

**KHALIL NAINITALWALA EDUCATIONAL SOCIETY**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2023**

## AUDITORS' REPORT TO THE MEMBERS

### Opinion

We have audited the financial statements of **KHALIL NAINITALWALA EDUCATIONAL SOCIETY**, which Comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss, the statement of cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the trust as at June 30, 2023, and its financial Performance for the year then ended in accordance with accounting standards as applicable in Pakistan.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the financial Statements

The Trustees are responsible for the preparation are fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Trustees determine(s) 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, Trustees are responsible for assessing the trust's ability to Continue as a going concern, disclosing, as applicable, matters related to going concern and using the Going concern basis of accounting unless management either intends to liquidate the trust or to cease operations, or has no realistic alternative but to do so.

Those charges with governance are responsible for overseeing the trust financial reporting process.

### Auditor's responsibilities for the Audit of the financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement 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 standards 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 standards 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 trust internal control.
- Evaluate the appropriateness of account policies used and the reasonableness of account 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 trust ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit finding, including any significant deficiencies in internal control that we identify during our audit.



**Tanveer Afzal & Company**  
Chartered Accountant

Karachi:

30/12/2023  




**KHALIL NAINITALWALA EDUCATIONAL SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**

	Note	2023	2022
		-----Rupees-----	
<b>CAPITAL &amp; LIABILITIES</b>			
Khalil nainitalwala educational society fund	4	(31,962,624)	(8,444,199)
<b>NON-CURRENT LIABILITIES</b>			
Security deposit		21,196,491	20,386,491
<b>CURRENT LIABILITIES</b>			
Loan from members	5	31,300,000	31,300,000
Loan from associates	6	31,420,000	10,500,000
Creditors, accrued and other liabilities	7	3,978,794	4,528,043
		66,698,794	46,328,043
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>55,932,661</u>	<u>58,270,335</u>
Contingencies and Commitments	8		
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	9	43,581,051	48,259,170
<b>CURRENT ASSETS</b>			
Advances, deposits & Other Receivables	10	7,603,648	5,799,759
Advance Income tax		4,481,155	3,998,606
Cash and bank balances	11	266,807	212,799
		12,351,610	10,011,164
<b>TOTAL ASSETS</b>		<u>55,932,661</u>	<u>58,270,335</u>

The annexed notes from an integral part of these financial statements



President




Hon. Secretary

**KHALIL NAINITALWALA EDUCATIONAL SOCIETY  
STATEMENT OF PROFIT OR LOSS ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023	2022
-----Rupees-----			
<b>Fees Income</b>	12	23,205,675	16,834,206
<b>Less: Operating expenses</b>			
Academic Expenses	13	41,884,940	(28,107,774)
Other Expenses (Non academic)	14	5,074,160	(5,361,053)
<b>Total expenditure</b>		<b>(46,959,100)</b>	<b>(33,468,827)</b>
<b>Operating Deficit</b>		<b>(23,753,425)</b>	<b>(16,634,621)</b>
Other Income		235,000	1,633,780
Finance Cost		-	(1,284)
<b>Net Operating Deficit</b>		<b>(23,518,425)</b>	<b>(15,002,125)</b>

The Annexed notes from an integral part of these financial statements



President




Hon. Secretary

