

AUDITOR'S REPORT TO THE MEMBERS OF THE SENATE

We have audited the annexed Balance Sheet of **UNIVERSITY OF SCIENCE & TECHNOLOGY, BANNU** as at June 30, 2008 and the related income & expenditure account, cash flow statement together with notes to the accounts (here-in-after referred to as the financial statements for the year then ended).


It is the responsibility of the management to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express our opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements present fairly in all material respects the financial position of **UNIVERSITY OF SCIENCE & TECHNOLOGY, BANNU** as at June 30, 2008 and of its excess of income over expenditure for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

PESHAWAR

DATED: May 22, 2009

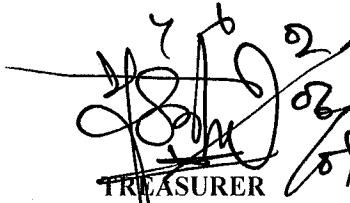

TARIQ AYUB, ANWAR & CO.
CHARTERED ACCOUNTANTS

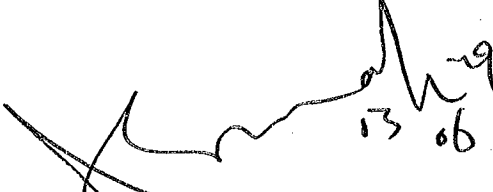
UNIVERSITY OF SCIENCE & TECHNOLOGY, BANNU
BALANCE SHEET AS AT JUNE 30, 2008

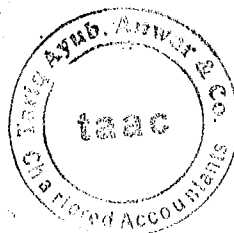
<u>PROPERTY & ASSETS</u>	NOTE	<u>2008</u> RUPEES	<u>2007</u> RUPEES
FIXED ASSETS - at cost less accumulated depreciation	3	44,067,359	30,527,149
CAPITAL WORK IN PROGRESS	4	144,023,671	10,321,673
LONG TERM INVESTMENTS	5	19,000,000	19,000,000
CURRENT ASSETS			
Advances, prepayments & other receivables	6	47,906,708	6,302,289
Short Term Investment	7	13,000,000	-
Cash & bank balances	8	49,591,097	99,193,758
		110,497,805	105,496,047
		<u>317,588,835</u>	<u>165,344,869</u>
FUNDS & LIABILITIES			
GENERAL FUND	9	258,600,759	115,153,165
CURRENT LIABILITIES			
Accruals & Other Payables	10	58,988,076	43,231,880
Bank Overdraft	11	-	6,959,824
CONTINGENCIES & COMMITMENTS	12	-	-
		<u>317,588,835</u>	<u>165,344,869</u>

The annexed notes form an integral part of these accounts.

PESHAWAR
 DATED: 22 MAY 2009


 TREASURER


 VICE CHANELLOR



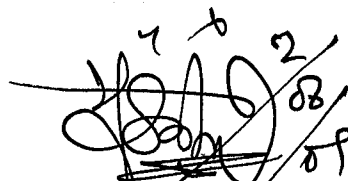
UNIVERSITY OF SCIENCE & TECHNOLOGY, BANNU
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2008

	NOTE	2008 RUPEES	2007 RUPEES
INCOME	13	44,836,009	26,716,740
COST OF OPERATIONS	14	60,573,640	45,315,603
GROSS DEFICIT		(15,737,631)	(18,598,863)
ADMINISTRATIVE EXPENSES	15	4,231,928	2,772,106
FINANCIAL EXPENSES	16	56,095	394
		4,288,023	2,772,500
OPERATING DEFICIT		(20,025,654)	(21,371,363)
OTHER INCOME	17	5,290,867	3,421,866
		(14,734,787)	(17,949,497)
TAX U/S 231- A		-	(8,841)
		(14,734,787)	(17,958,338)
RECURRING GRANT	18	40,146,994	52,069,307
EXCESS OF INCOME OVER EXPENDITURE		<u>25,412,207</u>	<u>34,110,969</u>
Carried to Note No.9			

The annexed notes form an integral part of these accounts.

