

Al-Ikhlaas Trust (“the Trust”)

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE, 2024**

FINANCIAL TAX CONSULTING

Cost & Management Accountants

A-6925

INDEPENDENT AUDITOR'S REPORT

To The Members of Al-Ikhlaas Trust

Report On the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Al-Ikhlaas Trust** ("the Trust"), which comprise the statement of financial position as at June 30, 2024, statement of receipt & expenditure for the year then ended, statement of cash flows 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 purpose of the audit.

In our opinion and to the best of our information and according to the explanation given to us, the statement of financial position, statement of receipt & expenditure together, statement of cash flows with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required, in the manner so required and respectively give a true and fair view of the state of the Trust's affairs as at June 30, 2024 and of statement of receipt & expenditure 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 statement 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.

Key Audit Matter(s)

We have determined that there are no key audit matters to communicate in our report.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the accounting and reporting standard 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 statement that are free from material misstatement, whether due to fraud or error.

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Green, Islamabad**

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In preparing the financial statements, management is 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.

Boards of directors 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

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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 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.

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 Trust as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, statement of receipt & expenditure together with the notes thereon have been drawn up in conformity with and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred during the year were for the purpose of the Trust's business; and
- d) No zakat 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 Mr. Junaid Riaz

Signature

Place: Islamabad

Date: March 15th, 2025



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AL-IKHLAAS TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

PARTICULARS	Notes	2024 (Rs.)	2023 (Rs.)
TANGIBLE FIXED ASSETS			
Property, Plant & Equipment	8	55,704,426 55,704,426	58,434,571 58,434,571
CURRENT ASSETS			
Advances, Deposits & Prepayments		-	-
Books Inventory		567,260	-
Cash & Bank Balance	4	20,824,527 21,391,787	13,462,311 13,462,311
TOTAL ASSETS		77,096,213	71,896,882
LONG TERM LIABILITIES			
Deferred Grants - Capital Assets	9	53,327,844 53,327,844	56,134,573 56,134,573
CURRENT LIABILITIES			
Creditors, Accured & Other Liabilities		2,523,941	-
Advance for Mosque Construction		-	-
		2,523,941	-
EQUITY			
General Funds		10,000	100,000
Accumulated Funds	6	21,234,427 21,244,427	15,662,309 15,762,309
TOTAL FUNDS & LIABILITIES		77,096,212	71,896,882

The annexed notes form an integral part of these accounts.

W. Anam

 Chairman



M. G. O.

 General Secretary

AL-IKHLAAS TRUST
STATEMENT OF RECEIPT AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

PARTICULARS	Notes	2024 (Rs.)	2023 (Rs.)
Receipts			
Grants & Donations	10	19,240,868	54,556,828
Amortization of Deferred Grants	9	2,806,729	2,954,451
		22,047,597	57,511,279
Expenditure			
Expenditure - Operations	3	(6,858,367)	(7,943,403)
Expenditure - Program	3	(6,858,367)	(32,731,511)
Depreciation	8	(2,908,745)	(3,355,982)
		(16,625,479)	(44,030,896)
Other Income/(Losses)	7	150,000	(1,425,248)
Excess/(Deficit) of Receipts Over Expenditure for the Period		5,572,118	12,055,135
Excess of Receipts Over Expenditure Brought Forward		15,662,309	3,607,174
Excess of Receipts Over Expenditure Carried Forward		21,234,427	15,662,309

The annexed notes form an integral part of these accounts.

W. Adam

Chairman

M. G. C.

General Secretary



**AL-IKHLAAS TRUST
STATEMENT OF CASH FLOWS
AS AT JUNE 30, 2024**

	2024 (Rs.)	2023 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES:		
Excess of Income Over Expenditure	5,572,118	12,055,136
Adjustment for Non Cash Items		
Depreciation	2,908,745	3,355,982
Amortization of Deferred Grants - Capital Assets	(2,806,729)	(2,954,451)
Profit Before Working Capital Changes	5,674,135	12,456,666
Effect on Cash Flow due to Working Capital Changes		
Advances, Deposits & Prepayments	-	-
Addition in Inventory	(567,260)	53,445
Creditors, Accrued & Other Liabilities	2,523,941	(103,500)
Net Cash Flow From W.C Changes	1,956,681	(50,055)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets	(268,600)	(59,089,024)
Securities/Investments	-	-
Net Cash Flow From Investing Activities	(268,600)	(59,089,024)
CASH FLOW FROM FINANCING ACTIVITIES		
Deferred Grants - Capital Assets	-	59,089,024
Net Cash Flow from Financing Activities	-	59,089,024
Net Cash/Cash eq. Balance Increase/Decrease	7,362,216	12,406,612
Cash at the Beginning of the Period	13,462,311	1,055,699
Cash at the End of the Period	20,824,527	13,462,311

The annexed notes form an integral part of these accounts.

W. Alam

Chairman



[Handwritten Signature]

General Secretary

AL IKHLAAS TRUST
NOTES FOR THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2024

1 STATUS AND NATURE:

AL-IKHLAAS TRUST was registered on May 02, 2019 under Trust Act 1882. The Objective of the Trust is to profess, practice, propagate and preach the Holy Quran & Sunnah. The office of the trust is situated at Basement floor No. 1A, Bazar No. 4, Street No. 39, Sector G-13/2, Islamabad.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies which have been adopted in the preparation of these accounts are summarized below:

2.1 STATEMENT OF COMPLIANCE:

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for Small-Sized Entities (SSEs) issued by the institute of Chartered Accountants of Pakistan, Moreover, these financial are also in compliance with Guideline for Accounting and Pluancial Reporting Framework Dy Non Government Organizations (NGOs), Non-Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 ACCOUNTING CONVENTION:

These accounts have been prepared under the historical cost Convention without any adjustment for thre effects of inflation or current values.

2.3 MANAGEMENT RESPONSIBILITY FOR FINANCIAL

The management is responsible for the preparation and presentation of financial statements. The reporting currency of the financial statement is Pakistani Rupee.

2.4 TAXATION

The Company is engaged in activities that are geared for public benefit and doesn't attract any taxation under the Income Tax Ordinance, 2001.

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Operating assets are stated at cost less accumulated depreciation and impairment losses, if any financial statements, whereby the cost of an asset is written off to income and expenditure statement over its estimated useful life without taking into account any residual value. Depreciation on additions is charged for full month in the month of addition, while no depreciation is charged in the month of deletion. Gains and losses on disposal of fixed assets are taken to the statement of Income and expenditure in the period of disposal.

2.6 RECEIPTS RECONGNITION

Receipts are recognised in the financial statements when actually received.



	2024 (Rs.)	2023 (Rs.)
3 EXPENDITURE		
3.1 EXPENSES - OPERATIONS		
Bank Charges	8,173	1,344
Payroll Expenses	3,033,134	4,580,772
Stationery & Printing	63,777	-
Office Supplies	15,050	-
Legal and professional	708,248	819,500
Travelling Conveyance & POL	97,542	-
Rent	2,190,855	2,401,000
Repair & Maintenance	215,342	30,000
Entertainment	820	-
Utilities	287,436	110,787
Advertising/Promotional	1,680	-
Communication Expense	166,851	-
Fee & Subscription	12,000	-
Misc. Expenditures	57,459	-
Total Expenses - Operations	6,858,367	7,943,403
3.2 EXPENSES - PROGRAM		
Conferences, Convention & Meetings	-	838,000
Medicines & Hospital Expenses	-	-
Ration Package	-	13,159,170
Donation	-	-
Filtration Plant & Boring	-	-
Tube well expenditures	-	-
Advertisement & Publishing	-	164,100
Masjif Sindh	121,799	170,000
Ifari	984,600	56,940
Ration Fitrana	3,399,880	791,890
Ration flood Relief	-	5,894,796
Ration flood Relief Larkana	-	4,504,155
Zakat payments	1,003,670	7,152,460
Total Expenses - Program	5,509,949	32,731,511
3 Total Expenditure	12,368,316	40,674,914
4 CASH & BANK BALANCE		
Meezan Bank	16,936,900	13,462,311
Petty Cash	3,887,627	-
Total Cash & Bank Balance	20,824,527	13,462,311
5 CREDITORS, ACCRUED & OTHER LIABILITIES		
Accrued liabilities	113,250	-
Withholding Tax payable	2,410,691	-
Total Creditors, Accrued & Other Liabilities	2,523,941	-
6 ACCUMULATED FUNDS		
Opening Balance	15,662,308	3,607,173
Excess/(Deficit) of Income Over Expenditure for the Period	5,572,118	12,055,135
Closing Balance	21,234,426	15,662,308



7 OTHER INCOME/ (LOSSES)

Revenue from sale of Islamic Books	150,000	1,357,680
Less: Cost of Sales/Books	-	(2,724,428)
Less: Other expenses (Books sales related)/Bookstore	-	(58,500)
Net Other Income/ (Losses)	150,000	(1,425,248)

8 PROPERTY, PLANT AND EQUIPMENT

Fixed Assets - Own Resources	2,376,582	2,299,998
Fixed Assets - Funded by Donor	53,327,844	56,134,573
Total Property, Plant and Equipment	55,704,426	58,434,571

9 DEFERRED GRANTS - CAPITAL ASSETS

Opening balance	56,134,573	-
Cost of Building	-	59,089,024
Amortization for the year	(2,806,729)	(2,954,451)
Total Donations	53,327,844	56,134,573

10 DONATIONS

Donation	19,240,868	54,556,828
Total Donations	19,240,868	54,556,828

11 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on _____ by the Board of Trustees of the Trust.

12 KEY ASSUMPTIONS

12.1 Figures have rounded off to the nearest rupee.

12.2 Figures have been rearranged and regrouped where necessary.

W. Alam.

Chairman

[Signature]
General Secretary



AL IKILAAS TRUST
FIXED ASSETS FUNDED BY DONOR SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

Particulars	COST			Rate	AMORTIZATION			WDV	
	As At	Addition/ Deletion	As At		Upto	For the Year Initial Allowance	Upto		As At
	7/1/2023		6/30/2024			7/1/2022			6/30/2023
	PKR	PKR	PKR	PKR	PKR	PKR	PKR		
Mosque Building	56,134,573		56,134,573	5%		2,806,729	2,806,729	53,327,844	
2023-2024									
2023-2024	59,089,024	-	59,089,024	-	-	2,954,451	2,954,451	56,134,573	



**AL IKHLAAS TRUST
FIXED ASSET SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024**

Particulars	COST			Rate	DEPRECIATION			WDV As At 6/30/2024
	As At 7/1/2023	Addition/ Deletion PKR	As At 6/30/2024		Upto 7/1/2023	For the Year Initial Allowance	Upto 6/30/2024	
	PKR		PKR			PKR		
Computer & Electronics	1,145,577	17,000	1,162,577	20%	-	232,515	930,062	
Furniture & Equipment	1,110,203	165,000	1,275,203	8%	83,266	185,282	1,089,921	
Technical & Professional Books	445,749		445,749	20%		89,150	356,599	
2023-2024	2,701,529	182,000	2,883,529	0	83,266	506,947	2,376,582	

