



INDEPENDENT AUDITOR'S REPORT OF "THE KAGHAN MEMORIAL TRUST"

Opinion

We have audited the accompanying financial statements of **THE KAGHAN MEMORIAL TRUST** (the Trust) which comprise of balance sheet as at June 30, 2019, income and expenditure account and cash flow statement and the statement of changes in accumulated fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust as at June 30, 2019 and of its financial performance, cash flows and changes in accumulated fund for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Trust in accordance with the International Ethics Standard 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 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.

Management's Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting standards as applicable in Pakistan, and for such internal controls as the Management determines to be necessary to enable the preparation of the 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 ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to liquidate the Trust or to cease operations, or has not realistic alternative but to do so. Trustees are responsible for overseeing the Trust for financial reporting process.

Auditors' Responsibility

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, 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 entity'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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions are based on information available to us at the date of the auditor's report. However, future events or conditions may cause an entity 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.

Rawalpindi
December 17, 2019



Hasan Associates

Hasan Associates
Chartered Accountants
Engagement Partner: Shahzad Ul Hasan


THE KAGHAN MEMORIAL TRUST
BALANCE SHEET
AS AT JUNE 30, 2019

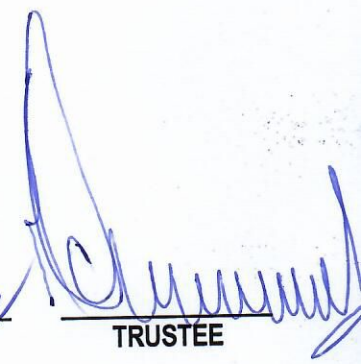
	Note	2019 Rupees	2018 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	46,943,773	33,979,558
Capital work in progress	5	11,994,359	23,167,203
Intangible assets	6	9,691	13,845
		58,947,823	57,160,606
CURRENT ASSETS			
Short term advance	7	161,219	86,222
Advances, deposits and prepayments	8	1,798,907	472,310
Cash and bank balances	9	4,303,637	13,301,794
		6,263,763	13,860,326
		65,211,586	71,020,932
FUNDS AND LIABILITIES			
FUNDS - GENERAL			
General funds	10	(15,583,058)	(16,493,267)
Deferred grants	11	75,069,304	82,338,113
		59,486,246	65,844,846
CURRENT LIABILITIES			
Short term loans	12	4,235,731	4,624,561
Accrued and other liabilities	13	1,489,609	551,525
		5,725,340	5,176,086
		65,211,586	71,020,932

The annexed notes 1 to 21 form an integral part of these financial statements.

Islamabad,




TRUSTEE



TRUSTEE

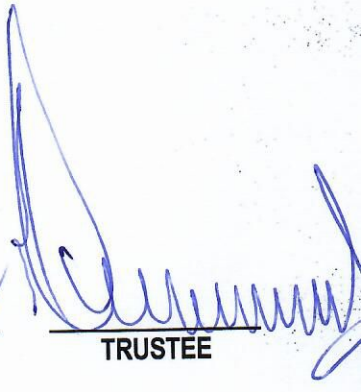
**THE KAGHAN MEMORIAL TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 Rupees	2018 Rupees
INCOME	14	29,904,872	25,750,726
EXPENDITURES			
Fund raising	15	72,912	105,700
Head office	16	2,774,210	2,790,264
The Kaghan Memorial School	17	26,147,541	19,939,242
		(28,994,663)	(22,835,206)
Surplus of income over expenditure for the year		<u>910,209</u>	<u>2,915,520</u>

The annexed notes 1 to 21 form an integral part of these financial statements.

Islamabad,


TRUSTEE


TRUSTEE



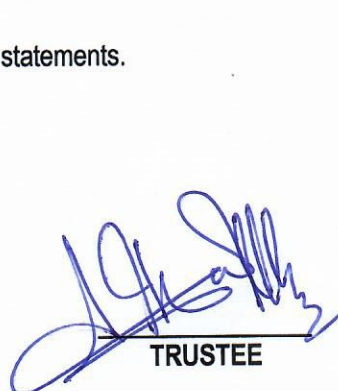
THE KAGHAN MEMORIAL TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2019


	Note	2019 Rupees	2018 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus of income over expenditure for the year		910,209	2,915,520
Adjustments for:			
Depreciation	4	5,447,379	1,957,209
Amortization of income	11	(11,318,529)	(1,379,968)
Amortization of intangible assets	6	4,154	5,933
Operating income before working capital changes		(4,956,787)	3,498,694
Changes in working capital			
(Increase)/decrease in current assets:			
Advances and deposits		(1,326,597)	(472,310)
Increase in current liabilities:			
Accrued and other liabilities		938,084	(8,710,267)
Net change in working capital		(388,513)	(9,182,577)
Net cash generated from/(used) in operating activities		(5,345,299)	(5,683,883)
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditures (fixed assets/intangibles)			
Capital work in progress		(2,314,615)	(5,663,574)
Addition of fixed assets		(4,924,135)	(15,941,000)
Advance Lease		(74,997)	(86,222)
Proceed from disposal of fixed asset			
Net cash generated from/(used) in investing activities		(7,313,747)	(21,690,796)
CASH FLOW FROM FINANCING ACTIVITIES			
Deferred Building and Vehicle grants received		4,049,720	42,842,200
Short term loan repaid		(388,830)	(3,019,597)
Net cash generated from/(used) in financing activities		3,660,890	39,822,603
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS		(8,998,157)	12,447,924
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		13,301,794	853,870
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR		4,303,637	13,301,794

The annexed notes 1 to 21 form an integral part of these financial statements.

Islamabad,




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THE KAGHAN MEMORIAL TRUST
STATEMENT OF CHANGES IN ACCUMULATED FUND
AS AT JUNE 30, 2019

	GENERAL FUNDS	RESTRICTED FUNDS	TOTAL ACCUMULATED FUNDS
	----- (Rupees) -----		
Balance as on June 30, 2017	(19,408,787)	40,875,881	21,467,094
Surplus of income over expenditure for the year ended June 30, 2018	2,915,520	-	2,915,520
Restricted fund during the year	-	42,842,200	42,842,200
Amortized during the year	-	(1,379,968)	(1,379,968)
Balance as on June 30, 2018	(16,493,267)	82,338,113	65,844,846
Surplus of income over expenditure for the year ended June 30, 2019	910,209	-	910,209
Restricted fund during the year	-	4,049,720	4,049,720
Amortized during the year	-	(11,318,529)	(11,318,529)
Balance as on June 30, 2019	(15,583,058)	75,069,304	59,486,246

AUDITORS' REPORT ANNEXED:

The annexed notes 1 to 21 form an integral part of these financial statements.

Islamabad,




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**THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

1 STATUS AND OPERATIONS

The Kaghan Memorial Trust (the Trust) was registered in March 2006 under Trust Act of 1882, with the objective to build and run a school in the earthquake affected Kaghan Valley, in order to provide free education of a high quality. The Trust receives funds from cross sections of society within and outside Pakistan for building of primary and secondary schools as well as for operation of schools. These donations are made by organizations, institutions and individuals. The registered office of the Trust is situated at House # 1, Old Firing Range Drive, Main Bani Gala Road, Bani Gala, Islamabad.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Guidelines for Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan and the provisions of the Trust Act of 1882. In case requirements differ, provisions of the Trust Act of 1882 shall prevail.

2.2 BASIS OF PREPARATION

These accounts have been prepared under the historical cost conventions without any adjustments to the effects of inflation or current values, except where stated in relevant policies and notes.

2.3 MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Trustees of the Trust are responsible for the preparation and presentation of financial statements. The reporting currency of the financial statements is the Pakistani Rupee. These financial statements of the Trust have been prepared for the year from July 01, 2018 to June 30, 2019.

2.4 PROPERTY, PLANT AND EQUIPMENT (PPE)

PPE are stated at cost less accumulated depreciation and impairment losses. PPE received free of cost is stated at a nominal value of rupee 1. Depreciation is provided on reducing balance method at the rates specified in note 4. Depreciation is charged on additions from the month in which an asset is acquired, while no depreciation is charged in the month of disposal.

2.5 INTANGIBLE ASSETS

Intangible Assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged on a reducing balance method over the estimated useful lives of intangible assets. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The Trust charges amortization on all additions from the month in which an asset is acquired or capitalized, while no amortization is charged in the month of disposal.

2.6 INCOME

Income is recognized when it is received.

2.7 GRANT

Grants received for capital assets are deferred and recognized as income to the extent at which the capital asset is depreciated over its useful life.

2.8 EXPENSES

All expenses are recognized in the income and expenditure account on accrual basis.

2.9 CAPITAL WORK IN PROGRESS

Capital work in progress is stated at cost.

3 TAXATION

No provision for taxation has been made in these accounts as the Income/ Sponsorship/ Donations of the Trust are exempt from levy of income tax under clause (a) of sub-section 2 of section 100C of the Income Tax Ordinance, 2001, introduced under the Finance Act, 2014. Previously the income of the Trust was exempt under section 60 and 92 of the 2nd Schedule to the Income Tax Ordinance, 2001 being an educational and charitable institution solely for educational and charitable purposes and not for the purpose of making profit.

3.1 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated into Pak Rupees at exchange rates prevailing on the date of transactions. All monetary assets and liabilities in foreign currencies on the balance sheet date are translated into Pak Rupees at the rates of exchange prevailing on the balance sheet date. Exchange differences, if any, are included in income and expenditure account currently.



4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Building	Computers & Accessories	Office Equipments	Motor Vehicle	Furniture & Fixtures	Books & Sports Items	Electric Equipments	Other Assets	Total
	-----RUPEES-----								

4.1 HEAD OFFICE

As at July 01, 2017

Cost	-	937,748	168,600	-	781,963	-	585,846	72,853	2,547,010
Accumulated Depreciation	-	(581,603)	(129,149)	-	(412,582)	-	(384,807)	(56,087)	(1,564,228)
	-	356,145	39,451	-	369,381	-	201,039	16,766	982,782

For the year ended June 30, 2018

Opening written down value	-	356,145	39,451	-	369,381	-	201,039	16,766	982,782
Additions/ transfers in									
Cost	-	24,500	-	-	-	-	-	-	24,500
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
	-	24,500	-	-	-	-	-	-	24,500

Deletion/ transfers out

Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-

Depreciation for the year

	-	(57,097)	(5,918)	-	(36,938)	-	(30,156)	(3,353)	(133,462)
	-	323,548	33,533	-	332,443	-	170,883	13,413	873,820

As at July 01, 2018

Cost	-	962,248	168,600	-	781,963	-	585,846	72,853	2,571,510
Accumulated Depreciation	-	(638,700)	(135,067)	-	(449,520)	-	(414,963)	(59,440)	(1,697,690)
	-	323,548	33,533	-	332,443	-	170,883	13,413	873,820

For the year ended June 30, 2019

Opening written down value	-	323,548	33,533	-	332,443	-	170,883	13,413	873,820
Additions/ transfers in									
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-

Deletion/ transfers out

Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-

Depreciation for the year

	-	(48,532)	(5,030)	-	(33,244)	-	(25,632)	(2,683)	(115,121)
	-	275,016	28,503	-	299,199	-	145,251	10,730	758,699

As at July 01, 2019

Cost	-	962,248	168,600	-	781,963	-	585,846	72,853	2,571,510
Accumulated Depreciation	-	(687,232)	(140,097)	-	(482,764)	-	(440,595)	(62,123)	(1,812,811)
	-	275,016	28,503	-	299,199	-	145,251	10,730	758,699

Depreciation rate

5%	15%	15%	20%	10%	10%	15%	20%
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4. PROPERTY, PLANT AND EQUIPMENT

Particulars	Building	Computers & Accessories	Office Equipments	Motor Vehicle	Furniture & Fixtures	Books & Sports Items	Electric Equipments	Other Assets	Total
RUPEES									

4.2 THE KAGHAN MEMORIAL SCHOOL

As at July 01, 2017

Cost	18,061,605	142,830	49,044	4,315,522	1,918,545	118,371	1,266,237	371,259	26,243,413
Accumulated Depreciation	(2,658,958)	(52,933)	(37,058)	(2,467,719)	(922,403)	(74,861)	(711,250)	(305,243)	(7,230,425)
	15,402,647	89,897	11,986	1,847,803	996,142	43,510	554,987	66,016	19,012,988

For the year ended June 30, 2018

Opening written down value	15,402,647	89,897	11,986	1,847,803	996,142	43,510	554,987	66,016	19,012,988
Additions/ transfers in	-	-	-	15,824,000	92,500	-	-	-	15,916,500
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	15,824,000	92,500	-	-	-	15,916,500
Deletion/ transfers out	-	-	-	-	-	-	-	-	-
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
Depreciation for the year	(770,132)	(13,485)	(1,798)	(837,090)	(100,442)	(4,351)	(83,248)	(13,203)	(1,823,749)
	14,632,515	76,412	10,188	16,834,713	988,200	39,159	471,739	52,813	33,105,739

As at July 01, 2018

Cost	18,061,605	142,830	49,044	20,139,522	2,011,045	118,371	1,266,237	371,259	42,159,913
Accumulated Depreciation	(3,429,090)	(66,418)	(38,856)	(3,304,809)	(1,022,845)	(79,212)	(794,498)	(318,446)	(9,054,174)
	14,632,515	76,412	10,188	16,834,713	988,200	39,159	471,739	52,813	33,105,739

For the year ended June 30, 2019

Opening written down value	14,632,515	76,412	10,188	16,834,713	988,200	39,159	471,739	52,813	33,105,739
Additions/ transfers in	13,487,459	2,249,720	-	2,556,100	-	-	-	118,315	18,411,594
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	13,487,459	2,249,720	-	2,556,100	-	-	-	118,315	18,411,594
Deletion/ transfers out	-	-	-	-	-	-	-	-	-
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
Depreciation for the year	(1,066,041)	(178,804)	(1,528)	(3,878,163)	(98,820)	(3,916)	(70,761)	(34,226)	(5,332,259)
	27,053,933	2,147,328	8,660	15,512,650	889,380	35,243	400,978	136,902	46,185,074

As at July 01, 2019

Cost	31,549,064	2,392,550	49,044	22,695,622	2,011,045	118,371	1,266,237	489,574	60,571,507
Accumulated Depreciation	(4,495,131)	(245,222)	(40,384)	(7,182,972)	(1,121,665)	(83,128)	(865,259)	(352,672)	(14,386,433)
	27,053,933	2,147,328	8,660	15,512,650	889,380	35,243	400,978	136,902	46,185,074
Depreciation rate	5%	15%	15%	20%	10%	10%	15%	20%	

Property, Plant And Equipment (Combine)

As at July 01, 2019

Cost	31,549,064	3,354,798	217,644	22,695,622	2,793,008	118,371	1,852,083	562,427	63,143,017
Accumulated Depreciation	(4,495,131)	(932,454)	(180,481)	(7,182,972)	(1,604,429)	(83,128)	(1,305,854)	(414,795)	(16,199,244)
	27,053,933	2,422,344	37,163	15,512,650	1,188,579	35,243	546,229	147,632	46,943,773
Depreciation rate	5%	15%	15%	20%	10%	10%	15%	20%	



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
5 CAPITAL WORK IN PROGRESS			
Opening balance		23,167,203	17,503,629
Additions during the year		2,314,615	5,663,574
Transfer to property, plant and equipment		(13,487,459)	-
		<u>11,994,359</u>	<u>23,167,203</u>

5.1 This represents cost incurred on construction of school building located at Revenue estate of Mouza Kawai, Tehsil Balakot, District Mansehra.

	Note	Antivirus Rupees	Total Rupees
6 INTANGIBLE ASSETS			
As at July 01, 2017			
Cost		28,255	28,255
Accumulated amortization		(8,477)	(8,477)
		<u>19,778</u>	<u>19,778</u>
For the year ended June 30, 2018			
Opening written down value		19,778	19,778
Additions / transfers in		-	-
Deletions / transfers out		-	-
Amortization for the year		(5,933)	(5,933)
		<u>13,845</u>	<u>13,845</u>
As at July 01, 2018			
Cost		28,255	28,255
Accumulated amortization		(14,410)	(14,410)
		<u>13,845</u>	<u>13,845</u>
For the year ended June 30, 2019			
Opening written down value		13,845	13,845
Additions / transfers in		-	-
Deletions / transfers out		-	-
Amortization for the year		(4,154)	-
		<u>9,691</u>	<u>13,845</u>
As at July 01, 2019			
Cost		28,255	28,255
Accumulated amortization		(18,564)	(14,410)
		<u>9,691</u>	<u>13,845</u>

Amortization rate

30%



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
7 SHORT TERM ADVANCES			
Advance annual lease rental on land	7.1	161,219	86,222
Current portion of lease rental		-	-
		<u>161,219</u>	<u>86,222</u>
7.1 This represents advance lease rentals deposited in respect of land located at revenue estate of Mouza Kawai, Tehsil Balakot, District Mansehra. The land is utilized for the purpose of The Kaghan Memorial School.			
8 ADVANCES, DEPOSITS AND PREPAYMENTS			
Advances to suppliers	8.1	1,781,687	472,310
Advance tax		17,220	-
		<u>1,798,907</u>	<u>472,310</u>
8.1 This represents the advance payment to M/S HB Furniture, Blue area, Islamabad for purchase of furniture for school library.			
9 CASH AND BANK BALANCES			
Cash in hand		1,225,356	842
Cash at bank - Current accounts			
- Meezan bank limited		3,069,119	13,291,789
- Faysal bank limited		4,438	4,438
- The Bank of Khyber limited		1,827	1,827
- United bank limited		2,898	2,898
		<u>4,303,637</u>	<u>13,301,794</u>
10 GENERAL FUNDS			
Opening balance		(16,493,267)	(19,408,787)
Surplus of income over expenditure for the year		910,209	2,915,520
		<u>(15,583,058)</u>	<u>(16,493,267)</u>
11 DEFERRED GRANTS			
Opening balance		82,338,113	40,875,881
Grants received during the year	11.1	4,049,720	42,842,200
Amortization of grant		(11,318,529)	(1,379,968)
		<u>75,069,304</u>	<u>82,338,113</u>



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
11.1 For Building, Vehicles & Computers			
Pakistan State Oil		-	3,000,000
Grants from Government (Van)		-	12,954,000
PTCL (Jeeps)		-	2,000,000
Deferred Government Grant		-	23,000,000
Polish Embassy (Computers)		2,249,720	-
Oceandusk Group		1,800,000	1,888,200
		<u>4,049,720</u>	<u>42,842,200</u>
12 SHORT TERM LOANS			
Loans from:			
Arcadian Hotels & Resorts (Pvt) Limited		1,040,700	1,348,200
Ms. Meraj Humayun Khan		1,550,000	1,550,000
Mr. Khurram Khan (Managing Trustee)		853,336	853,336
Ms. Jennifer Ankrom-Khan (Trustee)		491,695	573,025
Ms. Maryam Khan (Trustee)		300,000	300,000
		<u>4,235,731</u>	<u>4,624,561</u>
12.1 This represents interest free loans for meeting the school construction cost of the building, school operations and other day-to-day expenses of the Trust.			
	Note	2019 Rupees	2018 Rupees
13 ACCRUED AND OTHER LIABILITIES			
Employees salary		1,222,160	304,378
Audit remuneration		80,000	80,000
Withholding tax payable		187,449	167,147
		<u>1,489,609</u>	<u>551,525</u>
14 INCOME			
Donations		2,737,518	12,721,403
Income from fundraising event	14.1	7,484,650	2,050,210
Income from child sponsorship		8,032,606	9,075,944
Amortization of deferred grants		11,318,529	1,379,968
Community contribution		110,880	-
Others - Donation collected in donation boxes		220,690	523,201
		<u>29,904,872</u>	<u>25,750,726</u>
14.1 Income from fund raising events			
Local fundraising event # 1 -Serena Hotel		5,645,000	-
Local fundraising event # 2 (Lucky draw 2018/2019)		1,839,650	2,050,210
		<u>7,484,650</u>	<u>2,050,210</u>



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
15 FUND RAISING EXPENDITURE			
Printing and promotion		33,912	60,000
Miscellaneous		39,000	45,700
		<u>72,912</u>	<u>105,700</u>
16 KHAGAN MEMORIAL TRUST - HEAD OFFICE			
Staff salaries		1,571,118	1,556,864
Advertisement and website hosting charges		4,900	25,480
Supplies, printing and stationery		99,797	101,265
Postage and courier		3,445	11,850
Domestic travelling		115,550	51,231
Vehicle running		142,255	98,040
Communication		42,715	42,195
Building rent		-	12,000
Building repairs and maintenance		-	3,600
Equipment repairs and maintenance		114,570	119,345
Vehicle repair and maintenance		60,080	7,210
Meals for staff		277,205	270,502
Audit fee		80,000	80,000
Legal fees		-	220,400
Utilities		1,000	5,415
Bank charges		47,753	65,339
Miscellaneous		94,547	36,900
Depreciation	4.1	115,121	76,694
Amortization	6	4,154	5,933
		<u>2,774,210</u>	<u>2,790,264</u>



THE KAGHAN MEMORIAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
17 KAGHAN MEMORIAL SCHOOL			
Staff salaries		12,978,125	10,369,374
Classroom supplies		1,369,707	1,095,317
Office supplies, printing and stationery		53,480	35,522
Lease expenses		130,626	209,711
Domestic travelling		342,945	196,040
Vehicle running		2,507,386	1,847,842
Utilities		328,547	224,786
Communication		37,700	35,800
Furnishings		-	76,500
Building repairs and maintenance		91,466	79,460
Equipment repairs and maintenance		52,800	35,450
Vehicle repair and maintenance		774,690	397,799
Vehicle rental charges		745,290	1,327,310
Fuel for generator		65,110	13,800
Meals for staff		692,076	616,074
Sports day and annual day expense		367,073	850,454
Board fee		126,080	50,510
Workshops & capacity building		-	350,183
Miscellaneous		152,182	246,795
Depreciation	4.1	5,332,258	1,880,515
		26,147,541	19,939,242

18 RELATED PARTY TRANSACTIONS

The Trust has obtained interest free loans for day to day operations.

RELATIONSHIP	NATURE OF TRANSACTION		
Arcadian Hotels & Resorts (Pvt.) Limited	Interest fee loan	1,040,700	1,348,200
Ms. Meraj Humayun Khan	Interest fee loan	1,550,000	1,550,000
Mr. Khurram Khan (Managing Trustee)	Interest fee loan	853,336	853,336
Ms. Jennifer Ankrom-Khan (Trustee)	Interest fee loan	491,695	573,025
Ms. Maryam Khan (Trustee)	Interest fee loan	300,000	300,000

19 NUMBER OF EMPLOYEES

	Number	Number
Number of employees at year end	64	82
Average number of employees during the period	61	78

20 FIGURES

In these financial statements figures have been rounded off to the nearest rupee and of the previous year have been re- arranged and re-grouped wherever necessary to facilitate comparison.

21 AUTHORIZATION FOR ISSUE

The Financial Statements were authorized for issue on the 17th day of December 2019.

Islamabad,



[Signature]
TRUSTEE

[Signature]
TRUSTEE