

INDEPENDENT AUDITOR'S REPORT

To the members of Centre for Autism Rehabilitation and Training, Sindh (C-ARTS)

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Centre for Autism Rehabilitation and Training, Sindh (C-ARTS) ("the Company"), which comprise the statement of financial position as at 30 June 2019, and the income and expenditure statement, the statement of comprehensive income, the statement of changes in fund, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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 income, the statement of changes in fund 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 30 June 2019 and of the surplus, the other comprehensive income, the changes in fund 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 (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.

Riaz Ahmad & Company

Chartered Accountants

Information other than the Financial Statements and Auditor's Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Company and our auditor's report thereon.

Our opinion on the financial statements of the Company 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 of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company for 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 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 is 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

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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.

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

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Waqas.



RIAZ AHMAD & COMPANY
Chartered Accountants

Date: 07 October 2019

KARACHI


CENTER FOR AUTISM REHABILITATION AND TRAINING, SINDH (C-ARTS)
(A company set up under section 42 of the Companies Act, 2017)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 Rupees	2018 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipments	4	<u>10,984,426</u>	<u>2,307,937</u>
		10,984,426	2,307,937
CURRENT ASSETS			
Receivable from sponsor		-	5,555,000
Advance		25,000	-
Cash and bank balances	5	<u>25,581,207</u>	<u>18,600,020</u>
		25,606,207	24,155,020
TOTAL ASSETS		<u>36,590,633</u>	<u>26,462,957</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income relating to property and equipments	6	<u>4,901,146</u>	5,515,882
CURRENT LIABILITIES			
Accrued and other payables	7	<u>480,806</u>	2,406,455
TOTAL LIABILITIES		<u>5,381,952</u>	<u>7,922,337</u>
NET ASSETS		<u><u>31,208,681</u></u>	<u><u>18,540,620</u></u>
REPRESENTED BY:			
Accumulated fund		<u><u>31,208,681</u></u>	<u><u>18,540,620</u></u>
Contingencies and commitments	8		

The annexed notes from 1 to 17 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

CENTER FOR AUTISM REHABILITATION AND TRAINING, SINDH (C-ARTS)
(A company set up under section 42 of the Companies Act, 2017)

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 Rupees	From 08 March 2018 to 30 June 2018 Rupees
INCOME			
Grant	9	36,465,736	18,639,138
EXPENDITURE			
General and administrative expenses	10	(23,797,675)	(98,518)
Surplus of income over expenditure before tax		<u>12,668,061</u>	<u>18,540,620</u>
Taxation	11	-	-
Surplus of income over expenditure after tax		<u><u>12,668,061</u></u>	<u><u>18,540,620</u></u>

The annexed notes from 1 to 17 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

CENTER FOR AUTISM REHABILITATION AND TRAINING, SINDH (C-ARTS)
(A company set up under section 42 of the Companies Act, 2017)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	2019	From 08 March 2018 to 30 June 2018
	Rupees	Rupees
Surplus of income over expenditure after tax	12,668,061	18,540,620
Other comprehensive income:		
Items that will not be reclassified to income and expenditure statement	-	-
Items that may be reclassified subsequently to income and expenditure statement	-	-
Other comprehensive income for the year / period	-	-
Total comprehensive income for the year / period	<u>12,668,061</u>	<u>18,540,620</u>

The annexed notes from 1 to 17 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

CENTER FOR AUTISM REHABILITATION AND TRAINING, SINDH (C-ARTS)
(A company set up under section 42 of the Companies Act, 2017)

STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 30 JUNE 2019

	<u>Accumulated fund</u> <u>Rupees</u>
Opening balance as at 08 March 2018	-
Total comprehensive income for the period ended 30 June 2018	
Surplus of income over expenditure after tax	18,540,620
Other comprehensive income	-
	18,540,620
Balance as at 30 June 2018	<u>18,540,620</u>
Total comprehensive income for the year ended 30 June 2019	
Surplus of income over expenditure after tax	12,668,061
Other comprehensive income	-
	12,668,061
Balance as at 30 June 2019	<u><u>31,208,681</u></u>

The annexed notes from 1 to 17 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

