2022 and its financial performance and its cash flows 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 the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' 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 trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards, and for such internal control as the trustees determine 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, trustees are 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is *not* *absolute*.

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 auditors' 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 auditors' 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.

ISLAMABAD

DATED:
UDIN:

CHARTERED ACCOUNTANTS


Engagement Partner: Iffat Hussain

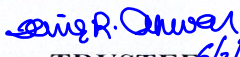
Iffat Hussain

CADET COLLEGE HASANABDAL ENDOWMENT FUND TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
ASSETS			
CURRENT ASSETS			
Advance tax	4	9,148,405	6,722,325
Bank balances	5	221,170,792	210,928,687
TOTAL ASSETS		<u>230,319,197</u>	<u>217,651,012</u>
FUND AND LIABILITIES			
FUND			
Endowment fund		202,779,678	170,937,194
LIABILITIES			
NON-CURRENT LIABILITIES			
Restricted grant	6	26,442,331	45,813,818
CURRENT LIABILITIES			
Retention money	7	792,188	610,000
Accrued liabilities	8	305,000	290,000
		1,097,188	900,000
TOTAL LIABILITIES		<u>27,539,519</u>	<u>46,713,818</u>
TOTAL FUND AND LIABILITIES		<u>230,319,197</u>	<u>217,651,012</u>

The annexed notes from 1 to 17 form an integral part of these financial statements.



SECRETARY
 16/11/23


TRUSTEE 6/2/23

CADET COLLEGE HASANABDAL ENDOWMENT FUND TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
INCOME			
Transfer from restricted grant	6	60,120,778	34,217,214
EXPENDITURE			
Charged to Endowment Fund			
Scholarships and awards	9	617,367	395,693
Reimbursement to the college in respect of :			
Consultancy charges	10	-	960,806
Teachers training expenses		86,408	1,403,679
Legal and professional expenses	11	477,700	152,500
Automation / Digitisation		-	695,903
Repair and maintenance		-	1,542,000
Installation of air conditioners		-	224,861
Employees welfare / Improving out look		628,792	-
Operating expenses - CCHEFT		1,215,000	-
Bank charges		3,132	1,856
		3,028,399	5,377,298
Charged to Restricted Grant			
Transferred to the college on account of scholarships	12	26,703,441	22,042,660
Salaries, wages and benefits (Career Counselor)		-	378,839
Misc Patty Works		-	454,500
Renovation of Main Gate		5,801,000	199,000
Renovation of Library		10,102,785	16,000
Profit transfer		11,876,863	-
Expenditure out of Reserve Fund		2,472,792	-
Bank charges		5,278	6,438
Renovation of Mosque		-	5,345,546
Renovation of Office		130,220	-
Renovation of Class IV Quarters		-	396,933
		57,092,379	28,839,916
		60,120,778	34,217,214
SURPLUS/(DEFICIT) FOR THE YEAR			
		-	-

The annexed notes from 1 to 17 form an integral part of these financial statements.


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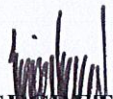

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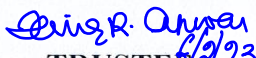
CADET COLLEGE HASANABDAL ENDOWMENT FUND TRUST
STATEMENT OF CHANGES IN ENDOWMENT FUND
FOR THE YEAR ENDED JUNE 30, 2022

		Endowment fund	Accumulated Surplus/(Deficit)	Total
	Note	-----Rupees-----		
Balance at July 01, 2020		166,467,139	-	166,467,139
Funds received during the year	13	587,757	-	587,757
Profit on saving accounts - net	6.1	3,882,298	-	3,882,298
Surplus for the year		-	-	-
Balance at June 30, 2021		170,937,194	-	170,937,194
Funds received during the year	13	20,996,915	-	20,996,915
Profit on saving accounts - net	6.2	10,845,569	-	10,845,569
Surplus for the year		-	-	-
Balance at June 30, 2022		<u>202,779,678</u>	<u>-</u>	<u>202,779,678</u>

The annexed notes from 1 to 17 form an integral part of these financial statements.

Review.


SECRETARY
 16/11/23


TRUSTEE

CADET COLLEGE HASANABDAL ENDOWMENT FUND TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus/(deficit) for the year		-	-
Change in advance tax		(2,426,080)	(1,755,019)
Change in accrued liabilities		15,000	(110,000)
Change in retention money		182,188	(319,063)
		(2,228,892)	(2,184,082)
Net cash used in operating activities		(2,228,892)	(2,184,082)
CASH FLOWS FROM FINANCING ACTIVITIES			
Restricted grant utilised		(19,371,487)	13,922,080
Endowment fund received		31,842,484	4,470,055
Net cash generated from financing activities		12,470,997	18,392,135
Net increase in cash and cash equivalents during the year		10,242,105	16,208,053
Cash and cash equivalents at beginning of the year		210,928,687	194,720,634
Cash and cash equivalents at end of the year	5	221,170,792	210,928,687

The annexed notes from 1 to 17 form an integral part of these financial statements.

