

Rising Sun Education & Welfare Society
Financial Statement
For the year ended 30th June 2024

INDEPENDENT AUDITOR'S REPORT

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To the Executive Committee of Rising Sun Education & Welfare Society

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Rising Sun Education & Welfare Society** (the Society), which comprise the statement of financial position as at June 30, 2024, and the income and expenditure account, the statement of changes in fund balances, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion accompanying financial statements present fairly in all material respects, the financial position of the society as at June 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Sized Entities issued by International Accounting Standards Board as applicable in Pakistan and Accounting Standards for Not-For-Profit Organizations issued by the Institute of Chartered Accountants of 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 Society in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (the Code) 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 Board of Directors for the Financial Statements

The Executive Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standard for Small and Medium Sized Entities issued by International Accounting Standards Board as applicable in Pakistan and Accounting Standards for Not-For-Profit Organizations issued by the Institute of Chartered Accountants of Pakistan, and for such internal controls as the Society determines is necessary to enable the preparation of financial statements that are free from material misstatement, due to fraud or error.

In preparing the financial statements, the Executive Committee is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.



The Executive Committee is 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 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.
- 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, 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 Imran Afzal.



Chartered Accountants

Lahore

Date: December 20, 2024

UDIN: AR202410212H7St95WX8

Rising Sun Education & Welfare Society
Statement of Financial Position
As at 30 June 2024

ASSETS	Note	2024 Rupees	2023 Rupees
<u>Non-current assets</u>			
Property and equipment	4	261,069,258	256,012,829
<u>Current assets</u>			
Advances, deposits and other receivables	5	12,833,392	10,875,712
Short term investments	6	146,500,000	161,994,000
Cash and bank balances	7	86,857,385	9,445,323
		246,190,777	182,315,035
		507,260,035	438,327,864
FUNDS AND LIABILITIES			
<u>Funds</u>			
General Fund		94,327,886	52,232,121
Zakat Fund		124,198,077	101,129,716
Endowment Fund		50,234,595	50,184,595
		268,760,558	203,546,432
<u>Non Current liabilities</u>			
Deferred Grants-capital assets	8	217,984,848	221,749,442
<u>Current liabilities</u>			
Trade and other payables	9	20,514,629	13,031,990
		507,260,035	438,327,864
Contingencies and commitments	10		

The annexed notes 1 to 22 form an integral part of these financial statements.

4/11/24

Lahore

Per Tauwab.
President

Shahzad Tauwab
General Secretary

Rising Sun Education & Welfare Society

Income and Expenditure Account

For the year ended 30th June 2024

		Society	Zakat (Restricted)	Total	Total
			2024		2023
Note		Rupees	Rupees	Rupees	Rupees
Income					
Grants - Punjab Welfare Trust	11	1,580,000	-	1,580,000	3,415,640
Donations	12	133,938,376	-	133,938,376	108,707,333
Grants- restricted		5,900,000	-	5,900,000	12,282,977
Zakat - restricted	13	-	53,725,281	53,725,281	60,874,031
Parents contribution- unrestricted		21,009,669	-	21,009,669	17,973,252
Other income - unrestricted	14	49,699,336	-	49,699,336	27,933,854
Amortization of deferred grants	8	12,745,094	-	12,745,094	11,182,220
		224,872,475	53,725,281	278,597,756	242,369,307
Direct expenses	15	(147,697,380)	(30,656,920)	(178,354,300)	(159,606,707)
Gross Surplus for the year		77,175,095	23,068,361	100,243,455	82,762,600
Administrative expenses	16	(34,388,071)	-	(34,388,071)	(25,074,956)
Other expenses	17	(641,259)	-	(641,259)	(1,145,782)
Net Surplus for the year		42,145,765	23,068,361	65,214,125	56,541,862

The annexed notes 1 to 22 form an integral part of these financial statements.

Lahore

Perveneh Tawwab
President

Shahid Tawwab
General Secretary