AUDITED FINANCIAL STATEMENTS OF
PAK AID WELFARE TRUST
FOR THE YEAR ENDED
JUNE 30, 2024

IFTIKHAR MASOOD & CO
CHARTERED ACCOUNTANTS

3rd Floor, Al-Rehman Chamber,
Fazal-e-Haq Road, Blue Area,
Islamabad.
Phone: +92-51-2605672-74
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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF PAK AID WELFARE TRUST

REPORT ON AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **Pak Aid Welfare Trust**, which comprises the statement of financial position as at June 30, 2024, and the statement of income and expenditure, statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of audit.

In our opinion, the accompanying financial statements present fairly, in all material aspects, the Statement of financial position as at June 30, 2024, and the statement of Income and Expenditure, statement of changes in funds and statements of 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 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.

Information Other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the Trustee's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Trustees for the Financial Statements

Trustee is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and for such internal controls as Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Trustees are 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.

Board of Trustees are responsible for overseeing the Trust's 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 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 controls.
- 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 Trustees.
- Conclude on the appropriateness of Trustee'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.

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- 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 the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Iftikhar Masood & Co.

IFTIKHAR MASOOD & CO. CHARTERED ACCOUNTANTS

Place: Islamabad
Date: November 11, 2024.
UDIN: AR202410504DYe6FETa9

Iftikhar Masood & Co.
Chartered Accountants

PAK AID WELFARE TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024	2023
		(Rupees)	(Rupees)
Assets			
Non current assets			
Property, plant and equipment	4	11,381,529	10,418,595
Intangible assets	5	1,126,214	36,700
		12,507,743	10,455,295
Current assets			
Advances deposits & other receivables	6	61,772,262	9,156,805
Cash and bank balances	7	156,693,364	18,948,939
		218,465,627	28,105,744
Total Assets		**230,973,370**	**38,561,039**
Funds & Liabilities			
General Funds			
General funds		93,707,221	31,565,798
Current liabilities			
Accrued and other payables	8	13,177,415	6,995,241
Un-utilized project funds	9	124,088,733	-
Total Funds & Liabilities		**230,973,370**	**38,561,039**

The annexed notes from 1 to 16 form an integral part of these financial statements.

PAK AID WELFARE TRUST
Office # 4, 2nd Floor MB City Mall Plaza I-8, Markaz, Islamabad.

CHAIRMAN **FINANCE SECRETARY**

PAK AID WELFARE TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		(Rupees)	(Rupees)
Income	10	268,358,189	180,406,010
Expenditure			
Direct welfare expense	11	(183,551,828)	(150,471,800)
General & administration expense	12	(22,664,938)	(7,746,140)
Gross surplus for the year		62,141,423	22,188,070
Taxation		-	-
Net surplus for the year		62,141,423	22,188,070
Other comprehensive income		-	-
Total comprehensive surplus for the year		**62,141,423**	**22,188,070**

The annexed notes from 1 to 16 form an integral part of these financial statements.

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PAK AID WELFARE TRUST
Office # 4,
2nd Floor
MB City Mall Plaza
I-8, Markaz,
Islamabad.

CHAIRMAN

FINANCE SECRETARY

PAK AID WELFARE TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		(Rupees)	(Rupees)
Cash Flows from Operating Activities			
Surplus for the year		62,141,423	22,188,070
Adjustments			
Depreciation		2,122,566	1,359,651
Amortization		95,486	9,175
		64,359,475	23,556,896
Working capital changes:			
Increase in advances, deposits and other receivables		(52,615,457)	(7,828,166)
(Decrease) / Increase in accrued liabilities		6,182,174	4,017,857
(Decrease) / Increase in un-utilized project funds		124,088,733	-
		77,655,450	(3,810,309)
Taxes paid		-	-
Net cash generated from operating activities		142,014,925	19,746,587
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(3,085,500)	(11,389,419)
Disposal of intangible assets		15,000	-
Intangible Assets addition		(1,200,000)	-
Net cash used in investing activities		(4,270,500)	(11,389,419)
Cash Flows from Financing Activities		-	-
(Decrease) / Increase in cash and cash equivalents		137,744,425	8,357,168
Cash and cash equivalents at the beginning of the year		18,948,939	10,591,771
Cash and cash equivalents at the end of the year		156,693,364	18,948,939

The annexed notes from 1 to 16 form an integral part of these financial statements.

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PAK AID WELFARE TRUST
Office # 4, 2nd Floor MB City Mall Plaza I-8, Markaz, Islamabad.

