BDO

PAKISTAN SWEET HOMES
ANGELS & FAIRIES PLACE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2024

PAKISTAN SWEET HOMES
ANGELS & FAIRIES PLACE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2024

BDO

Tel: +92 51 260 4461-5
Fax: +92 51 260 4468
www.bdo.com.pk

3rd Floor,
Saeed Plaza,
22-East Blue Area,
Islamabad-44000,
Pakistan.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PAKISTAN SWEET HOME ANGELS & FAIRIES PLACE

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Pakistan Sweet Home Angels & Fairies Place, which comprise the statement of financial position as at June 30, 2024 and the statement of income and expenditure, the statement of other comprehensive income, the statement of changes in general fund, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information 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 purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, the statement of other comprehensive income, the statement of changes in fund and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the surplus and other comprehensive income, the changes in fund and its cash flows for the year then ended.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company 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 Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' 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 the 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.

Responsibilities of Management and Board of Directors for the Financial Statements

Management 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 the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management 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 is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible f
or overseeing the Company'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. 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 Company'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 Company'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 Company 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 board of directors 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in general fund and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Atif Riaz.

ISLAMABAD

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

DATED: 20 SEP 2024
UDIN: AR202410060i2wBJMUoQ

PAKISTAN SWEET HOME ANGELS & FAIRIES PLACE
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	5	1,527,242,736	1,156,641,946
Intangible assets	6	333,333	-
Capital work in progress	7	18,377,604	36,117,206
		1,545,953,673	1,192,759,152
CURRENT ASSETS			
Stores and spares	8	-	-
Other receivables	9	13,019,571	48,382,100
Cash and bank balances	10	188,744,255	207,675,545
		201,763,826	256,057,645
TOTAL ASSETS		1,747,717,499	1,448,816,797
FUNDS AND LIABILITIES			
FUNDS			
Unrestricted funds		775,812,709	478,560,490
NON CURRENT LIABILITIES			
Restricted funds	11	32,223,819	19,567,794
Deferred capital grant	12	936,000,090	950,053,956
		968,223,909	969,621,750
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	13	3,680,881	634,557
TOTAL FUNDS AND LIABILITIES		1,747,717,499	1,448,816,797
CONTINGENCIES & COMMITMENTS	14		

The annexed notes from 1 to 30 forms an integral part of these financial statements.

CHIEF EXECUTIVE **DIRECTOR**

PAKISTAN SWEET HOME ANGELS & FAIRIES PLACE
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Unrestricted	2024 Restricted	2024 Total	2023 Unrestricted	2023 Restricted	2023 Total
		Rupees			Rupees		
INCOME							
Donations	16	694,114,435	-	694,114,435	452,760,507	-	452,760,507
Realization of restricted funds	11	-	26,843,975	26,843,975	-	56,686,494	56,686,494
Amortisation of deferred capital grant	12	-	14,053,866	14,053,866	-	20,433,213	20,433,213
Other income		385,000	-	385,000	300,000	-	300,000
		694,499,435	40,897,841	735,397,276	453,060,507	77,119,707	530,180,214
EXPENDITURE							
Utilization of restricted funds	17	-	26,843,975	26,843,975	-	56,686,494	56,686,494
Depreciation on restricted assets		-	14,053,866	14,053,866	-	20,433,213	20,433,213
Operational expenses	18	373,422,076	-	373,422,076	263,271,700	-	263,271,700
Administrative expenses	19	8,270,320	-	8,270,320	8,437,366	-	8,437,366
Provision for obsolete stock		-	-	-	1,531,600	-	1,531,600
Financial charges	20	54,820	-	54,820	29,857	-	29,857
		381,747,216	40,897,841	422,645,057	273,270,523	77,119,707	350,390,230
SURPLUS BEFORE TAX		312,752,219	-	312,752,219	179,789,984	-	179,789,984
Taxation	21	-	-		-	-	-
SURPLUS FOR THE YEAR		312,752,219	-	312,752,219	179,789,984	-	179,789,984

The annexed notes from 1 to 30 forms an integral part of these financial statements.

A.W. Babr.

