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Aslam Malik & Co.
Chartered Accountants

AUDITED FINANCIAL STATEMENTS
OF
M/S BALOCHISTAN EDUCATION ENDOWMENT FUND
FOR THE YEAR ENDED JUNE 30, 2020

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

To the members of The Balochistan Education Endowment Fund Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Balochistan Education Endowment Fund** (the Company), which comprise the statement of financial position as at **June 30, 2020**, and the income & expenditure account, the statement of changes in fund balance, the statement of cash flows for the year then ended, and notes to the financial statements, including a 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, the income & expenditure Account, the statement of changes in fund balance and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 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, 2020 and of the surplus, the changes in fund balance and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with 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 Company 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.

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Information Other Than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the company and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed, on other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management 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, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company'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 Company'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 Company'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 Company 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 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 the 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 Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the income & expenditure account, the statement of changes in fund balance and the statement of cash flows 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;

- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

Aslam Malik & Co

(Aslam Malik & Co.)

Chartered Accountants

Place: Lahore

Date: October 03, 2020



**BALUCHISTAN EDUCATION ENDOWMENT FUND
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020**

	Note	June 30 , 2020	June 30 , 2019
Rupees			
<u>NON CURRENT ASSETS</u>			
Property, plant and equipment	5	9,184,148	8,991,281
		9,184,148	8,991,281
<u>CURRENT ASSETS</u>			
Advances, deposits, prepayments and other receivables	6	1,218,517,067	185,244,621
Short term Investments	7	2,361,434,765	1,000,000,000
Cash and bank balances	8	293,003,482	851,347,548
		3,872,955,313	2,036,592,169
		3,882,139,461	2,045,583,450
<u>CURRENT LIABILITIES</u>			
Accrued and Other Liabilities	9	678,382,405	429,632,987
		678,382,405	429,632,987
NET ASSETS			
		3,203,757,056	1,615,950,463
<u>REPRESENTED BY :</u>			
Endowment Fund	10	1,405,794,652	433,167,078
Accumulated Surplus		1,797,962,404	1,182,783,385
Restricted Grants from Government		-	-
<u>CONTINGENCIES AND COMMITMENTS</u>			
	11	3,203,757,056	1,615,950,463

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Auditor's Report is Annexed.

The annexed notes from 1 to 24 form an integral part of these financial statements.



Chief Executive Officer



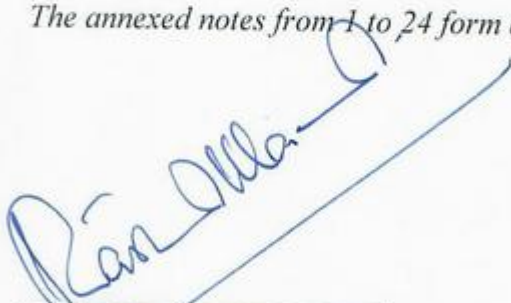
Director

**BALUCHISTAN EDUCATION ENDOWMENT FUND
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2020**

	Notes	June 30 , 2020	June 30 , 2019
Rupees			
Income			
Interest Income	12	1,068,285,407	607,186,450
Profit on Operational Account	12	27,937,526	22,769,278
Other income	12	17,697,546	6,199,366
		1,113,920,479	636,155,094
Expenditure			
Program Cost	13	442,615,248	420,054,180
Salaries and Benefits	14	41,519,921	34,419,144
Administrative Expenses	15	14,474,253	13,081,013
Other Expenses		132,038	-
		498,741,460	467,554,337
Excess of Income over Expenditure		615,179,019	168,600,757
Other Comprehensive Income		-	-
Surplus for the year		615,179,019	168,600,757

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The annexed notes from 1 to 24 form an integral part of these financial statements.



Chief Executive Officer



Director

**BALUCHISTAN EDUCATION ENDOWMENT FUND
STATEMENT OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020**

Particulars	Endowment Fund	Accumulated Surplus	Total
	Rupees		
Fund Balance as at July 01, 2018	-	1,014,182,628	1,014,182,628
Funds Received during the year	430,000,000	-	430,000,000
Interest Accrued	3,167,078	-	3,167,078
Surplus/(deficit) for the year	-	168,600,757	168,600,757
Other Comprehensive Income	-	-	-
Fund Balance as at June 30, 2019	433,167,078	1,182,783,385	1,615,950,463
Funds Received during the year	883,321,687	-	883,321,687
Interest Accrued	89,305,887	-	89,305,887
Surplus/(deficit) for the year	-	615,179,019	615,179,019
Other Comprehensive Income	-	-	-
Fund Balance as at June 30, 2020	1,405,794,652	1,797,962,404	3,203,757,056

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The annexed notes from 1 to 24 form an integral part of these financial statements.



Chief Executive Officer



Director

BALUCHISTAN EDUCATION ENDOWMENT FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Notes	June 30 , 2020	June 30 , 2019
Rupees			
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Surplus/(deficit) for the year		615,179,019	168,600,757
<i>Adjustments for:</i>			
Depreciation	5	4,291,916	3,947,006
Loss on Disposal of Fixed Asset	5	152,038	-
		4,443,954	3,947,006
Profit/(loss) before working capital changes		619,622,973	172,547,763
<i>(Increase) / Decrease in current assets</i>			
Advances Deposits Receivables and Prepayments		(1,033,272,446)	(118,171,222)
		(1,033,272,446)	(118,171,222)
<i>(Decrease) / Increase in current liabilities</i>			
Accrued and Other Liabilities		248,749,418	206,232,729
		248,749,418	206,232,729
Cash generated from operations		(164,900,055)	260,609,270
Interest Paid		-	-
Net cash inflow from operating activities	A	(164,900,055)	260,609,270
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchase of Property Plant and Equipment	5	(4,636,821)	(4,862,381)
Increase in Short Term Investment		(530,000,000)	-
Net cash outflow from investing activities		(534,636,821)	(4,862,381)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Restricted Grant Returned		-	(4,950,000)
Endowment Fund Received		972,627,574	433,167,078
Net cash inflow from financing activities	C	972,627,574	428,217,078
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	273,090,699	683,963,967
Cash and cash equivalents at the beginning of the year		1,251,347,548	567,383,581
Cash and cash equivalents at the end of the year	20	1,524,438,247	1,251,347,548

The annexed notes from 1 to 24 form an integral part of these financial statements.


 Chief Executive Officer


 Director