

**Haqooq-e-Insaniyat  
Social Welfare Organization**

**Audited financial statements  
For the year ended June 30, 2023**

# Hafizullah & Co.

CHARTERED ACCOUNTANTS

Nelsons Chamber, 1st Floor, I.I. Chundrigar Road, Karachi.  
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## Independent Auditors Report to the Managing Committee HAQOOQ-E-INSANIYAT SOCIAL WELFARE ORGANIZATION

### Opinion

We have audited the accompanying financial statements of **HAQOOQ-E-INSANIYAT SOCIAL WELFARE ORGANIZATION**, (The NGO) which comprise of the balance sheet as at June 30, 2023, income & expenditure account and the statement of cash flows for the year ended June 30, 2023 (here-in-after referred to as the financial statement), and notes to the financial statements, including a summary of significant policies.

In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income & expenditure account and the statement of cash flows, together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan, in the manner so required and respectively give a true and fair view of the state of the NGO's affairs as at June 30, 2023.

### 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 NGO 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 Managing Committee of the NGO is responsible for the preparation of the financial statements and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan and for such internal control as the Managing 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, Managing Committee is responsible for assessing the NGO'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 the Managing Committee intends to liquidate the NGO or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the NGO'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 of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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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 NGO's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NGO 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 NGO 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.

**Other Matter**

The financial statements for the year ended June 30, 2022 was audited by another firm of Chartered Accountants, who has given unmodified Audit Report.

We communicate with the **Managing Committee** 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.

  
**Hafizullah & Co.**  
CHARTERED ACCOUNTANTS  
Engagement Partner - Badrur Rahman

Place: Karachi

Date: 28-Aug-2023

UDIN: AR202310294PCFm41h80



**Haqooq-e-Insaniyat  
Social Welfare Organization**

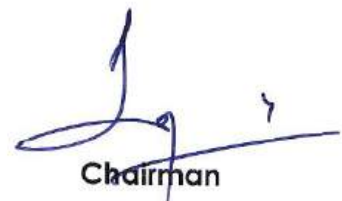
**Balance Sheet  
As on June 30, 2023**

	<u>Note</u>	<u>2023 Rupees</u>	<u>2022 Rupees</u>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets-Cost less Accumulated Depreciation	11	144,914	151,209
Security Deposit of Office		180,000	180,000
<b>Total Non-Current Assets</b>		<b>324,914</b>	<b>331,209</b>
<b>Current Assets</b>			
Cash At Bank	12	2,512,421	673,795
<b>Total Current Assets</b>		<b>2,512,421</b>	<b>673,795</b>
<b>Total Assets</b>		<b>2,837,335</b>	<b>1,005,004</b>
<b>RESERVES AND LIABILITIES</b>			
<b>Reserves</b>	13	2,822,335	1,005,004
<b>Current Liabilities</b>		15,000	-
<b>TOTAL RESERVES AND LIABILITIES</b>		<b>2,837,335</b>	<b>1,005,004</b>

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

  
Finance Secretary

  
General Secretary

  
Chairman

## Haqooq-e-Insaniyat Social Welfare Organization

### Income & Expenditure Account For the year ended June 30, 2023

	Note	2023 Rupees	2022 Rupees
REVENUE:	14	13,027,204	4,134,197
Operating Expenses	15	9,888,999	2,289,556
Surplus after Operating Activities:		<u>3,138,205</u>	<u>1,844,641</u>
Administrative Expenses	16	1,320,875	2,057,977
Surplus (Loss)		<u><u>1,817,330</u></u>	<u><u>(213,336)</u></u>

