

# **FINANCIAL STATEMENTS**

**OF**

# **THE SARAN** **EDUCATIONAL TRUST**

**FOR THE YEAR ENDED 30TH JUNE, 2024**

**DAWOOD ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

174-W, Ground Floor  
Block 2, P.E.C.H. Society,  
Tariq Road, Karachi.  
Ph. : 021-34322638

**INDEPENDENT AUDITOR'S REPORT TO THE  
MEMBERS OF THE SARAN EDUCATIONAL TRUST**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**OPINION**

We have audited the annexed financial statements of **THE SARAN EDUCATIONAL TRUST** which comprise of the statement of financial position as at 30<sup>th</sup> June, 2024, the statement of income & expenditure account, the statement of cash flow 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 purposes 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 income & expenditure account, the statement of cash flow together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and respectively give a true and fair view of the state of the trust's affairs as at 30<sup>th</sup> June, 2024 and of the loss, and its cash flows for the year then ended.

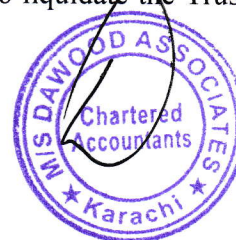
**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the International Ethics Standards Board for Accountant's 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 IN BOARD OF TRUSTEES FOR THE  
FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of law and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.





**DAWOOD ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

174/W, GROUND FLOOR,  
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SOCIETY, TARIQ ROAD,  
KARACHI.  
TELEPHONE: 34322638

**BOARD OF TRUSTEES IS RESPONSIBLE FOR OVERSEEING THE TRUST'S FINANCIAL REPORTING PROCESS.**

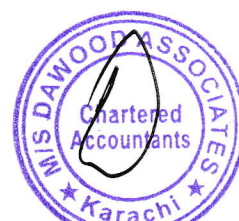
**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material 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 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:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates in 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 exist 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 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 audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust 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 represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate, where necessary, with the board of trustees 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.



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**CHARTERED ACCOUNTANTS**

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**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 Trust:
- b) the statement of financial position, the statement of income & expenditure account and the statement of cash flows together with the notes thereon have been drawn up in conformity with the law and are in agreement with the books of account and returns;
- c) investment made, expenditure incurred and guarantees extended during the year were for the purpose of the Trust's business; and




(CHARTERED ACCOUNTANTS)  
(DAWOOD HAJI IBRAHIM)

KARACHI: the 30th day of December, 2024.

**THE SARAN EDUCATIONAL TRUST (SET)**  
**STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	3	71,035,473	71,260,214
Intangible assets	4	4,629	6,612
CWIP		83,968	2,218,331
		<u>71,124,070</u>	<u>73,485,157</u>
<b>Current assets</b>			
Fee receivables		1,217,642	996,222
Short term investment	5	15,453,000	15,453,000
Other receivables	6	-	921
Cash & bank balances	7	7,891,862	323,761
		<u>24,562,504</u>	<u>16,773,904</u>
Total assets		<u><b>95,686,574</b></u>	<u><b>90,259,061</b></u>
<b>GENERAL FUNDS AND LIABILITIES</b>			
<b>General fund</b>			
Opening balance		10,359,512	10,589,379
Deficit for the year		(272,786)	(229,867)
		<u>10,086,726</u>	<u>10,359,512</u>
Endowment fund	8	14,053,799	14,053,799
Non-revenue donation	9	53,695,333	48,761,133
		<u>67,749,132</u>	<u>62,814,932</u>
		<u>77,835,858</u>	<u>73,174,444</u>
<b>Current liabilities</b>			
Salary & security deposit payable		8,050,857	6,408,091
Student security deposit payable		5,855,360	4,220,080
Advance fee		200,940	245,300
Accounts payable & other liabilities	10	3,743,559	6,211,146
		<u>17,850,716</u>	<u>17,084,617</u>
Total general funds and liabilities		<u><b>95,686,574</b></u>	<u><b>90,259,061</b></u>

