



JAMSHED AKHTER QURESHI EDUCATION TRUST

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2015**

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



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AUDITORS' REPORT TO THE TRUSTEES

We have audited the accompanying balance sheet of **JAMSHED AKHTER QURESHI EDUCATION TRUST** ("the Trust") as at June 30, 2015 and the related income and expenditure account and cash flow statement together with the notes forming part thereof for the year then ended (here-in-after referred to as the financial statements).

It is the responsibility of the trustees to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by the management, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly in all material respects the financial position of the Trust as at June 30, 2015 and of its surplus and cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

ISLAMABAD

DATED: May 04, 2016

Abdul Qadeer
CHARTERED ACCOUNTANTS
Engagement Partner: Abdul Qadeer

JAMSHED AKHTER QURESHI EDUCATION TRUST
BALANCE SHEET AS AT JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property plant and equipments	4	1,726,744	1,978,920
CURRENT ASSETS			
Other receivables	5	250,000	147,670
Cash and bank balances	6	8,420,931	7,309,308
		8,670,931	7,456,978
TOTAL ASSETS		<u>10,397,675</u>	<u>9,435,898</u>
LIABILITIES			
CURRENT LIABILITIES			
Accrued liabilities		486,837	401,280
NET ASSETS		<u>9,910,838</u>	<u>9,034,618</u>
REPRESENTED BY:			
General Fund		506,243	2,360,323
Restricted fund	7	-	-
Endowment fund	8	9,016,995	6,157,495
Deferred capital grant	9	387,600	516,800
		<u>9,910,838</u>	<u>9,034,618</u>

The annexed notes/1 to 13 form an integral part of these financial statements.


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JAMSHED AKHTER QURESHI EDUCATION TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees
INCOME			
Donations		6,719,364	7,262,311
School income		646,510	398,740
Amortization of restricted grant		-	141,297
Amortization of deferred capital grant		129,200	129,200
Bank profit		57,610	35,648
Other income	10	371,000	-
Exchange gain / (loss)		174,530	(3,004)
		8,098,214	7,964,192
EXPENDITURE			
Administrative and Educational expenses	11	9,823,094	8,655,002
Amortization of deferred capital grant		129,200	129,200
Deficit for the year		(1,854,080)	(820,010)
Surplus brought forward		2,360,323	3,180,333
Surplus carried forward		506,243	2,360,323

The annexed notes 1 to 13 form an integral part of these financial statements.


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JAMSHED AKHTER QURESHI EDUCATION TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 Rupees	2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
(Deficit) for the year		(1,854,080)	(820,010)
Adjustments for non cash items:			
Depreciation		416,766	465,910
Restricted grant recognised		-	(141,297)
Exchange gain / (loss)		(174,530)	-
Gain on sale of fixed assets		(371,000)	-
Amortization of deferred capital grant		(129,200)	(129,200)
		(257,964)	195,413
(Deficit) / surplus before working capital changes		(2,112,044)	(624,597)
(Increase)/decrease in current assets			
Other receivables		147,670	727,639
(Increase)/decrease in current liabilities			
Accrued liabilities		85,557	(41,087)
Short term loan		-	(245,850)
		233,227	440,702
Exchange gain		174,530	-
Net cash used in operating activities		(1,704,287)	(183,895)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(164,590)	(240,000)
Sale proceeds from sale of assets		121,000	-
Net cash generated from/(used in) investing activities		(43,590)	(240,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Additions to endowment fund		2,859,500	840,000
Net cash generated from financing activities		2,859,500	840,000
Net increase in cash and cash equivalents		1,111,623	416,105
Cash and cash equivalents at beginning of the year		7,309,308	6,893,203
Cash and cash equivalents at the end of the year	6	8,420,931	7,309,308

The annexed notes 1 to 13 form an integral part of these financial statements.

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TRUSTEE

JAMSHED AKHTER QURESHI EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

1 LEGAL STATUS AND OBJECTIVES

Jamshed Akhtar Qureshi Education Trust (The Trust) is a Non Government Organization registered on October, 2000 under the Trust Act (II of) 1882. The head office of the organization is located in Islamabad.

The objectives of the Organization are to:

- a) Promote literacy and primary education among poor children through a network of informal community based schools;
- b) Safeguard health of poor children;
- c) Enhance access to the formal school system;
- d) Promote awareness building and social mobilization among poor communities towards self-help;
- e) Provide financial assistance to destitute students.;
- f) Support programme to enhance income generations skills of girls and women; and
- g) Collaborate/link up with other organization pursuing similar objectives.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 Accounting convention

These financial statements have been prepared under historical cost convention and accrual basis of accounting.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Organization's functional and presentation currency.



3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Operating Fixed Assets

Property and equipment is stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged by applying the straight line method whereby the cost of the assets is written off over their estimated useful lives at the rates specified in note 4. Full month's depreciation is charged in the month of addition while no depreciation is charge in the month of disposal.

Major renewals and improvements are capitalized whereas normal repair and maintenance is charged to income and expenditure account as and when incurred. Capital expenditure exceeding Rs. 20,000 & having useful life over one year is capitalized.

Gain or loss on disposal of operating fixed assets during the year is charged to the income and expenditure account.

3.2 Endowment fund

Endowment fund represents amounts received from the trustees or donated exclusively by the donors to the fund. The objective of the fund is to sustain the Trust. The fund is utilized in making investment or to pay for expenditures when the donor fund is insufficient.

3.3 Provision for taxation

The company is a non profit organization under section 2(36) of the Income Tax Ordinance 2001 and is exempt under clause 58 of 2nd schedule of the said ordinance. Therefore, no provision for taxation has been made in these financial statements.

