

SARGODHIAN SPIRIT TRUST

HEAD OFFICE

**FINANCIAL STATEMENTS WITH
ACCOMPANYING INFORMATION**

30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of Sargodhian Spirit Trust – Head Office ("the Head Office"), which comprise the statement of financial position as at 30 June 2022, and the statement of income and expenditure, statement of changes in fund and 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 Head Office as at 30 June 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Head Office 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 the 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 Head Office'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 Head Office or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Head Office 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

Riaz Ahmad & Company

Chartered Accountants

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 Head Office'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 Head Office'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 Head Office 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.



RIAZ AHMAD & COMPANY
Chartered Accountants

Date: 22 February 2023

ISLAMABAD


Name of engagement partner: Raheel Arshad

UDIN: AR202210187108zZuGDc

SARGODHIAN SPIRIT TRUST - HEAD OFFICE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 Rupees	2021 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	3	711,150,409	426,398,483
Long term deposits	4	635,000	635,000
		<u>711,785,409</u>	<u>427,033,483</u>
CURRENT ASSETS			
Loan to employee		-	1,000,000
Advances	5	2,094,000	2,915,757
Inter project receivables	10	-	206,048,274
Taxation	6	10,091,430	6,488,905
Cash and bank balances	7	348,027,051	338,083,639
		<u>360,212,481</u>	<u>554,536,575</u>
TOTAL ASSETS		<u><u>1,071,997,890</u></u>	<u><u>981,570,058</u></u>
FUND AND LIABILITIES			
FUND			
General fund		138,776,542	128,514,563
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred credit - grants	8	820,477,253	847,473,370
Employee retirement benefit - gratuity	9	7,613,133	-
		<u>828,090,386</u>	<u>847,473,370</u>
CURRENT LIABILITIES			
Inter project payables	10	102,010,059	-
Accrued and other payables	11	3,120,903	5,582,125
		<u>105,130,962</u>	<u>5,582,125</u>
TOTAL LIABILITIES		<u><u>933,221,348</u></u>	<u><u>853,055,495</u></u>
CONTINGENCIES AND COMMITMENTS			
TOTAL FUND AND LIABILITIES	12	<u><u>1,071,997,890</u></u>	<u><u>981,570,058</u></u>

The annexed notes form an integral part of these financial statements. *Raw*



CHAIRMAN

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SARGODHIAN SPIRIT TRUST - HEAD OFFICE
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 Rupees	2021 Rupees
INCOME			
Donations and voluntary contributions		4,246,644	2,127,899
Amortization of grants	8	10,629,795	11,001,288
Profit on bank deposits		24,713,449	8,976,825
Other income		-	62,100
		39,589,888	22,168,112
EXPENDITURE			
Salaries and other benefits	13	15,125,795	8,304,305
Utilities		275,303	210,811
Communication		180,540	168,886
Repair and maintenance		217,860	94,097
Travelling		116,893	74,380
Printing and stationery		85,303	51,175
Entertainment		123,648	50,501
Office supplies		66,310	49,518
Legal and professional charges		276,846	212,636
Auditor's remuneration	14	134,000	134,000
Depreciation	3.1	10,629,795	11,001,288
Office rent		1,963,948	1,819,334
Bank charges		27,310	64,674
Other expenses		104,358	274,059
		(29,327,909)	(22,509,664)
SURPLUS / (DEFICIT) FOR THE YEAR		10,261,979	(341,552)

The annexed notes form an integral part of these financial statements. *lao*


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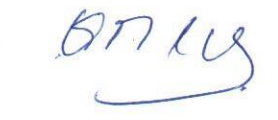
SARGODHIAN SPIRIT TRUST - HEAD OFFICE
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 30 JUNE 2022

	Rupees
Balance as at 30 June 2020	128,856,115
Deficit for the year ended 30 June 2021	(341,552)
Balance as at 30 June 2021	<u>128,514,563</u>
Surplus for the year ended 30 June 2022	10,261,979
Balance as at 30 June 2022	<u><u>138,776,542</u></u>

The annexed notes form an integral part of these financial statements. *Ran*



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SARGODHIAN SPIRIT TRUST - HEAD OFFICE