  
Finance Secretary

  
General Secretary


  
Chairman



# Haqooq-e-Insaniyat Social Welfare Organization

## Statement of Cash Flows for the year ended 30 June 2023

	<b>2023</b>	<b>2022</b>
	<b><u>Rupees</u></b>	<b><u>Rupees</u></b>
<b>Cash Generated from Operating Activities</b>		
Surplus / (Loss) from Financial Activities	1,817,330	(213,336)
Add : Depreciation	46,296	46,204
	<u>1,863,626</u>	<u>(167,132)</u>
(Increase)/ Decrease in current Assets	-	(180,000)
Increase/ (Decrease) in current Liabilities	15,000	-
<b>Net Cash Generated from Operating Activities</b>	<u>1,878,626</u>	<u>(347,132)</u>
<b>Cash Generated from Investing Activities</b>		
Furniture	-	(43,900)
Office Equipment	-	(11,564)
Mobile set	(40,000)	-
	<u>(40,000)</u>	<u>(55,464)</u>
	<b>1,838,626</b>	<b>(402,596)</b>
<b>Cash Generated from Financial Activities</b>		
Loan	-	-
Net Increase / (Decrease) in Cash	<u>1,838,626</u>	<u>(402,596)</u>
Cash beginning of the year	673,795	1,076,391
Cash Flow at the end of the year	<u>2,512,421</u>	<u>673,795</u>

  
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Finance Secretary

  
Fahad  
General Secretary

  
Chairman

**HAQOOQ-E-INSANIYAT**  
**SOCIAL WELFARE ORGRANIZATION**

**NOTE TO THE ACCOUNTS**  
**FOR THE YEAR ENDED JUNE, 30 2023.**

**1) NATURE AND ACTIVITIES:**

Haqooq-e-insaniyat social welfare organization ("THE NGO") is registered under Social Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961 (XL VI OF 1961) Certificate No. DSW (S) 1918 and its registered office is situated at R-155/1, 1<sup>st</sup> Floor, Sharifabad, F.B Area, Karachi.

**2) FUNCTIONAL AND PRESENTATION CURRENCY:**

The financial statements of organization are presented in Pakistan Rupee, which is the organization functional and presentation currency. Amounts presented have been rounded off to the nearest rupees.

**3) STATEMENT OF COMPLIANCE:**

These financial statement as prepared in accordance with approved accounting standards as applicable in Pakistan.

**4) BASIS OF PREPRATION:**

The financial statements have been prepared on the accrual basis of accounting and historical cost convention in accordance with the Guideline for Accounting and Financial Reporting Standards by NGOs and NPOs issued by the Institute of Chartered Accounts of Pakistan.

**5) DEFFERED GRANTS:**

Grants received and utilized for capital expenditure are accounted for as deferred grants in balance sheet. An amount equal to the annual charge for depreciation on assets so acquired is recognized as income in the income and expenditure account.

**6) FUND AND ACCOUNTING:**

Fund received for specific purpose are maintained substantially in accordance with the principle of fund accounting. Under these principles, resources are classified for accounting and reporting purposes, into funds that are in accordance received with no restrictions on utilization are classified as

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unrestricted. These funds are utilized at the discretion of the managing committee.

Restricted funds representing donations and other related income and cost recoveries are classified as restricted fund. Revenue expense incurred for the period out of restricted funds are deducted and released to current revenue. Funds utilized for capital expenditure are transferred to deferred capital grant account.

**7) FIXED ASSETS AND DEPRECIATION:**

These are stated at cost less accumulated depreciation and impairment losses (if any). Depreciation is charged to revenue by reducing balance method. Full year depreciation is charged in the year of purchase and no depreciation is charged in the year of sale. Depreciation charges on the various assets are at the rate specified in note 11 to the financial statements so as to write off the cost over the estimated useful life of each asset.

Normal repair and maintenance are recognized in the statement of financial activities as incurred. Gain and losses on disposal/retirement is recognized in income or expense in the year of disposal/retirement.

**8) RESTRICTED GRANTS:**

Funds received as grants for specific purposes are recognized as restricted grants. Restricted grants are transferred to income to the extent of expenditure incurred of those funds in a particular accounting year.

**9) PROVISION:**

Provision are recorded when the NGO has present obligation as result of past event and it is probable that outflow of economic benefits will be required to settle the obligation and reliable estimates can be made to the amount of provision.

**10) REVENUE RECOGNITION:**

Revenue is recognized when received either in cash or in kind. When the donation is received in kind, its value is determined in accordance with market value i.e. the highest estimated price that a knowledgeable willing buyer is ready to buy and knowledgeable willing seller is ready to sell in an open and competitive market.

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### 11) Fixed Assets schedule

Particulars	Cost			Depreciation			Written down value as at 30-June-2023	Depreciation Rates
	As at July 1, 2022	Additions	As at June 30, 2023	As at July 1, 2022	For the year	As at June 30, 2023		
Furniture and Fixture	97,700	-	97,700	23,920	11,067	34,987	62,713	15%
Office Equipment	190,564	-	190,564	113,135	23,229	136,363	54,201	30%
Mobile set	-	40,000	40,000	-	12,000	12,000	28,000	30%
	<b>288,264</b>	<b>40,000</b>	<b>328,264</b>	<b>137,055</b>	<b>46,296</b>	<b>183,350</b>	<b>144,914</b>	

Particulars	Cost			Depreciation			Written down value as at 30-June-2022	Depreciation Rates
	As at July 1, 2021	Addition	As at June 30, 2022	As at July 1, 2021	For the year	As at June 30, 2022		
Furniture and Fixture	53,800	43,900	97,700	10,901	13,020	23,920	73,780	15%
Office Equipment	179,000	11,564	190,564	79,950	33,184	113,134	77,430	30%
	<b>232,800</b>	<b>55,464</b>	<b>288,264</b>	<b>90,851</b>	<b>46,204</b>	<b>137,055</b>	<b>151,209</b>	

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	2023	2022
Note	<u>Rupees</u>	<u>Rupees</u>
<b>12) Current Assets</b>		
Cash with Bank	2,512,421	673,795
	<b><u>2,512,421</u></b>	<b><u>673,795</u></b>
<b>13) Reserves</b>		
Opening Reserves	1,005,004	1,218,341
Surplus /(Deficit)	1,817,330	(213,336)
	<b><u>2,822,335</u></b>	<b><u>1,005,004</u></b>
<b>14) Revenue</b>		
Donation	2,582,204	1,563,390
Zakat	4,507,000	2,162,807
Project	5,938,000	400,000
Other income - Members Fee	-	8,000
	<b><u>13,027,204</u></b>	<b><u>4,134,197</u></b>
<b>15) Operating Expenses:</b>		
Rashan Bags Distribution Project	4,732,880	-
Free Food Centre Project	2,866,837	1,617,820
Other Welfare Projects	1,032,958	221,744
Help and Support Project	1,256,324	449,992
	<b><u>9,888,999</u></b>	<b><u>2,289,556</u></b>

5/6

	2023	2022
Note	<u>Rupees</u>	<u>Rupees</u>
<b>16) ADMINISTRATIVE EXPENSES:</b>		
Printing and Stationery	47,258	58,520
Office Rent	360,000	195,000
Salaries and Other Allowances	493,000	488,000
Educational Expenses	-	105,444
Clinics / Medical Camps	-	130,000
Business Set-up Expenses	-	241,945
Projects Expenses	-	300,000
Consultancy charges	15,000	25,000
Meeting Expenses	11,733	15,449
Marketing and Social Media expense	22,846	33,812
Postage and photocopies charges	38,308	38,818
Utility bills	82,045	136,665
Travelling and Transportation charges	45,679	51,028
Bank Charges	3,973	2,435
Repair and Maintenance	28,500	20,337
Miscellaneous expenses	-	63,897
Legal and professional charges	30,000	29,978
Audit Fee	40,000	10,000
IT expense	14,250	7,750
Advertisement	15,800	4,250
House Keeping	26,187	53,445
Depreciation for the year	46,296	46,204
	<b><u>1,320,875</u></b>	<b><u>2,057,977</u></b>

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Finance Secretary

*Fahad*  
General Secretary

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Chairman

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