



EY Ford Rhodes  
Chartered Accountants  
96-B/1, 4th Floor, Pace Mall Building  
M.M. Alam Road, Gulberg-II  
P.O. Box 104, Lahore-54660

UAN: +9242 111 11 39 37 (EYFR)  
Tel: +9242 3577 8402  
Fax: +9242 35778412  
ey.lhr@pk.ey.com  
ey.com/pk

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF GOVERNORS OF BEACONHOUSE NATIONAL UNIVERSITY

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of **Beaconhouse National University** ("the University"), which comprise of statement of financial position as at 30 June 2023, and statement of income and expenditure, statement of comprehensive income, the statement of changes in fund balance and 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, the accompanying financial statements give a true and fair view of the financial position of Beaconhouse National University as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with approved accounting standards as applicable in 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the University 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 Board of Governors are responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan, and for such internal control as the Board of Governors determine 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, the Board of Governors are responsible for assessing the University'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 University or to cease operations, or has no realistic alternative but to do so.

The Board of Governors is responsible for overseeing the University's financial reporting process.

##### Auditors' 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 auditors' 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 University'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 University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the University 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.

The engagement partner on the audit resulting in this independent auditors' report is Sheikh Ahmed Salman.



EY Ford Rhodes  
Chartered Accountants  
Lahore  
Date: 14 February 2024  
UDIN: AR202310076sYdmPWDVj

**BEACONHOUSE NATIONAL UNIVERSITY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	Note	2023 Rupees	2022 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property and equipment	5	266,073,942	157,208,943
Right-of-use assets	6	139,448,454	162,689,863
Intangible assets	7	1,495,000	995,308
Deferred employee benefit		3,138,110	5,217,290
		<b>410,155,506</b>	<b>326,111,404</b>
<b>CURRENT ASSETS</b>			
Student fee receivables	8	12,784,462	9,853,695
Advances, prepayments and other receivables	9	4,774,865	4,585,879
Deferred employee benefit		3,259,998	3,177,451
Investments	10	210,700	458,128,281
Advance income tax		35,645,845	24,384,487
Receivable from related party - net	11	398,619,580	294,704,376
Cash and cash equivalents	12	465,194,433	63,225,195
		<b>920,489,883</b>	<b>858,059,364</b>
<b>TOTAL ASSETS</b>		<b>1,330,645,389</b>	<b>1,184,170,768</b>
<b>FUND BALANCE AND LIABILITIES</b>			
<b>ACCUMULATED FUND</b>			
Capital fund		1,058,982,945	1,058,982,945
Endowment fund	13	50,000,000	50,000,000
Accumulated deficit		(32,803,151)	(174,827,544)
		<b>1,076,179,794</b>	<b>934,155,401</b>
<b>NON CURRENT LIABILITIES</b>			
Provision for compensated absences	14	60,552,947	61,382,885
Student security deposits	15	44,513,000	39,701,000
		<b>105,065,947</b>	<b>101,083,885</b>
<b>CURRENT LIABILITIES</b>			
Student security deposits	15	49,014,803	43,132,620
Current portion of provision for compensated absences	14	6,207,929	7,157,728
Creditors, accrued and other liabilities	16	17,802,889	34,412,366
Payable to BNU student fund	17	14,917,488	12,776,838
Contract liabilities	18	61,456,539	51,451,930
		<b>149,399,648</b>	<b>148,931,482</b>
<b>TOTAL LIABILITIES</b>		<b>149,399,648</b>	<b>250,015,367</b>
<b>TOTAL FUND BALANCE AND LIABILITIES</b>		<b>1,330,645,389</b>	<b>1,184,170,768</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	19		

The annexed notes from 1 to 28 form an integral part of these financial statements.

  
Chairperson

  
Member Board of Governors

**BEACONHOUSE NATIONAL UNIVERSITY  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 Rupees	2022 Rupees
<b>Operating income</b>			
Student fee		994,070,810	836,648,600
UMISAA receipts		44,826,279	30,393,963
Research projects revenue		1,119,454	19,925,787
Short courses / workshops fee		26,606,500	32,626,650
	20	1,066,623,043	919,595,000
<b>Teaching and other operating cost</b>			
Teaching costs		(808,666,661)	(665,897,314)
Short courses / workshops expenses		(10,419,420)	(10,131,229)
UMISAA expenses		(44,826,279)	(34,718,694)
	21	(863,912,360)	(710,747,237)
		202,710,683	208,847,763
<b>Gross surplus</b>			
Administrative cost	22	(163,802,381)	(146,021,405)
Hostel expenses		(13,744,240)	(11,913,504)
Research project expenses		(1,119,454)	(19,925,787)
Finance cost		(29,835,247)	(31,269,761)
		(208,501,322)	(209,130,457)
		(5,790,639)	(282,694)
<b>Other income</b>	23	147,815,032	92,288,864
<b>Surplus of income over expenditure</b>		142,024,393	92,006,170

The annexed notes from 1 to 28 form an integral part of these financial statements.

  
Chairperson

EY

  
Member Board of Governors