

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NOORANI FOUNDATION (A Company setup under Section 42 of Companies Act, 2017)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of **The Noorani Foundation (the Company)**, which comprise the statement of financial position as at June 30, 2025, and the income and expenditure statement, the statement of comprehensive surplus, the statement of changes in accumulated funds, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information 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 income and expenditure statement, the statement of comprehensive surplus, the statement of changes in accumulated funds and the statement of cash flows together with the 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 June 30, 2025 and of the surplus, the comprehensive surplus, the changes in accumulated funds 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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan 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.

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Board of Directors 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 Companies Act, 2017 (XIX of 2017) 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 Company'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 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 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 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 Company'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 Company'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 Company 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 the 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 income and expenditure statement, the statement of comprehensive surplus, the statement of changes in accumulated funds 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, expenditures 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 Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Zain ul Arfeen.

Lahore  
Dated: October 07, 2025  
UDIN: AR202510832Fy6JjTHYk

  
**CROWE HUSSAIN CHAUDHURY & CO.**  
*Chartered Accountants*

**THE NOORANI FOUNDATION***(A Company setup under section 42 of Companies Act, 2017)***STATEMENT OF FINANCIAL POSITION****AS AT JUNE 30, 2025**

	Note	2025 Rupees	2024 Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property and equipment	4	176,511,469	175,803,389
Security deposits	5	356,610	356,610
		176,868,079	176,159,999
<b>Current Assets</b>			
Consumable stores	6	1,876,528	4,005,554
Advances and other receivables	7	2,615,076	1,675,013
Short term investment	8	-	130,000,000
Cash and bank balances	9	272,002,387	100,335,457
		276,493,991	236,016,024
<b>Total Assets</b>		<u>453,362,070</u>	<u>412,176,023</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Funds</b>			
Unrestricted fund		123,203,120	102,071,758
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
Deferred grant	10	329,313,219	308,893,516
<b>Current Liabilities</b>			
Trade and other payables	11	845,731	1,210,749
Provision for taxation	12	-	-
		845,731	1,210,749
<b>Contingencies and commitments</b>	13	-	-
		<u>453,362,070</u>	<u>412,176,023</u>

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
 Chairman

  
 Director

**THE NOORANI FOUNDATION***(A Company setup under section 42 of Companies Act, 2017)***INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2025**

		<b>2025</b>	<b>From March 08, 2024 to June 30, 2024</b>
	Note	Rupees	Rupees
<b>Income</b>			
Donation income	14	67,213,541	12,920,726
Student fee income		11,194,008	2,902,490
Amortization of deferred grant		26,197,997	4,995,527
Other income	15	25,843,069	7,345,079
		130,448,615	28,163,822
<b>Expenditure</b>			
Programme cost	16	(99,601,658)	(28,454,838)
Administrative and general expense	17	(9,050,209)	(1,572,049)
Loss on disposal of property and equipment		(665,386)	-
		(109,317,253)	(30,026,887)
<b>Surplus / (Deficit) before Tax</b>		21,131,362	(1,863,064)
Taxation		-	-
<b>Net Surplus / (Deficit) for the Year / Period</b>		<u>21,131,362</u>	<u>(1,863,064)</u>

The annexed notes from 1 to 23 form an integral part of these financial statements.



**Chairman**



**Director**

**THE NOORANI FOUNDATION**  
*(A Company setup under section 42 of Companies Act, 2017)*  
**STATEMENT OF COMPREHENSIVE SURPLUS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>2025</b>	<b>From March 08, 2024 to June 30, 2024</b>
	Rupees	Rupees
<b>Net Surplus / (Deficit) for the Year / Period</b>	21,131,362	(1,863,064)
<b>Other comprehensive surplus</b>		
<i>Items that will not be reclassified subsequently to profit or loss</i>	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>	-	-
<b>Total Comprehensive Surplus / (Deficit) for the Year / Period</b>	21,131,362	(1,863,064)

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
**Chairman**

  
**Director**

**THE NOORANI FOUNDATION**  
*(A Company setup under section 42 of Companies Act, 2017)*  
**STATEMENT OF CHANGES IN ACCUMULATED FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

Particulars	Funds
	Unrestricted
	Rupees
<b>Balance as at March 08, 2024</b>	-
Net deficit for the period	(1,863,064)
Other comprehensive surplus	-
Total comprehensive deficit for the period	(1,863,064)
Net assets received from The Noorani Foundation Trust	103,934,822
<b>Balance as at June 30, 2024</b>	102,071,758
Net surplus for the year	21,131,362
Other comprehensive surplus	-
Total comprehensive surplus for the year	21,131,362
<b>Balance as at June 30, 2025</b>	<u>123,203,120</u>

The annexed notes from 1 to 23 form an integral part of these financial statements.



