

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES
OF JUNIOR JINNAH TRUST**

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **JUNIOR JINNAH TRUST** "the Trust" which comprise of statement of financial position as at 30th June, 2022, income and expenditure account, statement of changes in funds and statement of cash flows together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

In our opinion and to the best our information and according to the explanations given to us, statement of financial position as at 30th June, 2022, income and expenditure account, statement of changes in funds and statement of cash flows together with the notes forming part thereof, conform with the accounting and reporting standards as applicable in Pakistan for small sized entities, in the manner so required and respectively give a true and fair view of the state of the Trust's affairs as at 30th June, 2022 and of the surplus for the year then ended.

Basis of Opinion

We conducted the audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further disclosed in Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are Independent of the Trust in accordance with the International Ethics standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Trustees for the Financial Statements

Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for small sized entities and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, Trustees are responsible for assessing the Trust's ability to continue as going concern basis of accounting unless Trustees either intend to liquidate the Trust or cease operations, or has no realistic alternative but to do so.

Trustees are responsible for overseeing the Trust's 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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable level of assurance is a high level of assurance, but is not guaranteed 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 decision 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:

1. Identify and assess the risks of material misstatements 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
4. Conclude on the appropriateness of Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. (If we conclude that a material uncertainty exists, we are required to draw our 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 evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.



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5. 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 presentations.

We communicate with those charged with governance and the board of Trustee's 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.

We also provide the Trustees with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with him all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on audit resulting in this independent auditor's report is Aqeel Alam.

Other Matter Paragraph

The accompanying financial statements have been prepared for the purpose of filing with the Income Tax Authorities, Banks, EOBI, PESSI and Social Security. Accordingly, our report should not be used for any other purposes and circulation of this report should be restricted to the Company, Income Tax Authorities, Banks, EOBI, PESSI, Social Security and others.



Alam & Aulakh
(CHARTERED ACCOUNTANTS)

Place: Lahore
Date: 21st September, 2023

**JUNIOR JINNAH TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022**

	Note	2022	2021
		Rupees	Rupees
Assets			
Non current assets			
Land		7,000,000	7,000,000
Property, plant and equipment	6	1,109,415	554,010
Current assets			
Advances, Prepayments and other receivables	7	-	-
Cash and bank balances	8	12,563,393	4,137,389
		<u>12,563,393</u>	<u>4,137,389</u>
		<u>20,672,808</u>	<u>11,691,399</u>
Current liabilities			
Accrued expenses & other liabilities	4	84,220	55,000
Contingencies and commitments	5	-	-
Net Assets		<u>20,588,588</u>	<u>11,636,399</u>
Represented By:			
Accumulated surplus /(deficit)		13,588,588	4,636,399
Restricted grant		7,000,000	7,000,000
		<u>20,588,588</u>	<u>11,636,399</u>

The annexed notes from 1 to 12 form an integral part of these financial statements.

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**JUNIOR JINNAH TRUST
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
Income			
Donations		28,540,225	9,895,290
Fee and fine from students		3,807,390	1,619,710
		32,347,615	11,515,000
Admin and general expenses	9	(23,310,481)	(10,674,426)
Financial charges	10	(84,944)	(41,086)
Surplus/ (deficit)for the year		8,952,189	799,488

The annexed notes from 1 to 12 form an integral part of these financial statements.

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**JUNIOR JINNAH TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022	2021
		Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Operating surplus / (deficit)		8,952,189	799,488
Adjustments for			
Depreciation	6	217,645	341,293
Financial charges	10	84,944	41,086
Operating profit / (loss) before working capital changes		9,254,779	1,181,867
Working capital movements			
(Decrease) / Increase in current liabilities		29,220	(680)
Decrease / (Increase) in current assets		-	-
		29,220	(680)
Net cash generated from / (used in) operations		9,283,999	1,181,187
Financial charges	10	(84,944)	(41,086)
Net cash flow from operating activities		9,199,054	1,140,101
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets	6	(773,050)	(221,800)
Net cash flow from investing activities		(773,050)	(221,800)
CASH FLOW FROM FINANCING ACTIVITIES			
Restricted grant received		-	-
Net cash flow from financing activities		-	-
(Decrease) / increase in cash and cash equivalents during the period		8,426,004	918,301
Cash and cash equivalents at the beginning of the period		4,137,389	3,219,088
Cash and cash equivalents at the end of the period		12,563,393	4,137,389

The annexed notes from 1 to 12 form an integral part of these financial statements.

