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**TEACH THE WORLD FOUNDATION
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**



Qasim Adeel & Co.



**The Institute of
Chartered Accountants
of Pakistan**

**CHARTERED
ACCOUNTANTS**



Qasim Adeel & Co.

Chartered Accountants



**The Institute of
Chartered Accountants
of Pakistan**

**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, 2021 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, 2021 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

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 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**.

Place: Islamabad

Dated:





QASIM ADEEL & CO.
(CHARTERED ACCOUNTANTS)

**TEACH THE WORLD FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021**

	Note	2021 Rupees	2020 Rupees
NON CURRENT ASSETS			
Property Plant & Equipments	4	1,407,368	231,624
CURRENT ASSETS			
Advances to Staff		196,837	145,500
Income Tax Asset	5	68,812	23,500
Cash and Cash Equivalent	6	3,633,989	159,400
		3,899,638	328,400
		5,307,006	560,024
NON - CURRENT LIABILITIES			
		-	-
CURRENT LIABILITIES			
Creditors & Withholding Tax payable	7	94,814	214,998
Contingencies & Commitments	8	-	-
		5,212,192	345,026
NET ASSETS		5,212,192	345,026
REPRESENTED BY		5,212,192	345,026
General fund		5,212,192	345,026

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

Dain Ismail

PRESIDENT



TREASURER

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**TEACH THE WORLD FOUNDATION
INCOME AND EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2021**

	NOTE	2021 Rupees	2020 Rupees
Receipts	9	16,102,961	461,400
Programme Expenses			
Direct expenses	10	9,390,065	312,786
Administrative Expenses	11	1,732,327	44,087
		11,122,392	356,874
Net surplus/(deficit) for the year		4,980,569	104,526

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

PRESIDENT

Naim Ismail

TREASURER



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**TEACH THE WORLD FOUNDATION
STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED 30 JUNE 2021**

	Accumulated Funds Rupees
Balance as at June 30, 2019	<u>7,000</u>
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>
Surplus/(Deficit) for the year	4,980,569
Restricted funds utilized during the year	(113,403)
	4,867,166
Balance as at June 30, 2021	<u><u>5,212,192</u></u>

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

PRESIDENT



Naim Ismail

TREASURER

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**TEACH THE WORLD FOUNDATION
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020
	Rupees	Rupees
CASHFLOWS FROM OPERATING ACTIVITIES		
Surplus for the period	4,980,569	104,526
Adjustment for non-cash items		
Depreciation	248,359	40,874
Operating surplus/(deficit) before working capital	5,228,928	145,400
Increase/decrease in current assets	(27,836)	(145,500)
Increase/decrease in current liabilities	(120,184)	214,998
	(148,020)	69,498
Net increase/(decrease) in working capital	5,080,908	214,898
Tax paid	(68,812)	(23,500)
Fund utilized from Reserve Fund	(113,403)	
Net cash used in operating activities	4,898,693	191,398
CASHFLOWS FROM INVESTING ACTIVITIES		
Fixed assets purchased	(1,424,104)	(38,998)
Net cash used in investing activities	(1,424,104)	(38,998)
CASHFLOWS FROM FINANCING ACTIVITIES	-	-
Net changes in cash and cash equivalents	3,474,589	152,400
Cash and cash equivalents at the beginning of the year	159,400	7,000
Cash and cash equivalents at the end of the year	3,633,989	159,400

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

PRESIDENT



TREASURER

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Handwritten signature of the President