The annexed notes from 1 to 15 form an integral part of these accounts

  
**Managing Trustee**



  
**Secretary**

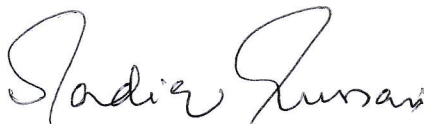
  
**Treasurer**




**THE SARAN EDUCATIONAL TRUST (SET)**  
**STATEMENT OF INCOME & EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

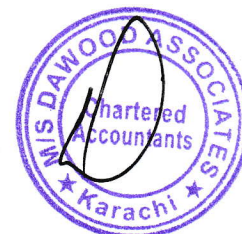
Revenue		2024 Rupees	2023 Rupees
Fees		44,098,153	33,443,764
Donations under revenue	11	27,195,491	26,232,263
Other income	12	6,309,913	4,474,544
Total revenue for the year		77,603,557	64,150,571
<b>Expenditures</b>			
Administrative expenses	13	2,017,431	2,183,741
Operating expenses	14	75,453,441	61,696,954
Total expenditures for the year		77,470,872	63,880,695
Net surplus before taxation		132,685	269,876
Less: Taxation		(405,471)	(499,743)
Net deficit transferred to general fund		<u>(272,786)</u>	<u>(229,867)</u>

The annexed notes from 1 to 15 form an integral part of these accounts

  
**Managing Trustee**

  
**Secretary**


  
**Treasurer**



**THE SARAN EDUCATIONAL TRUST (SET)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE, 2024**

	<u>2024</u> <u>AMOUNT</u> <u>RUPEES</u>	<u>2023</u> <u>AMOUNT</u> <u>RUPEES</u>
<b><u>Cash flow from operating activities</u></b>		
Net deficit after tax	(272,786)	(229,867)
<b><u>Add: Non-cash items/adjustments</u></b>		
Depreciation	4,791,737	4,807,908
Amortization	1,983	2,834
	<u>4,793,720</u>	<u>4,810,742</u>
Operating surplus before working capital changes	4,520,934	4,580,875
<b><u>Add/Less: Working capital</u></b>		
<b><u>a). (Increase)/decrease in current assets</u></b>		
Fee receivables	(221,420)	(134,210)
Loan to employees	-	60,000
Short term investment	-	62,749
Other receivables	921	-
Net increase in current assets	(220,499)	(11,461)
<b><u>b). Increase/(decrease) in current liabilities</u></b>		
Salary & security deposit payable	1,642,766	1,088,824
Student security deposit payable	1,635,280	1,142,800
Advance fee	(44,360)	57,590
Accounts payable & other liabilities	(2,467,587)	(10,122,951)
Net increase / (decrease) in current liabilities	<u>766,099</u>	<u>(7,833,737)</u>
Net effect from working capital	545,600	(7,845,198)
Net cash inflow / (outflow) from operating activities	5,066,534	(3,264,323)
<b><u>Cash flow from investing activities</u></b>		
Fixed assets purchased	(4,566,996)	(50,727,194)
Capital work in progress	2,134,363	40,662,014
Endowment fund	-	500,000
Non-revenue donations	4,934,200	13,092,228
Net cash inflow from investing activities	<u>2,501,567</u>	<u>3,527,048</u>
Net increase in cash and bank balances	7,568,101	262,725
Cash and bank balances at the beginning of the year	323,761	61,036
Cash and bank balances at the end of the year	<u><u>7,891,862</u></u>	<u><u>323,761</u></u>

The annexed notes from 1 to 15 form an integral part of these financial statement.

  
**Managing Trustee**



  
**Secretary**

  
**Treasurer**

**THE SARAN EDUCATIONAL TRUST (SET)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**1. AIMS & OBJECTIVE**

The SET School is administered under the management of the Saran Educational 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 two campuses at C-70, Block 10, Federal B Area, Karachi and ST-1, 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**

School fees are recorded on accrual basis. Donations 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**