CENTER FOR AUTISM REHABILITATION AND TRAINING, SINDH (C-ARTS)
(A company set up under section 42 of the Companies Act, 2017)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 Rupees	From 08 March 2018 to 30 June 2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus of income over expenditure before tax	12,668,061	18,540,620
Adjustments for non cash items:		
Depreciation	614,736	39,118
Amortization of deferred grant	(614,736)	(39,118)
Surplus before working capital changes	12,668,061	18,540,620
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets		
Receivable from sponsor	5,555,000	(5,555,000)
Advance	(25,000)	-
(Decrease) / increase in current liabilities		
Accrued and other payables	(1,925,649)	2,406,455
Cash flow from / (used in) operations	3,604,351	(3,148,545)
Net cash flow from operating activities	16,272,412	15,392,075
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of operating fixed assets	(2,288,225)	(2,347,055)
Advance against purchase of vehicles	(7,003,000)	-
Net cash used in investing activities	(9,291,225)	(2,347,055)
CASH FLOW FROM FINANCING ACTIVITIES		
Deferred income relating to fixed assets	-	5,555,000
Net cash flow from financing activities	-	5,555,000
Net increase in cash and cash equivalents	6,981,187	18,600,020
Cash and cash equivalents at the beginning of the year / period	18,600,020	-
Cash and cash equivalents at the end of the year / period	25,581,207	18,600,020

The annexed notes from 1 to 17 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

CENTER FOR AUTISM REHABILITATION AND TRAINING, SINDH (C-ARTS)
(A company set up under section 42 of the Companies Act, 2017)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. LEGAL STATUS AND NATURE OF OPERATIONS

- 1.1** Center for Autism Rehabilitation and Training, Sindh (C-ARTS) is incorporated in Pakistan on 08 March 2018 as a public company limited by guarantee not having share capital. C-ARTS ("the Company") has been granted licence under section 42 of the Companies Act, 2017 as a Company not for profit.
- 1.2** The geographical location and registered office address of the Company is ST-31, Block-15, Gulistan-e-Johar, Karachi, Sindh.
- 1.3** The principal object of the Company is to setup an Autism Rehabilitation Center as per international standards. The Company receives funds from Department of Empowerment of Persons with Disabilities (Ex-Special Education Department), Government of Sindh for its operations.

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 approved accounting and reporting standards applicable in Pakistan comprise of:

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

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except as otherwise stated in these financial statements.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the Company's functional and presentation currency. All financial information presented in Pakistan Rupees have been rounded to the nearest Rupee, unless otherwise stated.

2.4 Key judgments and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements include useful lives, residual values and depreciation method of property and equipment, provision and impairment (note 3.1, 3.10 & 3.12).

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below:

3.1 Property and equipments

Initial recognition

All items of property and equipment are initially recorded at cost.

Subsequent measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment loss (if any).

Depreciation

Depreciation is charged so as to write off the cost of assets (other than land) over their estimated useful lives, using the straight-line method at rates specified in note 4 to the financial statements.

Disposal

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised as other income in the income and expenditure statement.

Judgment and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

3.2 Impairment of non-financial assets

The assets that are subject to depreciation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the income and expenditure statement.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the income and expenditure statement.

3.3 Government grants

Government grants are recognised at the fair value of the asset received or receivable.

A grant without specified future performance conditions is recognised in income when the right to receive the grant is established. A grant that imposes specified future performance conditions is recognised in income when all those conditions are met and there is a reasonable assurance that the grant will be received.

Government grants are presented separately from the assets to which they relate. Government grants received before the income recognition criteria are satisfied are presented as a separate liability in the statement of financial position.

Further, the Company does not recognise those forms of government assistance for which a reasonable value cannot be placed on them.

3.4 Trade and other receivables

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

3.5 Loans, advances and deposits

These are carried at amortized cost less provision for impairment, if any.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current account and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

3.7 Trade and other payables

Trade payables are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

3.8 Taxation

The Federal Board of Revenue (FBR) has allotted Free Tax Number (FTN) to the Company under Section 49 of the Income Tax Ordinance, 2001 whereby the income of the Company is exempt from tax. Therefore, no provision for taxation has been made in these financial statements and as a result temporary differences do not arise and deferred tax is not recorded.

