

**AUDITED FINANCIAL STATEMENTS**

**CHILDREN EMPOWERMENT FOUNDATION**

**(FOR THE PERIOD ENDED JUNE 30, 2025)**



## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CHILDREN EMPOWERMENT FOUNDATION

### Opinion

We have audited annexed the financial statements of **Children Empowerment Foundation** ("the Company"), which comprise the Statement of Financial Position as at 30 June 2025, Statement of Income and Expenditure, Statement of Changes in Fund and Statement of Cash Flows for the period then ended, and notes to the financial statements, including summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements present fairly in all material respects, the financial position of the Company as at 30 June 2025 and its financial performance for the year then ended in accordance with the accounting policies described in note 2 of 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 Company 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 the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan and for such internal controls as the 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Company'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 Company'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 Company'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 Company 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. *MU*

*Muhammad Umair & Co*  
Muhammad Umair & Co.  
Chartered Accountant

Engagement Partner:  
Muhammad Umair



UDIN: AR202510411hD3Pm6I4s

Date: 30<sup>th</sup> December 2025

Islamabad

**CHILDREN EMPOWERMENT FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2025**

	30 June 2025 (Rupees)
<b>ASSETS</b>	
<b>TOTAL ASSETS</b>	-
<b>FUND AND LIABILITIES</b>	
Accumulated fund	(28,000)
<b>Current Liabilities</b>	(28,000)
Audit fee payable	28,000
<b>TOTAL EQUITY AND LIABILITIES</b>	-

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

  
EXECUTIVE DIRECTOR

  
DIRECTOR

**CHILDREN EMPOWERMENT FOUNDATION  
STATEMENT OF CHANGES IN FUND  
FOR THE PERIOD ENDED JUNE 30, 2025**

Particulars	General funds	Restricted funds	Accumulated Surplus / (Deficit)	Total Funds
Balance as at May 23, 2025	-	-	-	-
Funds received during the period	-	-	-	-
Income recognized / expenses made during the period	-	-	(28,000)	(28,000)
<b>Balance as at June 30, 2025</b>	<b>-</b>	<b>-</b>	<b>(28,000)</b>	<b>(28,000)</b>

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

  
EXECUTIVE DIRECTOR

  
DIRECTOR

**CHILDREN EMPOWERMENT FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED JUNE 30, 2025**

	For the period ended 30 Jun 2025 (Rupees)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Deficit for the period	(28,000)
Adjustments for non-cash charges and other items:	
Operating cash flows before working capital changes	(28,000)
Working capital changes	
Increase / (decrease) in current liabilities	28,000
Cash generated from operations	28,000
Net cash from operating activities	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Net cash used in investing activities	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Net increase in cash and cash equivalents during the period	-
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	-

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

  
**EXECUTIVE DIRECTOR**

  
**DIRECTOR**

**CHILDREN EMPOWERMENT FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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**1 THE COMPANY AND ITS OPERATIONS**

- 1.1 Children Empowerment Foundation is registered under Section 42 of Companies Act, 2017 as on May 23, 2025. The registered office of the Company is located at Islamabad.
- 1.2 The principal activity of the Company is to establish and operate educational institutions, including schools, colleges and computer literacy centres, to promote education and literacy, subject to approval of the competent authorities and without acting as a degree-awarding institute. The Company also provides scholarships and grant-in-aid for the advancement of education and knowledge.

**2 BASIS OF PREPARATION**

**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:

- Revised Accounting and Financial Reporting Standard for the Small-Sized Entities (Revised AFRS for SSEs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions and directives issued under the Companies Act, 2017 differ from the "AFRS for SSEs", the provisions and directives issued under the Companies Act, 2017 have been followed.

**2.2 Basis of Measurement**

These financial statements have been prepared under historical cost convention and have been prepared on accrual basis of accounting.

**2.3 Functional and Presentation Currency**

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

**2.4 Significant Accounting Estimates**

The preparation of financial statements require management to make judgements, 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 the judgements about carrying values 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 the estimates are revised.

**(a) Provisions and Contingencies**

Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect current best estimate.

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

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

**CHILDREN EMPOWERMENT FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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**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**

These are stated at cost less accumulated depreciation and impairment in value, if any. Depreciation for the year is charged to income and expenditure account using the straight line method at the rates specified in note 4 so as to write-off the historical cost of an asset over its estimated useful life.

Depreciation is charged on additions from the month of purchase, while no depreciation is charged on assets in the month of disposal.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to income and expenditure during the financial period in which they are incurred.

Gains and losses on disposal of fixed assets are taken into statement of income and expenditure.

**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 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.

**3.4 Accrued and Other Payables**

Accrued and other payables are stated at their cost.

**3.5 Provisions and Contingencies**

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

**3.6 Income**

Unrestricted fund received are recognized as income in the year of receipts. Restricted funds are recognized as income to the extent of actual expenses incurred during the year. Where funds received are in excess of actual expenses, the balances are carried forward as restricted fund balances.

Student fees are recognised as income on receipt basis.

Profits on bank deposits are recognized as income on receipt basis.

**3.7 Fund Accounting**

The accounts are maintained substantially in accordance with the principles of fund accounting.

**CHILDREN EMPOWERMENT FOUNDATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE PERIOD ENDED JUNE 30, 2025**

	Note	23 May 25 to 30 June 25 (Rupees)
<b>4 ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Auditor's remuneration	4.1	28,000
		<u>28,000</u>
<b>4.1 Auditor's remuneration</b>		
Audit fee		28,000
		<u>28,000</u>
		<u>(Number)</u>
<b>5 NUMBER OF EMPLOYEES</b>		
Total employees of the company at the year end		0
Average employees of the company during the period		0

**6 GENERAL**

Figures have been rounded off to the nearest Pak Rupee.

**7 DATE OF AUTHORIZATION**

These financial statements were authorized for issue on 30 December 2025 by the Board of Directors. *MW*

  
 EXECUTIVE DIRECTOR

  
 DIRECTOR