3.4 Cash and bank

For the purpose of cash flow statement, cash and cash equivalent comprise of cash in hand, cash with banks in local and foreign currency saving accounts..

3.5 Income recognition

- Donation income is recognized on receipt basis.
- Contribution to school rent/ school income is recognized on accrual basis.
- Income from interest on bank accounts is recognized on accrual basis.
- Restricted grants received for specific purpose are deferred when received and are recognized as income to the extent of actual expenditure incurred.
- The asset received are recorded as deferred income which is recognized as income on a systematic basis over the useful life of the asset.

3.6 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the exchange rates prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary balance sheet items at year end exchange rates are recognized in profit and loss account.

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4 OPERATING FIXED ASSETS

Particulars	C o s			t	D e	p r e		i a	t i	o n	Book value as at 30-06-2015
	As at 01-7-2014	Additions/ (Disposal)	As at 30-06-2015			Rate %	As at 01-7-2014				
JAQ Trust own fund											
Motor vehicle	440,000	(440,000)	-	20%	440,000	(440,000)	-	-	-	-	-
Sheds/Steel polls	1,808,948	164,590	1,973,538	10%	445,954	-	197,354	643,308	1,330,230	-	1,330,230
Furniture and fixture	135,000	-	135,000	33%	135,000	-	-	135,000	-	-	-
Computer equipment	268,570	-	268,570	33%	171,028	-	88,628	259,656	8,914	-	8,914
Office equipment	14,500	-	14,500	33%	12,916	-	1,584	14,500	-	-	-
	2,667,018	(275,410)	2,391,608		1,204,898	(440,000)	287,566	1,052,464	1,339,144	-	1,339,144
Donor funded											
Motor vehicle	646,000	-	646,000	20%	129,200	-	129,200	258,400	387,600	-	387,600
	646,000	-	646,000		129,200	-	129,200	258,400	387,600	-	387,600
June 30, 2015	3,313,018	(275,410)	3,037,608		1,334,098	(440,000)	416,766	1,310,864	1,726,744	-	1,726,744
June 30, 2014	2,427,018	886,000	3,313,018		868,188		465,910	1,334,098	1,978,920	-	1,978,920

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	Note	2015 Rupees	2014 Rupees
5 OTHER RECEIVABLES			
Other receivable	5.1	-	-
Receivable from sale of assets	5.2	250,000	147,670
		<u>250,000</u>	<u>147,670</u>
5.1 Opening balance		-	875,309
Misappropriation during the year		-	347,793
		-	<u>1,223,102</u>
Replenished by the Trustees	5.1.1	-	(1,223,102)
		<u>-</u>	<u>-</u>

5.1.1 This represents loss of trust money misappropriated by the ex-accountant of the Trust, however, replenished by the Trustees during prior year.

5.2 It represents the amount receivable from sale of motor vehicle on installments. Subsequently, Rs. 75,000 has been received till date as per installment plan.

	Note	2015 Rupees	2014 Rupees
6 CASH AND BANK BALANCES			
Cash in hand		1,249	112,102
Cash at bank - Saving accounts			
Local currency		1,975,860	845,387
Foreign currency	6.1	6,443,822	6,351,819
		<u>8,420,931</u>	<u>7,309,308</u>

6.1 This represents 63,348.63 US Dollars (2013: US Dollars 64,420.07) converted at the rate prevailing at the balance sheet date.

	2015 Rupees	2014 Rupees
7 RESTRICTED FUND		
Opening balance	-	141,297
Income recognized during the year	-	(141,297)
Closing balance	<u>-</u>	<u>-</u>

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	Note	2015 Rupees	2014 Rupees
8 ENDOWMENT FUND			
Opening balance		6,157,495	5,317,495
Funds received during the year	8.1	2,859,500	840,000
Closing balance		<u>9,016,995</u>	<u>6,157,495</u>

8.1 It represent funds received from the trustees for specific purposes.

	Note	2014 Rupees	2013 Rupees
9 DEFFERED CAPITAL GRANT			
Deferred capital grant received during the year		516,800	646,000
Amortization for the year	4	<u>(129,200)</u>	<u>(129,200)</u>
Closing balance		<u>387,600</u>	<u>516,800</u>

10 OTHER INCOME			
Sale of motor vehicle		350,000	-
Other		21,000	-
		<u>371,000</u>	<u>-</u>

11 ADMINISTRATIVE AND EDUCATIONAL EXPENSES			
Salaries and wages		6,642,673	5,251,126
Book, stationary and teaching aids		736,917	865,054
Food supplements		265,326	382,111
Communication expenses		101,800	58,372
Repair and maintenance-Infrastructure		131,821	239,894
Rent		349,000	273,700
Medical care		1,128	-
Events		38,455	49,423
Sports kit		18,396	-
School uniform		63,195	299,950
Utilities		19,173	13,853
Washing and cleaning		18,334	12,031
Scholarship support		-	27,700
Staff development & quality enhancement		104,779	201,500
Transportation		559,490	473,358
Legal and other fee		291,813	-
Other school operating expenses		143,625	111,360
Depreciation		287,566	336,710
Bank Charges		24,174	17,230
Miscellaneous expenses		25,429	41,630
		<u>9,823,094</u>	<u>8,655,002</u>

12 DATE OF AUTHORIZATION FOR ISSUE

These financial statements are authorized for issue by the Board of Trustees of the trust on May 04, 2016.

13 GENERAL

Figures have been rounded off to the nearest rupee.


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