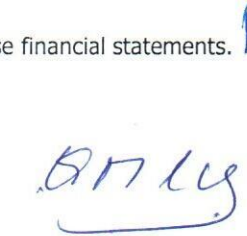
**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / (deficit) for the year	10,261,979	(341,552)
Adjustments for non-cash charges and other items:		
Depreciation	10,629,795	11,001,288
Amortization of grants	(10,629,795)	(11,001,288)
Provision for gratuity	5,732,075	-
Profit on bank deposits	(24,713,449)	(8,976,825)
Cash used in operations before working capital changes	<u>(8,719,395)</u>	<u>(9,318,377)</u>
Working capital changes		
(Increase) / decrease in current assets		
Loan to employees	1,000,000	-
Advances	821,757	2,965,554
Inter project receivables	206,048,274	(57,068,428)
	207,870,031	(54,102,874)
Increase / (decrease) in current liabilities		
Inter project payables	102,010,059	-
Accrued and other payables	(580,164)	2,516,401
	101,429,895	2,516,401
Net cash generated from / (used in) operations	<u>300,580,531</u>	<u>(60,904,850)</u>
Tax paid	(3,602,525)	(1,355,338)
Net cash generated from / (used in) operating activities	<u>296,978,006</u>	<u>(62,260,188)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on operating fixed assets	(293,164,454)	(1,643,210)
Additions in capital work in progress	(39,975,932)	(77,839,445)
Interest received	24,713,449	8,976,825
Net cash used in investing activities	<u>(308,426,937)</u>	<u>(70,505,830)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Grant received	21,392,343	224,858,369
Net cash from financing activities	<u>21,392,343</u>	<u>224,858,369</u>
Net increase in cash and cash equivalents	9,943,412	92,092,351
Cash and cash equivalents at the beginning of the year	338,083,639	245,991,288
Cash and cash equivalents at the end of the year	<u><u>348,027,051</u></u>	<u><u>338,083,639</u></u>

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



CHAIRMAN



CHIEF EXECUTIVE



TRUSTEE

SARGODHIAN SPIRIT TRUST - HEAD OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 LEGAL STATUS AND OPERATIONS

Sargodhian Spirit Trust ("the Trust") having its registered office at Islamabad, was created on 02 July 1998 by the PAF School Sargodha, Old Boys Association ("the Association"), principally to provide education to the general public, including members and children of the Association, and to create awareness amongst people for improved education and health. The Trust is managing the Sargodhian Spirit Trust Public School Rashidabad ("the School") and Sargodhian Spirit Institute for Professional Development ("the Institute"). The registered office of the Trust is situated at House No. 507-G, Street 32, MPCHS E 11/3 E-11, Islamabad.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Accounting Standard for Not-for-Profit Organisations issued by the Institute of Chartered Accountants of Pakistan and International Financial Reporting Standards for Small and Medium-Sized Entities (SMEs) issued by International Accounting Standards Board as adopted by the Institute of Chartered Accountants of Pakistan.

b) Accounting convention

These financial statements have been prepared under the historical cost convention, except for the certain financial instruments which are carried at their fair values.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Trust's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Trust's financial statements or where judgments were exercised in application of accounting policies are as follows:

d) Useful lives, patterns of economic benefits and impairment

Estimates with respect to residual values, useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Trust. Further, the Trust reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

2.2 Property and equipment

Cost

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of property and equipment consists of historical cost and other directly attributable cost of bringing the asset to working condition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of income and expenditure during the year in which they are incurred.

Depreciation

Depreciation on all items of property and equipment is charged to statement of income and expenditure on reducing balance method after taking into account residual value, if any, so as to write off the depreciable amount of an asset over its estimated useful life at the rates given in Note 4.1. Depreciation on additions is charged from the month the assets are available for use while no depreciation is charged for the month in which the assets are disposed off. The residual values and useful lives of assets are reviewed by the management at each financial year end and adjusted if impact on depreciation is significant.

De-recognition

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of income and expenditure in the year the asset is de-recognized.

2.3 Investments

Classification of an investment is made on the basis of intended purpose for holding such investment. Management determines the appropriate classification of its investments at the time of purchase and re-evaluates such designation on regular basis. Investments are initially measured at fair value plus transaction costs directly attributable to acquisition.

