

LODHRAN PILOT PROJECT

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

JUNE 30, 2023

INDEPENDENT AUDITORS' REPORT TO THE GENERAL BODY

Opinion

We have audited the financial statements of **Lodhran Pilot Project** (herein after referred as the Society), which comprises the statement of financial position as at June 30, 2023, and the statement of income and expenditure, statement of comprehensive income, statement of cash flows and statement of changes in net assets 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 Society as at June 30, 2023, its income, 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 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 Society 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 approved accounting and reporting standards as applicable in Pakistan and for such internal control as the Management Committee 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 Committee is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 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.

RIAZ AHMAD, SAQIB, GOHAR & CO.
Chartered Accountants

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Corporate Office at Karachi & Regional Office at Islamabad.

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 Society'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 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 Society'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 Society 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.

(Chartered Accountants)

Lahore: **18 APR 2024**

UDIN: AR202310098ixBcCRgNt

**LODHRAN PILOT PROJECT
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023**

	Note	2023 Rupees	2022 Rupees <i>Restated</i>
<u>ASSETS</u>			
Non-current assets			
Property and equipment	6	14,208,897	12,703,457
Intangible assets	7	59,109	73,886
Long term security deposits	8	120,000	120,000
		14,388,006	12,897,343
Current assets			
Advances, prepayments and other receivables	9	14,445,025	8,582,082
Bank balances	10	101,450,191	58,736,618
		115,895,216	67,318,700
Total assets		130,283,222	80,216,043
<u>LIABILITIES</u>			
Non-current liabilities			
Deferred contributions related to capital assets	11	2,721,524	1,215,646
Deferred contributions related to expenses of future periods	12	58,876,386	17,924,850
		61,597,910	19,140,496
Current liabilities			
Payable to suppliers	13	1,595,866	2,685,886
Accrued and other liabilities	14	2,392,373	5,128,452
		3,988,239	7,814,338
Total liabilities		65,586,149	26,954,834
<u>NET ASSETS</u>		64,697,073	53,261,209
REPRESENTED BY:			
Un-restricted fund		64,697,073	53,261,209

CONTINGENCIES & COMMITMENTS

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The annexed notes from 1 to 23 form an integral part of these financial statements.


PRESIDENT


FINANCE SECRETARY

**LODHAN PILOT PROJECT
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023 Rupees	2022 Rupees <i>Restated</i>
INCOME			
Amortization of deferred contributions:			
-related to capital contributions	11	701,078	349,458
-related to revenue contributions	12	222,611,338	117,979,235
Other income/(loss)	16	10,071,097	(90,368)
Donations	17	103,292,468	63,750,000
		336,675,981	181,988,325
EXPENDITURE			
Project expense:			
Project cost	18.1	(219,581,654)	(115,090,385)
Operational cost	18.2	(8,732,911)	(9,030,803)
		(228,314,565)	(124,121,188)
Program expense:			
Program cost	19	(79,819,860)	(36,941,764)
General and administrative expenses	19	(9,918,495)	(6,340,118)
		(89,738,355)	(43,281,882)
Total expenditure		(318,052,920)	(167,403,070)
Excess of income over expenditure before taxation		18,623,061	14,585,255
Income tax expense		-	-
Excess of income over expenditure for the year		18,623,061	14,585,255

The annexed notes from 1 to 23 form an integral part of these financial statements.




PRESIDENT

Manjiv Kumar

FINANCE SECRETARY

**LODHRAN PILOT PROJECT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

	2023 Rupees	2022 Rupees <i>Restated</i>
Excess of income over expenditure for the year	18,623,061	14,585,255
Other comprehensive income:		
Other comprehensive income for the year	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	18,623,061	14,585,255

The annexed notes from 1 to 23 form an integral part of these financial statements.



PRESIDENT



FINANCE SECRETARY

**LODHRAN PILOT PROJECT
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	Un-restricted fund Rupees
Balance as at July 01, 2021 as previously reported		45,374,136
Impact of correction of error	5.1	3,308,910
Balance as at July 01, 2021 - restated		48,683,046
Movement during the year:		
Adjustment of closed projects	12.2	878,634
Inter fund transfers	12.2	(10,891,439)
Transferred from deferred contributions related to capital assets	11.2	5,713
		38,675,954
Excess of expenditure over income for the year		14,585,255
Other comprehensive income for the year		-
Total comprehensive deficit for the year		14,585,255
Balance as at 30 June 2022 - restated		53,261,209
Movement during the year:		
Adjustment of closed projects	12.1	10,598,851
Inter fund transfers	12.1	(18,291,587)
Transferred from deferred contributions related to capital assets	11.1	505,539
		(7,187,197)
Excess of income over expenditure for the year		18,623,061
Other comprehensive income for the year		-
Total comprehensive income for the year		18,623,061
Balance as at June 30, 2023		64,697,073

The annexed notes from 1 to 23 form an integral part of these financial statements.




PRESIDENT


FINANCE SECRETARY

**LODHRAN PILOT PROJECT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023 Rupees	2022 Rupees <i>Restated</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of income over expenditure before taxation		18,623,061	14,585,255
Adjustments for non-cash income and expenses:			
Amortization of deferred contributions	12.1 & 11	(223,312,416)	(118,328,693)
Donation recognized during the year	17	(103,292,468)	(63,750,000)
Loss on disposal of property and equipment	16	-	1,781,443
Depreciation of property and equipment	6	2,720,529	2,695,964
Amortization of intangible assets	7	14,777	18,472
		(305,246,517)	(162,997,559)
Changes in working capital:			
Advances, prepayments and other receivables		(5,862,943)	21,706,580
Payable to suppliers		(1,090,020)	(215,620)
Accrued and other liabilities		(2,736,079)	(4,254,947)
Cash (used in) operations		(314,935,559)	(145,761,546)
Grant /donations received during the year	12.1 & 17	361,875,101	187,583,738
Net cash generated from operating activities		46,939,542	41,822,192
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of property and equipment		(4,225,969)	(300,059)
Proceed from disposal of property and equipment		-	2,824,700
Net cash generated from investing activities		(4,225,969)	2,524,641
CASH FLOWS FROM FINANCING ACTIVITIES			
Net (decrease) in cash and cash equivalents		42,713,573	44,346,833
Cash and cash equivalents at the beginning of the year		58,736,618	14,389,785
Cash and cash equivalents at the end of the year	10	101,450,191	58,736,618

The annexed notes from 1 to 23 form an integral part of these financial statements.



