INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of **THE PAKISTAN MEMON WOMEN EDUCATIONAL SOCIETY**, which comprise the statement of financial position as at June 30, 2025, the statement of income and expenditure and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the 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 Society 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.

Responsibilities of the Board of Trustees for the Financial Statements

The management committee is responsible for the preparation and fair presentation of the financial statements in accordance with the generally accepted accounting principles as applicable in Pakistan and for such internal control as the management committee 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, the management committee is responsible for assessing the society 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 society or to cease operations, or has no realistic alternative but to do so.

The board of trustees is responsible for overseeing the society financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

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. Misstatement 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 controls.

- 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 society 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 society 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 society to cease to continue as a going concern.

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

SARWARS
CHARTERED ACCOUNTANTS

SARWARS CHARTERED ACCOUNTANTS

Place: Karachi
Date: December 31, 2025
UDIN: AR202513351YTDOcfCyR

THE PAKISTAN MEMON WOMEN EDUCATIONAL SOCIETY
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
Non-Current Assets			
Property and equipment	4	**36,080,316**	32,969,065
Long-term investments	5	**18,655,105**	100,669,922
Long-term deposits		**51,479**	62,875
		54,786,900	133,701,862
Current Assets			
Loans and advances	6	**1,457,888**	1,623,001
Fees and other receivables	7	**8,520,257**	4,674,099
Short-term investments	8	**775,000**	775,000
Cash and bank balances	9	**164,071,209**	44,761,976
		174,824,354	51,834,076
		229,611,254	185,535,938
FUNDS AND LIABILITIES			
Funds			
General fund	10	**106,978,198**	100,390,436
Restricted funds	11	**113,806,149**	82,998,765
		220,784,347	183,389,201
Current Liabilities			
Accrued and other payables	12	**8,826,907**	2,146,737
		229,611,254	185,535,938

The annexed notes from 1 to 16 from an integral part of these financial statements.

President

Honorary General Secretary

THE PAKISTAN MEMON WOMEN EDUCATIONAL SOCIETY
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Income			
Fee income	13	**98,483,673**	86,729,526
Less: Sibling discount		**(1,448,815)**	(2,111,315)
		97,034,858	84,618,211
Expenditures			
School staff salaries and allowances		**62,980,449**	55,730,808
Administrative staff salaries and allowances		**7,598,442**	9,153,197
Administrative expenses		**621,247**	610,914
Uniform and books - RINH students		**1,266,395**	2,719,016
Distribution of ration under RINH schools		**439,810**	191,330
Distribution of meat under RINH schools		**756,000**	630,000
Utilities		**6,471,748**	6,108,276
Registration charges		**239,400**	58,500
Student expenses		**1,977,352**	1,068,909
Student functions		**1,196,078**	1,003,749
Rent		**715,500**	550,125
Scholarship		**1,645,383**	1,141,949
Printing and stationery		**4,426,381**	2,093,489
Vehicle running		**286,632**	358,463
Photostat		**367,153**	418,663
Computer		**678,270**	295,530
Meeting expenses		**38,442**	59,486
Repair and maintenance		**4,398,921**	5,982,523
Entertainment		**519,838**	341,602
Travelling and conveyance		**517,733**	290,284
Visit charges		**1,125,000**	-
Traning charges workshop		**146,984**	-
Property tax		**239,999**	264,976
Miscellaneous		**1,817,542**	543,073
Financial charges		**281,943**	210,760
Audit fee		**90,000**	90,000
Income tax expenses		**24,605**	-
Depreciation	4	**3,218,858**	2,352,948
Exchange loss realized on encashment of US Dollars		-	312,500
Medical aid		**582,499**	486,857
Professional charges		**357,949**	35,000
		(105,026,553)	(93,102,927)
Surplus / (deficit) Operation		**(7,991,695)**	(8,484,716)
Other income			
Profit on TDR and PLS accounts		**4,355,478**	2,558,469
Dividend on mutual fund		**6,200,040**	10,039,015
Dividend on shares		**1,704,239**	1,227,858
Hall income		**3,565,000**	2,112,000
Donations		**4,883,453**	5,910,633
Other income		**862,400**	934,808
		21,570,610	22,782,783
Surplus before taxation		**13,578,915**	14,298,067
Taxation		**(403,391)**	(2,724,485)
Surplus after taxation - transferred to general fund		**13,175,524**	11,573,582

The annexed notes from 1 to 16 from an integral part of these financial statements.

