



**J.A.S.B & Associates**  
Chartered Accountants

Mezzanine floor, Khumrial Center,  
I&T Center, G-8/4, ISLAMABAD  
Phone: +92(51)2253303-6  
Fax: +92(51)2253307  
Email: [contact@jasb-associates.com](mailto:contact@jasb-associates.com)  
Web: [www.jasb-associates.com](http://www.jasb-associates.com)  
Other Location: Karachi

**Ref: Audit/22/538**

**Date: June 30, 2022**

Executive Council  
GIKI Alumni Association  
Islamabad.

Dear Sir,

**Subject: GIKI Alumni Association Audit for the year ended June 30, 2021**

Please refer to our letter no. Audit/22/217 dated November 16, 2021 providing initialed audit report along with initialed financial statements for identification purposes, of GIKI Alumni Association Audit for the year ended June 30, 2021. As the financial statements have been approved and duly signed by the President and Vice President Finance, we are pleased to sign the audit report. Please find enclosed signed audit report along with the financial statements for your record.

Finally, we wish to express our appreciation for the co-operation and courtesy extended to us by the management and other staff members in accomplishing our task.

Yours truly

*J.A.S.B. & Associates*

**J.A.S.B. & Associates**  
Chartered Accountants





## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GIKI ALUMNI ASSOCIATION

### Opinion

We have audited the financial statements of GIKI Alumni Association (the Society), which comprise the statement of financial position as at June 30, 2021, and statement of income and expenditure 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 present fairly, in all material respects, the financial position of the Society as at June 30, 2021, and its financial performance for the year then ended in accordance with the accounting policies described in note 3 to the financial statements.

### 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 Society 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 management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting policies described in note 3 to the financial statements and for such internal control as the management determine 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 Society's ability to continue as a going concern, disclosing, as applicable, matters related to going

منی



concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

ط



- 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 the 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 Mr. Arsalan Vardag (FCA).

J.A.S.B. & Associates  
Chartered Accountants  
Date: 30 JUN 2022  
Place: Islamabad




Signature

GIKI ALUMNI ASSOCIATION  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2021

ASSETS	Note	<u>2021</u> Rupees	<u>2020</u> Rupees
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	17,464	26,066
Investment	5	-	1,500,000
<b>CURRENT ASSETS</b>			
Advance Income Tax	6	14,758	-
Cash and Cash Equivalents	7	18,529,128	8,108,512
<b>TOTAL ASSETS</b>		<u><u>18,561,350</u></u>	<u><u>9,634,578</u></u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Deferred Liability	8	18,490,590	9,576,578
<b>CURRENT LIABILITIES</b>			
Accrued and Other Payables	9	70,760	58,000
<b>CONTINGENCIES AND COMMITMENTS</b>	10	-	-
<b>TOTAL LIABILITIES</b>		<u><u>18,561,350</u></u>	<u><u>9,634,578</u></u>

The annexed notes 1 to 17 form an integral part of these financial statements.

  
\_\_\_\_\_  
PRESIDENT

  
\_\_\_\_\_  
VICE PRESIDENT FINANCE

GIKI ALUMNI ASSOCIATION  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
<b>INCOME</b>			
Donation		22,352,458	12,575,187
Other Income	11	99,356	32,041
		<b>22,451,814</b>	12,607,227
<b>EXPENDITURE</b>			
Direct Expenses	12	21,412,739	11,846,724
Administrative and General Expenses	13	1,035,200	741,035
Finance Cost	14	3,875	19,468
		<b>22,451,814</b>	12,607,227
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		-	-

The annexed notes 1 to 17 form an integral part of these financial statements.

Vis

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
VICE PRESIDENT FINANCE

**GKI ALUMNI ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**1 THE SOCIETY AND ITS OPERATIONS**

GKI Alumni Association (the Society) is registered under the Societies Act, 1860 as on November 24, 2003. The registered office of the Society is located at Mezzanine floor, Pak Pavilions, 65-E, A.K Fazal Haq Road, G-7 Blue Area Islamabad.

The principle objective of the GKI Alumni Association (the Society) is to promote the interests and welfare of Ghulam Ishaq Khan Institute of Engineering Sciences and Technology (the Institute), its alumni, deserving students and other deserving in the education sector. The Society provides a critical link between the alumni and the Institute and is supported exclusively by member contributions, donations and volunteer support.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These financial statements have been prepared under the historical cost convention on the basis of significant accounting policies described in Para 3.

**2.2 Basis of Measurement**

These financial statements have been prepared under the historical cost convention.

**2.3 SIGNIFICANT ACCOUNTING ESTIMATES**

The preparation of financial statements is in conformity with the Revised Accounting and Financial Reporting Standard for Small-Sized Entities issued by the Institute of Chartered Accountants of Pakistan which requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are based on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

**(a) Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises acquisition and other directly attributable costs.

**(b) Depreciation**

Depreciation is charged to statement of income and expenditure on reducing balance method. Depreciation on additions to property, plant and equipment is charged from the month in which an item is put to use while no depreciation is charged for the month in which the item is derecognized / disposed off.

**(c) Provisions and Contingencies**

A provision is recognized as a result of past event, the Trust has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

Where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation can not be measured with sufficient reliability, it is disclosed as contingent liability.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied in preparation of these financial statements.