**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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.

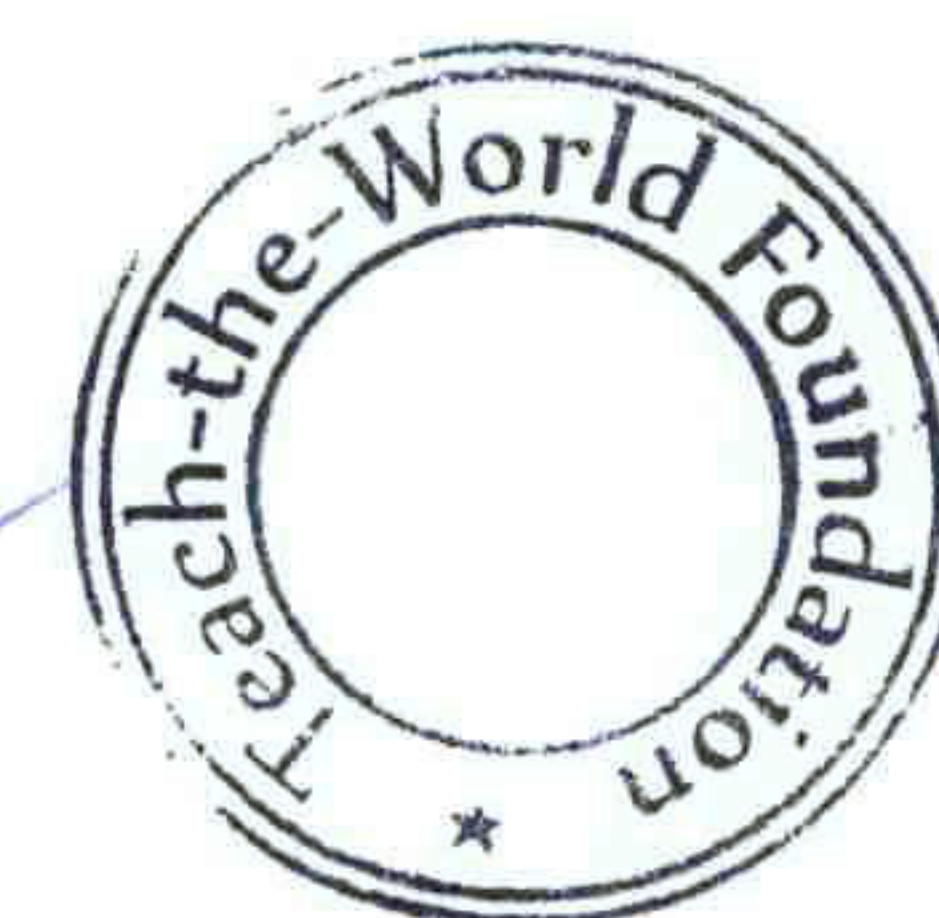
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that year, or in the year of the revision and any future year affected.

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/Suwayf



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**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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.





