



**Independent Auditors' Report  
To the Members of Pakistan Alliance for Early Childhood**

**Report on the Audit of Financial Statements**

**Opinion**

We have audited the annexed financial statements of **"Pakistan Alliance for Early Childhood"** for the period from July 01, 2023 to June 30, 2024 which comprises the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund, the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 purpose of the audit.

In our opinion, and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund and the statement of cash flows for the year ended, together with notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the deficit, other comprehensive loss, the changes in fund and its cash flows for the year then ended.

**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 audit report. We are independent of the company in accordance with the International Ethic Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as the Management determines is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern

**Lahore Office:**

3rd Floor, Pace Tower, Plot No. 27, Block "H", Gulberg 2 Lahore  
Tel: 042-35754821-22, Fax: 042-36317513, Email: nasirgulzar@njmi.net

**Karachi Office:**

Office No. 807, 8th Floor, Q.M. House, Plot No. 11/2, Ellander Road,  
Opposite to Shaheen Complex, Off. I.I Chundrigar Road.  
Tel: 021-32212382, 32212383, 32211516, Fax: 021-32211515, Email: khi@njmi.net





and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the company'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 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 statement.

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 statement, 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 of 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 controls.
- 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management 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 company's ability to continue as a going concern. If we conclude that a material misstatement exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement 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 company to cease to continue as a going concern.

We communicate with those board of directors 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.

### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:



- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakar and Ushr Ordinance, 1980 (XVIII of 1980).

**Other Matter**

The financial statements of Pakistan Alliance for Early Childhood for the year ended June 30, 2023 were audited by another auditor who expressed unmodified opinion on those statements on September 01, 2023.

Date: August 20, 2024

Place: Islamabad

UDIN :- AR202410163QrpejdyWI

  
Nasir Javaid Maqsood Imran

Chartered Accountants

Imran Ul Haq (Partner)



**PAKISTAN ALLIANCE FOR EARLY CHILDHOOD**  
(A Company setup under Section 42 of the Companies Act, 2017)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

	Note	2024 Rupees	2023 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Operating fixed assets	4	565,540	749,429
Deferred income tax asset	5	-	2,269
		<u>565,540</u>	<u>751,698</u>
<b>CURRENT ASSETS</b>			
Consultation fee receivable		-	10,521,972
Advance against salary		10,000	10,000
Taxation - net	6	3,730,888	779,982
Cash and bank balances	7	8,844,137	16,410,319
		<u>12,585,025</u>	<u>27,722,273</u>
<b>TOTAL ASSETS</b>		<u><b>13,150,565</b></u>	<u><b>28,473,971</b></u>
<b>FUND AND LIABILITIES</b>			
General fund		12,735,501	25,715,991
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Deferred credit - grants	8	-	-
Deferred capital grant	9	162,405	180,630
		<u>162,405</u>	<u>180,630</u>
<b>CURRENT LIABILITIES</b>			
Payable to consultants		-	2,427,350
Accrued expense		252,659	150,000
		<u>252,659</u>	<u>2,577,350</u>
<b>TOTAL LIABILITIES</b>		<u><b>415,064</b></u>	<u><b>2,757,980</b></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
		-	-
<b>TOTAL FUND AND LIABILITIES</b>		<u><b>13,150,565</b></u>	<u><b>28,473,971</b></u>

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

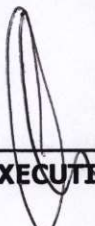
  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

**PAKISTAN ALLIANCE FOR EARLY CHILDHOOD**  
**(A Company setup under Section 42 of the Companies Act, 2017)**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 Rupees	2023 Rupees
<b>INCOME</b>			
Consultation fee	10	-	41,528,745
Amortization of:			
- deferred credit - grants	8	-	5,268,678
- deferred capital grants	9	18,225	21,843
Other income	11	-	1,663,945
<b>TOTAL INCOME</b>		<b>18,225</b>	<b>48,483,211</b>
<b>EXPENDITURE</b>			
Consultation expenses	12	4,477,650	15,081,489
Programme expenses	13	-	5,268,678
Administrative expenses	14	10,352,215	9,557,336
Depreciation expense	4.1	18,225	21,843
<b>TOTAL EXPENDITURE</b>		<b>14,848,090</b>	<b>29,929,346</b>
<b>(DEFICIT)/SURPLUS BEFORE TAXATION</b>		<b>(14,829,865)</b>	<b>18,553,865</b>
<b>TAXATION</b>	15	1,849,375	(2,633,008)
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>		<b>(12,980,490)</b>	<b>15,920,857</b>