**3.1 Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises acquisition and other directly attributable costs.

54

### **3.2 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash in hand, cash with banks on current or saving and deposit accounts, with maturities of three months or less from acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Trust in the management of its short term commitments.

### **3.3 Accrued and Other Payables**

Accrued and other payables are stated at their cost.

### **3.4 Income**

Donations are recognized as income on accrual basis to the extent of expenses recognized. Any surplus/deficit is recognized in deferred liabilities.

### **3.5 Advances and Other Receivables**

Advances and Other Receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

### **3.6 Taxation**

Income tax represents current tax expense. Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates, if any and minimum tax under the provisions of Income Tax Ordinance, 2001, whichever is higher.

### **3.7 Related Party Transactions**

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the Board of Trustees, it is in the interest of the Trust to do so.

5



4 Property, Plant & Equipment

Particulars	Computer & Accessories	Total
	-----Rupees-----	
<b>As at June 20, 2019</b>		
Cost	51,700	51,700
Accumulated Depreciation	(12,796)	(12,796)
<b>Net Book Value</b>	<b>38,904</b>	<b>38,904</b>
<b>Year ended June 30, 2020</b>		
Opening net book value	38,904	38,904
Additions	-	-
Disposals	-	-
-Cost	-	-
-Depreciation	-	-
Depreciation charge	(12,838)	(12,838)
<b>Closing net book value</b>	<b>26,066</b>	<b>26,066</b>
<b>As at June 20, 2020</b>		
Cost	51,700	51,700
Accumulated Depreciation	(25,634)	(25,634)
<b>Net Book Value</b>	<b>26,066</b>	<b>26,066</b>
<b>Year ended June 30, 2021</b>		
Opening net book value	26,066	26,066
Additions	-	-
Disposals	-	-
-Cost	-	-
-Depreciation	-	-
Depreciation charge	(8,602)	(8,602)
<b>Closing net book value</b>	<b>17,464</b>	<b>17,464</b>
<b>As at June 30, 2021</b>		
Cost	51,700	51,700
Accumulated Depreciation	(34,236)	(34,236)
<b>Net Book Value</b>	<b>17,464</b>	<b>17,464</b>
<b>Depreciation Rate</b>	<b>33%</b>	

-39

GIKI ALUMNI ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
<b>5 Investment</b>			
TDR Investment		-	1,500,000
		<u>-</u>	<u>1,500,000</u>
<b>6 Advance Income Tax</b>			
Opening Balance		-	-
Income tax withheld during the year		14,758	-
Provision for the year		-	-
Closing Balance		<u>14,758</u>	<u>-</u>
<b>7 Cash and Cash Equivalents</b>			
Cash in Hand		7,377	4,170
Cash at Bank - Current Account			
- Local Currency		<u>18,521,751</u>	<u>8,104,342</u>
		<u>18,529,128</u>	<u>8,108,512</u>
<b>8 Deferred Liability</b>			
Opening Balance		9,576,579	5,183,999
Donation Received during the Year		31,266,470	16,967,765
Less: Donation Recognized as Income		<u>(22,352,458)</u>	<u>(12,575,186)</u>
Closing Balance		<u>18,490,590</u>	<u>9,576,579</u>
<b>9 Accrued and Other Payables</b>			
Audit Fee Payable		69,600	58,000
Withholding Income Tax Payable		<u>1,160</u>	<u>-</u>
		<u>70,760</u>	<u>58,000</u>
<b>10 Contingencies and Commitments</b>			
There are no significant contingencies and commitments as at June 30, 2021.			
	Note	2021 Rupees	2020 Rupees
<b>11 Other Income</b>			
Profit on Investment		<u>99,356</u>	<u>32,041</u>
		<u>99,356</u>	<u>32,041</u>
<b>12 Direct Expenses</b>			
Disbursement to Beneficiaries		<u>21,412,739</u>	<u>11,846,724</u>
		<u>21,412,739</u>	<u>11,846,724</u>
<b>13 Administrative and General Expenses</b>			
Salaries and Other Benefits		729,500	630,000
Auditor's Remuneration	13.1	162,400	58,000
Operations		70,754	17,750
Miscellaneous Expense		30,000	-
Communication		18,450	-
Travelling		11,494	14,860
Depreciation	4	8,602	12,838
Postage and Mailing		2,500	1,000
Printing and Copying Expense		<u>1,500</u>	<u>6,587</u>
		<u>1,035,200</u>	<u>741,035</u>

J

	2021 Rupees	2020 Rupees
<b>13.1 Auditor's Remuneration</b>		
Audit fee	69,600	58,000
Taxation and Consultancy Services	92,800	-
	<b>162,400</b>	<b>58,000</b>
<b>14 Finance Cost</b>		
Bank Charges	3,875	19,468
	<b>3,875</b>	<b>19,468</b>
<b>15 Number of Employees</b>	<b>2021</b>	<b>2020</b>
Number of Employees at year end	1	1
Average Number of Employees at year end	1	1


**16 General**

Figures have been rounded off to the nearest Rupee.

**17 Date of Authorization**

These financial statements were authorized for issue by the Members of the Society in their meeting held on

22 JUN 2022

  
 \_\_\_\_\_  
 PRESIDENT

  
 \_\_\_\_\_  
 VICE PRESIDENT FINANCE