PRESIDENT



FINANCE SECRETARY

**LODHRAN PILOT PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

1. GENERAL INFORMATION

1.1. Legal status and operations

Lodhran Pilot Project (herein after referred as the Society) is a Non-Profit Organization and has been established in Pakistan under the Societies Registration Act 1860 on February 1999. The registered office of the Society is situated at Multan Road, near WAPDA Colony, Lodhran. The Society principally engaged to carry on the following objectives:

- To build the managerial and technical capacities of civil society institution that are rooted in the communities;
- To pick up the issues from the field and turn them into subjects of meaningful action research, workshops, seminars and policy dialogues;
- To promote agriculture and horticultural related activities;
- To engaged in charitable purpose and social welfare activities strictly on non-profit basis; and
- To cooperate, assist joint programs with organization and agencies seeking the goal of development in Pakistan.

The Society is certified by Pakistan Centre for Philanthropy (PCP) on Nov 11, 2021 for the period of three year to meet International Non-Profit Organization Standards in the areas of Internal Governance, Financial Management and Program Delivery.

The Society is a Not-For-Profit Organization under section 2(36) of the Income Tax Ordinance, 2001 and its surplus/(deficit), if any, is carried forward to the subsequent years, and is not available for appropriation.

2. BASIS OF PREPARATION

2.1. Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified by the Securities and Exchange Commission of Pakistan (SECP); and
- Accounting Standard for Not-for-Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan.

Where the concept contained in Accounting Standard for NPOs, conflict with IFRS for SMEs, the requirements of the IFRS for SMEs have been followed.

2.2. Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Society's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. /Rupees, unless otherwise stated.



2.3. Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

2.4. Key judgments and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management committee to exercise judgment in the process of applying the Society accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of property and equipment – Note 3.1
- Useful lives, residual values and amortization method of intangible assets – Note 3.2
- Impairment loss of non-financial assets and financial assets – Note 3.3
- Provision for doubtful receivables – Note 3.4
- Assumptions and estimates used in disclosure and assessment of provision for contingencies - Note 3.11
- Estimation of contingent liabilities and assets - Note 3.12 & 3.13
- Current income tax expense, provision for current tax and recognition of deferred tax asset - Note 3.14

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment loss (if any). The cost of an item of property and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. Normal repairs and maintenance are charged to current year's income as and when incurred, while major renewals and improvements are capitalized if it is probable that the respective future economic benefits will flow to the Society and the cost of the item can be measured reliably, and asset so replaced, if any, are retired.

Depreciation is charged using the reducing balance method on all property and equipment at rates specified in note 6 to the financial statements. Depreciation is charged from the date the asset is available for use up to the date of disposal / deletion of the assets.

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of income and expenditure.



The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

3.2. Intangible

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the straight-line method at the rates specified in note 7 to the financial statements. The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

3.3. Impairment

3.3.1 Impairment in financial assets

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. The impairment loss is recognized immediately in the statement of income and expenditure and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3.3.2 Impairment in non-financial assets

The assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognized in the statement of income and expenditure, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. The Society recognizes the reversal immediately in the statement of income and expenditure, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

3.4. Advances, prepayments and other receivables

Advances, prepayments and other receivable are recognized at transaction price less an allowance for impairment. A provision for impairment of account receivables is established when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognized in the statement of income and expenditure. Bad debts are written-off in the statement of income and expenditure on identification.

The allowance for doubtful debts of the Society is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer.



3.5. Cash and cash equivalents

Cash and cash equivalents are carried at cost in the statement of financial position. For the purpose of cash flow statement, cash and cash equivalents comprise of bank balances only.

3.6. Deferred contribution

Restricted contributions for expenses of one or more future periods deferred and recognized as revenue in the same period or periods as the related expenses are recognized. While the contributions restricted for the purchase of capital assets amortized to match such contributions with the benefits provided by the capital assets acquired. Such contributions recognized as revenue over the useful life of the acquired capital asset to reflect the fact that the contribution provides benefits in all the periods in which the organization has the use of the capital asset.

3.7. Creditors, accrued and other liabilities

Creditors, accrued and other liabilities are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

3.8. Foreign currency translation

The foreign currency transactions are translated into functional currency using the exchange rates prevailing on the dates of transactions. The closing balance of non-monetary items is included at the exchange rate prevailing on the date of transaction and monetary items are translated using the exchange rate prevailing on the statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in statement of comprehensive income.

3.9. Income recognition

Revenue is recognized to the extent that the economic benefits will flow to the Society and revenue can be reliably measured. Revenue is recognized at fair value of consideration received or receivable. Revenue from different sources is recognized on the following basis: Revenue from donation/grant is classified as, either un-restricted or restricted contribution.

a) Unrestricted contribution

Unrestricted contribution is a contribution that is neither a restricted contribution nor an endowment contribution and un-restricted contribution is recognized on receipt basis. Unrestricted contribution of assets other than cash would be measured at fair value. Fair value would be estimated using market or appraisal values.

b) Restricted contribution

The Society has adopted the deferral fund method for recognition of revenue as disclosed note 11 to the financial statements as prescribed by the ICAP in "Accounting Standard for Not-for-Profit Organization". A restricted contribution is a contribution subject to externally imposed stipulations that specify the purpose for which the contributed asset is to be used. A contribution restricted for the purchase of a capital asset or a contribution of the capital asset itself is a type of restricted contribution. Grant from funding bodies for which the related restrictions remain unfulfilled is accumulated as deferred contributions and recognized as revenue in the same period or periods as the related expenses are recognized. Transfer of funds during the reporting period are reported in statement of changes in net assets.

c) Other income

Other miscellaneous income is recognized on accrual basis.

3.10. Expenditure

Expenses that are incurred in the normal operations of the Society are classified as "Program expense". All expenditures that relate to a project funded by the donors are charged to "Project Expenditure".

3.11. Provisions

Provisions are recognized when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that the Society will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognized at present value using a pre-tax discount rate. The unwinding of the discount is recognized as finance cost in the statement of income and expenditure.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision are recognized in the statement of income and expenditure unless the provision was originally recognized as part of cost of an asset.

3.12. Contingent liabilities

A contingent liability is disclosed when the Society has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Society; or the Society has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.13. Contingent assets

Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society. Contingent assets are not recognized until their realization become virtually certain.

3.14. Taxation

The Society falls under the definition of "Non-profit Organization" under section 2 (36) of Income Tax Ordinance, 2001 ("the Ordinance") and tax payable is subject to 100% tax credit under section 100C of the Ordinance. Therefore, no provision has been recognized in these financial statements.



3.15. Staff retirement benefits

Defined contribution plan

The Society operates a recognized provident fund for all its permanent employees. Equal monthly contributions are made to the fund both by the Society and the employees at the rate of 10 percent of the basic salary. Obligation for contributions to defined contribution plan is recognized as an expense in the statement of income and expenditure as and when incurred. Employees are eligible under the Fund on completion of prescribed qualifying period of service.

