

**FARZANA WELFARE ORGANIZATION (FWO)  
FAIRY HOME SUKKUR**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2024**



Business Redefined

## INDEPENDENT AUDITORS' REPORT

### Opinion

We have audited the financial statements of Farzana Welfare Organization (FWO) Fairy Homes Sukkur, which comprise the statement of financial position as at June 30, 2024, and the income and expenditure account and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at June 30, 2024 and of its financial performance 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 the 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 entity 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.

### Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We also draw attention to note 1.2.1 which shows that the organization has not obtained tax exemption certificate from FBR, further the organization is not deducting withholding tax on payments to vendors or employees.

We draw attention to note 2.1 to the financial statements, which describes the basis of accounting. These financial statements are prepared to assist the society for submission of their financial position to the regulatory authority. As a result, the financial statement may not be suitable for another purpose. Our report is solely for the society and should not be distributed to parties other than as mentioned above. Our opinion is not modified in respect of this matter.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

J.A.S.B. & Associates | Chartered Accountants

11th Floor, Uni Tower, I. I. Chundrigar Road, Karachi. | 00-92-21-32468154-5 | contact@jasb-associates.com | Member of Morison Glob



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Those charged with governance are responsible for overseeing the Entity'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. Misstatement 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 Entity'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 Entity'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 Entity 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.

*JasB*





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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies internal control that we identify during our audit.

#### Other Matter Paragraph

The financial statements of Farzana Welfare Organization (FWO) Fairy Homes Sukkur for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who have expressed unqualified opinion on the financial statements on November 30, 2023.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Basharat Rasool.

*Jasb & Associates*

Chartered Accountants

Karachi

Dated: 28 OCT 2024

UDIN: AR202410452g5X6joY2p

*Jasb*

FARZANA WELFARE ORGANIZATION (FWO)  
 FAIRY HOME SUKKUR  
 STATEMENT OF FINANCIAL POSITION  
 AS AT JUNE 30, 2024

	2024	2023
	(Rupees)	
<b>EQUITY AND LIABILITIES</b>		
<b>GENERAL FUNDS</b>		
Opening balance at the beginning of the year	2,667,591	2,698,420
Less: Deficit for the year	(332,398)	(30,829)
	2,335,193	2,667,591
<b>CURRENT LIABILITIES</b>		
Other payables	4 35,000	15,000
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,370,193</b>	<b>2,682,591</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	5 663,816	710,158
<b>CURRENT ASSETS</b>		
Deposits and prepayments	6 250,000	250,000
Cash and bank balances	7 1,456,377	1,722,433
	1,706,377	1,972,433
<b>TOTAL ASSETS</b>	<b>2,370,193</b>	<b>2,682,591</b>

The annexed notes form an integral part of these financial statements.



FINANCE SECRETARY



GENERAL SECRETARY



CHAIRPERSON

*Jans*

FARZANA WELFARE ORGANIZATION (FWO)  
 FAIRY HOME SUKKUR  
 INCOME & EXPENDITURE ACCOUNT  
 FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Rupees) -----	
	Note		
Income	8	12,476,440	13,430,000
Expenditure	9	12,807,297	(13,458,049)
Deficit for the year		<u>(330,857)</u>	<u>(28,049)</u>
Financial charges	10	(1,541)	(2,780)
Net deficit for the year		<u><u>(332,398)</u></u>	<u><u>(30,829)</u></u>

The annexed notes form an integral part of these financial statements.

FINANCE SECRETARY

GENERAL SECRETARY

CHAIRPERSON

FARZANA WELFARE ORGANIZATION (FWO)  
 FAIRY HOME SUKKUR  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees) -----	
	Note	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss before taxation	(332,398)	(30,829)
<i>Adjustments for:</i>		
Depreciation	170,133	201,019
Profit /(loss) before working capital changes	(162,265)	170,190
<i>Working Capital Changes</i>		
Others Payables	20,000	-
Trade & Other Receivable	-	-
Net cash generated from /(used in) operating activities	(142,265)	170,190
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase Of Propert, Plant & Equipments	(123,790)	(235,220)
Net cash used in investing activities	(123,790)	(235,220)
Net (decrease)/increase in cash and bank balances (A+B)	(266,055)	(65,030)
Cash and cash equivalents at the beginning of the year	1,722,433	1,787,462
Cash and cash equivalents at the end of the year	1,456,378	1,722,432

The annexed notes form an integral part of these financial statements.



FINANCE SECRETARY



GENERAL SECRETARY



CHAIRPERSON

*Jans*

**FARZANA WELFARE ORGANIZATION (FWO)  
FAIRY HOME SUKKUR  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

**1. THE COMPANY AND ITS OPERATIONS**

FARZANA WELFARE ORGANIZATION (FWO), FAIRY HOME SUKKUR, located at Banglow No. A 26 Near Mohalla Governemnt employees Society, Shirkpur Road, Sukkur is registered under the Societies Registration Act XXI of 1860.

