

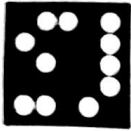
AUDITED FINANCIAL STATEMENTS

OF

LAHORE ASSOCIATION PAKISTAN

FOR THE YEAR ENDED

JUNE 30, 2025



INDEPENDENT AUDITORS' REPORT

**To the Trustees of
Lahore Association of Pakistan for the Welfare of Mentally
Handicapped Persons
Report on the Audit of the Financial Statements**

Opinion

We have audited the annexed financial statements **Lahore Association of Pakistan for the Welfare of Mentally Handicapped Persons** (the Association), which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure, the statement of changes in fund and reserves, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies 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 changes in fund and reserves, the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan, in the manner so required and respectively give a true and fair view of the state of the Association's affairs as at June 30, 2025 and of the deficit, the changes in fund and reserves 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 Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Association 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.

Other Matter

The financial statements of the Association for the year ended June 30, 2024, were audited by a different firm who expressed an unmodified opinion on those financial statements on December 21, 2024.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the President's report, but does not include the financial statements and our auditor's report thereon.

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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 Those Charged with Governance 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 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 responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

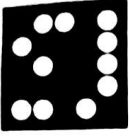
Those charged with governance are responsible for overseeing the Association's financial reporting process.

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 Association'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Association 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 Those Charged with Governance 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.

The engagement partner on the audit resulting in this independent auditors' report is Sanan Javid.

Sanan Javid & Company
Chartered Accountants

Date:

Place: Lahore

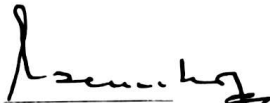
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**LAHORE ASSOCIATION PAKISTAN
FOR THE WELFARE OF MENTALLY HANDICAPPED PERSONS
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025**

	Note	2025 Rupees	2024 Rupees
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	4	6,016,668	4,734,847
Long term investments	5	35,700,000	28,300,000
Long term security deposits	6	10,000	10,000
		41,726,668	33,044,847
CURRENT ASSETS			
Short term investment	7	51,285,518	24,721,410
Advances and deposits	8	3,813,165	3,133,939
Cash and bank balances	9	11,297,708	30,438,408
		66,396,391	58,293,757
TOTAL ASSETS		<u>108,123,059</u>	<u>91,338,604</u>
CURRENT LIABILITIES			
Accrued and other payables	10	462,277	370,000
NET ASSETS		<u>107,660,782</u>	<u>90,968,604</u>
Represented by:			
General fund		16,041,976	17,825,439
Restricted fund	11	91,618,806	73,143,165
		<u>107,660,782</u>	<u>90,968,604</u>

CONTINGENCIES AND COMMITMENTS

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


PRESIDENT


TREASURER


PRINCIPAL

**LAHORE ASSOCIATION PAKISTAN
FOR THE WELFARE OF MENTALLY HANDICAPPED PERSONS
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 Rupees	2024 Rupees
INCOME			
Donations		4,208,955	4,815,371
Contributions		296,000	273,100
Other income		23,700	-
		4,528,655	5,088,471
EXPENDITURE			
Staff salaries		3,399,389	2,842,284
Vehicle running expenses		1,303,172	458,726
Utility charges		47,779	235,953
Repair and maintenance expenses		260,226	32,020
Postage, printing and stationary		7,200	6,855
Bank charges		14,213	12,755
Insurance expenses		145,474	126,000
Legal and professional charges		61,000	54,250
Fee and subscription		-	46,250
Audit fee		175,000	90,000
Depreciation		843,629	664,490
Miscellaneous expenses		55,036	23,210
		6,312,118	4,592,793
(DEFICIET) / SURPLUS FOR THE YEAR BEFORE TAXATION		(1,783,463)	495,678
TAXATION	13	-	-
(DEFICIET) / SURPLUS FOR THE YEAR AFTER TAXATION		(1,783,463)	495,678