Equity instruments

The Trust subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Trust's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognized in other income / (other expenses) in the statement of income and expenditure as applicable.

Dividends from such investments continue to be recognized in statement of income and expenditure as other income when the Trust's right to receive payments is established.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in statement of income and expenditure and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of income and expenditure.

2.4 Deferred credit - grants

Grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Trust will comply with all attached conditions. Fair value signifies the amount received in cash and current market value in case of grant received in kind. Grants related to expenses are deferred and recognized in the statement of income and expenditure over the period necessary to match them with the expenses that they are intended to compensate. Grants related to assets are also recognized in deferred credit. An amount equivalent to the depreciation for each year on such assets is credited to statement of income and expenditure in the same year in which the depreciation is charged. Amount equal to book value of assets relating to grant is also transferred to statement of income and expenditure in the same year in which asset is disposed off.

Restricted contribution for the purchase of capital assets that will not be amortized is recognized as direct increase in fund.

2.5 Employee benefits - gratuity

The Trust operates unapproved and unfunded gratuity scheme for permanent employees of the Trust, payable on cessation of employment. Provision is made in these financial statements for the amounts payable by the Trust in respect of this.

2.6 Revenue recognition

Donations are recognized on the receipt basis.

Return on investments is recognized on accrual basis at the rates specified in respective investment scheme assuming that such investment will be held till maturity.

Interest on bank deposits is recognized on time proportion basis taking into account the amounts outstanding and rates applicable thereon.

Revenue from restricted funds is recognized, using deferral method in statement of income and expenditure over the period necessary to match them with the expenses that they are intended to compensate.

2.7 Employee benefits - contributory provident fund

The Trust operates contributory provident fund scheme for its regular employees. Equal contributions are made to the fund by the Trust and the employees at the rate of 7.5% of their basic salaries. The fund has not yet been approved under the provisions of the Income Tax Ordinance, 2001.

2.8 Foreign currencies

These financial statements are presented in Pak Rupees, which is the Trust's functional currency. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the financial statement date, while the transactions in foreign currencies during the year are initially recorded in functional currency at the rates of exchange prevailing at the transaction date. All non-monetary items are translated into Pak Rupees at the exchange rates prevailing on the date of transaction or on the date when fair values are determined. Exchange gains and losses are recorded in the statement of income and expenditure.

2.9 Financial instruments

Financial instruments carried on the balance sheet include deposits, loans and advances, other receivables, cash and bank balances, interest accrued and other payables etc. Financial assets and liabilities are recognized when the Trust becomes a party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition.

Financial assets are de-recognized when the Trust loses control of the contractual rights that comprise the financial asset. The Trust loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Trust surrenders those rights. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on subsequent measurement and de-recognition is charged to the statement of income and expenditure. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item and in the accounting policy of investments.

2.10 Accrued and other liabilities

Accrued and other amounts payable are initially recognized at fair value which is normally the transaction cost.

2.11 Receivables

Receivables are recognized and carried at cost less an allowance for any uncollectible amounts. Carrying amounts of receivables are assessed on regular basis and if, there is any doubt about reliability of these receivables, appropriate amount of provision is made.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.13 Provisions

Provisions are recognized when the Trust has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

2.14 Taxation

Income of Not for Profit Organisations is allowed a tax credit equal to one hundred percent of the tax payable under section 100C of the Income Tax Ordinance, 2001. Accordingly, no provision for taxation has been made in these financial statements.

2.15 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the Trust has a legally enforceable right to set off the recognized amounts and the Trust intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

	2022	2021
	Rupees	Rupees
3.2 Capital work in progress		
Neelab Project - KPK		
Balance as at 01 July	19,567,159	16,754,345
Add: additions during the year	1,910,682	2,812,814
Balance as at 30 June	21,477,841	19,567,159
Alamabad Project - KPK		
Balance as at 01 July	1,206,400	-
Add: additions during the year	2,350,160	1,206,400
Balance as at 30 June	3,556,560	1,206,400
School development expenses - Pavilion Project		
Balance as at 01 July	32,431,125	1,646,957
Add: additions during the year	32,147,594	30,784,168
Balance as at 30 June	64,578,719	32,431,125
Bad Water treatment plant project		
Balance as at 01 July	5,277,398	-
Add: additions during the year	3,567,496	5,277,398
Balance as at 30 June	8,844,894	5,277,398
SSTPSR solarization project		
Balance as at 01 July	37,758,665	-
Add: additions during the year	-	37,758,665
Less: transferred to operating fixed asset (school)	(37,758,665)	-
Balance as at 30 June	-	37,758,665
	<u>98,458,014</u>	<u>96,240,747</u>

