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**TEACH THE WORLD FOUNDATION
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**



Qasim Adeel & Co.

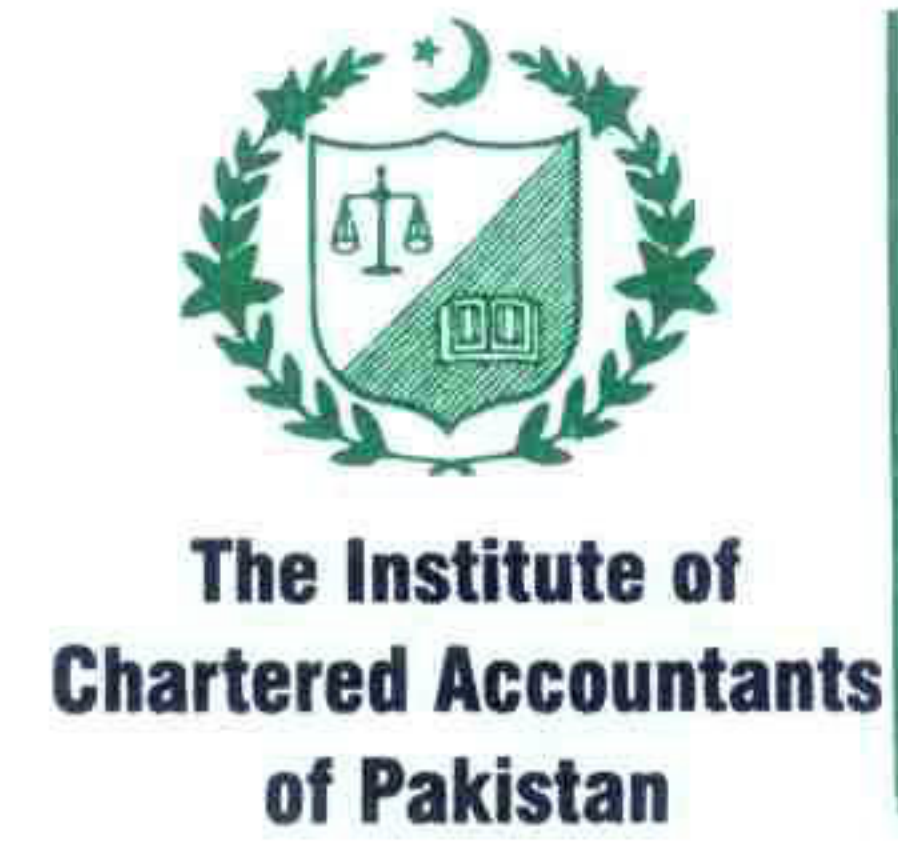


**The Institute of
Chartered Accountants
of Pakistan**

**CHARTERED
ACCOUNTANTS**



Qasim Adeel & Co.
Chartered Accountants



**CHARTERED
ACCOUNTANTS**

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
TEACH THE WORLD FOUNDATION**

Opinion

We have audited the annexed financial statements of **TEACH THE WORLD FOUNDATION** which comprise the statement of financial position as at June 30, 2020 and income and expenditure account, statement of cash flows, statement of changes in funds and reserves 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 accompanying financial statements give a true and fair view of the financial position of **TEACH THE WORLD FOUNDATION** as at June 30, 2020 and its financial performance and its cash flows for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

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 Organization 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 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

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 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the organization'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.

