

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES  
TO THE TRUSTEES OF SEED PAKISTAN (TRUST)**

**OPINION**

We have audited the financial statements of **SEED PAKISTAN (the Trust)**, which comprise the statement of financial position as at June 30, 2023, the Income and Expenditure account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly in all material respects the states of the Trust's position as at June 30, 2023 and its surplus for the year then ended in accordance with generally accepted accounting principles as applied to Not-for-Profit Organization 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 Trust 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 MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR  
THE FINANCIAL STATEMENTS**

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Trustees determine is necessary to enable the preparation of the 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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust'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 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 Trust'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 Trust'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 Trust to cease to continue as a going concern.

We communicate with those charged with governance 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.

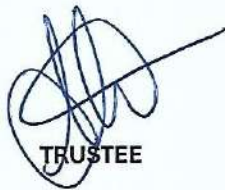
  
**CHARTERED ACCOUNTANTS  
KARACHI**

**DATE: NOVEMBER 14, 2023** 

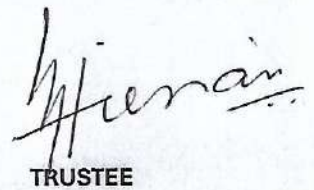
**M/S. SEED PAKISTAN**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**

	NOTES	2023 Rupees	2022 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Tangible fixed assets	3	1,507,185	1,716,939
<b>CURRENT ASSETS</b>			
Loan to Employees		140,852	174,184
Cash and bank	4	2,464,493	5,368,607
		2,605,345	5,542,791
<b>TOTAL ASSETS</b>		<u>4,112,530</u>	<u>7,259,731</u>
<b>FUNDS AND LIABILITIES</b>			
General fund	5	2,262,530	5,003,175
<b>CURRENT LIABILITIES</b>			
Fee refundable		50,000	100,100
Other payables		1,800,000	2,156,455
		1,850,000	2,256,555
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>4,112,530</u>	<u>7,259,731</u>

The annexed notes from 1 to 12 form an integral part of these financial statements.

  
**TRUSTEE**



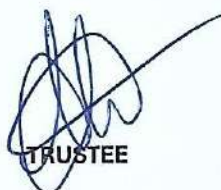
  
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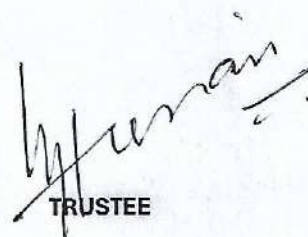
**M/S. SEED PAKSITAN  
INCOME & EXPENDITURES ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2023**

	NOTES	2023 Rupees	2022 Rupees
<b>RECEIPTS</b>			
Zakat		26,888,696	16,848,279
Donation		672,050	501,650
Exchange Gain		5,434,509	-
		<u>32,995,255</u>	<u>17,349,929</u>
<b>EXPENDITURES</b>			
Direct expenses	6	33,022,162	14,498,127
Administrative expenses	7	3,043,779	1,821,713
Financial charges	8	45,257	36,372
		<u>36,111,198</u>	<u>16,356,212</u>
<b>(Deficit) / surplus for the year transferred to general fund</b>	5	<u>(3,115,942)</u>	<u>993,717</u>

The annexed notes from 1 to 12 form an integral part of these financial statements.

  
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**M/S. SEED PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**1. THE TRUST AND ITS OPERATIONS**

- 1.1** Seed Pakistan was established on January-2012. The objective of the Trust is to improve the education system at poor locality of Karachi. Now SEED Pakistan adopts 28 Govt. Schools to improve their education system.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The principle accounting policies applied in the preparation of financial statements are set out below;

**2.1 Basis of measurement**

These accounts have been prepared under the historical cost convention.

**2.2. Tangible fixed assets**

Fixed assets are reported at written down value.

Depreciation is charged to profit and loss account applying declining method at the rates stated in note 3 to the financial statement, on the assets remaining at the close of accounting year. No depreciation is charged on assets disposed off during the year.

Minor repairs and maintenance are charged to expenses as and when incurred. Major renewals and improvements are capitalized.