3.16. Accumulated fund

Fund that is not subject to donor-imposed restrictions, normally used to meet the working capital requirements of/or for welfare of the Society. Surplus, if any, for the year in the statement of income and expenditure and surplus, if any, remaining in the restricted funds on completion of specific donor funded project may be transferred to restricted and un-restricted fund at the discretion of the management of the Society and donor of funding projects respectively.

3.17. Related party transactions

Transactions with related parties are based on arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

3.18. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I. Financial assets

The Society classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current assets. The Society's loans and receivables comprise "Long term security deposits", "Advances, prepayments and other receivables" and "Bank balances" in the statement of financial position.

Recognition and measurement

All financial assets are recognized at the time when the Society becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognized on trade-date; the date on which the Society commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognized when the right to receive cash flows from the assets have expired or have been transferred and the Society has transferred substantially all the risks and rewards of ownership. Loans and receivables are carried at amortized cost using the effective interest rate method.

II. Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities include "Creditors, accrued and other liabilities".

Recognition and measurement

Financial liabilities are initially recognized at fair value less any directly attributable transaction costs and subsequently stated at amortized cost using effective interest rate method. All financial liabilities are recognized at the time when the Society becomes a party to the contractual provisions of the

instrument. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of income and expenditure.

III. Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Society intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4. DETAIL OF THE PROJECTS

The details of donors and their respective projects falling under the definition of restricted funds are as follows:

4.1 UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND (UNICEF)

a) Accelerated Sanitation & Water for All- II (ASWA-II) Sustainability - March 15, 2021 to December 31, 2022

The main objective of the project is to make sure the ease of access of basic sanitation for people in targeted rural areas, health care measures effectively managed Wash facilities, locally managed water supply. The project shall be carried out in Ahmadpur Sial, Athara Hazari district Jhang Punjab.

4.2 UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION (UNESCO)

a) Support to national capacity building to realize Girls Right to Education in Punjab (GRTE) -May 20, 2022 to May 20, 2023

The main objective of the project to increase girls' enrolment in 118 primary schools in marginalized communities of District Muzaffargarh in Punjab through mobilization of local communities.

b) TRANSEDUCATION - 18 November, 2022 to 21 May, 2023

The objective of the project is to establish 2 schools in the existing public sector schools as a second shift and enroll around 80 Trans students (40 in each school) in the Multan and Bahawalpur districts of Punjab province

4.3 CONCERN WORLDWIDE (CWW)

a) CSO's building resilience through improved delivery, governance and empowerment programme (BRIDGE) – May 1, 2021 to April 30 2024

The main objective of the project is to strengthen civil society by addressing the social and economic challenges and increasing the voice of youth in Pakistan following the COVID-19 outbreak. The Project shall be carried out in Bahawalpur, Pakistan.

b) Relief assistance to flood affected communities in district Rajanpur, Punjab Pakistan - September 20, 2022 to November 30, 2022

The objective of the project is to provide immediate lifesaving assistance (multipurpose cash grants), MHM/Dignity Kits, Hygiene Kits and Hygiene promotion sessions to poor vulnerable families affected by 2022 floods in district Rajanpur, Punjab.



c) Critical early recovery response for agriculture support to vulnerable flood-affected families in district Rajanpur, Punjab Pakistan - October 31, 2022 to December 31, 2022

The objectives of the project are following:

- 1) Provision of Rabi season crop packages.
- 2) Knowledge improvement of flood-affected communities on production technologies in agriculture/livestock and food security.
- 3) Provision of hermetic seed/grain storage bins/bags.
- 4) Provision of multi-nutritional feed (WANDA) for small and large livestock animals.
- 5) Supporting livestock-rearing families and seasonal vaccination campaigns.

d) Emergency CVA assistance for livelihood restoration to flood-affected communities in Rajanpur - February 15, 2023 to April 30, 2023

The objectives of the project is to provide Conditional Cash Grants for fertilizers to flood-affected farmers in Rajanpur, promoting the planting of communal and urban food forests, offering knowledge sessions on food forests, providing one-month training on embroidery/tailoring to vulnerable female community members, establishing trade-specific toolkits, promoting hygiene promotion, and providing hygiene management sessions to 500 flood-affected female beneficiaries.

e) Relief assistance to flood affected communities in district Rajanpur, Punjab Pakistan - August 10, 2022 to September 23, 2022

The objective of the project is to provide the immediate lifesaving assistance (multipurpose cash grants) and awareness session on hygiene, protection and nutrition to poor vulnerable families affected by ongoing floods in district Rajanpur, Punjab

4.4 DEUTSCHE WELTHUNGERHILF

a) Strengthening the socio-economic resilience of youth by promoting their economic self-reliance in three provinces of Pakistan (PAK-1118-21) - December 01, 2021 to February 28, 2025

The main objective of this project is socio-economic resilience of 4000 youth and their families in the administrative units (divisions) of Bhambhor (Sindh), Bahawalpur (Punjab) and Peshawar (KPK) in Pakistan sustainably improved.

4.5 BRITISH COUNCIL

a) AWAZ-II – February 27, 2023 to March 31, 2024.

The main objective of this project is to create a more protective and enabling environment for girls, boys, women, youth, minorities, the differently-abled and those at risk of exclusion and exploitation.

4.6 THE GLOBAL ALLIANCE FOR IMPROVED NUTRITION

a) ZINCE WHEAT- October 01, 2021 to December 31, 2022

Develop and implement a sustainable and replicable model for the commercialization of Biofortified Zince Wheat in the Multan District of Punjab, Pakistan, that ensure the availability of Zince Wheat Flour in the markets of Multan.

4.7 BESTSELLER FOUNDATION

a) POWERED BY WOMEN – January 01, 2023 to April 30, 2024

The project aims to support 250 female beneficiaries, including working women and university students from South Punjab's top four universities, by forming women's cricket teams. It will



provide resilience building, capacity building, and awareness raising training sessions on Protection from Sexual Exploitation and Abuse (PSEA) and Workplace Harassment Act 2010. The beneficiaries will also receive training on life skills, peaceful co-existence, tolerance, gender, climate resilience, civic and legal rights, and regulatory institutions like Ombudsperson Punjab. The project will also support universities in forming departmental PSEA committees and awarding 10 scooties to selected women champions.

4.8 CIRCLE WOMEN

a) Circle's Digital Literacy Program – January 01, 2023 to February 28, 2023

The Objectives of the project is to empower young women and girls in identified districts through digital literacy, business skills, and financial inclusion, while building leaders and enhancing life skills through surveys and business coaching sessions.