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SECRETARY

16/11/23

Dr. R. Ghosey
TRUSTEE 6/2/23

CADET COLLEGE HASANABDAL ENDOWMENT FUND TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1 THE TRUST AND ITS OPERATIONS

Cadet College Hasanabdal Endowment Fund Trust ("the Trust") is a non-profit organization and was registered in Pakistan on May 24, 2014 under the Trust Act, 1882. The primary objective of the Trust is to establish, manage, maintain, own and administer funds to primarily promote and subsidize all activities of the Cadet College Hasanabdal ("the College"). The registered office of the Trust is located at Cadet College Hasanabdal, District Attock, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The accounting and reporting standards Financial Reporting Standards for Small Sized Entities (SSEs) and the Accounting Standards for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP). In case requirements differ, the provisions of the AFRS shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is also the Trust's functional currency.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Endowment fund

Endowment contributions are recognized as direct increase in net assets.

3.2 Restricted grant

Restricted grants which are specific to a particular project / expense are recognized as income when the related terms and conditions are fulfilled and the Trust has no remaining performance obligation.

3.3 Interest income on endowment contribution

Interest income on endowment contribution is initially recognized as restricted fund and then

applied towards meeting the operating and / or capital expenses of the College. Any unspent interest income is recognized as endowment contributions.

3.4 Interest income on restricted fund

Interest income on restricted fund is recognized as a part of restricted fund on accrual basis.

3.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks.

3.6 Accrued and other liabilities

Accrued liabilities are initially recognized at their fair value. Subsequent to initial recognition, these are carried at their amortised cost which approximates the fair value of consideration to be paid in the future for goods and services received.

3.7 Taxation

The Trust has been registered as not for profit organization under section 2(36) of the Income Tax Ordinance, 2001. The Trust income is eligible for tax credit under section 100(c) of the Income Tax Ordinance, 2001 from grants, profits on saving accounts and so much of the income chargeable under the head 'Income from Business' as is expended in Pakistan for the purposes of carrying out welfare activities. Accordingly, provision for taxation has not been made in these financial statements.

	Note	2022 Rupees	2021 Rupees
4 ADVANCE TAX			
Balance at the start of year		6,722,325	4,967,306
Addition during the year		2,426,080	1,755,019
Balance at the end of year		<u>9,148,405</u>	<u>6,722,325</u>
5 BANK BALANCES			
Cash at bank in local currency:			
Saving accounts	5.1	<u>221,170,792</u>	<u>210,928,687</u>
5.1 Local currency saving accounts, which comprise of two daily progressive accounts, carry interest rate at 5.16% to 11.75% (2021 5.50% to 8.00%) per annum.			

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6 RESTRICTED GRANT

Donor

- 1 Future Trust & 17th Entry Abdalians for services block
- 2 Abdalians and non-Abdalians for scholarships
- 3 Fatima Welfare Foundation for out reach program
- 4 32nd Entry Scholarship
- 5 31st Entry Renovation of CCH Mosque
- 6 Col(R) Shahid Hamid & Dr. Zahid Hamid Renovation of CCH Main Gate
- 7 24th Entry and Mr. Musadaq Zulqarnain 17th Entry Renovation of CCH Library
- 8 Abdalian Association UK Renovation of 2 x Lower Staff Quarters
- 9 Abdalian Association of North America for renovation of faculty houses
- 10 Mr. Rizwan Pervez for installation of watering system
- 11 Mr. Navid Fazil - CEO Interloop for installation of air conditioning system
- 12 Reserve Fund
- 13 Bank profit on restricted funds
- 14 Bank profit on endowment fund
- 15 Others

Note	Balance as at July 01, 2021	Received during the year	Recognized during the year	Transferred to endowment fund	Balance as at June 30, 2022
-----Rupees-----					
	15,094,000	-	-	-	15,094,000
	1,494,023	27,666,269	24,023,139	-	5,137,153
	1,472	-	1,472	-	-
	-	2,680,302	2,680,302	-	-
	241,404	-	-	-	241,404
	1,801,000	4,000,000	5,801,000	-	-
	10,180,736	158,000	10,102,785	-	235,951
	173,067	306,381	-	-	479,448
	42,602	-	42,602	-	-
	34,883	-	34,883	-	-
	1,107,635	-	1,107,635	-	-
	-	-	-	-	-
	11,876,863	2,299,940	11,882,141	-	2,294,662
6.1	-	13,873,968	3,028,399	10,845,569	-
6.2	3,766,133	610,000	1,416,420	-	2,959,713
	45,813,818	51,594,860	60,120,778	10,845,569	26,442,331

