

**FINANCIAL STATEMENTS
OF
PROFESSIONAL EDUCATION FOUNDATION
FOR THE YEAR ENDED
JUNE 30th, 2015**

AUDITORS' REPORT TO THE TRUSTEES

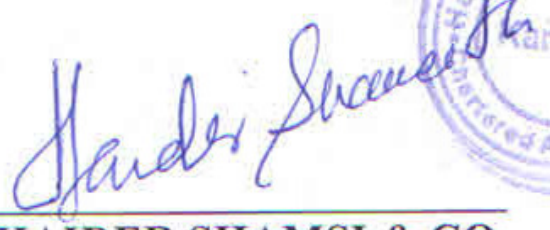

We have audited the annexed balance sheet of the **PROFESSIONAL EDUCATION FOUNDATION** as at June 30, 2015 and the related income and expenditure account, cash flow statement and statement of changes in fund together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year then ended.

It is the responsibility of the trustees to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements present fairly in all material respects the financial position of the **PROFESSIONAL EDUCATION FOUNDATION** as at June 30, 2015 and of its surplus and cash flows for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.


Date: September 18, 2015
Place Karachi

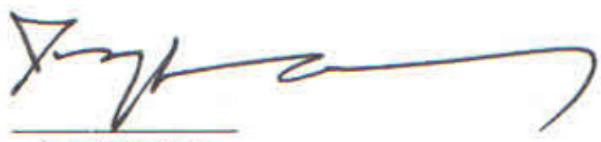


HAIDER SHAMSI & CO.
(Chartered Accountants)
Mirza Hyder Hussain Baig

PROFESSIONAL EDUCATION FOUNDATION
BALANCE SHEET
AS AT JUNE 30, 2015

	Note	2015	2014
		Rupees	
Non-current assets			
Property, plant and equipment	03	625,403	87,264
Current assets			
Short term investments	04	14,500,000	11,750,000
Advances, deposits and prepayment	05	521,441	234,452
Other receivables	06	153,042	401,033
Cash and bank balances	07	2,097,519	9,043,369
		17,272,002	21,428,854
Liabilities			
Accrued expenses	08	74,486	183,294
		17,822,919	21,332,824
Funded by:			
Accumulated fund - <i>at begining</i>		21,332,824	19,357,316
Deficit for the year		(3,509,905)	1,975,508
Accumulated fund - <i>at end</i>		17,822,919	21,332,824

Note: The annexed notes form an integral part of these accounts.


MANAGING TRUSTEE
Karachi, September 18, 2015


TRUSTEE

**PROFESSIONAL EDUCATION FOUNDATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015**

	Notes	2015 Rupees	2014
<i>Income against specific fund</i>			
Zakat receipts		11,001,566	7,675,459
Profit by bank - Zakat account	09	323,979	516,788
		11,325,545	8,192,247
<i>Expenditures</i>			
Zakat distribution		24,240,532	11,469,340
Bank charges		3,168	1,552
		24,243,700	11,470,892
Total specific funds surplus for the year		(12,918,155)	(3,278,645)
<i>Income against general fund</i>			
Donation receipts		20,693,803	18,985,281
Profit by bank - Donation account	10	889,578	800,448
		21,583,381	19,785,729
<i>Expenditure</i>			
Donation distributed		8,913,273	10,483,223
Operating expenses	11	4,142,538	4,362,273
Disbursement from general funds		13,055,811	14,845,496
Other receipts	12	880,680	313,920
Total general fund surplus for the year		9,408,250	5,254,153
Total excess of expenditure over income		(3,509,905)	1,975,508
General and specific funds - start of the year		21,332,824	19,357,316
General and specific funds - end of year		17,822,918	21,332,824