President

Honorary General Secretary

THE PAKISTAN MEMON WOMEN EDUCATIONAL SOCIETY
SEGMENT-WISE STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	F.B. Area - S	F.B. Area - P	MITT	KC - S	KC - P	NK	SARABAI	HHCC	PMWES	NH	SNCP		
	Raunaq-e-Islam Girls Secondary School F.B. Area Campus	Raunaq-e-Islam Girls Primary School F.B. Area Campus	Memon Institute of Teacher's Training F.B. Area	Raunaq-e-Islam Girls Secondary School Kharadar Campus	Raunaq-e-Islam Girls Primary School Kharadar Campus	Raunaq-e-Islam Girls Secondary School Nanakwada Campus	Raunaq-e-Islam Sara Bai School North Nazimabad Campus	Hanifa Hajiani Community Centre F.B. Area	Head office	Raunaq-e-Islam Neighbourhood Free School	Special Needs Children Programme & Maits UK	Total	2024 Total
	For the Year Ended June 30, 2024 (Rs.)												2024(Rs.)
Income													
Fee income	38,319,058	-	1,111,700	15,206,783	2,510,386	6,640,482	7,412,221	-	-	19,867,531	7,415,512	98,483,673	86,729,526
Less: Sibling discount	(894,410)	-	-	(291,915)	(38,970)	(99,810)	(123,710)	-	-	-	-	(1,448,815)	(2,111,315)
	37,424,648	-	1,111,700	14,914,868	2,471,416	6,540,672	7,288,511	-	-	19,867,531	7,415,512	97,034,858	84,618,211
Expenditures													
School staff salaries and allowances	19,957,804	-	1,918,592	9,452,290	3,105,900	5,095,583	6,488,755	-	3,224,879	9,849,063	3,887,583	62,980,449	55,730,808
Administrative staff salaries and allowances	3,474,923	-	194,669	1,557,786	197,131	668,338	1,476,401	-	-	29,194	-	7,598,442	9,153,197
Administrative expenses	87,640	-	125,822	163,550	2,180	31,500	48,630	-	157,905	4,020	-	621,247	610,914
Uniform and books - RINH students	-	-	-	-	-	-	-	-	-	1,266,395	-	1,266,395	2,719,016
Distribution of ration under RINH schools	-	-	-	-	-	-	-	-	-	439,810	-	439,810	191,330
Distribution of meat under RINH schools	-	-	-	-	-	-	-	-	-	756,000	-	756,000	630,000
Utilities	2,544,326	-	-	1,214,109	4,800	634,282	701,118	-	947,302	425,811	-	6,471,748	6,108,276
Registration expenses	39,500	-	54,000	38,400	29,400	46,600	31,500	-	-	-	-	239,400	58,500
Student expenses	364,575	-	124,245	3,390	270	38,410	53,770	-	-	1,392,692	-	1,977,352	1,068,909
Student functions	27,880	-	-	86,140	-	178,800	36,048	-	-	772,460	94,750	1,196,078	1,003,749
Rent	-	-	-	-	-	360,000	-	-	-	355,500	-	715,500	550,125
Scholarship	-	-	-	-	-	-	-	-	-	1,645,383	-	1,645,383	1,141,949
Printing and stationery	2,406,832	-	47,015	130,047	41,397	48,730	109,771	-	417,633	1,161,321	63,635	4,426,381	2,093,489
Vehicle running	-	-	-	-	-	-	-	-	19,000	267,632	-	286,632	358,463
Photostat	266,273	-	18,685	9,981	2,830	15,850	53,534	-	-	-	-	367,153	418,663
Computer	306,110	-	14,200	49,940	15,700	14,650	26,400	-	67,830	121,440	62,000	678,270	295,530
Meeting expenses	-	-	-	-	-	-	-	-	-	38,442	-	38,442	59,486
Repair and maintenance	1,158,945	-	35,457	1,116,565	12,810	308,840	264,125	-	29,380	863,099	609,700	4,398,921	5,982,523
Entertainment	51,225	-	55,094	51,092	25,860	15,820	9,215	-	114,402	5,200	191,930	519,838	341,602
Travelling and conveyance	100,007	-	19,070	94,480	17,010	24,760	75,516	-	21,640	2,250	163,000	517,733	290,284
Visit charges	-	-	-	-	-	-	-	-	-	-	1,125,000	1,125,000	-
Traning charges workshop	-	-	-	-	-	-	-	-	-	-	146,984	146,984	-
Property tax	-	-	-	-	-	-	123,541	-	116,458	-	-	239,999	264,976
Miscellaneous	95,650	-	68,558	117,710	22,010	235,418	70,345	-	714,840	4,580	488,431	1,817,542	543,073
Financial charges	19,988	3,599	4,208	7,501	813	4,138	5,155	10	229,775	6,756	-	281,943	210,760
Audit fee	-	-	-	-	-	-	-	-	90,000	-	-	90,000	90,000
Income tax expenses	-	-	-	-	-	2,090	-	-	-	22,515	-	24,605	-
Depreciation	1,696,531	39,711	215,335	174,299	8,197	157,245	254,829	51,006	204,737	416,968	-	3,218,858	2,352,948
Exchange loss realized on encashment of US Dollars	-	-	-	-	-	-	-	-	-	-	-	-	312,500
Medical	-	-	-	-	-	-	-	-	-	-	582,499	582,499	486,857
Professional charges	-	-	-	-	-	45,000	-	-	291,949	21,000	-	357,949	35,000
	(32,598,209)	(43,310)	(2,894,950)	(14,267,280)	(3,486,308)	(7,926,054)	(9,828,653)	(51,016)	(6,647,730)	(19,867,531)	(7,415,512)	(105,026,553)	(93,102,927)
Surplus / (deficit) Operation	4,826,439	-43,310	-1,783,250	647,588	-1,014,892	-1,385,382	-2,540,142	-51,016	-6,647,730	0	0	-7,991,695	-8,484,716