5. Correction of prior period error

The company did not recognize the vehicles transferred as a donation at fair value after obtaining control during the previous period. Restating each of the affected financial statement line items for the prior periods is given below in note 5.1

The comparative financial information of financial year 2022 have been restated to correct above error. The effects of change have been accounted for retrospectively in accordance with Section 10 "Accounting Policies, Changes in Accounting Estimates and Errors", resulting in restatement of financial statements of prior periods. However, such correction of error has not any material impact on the financial statements of the beginning of the preceding periods, therefore third affected financial statements have not presented.



5.1 Correction of prior period error

Statement of Financial Position
Property and equipment

	As at July 01, 2021		As at June 30, 2022		
	As previously reported on June 30, 2021	Adjustments	As previously reported on June 30, 2022	Adjustments	
Ruppes	Ruppes	Ruppes	Ruppes	Ruppes	
16,396,594	3,308,910	19,705,504	10,056,329	2,647,128	12,703,457

Statement of Income and Expenditure
General and administrative expenses
Excess of income over expenditure for the year

For the year ended 30 June 2022			
	As previously reported	Adjustments	As restated
Ruppes	Ruppes	Ruppes	Ruppes
5,678,336	661,782	6,340,118	
15,247,037	(661,782)	14,585,255	

6. Property and equipment

Un-restricted
RestrictedNote
Rupees
2023
2022
Rupees
Retained

6.1 Un-restricted

6.1.1 Reconciliation of ending balances by classes of assets is as follows:

Particulars	Cost				Accumulated depreciation				Carrying amount as at	
	As at July 01, 2022	Transfer from restricted fund-net	Addition	(Deletion)	As at July 01, 2022	Transfer from restricted fund-net	Charge for the year	(Deletion)	June 30, 2023	June 30, 2023
Cameras	368,508	78,000	-	-	348,675	46,519	5,950	-	401,144	45,364
Computers	4,759,396	224,250	973,300	-	3,627,037	207,848	575,340	-	4,410,225	1,546,721
Electric equipment	2,560,216	358,383	148,560	-	1,362,642	221,654	251,543	-	1,835,839	1,231,320
Furniture and fixture	4,796,545	696,724	306,814	-	2,190,703	396,693	275,947	-	2,863,343	2,936,740
Office equipment	1,915,788	32,400	-	-	1,170,458	11,504	74,533	-	1,256,495	691,693
Sign boards	46,850	-	-	-	44,362	-	249	-	44,611	2,239
Survey instruments	309,813	-	-	-	297,240	-	2,515	-	299,755	10,058
Vehicles	4,521,768	-	-	-	1,786,205	-	547,112	-	2,333,317	2,188,451
Mono Block Pump	14,863	-	-	-	12,447	-	483	-	12,930	1,933
Deslting instrument	131,322	-	-	-	126,702	-	924	-	127,626	3,696
Sports equipment	166,000	-	-	-	72,248	-	18,750	-	90,998	75,002
Multimedia Projector	-	-	19,800	-	-	-	2,788	-	2,788	17,012
Sewing machine	3,116,800	-	65,000	-	487,897	-	263,317	-	751,214	2,430,586
	22,707,869	1,389,757	1,513,474	-	11,526,616	884,218	2,019,481	-	14,430,285	11,180,815

6.1.2 Depreciation for the year has been charged to general and administrative expense.

6.2 Restricted

6.2.1 Reconciliation of ending balances by classes of assets is as follows:

Particulars	Cost				Accumulated depreciation				Carrying amount as at	
	As at July 01, 2022	Transfer to un-restricted fund-net	Addition	(Deletion)	As at July 01, 2022	Transfer to un-restricted fund-net	Charge for the year	(Deletion)	June 30, 2023	June 30, 2023
Cameras	78,000	(78,000)	-	-	33,027	(46,519)	13,492	-	-	-
Computers	1,245,569	(224,250)	1,351,350	-	362,971	(207,848)	515,785	-	670,908	1,701,761
Electric equipment	405,133	(358,383)	438,430	-	195,249	(221,654)	74,380	-	47,975	437,205
Furniture and fixture	696,725	(696,724)	685,715	-	335,194	(396,693)	76,381	-	14,882	670,834
Office equipment	32,400	(32,400)	237,000	-	9,182	(11,504)	21,040	-	18,718	218,282
	2,457,827	(1,389,757)	2,712,495	-	935,623	(884,218)	701,078	-	752,483	3,028,082

6.2.2 Depreciation for the year has been charged to relevant project expense.

6.3 Un-restricted

6.3.1 Reconciliation of beginning balances by classes of assets is as follows:

Particulars	Cost						Accumulated depreciation						Carrying amount as at 30-06-2022								
	As at July 01, 2021		Transfer from restricted fund		Additions		Deletion		As at June 30, 2022		As at July 01, 2021			Transfer from restricted fund		Charged for the year		Adjustment		As at June 30, 2022	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cameras	368,508	-	-	-	-	368,508	-	-	340,175	-	-	8,500	-	-	348,675	-	-	348,675	19,833		
Computers	4,475,449	212,500	140,447	(69,000)	4,759,396	3,200,760	91,748	382,907	3,200,760	53,960	382,907	3,627,036	(48,379)	3,627,036	1,132,360	1,132,360	1,132,360	1,132,360			
Electric equipment	2,378,466	181,750	-	-	2,560,216	1,041,237	1,896,972	16,437	1,896,972	16,437	277,294	2,190,703	-	2,190,703	1,197,573	1,197,573	1,197,573	1,197,573			
Furniture and fixture	4,649,359	105,286	41,900	-	4,796,545	1,087,643	1,087,643	-	1,087,643	-	82,815	1,170,458	-	1,170,458	2,605,842	2,605,842	2,605,842	2,605,842			
Office equipment	1,915,788	-	-	-	1,915,788	43,740	-	-	1,915,788	-	622	1,170,458	-	1,170,458	745,330	745,330	745,330	745,330			
Sign boards	46,850	-	-	-	46,850	294,097	-	-	43,740	-	3,143	44,362	-	44,362	2,488	2,488	2,488	2,488			
Survey instruments	309,813	-	-	-	309,813	1,102,314	-	-	294,097	-	683,891	297,240	-	297,240	12,573	12,573	12,573	12,573			
Vehicles	4,521,768	-	-	-	4,521,768	11,843	-	-	1,102,314	-	604	1,786,205	-	1,786,205	2,735,563	2,735,563	2,735,563	2,735,563			
Mono Block Pump	14,863	-	-	-	14,863	125,547	-	-	11,843	-	1,155	12,447	-	12,447	2,416	2,416	2,416	2,416			
Desktop instrument	131,322	-	-	-	131,322	61,831	-	-	125,547	-	10,417	126,702	-	126,702	4,620	4,620	4,620	4,620			
Sports equipment	166,000	-	-	-	166,000	-	-	-	61,831	-	-	72,248	-	72,248	93,752	93,752	93,752	93,752			
Sewing machine	-	3,116,800	-	-	3,116,800	-	487,897	-	-	487,897	-	-	-	487,897	2,628,903	2,628,903	2,628,903	2,628,903			
	18,978,186	3,616,336	182,347	(69,000)	22,707,869	9,206,159	650,042	1,718,794	9,206,159	650,042	48,379	11,526,616	(48,379)	11,526,616	11,181,253	11,181,253	11,181,253	11,181,253			