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**JUNIOR JINNAH TRUST
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

	UN-APPROPRIATED SURPLUS	TOTAL
As at July 01, 2018	<u>1,357,158</u>	<u>1,357,158</u>
Surplus/ (deficit) for the year	(204,290)	(204,290)
Balance as at June 30, 2019	<u>1,152,868</u>	<u>1,152,868</u>
Surplus/ (deficit) for the year	2,684,043	2,684,043
Balance as at June 30, 2020	<u>3,836,911</u>	<u>3,836,911</u>
Surplus/ (deficit) for the year	799,488	799,488
Balance as at June 30, 2021	<u>4,636,399</u>	<u>4,636,399</u>
Surplus/ (deficit) for the year	8,952,189	8,952,189
Balance as at June 30, 2022	<u>13,588,588</u>	<u>13,588,588</u>

The annexed notes from 1 to 12 form an integral part of these financial statements.

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**JUNIOR JINNAH TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

1 LEGAL STATUS AND OPERATIONS

- 1.1 Junior Jinnah Trust is a Non Profit Organization, registered on 01 June 2018 under the Trust Act 1882 of Pakistan. The registered office is located at Main Hall, First Floor, Roshan Arcade, near Khokar Market, Lehtrar Road, Islamabad. The principal objective of the Trust in Pakistan is to set up schools to give education to the deprived.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the requirements of note 3 of the financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Preparation

Financial statements are prepared on the accrual basis of accounting in order to meet their objectives. On this basis, the effects of transactions and other events are recognized as and when they occur.

3.2 Property, Plant and Equipment

- 3.2.1 Property, plant and equipment are stated at cost less accumulated depreciation except donated assets. Cost comprises acquisition and other directly attributable costs.
- 3.2.2 Depreciation is charged to Income and expenditure account on straight line basis, except assets acquired through restricted grants and donated assets whose depreciation is charged directly to restricted fund. Depreciation on additions to property, plant and equipment is charged from the month in which an item is purchased while no depreciation is charged for the month in which the item is derecognized / disposed off.
- 3.2.3 Donated assets are initially recognized at fair market value determined, at the time of donation and the depreciation related to donated assets is charged directly to restricted funds.

3.2 Cash and Cash Equivalents

Cash and cash equivalents are carried at cost and comprise of cash in hand and balance with banks.

3.3 Revenue Recognition

General purpose donations are treated as income in the period of receipt.

3.4 Accrued and Other Payables

Liabilities for accrued and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received whether billed or not.

3.5 Related Party Transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of board, it is in the interest of the Trust to do so.

3.6 Foreign Currency Translation

Transaction in foreign currency during the year are translated in to PKR at the rate of exchange prevailing at the date of transaction. All monetary assets and liabilities are translated into PKR at the rate of the exchange prevailing at the balance sheet date.

3.7 Expense recognition

Expenditures are recognized as an expense during the period in which they are incurred.

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**JUNIOR JINNAH TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

	2022	2021
	Rupees	Rupees
4 Accrued and other liabilities		
Audit fee payable	80,000	55,000
Accounts payable	4,220	-
Advance fee received	-	-
Payable to account officers of campuses	-	-
	84,220	55,000

5 Contingencies and commitments

There are no contingencies and material capital commitments as at June 30, 2022 (2021: Nil).