**Chairman**



**Director**



# THE NOORANI FOUNDATION

(A Company setup under section 42 of Companies Act, 2017)

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

		2025	From March 08, 2024 to June 30, 2024
	Note	Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Surplus / (deficit) before taxation		21,131,362	(1,863,064)
Adjustments for:			
- Interest on term deposit receipts and saving bank accounts	15	(25,777,069)	(7,345,079)
- Provision of student fee receivable		-	66,000
- Donation in kind	14	(6,174,005)	(3,114,600)
- Grant income recognized		(26,197,997)	(4,995,527)
- Loss on disposal of property and equipment		665,386	-
- Advance tax written off	17	242,276	-
- Depreciation	16	21,213,706	6,302,314
<b>Operating deficit before working capital changes</b>		<b>(14,896,341)</b>	<b>(10,949,956)</b>
(Increase) / decrease in current assets:			
- Consumable stores	6	8,303,031	(2,424,360)
- Advances and other receivables	7	(1,182,339)	-
Increase / (decrease) in current liabilities:			
- Trade and other payables	11	(365,018)	710,758
		<u>6,755,674</u>	<u>(1,713,602)</u>
<b>Cash Used in operations</b>		<b>(8,140,667)</b>	<b>(12,663,558)</b>
Income tax paid		-	(99,762)
Receipt of grant		40,000,000	75,800,999
<b>Net Cash from Operating Activities</b>		<b>31,859,333</b>	<b>63,037,679</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of operating fixed assets	5	(15,996,172)	648,524
Proceeds from disposal of Assets		26,700	-
Interest income received	15	25,777,069	6,562,942
Short term investments matured / (purchased)	8	130,000,000	(130,000,000)
<b>Net Cash Generated from / (Used in) Investing Activities</b>		<b>139,807,597</b>	<b>(122,788,534)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loan repaid		-	(10,000,000)
<b>Net Cash used in Financing Activities</b>		<b>-</b>	<b>(10,000,000)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>		<b>171,666,930</b>	<b>(69,750,855)</b>
Cash and cash equivalents at the beginning of the period		100,335,457	-
Net cash and cash equivalents received from the Turst		-	170,086,312
<b>Cash and Cash Equivalents at the End of the Year</b>		<b>272,002,387</b>	<b>100,335,457</b>

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
Chairman

  
Director



## THE NOORANI FOUNDATION

(A Company setup under section 42 of Companies Act, 2017)

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

#### Note 1

##### Corporate and General Information

The Noorani Foundation (the Company) is registered under the Companies Act, 2017 on March 08, 2024 as a company limited by guarantee. The Company has obtained license under section 42 of the Companies Act, 2017 to operate as a Not for Profit Organization to set up educational and health institutes specially in rural areas for the benefits of poor people and to establish a network of institutions and individuals that support research, innovation and development in health care.

The Company is domiciled in Pakistan and the registered office of the Company is situated at House No. 282-DD, Defence, Phase - 4, Lahore.

#### Note 2

##### Basis of Preparation

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The 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;
- Accounting Standard for Non-profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan; 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 Accounting Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### 2.2 Basis of measurement

These financial statements have been prepared using historical cost convention.

#### 2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupee (Rs. / Rupees), which is the Company's functional currency. All financial information is presented in Pak Rupees and has been rounded off to the nearest Rupee.

#### 2.4 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of forming judgment about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised. There are no significant estimates and judgements involved in the preparation of Financial Statements.

#### Note 3

##### Material Accounting Policy Information

Material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently, unless stated otherwise.

#### 3.1 Operating fixed assets

All items of operating fixed assets are initially recorded at cost, subsequently all items of operating fixed assets are measured at cost less accumulated depreciation and identified impairment losses, if any.

Depreciation on operating fixed assets has been provided for using the reducing balance method at the rates specified in Note 4. Depreciation on additions is charged from the date on which asset is available for use up to the date on which the asset is disposed off.

*Note 3, Material Accounting Policy Information - Continued...*

Maintenance and normal repairs are charged to statement of income and expenditure as and when incurred. Major renewals and improvements are capitalized. Gain or loss on disposal of operating fixed assets, if any, is shown in the statement of income and expenditure.

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

**3.2 Capital work in progress**

Capital work in progress is stated at cost less impairment loss, if any.

