

# PRICE WATERHOUSE COOPERS & LYONS LLP

## AUDITOR'S REPORT

We have examined the annexed balance sheet of The Saran School as at June 30, 2017 and related income & expenditure account for the year ended June 30, 2017 together with the notes forming part thereof.

In our opinion, the accounts have been properly prepared in accordance with the provisions of the Companies Act, 2013 and the Companies (Accounts) Regulations, 2014 and the accounts are true and correct in all material aspects.

### **THE SARAN EDUCATIONAL TRUST (SET)**

### **ACCOUNTS FOR THE YEAR ENDED June 30, 2017**

The accounts and to the best of our information and knowledge, the information given by the management, true income & expenditure account and balance sheet together with the notes forming part thereof conform to generally accepted accounting standards as applicable in India.

CHARTERED ACCOUNTANTS

# FEROZ AZIZ & COMPANY

Chartered Accountants

211, Business Arcade,  
Block 6, P.E.C.H.S,  
Shahrah-e-Faisal,  
Karachi.

Telephone : (92-21) 34382086-87  
Fax : (92-21) 34382085  
E-mail : fazco@cyber.net.pk

## AUDITORS' REPORT

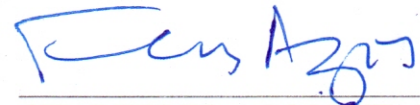
We have examined the annexed balance sheet of **The Set School** as at June 30, 2017 and related income & expenditure account for the year ended June 30, 2017 together with the notes forming part thereof.

It is the responsibility of the managing committee of the school to establish and maintain a system of internal control, and prepare and present the above said statement in conformity with the approved accounting standards. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements.

In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income & expenditure account and receipt & payment account together with the notes forming part thereof conform to approved accounting standards as applicable in Pakistan.

30 September, 2017



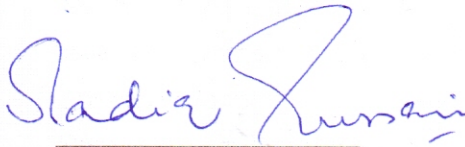
CHARTERED ACCOUNTANTS

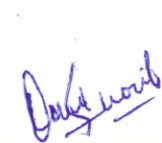



**THE SARAN EDUCATIONAL TRUST (SET)**  
**BALANCE SHEET**  
**AS ON JUNE 30, 2017**

	Note	2017 Rupees	2016 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	3	29,805,722	31,856,207
Intangible assets	4	56,203	80,290
CWIP		1,863,950	-
		31,725,875	31,936,497
<b>Current assets</b>			
Fee receivables		920,360	305,290
Loan to employees		26,000	20,000
Adv Tax		91,364	-
Other receivables	5	36,452	9,142
Cash & bank balances	6	7,541,565	198,989
		8,615,741	533,421
Total assets		40,341,616	32,469,918
<b>GENERAL FUNDS AND LIABILITIES</b>			
<b>General fund</b>			
Opening balance		15,778,862	15,581,838
Endowment Fund	7	7,000,000	-
Surplus / (Deficit) for the year		625,906	197,024
		23,404,768	15,778,862
<b>Current liabilities</b>			
Salary & Security Deposit payable		3,078,914	2,764,058
Advance fee		941,530	976,200
Accounts payable & other liabilities	8	12,916,404	12,950,798
		16,936,848	16,691,056
Total general funds and liabilities		40,341,616	32,469,918

The annexed notes form an integral part of these accounts.