6 Property, plant and equipment

Description	Computers and accessories	Office equipment	Furniture and fixture	Total
	Rupees			
COST				
Cost as at July 01, 2019	387,840	450,835	444,794	1,283,469
Additions during the year		80,260	-	80,260
Deletions during the year	-	-	-	-
Cost as at June 30, 2020	387,840	531,095	444,794	1,363,729
Cost as at July 01, 2020	387,840	531,095	444,794	1,363,729
Additions during the year	115,800	72,000	34,000	221,800
Deletions during the year	-	-	-	-
Cost as at June 30, 2021	503,640	603,095	478,794	1,585,529
Cost as at July 01, 2021	503,640	603,095	478,794	1,585,529
Additions during the year	568,940	119,900	84,210	773,050
Deletions during the year	-	-	-	-
Cost as at June 30, 2022	1,072,580	722,995	563,004	2,358,579
DEPRECIATION				
Rate %	33.33%	20%	10%	
Accumulated depreciation as at July 01, 2019	162,190	136,123	72,459	370,772
Charge for the year	150,336	114,656	54,461	319,453
Deletions during the year	-	-	-	-
Accumulated depreciation as at June 30, 2020	312,526	250,779	126,920	690,225
Accumulated depreciation as at July 01, 2020	312,526	250,780	126,920	690,226
Charge for the year	165,420	120,845	55,028	341,293
Deletions during the year	-	-	-	-
Accumulated depreciation as at June 30, 2021	477,946	371,625	181,948	1,031,519
Accumulated depreciation as at July 01, 2021	477,946	371,625	181,948	1,031,519
Charge for the year	81,427	84,256	51,962	217,645
Deletions during the year	-	-	-	-
Accumulated depreciation as at June 30, 2022	559,373	455,881	233,910	1,249,164
Written down value as on June 30, 2020	75,314	280,316	317,874	673,504
Written down value as on June 30, 2021	25,694	231,470	296,846	554,010
Written down value as on June 30, 2022	513,207	267,114	329,094	1,109,415

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	2022 Rupees	2021 Rupees
7 Prepayments & Other Receivables		
Prepaid Expenses	-	-
Advance to Account Officers	-	-
Advance Rent	-	-
Other Receivables	-	-
	<u>-</u>	<u>-</u>
8 Cash & bank balances		
Cash in Hand	630,419	3,202,264
Cash at Bank- Current Account	11,932,974	935,125
	<u>12,563,393</u>	<u>4,137,389</u>
9 Admin & General Expenses		
Salaries, Allowances and Benefits	12,601,461	6,301,360
Rent Expense	898,578	739,710
Depreciation	217,645	341,293
Audit Fee	25,000	-
Legal & Professional Fee	35,000	-
Traveling , Conveyance and Fuel Charges	897,954	236,410
Repair and Maintenance	249,340	134,721
Internet, Computer, Telephone & Mobile Expense	849,045	189,253
Printing, Stationary & Classes Materials	593,481	144,403
Textbooks and Notebooks	1,083,804	253,310
Utilities	286,898	122,033
Office Supplies	341,216	87,654
Class Room Aid Materials	100,770	17,480
Miscellaneous Expenses	2,102,976	1,638,000
Extra Curricular Activities	206,541	42,935
Monthly Progress Review Meetings	520,038	133,666
Monitoring Visits to Child Care Centres	289,584	59,021
Parents & Teachers Meetings & Awareness Sessions (PTM)	8,780	2,810
Quarterly/Mid-Term/ Annual Examinations of all Classes	198,787	58,007
Project Staff Training & Capacity Building	11,564	98,325
Psychologist Sessions	-	-
Medical Support to Children in Emergencies	12,995	33,135
Meal & Entertainment for Students	412,205	-
Meal & Entertainment for Beneficiaries	1,272,000	-
Monthly Scholarship Fee of Students	63,590	40,900
Postage & Mailing	31,229	-
	<u>23,310,481</u>	<u>10,674,426</u>
10 Financial charges	<u>84,944</u>	<u>41,086</u>
These represent bank charges deducted on current bank account.		
11 General		
11.1 Number of employees		
Total number of employees at end of the year were:	<u>16</u>	<u>16</u>
11.2 Rounding off		
Figures have been rounded off to the nearest Pak Rupee.		
12 Date of authorization		
These accounts have been authorized for issue by the Board of Trustees of the Junior Jinnah Trust on _____.		

TRUSTEE

Juram Zahoor

TRUSTEE

G. J.
29/9/22