6.4 Restricted

6.4.1 Reconciliation of beginning balances by classes of assets is as follows:

Particulars	Cost						Accumulated Depreciation						Carrying amount as at 30-06-2022								
	As at July 01, 2021		Transfer to unrestricted fund		Addition		Deletion		As at June 30, 2022		As at July 01, 2021			Transfer to unrestricted fund		Charge for the year		Adjustment		As at June 30, 2022	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cameras	78,000	-	-	-	-	78,000	-	-	22,616	-	10,411	-	-	33,027	-	-	33,027	44,973			
Computers	2,138,069	(212,500)	-	(680,000)	1,245,569	262,444	(91,748)	399,595	262,444	(53,960)	399,595	(207,320)	362,971	882,598	882,598	882,598	882,598	882,598			
Electric equipment	469,171	(181,750)	117,712	-	405,133	187,777	(53,960)	61,432	187,777	(16,437)	61,432	-	195,249	209,884	209,884	209,884	209,884				
Furniture and fixture	802,011	(105,286)	-	-	696,725	304,718	(16,437)	46,913	304,718	-	46,913	-	335,194	361,531	361,531	361,531	361,531				
Office equipment	32,400	-	-	-	32,400	6,602	-	2,580	32,400	-	2,580	-	9,182	23,218	23,218	23,218	23,218				
Sewing machine	7,680,000	(3,116,800)	-	(4,563,200)	-	482,017	(487,897)	456,239	482,017	(487,897)	456,239	(450,359)	-	-	-	-	-	-			
	11,199,651	(3,616,336)	117,712	(5,243,200)	2,457,827	1,266,174	(650,042)	977,170	1,266,174	(657,679)	935,623	(657,679)	935,623	1,522,204	1,522,204	1,522,204	1,522,204				

	Note	2023 Rupees	2022 Rupees
7. Intangible assets			
Net carrying value basis:			
As at 01 July		73,886	92,358
Deletion during the year		-	-
Amortization for the year	7.1	(14,777)	(18,472)
Carrying amount as at 30 June		59,109	73,886
Gross carrying value basis:			
Cost		539,081	539,081
Accumulated amortization		(479,972)	(465,195)
Carrying amount as at 30 June		59,109	73,886
Useful life (Percentage)		20%	20%
7.1 Amortization for the year has been charged to general and administrative expenses.			
8. Long term security deposits			
- against supplier		20,000	20,000
- against building		100,000	100,000
	8.1	120,000	120,000
8.1 Security deposits against supplier and building are not amortized. This decision is based on the understanding that impact of amortization on security deposits paid is immaterial in nature.			
9. Advances, prepayments and other receivables			
Advances to employees-secured			
-against expenses		229,298	31,656
-against salaries		280,531	181,677
	9.1	509,829	213,333
Income tax refundable		1,716,717	1,716,717
Advances to suppliers		4,195,584	1,545,581
Service charges receivable	9.2	5,681,433	2,866,086
Due from associated companies	9.3	182,667	108,398
Security deposits	9.4	420,000	411,089
Prepayments		1,370,728	1,559,739
Other receivables		368,067	161,139
		14,445,025	8,582,082
9.1 This represents advances provided to employees of the Society to meet projects expenses and are settled when the expenses are incurred.			
9.2 This represents services rendered by the Society to Punjab Skills Development Fund (PSDF) against completion of vocational training during the year.			
9.3 Due from associated companies			
ATF Mango Farms Private Limited		182,667	103,293
Grassroots Cricket Private Limited		-	5,105
		182,667	108,398
9.4 These presents security deposits paid to the property owners and various suppliers.			
10. Bank balances			
Current account			
Deposits with conventional banks	10.1	101,450,191	58,736,618
		101,450,191	58,736,618
10.1 Deposits with conventional banks - Current Account			
Un-Restricted		39,415,835	41,315,844
Restricted		62,034,356	17,420,774
		101,450,191	58,736,618

11. Deferred contributions related to capital assets

	Note	2023 Rupees	2022 Rupees
Balance as at 01 July	11.1	1,215,646	1,453,105
Addition on purchase of property and equipment	11.1	2,712,495	1,177,712
Transferred to unrestricted fund	11.1	(505,539)	(5,713)
Released to income to the extent of depreciation	11.1	(701,078)	(349,458)
Balance as at 30 June		2,721,524	1,215,646

11.1 Reconciliation of the deferred capital contribution at the end of the year is as follows:

Projects' name	Balance as at 01	Capital grant	Transfer in/(out)	Capital grant	Transferred to	Balance as at 30
	July, 2022	received		amortized	unrestricted fund	June, 2023
	Rupees	Rupees		Rupees	Rupees	Rupees
GRTE-UNESCO	-	1,427,555	-	(277,722)	-	1,149,833
PAK1118-WHH	-	825,230	-	(140,961)	-	684,269
AAWAZ-II-Sahwal	-	459,710	640,426	(212,714)	-	887,422
ZINC WHEAT	112,230	-	-	(22,446)	(89,784)	-
ASWA-II-Sus	351,636	-	-	(36,100)	(315,536)	-
AAWAZ-II	751,780	-	(640,426)	(11,135)	(100,219)	-
	1,215,646	2,712,495	-	(701,078)	(505,539)	2,721,524

11.2 Reconciliation of the deferred capital contribution at the beginning of the year is as follows:

Projects' name	Balance as at 01	Capital grant	Transfer in/(out)	Capital grant	Transferred to	Balance as at 30
	July, 2021	received		amortized	unrestricted fund	June, 2022
	Rupees	Rupees		Rupees	Rupees	Rupees
LPP-II	7,141	-	-	(1,428)	(5,713)	-
ZINC WHEAT	-	117,712	-	(5,482)	-	112,230
ASWA-II-Sus	414,008	-	-	(62,372)	-	351,636
AAWAZ-II	1,031,956	-	-	(280,176)	-	751,780
	1,453,105	117,712	-	(349,458)	(5,713)	1,215,646