  
**Managing Trustee**

  
**Secretary**

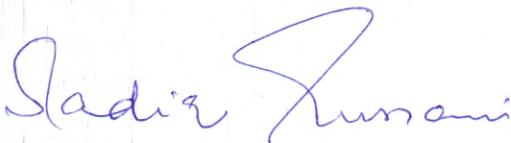
  
**Treasurer**

Pa

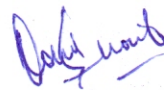
**THE SARAN EDUCATIONAL TRUST (SET)  
INCOME & EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2017**

	2017 Rupees	2016 Rupees
<b>Revenue</b>		
Fee	18,810,938	15,734,737
Donation	12,738,739	14,650,393
Others	59,790	203,789
	31,609,467	30,588,919
<b>Expenditures</b>		
Salaries	19,643,205	17,989,543
Leave encashment	258,428	377,608
Rent, rate & taxes	1,844,444	1,697,223
Utilities	795,544	686,540
Printing & publications	77,000	60,250
Advertisement	107,800	38,140
Stationery	527,137	539,299
Repair & maintenance - school	579,385	2,079,288
Software	120,000	120,000
EOBI	649,329	439,561
SESSI	172,800	172,800
Training & development	152,500	21,400
Legal & professional charges	13,500	15,000
Property tax	29,060	101,374
Conveyance	194,529	92,510
Entertainment	350,542	258,056
Transportation	259,400	252,700
Bank charges	4,820	7,924
Depreciation & amortization	3,036,244	3,231,383
Fee write off	31,600	256,590
Security service charges	1,676,701	1,484,658
Tax deduction at source	-	94,400
Others	459,593	375,648
Total expenditure for the year	30,983,561	30,391,895
Net surplus / (deficit) transferred to general fund	625,906	197,024

The annexed notes form an integral part of these accounts.



**Managing Trustee**



**Secretary**



**Treasurer**

PR

**THE SARAN EDUCATIONAL TRUST (SET)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2017**

**1. AIMS & OBJECTIVE**

The SET School is administered under the management of the Saran Education Trust. The main objective of the Trust is to establish education institutions in Pakistan on Charitable basis and to take other steps to promote the cause of Education, Social Welfare, Sports and Culture for the benefit of General Public and to raise funds from all available sources and to take other measure necessary to fulfill the objects of the Trust. The SET School was formed towards achieving the above objective. The School operates three campus at C-70, Block 10, Federal B Area, Karachi & D-08, Block 5, Federal B Area, Karachi & Sector 17-A/4, KDA Scheme 33 Gwalior Society, Karachi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Principal accounting policies which have been adopted in the preparation of these accounts are as follows.

**2.1 Accounting convention**

These accounts have been prepared on historical cost convention except certain donations received in kind, if any, are stated at fair market value determined by the management.

**2.2 Fixed Assets**

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged to income and expenditure account applying the reducing balance method whereby the cost of an asset is written-off over its estimated useful life at the rates stated in relevant note to the financial statements. Full year's depreciation is charged in the year of addition whereas no depreciation is charged in the year of disposal. Maintenance and normal repairs are charged to profit and loss account as and when incurred; whereas major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Any gains and losses on disposal of assets are taken to the profit and loss account.

**2.3 Receipts**

These are recognized on cash basis except certain donations, if any, received in kind that are valued and accounted for at fair market value determined by the management.

**2.4 Expenditures**

These are recorded as and when paid except for salaries that are recorded on accrual basis

**2.5 Donations**

Donation of fixed assets, if received, are recorded at their fair market value.