**3.3 Provision**

Provisions are recognized when the Company has a present 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. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimates.

**3.4 Related party transactions**

Transactions in relation to services acquired from / provided to related parties are made at arm's length and the price is determined as per the Company's policy except for the allocation of common expenses such as utilities, rental and overheads relating to the Company shared with related parties, which are apportioned using suitable basis.

**3.5 Taxation**

Under Section 100C of the Income Tax Ordinance, 2001, income of the company is subject to zero rate of tax, being tax credit equal to 100% of tax payable including minimum tax and final taxes payable under any of the provisions of the above said ordinance.

**3.6 Trade and other payables**

Liabilities for trade and other payable are carried at cost which is the fair value of the consideration to be paid or given in future for goods and services received or to be delivered or for any other amount, whether or not billed to the Company.

**3.7 Impairment**

Carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of such asset is estimated and impairment loss is recognized in the statement of income and expenditure.

**3.8 Short term investments**

Investments in term deposit receipts are stated at cost less impairment loss, if any.

**3.9 Cash and bank balances**

Cash and bank balances are carried at cost. Cash and bank balances comprise cash in hand and cash at banks.

**3.10 Consumable Stores**

Consumable stores are carried at cost and on fair market value where received as donation in kind.

**3.11 Contingent liabilities**

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent liability is also disclosed when there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits would be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

*Note 3, Material Accounting Policy Information - Continued...*

**3.13 Financial instruments**

The Company's accounts for its financial instruments as per International Financial Reporting Standards for Small and Medium Sized Entities (SMEs) issued by the International Accounting Standards Board (IASB) and Accounting Standard for Non-profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan. The management determines the classification of its financial instruments at the time of initial recognition. The Company classifies its financial assets as basic financial instruments initially measured at transaction price. Subsequently, these financial instruments are measured at undiscounted transaction price less any impairment. Financial assets are derecognized when rights to cash flows from financial assets are settled or expired and financial liabilities are derecognized when these are extinguished.

**3.14 Leases**

At its inception, a lease is classified as either a finance lease or an operating lease. Finance leases transfer substantially all the risks and rewards of ownership. All other leases are classified as operating leases.

**3.14.1 Finance lease**

Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is apportioned between the liability and finance charges using the effective interest method. Rental obligations, net of finance charges, are included in borrowings in the statement of financial position.

**3.14.2 Operating Lease**

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Minimum lease payments receivable under operating leases are recognised as revenue on a straight-line basis over the term of the lease.

**3.15 Deferred grant**

Grants are recognized at fair value when there is reasonable assurance that the grant will be received and Company will comply with the attached conditions. Fair value signifies the amount received in cash and current market value in case of grant received in kind. Grants related to assets are presented in the statement of financial position by setting up the grants as deferred income which are recognized as income on systematic basis over the useful life of the asset.

**3.16 Revenue recognition**

**3.16.1 Grant income**

Grants relating to expenses are deferred and amortized over the period in relation with expenses incurred.

Grants relating to operating fixed assets are deferred and amortized over the useful life of related assets.

**3.16.2 Donation income**

Donation is recognized on receipt basis.

**3.16.3 Interest income**

Interest is recognized on time proportion basis that takes into account the effective yield on saving bank account.

**3.16.4 Fee Income**

Entry test fee and tuition fee is collected from students at the school and is recognized as revenue under the head "Student fee income" on accrual basis.



### Property and Equipment

#### 4.1 Owned assets

**4.1.1** Depreciation charge for the period has been allocated to programme cost (refer to note 16).

#### 4.2 Grant Assets

[illegible]



## Note 4, Property and Equipment - Continued...

4.2.1 Depreciation charge for the year has been allocated to programme cost (refer to note 16).

4.3 Capital work in progress includes construction of boundary wall and shed, constructed at TNF - Akhuwat Boarding School Faisalabad.

4.4 Akhuwat Foundation retains ownership of a 6 acre land situated at Akhuwat FIRST, 250-B RB University Park, Faisalabad, leased to the Company on August 31, 2020 for the establishment of the Akhuwat - TNF Boarding School Faisalabad. The lease agreement spans 30 years from the commencement of lease agreement, featuring an initial annual rent of Rs. 10,000 with a yearly increment of 10%. Notably, Akhuwat Foundation will maintain ownership and title of the land throughout the lease period. Upon completion of the lease term, the Foundation will transfer the possession of the constructed building and associated infrastructure back to Akhuwat Foundation.

