



# Elahi Law Associates

LAW & MANAGEMENT CONSULTANTS

## AUDITOR'S REPORT

We have audited the annexed Balance Sheet of **THE SOCIETY OF ACCOUNTING EDUCATION** for the year ended **June 30, 2021**, and the related income and expenditure account and cash flow statement together with the notes forming part thereof for the year then ended. It is the responsibility of the management to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express our opinion on these financial statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly in all material respects the financial position of **THE SOCIETY OF ACCOUNTING EDUCATION** as at **June 30, 2021** and of its deficit and cash flow for the year then ended, in accordance with the approved accounting standards as applicable in Pakistan.

Place: *Lahore*

Date: *14/09/2021*

*Muhammad  
Jawad*



**THE SOCIETY OF ACCOUNTING EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**1. The Company ("The Society"), its operations and the registered office**

The Society of Accounting Education ("the Society") has been established in August 2010 under a license from Registrar Joint Stock Companies, Lahore, Punjab, Pakistan under the Societies Registration Act 1860 (Section XXI).

The objects of the Society are the promotion of the accounting profession through increasing knowledge, skill and proficiency for the Society's members and students, to protect and promote the society welfare and interest and to devise and impose means for testing the qualifications of the candidates for admission to the Society as members and for fitness, practice and character, subject to any statute in this behalf to practice accountancy.

The registered office of the company is at E-146/2, Street # 6, Yasrab Colony, Walton Road, Lahore Cantt. Punjab, Pakistan.

**2. Summary of significant accounting policies**

**2.1 Basis of preparation**

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

**2.2 Revenue recognition**

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the company (Society) and the amount of revenue and the associated cost incurred or to be incurred can be measured reliably, on the following bases:

- (i) Membership fee is recognized on receipt basis and when no significant uncertainty as to its collectivity exists.
- (ii) Interest income is recognized on a time proportion basis taking into account the principal outstanding and the interest applicable; and
- (iii) Tuition fee is recognized over the period of instruction.





### 2.3 Property and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any),

Depreciation is charged to income on reducing balance method. Full year depreciation is charged in the year of acquisition whereas no depreciation is charged in the year of disposal/de-recognition.

Gains and losses on disposal of fixed assets are included in income currently.

Maintenance and repairs are charged to profit and loss account as and when incurred.

### 2.4 Taxation

The income of the Society is subject to 100% tax credit in accordance with section 100 © of the Income Tax Ordinance 2001. Therefore, no provision for current and deferred taxation has been made in the financial statements.

### 2.5 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash with banks on current account.



Secretary  
The Society of Accounting Education  
Lahore.



President  
The Society of Accounting Education  
Lahore.



**THE SOCIETY OF ACCOUNTING EDUCATION**  
**BALANCE SHEET**  
**AS AT JUNE 30, 2021**

|                                | 2021<br>Rupees | 2020<br>Rupees |                           | 2021<br>Rupees | 2020<br>Rupees |
|--------------------------------|----------------|----------------|---------------------------|----------------|----------------|
| <b>CAPITAL AND LIABILITIES</b> |                |                | <b>ASSETS</b>             |                |                |
| <b>CAPITAL AND RESERVES</b>    |                |                | <b>NON-CURRENT ASSETS</b> |                |                |
| Accumulated profit/(loss)      | 36,948         | 61,668         | Property and equipments   |                |                |
| <b>CURRENT LIABILITIES</b>     |                |                | <b>CURRENT ASSETS</b>     |                |                |
| Other payables                 | 72,000         | 20,250         | Other receivables         | 11,739         | -              |
|                                | 108,948        | 81,918         | Cash and bank balances    | 53,499         | 29,306         |
|                                |                |                |                           | 65,288         | 29,306         |
|                                |                |                |                           | 108,948        | 81,918         |

*J. Akbar*  
 Secretary  
 The Society of Accounting Education  
 Lahore



*Ali Khan*  
 President  
 The Society of Accounting Education  
 Lahore

**THE SOCIETY OF ACCOUNTING EDUCATION  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2021**

|                                       | Note | 2021<br>Rupees  | 2020<br>Rupees |
|---------------------------------------|------|-----------------|----------------|
| <b>INCOME</b>                         |      |                 |                |
| Income from Programmes                |      | 162,000         | 483,744        |
|                                       |      | 162,000         | 483,744        |
| <b>EXPENDITURE</b>                    |      |                 |                |
| Salary, allowance and benefits        |      | 65,500          | 145,000        |
| Coordination and service expense      |      | 3,000           | 11,475         |
| Legal and professional charges        |      | 5,000           | 42,000         |
| Fee & subscription                    |      | -               | 4,000          |
| Rent, rate and taxes                  |      | 72,000          | 66,000         |
| Postage charges                       |      | 1,757           | 6,677          |
| Printing, stationery and photocopying |      | 4,400           | 3,996          |
| Repair and maintenance                |      | 8,370           | 17,416         |
| Seminar and refreshment               |      | 270             | 4,673          |
| Utility charges                       |      | 17,051          | 23,918         |
| Travelling and conveyance             |      | -               | 720            |
| Vehicle fuel and maintenance          |      | 420             | 9,220          |
| Depreciation                          |      | 8,952           | 5,909          |
|                                       |      | 186,720         | 341,004        |
| <b>Net Surplus</b>                    |      | <b>(24,720)</b> | <b>142,740</b> |
| Surplus Brought Forward               |      | 61,668          | (81,072)       |
| <b>Surplus Carried Forward</b>        |      | <b>36,948</b>   | <b>61,668</b>  |

The annexed notes 1 to 6 form an integral part of these financial statements.