Audit | Tax | Accounting | Advisory | Litigation

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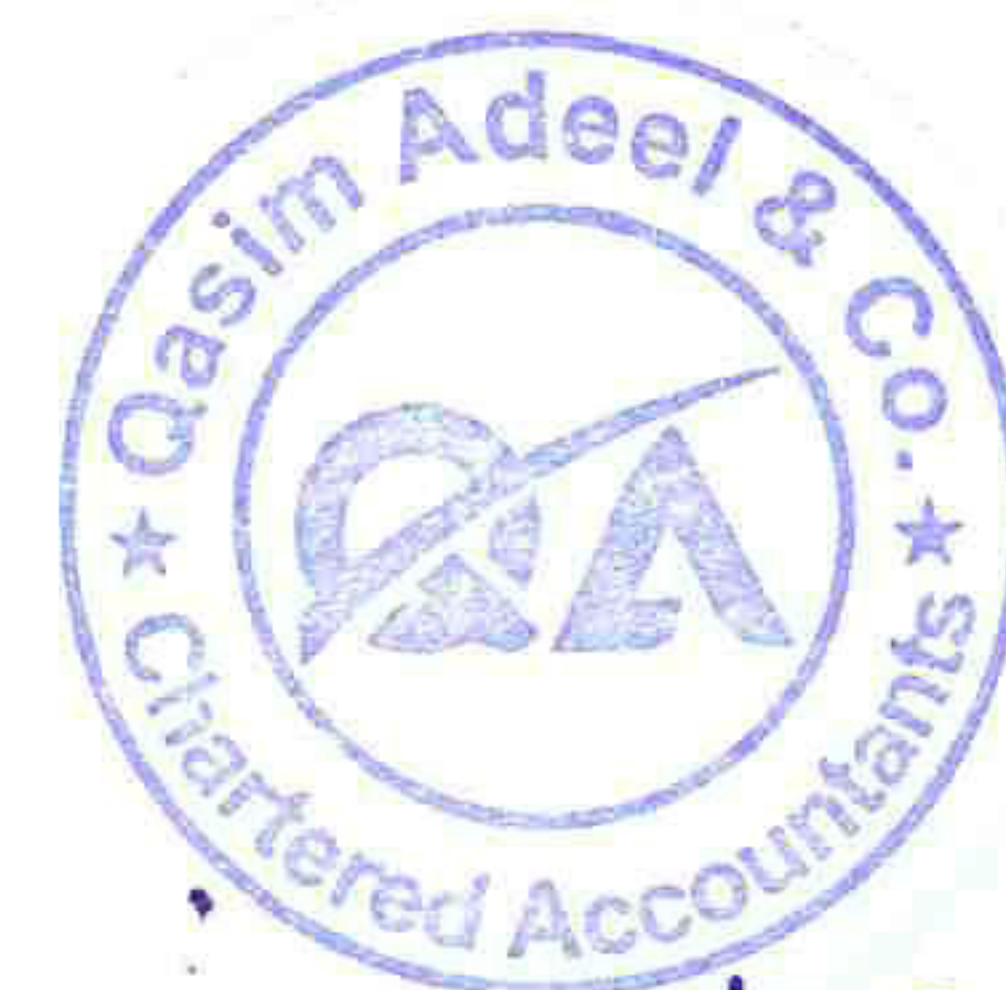
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statement

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 Organization'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 organization'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 Organization 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 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.

The engagement partner on the audit resulting in this independent auditor's report is **Adeel Mirza**.



Qasim Adeel & Co.
QASIM ADEEL & CO.

(CHARTERED ACCOUNTANTS)

Place: Islamabad

Dated:

**TEACH THE WORLD FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020**

	Note	2020 Rupees	2019 Rupees
NON CURRENT ASSETS			
Operating assets	4	231,624	-
CURRENT ASSETS			
Advances to Staff		145,500	
Income Tax Asset	5	23,500	
Cash and Cash Equivalents	6	159,400	7,000
		328,400	7,000
		560,024	7,000
NON - CURRENT LIABILITIES			
Contingencies & Commitments	7	-	-
CURRENT LIABILITIES			
Creditors & Withholding Tax payable		214,998	-
		214,998	-
TOTAL LIABILITIES		345,026	7,000
NET ASSETS		345,026	7,000
REPRESENTED BY		345,026	7,000
General fund		345,026	7,000

The annexed notes form an integral part of these financial statements.

PRESIDENT

Naim Ismail

TREASURER



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**TEACH THE WORLD FOUNDATION
INCOME AND EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2020**

	NOTE	2020 Rupees	2019 Rupees
Revenue	8	461,400	7,000
Programme Expenses			
Direct expenses	9	312,786	-
Administrative Expenses	10	44,087	-
		356,874	-
Net surplus/(deficit) for the year		104,526	7,000

The annexed notes form an integral part of these financial statements.