CHIEF EXECUTIVE **DIRECTOR**

PAKISTAN SWEET HOME ANGELS & FAIRIES PLACE
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
Surplus for the year	312,752,219	179,789,984
Other comprehensive income for the year	-	-
Total comprehensive income for the year	312,752,219	179,789,984

The annexed notes from 1 to 30 forms an integral part of these financial statements.

A.W.Baber.

CHIEF EXECUTIVE **DIRECTOR**

PAKISTAN SWEET HOME ANGELS & FAIRIES PLACE
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Note	Unrestricted funds
		Rupees
Balance as at July 01, 2022		298,770,506
Total comprehensive income for the year		179,789,984
Balance as at June 30, 2023		478,560,490
Total inter funds transfer to restricted funds	15	(15,500,000)
Total comprehensive income for the year		312,752,219
Balance as at June 30, 2024		775,812,709

The annexed notes from 1 to 30 forms an integral part of these financial statements.

CHIEF EXECUTIVE **DIRECTOR**

PAKISTAN SWEET HOME ANGELS & FAIRIES PLACE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year before taxation		312,752,219	179,789,984
Adjustments for non cash items:			
Depreciation		55,124,289	50,206,269
Provision for obsolete stock		-	1,531,600
Operating cash flows before working capital changes		367,876,508	231,527,853
Changes in working capital			
(Increase) / decrease in current assets			
Other receivables		35,362,529	(46,141,025)
		403,239,037	185,386,828
Increase / (decrease) in current liabilities			
Creditors, accrued and other liabilities		3,046,325	(9,314,245)
Cash generated from operations		406,285,362	176,072,583
Income tax paid during the year		-	-
Net cash generated from operating activities		406,285,362	176,072,583
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to property and equipment		(378,782,487)	(66,911,698)
Additions to Intangible assets		(500,000)	-
Capital work in progress / transferred to property and equipment		(29,036,324)	(36,117,206)
Net cash used in investing activities		(408,318,811)	(103,028,904)
CASH FLOW FROM FINANCING ACTIVITIES			
Net increase/(decrease) in restricted grant		12,656,025	5,791,881
Net increase/(decrease) in unrestricted funds excluding surplus		(15,500,000)	-
Net decrease in deferred capital grant		(14,053,866)	(19,976,588)
Net cash used in financing activities		(16,897,841)	(14,184,707)
Net increase / (decrease) in cash and cash equivalents		(18,931,290)	58,858,972
Cash and cash equivalents at beginning of the year		207,675,545	148,816,573
Cash and cash equivalents at end of the year	10	188,744,255	207,675,545

The annexed notes from 1 to 30 forms an integral part of these financial statements.

CHIEF EXECUTIVE **DIRECTOR**

PAKISTAN SWEET HOME ANGELS & FAIRIES PLACE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

Pakistan Sweet Home Angles & Fairies Place (PSHA&P) (the Company) was incorporated on July 21, 2016, as an Company not for profit under section 42 of the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017).

The main objective of the Company is to provide poor orphan children shelter, food, medical care, education and social protection. The Company is running a school "National School and College Sytem" situated at H-9/4 Islamabad, a hospital "Fatima Tuz Zuhra Mother and Child hospital" and maintaining graveyards.

The government of Pakistan accords importance to the role of foreign funding to NGOs to support socio-economic policies and programs. In 2015, the Government of Pakistan put together a policy framework to streamline and facilitate the work of NGOs receiving foreign funding in the country. As part of this framework, all NGOs present in Pakistan and desirous of receiving foreign funding in Pakistan are required to register themselves with the Ministry of Economic Affairs (MOEA) by signing Memorandum of Understanding (MOU). Therefore, Pakistan Sweet Home Angels and Fairies Places has signed an MOU with Economic Affairs Division under new framework for the project "Pakistan Sweet Home AFP School and College" located in Islamabad and Mir Ali-KP Bhalwal-Punjab for the period up to March 10, 2026. The Company has not signed MOU with MOEA for Karachi and Sukkur.

1.2 Geographical location and addresses of business units

The registered office of the Company is situated Near HEC, in Sector H-9/4, Islamabad. Company is also operating six (6) branches located as follows:

1- Karachi
2- Waziristan
3- Bhalwal
4- Islamabad
5- Sukkur
6- Sohawa

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 accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by International Accounting Standard Board as notified under the Companies Act 2017;

- Accounting standards for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention and on accrual basis of accounting except for the statement of cash flows or as otherwise stated, in the respective policies and notes given hereunder.