Gains and losses on disposal of assets are taken to income currently.

**2.3. Accrued liabilities**

Accrued liabilities are recognized at cost which is the fair value of the consideration to be paid in future in respect of goods and services received.

**2.4 Revenue recognition**

Revenue from Zakat, Donations are recognized on receipt basis.

**2.5 Provisions**

A provision is recognised in the balance sheet when the Trust has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

**2.6 Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and bank deposits.

### 3. TANGIBLE FIXED ASSETS

Particulars	Cost		Rate %	Accumulated as At 01st July 2022	Depreciation		W.D.V. as at 30/6/2023
	As on 01st July 2022	As on 30th June 2023			For the year	Accumulated Depreciation	
Computers	1,274,805	1,274,805	20%	944,521	66,057	1,010,578	264,227
	2,796,456						
Furniture and fixture	2,543,916	2,543,916	10%	1,207,574	133,634	1,341,208	1,202,708
Books	252,540	252,540	20%	202,227	10,063	212,290	40,250
<b>Total 2023</b>	<u>6,867,717</u>	<u>4,071,261</u>		<u>2,354,322</u>	<u>209,754</u>	<u>2,564,076</u>	<u>1,507,185</u>
<b>Total 2022</b>	<u>40,712,161</u>	<u>40,712,161</u>		<u>2,110,691</u>	<u>243,631</u>	<u>2,354,322</u>	<u>1,716,939</u>

	2023 Rupees	2022 Rupees
<b>4. CASH AND BANK</b>		
Cash in Hand	104,774	97,678
United Bank - PKR	728,622	117,307
United Bank - AED	395,630	395,630
United Bank - GB Pound	922,204	4,444,728
United Bank - USD	313,264	313,264
	<u>2,464,493</u>	<u>5,368,607</u>
<b>5. GENERAL FUND</b>		
Opening balance	5,003,176	4,009,459
Gain On exchange Rate Un Used	375,296	-
(Deficit) / surplus for the year	(3,115,942)	993,717
Closing balance	<u>2,262,530</u>	<u>5,003,176</u>

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	2023 Rupees	2022 Rupees
<b>6. DIRECT EXPENSES</b>		
School uniforms	114,555	51,735
Salaries & Allowances	11,312,530	6,419,096
Ration & Lunch Support	11,355,364	6,626,707
Medical Support	153,950	-
Flood Relief Support	8,000,000	-
Stationary & Supplies	333,360	290,080
Students Examination/Reg. Fees	315,800	10,950
Student Support	645,700	226,500
Tech Support Expense	534,315	411,069
Individual Support	-	393,000
Printing	26,130	18,900
Office Supplies	227,183	50,090
Miscellaneous Expense	3,275	-
	<u>33,022,162</u>	<u>14,498,127</u>
<b>7. ADMINISTRATIVE EXPENSES</b>		
School repair & maintenance	882,674	280,472
Printing & stationary	41,200	1,300
Audit Fees	100,000	35,000
Rent	726,000	693,000
Communication	-	2,696
Utilities	495,621	262,616
Repair & Maintenance	325,530	58,008
Travelling Expense	213,500	200,100
Website Expense	49,500	38,000
Entertainment	-	6,890
Depreciation Expense	209,754	243,631
	<u>3,043,779</u>	<u>1,821,713</u>
<b>8. FINANCIAL CHARGES</b>		
Bank charges	45,257	36,372
	<u>45,257</u>	<u>36,372</u>
<b>9. CASH AND CASH EQUIVALENTS</b>		
Cash & bank balances	2,464,493	5,368,607
	<u>2,464,493</u>	<u>5,368,607</u>

#### 10. CORRESPONDING FIGURES

The corresponding figures of previous year have been re-arranged or re-grouped wherever necessary, for the purpose of comparison.

#### 11. GENERAL

Figures have been rounded off to the nearest rupee.

#### 12. AUTHORIZATION FROM COMMITTEE

These financial statements were authorized for issue on **November 15, 2023** by the Committee.

  
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