CHAIRMAN

FINANCE SECRETARY

PAK AID WELFARE TRUST
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	2024 General Funds (Rupees)	2024 Total (Rupees)
Balance as at July 01, 2018	5,125,982	5,125,982
Deficit for the year ended June 30, 2019	(3,599,531)	(3,599,531)
Balance as at June 30, 2019	**1,526,451**	**1,526,451**
Surplus for the year ended June 30, 2020	3,090,587	3,090,587
Balance as at June 30, 2020	**4,617,038**	**4,617,038**
Surplus for the year ended June 30, 2021	1,336,801	1,336,801
Balance as at June 30, 2021	**5,953,839**	**5,953,839**
Surplus for the year ended June 30, 2022	3,423,889	3,423,889
Balance as at June 30, 2022	**9,377,728**	**9,377,728**
Surplus for the year ended June 30, 2023	22,188,070	22,188,070
Balance as at June 30, 2023	**31,565,798**	**31,565,798**
Surplus for the year ended June 30, 2024	62,141,423	62,141,423
Balance as at June 30, 2024	**93,707,221**	**93,707,221**

The annexed notes from 1 to 16 form an integral part of these financial statements.

PAK AID WELFARE TRUST
Office # 4, 2nd Floor MB City Mall Plaza I-8, Markaz, Islamabad.

CHAIRMAN

FINANCE SECRETARY

PAK AID WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 THE TRUST AND ITS OPERATIONS

1.1 Pak Aid Welfare Trust (the "Trust") was registered on 3rd May 2017 under the Registration of Trust Act, 1882 and started its operation from May 10, 2017. The registered office of the Trust is situated at Office 4, 2nd Floor, MB City Mall Plaza, I - 8 Markaz, Islamabad, Pakistan.

1.2 The aim and objective of the Trust is to run, support and grant aid or other financial assistance to educational institutions, hospitals, dispensaries, vocational centers, madarsah and such other similar charitable organizations, Trust also establish water projects and distribute Rashan packages in remote areas of all over the country for the benefit and use of general public without any distinction as to caste, colour, race or creed.

To secure, receive, accept and manage funds, donations and any other assets to utilize them for the aim of Trust.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These accounts have been prepared in accordance with the approved accounting standards, as applicable in Pakistan. Approved Accounting Standards comprise of Accounting Standards for Non Profitable Organizations (NPOs), issued by the Institute of Chartered Accountants of Pakistan (ICAP).

2.2 Basis of measurement and accounting convention

These financial statements have been prepared under the historical cost convention except otherwise stated in these financial statements. Further, accrual basis of accounting is followed except for cash flow information.

2.3 Functional and presentation currency

These financial statements have been presented in Pakistan Rupees, which is also the functional currency of the Trust.

2.4 Use of estimates and judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

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3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below.

3.1 Property, plant and equipment

These are initially recognized at cost except assets received as donation in kind recognized at fair market value. Subsequently the cost of operating assets are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is calculated so as to write-off the assets over their expected economic lives under the diminishing balance method at rates given in note 4 of the accounts. Full month's depreciation is charged from the month in which asset is purchased while no depreciation is charged from the month in which the asset is disposed off.

Maintenance and normal repairs are charged to income as and when incurred. Major renewal and improvements are capitalized and assets so replaced, if any, are retired. Gains and losses on disposal of fixed assets are recognized in income currently.

3.2 Intangible assets

Costs that are directly associated with identifiable software products purchased and have probable economic benefits beyond one year are recognized as intangible assets. Intangible assets are measured initially at cost and subsequently stated at cost less accumulated amortization and impairment losses, if any. Amortization is charged at reducing balance method at rate of 20% per annum.

3.3 Impairment

The Trust assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists the Trust makes an estimate of the assets' recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

3.4 Advances, deposit and prepayments

These are recognized and stated at cost less provision for doubtful balances, if any.

3.5 Cash and bank balances

Cash in hand and at banks are carried at cost. For the purposes of cash flow statement, cash and cash equivalent consists of cash in hand and balances with bank net of borrowing not considered to be in nature of financing activities.

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3.6 Revenue recognition

Income is recognized to the extent it is probable that the economic benefits will flow to the Trust and the income can be measured reliably. Income is measured at fair value of the consideration received and is recognized on the following basis:

- Donations in cash are recognized as and when received.
- Donation in kind are recognized when the title, possession and control is transferred to the Trust. These are recorded at estimated value on the basis of prevailing market prices.