Naim Ghuani

PRESIDENT

TREASURER

AR



**TEACH THE WORLD FOUNDATION
STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED JUNE 30, 2020**

	Accumulated Funds Rupees
Balance as at June 30, 2018	-
Surplus/(Deficit) for the year	7,000
Balance as at June 30, 2019	7,000
Restricted funds received during the year	233,500
Surplus/(Deficit) for the year	104,526
	338,026
Balance as at June 30, 2020	<u>345,026</u>

The annexed notes form an integral part of these financial statements.

Naresh Kumar

PRESIDENT

TREASURER



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**TEACH THE WORLD FOUNDATION
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>2020</u> Rupees	<u>2019</u> Rupees
CASHFLOWS FROM OPERATING ACTIVITIES		
Surplus for the period	104,526	7,000
Adjustment for non-cash items		
Depreciation	40,874	
Operating surplus/(deficit) before working capital	145,400	7,000
Increase/decrease in current assets	(145,500)	-
Increase/decrease in current liabilities	214,998	
Net increase/(decrease) in working capital	214,898	7,000
Tax paid	(23,500)	-
Net cash used in operating activities	191,398	7,000
CASHFLOWS FROM INVESTING ACTIVITIES		
Fixed assets purchased	(38,998)	-
Net cash used in investing activities	(38,998)	-
CASHFLOWS FROM FINANCING ACTIVITIES	-	-
Net changes in cash and cash equivalents	152,400	7,000
Cash and cash equivalents at the beginning of the year	7,000	
Cash and cash equivalents at the end of the year	159,400	7,000

The annexed notes form an integral part of these financial statements.

PRESIDENT



N. Anil Kumar

TREASURER

AL

**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

1 LEGAL STATUS AND NATURE OF BUSINESS

Teach the World Foundation was registered under the societies Registration Act, 1860. The principal activity of the foundation is to provide education to poor and needy persons. The registered office of the company is situated 134-E-1, Gulberg-III, Lahore.

2 STATEMENT OF COMPLIANCE AND SIGNIFICANT ESTIMATES

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by Institute of Chartered Accountants of Pakistan

Where provisions of the IFRS for SMEs differ with the Accounting Standard for NPOs, the provisions of IFRS for SMEs shall prevail.

2.2 Significant Estimates

The preparation of these financial statements in conformity with Accounting and Financial Reporting Standards for SSEs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that year, or in the year of the revision and any future year affected.

Judgments made by the management in the application of Accounting and Financial Reporting Standards for SSEs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the ensuing paragraphs.

2.2.1 Property and equipment

The Company reviews the useful lives of property and equipment on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Naim Ismail



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**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

2.2.2 Taxation

The Teach the world Foundation takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the views taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities. Moreover, No Provision of tax has been incorporated because Teach the world foundation has been granted exemption U/s 2(36), and Teach the World Foundation is enabled claim tax credit U/s 100C.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Measurement

These financial statements have been prepared under the historical cost convention, using accrual basis of accounting, except for financial instruments which are stated at fair value.

3.2 Functional and Presentation Currency

Being the currency of the economic environment in which the Company operates, the financial statements are prepared in Pak Rupees which is also the functional currency of the Company.

3.3 Off-setting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set-off the recognised amounts and the Company intends to settle either on a net basis or realise the asset and settle the liability simultaneously.

3.4 Accrued and Other Liabilities

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

3.5 Provisions

Provisions are recognized in the balance sheet when the Company has a legal or constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

3.6 Trade Debts and Other Receivables

Trade debts and other receivables are carried at original invoice amount less an estimate for doubtful receivables based on review of outstanding amounts at the year end. Balances which are irrecoverable are written off when identified.

Naim Saeed



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**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

3.7 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Cost includes expenditures that is directly attributable to the acquisition of the assets.

Depreciation is charged to profit and loss account using the reducing balance method at the rates specified in note 4 to write off the cost of each asset over its estimated useful life without taking into account its residual value.

Full month's depreciation is charged in the month of addition, while no depreciation is charged in the month of deletion.

