MADRESSA TAHFEEZ-UL-QURAN
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2023

MADRESSA TAHFEEZ-UL-QURAN

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Independent Auditor's Report to the Trustees

Opinion

We have audited the financial statements of **Madressa Tahfeez Ul Quran** which comprises of cash receipts and disbursements account for the year ended June 30, 2023, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements of the **Madressa Tahfeez Ul Quran** is prepared, in all material respects, in accordance with cash receipts and disbursements basis of accounting described in note 2.1 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 entity 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

The management is responsible for the preparation of the financial statements in accordance with cash receipts and disbursements basis of accounting described in note 2.1 to the financial statements. and for such internal control as the management determines is necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Managementis responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

The management is responsible for overseeing the entity'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 entity's internal controls.

- 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 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 entity'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 entity to cease to continue as a going concern.

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 controls that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is **Azeem H. Siddiqui – FCA.**

Naveed Zafar Ashfaq Jaffery & Co
Chartered Accountants

Karachi
Dated : January 8, 2024
UDIN : AR2023102322ohJwL7nU

MADRESSA TAHFEEZ-UL-QURAN
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	2023	2022
		Rupees	
NON-CURRENT ASSETS			
Property and equipment	3	26,079,500	25,862,646
Intangible		25,000	25,000
		26,104,500	**25,887,646**
CURRENT ASSETS			
Loans and advances	4	3,155,450	5,321,300
Other receivables	5	1,282,413	2,232,413
Cash and bank balances	6	25,527,401	16,886,384
		29,965,264	**24,440,097**
Total Assets		**56,069,764**	**50,327,743**
CURRENT LIABILITIES			
Accrued and other payables	7	(13,709,459)	(2,859,613)
CONTINGENCIES AND COMMITMENTS	8		
		42,360,305	**47,468,130**
REPRESENTED BY			
GENERAL FUND	9	42,360,305	47,468,130
		42,360,305	**47,468,130**

The annexed notes from 1 to 11 form an integral part of these financial statements.

PRESIDENT

TREASURER

MADRESSA TAHFEEZ-UL-QURAN
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023	2022
		------------------Rupees------------------	
INCOME			
Donations-general		2,035,510	2,489,840
Zakat		13,457,180	12,065,835
Sadqa		5,002,463	5,248,062
Charity		235,820	99,300
Fitra		4,531,130	3,613,115
Fidia		772,900	551,450
Charm.e.qurbani (Hides)		7,424,690	1,126,520
Ijtemaee qurbani receipts		38,448,210	27,743,100
Donations for construction		74,900	1,574,850
Nazira and hifz fees		2,874,407	2,101,100
Donations in kind		16,951,974	11,208,809
Other income		782,475	488,539
Total Income		92,591,659	68,310,520
EXPENDITURE			
Salaries, stipends and allowances		24,259,839	21,395,314
Boarding and kitchen		18,687,866	11,435,126
Printing and stationary		575,737	484,069
Medicine		311,263	219,968
Conveyance and cartrage		158,104	168,550
Repair and maintenance		445,517	319,966
Utilities		2,323,485	2,463,183
Depreciation		2,380,427	2,302,385
Computer software expense		172,010	142,260
Bank/ financial charges		25	5,118
Ijtemaee qurbani expense		46,084,253	19,603,205
Students fees		142,000	100,200
Cost for charm e qurbani (hides)		744,170	541,480
Courier		22,142	40,526
Examination fees		248,410	136,350
Registration and renewal fees		230,400	211,600
Audit fee and others		50,000	50,000
Miscellaneous		863,834	545,038
Total Expenses		97,699,483	60,164,337
Surplus transferred to general fund		(5,107,824)	8,146,183

The annexed notes from 1 to 11 form an integral part of these financial statements.

PRESIDENT

TREASURER

MADRESSA TAHFEEZ-UL-QURAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. NATURE OF THE BUSINESS

The Trust of Madressa Tehfeez-ul-Quran (the Madressa) was established on April 30, 1988 with the registered office at Jamia Masijd Goal Market, Nazimabad No.3, Karachi. It has been registered under Societies Act XXI of 1860 with registration No. KAR.1030.The object is to provide an atmosphere of religious learning and to impart teaching of Holy Quran for the common benefit of Muslim community.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

These financial statements have been prepared on the basis of receipts and payments of cash as followed in previous year except accrual of fee receivables and audit fee.