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

  
**CHIEF EXECUTIVE OFFICER**

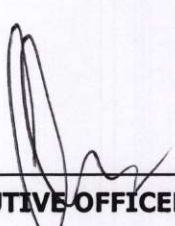
  
**DIRECTOR**



**PAKISTAN ALLIANCE FOR EARLY CHILDHOOD**  
(A Company setup under Section 42 of the Companies Act, 2017)  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	2024 Rupees	2023 Rupees
<b>SURPLUS AFTER TAXATION</b>	(12,980,490)	15,920,857
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that will not be reclassified to income and expenditure	-	-
Items that may be reclassified subsequently to income and expenditure	-	-
	-	-
<b>TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR</b>	<u>(12,980,490)</u>	<u>15,920,857</u>

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


  
\_\_\_\_\_  
**CHIEF EXECUTIVE OFFICER**

  
\_\_\_\_\_  
**DIRECTOR**

**PAKISTAN ALLIANCE FOR EARLY CHILDHOOD**  
(A Company setup under Section 42 of the Companies Act, 2017)  
**STATEMENT OF CHANGES IN FUND**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	Rupees
<b>Balance as at 1 July 2022</b>	9,795,134
Surplus for the year	<u>15,920,857</u>
<b>Balance as at 30 June 2023</b>	25,715,991
Surplus for the year	<u>(12,980,490)</u>
<b>Balance as at 30 June 2024</b>	<u><u>12,735,501</u></u>

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

  
\_\_\_\_\_  
**CHIEF EXECUTIVE OFFICER**

  
  
\_\_\_\_\_  
**DIRECTOR**



**PAKISTAN ALLIANCE FOR EARLY CHILDHOOD**  
(A Company setup under Section 42 of the Companies Act, 2017)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 Rupees	2023 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus before taxation		(14,829,865)	18,553,865
<b>Adjustments for non-cash charges and other items:</b>			
Amortization of:			
- deferred credit - grants		-	(5,268,678)
- deferred capital grants		(18,225)	(21,843)
		(18,225)	(5,290,521)
Depreciation		193,389	227,783
<b>Cash used in operating activities before working capital changes</b>		(14,654,701)	13,491,127
<b>Working capital changes:</b>			
<b>Increase in current assets:</b>			
Consultation fee receivable		10,521,972	(10,521,972)
Advance against salary		-	(10,000)
<b>(Decrease) / increase in current liabilities:</b>			
Payable to consultants		(2,427,350)	2,427,350
Accrued expense		102,659	6,250
		8,197,281	(8,098,372)
<b>Cash from / (used in) operations</b>		(6,457,420)	5,392,755
Income tax paid		(1,099,262)	(2,631,626)
Security deposits		-	-
<b>Net cash used in operating activities</b>		(7,556,682)	2,761,129
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on operating fixed assets		(9,500)	(562,275)
Proceeds from disposal of operating fixed assets		-	-
<b>Net cash used in investing activities</b>		(9,500)	(562,275)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Net cash from financing activities</b>		-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>		(7,566,182)	2,198,854
<b>Cash and cash equivalents at the beginning of the year</b>		16,410,319	14,211,465
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<u>8,844,137</u>	<u>16,410,319</u>

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

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR



**PAKISTAN ALLIANCE FOR EARLY CHILDHOOD**  
**(A Company setup under Section 42 of the Companies Act, 2017)**

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

**1 STATUS AND OPERATIONS**

Pakistan Alliance for Early Childhood was incorporated in Pakistan as a Company Limited by Guarantee not having share capital, under section 42 of the Companies Act, 2017 on 07 December 2018. The registered office of the Company is situated at Office No. 3 to 6, 1st floor, Time Square Plaza, G-8 Markaz, Islamabad. The main objective of the Company is to promote the concept of holistic and inclusive Early Childhood Development (ECD) and its methods in Pakistan as a fundamental tool to child development so that ECD can be recognized in its own right as an important sector of educational development.

**2 Basis of preparation**

**(a) Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**(b) Accounting convention**

These financial statements have been prepared under the historical cost convention except as stated otherwise in 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 Company'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 Company's financial statements or where judgments were exercised in application of accounting policies are as follows:





#### **(d) Functional and presentation currency**

These financial statements are presented in Pakistan Rupee ( RS. / Rupees) which is company's office functional currency. Amounts in financial statement have been rounded off to the nearest of Rest. / Rupees , unless otherwise stated.

#### **Useful lives, patterns of economic benefits and impairments**

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 Company. Further, the Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property and equipment and intangibles with a corresponding effect on the depreciation / amortization charge and impairment.

#### **Income tax**

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

### **3 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:

#### **3.1 Operating fixed assets - owned**

Operating fixed assets are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is charged to statement of income and expenditure on reducing balance method. Depreciation on additions to operating fixed assets is charged from the month in which an item is put to use while no depreciation is charged for the month in which the item is derecognized / disposed off.


The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Maintenance and repairs are charged to statement of income and expenditure as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are written off.

An item of operating fixed assets is derecognized upon its disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in the statement of income and expenditure in the year the asset is derecognized.

#### **3.2 Taxation**

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the surplus for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.





The Company is subject to tax credit of 100% including minimum and final tax payable under section 100(c) of the Income Tax Ordinance, 2001. The Company has a valid approval for Section 2(36) till 30 June 2023. The approval for the year 2024 and onwards is pending. Further, provision against income from other sources is made under the relevant provisions of the Income Tax Ordinance, 2001.

### **Deferred**

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable income. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of income and expenditure, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

### **3.3 Trade debts and other receivables**

Trade debts and other receivables are carried at original invoice value less an estimate made for doubtful debts based on review of all outstanding amount at the year end. Bad debts are written off when identified.

### **3.4 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at book value which approximates their fair value. For the purpose of the statement of cash flows, cash equivalents comprise cash in hand, cash at banks 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.

### **3.5 General fund**

Surplus / (deficit) for the year is accumulated to general fund.


### **3.6 Grants**

#### **(a) Deferred grants**

Grants received for specific purposes are shown as deferred grants. Such grants are transferred to income as grants to the extent of actual expenditure incurred there against. Expenditure incurred against grant committed but not received is accrued and recognized in income and is reflected as receivable from donors. Unspent portion of such grants are reflected as deferred grants in the statement of financial position. Profit earned on bank balances is credited to respective grant amount.

#### **(b) Deferred capital grants**

Grants utilized for capital expenditure are transferred to deferred capital grant and amortized as income over the useful life of the respective items of operating fixed assets.





### **3.7 Accrued and other liabilities**

Accrued and other liabilities are carried at cost, which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

### **3.8 Provisions**

Provisions are recognized when the Company 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.

### **3.9 Revenue recognition**

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue and the associated cost incurred or to be incurred can be measured reliably.

Revenue from different sources is recognized as under:

#### **a) Rendering of services**

Revenue is measured at fair value of consideration received or receivable and represents amounts receivable for services rendered in the normal course of business.

Revenue in relation to the rendering of services is recognised over the period of time, when the services are rendered to customers which is the key performance obligation of the Company.

#### **b) Deferred grants**

Income from deferred credit - grants and deferred capital grants are 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.

#### **c) Donations**

Donation income is recognized on receipt basis.

#### **d) Other income**


Other income is recognized when it is received or when the right to receive is established.

### **3.10 Functional allocation of expenses**

The cost of various activities is summarized on program basis in the statement of income and expenditure. Costs are allocated between management and general and the appropriate program based on evaluations of the related benefits. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide the overall direction and support to the Company.

### **3.11 Financial instruments**

Financial instruments carried on the statement of financial position include loans and advances, bank balances, interest accrued, other payables etc. Financial assets and liabilities are recognized when the Company becomes party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition, except for "financial instruments at fair value through profit or loss" which are initially measured at fair value.





Financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial asset. The Company loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Company surrenders those rights. Financial liabilities are de-recognized when 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 individual policy statements associated with each item.

### **3.12 Impairment**

#### **a) Financial assets**

A financial asset is considered to be impaired if objective evidence indicate that one or more events had a negative effect on the estimated future cash flow of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as a difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of available for sale financial asset is calculated with reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

#### **b) Non-financial assets**


The carrying amount of the Company's non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in the statement of income and expenditure except for impairment loss on revalued assets, which is adjusted against the related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset.

### **3.13 Offsetting**

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

### **3.14 Contingent liabilities**

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.





