U MER FAROOQ & CO
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To members of **"IDARA TUL MUSTAFA TRUST, GUJRANWALA"**

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

UN-MODIFIED OPINION

We have audited the annexed financial statements of **"IDARA TUL MUSTAFA TRUST, GUJRANWALA"**, which comprises of statement of financial position of as at **June 30, 2024** and related income statement and statement of changes in fund for the year then ended and notes to the financial statements, including 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 our audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, income statement and statement of changes in fund together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and the Companies Act, 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, 2024** and of the profit, its cash flows and changes in equity for the period then ended.

Basis of Un-modified 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 disclosed in Auditor's Responsibilities for the audit of the Financial Statements section of our report. We were independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the relevant institute (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 audit opinion.

Responsibilities of Management and Board of Governors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs)' issued by IASB and the requirements of the Companies Act, 2017, and for such internal control as the management determine 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 going concern, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so. Boards of governors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes an opinion. Reasonable level of assurance s a high level of assurance, but is not guaranteed that an audit conducted in accordance with ISAs 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud of 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 internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 our 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 up to the dates of our auditor's report. However, future events or conditions may cause the company to cease to continue as 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 presentations.

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.

We also provide board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Based upon our audit, we further report that in our opinion:

a) Proper books of accounts have been kept by the company as required by the companies Act, 2017(XIX of 2017);

b) The statement of financial position, income statement, and statement of changes in fund 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 and are further in accordance with the accounting policies consistently applied;

c) Investment made, expenditure incurred and guarantees extended during the year were for the purpose of the company business; and

d) No zakat was deductible under the Zakat and Ushr Ordinance, 1980(XVIII of 1980).

Umer Farooq & Co.,
(Chartered Accountants)

Umer Farooq & Company
Chartered Accountants

Date: Janurary 15, 2024
Place: Gujranwala

Idara tul Mustafa Trust
Statement of Financial Position
As of June 30, 2024

	Note	2024 Rupees	2023 Rupees
PROPERTIES AND ASSETS			
NON CURRENT ASSETS			
Free Hold Land	5	430,742,565	325,255,135
Fixed Assets (as per schedule)	6	285,423,028	230,510,667
Capital Work in Progress	7	1,418,194,718	546,471,831
		2,134,360,311	**1,102,237,633**
CURRENT ASSETS			
Stock in hand (Maktaba)		4,300,050	-
Other Advances and Deposits	8	2,424,402	38,293,096
Cash and cash Equivlents	9	29,035,040	51,194,151
		35,759,493	**89,487,247**
		2,170,119,804	**1,191,724,880**
CAPITAL AND LIABILITIES			
FUND ACCOUNT			
Fund Account		1,257,607,672	989,225,389
Other Specific Funds	10	214,097,511	191,305,113
CURRENT LIABILITIES			
Expenses and Other Payables	11	698,414,620	11,194,378
TOTAL EQUITY & LIABILITIES		**2,170,119,804**	**1,191,724,880**

Annexed Notes from 1 to 22 are integeral part of these Financial Statement
Auditor's report is attached

Umer Farooq & Company Chartered Accountants

CHAIRMAN

ادارۃ المصطفی ٹرسٹ
چیئرمین

FINANCE SECRETARY

ادارۃ المصطفی ٹرسٹ
فنانس سیکرٹری

Idara tul Mustafa Trust
Income Statement
For the Year Ended June 30, 2024

	Note	2024 Rupees	2023 Rupees
INCOME			
Unrestricted Income/Receipts			
Income from Donations-Unrestricted	12	497,393,374	711,820,816
Sale Proceeds of Hides		6,054,280	5,409,520
Net Income from Maktaba	13	2,751,599	-
Gain on sale of fixed assets		1,822,816	-
Admission Fee		3,672,000	3,384,000
Laundary Fee		1,500,000	1,250,000
Sub-Total		**513,194,069**	**721,864,336**
Cost / Direct and Allocated Expenses on Welfare Programmes			
Specific Event/Programme Expenses	14	267,703,214	275,320,311
Depreciation -Allocated		15,147,773	11,231,386
		282,850,987	**286,551,697**
Surplus before Operating Expenses		**230,343,083**	**435,312,639**
General, Administrative and Operating Expenses			
Welfare, Admin and Operating Expenses	15	60,978,729	66,070,145
Promotional Expense	16	-	2,064,872
Financial Expenses	17	17,101	20,384
Depreciation -Allocated		2,673,136	1,982,009
		63,668,967	**70,137,410**
Surplus before Tax		**166,674,116**	**365,175,229**
Taxation	18	-	-
Surplus after Tax		**166,674,116**	**365,175,229**