4 LONG TERM DEPOSITS

These mainly include interest free deposits made to utility companies for provision of utility connections. These are not being carried at amortized cost as required by section 11 of IFRS for SMEs as it will have immaterial impact and thus carried at historical cost.

	Note	2022	2021
		Rupees	Rupees
5 ADVANCES			
Advances to:			
- employees against salaries	5.1	2,094,000	2,641,086
- suppliers		-	274,671
		<u>2,094,000</u>	<u>2,915,757</u>
5.1		These are secured against employee retirement benefit and carry no interest.	
6 TAXATION			
Balance as on 01 July		6,488,905	5,133,567
Tax paid / deducted at source		3,602,525	1,355,338
Balance as at 30 June		<u>10,091,430</u>	<u>6,488,905</u>
7 CASH AND BANK BALANCES			
Cash in hand		45,313	13,234
Cash at banks:			
- current accounts	7.1	2,447,540	1,908,872
- saving accounts	7.2	345,534,198	336,161,533
		347,981,738	338,070,405
		<u>348,027,051</u>	<u>338,083,639</u>

- 7.1 The balances in current accounts include USD 11,983 (2021: USD 11,983).
- 7.2 The balances in saving accounts carry interest rates ranging from 6.0% to 6.5% (2021: 6.0% to 6.5%) per annum.

8 DEFERRED CREDIT - GRANTS

DESCRIPTION	2022							Total	2021 Total
	Capital Nature								
	Land (Note 8.1)	Buildings and infrastructure (Note 8.2)	IT equipment and other school related items (Note 8.3)	Government grant (Note 8.4)	Neelab Project (Note 8.5)	Alamabad Project (Note 8.6)	SST School Quetta (Note 8.7)		
	R u p e e s								
Balance at the start of the year	346,507	150,597,508	197,610	440,253,745	6,078,000	100,000,000	150,000,000	847,473,370	633,616,289
Grant received from school - net	-	-	-	15,000,000	-	-	-	15,000,000	-
Grant transferred to school	-	-	-	(37,758,665)	-	-	-	(37,758,665)	-
Grant transferred to SSIIPD	-	-	-	(1,982,588)	-	-	-	(1,982,588)	(23,141,631)
Grants refunded against Neelab Project	-	-	-	-	-	-	-	-	(2,000,000)
Grant received from Government	-	-	-	8,374,931	-	-	-	8,374,931	250,000,000
Grants amortized during the year	(17,325)	(9,998,845)	(88,266)	(525,359)	-	-	-	(10,629,795)	(11,001,288)
Balance at the end of the year	329,182	140,598,663	109,344	423,362,064	6,078,000	100,000,000	150,000,000	820,477,253	847,473,370

- 8.1 It represents grants received and utilized for purchase of land, the remaining amount is amortized at the rate of 5% per annum.
- 8.2 These grants mainly include grants received from Government of Pakistan, Sheikh Sultan Trust and China National Aero Technology Import and Export Corporation (CATIC) for construction and maintenance of the school building in Rashidabad.
- 8.3 It represents grant received from HBL Foundation for purchase of IT equipment and other school related items.
- 8.4 It represents grant received from Government of Sindh for expansion of infrastructure facility, teacher training programme and scholarships.
- 8.5 It represents grant received from various members of the Old Boys Association of PAF School Sargodha to create educational facilities at Neelab near Misri Banda, District Nowshera, Khyber Pakhtunkhwa.
- 8.6 It represents grant received from Government of Khyber Pakhtunkhwa (KPK) to create educational facilities at Alamabad, Village Nabi, Tehsil Chotta Lahore, District Swabi, KPK.
- 8.7 It represents grant received from Government of Balochistan to create educational facilities in province Balochistan.