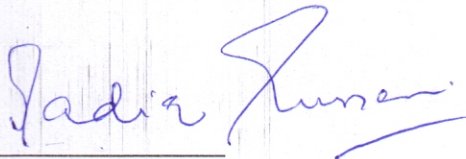
*Pr*

### 3 FIXED ASSETS

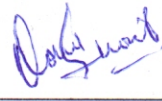
Particulars	Cost			Rate %	Depreciation			Written Down Value as on June 30, 2017
	As at July 01, 2016	Addition / (Deletion) During the	As at June 30, 2017		As at July 01, 2016	For the Year	As at June 30, 2017	
Land	4,597,830	-	4,597,830	-	-	-	-	4,597,830
Building	31,241,167	251,406	31,492,573	10	5,610,084	2,588,249	8,198,333	23,294,240
Furniture & fixture	1,322,086	362,032	1,684,118	10	418,678	126,544	545,222	1,138,896
Montessori equipment	83,197	-	83,197	25	82,787	103	82,890	307
Non Montessori equipment	5,000	-	5,000	25	5,000	-	5,000	-
Baby swing	142,000	-	142,000	10	40,802	10,120	50,922	91,078
Computer	572,983	348,234	921,217	35	260,031	231,415	491,446	429,771
Office equipment	512,078	-	512,078	20	316,635	39,089	355,724	156,354
Computer lab	90,500	-	90,500	10	73,730	1,677	75,407	15,093
Digital camera & printer	105,090	-	105,090	10	78,172	2,692	80,864	24,226
Generator	102,500	-	102,500	20	50,020	10,496	60,516	41,984
UPS	30,000	-	30,000	10	12,285	1,772	14,057	15,943
<b>Total Rupees - 2017</b>	<b>38,804,431</b>	<b>961,672</b>	<b>39,766,103</b>		<b>6,948,224</b>	<b>3,012,157</b>	<b>9,960,381</b>	<b>29,805,722</b>
<b>Total Rupees - 2016</b>	<b>34,553,160</b>	<b>4,251,271</b>	<b>38,804,431</b>		<b>3,751,251</b>	<b>3,196,973</b>	<b>6,948,224</b>	<b>31,856,207</b>

### 4 INTANGIBLE ASSETS

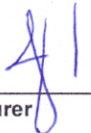
Particulars	Cost			Rate %	Depreciation			Written Down Value as on June 30, 2017
	As at July 01, 2016	Addition / (Deletion) During the Year	As at June 30, 2017		As at July 01, 2016	For the Year	As at June 30, 2017	
Software	134,500	-	134,500	30	54,210	24,087	78,297	56,203
<b>Total Rupees - 2017</b>	<b>134,500</b>	<b>-</b>	<b>134,500</b>		<b>54,210</b>	<b>24,087</b>	<b>78,297</b>	<b>56,203</b>
<b>Total Rupees - 2016</b>	<b>66,000</b>	<b>68,500</b>	<b>134,500</b>		<b>19,800</b>	<b>34,410</b>	<b>54,210</b>	<b>80,290</b>



Managing Trustee



Secretary




Treasurer




	Note	2017 Rupees	2016 Rupees
<b>5</b>			
<b><u>OTHER RECEIVABLES</u></b>			
Advance against expense		26,452	9,142
Advance against R & M		10,000	-
WHT receivable		-	-
		<b>36,452</b>	<b>9,142</b>
<b>6</b>			
<b><u>CASH &amp; BANK BALANCES</u></b>			
Cash in hand		(32,203)	-
<b>Cash at banks</b>			
- in current accounts		7,573,768	-
- in PLS deposit accounts		-	-
		7,573,768	-
		<b>7,541,565</b>	<b>198,989</b>
<b>7</b>			
<b><u>ENDOWMENT FUND</u></b>			
Opening Balance		-	-
Fund receive from donor	7.1	7,000,000	-
Expenditure		-	-
Closing Balance		7,000,000	-
7.1	Saran Educational Trust passed the Board of resolution on dated 15-06-2017 for establishing Endowment Fund		
<b>8</b>			
<b><u>ACCOUNTS PAYABLE &amp; OTHER LAIBILITIES</u></b>			
Account Payable		12,892,388	12,893,101
wht Payable		24,016	57,697
		<b>12,916,404</b>	<b>12,950,798</b>
<b>9</b>			
<b><u>DONATION</u></b>			
Donation for construction		942,330	2,809,875
Donation Financial Assistance		11,726,409	11,431,756
Other Donation		70,000	408,762
		<b>12,738,739</b>	<b>14,650,393</b>
<b>10</b>			
<b><u>GENERAL</u></b>			

Figures have been rounded off to nearest rupee

  
 Managing Trustee

  
 Secretary

  
 Treasurer