These are recorded at estimated value on the basis of prevailing market prices.

- Other income are recognized on receipts basis.

3.7 Provisions

A provision is recognized when the Trust has a legal or constructive obligation as a result of past event, it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

3.8 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Trust becomes party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Trust looses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is when the obligation specified in the contract is discharged, cancelled, or expired. Any gain or loss on recognition/de-recognition of the financial liabilities is taken to income and expenditure account currently.

3.9 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the Trust has legally enforceable right to set off the recognized amount and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.10 Related party transactions

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

3.11 Taxation

The Trust is an approved non-profit organization under section 2(36) of Income Tax ordinance, 2001. The Trust has complied with all the applicable conditions and is eligible for 100% tax credit under section 100c (Tax credit for certain persons) of the Income Tax Ordinance, 2001.

4 PROPERTY, PLANT AND EQUIPMENT

Amount in Rupees

For Financial Year 2024

PARTICULARS	COST				RATE	ACCUMULATED DEPRECIATION				Net Book Value as at June 30, 2024
	Balance as at July 01, 2023	Additions	Deletions	Balance as at June 30, 2024		Balance as at July 01, 2023	Depreciation charge for the year	Disposal	Balance as at June 30, 2024	
Vehicle	4,040,000	-	-	4,040,000	20%	521,333	703,733	-	1,225,066	2,814,934
Electrical equipment	1,593,518	1,612,500	-	3,206,018	20%	256,357	429,624	-	685,981	2,520,037
Computers and accessories	1,238,756	1,102,000	-	2,340,756	30%	359,740	509,032	-	868,772	1,471,984
Furniture and fixtures	5,160,201	371,000	-	5,531,201	10%	476,450	480,177	-	956,627	4,574,574
Total	**12,032,475**	**3,085,500**	**-**	**15,117,975**		**1,613,880**	**2,122,566**	**-**	**3,736,446**	**11,381,529**

For Financial Year 2023

PARTICULARS	COST				RATE	ACCUMULATED DEPRECIATION				Net Book Value as at June 30, 2023
	Balance as at July 01, 2022	Additions	Deletions	Balance as at June 30, 2023		Balance as at July 01, 2022	Depreciation charge for the year	Disposal	Balance as at June 30, 2023	
Vehicle	-	4,040,000	-	4,040,000	20%	-	521,333	-	521,333	3,518,667
Electrical equipment	85,315	1,508,203	-	1,593,518	20%	46,368	209,989	-	256,357	1,337,161
Computers and accessories	160,290	1,078,466	-	1,238,756	30%	107,462	252,278	-	359,740	879,016
Furniture and fixtures	397,451	4,762,750	-	5,160,201	10%	100,399	376,051	-	476,450	4,683,751
Total	**643,056**	**11,389,419**	**-**	**12,032,475**		**254,229**	**1,359,651**	**-**	**1,613,880**	**10,418,595**

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5 INTANGIBLE ASSETS

For Financial Year 2024

PARTICULARS	COST				RATE	ACCUMULATED AMORTIZATION				Net Book Value as at June 30, 2024
	Balance as at July 01, 2023	Additions	Deletions	Balance as at June 30, 2024		Balance as at July 01, 2023	Amortization charge for the year	Disposal	Balance as at June 30, 2024	
Accounting software	125,000	-	-	125,000	20%	92,232	6,554	-	98,786	26,214
Website	15,000	-	15,000	-	20%	11,068	(11,068)	-	-	-
Website New	-	1,200,000	-	1,200,000	20%	-	100,000	-	100,000	1,100,000
Total	**140,000**	**1,200,000**	**15,000**	**1,325,000**		**103,300**	**95,486**	**-**	**198,786**	**1,126,214**

For Financial Year 2023

PARTICULARS	COST				RATE	ACCUMULATED AMORTIZATION				Net Book Value as at June 30, 2023
	Balance as at July 01, 2022	Additions	Deletions	Balance as at June 30, 2023		Balance as at July 01, 2022	Amortization charge for the year	Disposal	Balance as at June 30, 2023	
Accounting software	125,000	-	-	125,000	20%	84,040	8,192	-	92,232	32,768
Website	15,000	-	-	15,000	20%	10,085	983	-	11,068	3,932
Total	**140,000**	**-**	**-**	**140,000**		**94,125**	**9,175**		**103,300**	**36,700**

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PAK AID WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