#### 4 OPERATING FIXED ASSETS

	Furniture and fittings	Office equipment	Computer equipment	Electrical appliances	Total
----- Rupees -----					
<b>At 30 June 2022</b>					
Cost	218,865	182,346	312,377	74,383	787,971
Accumulated depreciation	(118,895)	(74,155)	(145,888)	(34,096)	(373,034)
Net book value	<u>99,970</u>	<u>108,191</u>	<u>166,489</u>	<u>40,287</u>	<u>414,937</u>
<b>Year ended 30 June 2023</b>					
Opening net book value	99,970	108,191	166,489	40,287	414,937
Additions	-	-	562,275	-	562,275
Depreciation charge	(14,996)	(16,229)	(190,515)	(6,043)	(227,783)
Closing net book value	<u>84,974</u>	<u>91,962</u>	<u>538,249</u>	<u>34,244</u>	<u>749,429</u>
<b>At 30 June 2023</b>					
Cost	218,865	182,346	874,652	74,383	1,350,246
Accumulated depreciation	(133,891)	(90,384)	(336,403)	(40,139)	(600,817)
Net book value	<u>84,974</u>	<u>91,962</u>	<u>538,249</u>	<u>34,244</u>	<u>749,429</u>
<b>Year ended 30 June 2024</b>					
Opening net book value	84,974	91,962	538,249	34,244	749,429
Additions	-	-	9,500	-	9,500
Disposal	-	-	-	-	-
Depreciation charge	(12,746)	(13,794)	(161,712)	(5,137)	(193,389)
Closing net book value	<u>72,228</u>	<u>78,168</u>	<u>386,037</u>	<u>29,107</u>	<u>565,540</u>
<b>At 30 June 2024</b>					
Cost	218,865	182,346	874,652	74,383	1,359,746
Accumulated depreciation	(146,637)	(104,178)	(498,115)	(45,276)	(794,206)
Net book value	<u>72,228</u>	<u>78,168</u>	<u>376,537</u>	<u>29,107</u>	<u>565,540</u>
Depreciation rate per annum (%)	15	15	30	15	



**4.1 Depreciation charge for the year has been allocated as follows:**

		<b>2024</b>	<b>2023</b>
	<b>Note</b>	<b>Rupees</b>	<b>Rupees</b>
Purchased assets	14	175,164	205,940
Donated assets	9	18,225	21,843
		<u>193,389</u>	<u>227,783</u>

**5 DEFERRED INCOME TAX ASSET**

It represents deferred income tax asset on deductible temporary difference in respect of accelerated tax depreciation. It has been charged to statement of income and expenditure (Note 15).

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>6 TAXATION - NET</b>			
Opening balance		779,982	760,179
Provision for the year	15	1,851,644	(2,611,823)
Income tax paid / deducted at source during the year		1,099,262	2,631,626
Closing balance		<u>3,730,888</u>	<u>779,982</u>

**7 CASH AND BANK BALANCES**

Cash in hand		15,460	15,460
Cash at bank - current account		8,828,677	16,394,859
		<u>8,844,137</u>	<u>16,410,319</u>

**8 DEFERRED CREDIT - GRANTS**

		<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	<b>Rupees</b>
Balance as on 01 July		-	5,268,678
Amortization of grant - programme expenses	13	-	(5,268,678)
Balance as at 30 June		<u>-</u>	<u>-</u>

Foundation Open Society Institute had made an agreement with the Company dated 16 March 2020 for professionalize, up skill and institutionalize Early Childhood Development (ECD) / Early Childhood Care and Education (ECCE) workforce in Pakistan. Grant period was from 01 April 2020 to 31 March 2022.

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>9 DEFERRED CAPITAL GRANTS</b>			
Balance as on 01 July		180,630	202,473
Amortization during the year	4.1	(18,225)	(21,843)
Balance as at 30 June		<u>162,405</u>	<u>180,630</u>

**10 CONSULTATION FEE**

Consultation fee	-	46,179,764
Less:		
Sales tax	-	(4,651,019)
	-	<u>41,528,745</u>

- 10.1 It represents fee received from the National Institute of Banking and Finance (NIBAF) to develop financial literacy curriculum and to integrate it into the National Curriculum for Primary Level (Grade 1-5) and for Secondary level (Grade 6-12). In addition to integrating Financial Literacy into the curriculum, the Company will also be responsible to reach out to around 100,000 students across the country through training teachers on Financial Literacy. The project is part of the State Bank's project, the 'National Financial Literacy Programme for Youth' (NFLP-Y).