Maintenance and normal repairs are charged to revenue as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

Gains or losses on disposals of property and equipment are charged to the profit and loss account.

3.8 Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

3.9 Foreign Currency Transactions

Foreign currency transactions are recorded in Pak Rupees at monthly average exchange rate. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the exchange rate prevailing at the balance sheet date. Exchange differences are dealt with through the profit and loss account.

3.10 Revenue Recognition

Revenue is measured at fair value of consideration received or receivable and represents amounts receivable for services rendered in the normal course of business. Revenue is recognized when the customers are invoiced in accordance with the terms of the respective service contracts.

Naim Ismail



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TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

4 PROPERTY PLANT AND EQUIPMENTS

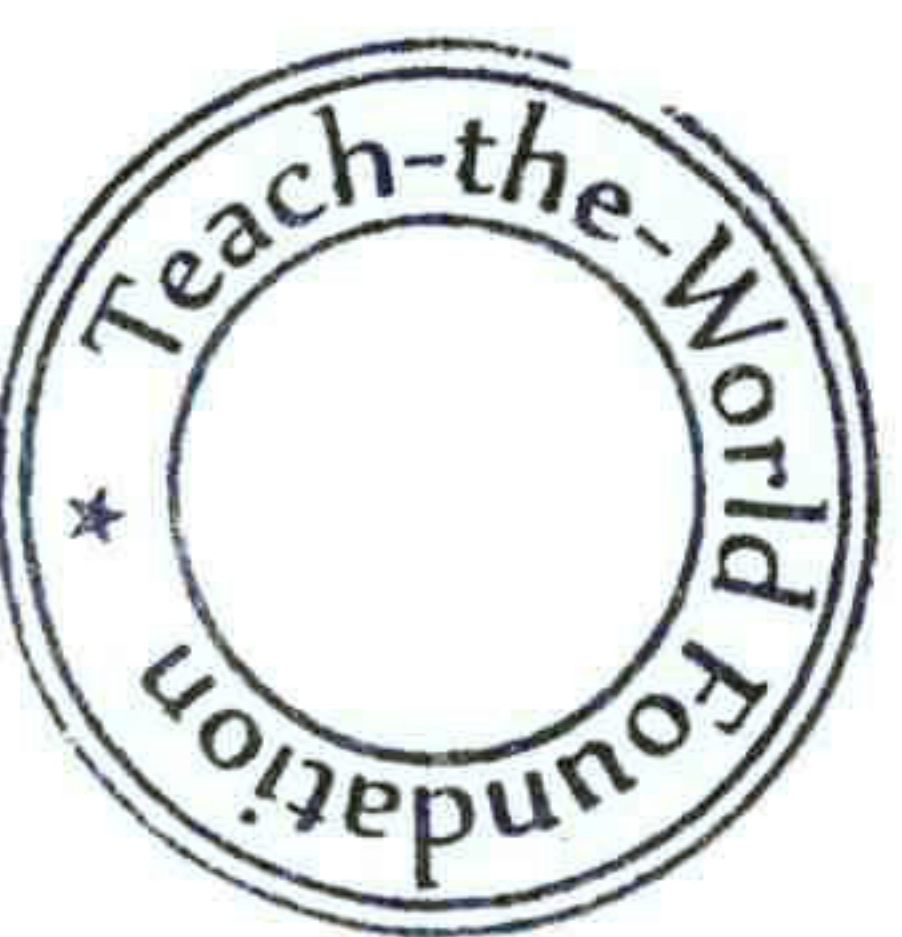
DESCRIPTION	COST			Rate %	Depreciation			WDV As at 30 June 2020
	As at 01 July 2019	Additions / (Deletion)	As at 30 June 2020		As at 01 July 2019	For the year	As at 30 June 2020	
Computer and accessories	-	25,970	25,970	15%	-	3,896	3,896	22,075
Furniture & Fixture	-	59,672	59,672	15%	-	8,951	8,951	50,721
Electronic Appliances	-	186,856	186,856	15%	-	28,028	28,028	158,828
2020	-	272,498	272,498		-	40,874	40,875	231,624
2019	-	-	-		-	-	-	-