Annexed Notes from 1 to 22 are integeral part of these Financial Statement
Auditor's report is attached

Umer Farooq & Company Chartered Accountants

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Idara tul Mustafa Trust
Satement of Changes in Fund
As of June 30, 2024

	Un-Restricted General Fund	Restricted Funds Zakat	Total
	-----------------------Rupees-----------------------		
Balance as at June 30, 2022	**685,579,876**	**-**	**685,579,876**
Surplus for the year	365,175,229	-	365,175,229
Received during the year		213,661,981	213,661,981
Paid during the year		(213,661,981)	(213,661,981)
Transfer to Construction Builing Fund (Prior Year Adjustment)	(61,529,716)		(61,529,716)
Balance as at June 30, 2023	**989,225,389**	**-**	**989,225,389**
Prior Year Adjustment	101,708,167	-	101,708,167
Surplus for the year	166,674,116	-	166,674,116
Received during the year		121,521,936	121,521,936
Paid during the year		(121,521,936)	(121,521,936)
Transfer to Construction Builing Fund (Prior Year Adjustment)			-
Balance as at June 30, 2024	**1,257,607,672**	**-**	**1,257,607,672**

Annexed Notes from 1 to 22 are integeral part of these Financial Statement

Auditor's report is attached

CHAIRMAN

FINANCE SECRETARY

Idara tul Mustafa Trust
Notes To Financial Statements
As of June 30, 2024

1 LEGAL STATUS

1.1 The Trust was registeres in Gujranwala (Pakistan) on April 04, 2016 under section 42 of the companies ordinance 1984 with sub-registrar of Joint Stock Companies. The registered office of the entity is situated at Pindi Bypass, opposite to Gujranwala Education Board, Gujranwala, Punjab, Pakistan. The Society is a non-profit civil society organization working on pro poor issues such as providance of basic necessities, providance of scholarships and helping the victims of natural disasters

2 AIMS AND OBJECTIVES

The Society seeks to work for / as:

- To Provide the Education, Health and Basic Human Necessities.
- To establish hospitals and dispensaries for providing medical assistance to the people suffering from diseases, especially for helpless people.
- To provide scholarships among the intelligent students.
- To establish the Technical Education Institutes
- To provide Scholarships to Intelligent Students and to establish Adult Literacy Centers
- To provide Free Ambulance Service and to establish Blood Banks.
- To provide help to victims of natural calamities and to distribute Eid Gifts

3 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Society is situated at Pindi Bypass, opposite to Gujranwala Education Board, Gujranwala, Punjab, Pakistan.

4 BASIS OF PREPARATION

4.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan, wherever it is applicable.

4.2 Accounting convention

These financial statements have been prepared under historical cost conventions and cash basis of accounting.

4.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Society's functional and presentation currency.

4.4 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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4.5 Property, plant and equipment

Operating fixed assets are stated at cost less accumulated depreciation or impairment, if any. Depreciation on operating fixed assets is charged to income and expenditure account on reducing balance method so as to write off the historical cost of an asset over its estimated useful life at the annual rates mentioned in **fixed assets schedule** of the financial statements. Full month's depreciation is charged on addition, while no depreciation is charged in the month of disposal or deletion of assets. Major renewals and repairs are capitalized and the assets so replaced are retired. Minor renewals or replacement, maintenance and repairs are charged to expense as and when paid.

Gains or losses on disposal of property, plant and equipment are accounted for as profit or loss for the year. The assets' residual value and useful lives are reviewed, and adjusted if significant, at each balance sheet date. Disposal of assets is recognized when significant risks and reward incidental to the ownership have been transferred to buyers. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognized in the income and expenditure accounts.

4.6 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current

In accordance with section 100C of the Income Tax Ordinance, 2001 (the Ordinance), the Society is allowed a tax credit equal to one hundred percent of the tax payable, including minimum tax and final tax payable, under any of the provisions of the Ordinance, subject to conditions as outlined in section 100C. Accordingly, no provision for tax has been recognized in the financial statements of the Society except other income.