	Note	2022 Rupees	2021 Rupees
9 EMPLOYEE RETIREMENT BENEFIT - GRATUITY			
Balance as on 01 July		-	-
Transfer from contributory provident fund	11.1	1,881,058	-
Provision for the year		5,732,075	-
Balance as at 30 June		7,613,133	-

	Note	2022 Rupees	2021 Rupees
10 INTER PROJECT (PAYABLES) / RECEIVABLES			
Sargodhian Spirit Trust Public School:			
Against capital expenditure		(202,604,113)	(162,389,738)
Against recurring expenses		100,454,036	99,161,975
		<u>(102,150,077)</u>	<u>(63,227,763)</u>
Sargodhian Spirit Institute for Professional Development:			
Against capital expenditure		-	269,155,552
Against audit fees expenses		140,018	120,485
		<u>102,010,059</u>	<u>(206,048,274)</u>
11 ACCRUED AND OTHER PAYABLES			
Accrued expenses		166,540	156,690
Contributory provident fund	11.1	-	2,992,347
Retention money		2,020,000	1,741,358
Others		934,363	691,730
		<u>3,120,903</u>	<u>5,582,125</u>
11.1 Contributory provident fund			
Balance as at 01 July		2,992,347	2,322,484
Contributions for the year		569,929	506,534
Payment of employee share due to transfer of contribution plan		(1,881,056)	-
Profit for the year distributed	11.2	199,838	163,329
Transfer to employee retirement benefit - gratuity	9	(1,881,058)	-
Balance as at 30 June		<u>-</u>	<u>2,992,347</u>
11.2	The income of the fund has been distributed to members at the rate of 6% (2021: 6%).		
		2022 Rupees	2021 Rupees
12 CONTINGENCIES AND COMMITMENTS			
Contingencies		<u>Nil</u>	<u>Nil</u>
Commitments			
Commitment against capital expenditure		<u>-</u>	<u>4,873,449</u>
13 SALARIES AND OTHER BENEFITS			
Salaries and other benefits include provident fund expense of Rupees 0.28 million (2021: Rupees 0.25 million) by the Trust and provision for employee retirement benefit - gratuity amounting to Rupees 5.73 million (2021: Nil).			
		2022 Rupees	2021 Rupees
14 AUDITOR'S REMUNERATION			
Audit fee		120,000	120,000
Out of pocket expenses		14,000	14,000
		<u>134,000</u>	<u>134,000</u>
15 NUMBER OF EMPLOYEES			
Number of employees as at 30 June		14	14
Average number of employees during the year		14	14

16 REMUNERATION TO CHIEF EXECUTIVE AND KEY MANAGEMENT PERSONNEL

No remuneration to chief executive and key management personnel was paid during the year (2021: Nil).

17 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Sargodhian Spirit Trust Public School Rashidabad, Sargodhian Spirit Institute for Professional Development, key management personnel and entities over which trustees are able to exert significant influence. Transactions with related parties have been disclosed in relevant notes to the financial statements.

18 FINANCIAL INSTRUMENTS BY CATEGORIES

	Amortized cost	
	2022 Rupees	2021 Rupees
As at 30 June		
Assets as per statement of financial position		
Loan to employee	-	1,000,000
Advances	2,094,000	2,641,086
Cash and bank balances	348,027,051	338,083,639
	<u>350,121,051</u>	<u>341,724,725</u>
Liabilities as per statement of financial position		
Accrued and other payables	<u>3,120,903</u>	<u>5,582,125</u>

19 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 19 JAN 2023 by the Board of Trustees.

20 CORRESPONDING FIGURES

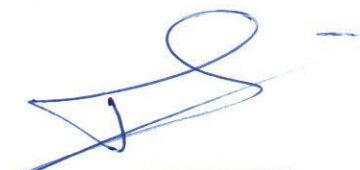
Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison and better presentation. No other significant reclassification / rearrangements of corresponding figures have been made except security deposit amounting to Rupees 180,000 which has been reclassified from current assets to non-current assets for the purpose of better presentation.

21 GENERAL

Figures in these financial statements have been rounded off to the nearest Rupee. *Raw*


CHAIRMAN


CHIEF EXECUTIVE


TRUSTEE