3.9 Related party and transfer pricing

Transactions and contracts with related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method.

3.10 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the income and expenditure statement.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision are recognised in the income and expenditure statement unless the provision was originally recognised as part of cost of an asset.

3.11 Financial instruments

Financial instruments carried on the statement of financial position include investments, long-term and short-term deposits, trade debts, loans and advances, other receivables, cash and bank balances, finance lease liabilities, short-term borrowings, accrued mark-up and trade and other payables etc. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition, except for "financial instrument at fair value through profit or loss" which is measured initially at fair value.

Financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial asset. The Company loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Company surrenders those rights. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on subsequent measurement (except available for sale investments) and de-recognition is charged to the income and expenditure statement.

3.12 Impairment

Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flow of that asset. An impairment loss in respect of a financial asset measured at amortized cost is calculated as a difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of available for sale financial asset is calculated by reference to its current

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

Non financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in income and expenditure statement. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the income and expenditure statement.

3.13 Off-setting of financial assets and liabilities

Financial assets and financial liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.14 Foreign currency transactions and translations

Transactions in foreign currencies are recorded at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pakistan Rupees at the rate of exchange ruling on the reporting date and exchange differences, if any, are charged in the income and expenditure statement.

4. PROPERTY AND EQUIPMENTS

Operating fixed assets
Advance against purchase of vehicles

	2019 Rupees	2018 Rupees
	3,981,426	2,307,937
	7,003,000	-
	10,984,426	2,307,937

Note

4.1

4.1 Operating fixed assets

At 01 July 2018

Cost
Accumulated depreciation
Net carrying value

	Furniture and fixtures Rupees	Electrical fittings and equipments Rupees	General equipments Rupees	Computer equipments Rupees	Total Rupees
	2,347,055	-	-	-	2,347,055
	(39,118)	-	-	-	(39,118)
	2,307,937	-	-	-	2,307,937

Year ended 30 June 2019

Opening net book value (NBV)
Additions
Depreciation charge for the year
Closing carrying value

	2,307,937	-	-	-	2,307,937
	902,546	576,433	217,134	592,112	2,288,225
	(518,913)	(18,334)	(10,550)	(66,939)	(614,736)
	2,691,570	558,099	206,584	525,173	3,981,426

At 30 June 2019

Cost
Accumulated depreciation
Net carrying value

	3,249,601	576,433	217,134	592,112	4,635,280
	(558,031)	(18,334)	(10,550)	(66,939)	(653,854)
	2,691,570	558,099	206,584	525,173	3,981,426

Period ended 30 June 2018

Opening net book value (NBV)
Additions
Depreciation charge for the period
Closing carrying value

	-	-	-	-	-
	2,347,055	-	-	-	2,347,055
	(39,118)	-	-	-	(39,118)
	2,307,937	-	-	-	2,307,937

At 30 June 2018

Cost
Accumulated depreciation
Net carrying value

	2,347,055	-	-	-	2,347,055
	(39,118)	-	-	-	(39,118)
	2,307,937	-	-	-	2,307,937

Depreciation Rate

20% 15% 15% 33%

4.1 The Government of Sindh through its Modified PC-1 dated 02 December 2016 allocated Rupees 66.148 million for the establishment of building for Autism Center. The building is located at ST-31, Block-15, Gulistan-e-Johar, Karachi and is in use of the Company since its incorporation. However, as per available records with the Company legal title of the land and building is not transferred to it.

5. CASH AND BANK BALANCES	Note	2019 Rupees	2018 Rupees
Cash in hand		99,797	-
Cash at bank - current account		25,481,410	18,600,020
		<u>25,581,207</u>	<u>18,600,020</u>

6. DEFERRED INCOME RELATING TO PROPERTY AND EQUIPMENTS

Opening balance		5,515,882	-
Grant from Sponsor		-	5,555,000
Amortization for the year / period		(614,736)	(39,118)
		<u>4,901,146</u>	<u>5,515,882</u>

6.1 This represents amount received from Department of Empowerment of Persons with Disabilities (Ex-Special Education Department), Government of Sindh under Annual Development Plan (ADP) Scheme on account of purchase of property and equipments for the Company.