**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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, 2021**

4 PROPERTY PLANT AND EQUIPMENTS

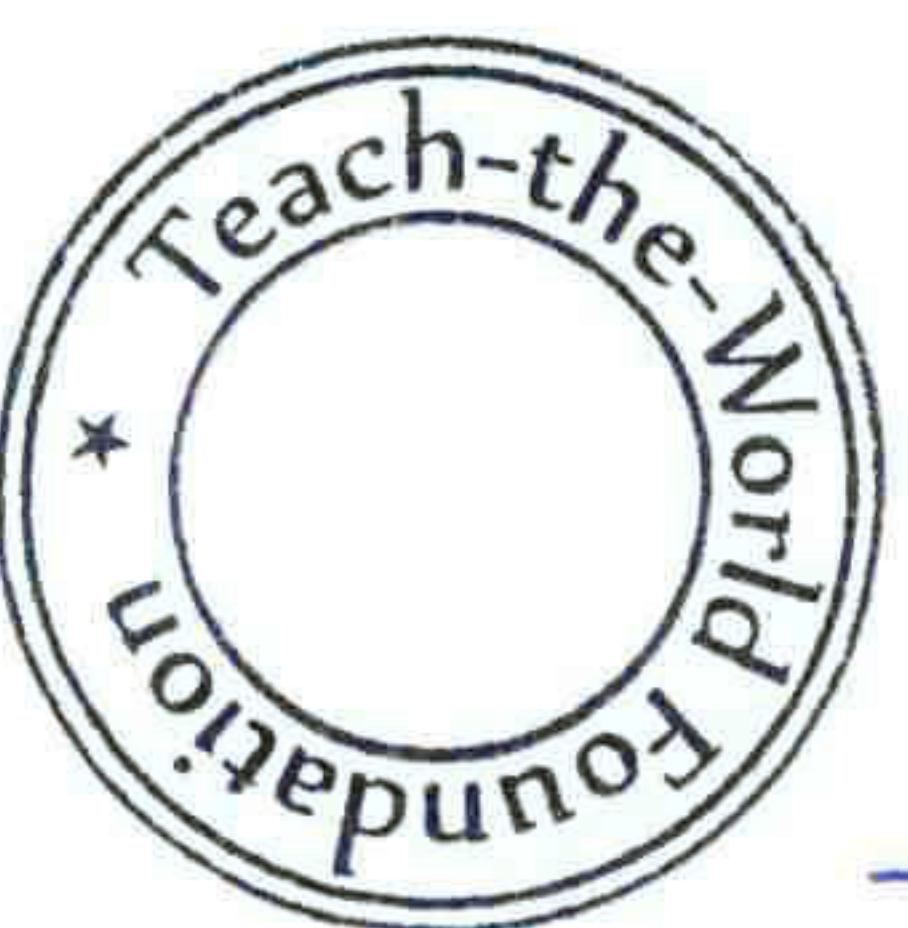
DESCRIPTION	COST			Rate %	Depreciation			WDV
	As at 01 July 2020	Additions / (Deletion)	As at June 30 2021		As at 01 July 2020	For the year	As at June 30 2021	
	----- (Rupees) -----							
Computer and accessories	25,970	105,000	130,970	15%	3,896	19,061	22,957	108,013
Furniture & Fixture	59,672	321,888	381,560	15%	8,951	55,891	64,842	316,718
Electronic Appliances	186,856	997,216	1,184,072	15%	28,028	173,407	201,435	982,637
2021	272,498	1,424,104	1,696,602		40,875	248,359	289,234	1,407,368

DESCRIPTION	COST			Rate %	Depreciation			WDV
	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	
	----- (Rupees) -----							
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

Allocation of depreciation
Direct Expenses
Administrative Expenses

	2021	2020
Rupees	223,523	36,786
Rupees	24,836	4,087
	<u>248,359</u>	<u>40,874</u>

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**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020
	Rupees	Rupees
5 Income Tax Asset		
Income Tax Asset	68,812	23,500
6 CASH & BANK BALANCES		
Cash at Bank	3,633,989	152,400
Cash in Hand	-	7,000
	3,633,989	159,400
7 ACCRUED AND OTHER LIABILITIES		
Creditors	27,000	214,998
Withholding tax payable	67,814	-
	94,814	214,998
8 CONTINGENCIES & COMMITMENTS		
During the year, there were no 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.		
9 RECEIPTS		
Subscription from members	-	461,400
Grant from TRG	3,218,148	-
Grants from Mrs. Alqera Atiq, Member Board of Governance	800,000	-
Grants from Mr. Imran Sayeed, Chairman	11,926,890	-
Grants from Jinnah Junior School	10,500	-
Grants from General Public	130,000	-
Profit on Debt	17,423	-
	16,102,961	461,400
10 DIRECT EXPENSES		
Salaries	8,653,230	276,000
Office Supplies	94,800	-
Utlity Bills	54,695	-
Printing and Stationary	6,520	-
Meal and Entertainment	1,794	-
Transportation	120,996	-
Rent	212,000	-
Depreciation	223,523	36,786
Misc. Expense	22,507	-
	9,390,065	312,786

Naim (Smayf)



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**TEACH THE WORLD FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>2021</u> <u>Rupees</u>	<u>2020</u> <u>Rupees</u>
11 ADMINISTRATIVE EXPENSES		
Rent	595,000	-
Printing & Stationary	17,475	-
Courier Charges	8,050	-
Fee and Subscription	55,000	-
Legal and Professional Charges	328,000	35,000
Depreciation	24,836	4,087
Bank Charges	6,893	-
Office supplies	23,450	-
Repair and Maintenance	460	-
Advertisement	673,163	-
Miscellaneous	-	5,000
	<u><u>1,732,327</u></u>	<u><u>44,087</u></u>

12 GENERAL

- The figures have been rounded off to the nearest rupee.
- The financial statements are authorized for issuance on _____.

