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## AUDITORS' REPORT TO THE BOAD OF GOVERNORS

We have audited the accompanying consolidated financial statements of **Beaconhouse National University** which comprise of consolidated balance sheet as at **30 June 2015**, consolidated income and expenditure account, consolidated cash flow statement and consolidated statement of changes in fund balance for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Board of Governors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the approved accounting standards as applicable in Pakistan, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the approved auditing standards as applicable in Pakistan. Those standards require that we are complying with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material aspects, the consolidated financial position of **Beaconhouse National University** as at **30 June 2015**, its financial performance, cash flows and changes in funds for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Chartered Accountants  
Audit Engagement Partner: Farooq Hameed  
Lahore: 29 October 2015

**BEACONHOUSE NATIONAL UNIVERSITY**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2015**

<b>ASSETS</b>	<u>Notes</u>	<u>2015</u> Rupees	<u>2014</u> Rupees
<b>NON CURRENT ASSETS</b>			
Fixed assets	4	110,449,406	133,588,530
Capital work in progress	5	6,937,573	1,502,714
Intangible assets	6	235,581	143,588
Long term deposits	7	1,883,209	2,303,209
		119,505,769	137,538,041
<b>CURRENT ASSETS</b>			
Advances, deposits, prepayments and other receivables	8	55,199,462	19,805,305
Investments held to maturity	9	59,796,000	56,445,000
Receivable from related party	10	354,481,503	257,716,172
Cash and bank balances	11	38,511,885	70,817,216
		507,988,850	404,783,693
<b>TOTAL ASSETS</b>		627,494,619	542,321,734
<b>ACCUMULATED FUND</b>			
Capital fund	12	903,970,405	845,113,278
Endowment fund	13	61,680,634	58,961,000
Accumulated deficit		(448,757,856)	(480,229,644)
		516,893,183	423,844,634
<b>NON CURRENT LIABILITIES</b>			
Student security deposit	14	28,186,500	20,853,750
<b>CURRENT LIABILITIES</b>			
Creditors, accrued and other liabilities	15	26,116,959	30,457,376
Unearned income	16	5,897,977	43,165,974
Payable to related party	17	50,400,000	24,000,000
		82,414,936	97,623,350
<b>TOTAL LIABILITIES</b>		110,601,436	118,477,100
<b>CONTINGENCIES AND COMMITMENTS</b>		-	-
<b>TOTAL FUND BALANCE AND LIABILITIES</b>		627,494,619	542,321,734

The annexed notes from 1 to 29 form an integral part of these financial statements.

  
 Chairperson

  
 Director



**BEACONHOUSE NATIONAL UNIVERSITY  
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2015**

	<u>Notes</u>	<u>2015</u> Rupees	<u>2014</u> Rupees
<b>OPERATING INCOME</b>			
Gross Student Fee	18	423,119,326	382,646,784
Less: Scholarship	19	(29,359,585)	(35,555,666)
Other receipts from students - net	20	31,600,273	12,539,268
Research revenue - net	21	<u>(1,742,293)</u>	<u>6,692,871</u>
		<b>423,617,721</b>	<b>366,323,257</b>
<b>Teaching expenditure</b>			
Teaching cost	22	<b>242,615,387</b>	237,747,437
Depreciation and amortization - School Specific	23	<b>11,268,048</b>	13,679,112
		<b>253,883,435</b>	251,426,549
<b>Gross surplus from teaching activities</b>			
		<b>169,734,286</b>	114,896,708
<b>General expenditure</b>			
Student support activities		<b>436,802</b>	235,869
Administrative cost	24	<b>112,588,130</b>	123,290,635
Rent of new campus building		<b>26,400,000</b>	24,000,000
Depreciation and amortization - general	23	<b>19,186,136</b>	23,291,461
Auxiliary facilities - net	25	<b>3,490,157</b>	2,759,543
Financial cost	26	<b>51,125</b>	32,875
		<b>162,152,350</b>	173,610,383
<b>OPERATIONAL SURPLUS / (DEFICIT) FOR THE YEAR</b>			
		<b>7,581,936</b>	(58,713,675)
<b>OTHER INCOME</b>			
	27	<b>23,889,852</b>	56,989,474
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>			
		<b>31,471,788</b>	(1,724,201)
Accumulated deficit brought forward		<b>(480,229,644)</b>	(478,505,443)
Accumulated deficit carried forward		<b>(448,757,856)</b>	(480,229,644)

The annexed notes from 1 to 29 form an integral part of these financial statements.

  
Chairperson

  
Director