

**HUNAR GHAR WELFARE ORGANIZATION
BALANCE SHEET
AS AT JUNE 30, 2025**

	Note	June 30, 2025	June 30, 2024
		----- (Rupees) -----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	41,436,161	43,007,744
Long term security deposits		-	-
		41,436,161	43,007,744
CURRENT ASSETS			
Short term investments	5	15,085,191	15,144,077
Advances, prepayments and other receivables	6	519,658	405,039
Cash and bank	7	10,593,450	4,557,730
		26,198,299	20,106,846
TOTAL ASSETS		67,634,460	63,114,590
NON-CURRENT LIABILITIES			
Deferred income relating to property and equipment	8	-	-
CURRENT LIABILITIES			
Accrued and other payables	9	(25,000)	(25,000)
NET ASSETS		67,609,460	63,089,590
REPRESENTED BY GENERAL FUND:			
Accumulated fund at beginning of the year		63,089,590	33,803,564
Excess/(deficit) for the year		4,519,870	29,286,026
		67,609,460	63,089,590
CONTINGENCIES AND COMMITMENTS	10		

The annexed notes 1-15 form an integral part of these financial statements.

Seetal Zehra
PRESIDENT



Abmran
SECRETARY

**HUNAR GHAR WELFARE ORGANIZATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	June 30, 2025	June 30, 2024
----- (Rupees) -----			
INCOME			
Donations income		13,085,880	9,160,295
Membership/subscription		640,000	774,000
Fee collection		420,650	354,550
Fund raiser collection		1,630,000	14,254,478
Deferred Income realization		-	15,858,170
Dividend Income		92,912	-
Realized Capital Gain		1,998,153	-
Interest Income		-	1,009,972
		17,867,595	41,411,465
Direct expenses	11	(6,282,614)	(7,228,880)
GROSS SURPLUS		11,584,981	34,182,585
Administrative and general expenses	12	(6,554,032)	(4,896,559)
SURPLUS BEFORE TAX		5,030,949	29,286,026
Taxation		(511,079)	-
SURPLUS FOR THE YEAR		4,519,870	29,286,026

The annexed notes 1-15 form an integral part of these financial statements.

Seerat Jehra
PRESIDENT



Amran
SECRETARY



**HUNAR GHAR WELFARE ORGANIZATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>June 30, 2025</u> (Rupees)	<u>June 30, 2024</u> (Rupees)
Surplus before tax	5,030,949	29,286,025
Adjustments for non-cash items		
Depreciation of fixed assets	1,571,583	1,655,950
Amortization of deferred income relating to property and equipment	-	-
Operating surplus before working capital changes	<u>6,602,532</u>	<u>30,941,975</u>
Changes in working capital		
Increase in Advances, prepayments and other receivables	(114,619)	229,979
Decrease / (Increase) in Short term investments	58,886	(10,144,077)
(Decrease) / Increase in Accrued and other payables	-	-
	<u>(55,733)</u>	<u>(9,914,098)</u>
Taxes Paid	(511,079)	-
Net cash from operating activities	6,035,720	21,027,876
Cashflows from investing activities		
Purchase of property, plant and equipment	-	(35,520,439)
Purchase of property, plant and equipment	-	32,666,888
Security Deposit Received Back	-	100,000
Net cash from investing activities activities	-	(2,753,551)
Cashflows from financing activities		
Deferred income relating to property and equipment	-	(15,848,170)
Net cash from investing activities activities	-	(15,848,170)
Net increase in cash and bank during the year	6,035,720	2,426,155
Cash and bank balance at beginning of the year	4,557,730	2,131,575
Cash and bank balance at end of the year	<u>10,593,450</u>	<u>4,557,730</u>

The annexed notes 1-15 form an integral part of these financial statements.

Seerat Zahra
PRESIDENT



Abmran
SECRETARY

**HUNAR GHAR WELFARE ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1. THE SOCIETY AND ITS OPERATIONS

Hunar Ghar Welfare Organization (herein after referred to as "the Society") has been registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961 (XL VI of 1961) with the Deputy Director Registration Authority, Karachi Division, Directorate of Social Welfare, Government of Sindh on May 11, 2016.

The registered office of the Society is located at 1st Floor, 109-C, Bhitai Colony, Korangi Crossing, Karachi.

The main object of the Society is to work for social welfare, vocational training and education, health and technical centers as well as other charitable activities.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and financial reporting standards as applicable in Pakistan. Approved accounting and financial reporting standards comprise of:

- i) Accounting and Financial Reporting Standard for Small Sized Entities issued by the Institute of Chartered Accountants of Pakistan (AFRS for SSEs); and
- ii) Accounting Standard for NPOs issued by the Institute of Chartered Accountants of Pakistan (ICAP)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention without any adjustment to the effects of inflation or current values.