Deferred

Deferred tax is computed using the balance sheet liability method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled based on tax rates that have been enacted or substantively enacted at the balance sheet date. The Society has been established as a non-profit organization and is under the process of obtaining the status of Non Profit Organization under the section 2 (36) of the Income Tax Ordinance, 2001. Hence according to section 100C of Income Tax Ordinance 2001, the Society has been allowed a tax credit equal to one hundred percent of the tax payable, including minimum tax and final taxes payable under any of the provisions of this Ordinance. Therefore, no deferred tax provision has been made in the financial statements.

CHAIRMAN

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			2024 Rupees	2023 Rupees
5	**Freehold Land**			
	At the beginning of year		325,255,135	257,069,335
	Addition during the year		105,487,430	71,177,000
	Disposal During the year		-	(2,991,200)
	At the end of the year		**430,742,565**	**325,255,135**
6	**Fixed Assets (Other Than Land)**			
	As per Schedule attached		**285,423,028**	**230,510,667**
7	**Capital Work in Progress**			
	At the beginning of year		546,471,831	165,931,635
	Addition during the year		871,722,887	380,540,196
	Capitalized During the year		-	-
	At the end of the year		**1,418,194,718**	**546,471,831**
8	**Other Advances and Deposits**			
	Advance Taxed	8.1	1,574,402	793,096
	Advance against Purchase of Assets		850,000	37,500,000
			2,424,402	**38,293,096**
8.1	**Advance Taxes**			
	Opening Balance		793,096	793,096
	Paid/Deducted During the Year		781,306	-
			1,574,402	**793,096**
9	**Cash and Cash Equivalents**			
	Cash in Hand		1,620,120	37,939,915
	Cash at Banks		27,414,920	13,254,236
			29,035,040	**51,194,151**
10	**Other Specific Funds**			
	Constructions of Hostel and other Buildings	10.1	153,300,287	124,221,923
	Donations for Disaster Rehabilitation	10.2	60,797,224	61,683,510
	Donations for Ijtamai Qurbani	10.3	-	-
	Donations for Specfic Programmes and Events	10.4	-	5,399,679
			214,097,511	**191,305,112**

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Chartered Accountants

10.1 Constructions of Hostel and other Buildings

Opening Balance	124,221,923	61,529,716
Add: Received during period	29,078,364	62,692,207
Less: Adjusted transferred during the year	-	-
	153,300,287	**124,221,923**

10.2 Donations for Disaster Rehabliations

Opening Balance	61,683,510	-
Add: Received during period	14,198,714	103,003,876
Less: Used during the period	(15,085,000)	(41,320,366)
	60,797,224	**61,683,510**

10.3 Donations for Ijatamai Qurbani

Opening Balance	-	-
Add: Received during period	7,886,186	12,546,454
Less: Used during the period	(7,886,186)	(12,546,454)
	-	-

10.4 Others

Opening Balance	5,399,679	-
Add: Received during period	-	31,449,847
Less: Used during the period	-	(26,050,168)
Less: Transfer to General Donations	(5,399,679)	
	-	**5,399,679**

Represent the amount of donations received for holding periodic Islamic programmes and events including Mehfil-e-Naat, Azkaar mehfil, Darse Quran and Islamic Ralleys in various cities.

11 Expenses and Other Payables

Utilities	5,263,261	5,541,042
Audit Fee Payable	150,000	200,000
Salaries and Benefits	14,012,744	5,453,336
Other Payable	528,452	-
Payable against Construction and Other Material	678,460,163	-
	698,414,620	**11,194,378**

12 Income from Donations

Sadqa Khairat	9,831,588	11,424,666
Hadya	29,701,667	51,923,013
Fund Box	8,481,288	6,345,611
Zakat	121,521,936	213,661,981
General Donations	312,718,353	425,584,735
Donations for Educations	15,138,542	2,880,810
	497,393,374	**711,820,816**

Represent the donations received specifically for the holding of periodic programmes and events

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13 Net Income from Maktaba			
Income from sales		9,409,183	-
Less: Cost of Sales			
Opening Stock		1,550,248	-
Purchases		9,407,386	-
Direct Expenses		-	-
		10,957,634	-
Closing Stock		(4,300,050)	-
		6,657,584	-
		2,751,599	-

14 Specific Event/Programme Expenses			
Sehr Iftar Prgramme		9,486,565	-
Shab e Qadar		93,500	-
Youm e Ashora		519,140	-
Jashnay Azadi		249,205	-
Eid Milad un Nabi		3,580,557	-
Mustafai Ijtama		16,977,625	-
Shab e Qadar		408,080	-
Flood Releif Expenses		1,169,222	-
Student Education Programme	14.1	213,329,203	244,950,605
Tadrees-ul-aam Programme	14.2	17,210,730	28,281,981
Qurbani Programme		1,487,224	2,087,725
Other Misc. Welfare Programme		3,192,163	-
		267,703,214	275,320,311