The Company has adopted deferral method of accounting for recognition and presentation of restricted/unrestricted grants, endowment fund and its net assets as per Accounting Standard for NPOs.

2.3 Functional and presentation currency

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

2.4 Significant estimates and judgments

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 to exercise judgment in the process of applying the Company's 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, plant and equipment – Note 4.1
- Useful lives, residual values and amortisation method of intangible assets - Note 4.2
- Stores, Spare parts and loose tools - Note 4.5
- Provision for doubtful trade receivables Note 4.6
- Amortization of deferred capital grant - Note 4.10
- Estimation of provisions - Note 4.14
- Estimation of contingent liabilities - Note 4.15

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements- Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

Certain annual improvements have also been made to a number of IFRSs.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

IFRS First Time Adoption of International Financial Reporting Standards
IFRS Insurance Contracts

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Property and equipment

Initial recognition and subsequent measurement

All items of owned fixed assets are initially recorded at cost. Subsequently, fixed assets are stated at historical cost less accumulated depreciation and impairment losses, if any.

Donated assets are recognised as non monetary grants and are stated at value determined by the management subsequently carried at valuation less accumulated depreciation. The grant is recorded as deferred income which is then recognised in income and expenditure account on systematic basis over the useful life of the donated asset.

Historical cost includes expenditure that is directly attributable to the acquisition of the item including borrowing costs. The cost of self constructed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Subsequent costs are included in an 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 Company and the cost of the item can be measured reliably. The cost of the day to day servicing of property, plant and equipment are recognized in statement of income and expenditure during the financial year in which they are incurred.

The spare parts, stand-by equipment and servicing equipment are capitalized as an asset when they meet the definition of property and equipment.

Restricted

Assets purchased from restricted funds are depreciated at rates specified on note 5.2 and recognized in income over the useful life of the assets.

Depreciation

Depreciation on operating fixed assets is provided on a straight line method. Full year's depreciation is charged on addition, while no depreciation is charged in the year of disposal or deletion of assets. Rates of depreciation, which are disclosed in note 5.1 and 5.2, are determined to allocate the cost of an asset less estimated residual value, if not insignificant, over its useful life.

Disposal

Disposal of assets is recognized when significant risks and rewards incidental to the ownership have been transferred to buyers. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognized in the statement of income and expenditure.

4.2 Intangible assets

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Cost associated with maintaning intangible assets i.e computer software are recognized as an expense as and when incurred.

4.3 Capital work in progress

Initial recognition

Capital work-in-progress is stated at cost and consists of expenditure incurred, advances made and other costs directly attributable to operating fixed assets in the course of their construction and installation. Cost also includes applicable borrowing costs.

Transfers

Transfers are made to relevant operating fixed assets category as and when assets are available for use intended by the management.

4.4 Impairment

The Company assesses at each statement of financial position date whether there is any indication that assets except deferred tax assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in statement of income and expenditure. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of initial cost of the asset. Reversal of impairment loss is recognized in income.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

4.5 Stores and spares

Measurement

Items of stores and spares are stated at cost less provision for slow moving and obsolete items.

Cost is determined by using the moving average method. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

4.6 Trade debts and other receivables

Measurement

Trade receivables and other receivables are recognized at transaction price less an allowance for impairment.

Impairment

A provision for impairment of trade receivables is established when there is objective evidence that the Company 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 profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

The allowance for doubtful debts of the Company 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 credit-worthiness and the past collection history of each customer.

4.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at nominal amount. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances at banks in current and deposit accounts.

4.8 Unrestricted funds

Funds received for on-going operations, without any restrictions are classified as unrestricted funds.

4.9 Restricted funds

Funds received for specific purpose are classified as restricted funds. Expenses incurred out of restricted funds are reflected in the income and expenditure account with equal amount being recognized as income and reflected as funds utilized. However unspent amount at year end is carried to "restricted grant".