PESHAWAR

DATED: 22 MAY 2009


 TREASURER


 VICE CHANCELLOR



UNIVERSITY OF SCIENCE & TECHNOLOGY, BANNU
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2008

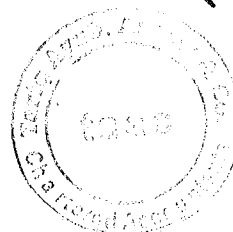
	<u>2008</u>	<u>2007</u>
	RUPEES	RUPEES
<u>A - CASH FLOW FROM OPERATING ACTIVITIES</u>		
Excess of Income Over Expenditures for the year	25,412,204	34,110,969
Adjustment for:		
Depreciation	7,697,996	6,038,907
Surplus before working capital changes	<u>33,110,200</u>	<u>40,149,876</u>
Increase/decrease in current assets		
Advances, prepayments & other receivables	(41,604,419)	(5,908,364)
Increase / decrease in current liabilities		
Accruals & other payables	15,756,196	42,450,121
Net cash inflow from operating activities	<u><u>7,261,977</u></u>	<u><u>76,691,633</u></u>
<u>B - CASH FLOW FROM INVESTING ACTIVITIES</u>		
Addition to fixed assets	(21,238,203)	(27,693,798)
Capital Work in Progress	(133,701,998)	(10,321,673)
Short Term Investment	(13,000,000)	-
Net cash outflow from Investing activities	<u><u>(167,940,201)</u></u>	<u><u>(38,015,471)</u></u>
<u>C - CASH FLOW FROM FINANCING ACTIVITIES</u>		
Grants received	118,035,387	45,068,675
Bank Overdraft	(6,959,824)	6,959,824
Net cash inflow from financing activities	<u><u>111,075,563</u></u>	<u><u>52,028,499</u></u>
Net Cash outflow / Inflow A+B+C	(49,602,661)	90,704,661
Cash and cash equivalent at the beginning of the year	99,193,758	8,489,097
Cash and cash equivalent at the end of the year	<u><u>49,591,097</u></u>	<u><u>99,193,758</u></u>

PESHAWAR

DATED: 22 MAY 2009

[Signature]
TREASURER

[Signature]
VICE CHANCELLOR



UNIVERSITY OF SCIENCE & TECHNOLOGY, BANNU
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2008

1. LEGAL ENTITY & OPERATIONS

The University of Science & Technology, Bannu is an autonomous body formed under the University of Science & Technology, Bannu Act 2005 (NWFP NO.XIII OF 2005) as amended by University of Science & Technology, Bannu (Amendment ACT 2006, (NWFP ACT NO.V OF 2006)).

The University of Science & Technology, Bannu has launched a number of degree Programmes and post degree programmes with the mission to be center for the transmission, diffusion and extension of knowledge in the field of Science & Technology and allied discipline catering to the high level professional & Technical manpower requirement both from the Private & Public sectors segments of the Country.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 . ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention.

2.2 . FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation on reducing balance method. Normal repair and maintenance are charged to revenue as and when incurred whereas major renewals and improvements are capitalized. Depreciation for full year is charged on assets purchased during the year while no depreciation is charged on the assets sold during the year.

2.3 . CAPITAL WORK IN PROGRESS

These are stated at cost.

2.4 . INVESTMENT

Surplus funds are subjected to term investments on the advise of the financial management of the University. Investments are stated at cost.

2.5 . REVENUE RECOGNITION

Revenue is recognized as and when received by the University of Science & Technology, Bannu.



3. FIXED ASSETS

PARTICULARS	C O S T			RATE %	D E P R E C I A T I O N			WRITTEN DOWN VALUE 30-06-2008
	AS AT 01-07-2007	ADDITIONS during the year	AS AT 30-06-2008		AS AT 01-07-2007	FOR THE YEAR	AS AT 30-06-2008	
COMPUTERS & PRINTERS	8,379,722	1,221,175	9,600,897	20	2,564,358	1,407,308	3,971,666	5,629,231
LIBRARY BOOKS	3,870,760	8,183,789	12,054,549	10	409,377	1,164,517	1,573,894	10,480,655
FURNITURE & FIXTURES	3,491,713	2,889,023	6,380,736	10	405,652	597,508	1,003,160	5,377,576
PROJECTORS	254,000	54,000	308,000	10	48,260	25,974	74,234	233,766
OFFICE EQUIPMENT	618,142	884,960	1,503,102	10	111,767	139,134	250,901	1,252,201
TELEPHONE INSTALLATION	23,185	-	23,185	10	3,039	2,015	5,054	18,131
ELECTRIC APPLIANCES	565,075	819,256	1,384,331	10	63,280	132,105	195,385	1,188,946
VEHICLES	17,195,000	4,935,000	22,130,000	20	3,951,960	3,635,608	7,587,568	14,542,432
BICYCLES	5,640	-	5,640	10	697	494	1,191	4,449
CROCKERY & CUTLERY	28,867	-	28,867	10	5,427	2,344	7,771	21,096
AIR CONDITIONER	649,664	-	649,664	10	64,966	58,470	123,436	526,228
ARMS & AMUNITION	31,992	-	31,992	10	3,199	2,879	6,078	25,914
LABORATORY EQUIPMENT	3,383,746	2,251,000	5,634,746	10	338,375	529,637	868,012	4,766,734
	38,497,506	21,238,203	59,735,709		7,970,357	7,697,993	15,668,350	44,067,359
	10,803,708	27,693,798	38,497,506		1,931,450	6,038,907	7,970,357	30,527,149

3.1 Depreciation provided for the year is Carried to Note No. 14



4. CAPITAL WORK IN PROGRESS- construction of		2008	2007
		RUPEES	RUPEES
External Development Works	4.1	18,269,852	-
Academic Block Main Campus	4.2	6,376,585	
Student Hostel Main Campus	4.3	10,232,177	-
Academic Block Campus - B	4.4	32,764,765	4,402,327
Student Hostel Campus - A	4.4	12,782,811	
Academic Block Campus - A	4.5	20,393,536	4,410,665
Admin Block Main Campus	4.5	8,577,629	-
Multi Purpose Hall Campus - A	4.5	1,506,577	
Boundary Wall Campus - B	4.6	1,948,873	1,508,681
Bus Stand Campus - B	4.7	4,135,655	-
Visiting Faculty Hostel Main Campus	4.8	3,291,661	-
Commercial Market	4.9	2,531,096	-
Commercial Plaza	4.10	21212454	-
		144,023,671	10,321,673

- 4.1 This includes construction of Boundary wall, Main entrance gate, Tube well and Over Head water tank at main campus having allocated budget at the cost of Rs.24.55 million vide contract No. EDMC/12-06/PD/01 on dated December 7,2006.
- 4.2 This represents construction of Academic Block at Main campus at the cost of Rs.31.111 M vide contract no. IN-II/07-07/PD/07 on dated July 25, 2007
- 4.3 This represents construction of Students Hostel at Main Campus at the cost of Rs.42.646 M vide Contract No. IN-III/07-07/PD/07 on dated July 24, 2007.
- 4.4 This represents the Construction of One Academic Block, Students Service Centre and One Student Hostel at University of Science & Technology, Bannu having allocated budget at the cost of Rs. 31.385 M, 4.256 M and 38.92 M respectively vide Contract No. IN-IV (Phase-1) on dated December 14, 2006. It is a part of the Developmental Project duly approved by Public Sector Developmental Programme of Pakistan. (PSDP).
- 4.5 This represents the Construction of One Admin Block, One Academic block and One multipurpose Hall at University of Science & Technology, Bannu having allocated budget at the cost of Rs.45.633 M, 31.385 M and 15.11 M vide contract No. IN-V (Phase-1) on dated February 22, 2007. It is also a part of the Developmental Project duly approved by Public Sector Developmental Programme of Pakistan. (PSDP).
- 4.6 This represents construction of Boundary Wall Campus- B at the cost of Rs.2.427 M vide Contract No. EDHEC/12-06/PD-02 on dated December 4, 2006
- 4.7 This represents construction of Bus Stand at Campus- B at the cost of Rs.4.896 M vide Contract No. 421/USTB/PD/07 on dated May15, 2007
- 4.8 This represents construction of Foreign Faculty Hostel at Main Campus at the cost of Rs.22.909 M vide Contract No. IISDF/08-10/PD/07-871 on dated October 11, 2007
- 4.9 This represents construction of University Commercial Market at the cost of Rs.67.253 M vide contract no. UC-1/03-07/PD on dated March 1. 2007
- 4.10 This represents construction of University Commercial Plaza at the cost of Rs.91.287 M vide contract no. UC-1/03-07/PD on dated October 24, 2006