**1.2 Other matters**

1.2.1 The organization has not obtained tax exemption certificate from FBR. The organization also not deducting withholding tax from vendors payments.

**2. BASIS OF PREPARATION**

These financial statements have been prepared on accrual basis of accounting.

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards (AFRS) for small sized Entities (SSEs) issued by Institute of Chartered Accountant of Pakistan (ICAP).

**2.2 Basis of measurement**

These financial statements have been prepared under the historical cost convention.

**2.3 Functional and presentation Currency**

These financial statements are presented in Pakistan Rupees which is Organization's functional and presentation currency.

**2.4 Use of estimates and Judgments**

The prepration of financial statements in conformity with AFRS for SSEs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experiance and various other factors that are beleived to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying vakues of the assets and liabilities taht are not readily apparent from other sources. Actual results may differ from these estimates.

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 General Fund**

The general funds comprises of the accumulated surplus and deficit for which the SaCHA has specified an intention to support a particular aspect of activities together with income accruing directly to those funds. Any surplus is held until it is fully expended.

**3.2 Trade and other payables**

Trade payables are obligations under normal short term ceedit terms. Liabilities for trade and other amounts payable are measured at fair value of the consideration paid or paybale in future for goods and services.

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### 3.3 Property, Plant and equipment

#### Initial Recognition

All items of Property, Plant and equipment are initially recorded at cost.

#### Subsequent measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

#### Depreciation:

Depreciation is charged so as to write off the cost of assets (other than land) over their estimated useful lives. The diminishing balance method at the rates specified in notes 5.1 to the financial statements. Depreciation is charged on the assets from the month of its acquisition whereas no depreciation is charged in the month of disposal.

#### Disposal

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

#### Judgment and estimates

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

#### Impairment

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

An impairment loss is recognised in statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The CCF recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at revalued amount in accordance with revaluation model. Any reversal of an impairment loss of revalued asset is treated as revaluation increase.

### 3.4 Trade and other receivables

Trade and other receivables are measured at fair value of consideration received or receivable less an estimate made for doubtful receivables, if any based on a review of all outstanding amounts at the year end.

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**3.5 Cash and Bank balances**

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash with banks on current, saving and saving accounts.

**3.6 Revenue**

Income comprises Donations and Profit on Investment. It is measured by reference to the fair value of the consideration received or receivable.

**3.7 Expenses**

All expenses are recognized in the profit or loss account on accrual basis.

**3.8 Financial Charges**

Financial charges comprise of interest accrued during the year on any loan or advances, and bank charges. Finance cost is recognized when incurred.

2024  
----- (Rupees) -----  
2023

Note

**4 OTHER PAYABLES**

Audit fee payable

<u>35,000</u>	<u>15,000</u>
<u>35,000</u>	<u>15,000</u>

**5 PROPERTY PLANT AND EQUIPMENT**

5.1

<u>663,816</u>	<u>710,158</u>
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## PROPERTY, PLANT AND EQUIPMENT 2023

Depreciable Assets (Particular/Description)	COST			DEPRECIATION			WRITTEN DOWN VALUE AS ON 30TH JUNE, 2023		
	BALANCE AS ON 1ST JULY 2022	ADDITION DURING THE YEAR	DISPOSALS DURING THE YEAR	TOTAL AS ON 30TH JUNE 2023	BALANCE AS ON 1ST JULY 2022	RATE		CHARGES FOR THE YEAR	TOTAL AS ON 1ST 30TH JUNE 2023
	Rupees				%		Rupees		
Bedding	259,000			259,000	130,561.00	15%	19,266	149,827	109,173
Furniture and Fixture	214,000			214,000	107,876.00	15%	15,919	123,795	90,205
Computer & Accessories	370,540	235,220		605,760	176,814.00	30%	128,683	395,497	209,263
Water dispenser	20,000			20,000	10,082.00	15%	1,488	11,570	8,430
UPS and Solar plate	56,000			56,000	28,229.00	15%	4,166	31,395	24,805
Fans	36,000			36,000	18,147.00	15%	2,678	20,825	15,175
Washing machine	9,000			9,000	4,537.00	15%	669	5,206	3,731
Suing machine	33,650			33,650	15,586.00	15%	2,700	18,296	15,594
Ovens	10,000			10,000	5,041.00	15%	743	5,784	4,261
Security camras	300,000			300,000	151,228.00	15%	22,306	173,544	126,456
LCD	20,000			20,000	10,082.00	15%	1,488	11,570	8,430
Air cooler	12,000			12,000	6,049.00	15%	895	6,944	5,049
<b>TOTAL- 2023</b>	<b>1,340,190</b>	<b>235,220</b>		<b>1,575,410</b>	<b>664,232</b>		<b>201,029</b>	<b>885,381</b>	<b>690,029</b>