7. ACCRUED AND OTHER PAYABLES

Accrued liabilities		298,899	59,400
Withholding tax payable		40,809	504,617
EOBI payable		61,620	-
Other payables		79,478	1,842,438
		<u>480,806</u>	<u>2,406,455</u>

8. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments at the reporting date.

9. GRANT		2019 Rupees	From 08 March 2018 to 30 June 2018 Rupees
Grant received	9.1	35,851,000	18,600,020
Amortization - grant related to property and equipments		614,736	39,118
		<u>36,465,736</u>	<u>18,639,138</u>

9.1 This represents unconditional grant received from Sponsor for operations of the Company.

		2019 Rupees	From 08 March 2018 to 30 June 2018 Rupees
10. GENERAL AND ADMINISTRATIVE EXPENSES			
Salaries, allowances and other benefits		19,055,717	-
Kids teaching material		1,261,246	-
Office supplies and consumable items		422,642	-
Advertisement and marketing		89,292	-
Utilities		384,591	-
Repair and maintenance		306,758	-
Security services charges		42,300	-
Fees & subscription		21,390	-
Conveyance - office staff		46,124	-
Printing and stationary		114,986	-
Courier expense		2,810	-
Auditors' remuneration	10.1	226,800	59,400
Diesel for generator		12,065	-
Events and ceremonies		716,188	-
Legal and professional charges		169,560	-
Entertainment		22,902	-
Depreciation	4	614,736	39,118
Miscellaneous expenses		287,568	-
		<u>23,797,675</u>	<u>98,518</u>

10.1 Auditors' remuneration

Audit fee		100,000	50,000
Review of Code of Corporate Governance:			
Current		50,000	-
Prior		50,000	-
Out of pocket		10,000	5,000
		<u>210,000</u>	<u>55,000</u>
Sindh sales tax @ 8%		16,800	4,400
		<u>226,800</u>	<u>59,400</u>

11. TAXATION

The Federal Board of Revenue (FBR) has allotted Free Tax Number (FTN) to the Company under Section 49 of the Income Tax Ordinance, 2001 whereby the income of the Company is exempt from tax. Therefore, no provision for taxation has been made in these financial statements and as a result temporary differences do not arise and deferred tax is not recorded.

12. REMUNERATION OF CHIEF EXECUTIVE OFFICER

Basic pay		<u>1,731,507</u>	-
Number of person		<u>1</u>	-

13. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Department of Empowerment of Persons with Disabilities (Ex-Special Education Department), Government of Sindh and key management personnel. The related party transactions during the year and the status of outstanding balances as at the year end are as follows:

Name of Related party	Relationship with related party	Nature of transaction	2019	From 08 March 2018 to 30 June 2018
			Rupees	Rupees
i. Department of Empowerment of Persons with Disabilities, Government of Sindh	Sponsor	Grant received	<u>35,851,000</u>	<u>18,639,138</u>
Name of Related party	Relationship with related party	Nature of balance	2019	2018
			Rupees	Rupees
ii. Department of Empowerment of Persons with Disabilities, Government of Sindh	Sponsor	Grant receivable	<u>-</u>	<u>5,555,000</u>

14. FINANCIAL INSTRUMENTS

Financial assets at amortized cost

Receivable from sponsor	-	5,555,000
Advance	<u>25,000</u>	-
Cash and bank balances	<u>25,581,207</u>	<u>18,600,020</u>
	<u>25,606,207</u>	<u>24,155,020</u>

Financial liabilities at amortized cost

Accrued and other payables	<u>378,377</u>	<u>1,901,838</u>
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15. NUMBER OF EMPLOYEES

Number of contractual employees as at June 30	<u>82</u>	-
Average number of employees during the year / period	<u>47</u>	-

16. DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved by the Company's board of directors and authorized for issue on 07 OCT 2018.

17. GENERAL

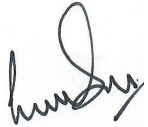
- Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. However, no significant reclassification has been made, except for the following:

From	To	Rupees
Trade and other payables		
Creditor	Withholding tax payable	<u><u>504,617</u></u>
	Other payables	<u><u>1,842,438</u></u>
Accrued audit fee	Accrued liabilities	<u><u>59,400</u></u>

- Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR