



INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES
OF ISLAM360 FOUNDATION TRUST

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of ISLAM360 FOUNDATION TRUST (the Trust), which comprise the statement of financial position as at June 30, 2025, and income and expenditure account, the statement of cash flows, the statement of changes in funds for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, Income and expenditure account, the statement of cash flows and the statement of changes in funds together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Trust affairs as at June 30, 2025 and of the surplus, the cash flows and its changes in funds for the year then ended.

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 Trust 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 Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as 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 Trust 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 intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Board of trustees is responsible for overseeing the Trust 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



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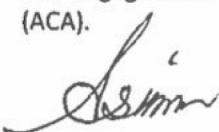
our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually 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 Trust 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 Trust 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 Trust 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 the board of directors 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 Muhammad Asim (ACA).



ISHTIAQ AHMAD & CO.
CHARTERED ACCOUNTANTS

Date: October 22, 2025
UDIN: AR202510562msCJLgN1



ISLAM360 FOUNDATION TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

Note June 30, 2025
Rupees

ASSETS

CURRENT ASSETS	
Cash & bank balances	5 35,043,866
TOTAL ASSETS	<u>35,043,866</u>

LIABILITIES AND FUNDS

LIABILITIES	
Provision for tax	104,964
FUNDS	
Restricted fund	35,000,000
General fund	(61,098)
TOTAL FUNDS AND LIABILITIES	<u>35,043,866</u>
Contingencies and commitments	10

The annexed notes 1 to 12 form an integral part of these financial statements



President



General Secretary



ISLAM360 FOUNDATION TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

Note June 30, 2025
Rupees

Income		
Donation income	6	13,559,011
Expenses		
Operational expenditure	7	(13,439,678)
Administrative and general expenses	8	(10,942)
		(13,450,620)
Surplus before taxation		108,390
Tax		(169,488)
Deficit after taxation		(61,098)

The annexed notes 1 to 12 form an integral part of these financial statements



President



General Secretary



ISLAM360 FOUNDATION TRUST
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Restricted fund	General fund	Total
	Rupees		
Balance as at September 3, 2024	-	-	-
Restricted fund received	35,000,000	-	-
Deficit for the year	-	(61,098)	(61,098)
Balance as at June 30, 2025	<u>35,000,000</u>	<u>(61,098)</u>	<u>34,938,902</u>

The annexed notes 1 to 12 form an integral part of these financial statements



President



General Secretary



ISLAM360 FOUNDATION TRUST
 CASH FLOW STATEMENT
 FOR THE YEAR ENDED JUNE 30, 2025

	<u>June 30, 2025</u> Rupees
Surplus for the year	108,390
Restricted funds received	35,000,000
Operating surplus before working capital change	<u>35,108,390</u>
 Cash flow from operating activities	
Provision for tax	104,964
Taxes paid	(169,488)
Net cash generated from operating activities	<u>35,043,866</u>
Net cash (decrease) / increase in cash and cash equivalent	<u>35,043,866</u>
 Cash and cash equivalent at the beginning of the year	-
 Cash and cash equivalent at the end of the year	<u><u>35,043,866</u></u>

The annexed notes 1 to 12 form an integral part of these financial statements



President



**ISLAM360 FOUNDATION TRUST
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

1 LEGAL STATUS

The Islam360 Foundation Trust (The Trust) was registered on September 3, 2024 under section 16 of Sindh Trust Act 2020. The main activities of the trust are to digitalized Islamic and educational content, develop software and mobile application for Islam and educational and establish training institute to train new IT developers.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the guidelines for Accounting & Financial Reporting by Non-Government Organization / Non-Profit Organization as issued by the Institute of Chartered Accountants of Pakistan.

3 BASIS OF MEASUREMENT

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

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Fixed Assets

4.1.1 Tangible Fixed Assets

These are stated at cost less depreciation is charged to income & expenditure account applying the straight line method where by the cost of an asset is written off over its estimated useful life. The rate used are stated in note no.5 to these financial statements. Full year depreciation is charged in the year of additions whereas no depreciation is charged in the year of disposal.

Maintenance and normal repairs are charged to income and expenditure account as and when incurred, whereas major renewals and improvements are capitalized.

Any and gains or losses on disposal of assets are taken to the income and expenditure account.

4.1.2 Impairment of fixed assets

An assessment is made on periodic basis whether there is any objective evidence of impairment (or reversal of previous impairments) in tangible fixed assets. In the event an asset's carrying amount exceeds its recoverable amount, an impairment loss is recognized ion the income and expenditure account equal o the difference and the carrying amount is reduced to the recoverable amount.

4.2 Revenue Recognition

Revenue is recognized on them date of receipt of money by the bank or clearance of cheque. Revenue is recognized on a gross basis and related cost are recorded separately.

4.3 Provisions

A provision is recognized in the balance sheet when the Trust has legal and constructive obligations as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

4.4 Cash and Cash Equivalents

For the purpose of statement of cash flow, cash and cash equivalents consist of cash in hand and bank deposits.

4.5 Grants / Donations

Grants and donations are recognized at fair value there is reasonable assurance that the Trust will comply with the conditions attaching to them. Grants / donations in the form of assets are recorded in our fixed assets register without assigning any value to it and no depreciation is charged on those assets.



June 30, 2025

Rupees

5 CASH & BANK BALANCE

Cash in hand	12,387
Cash at bank	35,031,479
	<u><u>35,043,866</u></u>

6 GENERAL DONATION

Donation income	<u><u>13,559,011</u></u>
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7 OPERATIONAL EXPENDITURE

Salaries expense	11,536,620
Charity expense	1,246,451
Aptech fees	133,300
Event expense	523,307
	<u><u>13,439,678</u></u>

8 ADMINISTRATIVE AND GENERAL EXPENSES

Salary expenses	9,975
Bank charges	967
	<u><u>10,942</u></u>

9 NUMBER OF EMPLOYEES

Total number of employees at the end of the year	<u><u>28</u></u>
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10 CONTINGENCIES & COMMITMENTS

The Trust does not have any contingencies and commitments to report at the reporting date.



11 PRESENTATION OF ACCOUNTS

Figures have been rounded off to the nearest rupee.

12 DATE OF AUTHORIZATION

These financial statements were authorized for issue on June 30, 2025 by the Trustees of the Trust.


President


General Secretary