6	**ADVANCE DEPOSITS & OTHER RECEIVABLES**	**Note**	**2024**	**2023**
			(Rupees)	(Rupees)
	Advance to staff for projects	6.1	3,521,216	341,787
	Security deposits	6.2	1,603,600	1,553,600
	Donation receivable		55,122,446	43,550
	Pre-paid expenses	6.3	1,525,000	6,717,868
	WIP-Pak Aid web site		-	500,000
			61,772,262	**9,156,805**

6.1 This represents advances given to staff for procurements and projects implementation.

6.2 This represents security deposit for rental office premises.

6.3 This represents the amount prepaid to various parties for rental offices premises.

7	**CASH & BANK BALANCES**		**2024**	**2023**
			(Rupees)	(Rupees)
	Cash in hand		26,993,204	80,116
	Cash at bank	7.1	129,700,160	18,868,823
			156,693,364	**18,948,939**

7.1 This represents deposits kept in current accounts

8	**ACCRUED AND OTHER PAYABLES**	**2024**	**2023**
		(Rupees)	(Rupees)
	Audit fee	76,996	95,000
	Accrued expense	9,999,695	5,304,269
	Accrued Salaries	2,461,080	1,480,160
	WH Tax payables	493,121	73,847
	Payable to staff	2,400	41,965
	payable Utilities	144,123	-
		13,177,415	**6,995,241**

9	**ACCRUED AND OTHER PAYABLES**		**2024**	**2023**
			(Rupees)	(Rupees)
	Payable for Gaza	9.1	124,088,733	-

9.1 It represents balance received from various donors but not utilized till year end.

10	**INCOME**	**Note**	**2024**	**2023**
			(Rupees)	(Rupees)
	Donations (Zakat)		62,769,228	125,652,302
	Donation (General)		195,589,752	45,449,310
	Donations for water supply		6,482,909	3,244,582
	Donations for Masjid		3,516,300	6,047,318
	Donation FC		-	12,498
			268,358,189	**180,406,010**

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PAK AID WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

11 DIRECT WELFARE EXPENSE	2024	2023
	(Rupees)	(Rupees)
Rehabilitation and ad-hoc relief project	93,274,022	119,952,656
Salaries and benefits	11,196,757	14,117,787
Wages, labor and project expense	2,298,678	-
Office rent	26,085,653	9,557,376
Vehicle running & maintenance expenses	5,352,040	2,565,331
Project promotional cost	2,871,112	4,278,650
Assistance	5,312,222	-
Food,rashan and distribution expense	7,197,458	-
Donations	15,125,103	-
Emergency projects	4,605,672	-
Wash handpump	3,517,245	-
Wash water supply project	2,430,433	-
Wash water supply with solar system	275,174	-
Wash repair And maintenance	462,720	-
Construction of school and Masjid	3,486,539	-
Self finance	61,000	-
	183,551,828	**150,471,800**

12 GENERAL & ADMINISTRATIVE EXPENSES	2024	2023
	(Rupees)	(Rupees)
Salaries and benefits	14,740,441	2,722,751
Legal and professional charges	189,900	724,728
Audit fee	100,000	85,000
Rent expense	657,800	598,950
Repairs and maintenance	335,508	309,477
Printing, stationary and advertisement	181,337	266,132
Travelling and conveyance	284,967	61,093
Postage and cargo	160,325	89,158
Utilities expenses	1,980,882	862,998
Communication expenses	583,627	401,056
Food and entertainment expenses	599,995	168,914
Miscellaneous expense	51,622	29,773
Bank charges	56,765	14,037
Rate and taxes	32,228	43,247
Amortization expenses	106,554	9,175
Depreciation	2,122,567	1,359,651
Un-realized loss on foreign currency translation	476,488	-
Loss on disposal	3,932	-
	22,664,938	**7,746,140**

PAK AID WELFARE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

13	NUMBER OF EMPLOYEES	Note	2024	2023
	Number of employees at balance sheet date		40	32

14	NUMBER OF OFFICES	2024	2023
	At start of the Year	5	3
	New Opened during the year	6	3
	Closed during the year	-1	-1
	At June 30, 2024	**10**	**5**

15 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

There are no material contingencies as at reporting date (2023: Nil).

COMMITMENTS

There are no material commitments as at reporting date (2023: Nil).

16 DATE OF AUTHORIZATION

These financial statements have been authorized for issue by the Board of Trustee of the Trust on November 01, 2024.

PAK AID WELFARE TRUST Office # 4, 2nd Floor, MB City Mall Plaza I-8, Markaz, Islamabad.

CHAIRMAN

FINANCE SECRETARY