

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

**Audited financial statements
For the year ended June 30, 2024**

Hafizullah & Co.

CHARTERED ACCOUNTANTS

1st Floor, Nelsons Chamber, I.I. Chundrigar Road, Karachi.
Phone : 32629515 : 32629518 : 32212373 E-mail : info@rahimjan.com

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, 2024, income & expenditure account and the statement of cash flows for the year ended June 30, 2024 (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, 2024.

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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Hafizullah & Co.
CHARTERED ACCOUNTANTS

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.

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.

Place: Karachi
Date: 24-Sep-2024
UDIN: AR202410294NwyDT61eh

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

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Haqooq-e-Insaniyat Social Welfare Organization

Balance Sheet As on June 30, 2024

	<u>Note</u>	<u>2024 Rupees</u>	<u>2023 Rupees</u>
ASSETS			
Non-current Assets	11		
Fixed Assets-Cost less Accumulated Depreciation		160,397	144,914
Security Deposit of Office		180,000	180,000
Total Non-Current Assets		340,397	324,914
Current Assets	12		
Cash in Bank		2,763,290	2,512,421
Advance Tax on Bank Profit		2,766	-
Total Current Assets		2,766,056	2,512,421
Total Assets		3,106,453	2,837,335
RESERVES AND LIABILITIES			
Reserves	13	3,091,453	2,822,335
Current Liabilities		15,000	15,000
TOTAL RESERVES AND LIABILITIES		3,106,453	2,837,335

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


Finance Secretary


General Secretary


Chairman

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Haqooq-e-Insaniyat
Social Welfare Organization
Income & Expenditure Account
For the year ended June 30, 2024

	Note	2024 <u>Rupees</u>	2023 <u>Rupees</u>
REVENUE	14	6,639,794	13,027,204
Operating Expenses:	15	5,245,638	9,888,999
Surplus after Operating Activities		<u>1,394,157</u>	<u>3,138,205</u>
Administrative Expenses:	16	1,125,038	1,320,875
Surplus/(loss) for the Year		<u><u>269,118</u></u>	<u><u>1,817,330</u></u>


Finance Secretary


General Secretary


Chairman



Haqooq-e-Insaniyat
Social Welfare Organization
Statement of Cash Flows
for the year ended 30 June 2024

	<u>2024</u> <u>Rupees</u>	<u>2023</u> <u>Rupees</u>
Cash Generated from Operating Activities		
Surplus / (Loss) from Financial Activities	269,118	1,817,330
Add : Depreciation	<u>31,817</u>	<u>46,296</u>
	300,935	1,863,626
(Increase)/ Decrease in current Assets	(2,766)	-
Increase/ (Decrease) in current Liabilities	-	15,000
Net Cash Generated from Operating Activities	<u>298,169</u>	<u>1,878,626</u>
Cash Generated from Investing Activities		
Furniture	-	-
Office Equipment	(8,500)	-
Mobile set	(38,800)	(40,000)
	<u>(47,300)</u>	<u>(40,000)</u>
	<u>250,869</u>	<u>1,838,626</u>
Cash Generated from Financial Activities		
Loan	-	-
Net Increase / (Decrease) in Cash	<u>250,869</u>	<u>1,838,626</u>
Cash beginning of the year	2,512,421	673,795
Cash Flow at the end of the year	<u><u>2,763,290</u></u>	<u><u>2,512,421</u></u>


Finance Secretary


General Secretary


Chairman

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

**NOTE TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE, 30 2024**

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, 1st 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) DEFERRED 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 unrestricted. These funds are utilized at the discretion of the managing committee.

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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 & Expenditure Account in the year of disposal/retirement.

8) RESTRICTED GRANTS:

Funds received as grants for specific purposes are recognized as restricted of 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 a 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.

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 30-06-2024	Rate
	As at 01-07-2023	Addition	As at 30-06-2024	As at 01-07-2023	For the year	As at 30-06-2024		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Furniture and Fixture	97,700	-	97,700	34,987	9,407	44,394	53,306	15%
Office Equipment	190,564	8,500	199,064	136,363	18,810	155,174	43,890	30%
Mobile set	40,000	38,800	78,800	12,000	3,600	15,600	63,200	30%
	328,264	47,300	375,564	183,350	31,817	215,167	160,397	

Particulars	Cost			Depreciation			Written down value as at 30-06-2024	Rate
	As at 01-07-2022	Addition	As at 30-06-2023	As at 01-07-2022	For the year	As at 30-06-2023		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
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%
	288,264	40,000	328,264	137,055	46,296	183,350	144,914	

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Finance Secretary

Arif
General Secretary

Arif
Chairman

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	Note	2024 Rupees	2023 Rupees
12 Current Assets			
Cash in hand		-	-
Cash with Bank		2,763,290	2,512,421
		<u>2,763,290</u>	<u>2,512,421</u>
13 Reserves			
Opening Reserves		2,822,335	1,005,004
Surplus / (Deficit)		269,118	1,817,330
		<u>3,091,453</u>	<u>2,822,335</u>
14 Revenue			
Donation		2,212,108	2,582,204
Zakat		2,649,250	4,507,000
Project / Grants		1,760,000	5,938,000
Interest/Profit on Bank Account		18,436	-
		<u>6,639,794</u>	<u>13,027,204</u>
15 Operating Expenses:			
Project-wise Expenses:			
Help and Support Programme		80,250	1,256,324
- Salaries and Wages		251,600	
- Other Expenses		167,971	
	A	<u>499,821</u>	<u>1,256,324</u>
Miscellaneous Programmes		350,080	1,032,958
- Salary and Wages		251,600	-
- Other Expenses		167,971	-
	B	<u>769,651</u>	<u>1,032,958</u>
Food Security / FFC		1,112,260	2,866,837
- Salaries and Wages		581,600	
- Other Expenses		167,971	
	C	<u>1,861,831</u>	<u>2,866,837</u>
Rashan Bags Distribution Project		1,475,653	4,732,880
- Salaries and Wages		251,600	-
- Other expenses		179,971	-
	D	<u>1,907,224</u>	<u>4,732,880</u>
Health Clinics / Medical Camps	E	72,000	-
Education / Schools	F	70,000	-
WASH (Hand Pumps)	G	65,110	-
Total Operating Expenses			
(A+B+C+D+E+F+G)		<u>5,245,638</u>	<u>9,888,999</u>

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	<u>Note</u>	<u>2024</u> <u>Rupees</u>	<u>2023</u> <u>Rupees</u>
16 Administrative Expenses:			
Salaries and Other Allowances		251,600	493,000
Office Rent		360,000	360,000
Utility bills		116,762	82,045
Travelling and Transportation Charges		29,508	45,679
Consultancy charges		20,000	15,000
Postage and Photocopies charges		10,078	38,308
Printing and Stationery		50,726	47,258
Meeting Expenses		19,124	11,733
Bank Charges		5,475	3,973
Repair and Maintenance		5,980	28,500
Legal and Professional charges		65,200	30,000
Audit Fee		16,200	40,000
IT expenses		22,537	14,250
Marketing and Social Medea expense		80,000	22,846
Advertisement		5,000	15,800
House Keeping		35,031	26,187
Depreciation for the year		31,817	46,296
		<u>1,125,038</u>	<u>1,320,875</u>


Finance Secretary


General Secretary


Chairman