Note: The annexed notes form an integral part of these accounts


MANAGING TRUSTEE

Karachi, September 18, 2015


TRUSTEE

**PROFESSIONAL EDUCATION FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2015**

	Note	2015 Rupees	2014
<i>Cash flow from operating activities</i>			
(Deficit)/Surplus before taxation		(3,509,905)	1,975,508
<i>Adjustment for non-cash and other items</i>			
Accrued investment income		-	68,341
Gain on disposal of fixed assets		-	(920)
Depreciation		52,715	21,953
		<u>(3,457,190)</u>	<u>2,064,881</u>
<i>Working capital changes</i>			
Accrued expenses		(108,808)	62,030
Other receivables		247,991	(189,000)
Advances, deposits and prepayments		(270,000)	150,000
		<u>(3,588,007)</u>	<u>2,087,911</u>
Taxes paid		(16,988)	(13,948)
<i>Cash (used in)/generated from operating activities</i>		<u>(3,604,996)</u>	<u>2,073,963</u>
<i>Cash flow from investing activities</i>			
Additions to fixed assets		(590,854)	(76,445)
Sale of fixed assets		-	2,000
Short term investment		(2,750,000)	5,000,000
<i>Cash g(used in)/enerated from investing activities</i>		<u>(3,340,854)</u>	<u>4,925,555</u>
<i>Cash flow from financing activities</i>			
		-	-
		<u>(6,945,850)</u>	<u>6,999,518</u>
Cash and cash equivalent - at start		9,043,369	2,043,851
Cash and cash equivalent - at end	07	<u>2,097,519</u>	<u>9,043,369</u>


MANAGING TRUSTEE

Karachi, September 18, 2015


TRUSTEE

**PROFESSIONAL EDUCATION FOUNDATION
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2015**

FUNDS	Specific-Zakat	General- Donation	Total
Balance as at 30-06-13	8,960,281	10,397,035	19,357,316
Income during the year	8,192,247	20,099,649	28,291,896
Expenditures	(11,470,892)	(14,845,496)	(26,316,388)
Balance as at 30-06-14	5,681,636	15,651,188	21,332,824
Income during the year	11,325,545	22,464,061	33,789,606
Expenditures	(24,243,700)	(13,055,811)	(37,299,511)
Balance as at 30-06-15	(7,236,519)	25,059,438	17,822,919


MANAGING TRUSTEE

Karachi, September 18, 2015


TRUSTEE

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

01. The Foundation

The "Professional Education Foundation" has been declared as irrevocable trust by the trustees on the 22nd day of January, 2009 at Karachi and registered as a Public Charitable Trust with the Sub Registrar, Jamshed Town, Karachi on 23rd day of January 2009 under Registration No. 34, Book No. IV and the MF Roll No. U8555/5647, of the Photo Registrar, Karachi dated February 12, 2009. The registered office of the trust is located at OTC, 20C, 26th Street, Tauheed Commercial Area, Phase-V, DHA, , Karachi. The major object of the trust is to provide help to the needy and provide assistance to deserving students.

02 Significant accounting policies

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

02.1 Statement of compliance

These financial statements have been prepared in accordance with the Trust Deed and the approved accounting standards as applicable in Pakistan. Wherever, the requirements of the trust deed differ with the requirements of these standards, the requirements of the trust deed shall prevail.

02.2 Basis of measurement

These financial statements have been prepared under historical cost convention.

02.3 Property, plant and equipment

Fixed assets are stated at historical cost less accumulated depreciation on diminishing balance method at the rates specified in the notes to the accounts. Minor renewals and replacements are charged to profit and loss account. Major renewals and replacement are capitalized.

Full month depreciation is charged in the month of purchase and no depreciation is charged in the month of disposal.

02.4 Investments

The investments are stated at cost as per rules of the trust.

02.5 Revenue recognition

The income from investments is recognized on accrual basis.
Revenue on account of donation is recognized on cash basis.

03. **Property, plant and equipment**
Fixed assets - tangible

	Computer & Accessories	Furniture & Fixtures	Office Equipments	Total
Balance as at June 30, 2014	68,695	28,000	48,700	145,395
Addition during the year	57,400	350,705	182,749	590,854
Deletion during the year	-	-	-	-
Balance as at June 30, 2015	126,095	378,705	231,449	736,249
ACCUMULATED DEPRECIATION				
Rate of depreciation	30%	10%	15%	
Balance as at June 30, 2014	30,354	2,800	24,977	58,131
Deletion during the year	-	-	-	-
Depreciation expense	15,280	22,943	14,492	52,715
Balance as at June 30, 2015	45,634	25,743	39,469	110,846
Carrying amount				
As at June 30, 2014	80,461	352,962	191,980	625,403

04. **Short term investments**

Certificate of Islamic Investment - Meezan Bank Ltd.
Habib Islamic Investment Certificate

	2015 Rupees	2014 Rupees
Certificate of Islamic Investment - Meezan Bank Ltd.	11,500,000	3,000,000
Habib Islamic Investment Certificate	3,000,000	8,750,000
04.1	14,500,000	11,750,000

04.1 The trust has made short term investment in Islamic Investment Certificate issued by Habib Metropolitan Bank Ltd and Mezan Bank Ltd. The maturity period varies from 03 months to 12 months. These investments carries profit rates ranging between 4.5% to 8.45% per annum, (2014: 4.5% to 8%) payable at maturity.