Allocation of depreciation
 Direct Expenses
 Administrative Expenses

	2020	2019
Direct Expenses	36,786	-
Administrative Expenses	4,087	-
	<u>40,874</u>	<u>-</u>

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Momin Hameed



**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

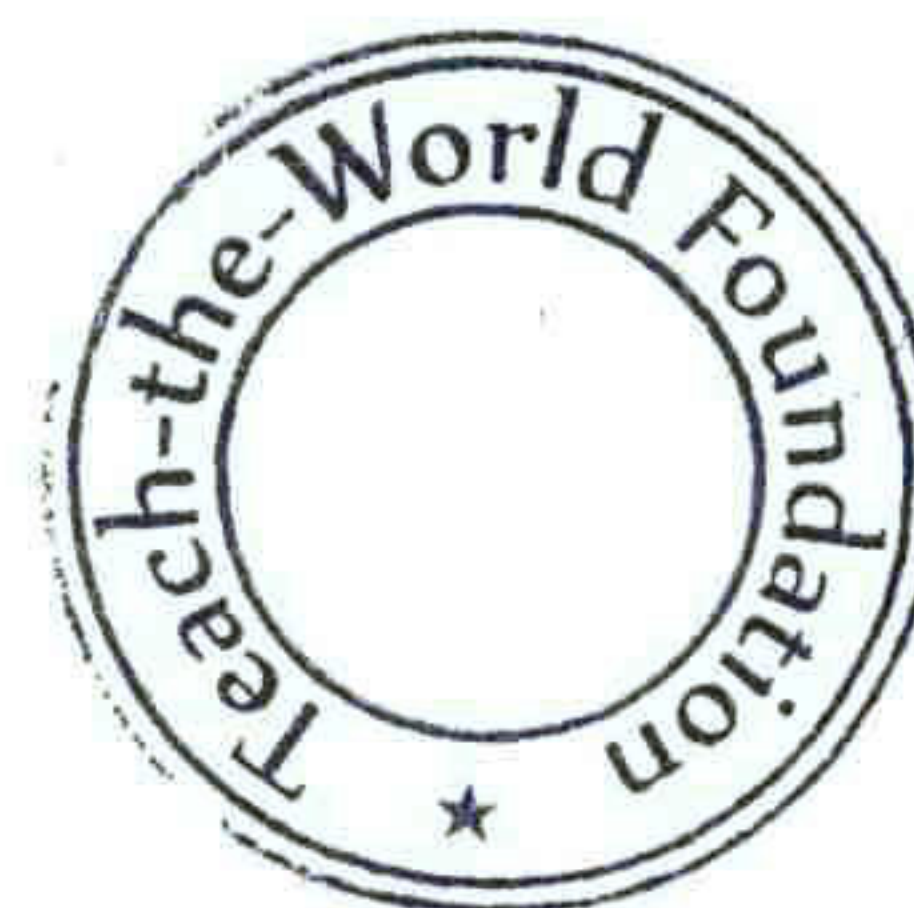
	2020 Rupees	2019 Rupees
5 INCOME TAX ASSET		
Income tax withheld during the year	<u>23,500</u>	
6 CASH & BANK BALANCES		
Cash in Hand	7,000	-
Cash at Bank	<u>152,400</u>	-
	<u>159,400</u>	<u>-</u>
7 CONTINGENCIES & COMMITMENTS		
During the year, Niether were commitments to the external parties of the Teach the world foundation which may arises with respect to any legal contract made by the company with those external parties nor any contingencies of the Teach the world foundation whose occurrence is dependent on the outcome of a specific future events.		
8 RECEIPTS		
Subcription received in account from the members of the Board	<u>461,400</u>	<u>7000</u>
	<u>461,400</u>	<u>7,000</u>
9 DIRECT EXPENSES		
Salaries	276,000	-
Depreciation	<u>36,786</u>	-
	<u>312,786</u>	<u>-</u>
10 ADMINISTRATIVE EXPENSES		
Legal and Professional	35,000	-
Miscellanoeous	5,000	-
Depreciation	<u>4,087</u>	-
	<u>44,087</u>	<u>-</u>

11 GENERAL

The figures have been rounded off to the nearest rupee.

The financial statements are authorized for issuance on _____.

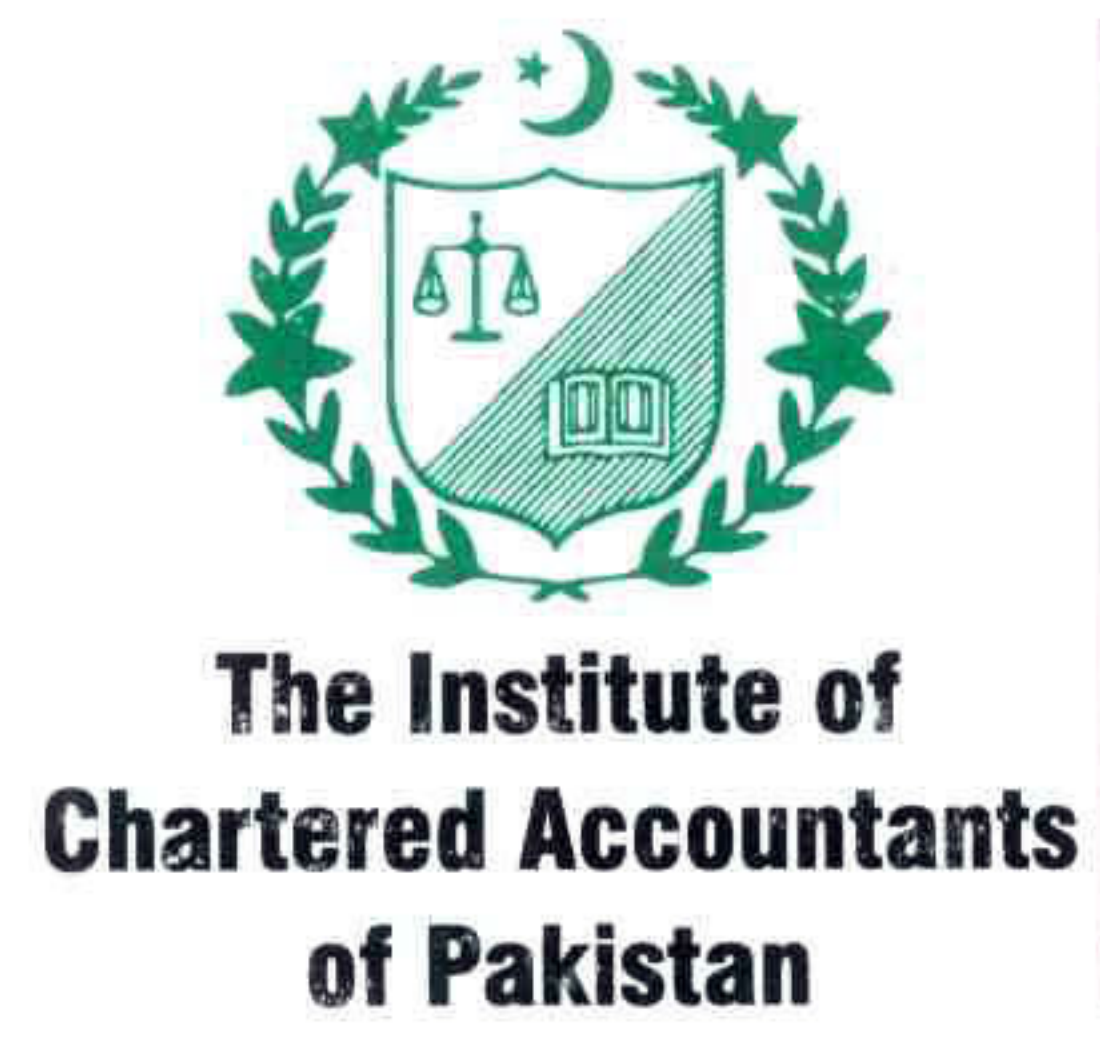
PRESIDENT



Navin Swaraj

TREASURER

AS



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Qasim Adeel & Co.

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