5. LONG TERM INVESTMENT

2008 RUPEES	2007 RUPEES
<u>19,000,000</u>	<u>19,000,000</u>

- 5.1 This amount represent surplus fund are invested in Habib Bank Limited TDRs @ 10 % for a term of three years.
The Detail of Munafa Plus Certificate is as Under.

TDR Ref NO.	Date	Bank	Date of Maturity	Amount of TDRs	Profit Receivable on the date of Maturity
043981	21-06-2006	Habib Bank Limited	21-06-2009	10,000,000	3,000,000
093982	27-06-2006	Habib Bank Limited	27-06-2009	9,000,000	2,700,000
				<u>19,000,000</u>	<u>5,700,000</u>

- 5.2 . No Provision for Accrued Profit has been made in these Accounts.

6. ADVANCES, PREPAYMENTS & OTHER RECEIVABLES

Advances to Staff	3,186,489	1,923,168
Income tax Refundable	30,216	30,175
Secured Advances to Contractors	25,569,687	2,970,374
Advance Hostel Rent	344,388	147,000
Advance Rent of office Building	57,000	231,572
Advance LCs	17,718,928	-
Advance Deposited Cantonment Board Bannu	1,000,000	1,000,000
	<u>47,906,708</u>	<u>6,302,289</u>

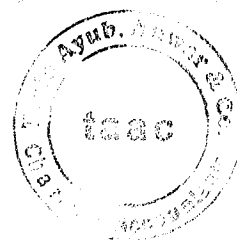
7 SHORT TERM INVESTMENT

Habib Bank Limited	<u>13,000,000</u>	-
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- 7.1 This amount represent surplus fund are invested in Habib Bank Limited TDRs @ 8.50 % for a term of one year.
The Detail of TDRs is as Under.

TDR Ref No.	Date of Purchase	Bank	Maturity Date	TDR Cost	Profit Receivable on Maturity
MPD-1597 2008/001	25/03/2008	Habib Bank Limited	24/03/2009	3,000,000	354,301
MPDC 77043984-80	20/05/2008	Habib Bank Limited	19/05/2009	10,000,000	847,671
				<u>13,000,000</u>	<u>1,201,972</u>

- 7.2 . No Provision for Accrued Profit has been made in these Accounts.



8 CASH & BANK BALANCES

In hand
With banks:

The Bank of Khyber - A/C NO.8168
The Bank of Khyber - A/C NO.4833
Habib Bank Limited - A/C NO.6450-5
The Bank of Khyber - A/C NO.5549
The Bank of Khyber - A/C NO.5428
Bank Alfalah Limited - A/C NO.2900023
Habib Bank Limited - A/C NO.6452-5
The Bank of Khyber - A/C NO.5822-7
Habib Bank Limited - A/C NO.6442-6
Habib Bank Limited - A/C NO.6451-6
Habib Bank Limited - A/C NO.6584-1
Habib Bank Limited - A/C NO.6580-9
Habib Bank Limited - A/C NO.6107

2008
RUPEES

2007
RUPEES

5	5
24,165,403	36,006,375
5,612,230	10,200,512
379,493	-
578	896,956
71,126	71,126
241,634	181,879
984	44,370
7,144,230	30,069,672
3,063,100	21,722,863
7,297,001	-
1,435,066	-
180,247	-
<u>49,591,097</u>	<u>99,193,758</u>
<u>49,591,097</u>	<u>99,193,758</u>

9 GENERAL FUND

Balance as at July 1, 2007
Excess of Income over Expenditure

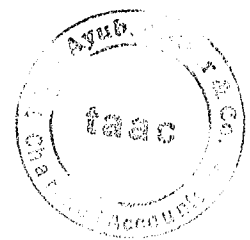
GRANT IN AID

Developmental Project
Library Grant
HEC Grant for Seminars & Conferences
HEC Grant for TTS
HEC Grant for Student Delegation

115,153,165
25,412,207

35,973,521
34,110,969

110,000,000	44,163,000
953,400	774,675
421,392	131,000
6,604,595	-
56,000	-
<u>118,035,387</u>	<u>45,068,675</u>
<u>258,600,759</u>	<u>115,153,165</u>



10 ACCRUALS & OTHER PAYABLES	2008	2007
	RUPEES	RUPEES
Accruals	345,287	254,903
Income Tax Payable (Suppliers)	52,895	69,176
Earnest Money / Security	20,423,560	7,925,734
Students Scholarship	235,220	177,438
Employee Funds Payable	1,727	1,414
Students Security	1,440,750	932,750
Professional Tax Payable	13,300	12,000
Sales Tax Payable	38,461	31,777
Mr. Hafeezullah	105	5
Advance Money Shops	34,310,000	32,300,000
Security Payable Suppliers	2,097,795	1,526,683
Income Tax Payable (Employees)	24,802	-
Honorarium National Testing Services	4,174	-
	58,988,076	43,231,880

11 BANK OVER DRAFT

The Bank of Khyber - A/C No. 5549- (temporary overdraft)

-	6,959,824
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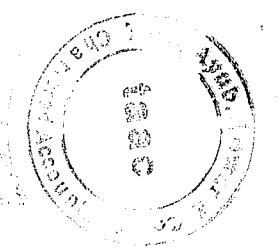
12 CONTINGENCIES & COMMITMENTS

There were no contingencies and commitments at the date of Balance Sheet

13 INCOME

Tuition fee	1,329,260	7,273,750
Admission Fee	10,785,712	3,721,470
Registration Fee	11,751,600	4,226,121
Examination Fee	12,309,683	5,376,645
Library Fee	1,343,233	1,100,000
Hostel Fee	1,208,980	726,000
Sale of Prospectus	189,600	216,550
Miscellaneous	5,917,941	4,520,340
	44,836,009	27,160,876
Less: Fee Refunded	-	444,136
	44,836,009	26,716,740