	F.B. Area - S	F.B Area - P	MITT	KC - S	KC - P	NK	SARABAI	HHCC	PMWES	NH	SNCP		
	Raunaq-e-Islam Girls Secondary School F.B. Area Campus	*Raunaq-e-Islam Girls Primary School F.B. Area Campus*	*Memon Institute of Teacher's Training F.B. Area*	*Raunaq-e-Islam Girls Secondary School Kharadar Campus*	*Raunaq-e-Islam Girls Primary School Kharadar Campus*	*Raunaq-e-Islam Girls Secondary School Nanakwada Campus*	*Raunaq-e-Islam Sara Bai School North Nazimabad Campus*	*Hanifa Hajiani Community Centre F.B. Area*	*Head office*	*Raunaq-e-Islam Neighbourhood Free School*	*Special Needs Children Programme & Malts UK*	*Total*	*2024 Total*
	For the Year Ended June 30, 2024 (Rs.)												*2024(Rs.)*
Other income													
Profit on TDR and PLS accounts	-	-	-	-	-	1,693	1,160	-	4,352,625	-	-	4,355,478	2,558,469
Dividend on mutual fund	-	-	-	-	-	-	-	-	6,200,040	-	-	6,200,040	10,039,015
Dividend on shares	-	-	-	-	-	-	-	-	1,704,239	-	-	1,704,239	1,227,858
Hall income	-	-	-	-	-	-	-	-	3,565,000	-	-	3,565,000	2,112,000
Donations									4,883,453			4,883,453	5,910,633
Other income	500	-	75,000	-	-	-	2,500	-	784,400	-	-	862,400	934,808
	500	-	75,000	-	-	1,693	3,660	-	21,489,757	-	-	21,570,610	22,782,783
Surplus / (deficit) before taxation	4,826,939	(43,310)	(1,708,250)	647,588	(1,014,892)	(1,383,689)	(2,536,482)	(51,016)	14,842,027	-	-	13,578,915	14,298,067
Taxation	-	-	-	-	-	-	-	-	(403,391)	-	-	(403,391)	(2,724,485)
Surplus / (deficit) after taxation - transferred to general fund	4,826,939	(43,310)	(1,708,250)	647,588	(1,014,892)	(1,383,689)	(2,536,482)	(51,016)	14,438,636	-	-	13,175,524	11,573,582

The annexed notes from 1 to 16 from an integral part of these financial statements

President

Honorary General Secretary

Raunaq-e-Islam Neighbourhood Schoold

Expense Statement July 2024 to June 2025

	ORG-GULSHAN-E-ZIA-(SCHOOL CAMPUS)	ORG-GULSHAN E BIHAR (ITEHAD COLONY)	ORG-FAREED COLONY (MADRASA)	ORG-FAREED COLONY (NEWCAMPUS)	ORG-BISMILLAH COLONY	ORG-STS-GULSHAN-BEHAR-NOOR FATIMA	ORG-GULSHAN-E-BEHAR-SABA TARANNUM	GDP-DOST MUHAMMAD-BAKHTAWAR	GDP-DOST MUHAMMAD GOTH (RUQAIYA)	GDP-DOST MUHAMMAD-MEHWISH LATIF	GDP-MULLAH HUSSAIN-SALMA MUSTAFA	ORG-ZEBU GOTH	ORG-ITTEHAD TOWN ANSAR BIBI	BALDIA-GULSHAN E GHAZI	TOTAL
NO. OF BOYS	87	20	0	181	40	5	17	9	0	0	0	55	108	56	578
NO. OF GIRLS	117	36	60	200	42	11	19	16	0	0	0	66	131	96	794
TOTAL STUDENTS	204	56	60	381	82	16	36	25	0	0	0	121	239	152	1372
STAFF SALARIES & ALLOWANCES	1,278,061	464,649	179,310	1,607,824	758,942	90,092	88,619	122,971	(1,200)	24,039	28,041	830,032	1,372,045	270,269	7,113,694
ADMIN & JANITORIAL OF STAFF SALARY	5,000	4,839	3,065	4,290	5,000	-	-	520	-	-	-	-	7,000	-	29,714
BOOKS & COPIES	169,000	116,900	-	243,300	66,100	38,600	19,000	-	-	-	-	269,500	68,000	275,995	1,266,395
RATION EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	439,810	-	439,810
QURBANI / KHADIM E INSAANIYAT I.W.T	-	-	-	-	-	-	-	-	-	-	-	-	126,000	-	126,000
UTILITIES	65,000	-	-	302,610	-	2,520	2,880	4,470	-	780	900	19,486	21,465	5,700	425,811
COURSE MATERIAL CHARGES		4,978		1,481		69,874	14,753		20,926						112,012
UNIFORM	195,300	67,500	-	315,430	96,650	-	-	37,850	-	-	-	83,500	157,350	327,100	1,280,680
SCHOOL FUNCTIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RENT EXPENSES	65,000	-	-	-	-	15,000	15,000	16,500	-	6,000	6,000	114,000	108,000	10,000	355,500
SCHOLARSHIP	-	-	537,935	-	-	-	-	-	-	-	-	-	1,107,448	-	1,645,383
PRINTING & STATIONARY	206,193	94,595	-	282,432	93,600	90	3,898	17,854	-	2,305	270	135,971	168,742	121,094	1,127,044
VEHICLE EXP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COMPUTER EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MEETING EXPENSE	3,808	2,923	-	9,179	3,115	1,500	1,000	1,000	-	1,000	1,000	9,302	1,615	3,000	38,442
REPAIR & MANTENANCE	118,924	550	-	34,150	10,250	-	-	-	-	-	-	3,050	500,660	9,710	677,294
ENTERTAINMENT	2,600	-	-	-	-	-	-	-	-	-	-	-	-	2,600	5,200
CONVEYANCE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GENERAL EXP./MISCELLANIOUS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FINANCIAL CHARGES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INCOME TAX EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DEPRECIATION EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SOFTWARE & WEB EXP.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SHARE OF ACADEMIC & ADMIN EXPENSES	776,828	213,247	228,479	1,450,841	312,255	60,928	137,087	95,200	-	-	-	460,766	910,108	578,813	5,224,552
Total	**2,885,714**	**970,181**	**948,789**	**4,251,537**	**1,345,912**	**278,604**	**282,237**	**296,365**	**19,726**	**34,124**	**36,211**	**1,925,607**	**4,988,243**	**1,604,281**	**19,867,531**

SARWARS CHARTERED ACCOUNTANTS

THE PAKISTAN MEMON WOMEN EDUCATIONAL SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before taxation	**13,578,915**	14,298,067
Adjustments for:		
Depreciation	**3,218,858**	2,352,948
Cash generated from operations before working capital changes	**16,797,772**	16,651,015
Changes in working capital		
(Increase) / decrease in current assets		
Loans and advances	**165,113**	872,095
Fees and other receivable	**(3,846,158)**	3,966,028
(Increase) in current liabilities		
Accrued and other payables	**6,680,170**	(769,164)
	2,999,125	4,068,959
Cash generated from operations	**19,796,897**	20,719,974
Income taxes paid	**(403,391)**	(2,724,485)
Net cash generated from operating activities	**19,393,506**	17,995,489
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	**(6,330,107)**	(8,662,129)
Long-term investment made - net	**82,014,817**	(5,753,322)
Long-term deposits recovered - net	**11,396**	284,126
Net cash used in investing activities	**75,696,106**	(14,131,325)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Khadija Hajiani Education Endowment Fund	**2,197,312**	3,221,278
Moosa Lawai Fund - net	**1,401,874**	2,097,519
Zakat Fund - net	**20,620,436**	12,710,882
Net cash generated from financing activities	**24,219,621**	18,029,679
Net increase / (decrease) in cash and cash equivalents	**119,309,233**	21,893,843
Cash and cash equivalents at the beginning of the period	**44,761,976**	22,868,133
Cash and cash equivalents at the end of the period	**164,071,209**	44,761,976

The annexed notes from 1 to 16 from an integral part of these financial statements.

President ***Honorary General Secretary***

THE PAKISTAN MEMON WOMEN EDUCATIONAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND NATURE OF ACTIVITIES

The Pakistan Memon Women Educational Society (Society) was formed and registered in 1951, under the Societies Registration Act, 1860, to promote educational activities on a non-profit basis. The objective of the Society is to provide quality education throughout Pakistan. Its educational programs are funded through donations received from philanthropists, in addition to income generated from its own resources. Members of the Society work voluntarily in honorary capacity without drawing any salary or remuneration from it.

Society aims to promote education among needy and deserving children and waives the fee to the extent of 15%, to 100% based on the financial capacity of the parents.

The Society operates following registered educational establishments in Karachi:

- Raunaq-e-Islam School Kharadar Campus;
- Raunaq-e-Islam School Nanakwada Campus;
- Raunaq-e-Islam School FB Area Campus;
- Raunaq-e-Islam Sarabai Secondary School N, Nazimabad Campus;
- Memon Institute of Teacher's Training F.B. Area; and
- Hanifa Hajiani Community Centre F.B. Area.

Society is running free schools in the remote areas of Karachi in the name of "Raunaq-e-Islam Neighbourhood Schools" (Non-Formal), which are located as under:

- Org-Gulshan-E-Zia
- Org-Gulshan-E-Behar (Itehad Colony)
- Org-Zebu Goth
- Org-Fareed Colony
- Org-Fareed Colony (Madressa)
- Org-Bismillah Colony
- Org-Gulshan-Behar Noor Fatima
- Org-Ittehad Town Ansar Bibi
- Gdp-Dost Muhammad-(Bakhtawar)
- Org-Baldia Gulshan E Ghazi I (Madressa School)
- Org-Madina Colony (Madressa School)

Students who pass class VIII from the Society's Neighbourhood Schools are transferred to a nearest private school for further education may be upto graduation at the expense of the Society.

2 *BASIS OF PREPARATION*

2.1 *Statement of compliance*

These financial statements have been prepared in accordance with the generally accepted accounting principles as applicable in Pakistan.

2.2 *Basis of measurement*

These accounts have been prepared under the historical cost convention, except as otherwise disclosed. Further, accrual basis of accounting is followed except for cash flow information.

2.3 *Functional and presentation currency*

These financial statements are presented in Pak Rupees, which is also the functional currency of the Company.

3 *MATERIAL ACCOUNTING POLICY INFORMATION*

3.1 *Property and equipment*

These are initially recognized at cost. Subsequent to initial recognition these are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation on fixed assets is charged to income by applying reducing balance method at the rates specified in the note 4 to the financial statements. Depreciation is charged from the month in which the depreciable assets are available for use and on deletions up to the month of deletion.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and its cost can be reliably measured. Cost incurred to replace an item of property and equipment is capitalized and the asset so replaced is retired from use and its carrying amount is derecognized. Normal repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Gains and losses on disposal of assets, if any, are taken to profit and loss account.

The carrying values of fixed assets are reviewed for impairment when event or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

3.2 *Investments*

The Company has its investments in following category:

Held to maturity
Investments in mutual funds is initially recorded at transaction cost and subsequently at net asset value reported by such funds at the period ends.

At cost
Investments intended to be held for an indefinite period of time which may be sold in response to need for liquidity or changes to interest rates or equity prices are classified as available-for-sale. These are measured at cost.

3.3 *Loans, advances and receivable*

These are initially stated at their nominal values. Provision for doubtful amounts is established where there is an objective evidence that the Company will not be able to collect the due amounts. Balances considered irrecoverable / unadjustable are written off.

3.4 *Cash and cash equivalents*

It comprises of cash in hand and cash at banks in current accounts which are carried at cost. Cash at bank comprise of bank balances, term deosits and certificate of investments. Bank balance in USD account is kept at book value using First-in First-out method.

3.5 *Accrued and other payables*

Accrued and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received up to the year end, whether or not billed to the Society.

3.6 *Revenue recognition*

Fee income
Fee income is recognized in the period when it is earned.

Dividend income
Dividend income is recognized when the right to receive the same is established.

Markup income
Markup income is recognized on a time proportion basis.

Other income
Other income is recognized on occurrence of transaction on accrual basis.

Donations and zakat
Unconditional donations are recognised as income when received.

Conditional donations and zakat are recognised as income when the related expenditure is incurred.

3.7 *Expenses*

Expenses are recognized on accrual basis.

3.8 *Taxation*

Income of the society is exempt from tax being non profit organization under section 100 C of the Income Tax Ordinance, 2001.

4 *PROPERTY AND EQUIPMENT*

- ***Operating fixed assets***

Description	*As at July 01, 2024*	*Additions during the year*	*Depreciation Charge for the year*	*As at June 30, 2025*	*Rate*
	-------- *Written Down Value* --------				
	------------- *Rupees* -------------				
Land	2,730,000	-	-	2,730,000	0%
Buildings	21,197,696	1,001,785	(1,097,452)	21,102,029	5%
Furniture and fixtures	4,207,440	508,740	(431,426)	4,284,754	10%
Vehicles	782,080	-	(156,416)	625,664	20%
Computer and printers	1,264,226	1,577,138	(526,886)	2,314,478	30%
Educational material	77,792	72,860	(18,193)	132,459	20%
Equipment	2,709,831	3,169,584	(988,485)	4,890,930	20%
For the Year Ended June 30, 2025	**32,969,065**	**6,330,107**	**(3,218,858)**	**36,080,316**	
For the Year Ended June 30, 2024	26,659,884	8,662,129	(2,352,948)	32,969,065	

5 LONG-TERM INVESTMENTS	Note	2025 Rupees	2024 Rupees
- Available for sale investments			
Investment in shares of listed companies at cost	5.1	**8,509,783**	8,509,783
Mutual funds at net assets value	5.2	**10,145,322**	92,160,139
		18,655,105	100,669,922
5.1 Market value of shares as on the reporting date		**25,597,613**	15,582,702

5.2 Breakup of investments as on June 30:

2025	2024	Name of Investee Company	2025 Rupees	2024 Rupees
---- No. of Units ----		**In Mutual Funds**		
101,453	91,406	Alfalah Islamic Rozana Amdani	**10,145,322**	9,147,884
-	1,001,834	NBP Islamic Mahana Amdani Fund	-	10,146,610
-	430,787	Faysal Islamic Cash Fund	-	43,078,695
-	595,739	Meezan Rozana Amdani Fund	-	29,786,950
			10,145,322	92,160,139

6 LOANS AND ADVANCES	Note	2025 Rupees	2024 Rupees
- Considered good			
Loans			
- to staff	6.1	**524,667**	715,500
Advances			
- to suppliers		**933,221**	907,501
		1,457,888	1,623,001

6.1 Loans are interest free and recoverable within one year by way of deduction from monthly salary of the employees.

7 FEES AND OTHER RECEIVABLES	Note	2025 Rupees	2024 Rupees
- Considered good			
Fee receivable - from			
- Students		**3,194,544**	3,014,385
Other receivables			
- Hall rent receivable		**868,995**	299,840
- From Benazir Bhutto Youth Program		**312,000**	312,000
- From Alpha Capital (Pvt.) Limited	7.1	**509,171**	509,171
- From Maits UK		**1,993,161**	-
- Others		**1,642,386**	538,703
		5,325,713	1,659,714
		8,520,257	4,674,099

7.1 This represents receivable from a PSX brokerage house in which the Society has a account for maintained for investing activities.

8 *SHORT-TERM INVESTMENTS*	*Note*	*2025 Rupees*	*2024 Rupees*
- Held to maturity			
Certificates of Investment	8.1	**775,000**	775,000

8.1 These represent investment in Habib Islamic Investment Certificates having maturity of one year, with the rollover option. These carry profit ranging from 8% to 12% (2024: 12% to 15%) per annum.

9 *CASH AND BANK BALANCES*	*Note*	*2025 Rupees*	*2024 Rupees*
Cash in hand		**170,024**	187,524
Cash at banks			
In profit bearing accounts	9.1	**127,483,153**	33,479,020
In USD account	9.2	**36,418,032**	11,095,432
		163,901,185	44,574,452
		164,071,209	44,761,976

9.1 These carry markup / profit ranging from 8% to 12% (2024: 8% to 10%) per annum.

9.2 This represents USD 130,059.38 (2024: USD 39,855.86) held in a bank account maintained with a commercial bank. As on the reporting date, bank balance would have been Rs. 36,418,032/- (2024: Rs. 11,093,528) if converted into Pak Rupee using the prevailing exchange rate as on the reporting date.

10 *GENERAL FUND*	*Note*	*2025 Rupees*	*2024 Rupees*
Opening balance		**100,390,436**	94,603,645
Surplus / (deficit) for the year		**13,175,524**	11,573,582
Transfer to Khadija Hajiani Education Endowment Fund	11.1	**(6,587,762)**	(5,786,791)
		106,978,198	100,390,436

11 *RESTRICTED FUNDS*			
Khadija Hajiani Education Endowment Fund	11.1	**33,468,962**	24,683,888
Moosa Lawai Fund	11.2	**28,604,557**	27,202,683
Zakat Fund	11.3	**51,732,630**	31,112,194
		113,806,149	82,998,765

11.1 Khadija Hajiani Education Endowment Fund

Balance as on July 01,		**24,683,888**	15,675,819
Transferred from general fund	11.1.1	6,587,762	5,786,791
Allocation of financial income		**2,197,312**	3,221,278
Balance as on June 30,		**33,468,962**	24,683,888

11.1.1 This represents 50% of the surplus for the year set aside for the Fund which will be exclusively used for awarding scholarships for higher studies to the deserving students of the schools.

11.2 Moosa Lawai Fund

	Note	2025 Rupees	2024 Rupees
Balance as on July 01,		**27,202,683**	25,105,164
Donation (paid) / received during the year		**(63,000)**	(50,000)
Allocation of financial income		**1,464,874**	2,147,519
Balance as on June 30,	11.2.1	**28,604,557**	27,202,683

11.2.1 Fund was donated by the Moosa Lawai Foundation as an endowment fund which is to be utilized for the promotion of education.

11.3 Zakat Fund

	Note	2025 Rupees	2024 Rupees
Balance as on July 01,		**31,112,194**	18,401,312
Received during the year		**54,721,989**	36,397,337
Allocation of financial income		**590,519**	2,533,070
Disbursements during the year		**(27,283,043)**	(18,164,347)
50% Fees Discount and others		**(7,409,030)**	(8,055,178)
Balance as on June 30,		**51,732,630**	31,112,194

12 ACCRUED AND OTHER PAYABLES

	Note	2025	2024
Accrued expenses		**8,524,133**	1,831,243
Staff gratuity payable	12.1	**302,774**	315,494
		8,826,907	2,146,737

12.1 This represents gratuity payable to employees as a result of gratuity scheme discontinued w.e.f. June 30, 2015. Gratuity is paid when the employee (who was part of the Scheme before discontinuation) leaves the Society.

13 FEE INCOME

	2025 Rupees	2024 Rupees
From parents / guardians	**71,200,630**	67,260,294
From Zakat Fund		
Neighbourhood Free School	**19,867,531**	15,531,740
Special Needs Children Programme	**5,422,351**	1,826,177
Maits UK Project	**1,993,161**	806,430
	98,483,673	85,424,641

14 RENT - NANAKWADA CAMPUS

The landlord of nawakwada campus has srought the increase in rent of the campus building from 2006. The negotiations with the landlord are in progress and the amount of the rent is yet to be agreed with the landlord.

15 GENERAL

Figures of account have been rounded off to the nearest rupee.

16 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorized for issue by the Management Committee of the Society on December 31, 2025.

President

Honorary General Secretary