*[Handwritten signature]*



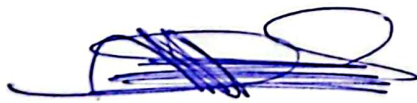
PROPERTY, PLANT AND EQUIPMENT - 2024

Depreciable Assets (Particular/Description)	COST				DEPRECIATION				WRITTEN DOWN VALUE AS ON 30 JUNE, 2024
	BALANCE AS ON 1ST JUV 2023	ADDITION DURING THE YEAR	DISPOSALS DURING THE YEAR	TOTAL AS ON 30 JUNE 2024	BALANCE AS ON 1ST JUV 2023	RATE	CHARGES FOR THE YEAR	TOTAL AS ON 1ST 30 JUNE 2023	
	Rupees				Rupees				
Bedding	259,000			259,000	149,827	15%	16,376	166,203	92,797
Furniture and Fixture	214,000			214,000	123,795	15%	13,531	197,326	76,674
Computer & Accessories	605,760			605,760	305,498	30%	90,079	395,577	210,183
Water dispenser	20,000			20,000	11,570	15%	1,265	12,835	7,165
UPS and Solar plate	56,000			56,000	32,395	15%	3,541	35,936	20,064
Fans	36,000			36,000	20,825	15%	2,276	23,101	12,899
Washing machine	9,000			9,000	5,206	15%	569	5,775	3,225
Suing machine	33,650			33,650	18,296	15%	2,303	20,599	13,051
Ovens	10,000			10,000	5,785	15%	632	6,417	3,583
Security camras	300,000	123,790		423,790	173,544	15%	37,557	211,081	212,711
LCD	20,000			20,000	11,570	15%	1,265	12,835	7,165
Air cooler	12,000			12,000	6,942	15%	759	7,701	4,299
<b>TOTAL- 2024</b>	<b>1,575,410</b>	<b>123,790</b>		<b>1,699,200</b>	<b>865,255</b>		<b>170,155</b>	<b>1,035,386</b>	<b>667,815</b>


52 Depreciation has been charged to expenses.



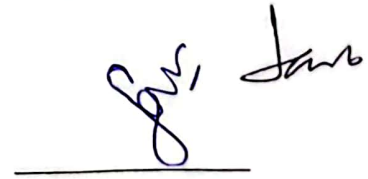
	2024	2023
	(Rupees)	
Note		
<b>6 DEPOSITS AND PREPAYMENTS</b>		
Advances, deposits and prepayments	<u>250,000</u>	<u>250,000</u>
	<u>250,000</u>	<u>250,000</u>
<b>7 CASH AND BANK BALANCES</b>		
Cash at bank	1,452,988	1,720,327
Cash in hand	<u>3,389</u>	<u>2,106</u>
	<u>1,456,377</u>	<u>1,722,433</u>
<b>8 REVENUE</b>		
Fund received from Indus Community Foundation, Sukkur	-	-
Fund received from Sindh Human Right Commission	-	-
Fund Received from Mr. Abdul Wahid Khoso	12,656,001	11,635,000
Fund Received from Super Madina Group Of Resturants & Filling Stations	-	1,515,000
Other Donations	-	280,000
	<u>12,656,001</u>	<u>13,430,000</u>
<b>9 EXPENSES</b>		
Salaries to staff	2,628,000	2,686,950
Rent expenses	1,420,500	1,283,500
Printing & stationery	49,933	321,896
School fee	157,000	-
Postage and courier charges	280	8,144
Utility expenses	1,104,154	319,283
Drinking water	58,480	72,210
Communication	45,110	29,560
Travelling and conveyance	295,250	1,050,971
Furniture repair	-	144,200
Machine repair	215,524	57,142
Medical expense	9,443	17,663
Boarding and lodging	165,000	5,367,197
Depreciation	170,133	201,019
Feeding / diet	4,568,725	-
Miscellaneous expenses	<u>1,919,765</u>	<u>1,897,711</u>
	<u>12,807,297</u>	<u>13,458,049</u>
<b>10 FINANCIAL CHARGES</b>		
Bank charges	<u>1,541</u>	<u>2,780</u>
	<u>1,541</u>	<u>2,780</u>
<b>11 COMPARATIVES</b>		
Corresponding figures has been rearranges and		
<b>12 CONTINGENCIES AND COMMITMENTS</b>		
<b>13 GENERAL</b>		
Figures have been rounded off to the nearest rupees.		
<b>14 DATE OF AUTHORIZATION FOR ISSUE</b>		
These financial statements was authorized for issue by the Board of trustees as on _____		



FINANCE SECRETARY



GENERAL SECRETARY



CHAIRPERSON