13.1 Tuition Fee-consist of:

Disciplines	1st Term	2nd Term	3rd Term	4th Term	5th Term	6th Term	2008		2007	
							Rupees		Rupees	
M.Phil	93,500	75,950	110,000	93,000	-	-	372,450		318,000	
Ms.Computer Science	110,500	102,000	135,450	76,500	-	-	424,450		373,650	
MBA - Morning	475,800	404,300	401,600	272,400	-	-	1,554,100		815,000	
MBA - Evening	36,600	70,100	59,400	84,600	-	-	250,700		495,000	
MCS	341,600	315,000	195,200	225,200	-	-	1,077,000		625,000	
M.ED	24,000	41,500	5,300	-	5,300	-	76,100		209,100	
Msc.Physics	195,200	170,800	158,600	134,200	-	-	658,800		250,000	
Msc. Chemistry	195,200	128,100	158,600	134,200	-	-	616,100		305,000	
Msc.Botany	146,400	5,000	140,300	-	-	-	291,700		240,000	
Msc.Biotech	-	109,800	18,300	103,700	-	-	231,800		5,000	
Msc. Economics	-	-	-	-	-	-	-		20,000	
MA English	91,500	79,300	-	-	-	-	170,800		-	
BBA	386,900	352,000	254,400	270,000	196,100	153,700	1,613,100		967,500	
BBA-IT	286,200	202,700	238,500	171,700	148,400	111,300	1,158,800		828,000	
Bcs	137,800	147,600	106,000	116,300	100,700	68,900	677,300		229,500	
B.Ed	84,000	70,000	-	-	-	-	154,000		252,000	
Bsc. Chemistry	26,500	-	26,500	15,900	-	-	68,900		76,500	
Bsc.Botany	5,300	-	-	-	-	-	5,300		36,000	
Bsc.Computer Science	26,500	-	-	-	-	-	26,500		166,500	
Bsc.B & F	180,200	158,200	164,300	148,400	-	-	651,100		427,500	
Bs.Software Engineering	169,600	176,200	190,000	121,900	-	-	657,700		337,500	
Bsc.Biotech	212,000	204,300	169,600	153,700	-	-	739,600		297,000	
Bs. Telecom	127,200	116,600	-	-	-	-	243,800		-	
Bsc Physics	31,500	-	-	-	-	-	31,500		-	
Total	3,384,000	2,929,450	2,532,050	2,121,700	450,500	333,900	11,751,600		7,273,750	

14 COST OF OPERATIONS	2008	2007
	RUPEES	RUPEES
Salaries, honoraria & allowances	31,475,565	16,082,990
Utilities	855,130	385,821
Petrol, Oil & Lubricants	638,784	448,072
Meeting, seminars & conferences	14,905	334,292
Vehicle hiring charges	-	-
Vehicle Registration	287,690	72,364
Hostel Rent	1,630,072	597,000
Website Registration	-	-
Students Scholarship / Stipend	3,054,789	45,720
Computer accessories	-	214,115
Advertisement & publicity	7,063,248	13,907,691
Depreciation	7,697,993	6,038,907
Consultancy Fee	3,500,000	1,926,925
Chemical & Glassware	40,608	4,261,982
Fee Concession	32,050	47,275
Exam Allowance	3,360,000	86,030
Rent of office Building	756,384	866,419
Rent of Residential Building	166,422	-
	60,573,640	45,315,603

Note 3.1

15 ADMINISTRATIVE EXPENSES

Communication charges	363,246	363,195
Printing & stationery	556,027	505,085
Repair & maintenance	591,150	333,974
Fee & taxes	-	900
Newspaper & periodicals	53,533	69,650
Entertainment	132,948	45,734
Student dress allowance	23,274	19,398
Audit Fee	75,000	75,000
Plant & gamlas	-	180
Miscellaneous expenses	1,212,959	427,975
Travelling & conveyance	5,070	184,351
Legal & Professional Charges	627,329	235,826
Freight Charges	500	23,415
TA DA	199,497	88,294
Sport Material	371,465	399,129
National Testing Services	350	-
Social Work Charges	6,425	-
Horticulture and Leveling	13,155	-
	4,231,928	2,772,106



16 FINANCIAL CHARGES

Bank charges

2008 RUPEES	2007 RUPEES
<u>56,095</u>	<u>394</u>

17 OTHER INCOME

Profit on Investment

Profit on Bank Account

Vehicle hiring charges

Training Fee Domestic

Bank Commission

Stamp Duty

Miscellaneous Receipts

Income from Project

Tender form Fee

Social work Fee

Donation

-	252,095
4,548,862	1,411,846
68,660	6,912
-	130,645
-	290
-	6,000
174,980	12,200
419,815	1,601,878
-	-
8,550	-
70,000	-
<u>5,290,867</u>	<u>3,421,866</u>

18 RECURRING GRANT

<u>40,146,994</u>	<u>52,069,307</u>
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19 GENERAL

Figures in these accounts have been rounded-off to the nearest rupee and of the previous year have been re-arranged and re-grouped to facilitate comparison.

PESHAWAR

DATED: 22 MAY 2009



TREASURER



VICE CHANELLOR