4.10 Deferred capital grant

Deferred capital grant is recognized against capital assets received in donation or against the capital expenses incurred from restricted / unrestricted funds. This is amortized to the stating of income and expenditure on systematic basis in the line with the depreciation charged on respective capital assets.

4.11 Taxation

The grant income of the Company is exempt from tax under clause 61 and clause 66 of Second Schedule of the Income Tax Ordinance, 2001.The provision for current taxation is based on other taxable income at the current rates of taxation after taking into account tax credit available, if any, or one percent of turnover, whichever is higher in accordance with the provisions of the Income Tax Ordinance, 2001.

4.12 Creditors, accrued and other liabilities

Creditors, accrued and other liabilities are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. These are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

Liabilities for creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company and subsequently measured at amortized cost.

4.13 Income recognition

Income from donations is recognised where there is reasonable assurance that the donation will be received and all attached conditions, if any, will be complied with.

Donations

It is received from general public and recognised at receipt basis.

Membership

It comprises of the amount received from the members of the Company.

Sponsorship

It is the amount paid by organizations for the sponsorships of children.

Donation in kind

It comprises of the items or services received from individuals and organizations and is recognised on fair value at the time of receipts.

4.14 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and amount of that obligation can be measured reliably. Provision are not recognized for future operating losses. Provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimates.

Contingent assets are not recognized and are also not disclosed unless an inflow of economic benefits is probable and contingent liabilities are not recognized and are disclosed unless the probability of an outflow of resources embodying economic benefits is remote.

4.15 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company 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.

4.16 Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Amortized cost

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:

(i) it is held with in a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity Investments at FVTOCI

These assets are initially measured at cost plus transaction cost that are directly attributable to its acquisition. Subsequently, these are measured at fair value. Dividends are recognized as income in the statement income and expenditure unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to the statement of income and expenditure.

Financial assets at FVTPL

These assets are initially recognized at cost. Subsequently, these are measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognized in income and expenditure.

Impairment

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Company measures loss allowance at an amount equal to lifetime ECLs.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of income and expenditure. Any gain or loss on de-recognition is also recognized in the statement income and expenditure.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

4.17 Foreign currency translation

Transactions in foreign currencies are converted into functional currency (PKR) at the rates of exchange prevailing on the dates of transactions. Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the statement of financial position date. Exchange gains and losses are recognized in the statement of income and expenditure.

4.18 Related party transactions

Transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes as admissible.

	Note	2024 Rupees	2023 Rupees
5 PROPERTY AND EQUIPMENT			
Un-restricted	5.1	591,242,646	206,587,990
Restricted	5.2	936,000,090	950,053,956
		1,527,242,736	1,156,641,946

5.1 PROPERTY AND EQUIPMENT-UN-RESTRICTED

Particulars	Land	Buildings	Office Equipments	Furniture and Fixtures	Computers and Accessories	Vehicles	Total
	Rupees						
Net carrying value basis							
Year ended June 30, 2024							
Opening book value (NBV)	-	137,897,259	8,643,778	9,584,455	1,120,098	49,342,400	206,587,990
Additions (Cost)	261,914,180	94,830,080	13,560,978	4,320,843	2,902,406	1,254,000	378,782,487
Transferred from CWIP	-	46,775,926	-	-	-	-	46,775,926
Depreciation charge	-	(15,429,606)	(2,767,754)	(6,065,626)	(2,137,567)	(14,503,204)	(40,903,757)
Closing net book value	261,914,180	264,073,659	19,437,002	7,839,672	1,884,937	36,093,196	591,242,646
Gross carrying value basis							
As at June 30, 2024							
Cost	261,914,180	308,666,946	27,677,538	30,328,132	8,763,155	72,516,022	709,865,973
Accumulated depreciation	-	(44,593,287)	(8,240,536)	(22,488,460)	(6,878,218)	(36,422,826)	(118,623,327)
Net book value	261,914,180	264,073,659	19,437,002	7,839,672	1,884,937	36,093,196	591,242,646
Net carrying value basis							
Year ended June 30, 2023							
Opening book value (NBV)	-	146,250,306	8,227,547	13,806,473	-	1,621,647	169,905,973
Additions (Cost)	-	-	2,030,985	2,274,300	1,671,788	61,678,000	67,655,073
Reversal	-	-	-	(1,200,000)	-	-	(1,200,000)
Depreciation charge	-	(8,353,047)	(1,614,754)	(5,296,318)	(551,690)	(13,957,247)	(29,773,056)
Closing net book value	-	137,897,259	8,643,778	9,584,455	1,120,098	49,342,400	206,587,990
Gross carrying value basis							
As at June 30, 2023							
Cost	-	167,060,940	14,116,560	26,007,289	5,860,749	71,262,022	284,307,560
Accumulated depreciation	-	(29,163,681)	(5,472,782)	(16,422,834)	(4,740,651)	(21,919,622)	(77,719,570)
Net book value	-	137,897,259	8,643,778	9,584,455	1,120,098	49,342,400	206,587,990
Useful life (Years)		20	10	5	3	5	