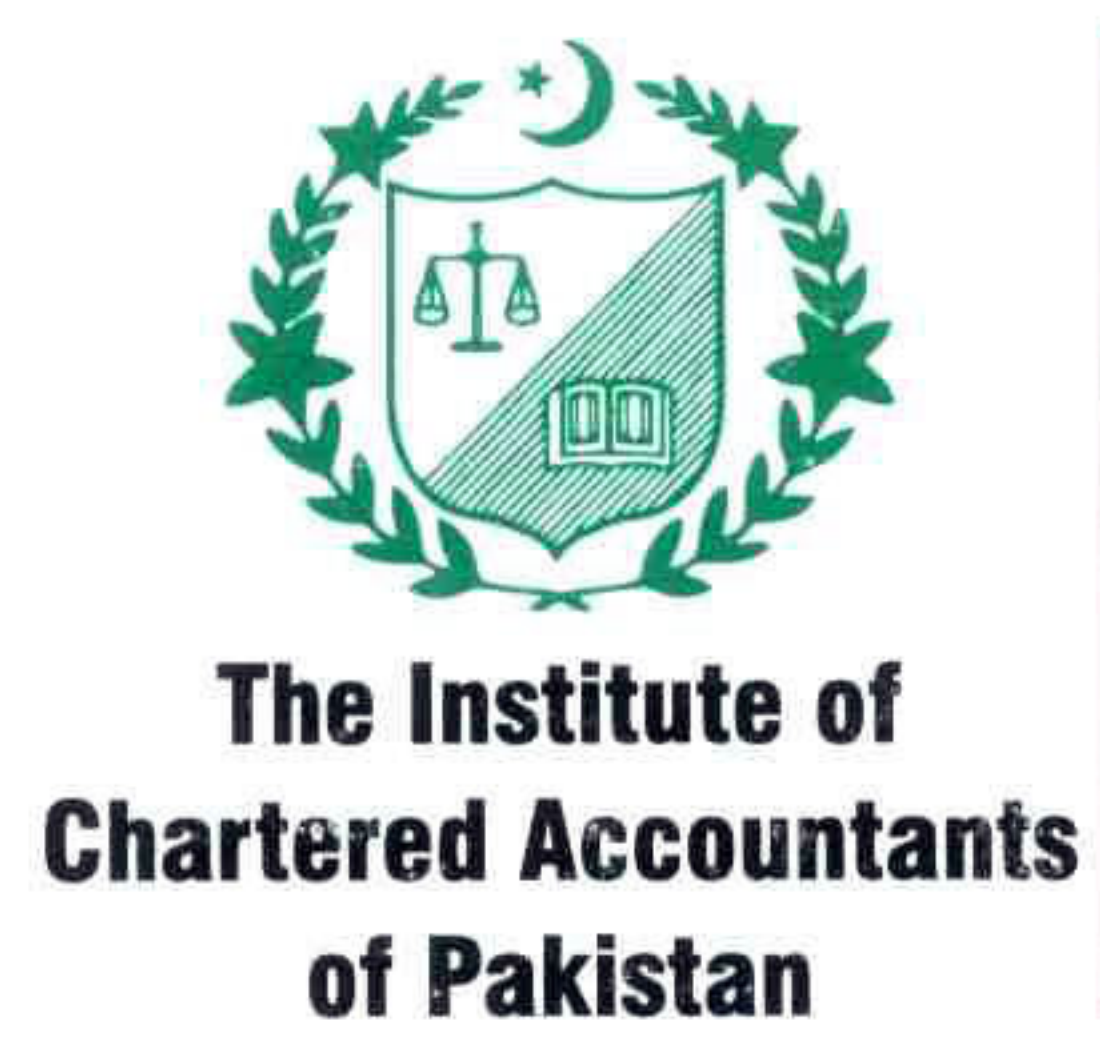
Naim Ismail

PRESIDENT

TREASURER



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**CHARTERED
ACCOUNTANTS**



Qasim Adeel & Co.

Audit | Tax | Accounting | Advisory | Litigation

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