## Note 5

## Security Deposits

This represents security deposits with Faisalabad Electric Supply Foundation (FESCO) amounting to Rs. 246,160 (2024: Rs. 246,160) and LPG gas connection amounting to Rs. 110,450 (2024: Rs.110,450).

## Note 6

## Consumable Stores

	2025	2024
	Rupees	Rupees
Wheat and rice	1,876,528	3,941,751
Medicines	-	63,803
	<u>1,876,528</u>	<u>4,005,554</u>

## Note 7

## Advances and Other Receivables

	Note	2025	2024
		Rupees	Rupees
Advances to suppliers		710,987	356,300
Advances to employees	7.1	194,000	247,000
Student fee receivable:			
- Considered good		497,199	47,300
- Considered doubtful		-	66,000
		<u>497,199</u>	<u>113,300</u>
Less: Provision for doubtful receivables		-	(66,000)
		<u>497,199</u>	<u>47,300</u>
Advance tax		-	242,276
Other receivable		<u>1,212,890</u>	<u>782,137</u>
		<u>2,615,076</u>	<u>1,675,013</u>

7.1 The Company has a policy of providing advances for personal and special causes. Advances disbursed during the year are of personal nature repayable within 12 months.

## Note 8

## Short Term Investments

	2025	2024
	Rupees	Rupees
Term deposit certificates	<u>-</u>	<u>130,000,000</u>

8.1 This yielded markup at rates ranging from 12.03% to 17.50% per annum (2024: 18.05% to 20.42% per annum).

## Note 9

## Cash and Bank Balances

	Note	2025	2024
		Rupees	Rupees
Cash in hand		98,007	5,262
Cash at bank - Saving accounts	9.1	<u>271,904,380</u>	<u>100,330,195</u>
		<u>272,002,387</u>	<u>100,335,457</u>

9.1 These yield markup at the rates ranging from 7.8% to 15% (2024: 17.22% to 19.5%) per annum.

9.2 The above figures reconcile with the amount of cash and cash equivalents shown in the statement of cash flow.

## Note 10

**Deferred Grant**

		2025	2024
	Note	Rupees	Rupees
Deferred grant related to:			
Fixed assets	10.1	134,619,221	144,809,518
School expenses	10.2	90,000,000	50,000,000
Land	10.3	54,693,998	64,083,998
Sawabi project		50,000,000	50,000,000
		<u>329,313,219</u>	<u>308,893,516</u>

**10.1 Deferred grant related to grant assets**

Opening balance		144,809,518	-
Transferred from The Noorani Foundation Trust		-	149,805,045
Received during the year		6,617,700	-
Amortized for the year	16	(16,807,997)	(4,995,527)
Closing balance		<u>134,619,221</u>	<u>144,809,518</u>

**10.2 Deferred grant related to School Expenses**

Opening balance		50,000,000	-
Transferred from The Noorani Foundation Trust		-	50,000,000
Received during the year		40,000,000	-
Closing balance	10.2.1	<u>90,000,000</u>	<u>50,000,000</u>

**10.2.1** This represents the grant received from donors against the school expenses and will be used when the general donations/funds are not sufficient to meet the expenses.

**10.3 Deferred grant related to land**

Opening balance		64,083,998	-
Transferred from The Noorani Foundation Trust		-	38,282,998
Received during the year		-	25,801,000
Amortized for the year		(9,390,000)	-
Closing balance		<u>54,693,998</u>	<u>64,083,998</u>

## Note 11

**Trade and Other Payables**

	2025	2024
	Rupees	Rupees
Accrued expenses	592,673	954,828
Income tax withheld	253,058	255,921
	<u>845,731</u>	<u>1,210,749</u>

## Note 12

**Provision for Taxation**

The Company has not recorded / recognized provision for taxation as its income is covered under section 100(C) of the Income Tax Ordinance, 2001.

## Note 13

**Contingencies and Commitments**

There are no material contingencies and commitments to report as at reporting date (2024: Nil).

**Note 14**
**Donation Income**

	<b>2025</b>	<b>From March 08, 2024 to June 30, 2024</b>
	Rupees	Rupees
Donation in kind	6,174,005	3,114,600
Zakat	33,674,124	8,706,126
Other donations	27,365,412	1,100,000
	<u>67,213,541</u>	<u>12,920,726</u>

**Note 15**
**Other Income**

	<b>2025</b>	<b>From March 08, 2024 to June 30, 2024</b>
	Rupees	Rupees
Profit on short term investments	9,544,631	7,336,131
Profit on savings account	16,232,438	8,948
Provision reversal	66,000	-
	<u>25,843,069</u>	<u>7,345,079</u>

**Note 16**
**Programme Cost**

		<b>2025</b>	<b>From March 08, 2024 to June 30, 2024</b>
	Note	Rupees	Rupees
Staff salaries		28,256,600	7,840,150
School expenses		4,588,461	2,825,720
Mess charges		22,886,516	5,930,521
Medical aid		439,755	9,824
Advertisement		4,097,766	920,369
Lease rentals of land		14,641	13,310
Fee and subscription		1,418,539	366,726
Repair and maintenance		2,781,816	847,649
Printing and stationary		1,151,136	368,875
Legal and professional charges		-	19,700
Freight and carriage		255,019	51,139
Utilities		4,408,721	1,274,817
Boarding expenses		1,938,456	484,858
Meals and entertainment		1,585,083	280,536
Communication		800,684	96,860
Travelling and conveyance		2,083,132	478,129
Provision for student fee receivable		-	66,000
Depreciation on owned assets	4.1.1	4,405,709	1,306,787
Depreciation on grant assets	4.2.1	16,807,998	4,995,527
Miscellaneous expense		1,681,626	277,340
		<u>99,601,658</u>	<u>28,454,837</u>

Note 17

**Administrative and General Expense**

		2025	From March 08, 2024 to June 30, 2024
	Note	Rupees	Rupees
Staff salaries		2,921,774	602,500
Rent, rates and taxes		1,329,428	256,236
Fee and subscriptions		4,012,992	279,500
Travelling and conveyance		22,936	5,073
Printing and Stationary		38,572	390
Repair and maintenance		40,000	-
Entertainment		12,004	450
Communication		43,540	22,100
Auditor's remuneration	17.1	315,000	335,000
Advertisement		27,500	-
Advance tax written off		242,276	-
Miscellaneous		44,187	70,800
		<u>9,050,209</u>	<u>1,572,049</u>

**17.1 Auditor's Remuneration**

Annual audit fee	280,000	250,000
Out of pocket expenses	35,000	35,000
Other Certification fee	-	50,000
	<u>315,000</u>	<u>335,000</u>

Note 18

**Balances and Transaction with Related Parties**

Related parties comprises Trust, associated companies due to common ownership, trustees and key management personnel. The Trust in the normal course of business carries out transactions with various related parties. Significant balances and transactions with related parties are as follows:

Related party	Relationship	Nature of transaction	2025	From March 08, 2024 to June 30, 2024
			Rupees	Rupees
Akhuwat Foundation	Common Trustee	Rent expense	(14,641)	(13,100)
Akhuwat Foundation	Common Trustee	Loan repaid	-	(10,000,000)
The Noorani Foundation Trust	Associate	Assets transferred	-	352,522,857
The Noorani Foundation Trust	Associate	Liabilities transferred	-	(160,305,037)

Note 19

**Remuneration of Chief Executive Officer, Directors and Executives**

	2025	From March 08, 2024 to June 30, 2024
	Executives	Executives
	Rupees	Rupees
Managerial remuneration	<u>3,194,999</u>	<u>-</u>
Number of persons	<u>1</u>	<u>-</u>

**19.1** An executive is defined as an employee, other than the chief executive and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

**19.2** No remuneration has been paid to Chief Executive Officer or any Director of the Company



## Note 20

**Basic Financial Instruments by Categories****Financial Assets as at June 30,****At amortized cost**

	<b>2025</b>	<b>2024</b>
	Rupees	Rupees
Other Receivables	1,212,890	782,137
Student fee receivables	497,199	113,300
Short term investment	-	130,000,000
Cash and bank balances	272,002,387	100,335,457
	<u>273,712,476</u>	<u>231,230,894</u>

**Financial liabilities**

Trade and other payables	<u>592,673</u>	<u>1,210,749</u>
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## Note 21

**Number of Employees**


	<b>2025</b>	<b>2024</b>
	Number	Number
Number of employees as at June 30	<u>52</u>	<u>49</u>
Average number of employees during the year	<u>50</u>	<u>46</u>

## Note 22

**Date of Authorization**

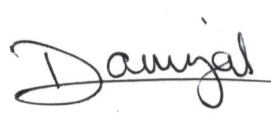
These financial statements have been authorized and approved by the Board of Trustees of the Foundation for issuance on

Note 23  
General

 27/11/25

Corresponding figures are rearranged for better presentation and comparison. No re-arrangements have been made in these financial statements.

  
Chairman

  
Director