

SARGODHIAN SPIRIT TRUST

PUBLIC SCHOOL

**FINANCIAL STATEMENTS WITH
ACCOMPANYING INFORMATION**

30 JUNE 2024

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of Sargodhian Spirit Trust Public School ("the School"), which comprise the statement of financial position as at 30 June 2024, and the statement of income and expenditure, statement of changes in funds 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 School as at 30 June 2024, 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 School 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.

Other Matter

This report relates only to the financial statements pertaining to the School and does not extend to the financial statements of Sargodhian Spirit Trust taken as a whole.

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 School'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 School or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School 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 School'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 School'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 School 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.

Riaz Ahmad & Company

Chartered Accountants

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: 26 December 2024

ISLAMABAD

Name of engagement partner: Raheel Arshad

UDIN: AR202410187PhH9U0AyX

SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2024**

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	3	114,225,702	129,844,821
Biological assets	4	4,755,000	4,110,000
Long term loans	5	3,721,075	4,595,788
		<u>122,701,777</u>	<u>138,550,609</u>
CURRENT ASSETS			
Loans and advances	6	17,291,903	13,026,040
Receivable from students		13,838,028	7,412,987
Inter project receivable	7	750,102	-
Other receivables		1,500	70,962
Short term investments	8	16,217,377	16,190,685
Cash and bank balances	9	382,801,366	286,412,009
		<u>430,900,276</u>	<u>323,112,683</u>
TOTAL ASSETS		<u>553,602,053</u>	<u>461,663,292</u>
FUNDS AND LIABILITIES			
FUNDS			
General fund		66,951,729	51,243,811
Endowment fund		89,784,505	86,124,505
TOTAL FUNDS		<u>156,736,234</u>	<u>137,368,316</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred credit - grants	10	177,481,461	125,230,188
Employee retirement benefit - gratuity	11	124,379,955	107,285,842
Students' security deposits	12	18,180,654	15,691,665
		<u>320,042,069</u>	<u>248,207,695</u>
CURRENT LIABILITIES			
Accrued and other payables	13	15,166,273	21,593,650
Advance fee		60,982,477	54,368,631
Current portion of students' security deposits	12	675,000	125,000
		<u>76,823,750</u>	<u>76,087,281</u>
TOTAL LIABILITIES		<u>396,865,819</u>	<u>324,294,976</u>
CONTINGENCIES AND COMMITMENTS			
TOTAL FUNDS AND LIABILITIES		<u>553,602,053</u>	<u>461,663,292</u>

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


CHAIRMAN
CHIEF EXECUTIVE
TRUSTEE

SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL**STATEMENT OF INCOME AND EXPENDITURE****FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 Rupees	2023 Rupees
INCOME			
Fee income	14	180,712,949	138,902,659
Donations		1,757,957	25,000
Amortization of grants	10	107,726,210	150,942,496
Other income	15	45,096,488	24,996,718
		<u>335,293,604</u>	<u>314,866,873</u>
EXPENDITURE			
Salaries, wages and other benefits	16	201,979,609	204,369,015
Students' boarding and lodging	17	51,834,382	35,448,186
Utilities		9,834,239	5,735,108
Communication		1,578,077	1,522,038
Repair and maintenance		8,668,202	9,885,264
International General Certificate of Secondary Education fee		224,550	1,268,735
Advertisement		1,516,565	1,962,467
Travelling		4,872,576	5,627,374
Insurance		1,265,495	1,785,295
Staff professional development fee		749,129	759,485
Printing and stationery		2,381,114	1,637,190
Consumables		1,015,318	2,404,064
Fuel charges		1,445,540	1,878,375
Entertainment		473,907	643,597
Special functions		2,891,172	2,349,205
Depreciation	3	21,104,907	25,942,496
Intangibles written off		-	1,991,036
Professional charges		559,917	274,977
Auditor's remuneration	18	160,000	146,300
Postage		647,842	560,535
Bank charges		18,745	7,955
Advance tax written off		6,303,223	6,407,036
Loss on changes in fair value of livestock	4.1	7,000	54,700
Receivable from students written off		-	3,212,242
Others		54,177	11,250
		<u>(319,585,686)</u>	<u>(315,883,925)</u>
SURPLUS / (DEFICIT) FOR THE YEAR		<u><u>15,707,918</u></u>	<u><u>(1,017,052)</u></u>

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


CHAIRMAN
CHIEF EXECUTIVE
TRUSTEE

SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2024

Description	General fund	Endowment fund	Total
----- Rupees -----			
Balance as at 30 June 2022	52,260,863	81,944,505	134,205,368
Deficit for the year	(1,017,052)	-	(1,017,052)
Profit on Endowment Fund	-	3,180,000	3,180,000
Donation received for Endowment Fund	-	1,000,000	1,000,000
Balance as at 30 June 2023	51,243,811	86,124,505	137,368,316
Surplus for the year	15,707,918	-	15,707,918
Contributions received from students during the year		3,660,000	3,660,000
Balance as at 30 June 2024	66,951,729	89,784,505	156,736,234

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


CHAIRMAN


CHIEF EXECUTIVE


TRUSTEE

SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL

STATEMENT OF CASH FLOWS


FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus / (Deficit) for the year		15,707,918	(1,017,052)
Adjustments for non-cash charges and other items:			
Depreciation	3	21,104,907	25,942,496
Intangibles written off		-	1,991,036
Amortization of grants	10	(107,726,210)	(150,942,496)
Provision for staff retirement benefit - gratuity	11	23,478,772	54,481,771
Gain on disposal of operation fixed assets	15	-	(48,690)
Fair value loss on biological assets	4.1	7,000	54,700
Taxation recoverable written off		6,303,223	-
Receivable from students written off		-	3,212,242
Return on short term investment	15	(2,618,988)	(10,746,501)
Return on bank deposits	15	(38,053,128)	(13,216,520)
Cash used in operations before working capital changes		(81,796,506)	(90,289,014)
Working capital changes			
(Increase) / decrease in current assets			
Long term loans		106,033	(9,887,691)
Loans and advances		(3,497,183)	6,160,795
Receivable from students		(6,425,041)	1,751,085
Other receivables		69,462	149,824
Inter project receivable		(750,102)	102,150,077
		(10,496,831)	100,324,090
Increase / (decrease) in current liabilities			
Accrued and other payables		(6,427,377)	10,988,795
Advance fee		6,613,846	10,233,205
		186,469	21,222,000
Net cash used in operations		(92,106,868)	31,257,076
Tax paid		(6,303,223)	-
Net cash (used in) / generated from operations		(98,410,091)	31,257,076
Increase in students security deposits		3,038,989	1,576,995
Staff retirement benefits paid	11	(6,384,659)	(47,742,948)
Net cash used in operating activities		(101,755,761)	(14,908,877)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on operating fixed assets	3	(5,485,788)	(10,372,596)
Purchase of diary livestock		(652,000)	(1,864,700)
Proceeds from disposal of operating fixed assets		-	48,690
Short term investments (made) / encashed - net		(26,693)	96,500,000
Endowment fund - net		3,660,000	4,180,000
Paid from endowment fund		-	-
Return on short term investments received		2,618,988	10,555,816
Return on bank deposits received		38,053,128	13,216,520
Net cash from investing activities		38,167,635	112,263,730
CASH FLOWS FROM FINANCING ACTIVITIES			
Grants received from Sindh Government	10	170,000,000	47,755,813
Grants transferred to Head office	10	(10,022,517)	-
Net cash from financing activities		159,977,483	47,755,813
Net increase in cash and cash equivalents		96,389,357	145,110,666
Cash and cash equivalents at the beginning of the year		286,412,009	141,301,343
Cash and cash equivalents at the end of the year	9	382,801,366	286,412,009

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


CHAIRMAN


CHIEF EXECUTIVE


TRUSTEE

SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

1 LEGAL STATUS AND OPERATIONS

Sargodhian Spirit Trust ("the Trust") having its registered office at Islamabad, was created on 02 July 1998 under The Trust Act, 1882 (Now The Islamabad Capital Territory Charities Registration, Regulation and Facilitation Act, 2021) 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 1st floor, 2013 Hajvairy Mansion, Blue Area, Islamabad.

Sargodhian Spirit Trust Public School ("the School") is a project of Sargodhian Spirit Trust, Islamabad. The School commenced its operations from July, 2005 and was registered on 17 August 2005 with the District Education Department, Hyderabad under section 6 of the Sindh Private Educational Institutions (Regulation and Control) Ordinance, 2001. The objectives of the School are to offer courses of International standard and to undertake, organize and disseminate knowledge in Rashidabad, Sindh. The registered office of the Trust is situated at 1st floor, 2013 Hajvairy Mansion, Blue Area, 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 as otherwise stated in the respective accounting policies.

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 School'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 School's financial statements or where judgments were exercised in the application of accounting policies are as follows:

The areas where various assumptions and estimates are significant to the School's financial statements or where judgements were exercised in application of accounting policies relate to the useful life of depreciable assets.

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 School. Further, the School 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 items of property and equipment, with a corresponding effect on the depreciation charge, amortization of deferred credit and impairment.

e) **Provisions**

As the actual cashflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of income and expenditure unless the provision was originally recognized as part of cost of an asset.

2.2 **Operating fixed assets**
Cost

Operating fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of operating fixed assets 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 School 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 operating fixed asset 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. 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 operating fixed asset 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 **Biological assets**

Livestock is measured at their fair value less cost to sell. Fair value of livestock is determined by an independent valuer on the basis of best available estimate for livestock of similar attributes. Milk is initially measured at its fair value less cost to sell at the time of milking. The fair value of milk is determined based on market prices in the local area.

Gains or losses arising from changes in fair value less cost to sell of livestock and milk are recognized in statement of income and expenditure.

2.4 **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.

2.5 Inventories

These are valued at lower of cost or net realizable value, less provision for any slow moving and obsolete items, if any.

2.6 Endowment fund

The school operates endowment fund. The fund sources include receipts from students and surplus funds of the School. The management is in process of finalizing rules and regulations of the fund.

Contributions and utilizations of endowment fund are directly recorded as increase or decrease in endowment fund.

2.7 Deferred credit - grants

Grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the School 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 recognized as 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.

2.8 Employee benefits - gratuity

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

2.9 Revenue recognition

- Tuition fee is recognized on accrual basis.
- Processing, registration fee, accommodation charges, admission fee, fines and penalties are recognized on receipt basis.
- 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.
- Other income is recognized when it is received or when the right to receive payment is established.

2.10 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.

2.11 Foreign currencies

These financial statements are presented in Pak Rupees, which is the School'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 statement of financial position 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.

2.12 Financial instruments

Financial instruments carried on the balance sheet include investments, deposits, loans and advances, other receivables, cash and bank balances, interest accrued and other payables etc. Financial assets and liabilities are recognized when the School 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 School loses control of the contractual rights that comprise the financial asset. The School loses such control if it realizes the rights to benefits specified in contract, the rights expire or the School 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.

2.13 Accrued and other liabilities

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

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving 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.

2.15 Provisions

Provisions are recognized when the School 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.

2.16 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.

2.17 Off setting

Financial assets and liabilities are set off and the net amount is reported in the balance sheet, if the School has a legally enforceable right to set off the recognized amounts and the School intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

3 OPERATING FIXED ASSETS

	Furniture and fittings	Office equipment	Computer equipment	Electrical equipment	Library books	Kitchen utensils and equipment	Science laboratory equipment	Sports equipment	Other equipment	Vehicles	Total
Rupees											
At 30 June 2022											
Cost	64,258,693	10,780,052	22,007,562	70,217,894	4,659,964	2,946,723	13,121,547	9,799,958	8,073,095	34,743,166	240,608,654
Accumulated depreciation	(25,771,149)	(6,128,022)	(18,088,261)	(17,815,479)	(2,714,900)	(2,110,684)	(5,319,453)	(2,482,772)	(2,396,511)	(12,366,702)	(95,193,933)
Net book value	38,487,544	4,652,030	3,919,301	52,402,415	1,945,064	836,039	7,802,094	7,317,186	5,676,584	22,376,464	145,414,721
Year ended 30 June 2023											
Opening net book value	38,487,544	4,652,030	3,919,301	52,402,415	1,945,064	836,039	7,802,094	7,317,186	5,676,584	22,376,464	145,414,721
Additions	843,181	648,950	2,133,295	4,063,540	-	164,600	11,500	822,330	-	1,685,200	10,372,596
Disposal:											
Cost	-	-	-	-	(48,690)	-	-	-	-	-	(48,690)
Accumulated depreciation	-	-	-	-	48,690	-	-	-	-	-	48,690
Depreciation charge	(3,878,677)	(729,979)	(1,031,443)	(11,024,077)	(194,506)	(180,925)	(1,560,994)	(1,556,732)	(1,135,317)	(4,649,846)	(25,942,496)
Closing net book value	35,452,048	4,571,001	5,021,153	45,441,878	1,750,558	819,714	6,252,600	6,582,784	4,541,267	19,411,818	129,844,821
At 30 June 2023											
Cost	65,101,874	11,429,002	24,140,857	74,281,434	4,611,274	3,111,323	13,133,047	10,622,288	8,073,095	36,428,366	250,932,560
Accumulated depreciation	(29,649,826)	(6,858,001)	(19,119,704)	(28,839,556)	(2,860,716)	(2,291,609)	(6,880,447)	(4,039,504)	(3,531,828)	(17,016,548)	(121,087,739)
Net book value	35,452,048	4,571,001	5,021,153	45,441,878	1,750,558	819,714	6,252,600	6,582,784	4,541,267	19,411,818	129,844,821
Year ended 30 June 2024											
Opening net book value	35,452,048	4,571,001	5,021,153	45,441,878	1,750,558	819,714	6,252,600	6,582,784	4,541,267	19,411,818	129,844,821
Additions	3,099,503	910,229	1,097,425	60,000	67,506	123,125	-	90,000	38,000	-	5,485,788
Depreciation charge	(3,918,581)	(780,588)	(884,694)	(8,291,668)	(181,244)	(163,044)	(1,248,220)	(1,177,591)	(913,953)	(3,545,324)	(21,104,907)
Closing net book value	34,632,970	4,700,642	5,233,884	37,210,210	1,636,820	779,795	5,004,380	5,495,193	3,665,314	15,866,494	114,225,702
At 30 June 2024											
Cost	68,201,377	12,339,231	25,238,282	74,341,434	4,678,780	3,234,448	13,133,047	10,712,288	8,111,095	36,428,366	256,418,348
Accumulated depreciation	(33,568,407)	(7,638,589)	(20,004,398)	(37,131,224)	(3,041,960)	(2,454,653)	(8,128,667)	(5,217,095)	(4,445,781)	(20,561,872)	(142,192,646)
Net book value	34,632,970	4,700,642	5,233,884	37,210,210	1,636,820	779,795	5,004,380	5,495,193	3,665,314	15,866,494	114,225,702
Depreciation rate (%) per annum	10	15	20	20	10	20	20	20	20	20	20

		2024 Rupees	2023 Rupees
4 BIOLOGICAL ASSETS			
Dairy livestock:			
Mature		4,595,000	3,990,000
Immature		160,000	120,000
		<u>4,755,000</u>	<u>4,110,000</u>

4.1 Reconciliation of changes in carrying amount

Carrying amount as at 1 July	4,110,000	2,300,000
Purchases made during the year	652,000	1,864,700
Fair value gain due to new births	160,000	120,000
Loss on changes in fair value of livestock	(167,000)	(174,700)
	(7,000)	(54,700)
Carrying amount as at 30 June	<u>4,755,000</u>	<u>4,110,000</u>

4.2 As at 30 June 2024, the school held 20 (2023: 18) mature assets able to produce milk and 15 (2023: 12) immature assets that are being raised to produce milk in the future. During the year the school produced approximately 22,893 (2023: 32,400) gross liters of milk from these biological assets.

4.3 The valuation of dairy livestock as at 30 June 2024 has been carried out by independent valuer. In this regard, the valuer examined the physical condition of the livestock, assessed the key assumptions and estimates and relied on the representations made by the school as at 30 June 2024.

	Note	2024 Rupees	2023 Rupees
5 LONG TERM LOANS			
Secured			
Loan to employees		9,781,658	9,887,691
Less: current portion shown under current assets	6	(6,060,583)	(5,291,903)
		<u>3,721,075</u>	<u>4,595,788</u>

5.1 These are interest free loans, secured against gratuity benefits and are not carried at amortized cost as required by section 11 of IFRS for SMEs as the impact was considered immaterial.

	Note	2024 Rupees	2023 Rupees
6 LOANS AND ADVANCES			
Current portion of long term loans	5	6,060,583	5,291,903
Advances to employees:			
- against expenses - unsecured		8,175,508	6,204,388
- against salaries - secured	6.1	1,660,812	542,206
		9,836,320	6,746,594
Advances to suppliers - unsecured		1,395,000	987,543
		<u>17,291,903</u>	<u>13,026,040</u>

6.1 These are secured against employee retirement benefit - gratuity and carry no interest.

	Note	2024 Rupees	2023 Rupees
7 INTER PROJECT RECEIVABLE			
Against recurring expenses		750,102	-
		<u>750,102</u>	<u>-</u>
8 SHORT TERM INVESTMENTS			
Amortized cost:			
Askari Bank Limited - Term deposit receipts (TDRs)	8.1	16,000,000	16,000,000
Accrued interest		217,377	190,685
		<u>16,217,377</u>	<u>16,190,685</u>

8.1 These TDRs have maturity period of 12 months and earn interest rates ranging from 14.26% to 19.82% (2023: 9.25%).

	Note	2024 Rupees	2023 Rupees
9 CASH AND BANK BALANCES			
Cash in hand		4,254	3,428
Cash at bank:			
-current accounts		9,265,321	57,073,569
-saving accounts	10.1 & 10.2	373,531,791	229,335,012
		382,797,112	286,408,581
		<u>382,801,366</u>	<u>286,412,009</u>

9.1 The balances in saving accounts carry interest rates ranging from 7.46% to 14.50% (2023 6.5% to 10%) per annum.

9.2 These include funds of Rupees 159,133,102 (2023: Rupees 115,436,537) in Askari Bank Limited, account no. 165-050010-4 earmarked for gratuity fund.

10 DEFERRED CREDIT - GRANTS

DESCRIPTION	2024			2023
	Capital nature	Revenue nature	Total	Total
----- Rupees -----				
Balance as on 01 July	80,230,188	45,000,000	125,230,188	228,416,871
Grant received from Sindh Governemnt (Note 10.1)	-	170,000,000	170,000,000	170,000,000
Grant transferred to head office against receivables	(10,022,517)	-	(10,022,517)	(122,244,187)
Grant amortized during the year	(21,104,907)	(86,621,303)	(107,726,210)	(150,942,496)
Balance at the end of the year	<u>49,102,764</u>	<u>128,378,697</u>	<u>177,481,461</u>	<u>125,230,188</u>

10.1 It represents grant received from Government of Sindh for operational purposes and scholarships.

	Note	2024 Rupees	2023 Rupees
11 EMPLOYEE RETIREMENT BENEFITS - GRATUITY			
Balance as on 01 July		107,285,842	100,547,019
Provision for the year	16	23,478,772	54,481,771
Benefits paid during the year		(6,384,659)	(36,579,814)
Benefit due but not paid	13	-	(11,163,134)
Balance as at 30 June		<u>124,379,955</u>	<u>107,285,842</u>

			2024 Rupees	2023 Rupees
12 STUDENTS' SECURITY DEPOSITS	Note			
Students' security deposits	12.1		18,855,654	15,816,665
Less: Current portion shown under current liabilities			(675,000)	(125,000)
			<u>18,180,654</u>	<u>15,691,665</u>
12.1	It represents security deposits received from students and are repayable upon leaving the School, after deducting any amount due from them.			
	Note		2024 Rupees	2023 Rupees
13 ACCRUED AND OTHER PAYABLES				
Accrued expenses			4,850,777	3,987,374
Due to students			4,827,776	3,744,734
Employees retirement benefit due but not paid	11		4,041,183	11,163,134
Others			1,446,537	2,698,408
			<u>15,166,273</u>	<u>21,593,650</u>
14 FEE INCOME				
Tuition fee			160,312,763	121,316,626
Registration fee			11,220,000	9,600,000
Accommodation charges			5,490,000	4,770,000
Application processing fee			1,392,000	1,111,000
Fines and penalties			297,186	335,943
Admission fee			2,001,000	1,769,090
			<u>180,712,949</u>	<u>138,902,659</u>
15 OTHER INCOME				
Income from financial assets:				
Return on:				
-Short term investments			2,618,988	10,746,501
-Bank deposits			38,053,128	13,216,520
			<u>40,672,116</u>	<u>23,963,021</u>
Income from non-financial assets:				
Gain on disposal of asset			-	48,690
Miscellaneous			4,424,372	985,007
			<u>4,424,372</u>	<u>1,033,697</u>
			<u>45,096,488</u>	<u>24,996,718</u>
16 SALARIES, WAGES AND OTHER BENEFITS				
Salaries, wages and other benefits include gratuity expense of Rupees 23.726 million (2023: Rupees 54.482 million).				
			2024 Rupees	2023 Rupees
17 STUDENTS' BOARDING AND LODGING				
Food			40,032,820	29,424,625
Uniforms			4,273,354	404,902
Study material			424,061	1,090,382
Travelling			755,527	454,693
Medical			1,810,075	1,722,160
Others			4,538,545	2,351,424
			<u>51,834,382</u>	<u>35,448,186</u>

	2024 Rupees	2023 Rupees
18 AUDITOR'S REMUNERATION		
Audit fee	145,000	133,300
Out of pocket expenses	15,000	13,000
	<u>160,000</u>	<u>146,300</u>

19 NUMBER OF EMPLOYEES

	2024	2023
Number of employees at end of the year	269	263
Average number of employees during the year	267	261

20 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Sargodhian Spirit Trust - Head Office, Sargodhian Spirit Institute for Professional Development, key management personnel and entities over which trustees are able to exert significant influence. Detail of transactions with related parties, other than those that have been disclosed in relevant notes to the financial statements.

21 REMUNERATION OF KEY MANAGEMENT PERSONNEL

The aggregate amounts charged in these financial statements in respect of remuneration including certain benefits to the principal are given below:

	Principal	
	2024 Rupees	2023 Rupees
Managerial remuneration	9,427,291	7,215,468
Contribution to gratuity fund	1,653,790	-
	<u>11,081,081</u>	<u>7,215,468</u>

22 FINANCIAL INSTRUMENTS BY CATEGORIES

	At amortized cost	
	2024 Rupees	2023 Rupees
Assets as per statement of financial position		
Long term loans	9,781,658	9,887,691
Loans and advances	1,660,812	542,206
Receivable from students	13,838,028	7,412,987
Other receivables	1,500	70,962
Short term investments	16,000,000	16,000,000
Cash and bank balances	382,801,366	286,412,009
	<u>424,083,364</u>	<u>320,325,855</u>
Liabilities as per statement of financial position		
Students' security deposits	18,855,654	15,816,665
Accrued and other payables	11,125,090	10,430,516
	<u>29,980,744</u>	<u>26,247,181</u>

23 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 24 DEC 2024 by the Board of Trustees.

24 GENERAL

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



CHAIRMAN



CHIEF EXECUTIVE



TRUSTEE