3.2 REPORTING CURRENCY

These financial statements are measured and presented in PAK Rupee which is the currency of primary economic environment in which the Society operates and is also the Society's functional and presentational currency.

3.3 SIGNIFICANT ESTIMATES

The preparation of financial statements in conformity with applicable accounting standards require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.



Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are discussed in the ensuing paragraphs.

3.4 BASIS OF ALLOCATION OF COMMON EXPENSES

Common expenses have been allocated in the proportion of salaries, wages and benefits being paid to program related staff and administrative & general staff between direct and management and general expenses respectively.

3.5 PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation and impairment except for leasehold land and capital work-in-process. Capital work-in-process is stated at cost less impairment loss, if any, and consists of expenditure incurred in the course of their construction and installation. Assets are transferred to operating fixed assets when they are available for intended use.

Depreciation is provided on reducing balance method at the rates mentioned in note 4 to these financial statements except for leasehold building which is depreciated on straight line basis over the term of the lease. Full year depreciation is charged on additions while no depreciation is charged on disposals. Gain or loss on disposal of assets is taken to income and expenditure account.

3.5.1 SUBSEQUENT COSTS

The costs of replacing part of an item of operating fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Society and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day to day servicing of operating fixed assets are recognized in income and expenditure account as they are incurred.

3.5.2 DERECOGNITION

An item of operating fixed assets is derecognized:

- (a) on disposal, or
- (b) when no future economic benefits are expected from its use or disposal.

3.5.3 IMPAIRMENT OF NON-CURRENT ASSETS

The carrying amount of the Society's assets are reviewed at each balance sheet date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses. If any such indications exist, the recoverable amounts of such assets are estimated and impairment losses or reversal of impairment losses are recognized in the income and expenditure account. Reversal of impairment loss is restricted to the historical carrying amount of the asset.



3.6 GRANTS / DONATION

Grants/Donations are recognised as the fair value of the consideration received. A grant without specified future performance conditions is recognised as income when the grant proceeds are received. A grant that imposes specified future performance condition is deferred and recognised as income when all those conditions are met. The Society does not recognise those forms of assistance for which a reasonable value cannot be placed on them.

Restricted grants for the purchase of capital assets that will be depreciated are deferred and recognised as revenue in the statement of income and expenditure on the same basis as the depreciation expense related to the acquired capital assets. Restricted grants for the purchase of capital assets / contribution of capital assets, which will not be depreciated are recognised directly in net assets upon purchase of capital assets / contribution of capital assets.

3.7 TAXATION

The Society is recognized under section 2(36) of the Income Tax Ordinance, 2001 accordingly the Society is subject to taxation under section 100C of the said Ordinance.

3.8 INCOME RECOGNITION

Donations for operations are recognised as income as and when received.

Membership fee is recognised as income as and when received.

Fee for courses is recognised as income as and when due.

Income on deposit accounts and term deposits receipts are recognised on time proportion basis taking in to account the effective yield.



4 Property and equipment

	Leasehold land	Building	Sewing machines	Furniture and fixtures	Capital work in progress	Total
	(Rupees)					
As at June 30, 2024						
Cost	11,800,000	32,666,888	159,245	286,885	-	44,913,018
Accumulated depreciation	-	(1,633,345)	(109,534)	(162,396)	-	(1,905,275)
	<u>11,800,000</u>	<u>31,033,544</u>	<u>49,711</u>	<u>124,489</u>	<u>-</u>	<u>43,007,744</u>
Year ended June 30, 2025						
Opening net book value	11,800,000	31,033,544	49,711	124,489	-	43,007,744
Additions during the year	-	-	-	-	-	-
Depreciation charge	-	(1,551,677)	(7,457)	(12,449)	-	(1,571,583)
Disposal During the year	-	-	-	-	-	-
	<u>11,800,000</u>	<u>29,481,867</u>	<u>42,254</u>	<u>112,040</u>	<u>0</u>	<u>41,436,161</u>
As at June 30, 2025						
Cost	11,800,000	32,666,888	159,245	286,885	-	44,913,018
Accumulated depreciation	-	(3,185,022)	(116,991)	(174,845)	-	(3,476,858)
	<u>11,800,000</u>	<u>29,481,867</u>	<u>42,254</u>	<u>112,040</u>	<u>-</u>	<u>41,436,161</u>
Depreciation rate %		10	15	10		
As at June 30, 2023						
Cost	11,800,000	-	159,245	286,885	29,813,337	42,059,467
Accumulated depreciation	-	-	(100,761)	(148,564)	-	(249,325)
	<u>11,800,000</u>	<u>-</u>	<u>58,484</u>	<u>138,321</u>	<u>29,813,337</u>	<u>41,810,142</u>
Year ended June 30, 2024						
Opening net book value	11,800,000	-	58,484	138,321	29,813,337	41,810,142
Additions during the year	-	32,666,888	-	-	2,853,551	35,520,439
Depreciation charge	-	(1,633,345)	(8,773)	(13,832)	-	(1,655,950)
Disposal During the year	-	-	-	-	(32,666,888)	(32,666,888)
	<u>11,800,000</u>	<u>31,033,544</u>	<u>49,711</u>	<u>124,489</u>	<u>0</u>	<u>43,007,744</u>
As at June 30, 2024						
Cost	11,800,000	32,666,888	159,245	286,885	-	44,913,018
Accumulated depreciation	-	(1,633,345)	(109,534)	(162,396)	-	(1,905,275)
	<u>11,800,000</u>	<u>31,033,544</u>	<u>49,711</u>	<u>124,489</u>	<u>-</u>	<u>43,007,744</u>
Depreciation rate %		10	15	10		