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



PRESIDENT



TREASURER



PRINCIPAL

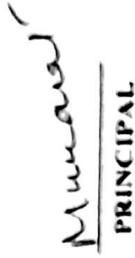
**LAHORE ASSOCIATION PAKISTAN
FOR THE WELFARE OF MENTALLY HANDICAPPED PERSONS
STATEMENT OF CHANGES IN FUND AND RESERVES
FOR THE YEAR ENDED JUNE 30, 2025**

	General fund	Surplus for the year	Sub Total	Restricted fund	Grand Total
	----- Rupees -----				
BALANCE AS AT JULY 01, 2023	11,531,348	5,798,413	17,329,761	57,101,163	74,730,924
SURPLUS FOR THE YEAR	-	495,678	495,678	15,712,002	16,237,680
BALANCE AS AT JUNE 30, 2024	11,531,348	6,294,091	17,825,439	73,113,165	90,968,604
BALANCE AS AT JULY 01, 2024	11,531,348	6,294,091	17,825,439	73,113,165	90,968,604
SURPLUS FOR THE YEAR	-	(1,783,463)	(1,783,463)	18,175,641	16,692,178
BALANCE AS AT JUNE 30, 2025	11,531,348	4,510,628	16,041,976	91,618,806	107,660,782

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**LAHORE ASSOCIATION PAKISTAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficient) / Surplus For The Year Before Taxation	(1,783,463)	495,678
Adjustments for non - cash charges and other items:		
Depreciation	843,629	664,490
	843,629	664,490
Cash flows before working capital changes	(939,834)	1,160,168
Changes in working capital:		
Decrease / (increase) in current assets		
Advances and deposits	600,000	(600,000)
	600,000	(600,000)
Increase / (decrease) in current liabilities		
Accrued and other payables	92,277	60,284
	92,277	60,284
Cash generated from operations	(247,557)	620,452
Income tax paid	(1,279,226)	(1,610,633)
Net cash used in operating activities (A)	(1,526,783)	(990,181)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of propert, plant and equipment	(2,125,450)	(107,500)
Realization of term deposit receipts	28,300,000	-
Investment in term deposit receipts	(35,700,000)	-
Realization of treasury bills	24,721,410	-
Investment in treasury bills	(51,285,518)	(24,721,410)
Net cash used in investing activities (B)	(36,089,558)	(24,828,910)
CASH FLOW FROM FINANCING ACTIVITIES		
Restricted funds received	18,475,641	15,742,002
Net cash generated from financing activities (C)	18,475,641	15,742,002
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(19,140,700)	(10,077,089)
Cash and cash equivalents at the beginning of the year	30,438,408	40,515,497
Cash and cash equivalents at the end of the year	11,297,708	30,438,408
Cash and cash equivalent comprise of the following:		
Cash in hand	13,760	16,971
Cash at bank - current account	11,283,948	30,421,437
	11,297,708	30,438,408

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


PRESIDENT


TREASURER


PRINCIPAL

**LAHORE ASSOCIATION PAKISTAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1 THE ASSOCIATION AND ITS ACTIVITIES

Lahore Association Pakistan for the Welfare of Mentally Handicapped Persons ("the Association") formerly named as Lahore Association Pakistan (Registered) Fukuoka School for Special Children, was registered with Directorate of Social Welfare, Government of the Punjab on 29th November 1992 in Lahore under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961.

The principal activity of the association is to provide education to mentally handicapped persons. The association at its registered office is running school for special children in the name and style of Fakuoka School for Special Children.

The registered office of the association is located at 248-C, Punjab Co-operative Housing Society (PCHS), Lahore Cantt.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs) issued by International Accounting Standards Board (IASB) as notified by the Securities and Exchange Commission of Pakistan (SECP); and
- Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

In case requirements differ, the Accounting Standard for Not for Profit Organizations (NPOs) shall prevail.

2.2 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention of accounting, unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupee, which is the Company's functional currency. Figures in these financial statements have been rounded off to the nearest rupee unless otherwise stated.

2.4 Key judgements and estimates

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 judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement 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 and equipment

Impairment loss of non-financial assets

Estimation of provisions

Current income tax expense, provision for current tax and recognition of deferred tax asset.