05. **Advances, deposits and prepayment**

Advance tax u/s 151
Security Deposits-OCS
Security Deposits-Rent

	2015 Rupees	2014 Rupees
Advance tax u/s 151	241,441	224,452
Security Deposits-OCS	10,000	10,000
Security Deposits-Rent	270,000	-
	521,441	234,452

06. **Other receivables**

Bank profit accrued
Other receivables

	2015 Rupees	2014 Rupees
Bank profit accrued	153,042	212,033
Other receivables	-	189,000
	153,042	401,033

07. **Cash and bank balances**

Cash in Hand
Cash at bank - in deposit account
Meezan Bank Limited - Donation Account
Meezan Bank Limited - Zakat Account
Habib Metropolitan Bank - Zakat Account
Habib Metropolitan Bank - Donation Account

07.1

	2015 Rupees	2014 Rupees
Cash in Hand	20,170	2,785
Cash at bank - in deposit account		
Meezan Bank Limited - Donation Account	883,584	8,504,592
Meezan Bank Limited - Zakat Account	207,464	399,433
Habib Metropolitan Bank - Zakat Account	6,070	58,150
Habib Metropolitan Bank - Donation Account	980,232	78,409
07.1	2,077,349	9,040,584
	2,097,519	9,043,369

07.1 These carries profit rates ranging between 3% to 5.25% per annum, (2014: 3.25% to 6%) payable monthly

	2015 Rupees	2014 Rupees
08. Accrued expenses		
Audit fee payable	21,200	10,000
Rent payable	-	25,000
Leave Encashment	31,241	-
Brand Development	12,223	-
Salaries payable	-	142,277
Maintenance charges payable	-	5,000
Other Liabilities	9,822	-
Withholding tax payable	-	1,017
	<u>74,486</u>	<u>183,294</u>
09 Profit by bank - Zakat Account		
Profit on Certificate of Islamic Investment	76,306	219,796
Profit on Habib Islamic Investment Certificate	142,610	31,223
Profit on bank deposits	<u>105,063</u>	<u>265,768</u>
	<u>323,979</u>	<u>516,788</u>
10 Profit by bank - Donation Account		
Profit on bank deposits	168,882	289,740
Profit on Certificate of Islamic Investment	285,956	185,197
Profit on Habib Islamic Investment Certificate	<u>434,740</u>	<u>325,510</u>
	<u>889,578</u>	<u>800,448</u>
11 Operating expenses		
Salaries expenses	1,731,637	1,405,002
Rent expenses	762,500	300,000
Utility expense	112,271	47,127
Postage and telegram	27,423	40,827
Communication expense	18,380	29,550
Internet expense	20,430	-
Computer expense	45,580	15,300
Travelling and conveyance	15,930	33,635
Advertisement and exhibition	163,295	795,685
Repair and maintenance	151,167	68,180
Legal and professional	1,700	-
Brand development	170,655	-
Office shifting	86,227	-
Printing and stationery	30,260	54,558
Audit fee	21,200	10,000
Miscellaneous	32,440	21,988
Depreciation	52,715	21,953
Carnival Expense	656,458	1,476,899
Website expense	42,270	41,569
	<u>4,142,538</u>	<u>4,362,273</u>

	2015 Rupees	2014 Rupees
12 Other receipts		
PEF carnival - ticket sale	592,283	313,000
Rental Income	288,397	-
Gain on disposal of fixed asset	-	920
	<u>880,680</u>	<u>313,920</u>

13 Date of authorization for issue

These financial statements were authorized for issue on September 18, 2015 by the Board of trustees of the trust.

Figures have been rounded off to the nearest whole rupee.


MANAGING TRUSTEE

Karachi, September 18, 2015


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