The expenditures are recorded on accrual basis

**2.5 Donations**

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





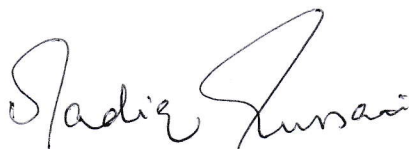
3 **FIXED ASSETS**

Particulars	Cost			Rate %	Depreciation			Written down value as at June 30, 2024
	As at July 01, 2023	Addition / (Deletion) - During the year	As at June 30, 2024		As at July 01, 2023	For the year	As at June 30, 2024	
Land	4,597,830	-	4,597,830	-	-	-	-	4,597,830
Building	75,926,691	2,218,331	78,145,022	5	20,004,946	2,907,004	22,911,949	55,233,073
Furniture & fixtures	6,502,924	1,933,396	8,436,320	10	2,153,815	628,251	2,782,066	5,654,254
Montessori equipments	2,066,669	34,000	2,100,669	25	579,010	380,415	959,425	1,141,244
Solar	4,380,000	-	4,380,000	15	657,000	558,450	1,215,450	3,164,550
Baby swing / Studio equipments	315,629	-	315,629	10	137,777	17,785	155,562	160,067
Computers	1,190,433	381,269	1,571,702	35	1,121,276	157,649	1,278,925	292,777
Office equipments	1,257,328	-	1,257,328	20	780,352	95,395	875,747	381,581
Computer lab	90,500	-	90,500	10	82,478	802	83,280	7,220
Digital camera & printer	105,090	-	105,090	10	92,216	1,287	93,503	11,587
Generator	102,500	-	102,500	20	91,493	2,201	93,694	8,806
UPS	801,540	-	801,540	10	376,556	42,498	419,054	382,486
<b>Total Rupees - 2024</b>	<b>97,337,134</b>	<b>4,566,996</b>	<b>101,904,130</b>		<b>26,076,920</b>	<b>4,791,737</b>	<b>30,868,657</b>	<b>71,035,473</b>
<b>Total Rupees - 2023</b>	<b>46,609,941</b>	<b>50,727,193</b>	<b>97,337,134</b>		<b>21,269,012</b>	<b>4,807,908</b>	<b>26,076,920</b>	<b>71,260,214</b>

4 **INTANGIBLE ASSETS**


Particulars	Cost			Rate %	Amortization			Written down value as at June 30, 2024
	As at July 01, 2023	Addition / (Deletion) - During the year	As at June 30, 2024		As at July 01, 2023	For the year	As at June 30, 2024	
Software	134,500	-	134,500	30	127,888	1,983	129,871	4,629
<b>Total Rupees - 2024</b>	<b>134,500</b>	<b>-</b>	<b>134,500</b>		<b>127,888</b>	<b>1,983</b>	<b>129,871</b>	<b>4,629</b>
<b>Total Rupees - 2023</b>	<b>134,500</b>	<b>-</b>	<b>134,500</b>		<b>125,054</b>	<b>2,834</b>	<b>127,888</b>	<b>6,612</b>

The annexed notes from 1 to 15 form an integral part of these accounts

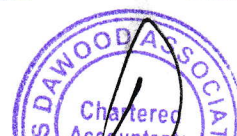
  
Managing Trustee

  
Secretary



  
Treasurer

		2024 Rupees	2023 Rupees
5	<b><u>SHORT TERM INVESTMENT</u></b>		
	Bank Al Habib	15,453,000	15,453,000
6	<b><u>OTHER RECEIVABLES</u></b>		
	WHT receivable	-	921
7	<b><u>CASH &amp; BANK BALANCES</u></b>		
	Cash in hand	-	-
	Cash at banks-current accounts	7,891,862	323,761
		7,891,862	323,761
8	<b><u>ENDOWMENT FUNDS</u></b>		
	Opening balance	14,053,799	13,553,799
	Funds received from other donors	-	500,000
	Closing balance	14,053,799	14,053,799
9	<b><u>NON-REVENUE DONATIONS</u></b>		
	Opening balance	48,761,133	35,668,905
	Add: Non-revenue donations	4,934,200	13,092,228
	Building construction	(83,968)	(2,218,331)
	Donation non-revenue after deductions	53,611,365	46,542,802
	Transferred to CWIP	9.1 83,968	2,218,331
	<b>Net donations non-revenue</b>	<b>53,695,333</b>	<b>48,761,133</b>
9.1 These donations pertain to construction. The amount of building construction is transferred to CWIP			
10	<b><u>ACCOUNTS PAYABLE &amp; OTHER LAIBILITIES</u></b>		
	Accounts payable	3,590,786	6,082,544
	Accrued utility expenses	89,958	82,542
	Withholding tax payable	62,815	46,060
		3,743,559	6,211,146
11	<b><u>DONATIONS UNDER REVENUE</u></b>		
	Donations financial assistance	27,055,491	25,982,263
	Zakat donations	140,000	250,000
		27,195,491	26,232,263
12	<b><u>OTHER INCOME</u></b>		
	Other Income	3,663,408	2,701,320
	Endowment fund income	2,646,505	1,773,224
		6,309,913	4,474,544



**13 ADMINISTRATIVE EXPENSES**

Salaries	1,796,527	1,870,488
10% utilities	220,904	313,253
	<u>2,017,431</u>	<u>2,183,741</u>

13.1 The administrative expenses are shown separately because they pertain to the running of the Saran Educational Trust and not The SET School based on allocation of expenses relating staff members working for the Trust.