4.1 This represents civil works and related cost for the construction of Society's building

4.2 Depreciation for the year has been allocated as follows:

	2025 Rupees	2024 Rupees
Direct expenses	718,137	1,017,622
Administrative and general expenses	853,446	638,327
	<u>1,571,583</u>	<u>1,655,949</u>



June 30, 2025 June 30, 2024
 ----- (Rupees) -----

5 SHORT TERM INVESTMENTS

Investment in Faisal Islamic Cash Fund	15,085,191	15,144,077
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6 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

Advances	-	-
Prepaid rent	-	-
Advance tax	519,658	405,039
	519,658	405,039

7 CASH AND BANK

Cash in hand	150,379	370,280
Cash at bank (current account)	10,443,071	4,187,450
	10,593,450	4,557,730

8 DEFERRED INCOME RELATING TO PROPERTY AND EQUIPMENT

Opening balance	-	15,848,170
Donations received during the year	-	10,000
Transfer to income account	-	(15,858,170)
Closing balance	-	-

9 ACCRUED AND OTHER PAYABLES

Auditor remuneration	25,000.00	25,000.00
Withholding tax payable	-	-
	25,000.00	25,000.00

10 CONTINGENCIES AND COMMITMENTS

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



	June 30, 2025	June 30, 2024
	----- (Rupees) -----	
11 DIRECT EXPENSES		
Salaries and benefits	1,696,876	2,640,369
Consumables	2,540,524	2,089,205
Corona help fund	-	0
Health and education welfare	224,400	146,960
Miscel	85,100	86,000
Ration	438,820	132,000
Communication	2,516	8,080
Depreciation	718,137	1,017,622
Fee & subscription	-	0
Fuel	1,940.00	0
Office supplies	-	0
Postage & courier	713	759
Printing & stationery	99,586	214,913
Rent expense	0	206,706
Repair & maintenance	303,361	569,838
Tree Plantation Drive	71,900	
Utility	98,741	116,428
	<u>6,282,614</u>	<u>7,228,880</u>

12 ADMINISTRATIVE AND GENERAL EXPENSES

Salaries and benefits	3,936,025	1,673,200
Communication	3,034	5,120
Depreciation	853,446	638,327
Fee & subscription	-	-
Fuel	2,340	-
Office supplies	-	-
Postage & courier	860	481
Printing & stationery	120,076	136,191
Rent expense	-	130,990
Repair & maintenance	217,892	291,311
Utility	119,056	73,780
Charity and donation	-	12,500
Entertainment expense	69,501	59,090
Fund Raising Expense	399,400	1,275,210
Auditors' remuneration - audit fee	25,000	25,000
Computer and Internet Expenses	-	-
Travelling & Conveyance	468,600	402,890
Professional fees	338,802	172,469
	<u>6,554,032</u>	<u>4,896,559</u>



13 RELATED PARTY TRANSACTIONS

Related parties consist of persons having control over management and operations of the society. Significant related party transactions and balances are disclosed in the related notes.

14 DATE OF AUTHORIZATION FOR ISSUE

The general body has approved and authorized to issue these financial statements on September 29, 2025.

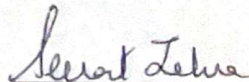
15 GENERAL

- Figures have been rounded off to the nearest Pak Rupees.
- Following figures have been reclassified in the comparative statements for better presentation.

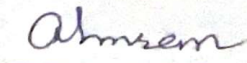
Funds raised for building construction

Reclassified from
Accrued and other
payables

Reclassified to
Deferred income
relating to property
and equipment


PRESIDENT




SECRETARY