5.1.1 Depreciation for the year has been allocated to operational expense.

5.2 PROPERTY AND EQUIPMENT-RESTRICTED

Particulars	Note	Land	Buildings	Office Equipments	Furniture and Fixtures	Computers and Accessories	Vehicles	Total
		Rupees						
Net carrying value basis								
Year ended June 30, 2024								
Opening book value (NBV)		739,940,626	207,885,707	1,630,200	-	305,939	291,484	950,053,956
Depreciation charge		-	(13,130,403)	(326,040)	-	(305,939)	(291,484)	(14,053,866)
Closing net book value	5.2.1	739,940,626	194,755,304	1,304,160	-	-	-	936,000,090
Gross carrying value basis								
As at June 30, 2024								
Cost		739,940,626	262,608,051	3,260,400	3,112,100	920,005	29,979,912	1,039,821,094
Accumulated depreciation		-	(67,852,747)	(1,956,240)	(3,112,100)	(920,005)	(29,979,912)	(103,821,004)
Net book value		739,940,626	194,755,304	1,304,160	-	-	-	936,000,090
Net carrying value basis								
Year ended June 30, 2023								
Opening book value (NBV)		739,940,626	221,016,110	1,956,240	622,420	207,682	6,287,466	970,030,544
Additions (Cost)		-	-	-	-	456,625	-	456,625
Depreciation charge		-	(13,130,403)	(326,040)	(622,420)	(358,368)	(5,995,982)	(20,433,213)
Closing net book value	5.2.1	739,940,626	207,885,707	1,630,200	-	305,939	291,484	950,053,956
Gross carrying value basis								
As at June 30, 2023								
Cost		739,940,626	262,608,051	3,260,400	3,112,100	920,005	29,979,912	1,039,821,094
Accumulated depreciation		-	(54,722,344)	(1,630,200)	(3,112,100)	(614,066)	(29,688,428)	(89,767,138)
Net book value		739,940,626	207,885,707	1,630,200	-	305,939	291,484	950,053,956
Useful life (Years)			20	10	5	3	5	

5.2.1 This represents 12 acres land situated at H-9/4, Islamabad and Gujarkhan granted by Pakistan Bait-ul-maal is valued at Rs.649,350,000 and 90,590,625 respectively.

6 INTANGIBLE ASSETS

	Note	2024 Rupees	2023 Rupees
Cost			
Balance at start of the year		-	-
Additions during the year	6.1	500,000	-
Balance at end of the year		500,000	-
Accumulated amortisation			
Balance at start of the year		-	-
Amortisation charged during the year		166,667	-
Balance at end of the year		166,667	-
Net Book Value Balance at June 30, 2024		333,333	-

6.1 Intangible assets include software purchased during the year. The useful life of software is estimated to be three years and amortisation is charged on straightline basis.

