INDEPENDENT AUDITOR'S REPORT

To the Trustees of The Nizam Foundation
(Formerly known as The Nizam Trust)
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **The Nizam Foundation (Formerly known as The Nizam Trust),** (the Company), which comprise the statement of financial position as at June 30, 2025 and the income and expenditure account, the statement of changes in accumulated funds and statement of cashflows 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 present fairly, in all material respects, the financial position of the Company as at June 30, 2025 and of its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

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 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 Those Charged with Governance for the Financial Statements

The management committee 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 control as the Management Committee determine(s) 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 Committee is responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are 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 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'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 Trust'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 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 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 auditor's report is Mr. Muhammad Mehran Ur Rashid, ACA.

Z. M. T. & Co
Chartered Accountants
Lahore
Date: April 23, 2026
AR2025106547WdFJtC60

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
FINANCIAL STATEMENTS

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
Non-current assets			
Operating fixed assets	4	199,591	234,813
		199,591	234,813
Current assets			
Tax refund due from government	5	24,180	12,144
Cash and bank balances	6	285,654	261,300
		309,834	273,444
TOTAL ASSETS		509,425	508,257
FUNDS AND LIABILITIES			
Funds and reserves			
Accumulated funds		439,425	473,257
LIABILITIES			
Non-current liabilities		-	-
Current liabilities			
Accrued and other payables	7	70,000	35,000
TOTAL LIABILITIES		70,000	35,000
Contingencies and commitments	8	-	-
TOTAL FUNDS AND LIABILITIES		509,425	508,257

The annexed notes 1 to 18 form an integral part of these financial statements.

Z. M. T. & Co.

The Nizam Foundation For Human Development

CHAIRMAN

GENERAL SECRETARY

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Income			
Donations	9	2,000	990,933
Other income	10	34,391	37,379
		36,391	1,028,312
Expenditure			
Direct project expenses	11	35,222	561,438
Administrative expenses	12	35,000	35,000
		70,222	596,438
(Deficit) / surplus for the year before taxation		(33,831)	431,875
Taxation	13	-	-
Net (deficit) / surplus for the year after taxation		(33,831)	431,875

The annexed notes 1 to 18 form an integral part of these financial statements.

Z. M. T. & Co.

CHAIRMAN

GENERAL SECRETARY

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	Rupees
Income			
Donations	9	2,000	990,933
Other income	10	34,391	37,379
		36,391	1,028,312
Expenditure			
Direct project expenses	11	35,222	561,438
Administrative expenses	12	35,000	35,000
		70,222	596,438
(Deficit) / surplus for the year before taxation		(33,831)	431,875
Taxation	13	-	-
Net (deficit) / surplus for the year after taxation		(33,831)	431,875

The annexed notes 1 to 18 form an integral part of these financial statements.

Z. M. T. & Co.

CHAIRMAN

GENERAL SECRETARY

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Accumulated Funds	Total
	Rupees	
Balance as at July 1, 2023	41,382	41,382
Total accumulated surplus for the year	431,875	431,875
Balance as at June 30, 2024	**473,257**	**473,257**
Total accumulated deficit for the year	(33,831)	(33,831)
Balance as at June 30, 2025	**439,425**	**439,425**

The annexed notes 1 to 18 form an integral part of these financial statements.

Z. M. T. & Co.

The Nizam Foundation
For Human Development

CHAIRMAN

GENERAL SECRETARY

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
(Deficit) / surplus for the year before taxation		**(33,831)**	431,875
Adjustment for:			
Depreciation	**4.1**	**35,221**	41,438
Operating cash flow before working capital changes		**1,390**	473,313
Changes in working capital			
(Increase)/decrease in current assets			
Tax refund due from government		**(12,036)**	(11,214)
		(12,036)	(11,214)
Increase/(decrease) in current liabilities			
Accrued and other payables		**35,000**	(352,830)
		35,000	(352,830)
Net cash generated from operating activities	**A**	**24,354**	109,269
CASH FLOWS FROM INVESTING ACTIVITIES	**B**	**-**	-
CASH FLOWS FROM FINANCING ACTIVITIES	**C**	**-**	-
Net increase in cash and cash equivalents	**A+B+C**	**24,354**	109,269
Cash and cash equivalents at beginning of the year		**261,300**	152,031
Cash and cash equivalents at the end of the year		**285,654**	261,300

The annexed notes 1 to 18 form an integral part of these financial statements.

Z. M. T. & Co.

CHAIRMAN **GENERAL SECRETARY**

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Notes

1 FOUNDATION AND ITS OPERATIONS

The Nizam Foundation (the Company) was established on April 20, 2022 under the Societies Registration Act, 1860. The company was formerly known as The Nizam Trust. Pursuant to a special resolution and approval from the relevant authorities, its name was changed to The Nizam Foundation with effect from March 26, 2025.

The Company is principally engaged in providing education and educational support activities for poor and needy students in society. The Company is duly approved as a non-profit organization within the meaning of Section 2(36) of the Income Tax Ordinance, 2001.

The registered office of the Company is situated at 266-N, Phase-I, Defense Housing Authority, Cantonment, Lahore.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Revised AFRS issued by ICAP as applicable in Pakistan, and the Guidelines for Accounting and Financial Reporting by Non-Government/Non-Profit Organizations issued by the Institute of Chartered Accountants of Pakistan (ICAP).

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Accounting convention

These financial statements have been prepared on the basis of the historical cost convention, except where stated otherwise.

3.2 Equipment

Equipment are stated at cost less accumulated depreciation and impairment losses. Capital work in progress is stated at cost. These costs are transferred to equipment as and when the assets are available for intended use.
Depreciation on equipment is charged on reducing balance method.

Full Depreciation charge in the year of purchase while no depreciation in the year of disposal.

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists the asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses

Normal repairs and maintenance is charged to revenue as and when incurred, while, major repairs and renewals are capitalized.

Gains and losses on disposal of property and equipment are included in current year's income and expenditure.

Z. M. T. & Co.

Notes

3.3 Cash and bank balance

These are carried in balance sheet at cost.

3.4 Accrued and other liabilities

Accrued and other liabilities are recognized at cost, which reflects the fair value of the consideration to be paid for goods and services received.

3.5 Income

Income is recognized as follows:
Donations are recognized on receipt basis.
Other incomes are recognized on receipt basis.

3.6 Donations received in kind

Property, equipment, and other assets (except land) received as donations are recognized at their fair value at the time of acquisition. The land received free of cost as donation is recognized at nominal value plus any incidental cost incurred on acquisition thereof.

Z. M. T. & Co

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
4 OPERATING FIXED ASSETS	**4.1**	**199,591**	234,813

4.1 Operating fixed assets-Tangible owned

	Equipments	Furniture and fixtures	Total
Net Book Value:			
Year ended 30 June 2024			
Opening net book value	127,500	148,750	276,250
Additions	-	-	-
Depreciation charge for the year	(19,125)	(22,313)	(41,438)
Cloing net book value	108,375	126,438	234,813
Net Book Value:			
Year ended 30 June 2025			
Opening net book value	108,375	126,438	234,813
Additions	-	-	-
Depreciation charge for the year	(16,256)	(18,966)	(35,222)
Cloing net book value	92,119	107,472	199,591
At 30 June 2024			
Cost	150,000	175,000	325,000
Accumulated depreciation	(41,625)	(48,563)	(90,188)
Closing net book value	108,375	126,438	234,813
At 30 June 2025			
Cost	150,000	175,000	325,000
Accumulated depreciation	(57,881)	(67,528)	(125,409)
Closing net book value	92,119	107,472	199,591
Depriciation Rates	**15%**	**15%**	

Z. M. T. & Co.

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

		Note	2025 Rupees	2024 Rupees
5	**TAX REFUND DUE FROM GOVERNMENT**			
	Opening		**12,144**	930
	Withheld during the year		**12,036**	11,214
	Closing		**24,180**	12,144
6	**CASH AND BANK BALANCES**			
	Cash in hand		**2,144**	2,144
	Cash at bank:			
	- Savings Account		**283,510**	259,156
			285,654	261,299.690
7	**ACCRUED AND OTHER PAYABLES**			
	Auditors' remuneration		**70,000**	35,000

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2025 (2024: Nil).

		Note	2025 Rupees	2024 Rupees
9	**DONATIONS**			
	From trustees		**2,000**	364,475
	Other than trustees		**-**	626,458
			2,000	990,933
10	**OTHER INCOME**			
	Bank profit		**34,391**	37,379
11	**DIRECT PROJECT EXPENSES**			
	Scholarships		**-**	520,000
	Depreciation	**4.1**	**35,222**	41,438
			35,222	561,438
12	**ADMINISTRATIVE EXPENSES**			
	Auditors' remuneration		**35,000**	35,000

13 TAXATION

No provision for taxation has been made in the financial statements, as the foundation's income is entitled to a 100% tax credit under section 2(36)(c) of the Income Tax Ordinance, 2001, being an approved 'non-profit organization'.

14 EVENTS AFTER THE BALANCE SHEET DATE

There were no events occurred after the balance sheet date that require adjustments in the financial statements.

15 CORRESPONDING FIGURES

There were no significant rearrangement/ reclassification during the year.

THE NIZAM FOUNDATION
(FORMERLY KNOWN AS THE NIZAM TRUST)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees

16 EVENTS AFTER THE BALANCE SHEET DATE

The related parties comprise associated undertaking having common directors and key management personnel. Details of transactions disclosed in the financial statements are as follows:

- From Trustees		2,000	364,475

Name of related party	Basis of relationship	Nature of transaction
Trustee	Key management personr	Donations

17 DATE OF AUTHORIZATION

The financial statements were authorized for issue on April 23, 2026 by the Board of trustees of the Company.

18 GENERAL

Figures presented in these financial statements have been rounded off to the nearest Pak Rupee.

Z. M. T. & Co.

CHAIRMAN

GENERAL SECRETARY