Review

Balance as at July 01, 2020	Received during the year	Recognized during the year	Transferred to endowment fund	Balance as at June 30, 2021
-----Rupees-----				

Donor

1	Future Trust & 17th Entry Abdalians for services block	15,094,000	-	-	-	15,094,000
2	Siddiqui Foundation for career counseling	378,839	-	378,839	-	-
3	Fatima Welfare Foundation for out reach program	1,472	-	-	-	1,472
4	Abdalians and non-Abdalians for scholarships	1,798,943	19,193,810	19,498,730	-	1,494,023
5	32nd Entry Scholarship	-	2,543,930	2,543,930	-	-
6	31st Entry Renovation of CCH Mosque	-	5,586,950	5,345,546	-	241,404
7	Col(R) Shahid Hamid & Dr. Zahid Hamid Renovation of CCH Main Gate	-	2,000,000	199,000	-	1,801,000
8	24th Entry and Mr. Musadaq Zulqarnain 17th Entry	-	10,196,736	16,000	-	10,180,736
9	Abdalian Association UK	-	570,000	396,933	-	173,067
10	Abdalian Association of North America for renovation of faculty houses	42,602	-	-	-	42,602
11	Mr. Rizwan Pervez for installation of watering system	34,883	-	-	-	34,883
12	Mr. Navid Fazil - CEO Interloop for installation of air conditioning system	1,107,635	-	-	-	1,107,635
13	Bank profit on restricted funds	9,442,731	2,440,570	6,438	-	11,876,863
14	Bank profit on endowment fund	-	9,259,596	5,377,298	3,882,298	-
15	Others	3,990,633	230,000	454,500	-	3,766,133
		<u>31,891,738</u>	<u>52,021,592</u>	<u>34,217,214</u>	<u>3,882,298</u>	<u>45,813,818</u>

6.1 As per Trust deed, entity recognises interest income as restricted fund and then applies it towards meeting the operating /capital expenses of the College. Any unspent interest income is transferred to endowment fund at year end.

6.2 These comprises of donations from various individuals to be utilized for the specific purposes as approved or as specified in Trust deed by the Trustees.

Review.

7 RETENTION MONEY

Retention money was withheld at the rate of 5% of the amount paid to the party against the construction of roads.

	2022	2021
	Rupees	Rupees
8 ACCRUED LIABILITIES		
Audit fee payable	<u>305,000</u>	<u>290,000</u>

9 SCHOLARSHIPS AND AWARDS

This represents scholarship awarded to one student on need basis as approved by scholarship award committee.

10 CONSULTANCY CHARGES

This comprises of payments to the consultant hired as software manager to deal with student related data and admission process. Further salary of Funds accountant is also being charged here.

	2022	2021
	Rupees	Rupees
11 LEGAL & PROFESSIONAL EXPENSES		
Audit fee	120,000	100,000
Tax services	54,700	52,500
Payment to PCP (Pakistan Center of Philanthropy)	<u>303,000</u>	<u>-</u>
	<u>477,700</u>	<u>152,500</u>

12 TRANSFERRED TO THE COLLEGE ON ACCOUNT OF SCHOLARSHIPS

This includes donations received from ex-abdalian for the scholarships of the students which were then transferred to college. During the year, 69 students (2021 : 47 students) were awarded with scholarships.

13 ENDOWMENT FUND

This represent amount donated by ex-students of the college and other individuals for welfare of the Cadet College.

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14 RELATED PARTIES TRANSACTIONS

Related parties comprise of board members, key management personnel and entities over which the board members are able to exercise significant influence. Transactions with related parties are as follows:

	2022 Rupees	2021 Rupees
Payments during the year to the Cadet College Hasanabdal on account of:		
Scholarships	(27,320,808)	(22,438,353)
Teachers training expenses	(86,408)	(1,403,679)
Consultancy Charges	-	(960,806)

15 CORRESPONDING FIGURES


Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the year.

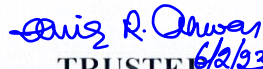
16 DATE OF AUTHORIZATION

These financial statements were approved by the Board of Trustees on 28 Jan 2023.

17 GENERAL

Figures have been rounded off to the nearest rupee.
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SECRETARY
16/11/23


TRUSTEE
6/2/23