7 CAPITAL WORK IN PROGRESS

Particulars	2024 Opening balance	Additions during the year	Transferred to fixed assets	Closing balance
	Rupees			
Head office	24,883,484	29,036,324	44,166,004	9,753,804
Cadet College Sohawa	2,609,922	-	2,609,922	-
Cadet College Rehara	8,623,800	-	-	8,623,800
Total as at June 30, 2024	36,117,206	29,036,324	46,775,926	18,377,604

Particulars	2023 Opening balance	Additions during the year	Transferred to fixed assets	Closing balance
	Rupees			
Head office	-	24,883,484	-	24,883,484
Cadet College Sohawa	-	2,609,922	-	2,609,922
Cadet College Rehara	-	8,623,800	-	8,623,800
Total as at June 30, 2023	-	36,117,206	-	36,117,206

	Note	2024 Rupees	2023 Rupees

8 STORES AND SPARES

	Note	2024 Rupees	2023 Rupees
Non-consumable store and spares:		-	-
Crockery and cutlery		-	1,531,600
Provision for obsolete stock	8.1	-	(1,531,600)
		-	-

8.1 Provision for obsolete stock

		2024 Rupees	2023 Rupees
Opening balance		1,531,600	-
Provision during the year		-	1,531,600
Write off		(1,531,600)	-
Balance at end of the year		-	1,531,600

9 OTHER RECEIVABLES

		2024 Rupees	2023 Rupees
Advances			
- Vendor		11,813,554	46,800,848
- Against expenses		-	83,500
Advance to centers		706,017	497,753
Security deposit		500,000	1,000,000
		13,019,571	48,382,101

10 CASH AND BANK BALANCES

		2024 Rupees	2023 Rupees
Cash in hand		56,044	198,636
Cash at bank - current account (local currency)		188,688,211	207,476,909
		188,744,255	207,675,545

11 RESTRICTED FUNDS

		2024 Rupees	2023 Rupees
Opening balance		19,567,794	13,775,913
Funds received during the year		24,000,000	62,935,000
Funds transferred from unrestricted funds		15,500,000	-
Funds transferred to deferred capital grant		-	(456,625)
Funds transferred to income during the year		(26,843,975)	(56,686,494)
	11.1	32,223,819	19,567,794

11.1 These represents the Government of Sindh and Oil and Gas Development Company Limited (OGDCL) restricted funds received and utilized for general running expenses of Sindh region, and internally restricted funds transferred from unrestricted funds.

12 DEFERRED CAPITAL GRANT

	2024 Rupees	2023 Rupees
Opening balance	950,053,956	970,030,544
Transferred from restricted funds	-	456,625
Less: Amortization for the year	(14,053,866)	(20,433,213)
	936,000,090	950,053,956

13 CREDITORS, ACCRUED AND OTHER LIABILITIES

	2024 Rupees	2023 Rupees
Creditors	2,992,987	-
Salaries payable	160,758	79,757
Withholding tax payable	298,136	354,700
Audit fee	229,000	200,100
	3,680,881	634,557

14 CONTINGENCIES & COMMITMENTS

There are no contingencies and commitments as at June 30, 2024 (2023: nil).

15 INTER FUNDS TRANSFER

During the fiscal year, the Company transferred Rs 15,500,000 from its unrestricted funds to restricted funds to support the operational activities of its Sukkur Center and clear the dues of students studying in the cadet colleges located in Larkana, Pano Aqil, Sanghar, and Petaro.

	Note	2024 Rupees	2023 Rupees

16 DONATIONS

	Note	2024 Rupees	2023 Rupees
General donation	16.1	352,040,126	267,089,503
Zakat		47,988,703	45,415,143
Sponsorship	16.2	33,605,882	28,782,006
Membership	16.3	13,164,996	27,972,970
Donation in kind	16.4	247,314,728	83,500,885
		694,114,435	452,760,507
Donations			
Local donation		600,099,796	405,408,808
Foreign donation	16.5	94,014,639	47,351,699
		694,114,435	452,760,507

16.1 This represents donations received from individual donors. These donations are utilized in accordance with the main objectives of the Company.

16.2 This represented educational and living expenses of children sponsored by general public and others.

16.3 This represent membership fee received from recurring members.

16.4 This represents food items, clothing and other consumables received from donors. These are recognized at estimated fair value of the items.

16.5 This represent donations mainly received from Sweet Home International (Denmark), and Pakistan Sweet Home USA.

17 REALIZATION / UTILIZATION OF RESTRICTED FUNDS

	Note	2024 Rupees	2023 Rupees
Salaries and wages		10,788,161	11,445,128
School fee	17.1	6,846,105	20,710,946
Children clothes and wearings		648,134	1,557,033
Food and consumables		4,078,208	8,812,246
Other operational expenses		4,483,367	14,161,141
		26,843,975	56,686,494

17.1 This represents school fee paid to Cadet College Sanghar and Petaro in respect of 7 students and to IBA Public School Sukkur against 100 students.