  
(Secretary)

  
(President)

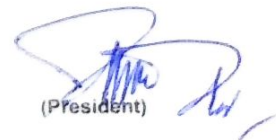




**THE SOCIETY OF ACCOUNTING EDUCATION  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2021**

|   | 2021<br>Rupees  | 2020<br>Rupees  |
|---|-----------------|-----------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                 |                 |
| Net Surplus/(Deficit) for the year                              | (24,720)        | 142,740         |
| <b>Adjustments for Non-Cash items:</b>                          |                 |                 |
| Depreciation  | 8,952           | 5,909           |
| <b>Cash flow from operations before working capital changes</b> | <b>(15,768)</b> | <b>148,649</b>  |
| <b>Changes in Working Capital</b>                               |                 |                 |
| Increase / (Decrease) in Other payable                          | 51,750          | (222,440)       |
| Decrease / (Increase) in Short term advances                    | (11,789)        | 2,232           |
| (Increase) in Other receivable                                  | -               | -               |
|   | 39,961          | (220,208)       |
| <b>Net Cash flows from operating activities</b>                 | <b>24,193</b>   | <b>(71,559)</b> |
| <b>Cash flows from investing activities</b>                     |                 |                 |
| Purchase of Property and equipment                              | -               | -               |
| <b>Net Cash used in investing activities</b>                    | <b>-</b>        | <b>-</b>        |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>     | <b>24,193</b>   | <b>(71,559)</b> |
| Cash and cash equivalents at the beginning of the year          | 29,306          | 100,865         |
| <b>Cash and cash equivalents at the end of the year</b>         | <b>53,499</b>   | <b>29,306</b>   |

  
(Secretary)

  
(President)







|                          |          |          |          |           |
|--------------------------|----------|----------|----------|-----------|
|                          |          |          | 11,133   | 38,271    |
|                          | 9,686    | 17,452   | 20,250   | 20,250    |
| Year ended June 30, 2020 |          |          |          |           |
| Opening net book amount  | -        | -        | -        | (5,909)   |
| Additions                | -        | -        | (2,227)  | 52,612    |
| Disposals                | (1,937)  | (1,745)  | 29,156   |           |
| Depreciation             | 7,749    | 15,707   |          |           |
| Net Book amount          |          |          |          |           |
|                          |          |          | 86,050   | 226,364   |
| At June 30, 2020         |          |          | (56,894) | (173,752) |
| Cost                     | 93,814   | 46,500   | 29,156   | 52,612    |
| Accumulated depreciation | (86,065) | (30,793) |          |           |
| Net Book amount          | 7,749    | 15,707   |          |           |
|                          |          |          | 29,156   | 52,612    |
| Year ended June 30, 2021 |          |          |          |           |
| Opening net book amount  | 7,749    | 15,707   | -        | -         |
| Additions                | -        | -        | -        | -         |
| Disposals                | -        | -        | (5,831)  | (8,952)   |
| Depreciation             | (1,550)  | (1,571)  | 23,325   | 43,660    |
| Net Book amount          | 6,199    | 14,136   |          |           |
|                          |          |          | 86,050   | 226,364   |
| At June 30, 2020         |          |          | (62,725) | (182,704) |
| Cost                     | 93,814   | 46,500   | 23,325   | 43,660    |
| Accumulated depreciation | (87,615) | (32,364) |          |           |
| Net Book amount          | 6,199    | 14,136   |          |           |

*A. Akbar*

(Secretary)

*Muhammad*

(President)



THE SOCIETY OF ACCOUNTING EDUCATION

|                                | 2021<br>Rupees | 2020<br>Rupees |
|--------------------------------|----------------|----------------|
| <b>5 Other receivables</b>     |                |                |
| Withholding Tax                | -              | -              |
| Advance to Staff               | 11,789         | -              |
|                                | <u>11,789</u>  | <u>-</u>       |
| <b>6 Cash and bank balance</b> |                |                |
| Cash in hand                   | -              | -              |
| Cash at bank-Current account   | 53,499         | 29,306         |
|                                | <u>53,499</u>  | <u>29,306</u>  |

*A. Abid*

Secretary  
The Society of Accounting Education  
Lahore.

*[Signature]*

President  
The Society of Accounting Education  
Lahore.

*M. Khawar*