13.2 The administrative expense pertains to 2.60% (2023: 3.42%) of total expenditure of the trust for the current year.

**14 OPERATING EXPENSES**

Payroll	14.1	54,117,731	44,550,044
Rates & taxes		115,000	10,000
Utilities		1,988,140	2,819,278
Printing & publications		275,541	111,187
Advertisement		56,500	40,170
Stationary		1,752,905	1,982,462
Repair & maintenance - School		4,161,746	1,118,993
Software		213,752	248,476
Training & development		4,000	1,500
Legal & professional charges including audit fee		524,100	79,600
Canteen & Housekeeping		1,347,187	911,106
Transportation		2,389,382	1,982,825
Bank charges		14,983	9,200
Fees written off		971,200	398,190
Security service charges		1,650,000	1,510,000
Depreciation & Amortization		4,793,720	4,810,742
Others		1,077,554	1,113,181
		<u>75,453,441</u>	<u>61,696,954</u>

**14.1 PAYROLL**

Salaries	51,393,556	42,565,526
EOBI	1,998,295	1,397,478
SESSI	725,880	587,040
	<u>54,117,731</u>	<u>44,550,044</u>

**15 GENERAL**

a). Figures have been rounded off to a nearest rupee.

b). Previous year figures have been re-arranged and re-grouped wherever necessary for the purpose of comparison.

  
Managing Trustee

  
Secretary

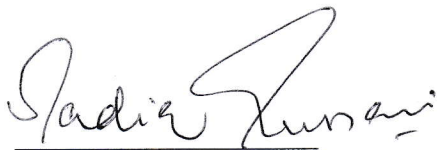
  
Treasurer

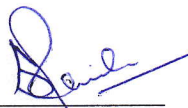




**SARAN EDUCATION TRUST**  
**CAMPUSWISE INCOME & EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30TH JUNE 2024**

	2024		2023
	CAMPUS 1	NORTH EAST	TOTAL
	CAMPUS	TOTAL	AMOUNT
			AMOUNT
<b># INCOME:</b>			
Fees	6,526,143	37,572,010	44,098,153
Registration fee (included in other income)	102,100	60,000	162,100
Other income	639,708	2,114,423	2,754,131
	7,267,951	39,746,433	47,014,384
			35,732,262
<b># EXPENDITURES</b>			
Salaries & allowances including administrative salary	12,188,726	43,725,532	55,914,258
Rates & taxes	-	115,000	115,000
Utilities including administrative expenses	959,418	1,249,626	2,209,044
Printing & publications	10,549	264,992	275,541
Advertisement	-	56,500	56,500
Stationary	389,155	1,363,750	1,752,905
Repair & maintenance - School	2,765,080	1,396,666	4,161,746
Software	-	213,752	213,752
Training & development	-	4,000	4,000
Legal & professional charges including audit fee	3,000	521,100	524,100
Canteen & Housekeeping	216,854	1,130,333	1,347,187
Transportation	8,080	2,381,302	2,389,382
Bank charges	14,328	655	14,983
Fees written off	195,650	775,550	971,200
Security service charges	300,000	1,350,000	1,650,000
Depreciation & Amortization	68,519	4,725,201	4,793,720
Others	254,940	822,614	1,077,554
	17,374,299	60,096,573	77,470,872
			63,880,695
<b>Operating loss for the year</b>	<b>(10,106,348)</b>	<b>(20,350,140)</b>	<b>(30,456,488)</b>
			<b>(28,148,433)</b>

  
**Managing Trustee**

  
**Secretary**

  
**Treasurer**





## View UDIN

UDIN:	AR2024107269unhfAl1l
Name of the Firm:	Dawood Associates (D-6)
Client Legal Name:	SARAN EDUCATIONAL TRUST (SET)
Client Registration Number/NTN:	3619511
Sector:	Miscellaneous/ Others
Nature of Client:	Other: TRUST
Public Interest Company?	
City of Engagement:	Karachi
Type of Financial Statement:	Standalone
Report Type:	Audit Report
Type of Audit Opinion:	Unmodified opinion
Full/Half Year:	FULL YEAR
Reporting Period From:	01/07/2023
Reporting Period To:	30/06/2024
Net Asset:	77,835,858.00
Profit/Loss before Tax:	132,685.00
Cash and Cash Equivalent as Appearing in Cash Flow Statement:	7,891,862.00
Total Current Assets (for banks the total currents assets would be interpreted as Total assets):	24,562,504.00
Revenue:	77,603,557.00

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