	Note	2024 Rupees	2023 Rupees

18 OPERATIONAL EXPENSES

	Note	2024 Rupees	2023 Rupees
Salaries and wages		68,190,613	47,550,639
Food and consumables		85,952,980	76,288,293
Children clothes and wearings		13,104,235	15,722,673
School fee and other support		35,780,005	6,985,371
Laundry, cleaning and other support services		8,059,459	9,431,671
Depreciation		40,903,757	29,773,056
Amortisation		166,667	-
Medical and health care		1,822,255	872,209
University educational expense		7,173,300	985,051
Operating and event expenses		8,779,874	806,000
Rentals		3,432,930	2,809,630
Sanitory items		13,990	871,470
Travel and conveyance		18,844,598	11,620,983
Repair and maintenance		9,568,302	9,440,572
Repair and maintenance - vehicles		4,333,879	1,523,077
Utilities		25,205,048	15,548,224
Printing and stationery		11,254,915	7,447,928
Electric and household items		11,119,786	9,081,692
Welfare expenses		7,724,327	7,507,985
Postage and telegram		1,019,585	1,514,651
Promotional and image building		4,811,715	4,863,245
Service charges		564,269	5,030
Miscellaneous expenses		5,220,509	2,272,250
Federal excise duty		375,078	350,000
		373,422,076	263,271,700

19 ADMINISTRATIVE EXPENSES

	Note	2024 Rupees	2023 Rupees
Salaries and wages		5,132,627	4,366,945
Office supplies		696,690	1,416,905
Plantation		887,678	1,002,191
Utilities		1,272,794	818,328
Printing and stationery		-	391,996
Auditor renumeration	19.1	280,531	226,500
Miscellaneous expenses		-	214,501
		8,270,320	8,437,366

		2024 Rupees	2023 Rupees
19.1	**Auditor renumeration**		
	Auditor fee	270,531	209,100
	Out of pocket	10,000	17,400
		280,531	226,500

20 FINANCIAL CHARGES

	2024 Rupees	2023 Rupees
Bank charges	54,820	29,857

21 TAXATION

The grant income of the Company is exempt from tax under clause 61 and clause 66 of Second Schedule of the Income Tax Ordinance, 2001.

22 RENUMERATION OF CHIEF EXECUTIVE AND DIRECTORS

The aggregate amount charged in the financial statements in respect of remuneration to chief executive, director and executives is as follows:

	2024		2023	
	Chief Executive	Directors	Chief Executive	Directors
	------------------ Rupees ------------------		---------------- Rupees ----------------	
Directors fee	-	-	-	-
	1	4	1	4

22.1 No remuneration is paid to chief executive and directors during the year.

23 FINANCIAL ASSETS AND LIABILITIES

The Association's exposure to interest rate risk on its financial assets and liabilities are

Particulars	Total	2024 Interest/mark up bearing Maturity up to one year	Maturity after one year	Sub-total	Not interest / mark up bearing
	Rupees				
Financial assets					
Other receivables	500,000	-	-	-	500,000
Cash and bank balances	188,744,255	-	-	-	188,744,255
	189,244,255	-	-	-	189,244,255
Financial liabilities					
Creditors and other liabilities	3,382,745	-	-	-	3,382,745
	3,382,745	-	-	-	3,382,745
	192,627,000	-	-	-	192,627,000
Off Balance sheet Items					
Financial commitments:	-	-	-	-	-
Total Gap	192,627,000	-	-	-	192,627,000

Particulars	Total	2023 Interest/mark up bearing Maturity up to one year	Maturity after one year	Sub-total	Not interest / mark up bearing
	Rupees				
Financial assets					
Other receivables	1,000,000	-	-	-	1,000,000
Cash and bank balances	207,675,545	-	-	-	207,675,545
	208,675,545	-	-	-	208,675,545
Financial liabilities					
Creditors and other liabilities	279,857	-	-	-	279,857
	279,857	-	-	-	279,857
On balance sheet gap	208,395,688	-	-	-	208,395,688
Off Balance sheet Items					
Financial commitments:	-	-	-	-	-
Total Gap	208,395,688	-	-	-	208,395,688

Effective interest rates are mentioned in the respective notes to the financial statements.