	Note	2023 Rupees	2022 Rupees				
12. Deferred contributions related to expenses of future periods	12.1	<u>58,876,386</u>	<u>17,924,850</u>				
12.1 Reconciliation of the deferred revenue contribution at the end of the year is as follows:							
Projects' name	Balance as at 01 July, 2022	Inter funds transfer	Funds received	Release to revenue	Fund utilized for capital expenditure	Adjustment of closed projects	Balance as at 30 June, 2023
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Trans Education-UNESCO	-	6,080,575	6,898,500	(9,646,111)	-	-	3,332,964
RAFAC-RPR	-	1,124,681	21,074,331	(22,118,853)	-	-	80,179
Emergency-RPR-CWW	-	1,090,280	19,266,000	(20,356,280)	-	-	-
GRTE-UNESCO	4,597,263	2,382,844	26,226,750	(30,545,039)	(1,427,555)	-	1,234,263
Emergency CVA-CWW	-	170,524	23,150,510	(23,572,924)	-	-	(251,890)
ZINC WHEAT	388,901	225,231	4,517,300	(5,287,704)	-	156,272	-
ASWA-II-Sus	5,186,395	-	13,492,022	(13,289,048)	-	(5,389,369)	-
PAK1118-WHH	3,438,990	1,267,542	41,895,750	(29,582,434)	(825,230)	-	16,194,618
BRIDGE	3,031,305	628,952	39,564,762	(37,338,374)	-	-	5,886,645
AAWAZ-II	1,281,996	-	10,578,922	(6,495,164)	-	(5,365,754)	-
CERR-CWW	-	990,592	17,513,725	(18,281,782)	-	-	222,535
BSF-Powered By Women	-	2,000,259	20,943,750	(2,530,287)	-	-	20,413,722
AAWAZ-II-Sahiwal	-	2,148,237	13,232,311	(3,385,488)	(459,710)	-	11,535,350
Circle DLP	-	181,870	228,000	(181,870)	-	-	228,000
	<u>17,924,850</u>	<u>18,291,587</u>	<u>258,582,633</u>	<u>(222,611,338)</u>	<u>(2,712,495)</u>	<u>(10,598,851)</u>	<u>58,876,386</u>
12.2 Reconciliation of the deferred revenue contribution at the beginning of the year is as follows:							
Projects' name	Balance as at 01 July, 2021	Inter funds transfer	Funds received	Release to revenue	Fund utilized for capital expenditure	Adjustment of closed projects	Balance as at 30 June, 2022
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
KCD160	-	-	8,646,244	(7,980,977)	-	(665,267)	-
LPP-II	(668,980)	-	8,591,404	(5,878,961)	-	(2,043,463)	-
GO006-LUC	(182,040)	-	3,782,739	(2,634,188)	-	(966,511)	-
GRTE-UNESCO	-	385,066	5,245,350	(1,033,153)	-	-	4,597,263
KCD177	-	-	12,689,703	(15,556,782)	-	2,867,079	-
ZINC WHEAT	-	184,578	6,300,000	(5,977,965)	(117,712)	-	388,901
ASWA-II-Sus	2,254,937	4,669,639	40,456,935	(42,195,116)	-	-	5,186,395
PAK1118-WHH	-	290,674	6,164,050	(3,015,734)	-	-	3,438,990
BRIDGE	(8,290)	329,387	12,429,549	(9,719,341)	-	-	3,031,305
AAWAZ-II	231,379	5,032,095	19,527,764	(23,509,242)	-	-	1,281,996
ACDM	548,248	-	-	(477,776)	-	(70,472)	-
	<u>2,175,254</u>	<u>10,891,439</u>	<u>123,833,738</u>	<u>(117,979,235)</u>	<u>(117,712)</u>	<u>(878,634)</u>	<u>17,924,850</u>
13. Payable to suppliers							
Goods						370	442,935
Services						<u>1,595,496</u>	<u>2,242,951</u>
						<u>1,595,866</u>	<u>2,685,886</u>
14. Accrued and other liabilities							
Salaries payable						224,255	3,338,207
Income tax payable						-	52,129
Provident fund payable						-	436,394
Payable to employees						148,761	89,493
Sales tax payable (PST & GST)						-	113,661
Other payable						<u>2,019,357</u>	<u>1,098,568</u>
						<u>2,392,373</u>	<u>5,128,452</u>
15. Contingencies and commitments							
The Society is not exposed to any contingencies and commitments as on reporting date (2022: Nil).							
16. Other income/(loss)							
Gain/(loss) on disposal of property and equipment						-	(1,781,443)
Service charges						8,371,345	307,850
Miscellaneous income						<u>1,699,752</u>	<u>1,383,225</u>
						<u>10,071,097</u>	<u>(90,368)</u>
17. Donations							
Related parties					21	23,600,000	23,500,000
Corporate sectors						<u>62,500,000</u>	<u>39,500,000</u>
Others						17,192,468	750,000
						<u>103,292,468</u>	<u>63,750,000</u>

18 Project expense
18.1 Project cost

	KODI60-DM		KODI77-DM		PDRF-SPM-II		ZINC WHEAT		BMZ-PAKIIIB		LAKND-PSDF		Tanus Education-UNESCO		Total	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Honorarium of community research persons	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Response to COVID-19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under WASH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Education and training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under livelihood	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent, rate and taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle running and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project management cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under Peace Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community development works	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Registration & professional fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	6,500	-	324,700	-	435,999	-	12,000	-	742,000	-	578,154	-	5,105,002	-	6,477,156	706,699
	1,149,410	-	215,948	-	-	-	138,520	-	172,055	-	228,502	-	538,703	-	1,570,759	1,675,833
	11,648	-	-	-	-	-	283,347	-	130,680	-	456,037	-	90,000	-	1,096,890	428,074
	89,650	-	-	-	-	-	245,930	-	314,367	-	1,533,133	-	640,254	-	1,017,813	1,981,772
	485,938	-	-	-	-	-	(101,473)	-	3,669,819	-	880,515	-	2,170,689	-	5,943,733	3,428,190
	3,313,744	-	152,261	-	1,299,514	-	2,322,154	-	2,217,335	-	600,280	-	2,170,689	-	14,323,291	11,310,803
	1,726,164	-	13,166,872	-	42,705	-	913,328	-	8,950,433	-	21,240	-	640,489	-	12,440,769	14,890,056
	11,880	-	2,327	-	-	-	165,800	-	27,707	-	21,240	-	340,756	-	913,328	1,65,800
	27,672	-	-	-	-	-	1,240	-	-	-	-	-	-	-	396,378	58,152
	7,822,006	-	14,992,634	-	4,439,907	-	5,516,547	-	27,566,381	-	4,462,861	-	9,227,893	-	45,982,617	34,736,031