14.1 Education Programme		
Salaries and Benefits	107,163,473	123,172,328
Student Mess Expense	41,935,163	53,500,262
Student Extra Curriculam Activities Expense	6,565,604	7,037,533
Janitorial Expenses	7,579,669	6,472,304
Generator Expenses	4,361,878	7,103,686
Utility Bills	35,055,392	36,582,067
Printing and Stationery	3,230,138	3,091,552
Medical Expenses	4,606,017	6,023,423
Miscallenous Expenses	2,831,869	1,967,452
	213,329,203	244,950,605

14.2 Tadrees-ul-aam Programme		
Jumma Expenses	6,011,364	13,552,356
Generator Expenses	2,564,229	6,324,423
Utility Bills	6,872,834	5,955,797
Printing and Stationery	1,219,377	2,216,130
Miscallenous Expenses	542,926	233,275
	17,210,730	28,281,981

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15	General, Administrative and Operating Expenses		
	Salaries and Benefits	11,791,452	11,201,879
	Generator Expenses	647,122	674,771
	Utility Bills	6,872,834	5,955,797
	Printing and Stationery	580,341	332,912
	Miscallenous Expenses	542,926	233,275
	Repairs and Maintenance	8,191,989	7,681,588
	Rental Expenses	8,232,350	6,569,500
	Laundery Expenses	255,614	2,588,368
	Entertainment	7,806,686	4,997,347
	Fuel	7,256,701	1,694,896
	Travelling and Conveyance.	1,275,730	2,418,319
	Audit Fee	150,000	100,000
	Legal Expenses	141,909	476,644
	Postal Expenses	135,057	386,219
	Cleaning and Other Services	2,526,125	4,756,562
	Carriage & Transportation Expense	2,538,449	4,229,212
	Charity & Donations	-	2,311,923
	Vehicles Repairs, Running & Maintainance	2,033,443	9,460,933
		60,978,729	**66,070,145**

16	Promotional Expenses		
	Advertisement & Publicity	-	2,064,872
		-	**2,064,872**

17	Financial Expenses		
	Bank Charges	17,101	20,384
		17,101	**20,384**

18 Taxation

No Income tax has been charged for the year as Trust has obtained tax exemption under section 2(36) of Income Tax Act, 2017 till Tax Year 2024

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19 Number of Employees

	NUMBERS	
	2024	**2023**
Number of employees as on 30 June	**244**	**244**
Average number of employees during the year	**226**	**226**

20 Corresponding figures

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the year.

21 Date of Authorisation

These financial statements have been authorized for issue by the Executive Board of Members of the Trust on 05 September, 2024 .

22 General

Figures have been rounded off to nearest rupee.

CHAIRMAN

FINANCE SECRETARY

Idarat ul Mustafa, Gujranwala

Fixed Assets Schedule

For the Year Ended June 30, 2024

Description	WDV				Depreciation		WDV as of 30-06-2024
	Balance as of 01-07-2023	Addition	Deletion	Balance as of 30-06-2024	Rate	Charge for the year	
	------------------------Rupees------------------------						
Building	184,098,107	-		184,098,107	2.50%	4,602,453	179,495,654
Furniture and Fixture	7,301,843	14,299,670		21,601,513	15.00%	2,707,628	18,893,886
Electrical Equipment	10,161,018	30,489,172		40,650,190	15.00%	4,005,790	36,644,400
Media Equipment	11,249,972	22,803,150		34,053,122	15.00%	3,384,338	30,668,783
Vehicles	8,050,386	7,795,840	3,977,184	11,869,042	15.00%	1,848,535	10,020,507
Office Equipments	704,741	336,600		1,041,341	15.00%	146,761	894,580
Maktaba and Books	2,976,028	-	2,976,028	-	20.00%	-	-
Security Cameras and Equipments	1,137,690	1,170,430		2,308,120	20.00%	231,774	2,076,346
Others	4,830,882	2,449,720		7,280,602	15.00%	825,250	6,455,352
Solar System	-	341,900		341,900	20.00%	68,380	273,520
Total 2024	230,510,667	79,686,482	6,953,212	303,243,937	-	17,820,909	285,423,028
Total 2023	218,247,066	25,476,996	-	243,724,062	-	13,213,395	230,510,667

CHAIRMAN

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