24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to the limits. Risk management policies and systems are reviewed regularly to reflect the changes in conditions and the Company's activities. The Company, through trainings, management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors review and agree policies for managing each of the above risks which are summarized below:

24.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted and arises principally from receivables. The Association's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regulator requirements.

Exposure to credit risk

The carrying amounts of the financial assets represent the maximum credit exposures before any credit enhancements. The carrying amounts of financial assets exposed to credit risk at reporting date are as under:

	2024 Rupees	2023 Rupees
Other receivables	500,000	1,000,000
Bank balances	188,688,211	207,476,909
	189,188,211	208,476,909

To manage exposure to credit risk in respect of financial assets, management performs credit reviews taking into account the third party's financial position, past experience and other factors. The exposure to banks is managed by dealing with a variety of reputable banks and monitoring exposure limits on a continuous basis.

Concentration of credit risk

Concentration of credit risk occurs when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to any major concentrations of credit risk.

Impaired assets

During the year no assets have been impaired.

24.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Association's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Association's reputation. The Company uses different methods which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements, if any:

	2024						
Particulars	Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years	Over five years
	(Rupees)						
Creditors, accrued and other liabilities	3,382,745	3,382,745	1,691,373	1,691,373	-	-	-
	3,382,745	3,382,745	1,691,373	1,691,373	-	-	-

	2023						
Particulars	Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years	Over five years
	(Rupees)						
Creditors, accrued and other liabilities	279,857	279,857	139,929	139,929	-	-	-
	279,857	279,857	139,929	139,929	-	-	-

24.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company incurs financial liabilities to manage its market risk. All such activities are carried out with the approval of the Board of Directors. The Company is exposed to interest rate and currency risks.

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises in financial instruments that are denominated in foreign currencies i.e. in a currency other than the functional currency in which they are measured. The Company is not exposed to currency risk as at reporting date.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as the Company does not hold any interest bearing instrument as at the balance sheet date, therefore, no sensitivity analysis has been presented.

(c) Foreign exchange risk

Foreign exchange risk arises mainly where the receivable and payables exists due to transactions with foreign undertakings. The company believes that it is not exposed to any material financial exchange risk.

(d) Capital Risk Management

The company's prime objectives, while managing capital, is to ensure its ability to continue as going concern of the first step and then continue to provide returns on investments to its' shareholders. The company, at present, is maintaining strong capital base to support the sustained development of its business.

(e) Other price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

At the year end the Company is not exposed to price risk since there are no financial instruments whose fair value or future cash flows will fluctuate because of changes in market prices.

The Company is not exposed to any other type of market price risks.

25 **FAIR VALUE OF FINANCIAL INSTRUMENTS**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non performance risk.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materiality the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Fair value hierarchy

International Financial Reporting Standard (IFRS) 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: input other than quoted prices included with in Level 1 that are observable for assets and liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, adjusted) inputs.

Transfer between level of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values.

26 **TRANSACTION WITH RELATED PARTIES**

The related parties comprise associated companies, local related parties, directors and key management personnel. Amounts due to / due from related parties are disclosed in notes to the financial statements. The Company has not entered into transactions with directors and key management personnel other than remuneration and benefits to key management personnel under the terms of their employment. Other related party balances and transactions, not disclosed elsewhere, are as follows:

Related parties	Nature of transaction	2024 Rupees	2023 Rupees
Sweet Home International - Denmark	Amount being received as donation collected from Denmark	23,300,975	22,220,561
Pakistan Sweet Home AFP - USA	Amount being received as donation collected from USA	75,713,664	2,526,608

27 NUMBER OF EMPLOYEES

	2024 Number	2023 Number
Total employees of the Company at the year end	268	222
Average employees of the Company during the year	220	168

28 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. However, no significant reclassification has been made during the year.

29 DATE OF AUTHORIZATION FOR ISSUE

These financial statements are authorized for issue on 20 SEP 2024 by the Board of Directors of the Company.

30 GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR