

Riaz Ahmad & Company

Chartered Accountants

SARGODHIAN SPIRIT TRUST

PUBLIC SCHOOL

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

30 JUNE 2025

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 2025, 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 2025, 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.

Emphasis of Matter – Basis of Accounting and Restrictions on Distribution and Use

We draw attention to the basis of accounting described in the note 2.1 to the financial statements, which explains that these financial statements have been prepared in accordance with the accounting policies and measurement principles adopted by the management for internal reporting purposes. Accordingly, the financial statements are intended solely for the internal use of the management of the Company and may not be suitable for any other purpose. Furthermore, this report relates only to the financial statements pertaining to the Spirit Trust Public School and does not extend to the financial statements of Sargodhian Spirit Trust taken as a whole.

Our opinion is not modified in respect of this matter.

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 accounting policies and measurement principles adopted by

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the management, 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

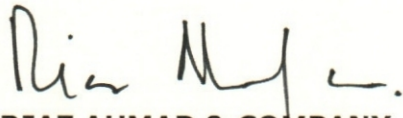
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statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue 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.

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: 12 January 2026

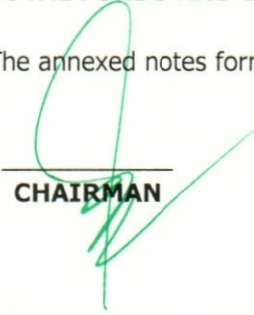
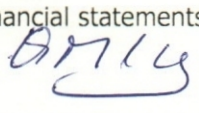
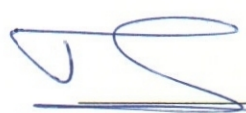
ISLAMABAD

Name of engagement partner: Raheel Arshad

SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2025**

	Note	2025 Rupees	2024 Rupees
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	3	114,996,779	114,225,702
Biological assets	4	4,370,000	4,755,000
Long term loans	5	4,625,718	3,721,075
		<u>123,992,497</u>	<u>122,701,777</u>
CURRENT ASSETS			
Loans and advances	6	11,437,295	17,291,903
Receivable from students		21,714,770	13,838,028
Inter project receivable	7	1,095,440	750,102
Other receivables		76,469	1,500
Short term investments	8	16,111,780	16,217,377
Cash and bank balances	9	458,350,493	382,801,366
		<u>508,786,247</u>	<u>430,900,276</u>
TOTAL ASSETS		<u>632,778,744</u>	<u>553,602,053</u>
FUNDS AND LIABILITIES			
FUNDS			
General fund		84,486,417	66,951,729
Endowment fund		92,419,505	89,784,505
TOTAL FUNDS		<u>176,905,922</u>	<u>156,736,234</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred credit - grants	10	236,685,903	177,481,460
Employee retirement benefit - gratuity	11	114,934,452	124,379,955
Students' security deposits	12	21,555,654	18,180,654
		<u>373,176,009</u>	<u>320,042,069</u>
CURRENT LIABILITIES			
Accrued and other payables	13	18,026,939	15,166,273
Advance fee		64,146,837	60,982,477
Current portion of students' security deposits	12	523,037	675,000
		<u>82,696,813</u>	<u>76,823,750</u>
TOTAL LIABILITIES		<u>455,872,822</u>	<u>396,865,819</u>
CONTINGENCIES AND COMMITMENTS			
TOTAL FUNDS AND LIABILITIES		<u>632,778,744</u>	<u>553,602,053</u>

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

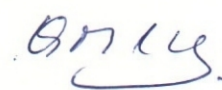

CHAIRMAN
CHIEF EXECUTIVE
TRUSTEE

SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Rupees	2024 Rupees
INCOME			
Fee income	14	191,672,635	180,712,949
Donations		330,200	1,757,957
Amortization of grants	10	107,507,686	107,726,210
Other income	15	52,308,066	45,096,488
		<u>351,818,587</u>	<u>335,293,604</u>
EXPENDITURE			
Salaries, wages and other benefits	16	202,061,648	201,979,609
Students' boarding and lodging	17	55,667,723	51,834,382
Utilities		18,653,286	9,834,239
Communication		1,935,440	1,578,077
Repair and maintenance		9,090,529	8,668,202
International General Certificate of Secondary Education fee		1,956,064	224,550
Advertisement		1,179,844	1,516,565
Travelling		5,499,818	4,872,576
Insurance		1,658,691	1,265,495
Staff professional development fee		200,880	749,129
Printing and stationery		1,344,323	2,381,114
Consumables		1,556,868	1,015,318
Fuel charges		1,674,340	1,445,540
Entertainment		685,285	473,907
Special functions		2,626,346	2,891,172
Depreciation	3	20,886,383	21,104,907
Professional charges		149,075	559,917
Auditor's remuneration	18	176,000	160,000
Postage		775,113	647,842
Bank charges		20,126	18,745
Advance tax written off		5,981,023	6,303,223
Loss on changes in fair value of livestock	4.1	-	7,000
Loss on disposal of biological assets		144,510	-
Others		360,584	54,177
		<u>(334,283,899)</u>	<u>(319,585,686)</u>
SURPLUS FOR THE YEAR		<u><u>17,534,688</u></u>	<u><u>15,707,918</u></u>

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


CHAIRMAN


CHIEF EXECUTIVE

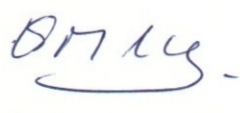

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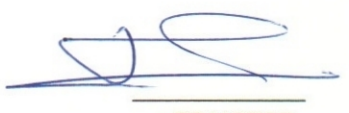
SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2025

Description	General fund	Endowment fund	Total
	----- Rupees -----		
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
Surplus for the year	17,534,688	-	17,534,688
Donation received for Endowment Fund	-	2,635,000	2,635,000
Balance as at 30 June 2025	<u>84,486,417</u>	<u>92,419,505</u>	<u>176,905,922</u>

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


 CHAIRMAN


 CHIEF EXECUTIVE


 TRUSTEE

SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		17,534,688	15,707,918
Adjustments for non-cash charges and other items:			
Depreciation	3	20,886,383	21,104,907
Amortization of grants	10	(107,507,686)	(107,726,210)
Provision for staff retirement benefit - gratuity	11	15,309,065	23,478,772
Gain on disposal of operating fixed assets	15	(60,458)	-
Fair value (gain)/loss on biological assets	4.1	(1,052,000)	7,000
Loss on sale of biological assets		144,510	-
Taxation recoverable written off		5,981,023	6,303,223
Return on short term investments	15	(2,425,953)	(2,618,988)
Return on bank deposits	15	(37,341,936)	(38,053,128)
Cash used in operations before working capital changes		(88,532,364)	(81,796,506)
Working capital changes :			
(Increase) / decrease in current assets			
Current portion of long term loans		(1,497,544)	106,033
Loans and advances		6,447,509	(3,497,183)
Receivable from students		(7,876,742)	(6,425,041)
Other receivables		(74,969)	69,462
Inter project receivable		(345,338)	(750,102)
		(3,347,084)	(10,496,831)
Increase / (decrease) in current liabilities			
Accrued and other payables		2,860,666	(6,427,377)
Advance fee		3,164,360	6,613,846
		6,025,026	186,469
Net cash used in operations		(85,854,422)	(92,106,868)
Tax paid		(5,981,023)	(6,303,223)
Net cash used in operations		(91,835,445)	(98,410,091)
Increase in students security deposits		3,223,037	3,038,989
Staff retirement benefits paid	11	(24,754,568)	(6,384,659)
Net cash used in operating activities		(113,366,976)	(101,755,761)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on operating fixed assets	3	(21,709,877)	(5,485,788)
Purchase of dairy livestock		(835,000)	(652,000)
Proceeds from disposal of operating fixed assets		112,875	-
Proceeds from disposal of biological assets		2,127,490	-
Short term investments encashed / (made) - net		105,597	(26,693)
Endowment fund - net		2,635,000	3,660,000
Return on short term investments received		2,425,953	2,618,988
Return on bank deposits received		37,341,936	38,053,128
Net cash from investing activities		22,203,974	38,167,635
CASH FLOWS FROM FINANCING ACTIVITIES			
Grants received from Sindh Government	10	170,000,000	170,000,000
Grants transferred to Head office	10	(3,287,871)	(10,022,517)
Net cash from financing activities		166,712,129	159,977,483
Net increase in cash and cash equivalents		75,549,127	96,389,357
Cash and cash equivalents at the beginning of the year		382,801,366	286,412,009
Cash and cash equivalents at the end of the year	9	458,350,493	382,801,366

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 2025

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.

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 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 policies and measurement principles adopted by the management for internal reporting purposes. Accordingly, the financial statements are intended solely for the internal use of the management of the Company and may not be suitable for any other purpose.