	Note	2024 Rupees	2023 Rupees
<b>11 OTHER INCOME</b>			
<b>From non-financial assets:</b>			
Conference receipts		-	1,663,945
		-	<u>1,663,945</u>
<b>12 CONSULTATION EXPENSES</b>			
Salaries and wages		-	366,000
Printing and stationery		-	141,410
Travelling and lodging		-	4,213,304
Entertainment		-	776,039
Marketing and advertisement		-	20,000
Consultancies and translations		3,000,000	7,428,000
Rates and taxes		<u>1,477,650</u>	<u>2,136,736</u>
		<u>4,477,650</u>	<u>15,081,489</u>
<b>13 PROGRAMME EXPENSES</b>			
Salaries and wages		-	1,845,000
Printing and stationery		-	1,129,745
Travelling and lodging		-	1,038,108
Entertainment		-	32,035
Venue		-	266,000
Training		-	-
Consultancies and translations		-	850,000
Website cost		-	107,790
Audit fee		-	-
		-	<u>5,268,678</u>
<b>14 ADMINISTRATIVE EXPENSES</b>			
Salaries and allowances		6,910,712	6,794,884
Utilities		332,308	319,580
Rent, rates and taxes		-	-
Printing and stationery		464,987	185,770
Entertainment		200,350	241,006
Travelling and lodging		499,158	286,948
Communication		173,517	146,534
Conference expenses		-	554,800
Repair and maintenance		483,654	320,624
Auditor's remuneration		163,950	150,000
Depreciation	4.1	175,164	205,940
Legal and professional charges		634,800	183,000
Advertisement and publicity		190,400	-
Insurance		122,550	166,250
Miscellaneous		665	2,000
		<u>10,352,215</u>	<u>9,557,336</u>
<b>15 TAXATION</b>			
Current		-	1,851,644
- current year		(1,851,644)	760,179
- prior year	6	(1,851,644)	2,611,823
Deferred	5	2,269	21,185
		<u>(1,849,375)</u>	<u>2,633,008</u>



15.1 Reconciliation of tax expense and product of accounting surplus and applicable rate is as follows:

	2024 Rupees	2023 Rupees
Surplus before tax	(14,829,865)	18,553,865
Tax on surplus @ 29% (2023: 29%)	-	5,380,621
Tax effect of lower rate	-	(3,525,234)
Tax effect of prior year	-	760,179
Others	-	17,442
	-	2,633,008

15.2 Reconciliation of tax expense and product of accounting surplus and applicable rate of prior year has not been presented being impracticable due to minimum tax on turnover as per the Income Tax Ordinance, 2001.

#### 16 NUMBER OF EMPLOYEES

	2024	2023
Total number of employees as at 30 June	05	05
Average number of employees during the year	06	06

#### 17 REMUNERATION OF CHIEF EXECUTIVE OFFICER AND DIRECTORS

	Chief Executive Officer	
	Rupees 2024	Rupees 2023
Managerial remuneration	1,860,000	1,860,000
Medical expenses	120,000	120,000
House rent	1,200,000	1,200,000
Utilities	420,000	420,000
	3,600,000	3,600,000
Number of persons	01	01

17.1 No remuneration has been paid to any Directors of the Company.

#### 18 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of Chief Executive Officer, Directors of the Company and Key management personnel. Significant transactions with related parties have been disclosed in relevant notes to the financial statements.

#### 19 FINANCIAL INSTRUMENT BY CATEGORIES

	Amortized cost	
	2024 Rupees	2023 Rupees
<b>Assets as per statement of financial position</b>		
Consultation fee receivable	-	10,521,972
Advance against salary	10,000	10,000
Cash and bank balances	8,844,137	16,410,319
	8,854,137	26,942,291
<b>Liabilities as per statement of financial position</b>		
Payable to consultants	-	2,427,350
Accrued expense	252,659	150,000
	252,659	2,577,350



**20 DATE OF AUTHORIZATION FOR ISSUE**



These financial statements were authorized for issue on \_\_\_\_\_ by the Board of Directors of the Company.

**21 CORRESPONDING FIGURES**

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison and better presentation. No other significant reclassification / rearrangements of corresponding figures have been made.

**22 GENERAL**

Figures have been rounded off to the nearest Rupee.

  
\_\_\_\_\_  
**CHIEF EXECUTIVE OFFICER**  
\_\_\_\_\_  
**DIRECTOR**