	GRTE-UNESCO		(ASWA-II-Sum)-UNICEF		LPP-II-DM		GOI06-LUC-DM		AAVAZ-II-BC		ACDM-BC		BRIDGE-CWW		Total	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Honorarium of community research persons	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Response to COVID-19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under WASH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Education and training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under livelihood	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent, rate and taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle running and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project management cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under Peace Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community development works	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Registration & professional fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,565,675	-	32,000	-	49,600	-	464	-	416,502	-	-	-	89,000	-	1,565,675	130,004
	674,122	-	13,202,754	-	2,293,326	-	1,731,138	-	457,510	-	-	-	309,027	-	2,778,340	32,000
	3,538,425	-	63,147	-	1,095,074	-	-	-	8,447,293	-	-	-	35,939	-	31,881,193	14,659,804
	207,706	-	307,280	-	738,722	-	-	-	1,020,000	-	-	-	480,000	-	2,483,645	121,520
	5,441,797	-	10,255,009	-	271,933	-	-	-	638,938	-	-	-	1,481,997	-	10,410,286	2,395,141
	5,341,559	-	15,441,354	-	61,226	-	-	-	10,809,765	-	-	-	5,394,827	-	25,353,136	12,877,666
	7,915,142	-	20,190	-	7,620	-	2,010	-	3,977,230	-	-	-	1,083,000	-	669,914	61,226
	669,914	-	5,890	-	5,142,408	-	-	-	10,809,765	-	-	-	9,759,189	-	9,759,189	46,764
	8,445,189	-	20,190	-	-	-	-	-	3,970	-	-	-	5,702	-	1,083,000	37,451
	31,561	-	40,785,103	-	2,553,483	-	2,553,483	-	21,377,496	-	-	-	9,044,726	-	84,560,206	80,354,529
	28,934,090	-	12,814,995	-	5,142,408	-	5,875,505	-	36,115,616	-	-	-	9,044,726	-	84,560,206	42,762

	RAFAC-RPR		Emergency-RPR-CWW		Emergency-CVA-CWW		Cure DLP		CERR-CWW		BSF-Powered By Women		AAVAZ-II-Saltwal		Total	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Honorarium of community research persons	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Response to COVID-19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under WASH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Education and training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under livelihood	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent, rate and taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle running and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project management cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Activities under Peace Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community development works	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Registration & professional fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	40,000	-	120,000	-	6,003,570	-	-	-	409,000	-	1,305,560	-	-	-	1,874,560	-
	-	-	-	-	7,271,014	-	-	-	600,000	-	47,815	-	-	-	7,469,721	-
	14,855	-	-	-	2,500	-	-	-	2,500	-	-	-	-	7,273,514	-	
	70,008	-	30,342	-	71,428	-	-	-	35,000	-	269,484	-	-	476,254	-	
	651,917	-	361,384	-	597,453	-	-	-	470,706	-	831,453	-	-	2,406,135	-	
	1,230,720	-	165,000	-	699,735	-	-	-	875,882	-	100,000	-	-	6,456,603	-	
	19,831,859	-	19,507,528	-	8,123,700	-	-	-	15,697,540	-	100,000	-	-	100,000	-	
	4,930	-	1,380	-	2,270	-	-	-	6,360	-	1,950	-	-	63,160,618	-	
	21,844,282	-	20,185,694	-	23,589,170	-	-	-	18,095,988	-	2,519,155	-	-	89,238,831	-	
	-	-	-	-	179,156	-	-	-	-	-	-	-	-	3,044,476	-	
	30,778,372	-	33,000,599	-	55,767,737	-	23,569,170	-	9,582,215	-	4,604,638	-	8,070,030	-	51,538,874	-
	8,026,851	-	55,767,737	-	23,569,170	-	9,582,215	-	4,604,638	-	8,070,030	-	51,538,874	-	24,151,933	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	6,982,016	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	446,893	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	69,307,956	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	9,044,726	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	219,581,654	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	115,000,385	-	

18 Project expense

	KCD160-DAI		KCD177-DAI		PSDR-SFM-II		ZINC WHEAT		BHWZ-FAKIUS		LANNDO-PSDR		Tama Education-LINESCO		Total
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
18.2 Operational cost															
Staff welfare & capacity building	-	54,153	-	-	-	-	-	-	-	-	-	-	-	-	76,139
Traveling and conveyance	-	226,737	-	-	385,444	-	17,340	161,353	1,022,951	53,060	44,620	-	-	-	947,429
Utilities	-	771,69	-	-	-	-	68,222	156,990	256,745	48,427	23,324	-	-	-	1,081,415
Printing, stationary and periodicals	-	76,745	-	-	-	-	24,589	13,969	360,892	24,802	20,770	-	-	-	427,111
Depreciation of property & equipment	-	-	-	-	-	-	627,711	438,868	5,482	140,961	3,411	-	-	-	848,111
Office expense	-	322,702	-	-	1,773,313	-	137,498	40,773	160,128	7,184	65,422	-	-	-	166,818
Communication	-	95,094	-	-	9,800	-	28,601	85,671	64,825	26,685	9,964	-	-	-	392,003
Repair and maintenance	-	104,005	-	-	2,605	-	60,311	36,394	126,484	9,665	51,487	-	-	-	189,205
Advertisement expense	-	-	-	-	-	-	-	-	-	70,900	-	-	-	-	240,682
Bank charges	-	1,766	-	-	1,172	-	244,954	11,809	10,234	631	319,890	-	-	-	154,609
	-	958,371	-	-	574,148	-	1,352,688	884,668	2,157,914	241,297	539,288	-	-	-	342,049
															248,663
															3,593,404

	GRTE-LINESCO		(ASWA-II-Semi)-LINICEF		LPR-II-DAI		GOMG-LIC-DAI		AAWZ-II-BC		ACDM-BC		BRINDGE-CWV		Total
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
Staff welfare & capacity building	70,552	14,370	50,222	9,254	-	-	14,902	-	-	83,585	-	-	-	-	70,552
Traveling and conveyance	100,880	14,538	125,328	125,328	94,393	-	94,393	-	25,800	444,611	5,000	-	31,770	1,460	182,572
Utilities	323,694	-	153,940	198,838	200,927	-	200,927	-	532,659	276,106	276,106	-	262,360	31,694	825,421
Printing, stationary and periodicals	66,670	-	380,495	380,495	43,169	-	43,169	-	280,716	101,921	25,883	-	101,921	262,360	789,540
Depreciation of property & equipment	271,722	-	56,781	62,372	1,428	-	1,428	-	11,135	343,938	-	-	-	1,121,998	1,121,998
Office expense	666,519	-	90,526	201,930	223,968	-	223,968	-	851,751	851,751	-	-	79,945	345,638	345,638
Communication	129,311	-	131,448	287,179	55,908	-	55,908	-	117,457	108,077	-	-	108,077	661,031	661,031
Repair and maintenance	249,593	-	26,920	31,340	97,225	-	97,225	-	36,379	350,152	-	-	88,878	682,657	850,614
Advertisement expense	-	-	155,880	155,880	24,500	-	24,500	-	1,694	24,500	-	-	24,500	350,152	350,152
Bank charges	2,030	-	10,997	19,768	6,061	-	6,061	-	377	1,694	-	-	280	24,500	24,500
	1,888,671	28,908	530,034	1,472,385	737,981	-	737,981	-	2,411,922	674,615	30,883	-	674,615	3,653,057	5,437,399