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 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 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
Year ended 30 June 2025											
Opening 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
Additions	6,032,663	2,070,847	3,999,351	3,869,237	262,433	439,223	957,709	3,031,944	99,000	947,470	21,709,877
Disposal:											
Cost	-	-	(85,000)	-	(278,750)	-	-	-	-	-	(363,750)
Accumulated depreciation	-	-	32,583	-	278,750	-	-	-	-	-	311,333
	-	-	(52,417)	-	-	-	-	-	-	-	(52,417)
Depreciation charge	(3,955,420)	(943,535)	(1,400,790)	(7,689,818)	(180,319)	(206,453)	(1,104,121)	(1,371,883)	(739,251)	(3,294,793)	(20,886,383)
Closing net book value	36,710,213	5,827,954	7,780,028	33,389,629	1,718,934	1,012,565	4,857,968	7,155,254	3,025,063	13,519,171	114,996,779
At 30 June 2025											
Cost	74,234,040	14,410,078	29,152,633	78,210,671	4,662,463	3,673,671	14,090,756	13,744,232	8,210,095	37,375,836	277,764,475
Accumulated depreciation	(37,523,827)	(8,582,124)	(21,372,605)	(44,821,042)	(2,943,529)	(2,661,106)	(9,232,788)	(6,588,978)	(5,185,032)	(23,856,665)	(162,767,696)
Net book value	36,710,213	5,827,954	7,780,028	33,389,629	1,718,934	1,012,565	4,857,968	7,155,254	3,025,063	13,519,171	114,996,779
Depreciation rate (%) per annum	10	15	20	20	10	20	20	20	20	20	

		2025 Rupees	2024 Rupees
4 BIOLOGICAL ASSETS			
Dairy livestock:			
Mature		4,235,000	4,595,000
Immature		135,000	160,000
		<u>4,370,000</u>	<u>4,755,000</u>
4.1 Reconciliation of changes in carrying amount			
Carrying amount as at 1 July		4,755,000	4,110,000
Purchases made during the year		835,000	652,000
Livestock sold during the year		(2,272,000)	-
Fair value gain due to new births		135,000	160,000
Gain/(loss) on changes in fair value of livestock		917,000	(167,000)
		<u>1,052,000</u>	<u>(7,000)</u>
Carrying amount as at 30 June		<u>4,370,000</u>	<u>4,755,000</u>
4.2	As at 30 June 2025, the school held 12 (2024: 20) mature assets able to produce milk and 17 (2024: 15) immature assets that are being raised to produce milk in the future. During the year the school produced approximately 28,758 (2024: 22,893) gross liters of milk from these biological assets.		
4.3	The valuation of dairy livestock as at 30 June 2025 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 2025.		
	Note	2025 Rupees	2024 Rupees
5 LONG TERM LOANS			
Secured			
Loan to employees		11,279,202	9,781,658
Less: current portion shown under current assets	6	(6,653,484)	(6,060,583)
		<u>4,625,718</u>	<u>3,721,075</u>
5.1	These are interest free loans, secured against gratuity benefits and are not carried at amortized cost as the impact was considered immaterial.		
	Note	2025 Rupees	2024 Rupees
6 LOANS AND ADVANCES			
Current portion of long term loans	5	6,653,484	6,060,583
Advances to employees:			
- against expenses - unsecured		1,879,838	8,175,508
- against salaries - secured	6.1	1,459,273	1,660,812
		3,339,111	9,836,320
Advances to suppliers - unsecured		1,444,700	1,395,000
		<u>11,437,295</u>	<u>17,291,903</u>
6.1	These are secured against employee retirement benefit - gratuity and carry no interest.		

	Note	2025 Rupees	2024 Rupees
7 INTER PROJECT RECEIVABLE			
Against recurring expenses		1,095,440	750,102
		<u>1,095,440</u>	<u>750,102</u>
8 SHORT TERM INVESTMENTS			
Amortized cost:			
Askari Bank Limited - Term deposit receipts (TDRs)	8.1	16,000,000	16,000,000
Accrued interest		111,780	217,377
		<u>16,111,780</u>	<u>16,217,377</u>

8.1 These TDRs have maturity period of 12 months and earn interest rates ranging from 7.82% to 19.82% (2024: 14.26% to 19.82%).

	Note	2025 Rupees	2024 Rupees
9 CASH AND BANK BALANCES			
Cash in hand		62,549	4,254
Cash at bank:			
-current accounts		15,403,203	9,265,321
-saving accounts	9.1 & 9.2	442,884,741	373,531,791
		458,287,944	382,797,112
		<u>458,350,493</u>	<u>382,801,366</u>

9.1 The balances in saving accounts carry interest rates ranging from 7.67% to 13.65% (2024 7.46% to 14.50%) per annum.

9.2 These include funds of Rupees 158,418,316 (2024: Rupees 159,133,102) in Askari Bank Limited, account no. 165-050010-4 earmarked for gratuity fund.