2.2 Accounting convention

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

2.3 Revenue recognition

Revenues are recorded in the books when received. Donations, zakat and sadqa received in kind are recorded in the books at their current market values.

2.4 Property and Equipment

These are stated at cost less accumulated depreciation. Depreciation is charged at reducing balance method, Depreciation for the year is charged in full in the year of purchase and none in the year of sale.Maintenance and normal repairs are charged as revenue expenditure during the year.

Capital work in progress is stated at cost.

Gains and losses on disposal of fixed assets, if any , are taken to income currently.

3. PROPERTY AND EQUIPMENT

The following is a statement of operating tangible fixed assets:

PARTICULARS	COST				DEPRECIATION				NET BOOK VALUE AS AT JUNE 30, 2023	Dep Rate
	July 1, 2022	Additions	Disposals	June 30, 2023	July 1, 2022	Charge for the year	Adjustment	June 30, 2023		
	-----------------Amount in Rupees-----------------									
Building	30,750,181	1,114,670	-	31,864,851	9,787,796	1,103,853	-	10,891,649	20,973,202	5%
Shop	103,856	-	(103,856)	-	-		-	-	-	0%
Furniture and fixture	3,141,702	121,912	-	3,263,614	2,071,821	238,359	-	2,310,180	953,434	20%
Equipment	4,593,696	869,589	-	5,463,285	2,019,975	688,662	-	2,708,637	2,754,648	20%
Books	2,584,273	256,037	-	2,840,310	1,878,290	192,404		2,070,694	769,616	20%
Generator	540,508	-	-	540,508	478,919	12,318	-	491,237	49,271	20%
Kitchen accessories	228,766	-	-	228,766	136,213	18,511	-	154,724	74,042	20%
Vehicle-Motor cycle	-	52,230	-	52,230	-	10,446	-	10,446	41,784	20%
Computer	1,129,894	286,700	-	1,416,594	837,216	115,876	-	953,092	463,502	20%
2023	43,072,876	2,701,138		45,670,158	17,210,229	2,380,427	-	19,590,658	26,079,500	
2022	37,386,057	5,686,819	-	43,072,876	14,907,844	2,302,385	-	17,210,230	25,862,646	

3.1 * Building has been constructed on a plot of land belonging to Auqaf Administration.

	Notes	2023	2022
4. LOANS AND ADVANCES		-------------Rupees------------	
Loan to employees		1,038,000	321,300
Advance to supplier / Credit customers	4.1	2,117,450	5,000,000
		3,155,450	**5,321,300**

4.1 The following advances has been made to mr.akhtar mughal and mr.mursaleen (cow supplier).

		2023	2022
5	**OTHER RECEIVABLE**	-------------Rupees-----------	
	Gas bills	19,026	19,026
	Receivable from purchaser of land	1,250,000	2,200,000
	K-electric bills	13,387	13,387
		1,282,413	**2,232,413**
6	**CASH AND BANK BALANCES**		
	Cash in hand	1,111,621	373,301
	Cash at bank- on current account	24,415,780	16,513,083
		25,527,401	**16,886,384**
7.	**ACCRUED AND OTHER PAYABLES**		
	Audit fees payable	100,000	50,000
	Salary and other payable	**1,847,507**	1,722,461
	Qurbani cow supplier	**10,430,000**	-
	Master electronics solar system	-	200,000
	Tehfeez employee fund	**1,331,952**	887,152
		13,709,459	**2,859,613**

8. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments for the year ended June 30, 2023.(2022: Nil)

9. GENERAL FUND

	2023	2022
Balance as at July 01, 2022	47,468,130	39,321,946
Transferred from Statement of income and expenditure	(5,107,824)	8,146,183
Balance as at June 30, 2023	**42,360,305**	**47,468,130**

10 TRANSACTION AND BALANCES WITH RELATED PARTY

Related parties comprise members of the Trust, their close family members and other key management personnel. Details of transactions and balances with related parties during the period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Transactions during the year:	2023	2022
	-------------Rupees-----------	
Salaries paid to members during the year	**2,287,836**	**1,959,107**
Loan provided to member	**15,000**	**133,930**
Recovery of loan provided	**85,000**	**117,880**

11 DATE OF AUTHORIZATION

These financial statements were authorized for issuance on 08 JAN 2024 by the Board of trustees.

PRESIDENT

TREASURER