	RAFAC-RPR		Emergency-RPR-CWV		Emergency-CVA-CWV		Circle DLP		CERR-CWV		BSF-Powered By Women		AAWZ-II-Sahawal		Total
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
Staff welfare & capacity building	40,310	-	30,320	-	-	-	35,410	-	6,180	-	-	-	-	-	40,310
Traveling and conveyance	36,630	-	-	-	-	-	15,040	-	9,682	-	-	-	-	-	36,630
Utilities	26,520	-	65,160	-	-	-	37,340	-	23,995	-	-	-	-	141,507	283,677
Printing, stationary and periodicals	-	-	-	-	-	-	28,759	-	11,400	-	-	-	-	70,807	70,807
Depreciation of property & equipment	52,270	-	20,010	-	-	-	17,760	-	56,922	-	-	-	-	206,230	206,230
Office expense	21,585	-	2,450	-	-	-	54,058	-	20,770	-	-	-	-	192,033	192,033
Communication	73,656	-	50,295	-	-	-	17,387	-	52,190	-	-	-	-	169,361	169,361
Repair and maintenance	21,580	-	2,441	-	-	-	17,387	-	24,447	-	-	-	-	128,353	128,353
Advertisement expense	-	-	-	-	-	-	-	-	-	-	-	-	-	230,199	230,199
Bank charges	274,551	-	170,676	-	203,754	-	2,714	-	184,794	-	11,132	-	-	22,050	22,050
	2,163,222	987,279	701,510	2,046,533	203,754	-	887,382	-	2,972,602	-	550,420	-	674,615	1,380,666	8,732,911

Total operational cost 2,163,222 987,279 701,510 2,046,533 203,754 2,000,660 887,382 547,605 2,972,602 2,653,219 550,420 30,883 1,354,021 674,615 8,732,911 9,030,803

Note	2023		2022	
	Rupees	Rupees	Rupees	Rupees
	Program cost		General and administrative expense	
			<i>Restated</i>	
19. Program expense				
Community development works	19,677,801	991,129	-	-
Response to COVID-19	-	28,701	-	-
Staff welfare & capacity building	1,011,104	197,939	-	-
Green and clean lodhran campaign	881,473	2,516,662	-	-
Salaries, allowances and other benefits	-	-	5,738,655	3,607,046
Program management cost	37,434,084	20,495,916	-	-
Stipend and honorarium	-	382,000	-	-
Security services	557,189	537,600	-	-
Vehicle running and maintenance	7,483,132	4,015,761	870,200	592,162
Rent, rate and taxes	383,682	60,072	-	-
Utilities	1,431,229	615,370	-	-
Printing, stationary and periodicals	267,830	70,919	-	-
Registration & professional fee	385,112	1,311,269	-	-
Depreciation of property & equipment	6	-	2,016,040	1,718,795
Amortization of intangible assets	7	-	14,777	18,472
Office & entertainment expenses	1,223,356	386,134	-	-
Travelling and conveyance	1,464,148	742,935	202,358	-
Repair and maintenance	1,478,878	959,649	24,600	-
Audit fee and related expense	-	-	653,737	342,783
Miscellaneous expenses	464,820	89,281	-	-
Bank charges	-	-	56,011	34,381
Postage, stamps and courier charges	-	-	49,537	26,479
Insurance	1,169,519	817,000	238,331	-
Communication	807,138	561,386	54,249	-
Social media support service	397,414	36,931	-	-
Donation to projects	19.1	3,301,951	2,125,110	-
		79,819,860	36,941,764	9,918,495
				6,340,118

19.1 This represents the Society's share cost contributed during the year to ASWA-II ,BRIDGE, AWAZ-II, PAK1118-WHH, GTRE-UNESCO, Trans Education-UNESCO & CERR-CWW as per Programme Completion Agreement (PCA) in the form of salaries, fixed assets and supplies.

20. Financial instruments

		Financial assets		Financial liabilities	
		Amortized cost		Amortized cost	
		2023	2022	2023	2022
		Rupees	Rupees	Rupees	Rupees
Long term security deposits	8	120,000	120,000	-	-
Advances, prepayments and other receivables	9	6,652,167	6,865,365	-	-
Bank balances	10	101,450,191	58,736,618	-	-
Payable to suppliers	13	-	-	1,595,866	2,685,886
Accrued and other liabilities	14	-	-	2,392,373	5,128,452
		108,222,358	65,721,983	3,988,239	7,814,338

21. Transactions with related parties

Related parties comprise of the members of the Society, management and the companies and/or entities where members hold directorship. Balances and transactions between the Society and projects managed and undertaken by Society are related parties and have been eliminated on combination and are not disclose in this note. Amounts due from and to related parties are shown under respective notes of these financials statement. Other significant transactions between the Society and other related parties are disclosed below:

Nature of relationship	Nature of transactions	2023 Rupees	2022 Rupees
I. Associates	Expenses incurred / payments by the Society on behalf of associated undertaking	1,469,038	688,503
	Amount received / adjusted by the Society on behalf of associated undertaking	1,394,769	968,709
	Donation received from:		
	JK Dairies (Pvt.) Limited	18,000,000	12,500,000
	JK Sugar Mills (Pvt.) Limited	5,600,000	-
	Indus Mining (Pvt.) Ltd.	-	11,000,000
II. Key management personnel	Salaries and other benefits	11,171,027	6,383,000
	Provident fund contribution	625,722	401,067
III. Staff retirement benefits	Society contribution charged	3,422,676	3,299,710
	Society contribution paid	3,640,873	3,320,924

21.1 All transactions with related parties have been carried out on mutually agreed terms and conditions.

21.2 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Society directly or indirectly. The Society considers all members of the Managing Committee, Secretary, Finance Secretary, Officers and other person fulfilling the senior management functions as its key management personnel.

22. **General**

Corresponding figures have been re-arranged, regrouped and reclassified wherever necessary for the purpose of comparison. However no significant reclassification and/or rearrangements have been made to these financial statements.

23. **Date of authorization for issue**

These financial statements were authorized for issue on 18-Apr-2024 by the Management Committee of the Society.




PRESIDENT

manantwell
FINANCE SECRETARY