10 DEFERRED CREDIT - GRANTS

DESCRIPTION	2025			2024
	Capital nature	Revenue nature	Total	Total
----- Rupees -----				
Balance as on 01 July	49,102,764	128,378,697	177,481,460	125,230,188
Grant received from Sindh Governemnt (Note 10.1)	-	170,000,000	170,000,000	170,000,000
Grant transferred to head office against receivables	(3,287,871)	-	(3,287,871)	(10,022,517)
Grant amortized during the year	(20,886,383)	(86,621,303)	(107,507,686)	(107,726,210)
Balance at the end of the year	<u>24,928,510</u>	<u>211,757,394</u>	<u>236,685,903</u>	<u>177,481,460</u>

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

	Note	2025 Rupees	2024 Rupees
11 EMPLOYEE RETIREMENT BENEFITS - GRATUITY			
Balance as on 01 July		124,379,955	107,285,842
Provision for the year	16	15,309,065	23,478,772
Benefits paid during the year		(24,754,568)	(6,384,659)
Balance as at 30 June		<u>114,934,452</u>	<u>124,379,955</u>

	Note	2025 Rupees	2024 Rupees
12 STUDENTS' SECURITY DEPOSITS			
Students' security deposits	12.1	22,078,691	18,855,654
Less: Current portion shown under current liabilities		(523,037)	(675,000)
		<u>21,555,654</u>	<u>18,180,654</u>
12.1	It represents security deposits received from students and are repayable upon leaving the School, after deducting any amount due from them.		
		2025 Rupees	2024 Rupees
13 ACCRUED AND OTHER PAYABLES			
Accrued expenses		5,827,462	4,850,777
Due to students		6,788,785	4,827,776
Employees retirement benefit due but not paid		4,037,546	4,041,183
Others		1,373,146	1,446,537
		<u>18,026,939</u>	<u>15,166,273</u>
14 FEE INCOME			
Tuition fee		176,929,652	160,312,763
Registration fee		7,965,000	11,220,000
Accommodation charges		3,952,500	5,490,000
Application processing fee		1,416,500	1,392,000
Fines and penalties		392,383	297,186
Admission fee		1,016,600	2,001,000
		<u>191,672,635</u>	<u>180,712,949</u>
15 OTHER INCOME			
Income from financial assets:			
Return on:			
-Short term investments		2,425,953	2,618,988
-Bank deposits		37,341,936	38,053,128
		<u>39,767,889</u>	<u>40,672,116</u>
Income from non-financial assets:			
Gain on disposal of fixed assets		60,458	-
Gain on fair value of biological assets		1,052,000	-
Miscellaneous		11,427,719	4,424,372
		<u>12,540,177</u>	<u>4,424,372</u>
		<u>52,308,066</u>	<u>45,096,488</u>
16 SALARIES, WAGES AND OTHER BENEFITS			
Salaries, wages and other benefits include gratuity expense of Rupees 15,309 million (2024: Rupees 23,726 million).			
		2025 Rupees	2024 Rupees
17 STUDENTS' BOARDING AND LODGING			
Food		47,051,639	40,032,820
Uniforms		383,933	4,273,354
Study material		389,310	424,061
Travelling		690,524	755,527
Medical		1,574,838	1,810,075
Others		5,577,479	4,538,545
		<u>55,667,723</u>	<u>51,834,382</u>

	2025 Rupees	2024 Rupees
18 AUDITOR'S REMUNERATION		
Audit fee	161,000	145,000
Out of pocket expenses	15,000	15,000
	<u>176,000</u>	<u>160,000</u>

19 NUMBER OF EMPLOYEES

	2025	2024
Number of employees at end of the year	270	269
Average number of employees during the year	269	267

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	
	2025 Rupees	2024 Rupees
Managerial remuneration	7,709,311	9,427,291
Contribution to gratuity fund	631,502	1,653,790
	<u>8,340,813</u>	<u>11,081,081</u>

22 FINANCIAL INSTRUMENTS BY CATEGORIES

	At amortized cost	
	2025 Rupees	2024 Rupees
Assets as per statement of financial position		
Long term loans	11,279,202	9,781,658
Loans and advances	1,459,273	1,660,812
Receivable from students	21,714,770	13,838,028
Other receivables	76,469	1,500
Short term investments	16,111,780	16,000,000
Cash and bank balances	458,350,493	382,801,366
	<u>508,991,987</u>	<u>424,083,364</u>
Liabilities as per statement of financial position		
Students' security deposits	22,078,691	18,855,654
Accrued and other payables	13,989,393	11,125,090
	<u>36,068,084</u>	<u>29,980,744</u>

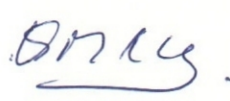
23 DATE OF AUTHORIZATION FOR ISSUE

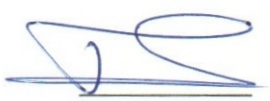
These financial statements were authorized for issue on 06 JAN 2026 by the Board of Trustees.

24 GENERAL

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



CHAIRMAN

CHIEF EXECUTIVE

TRUSTEE