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Operating fixed assets

Property and equipment are stated at cost less accumulated depreciation and impairment, if any except land which is stated at cost. Cost of property and equipment consists of acquisition cost and other directly attributable costs of bringing the assets to their present location and condition.

The Company recognizes depreciation by applying the reducing balance method, using the rates mentioned in Note 4. Depreciation on additions is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is disposed of.

The gain or loss on disposal or retirement of an asset represents the difference between the sale proceeds and the carrying amount of the asset and is recognized as an income or expense in the statement of profit or loss in the year to which it relates.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

3.2 Investment

Investment is accounted for at cost less any accumulated impairment losses. Investments made from donor-restricted funds are classified as short-term or long-term based on expected maturity. Term Deposit Receipts (TDRs) and Treasury Bills are measured at amortized cost, which reflects the initial investment amount adjusted for interest earned over the holding period. Interest income is recognized on an effective interest rate basis and credited to the respective restricted fund. Withdrawals and utilization of funds, including interest, are strictly in accordance with donor-imposed restrictions.

3.3 Cash and cash equivalents

Cash and cash equivalents are carried in statement of financial position at cost. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand and bank balances.

3.4 Trade and Other payables

Trade payables are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

3.5 Provisions

A provision is recognized in the statement of financial position when the Company has a 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 a reliable estimate can be made of the amount of obligation.

3.6 Contingent liabilities

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence 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 when there is present 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.

3.7 Taxation

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in other comprehensive income, or equity, in which case it is recognized in other comprehensive income, or equity, as the case may be.

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3.7.1 Current taxation

Provision for the current tax is based on the taxable income for the year determined in accordance with the provisions of the Income Tax Ordinance, 2001. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

3.7.2 Deferred taxation

Deferred tax is recognized using the liability method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry forwarded unused tax losses and tax credits, if any, to the extent that it is probable that the future taxable profits will be available against which the asset may be utilized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be realized. Unrecognized deferred tax asset are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is expected to be utilized or the liability is expected to be settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is charged or credited to profit or loss, except in case of items credited or charged to equity in which case it is included in equity.

3.8 Funds

3.8.1 General Fund

Surplus/(deficit) arising on un-restricted funds is recognized in general fund.

3.8.2 Restricted Fund

Restricted fund is established by the management of the entity for conducting specific projects. Donations received or receivable for these projects are recognized in restricted funds. On completion of these projects, remaining surplus (if any) from restricted funds, may be reimbursed to donor or transferred in to general funds at the discretion of donor and management of the entity.

3.9 Income recognition

Income is recognized when it is probable that economic benefits will flow to the entity and the income can be measured reliably.

Donation income

Income from donations is recognized when there is reasonable assurance that donation will be received and all attached conditions will be complied with.

Voluntary contributions

These are recognized when received.

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Financial instruments

Measurement of financial asset

Initial measurement

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost.

A financial asset is initially measured at fair value plus transaction costs that are directly attributable to its acquisition, except FVTPL which is measured at fair value.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification, as follows:

Debt Investments at FVOCI

These assets are subsequently measured at fair value. Changes in fair value are recognized in other comprehensive income. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI

These assets are subsequently measured at fair value. Changes in fair value are recognized in other comprehensive income and are never reclassified to the statement of profit or loss. Dividends are recognized as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest markup or dividend income, are recognized in the statement of profit or loss.

Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalents.

Derecognition

The Company derecognizes the financial assets when the contractual rights to the cash flows from the assets expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred assets.

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Financial liabilities

Initial recognition

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as follows:

Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-fortrading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost using the effective interest rate method. Gain and losses are recognized in statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process

Derecognition

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, cancelled or expire.

3.10 Off-setting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to setoff the recognized amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

3.11 Transactions with related parties

Transactions with related parties are carried out at an arm's length and priced at comparable uncontrolled market price.

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4 OPERATING FIXED ASSETS

4.1 Reconciliations of carrying amounts of operating fixed assets at the beginning and at the end of the period are as follows

Description	OWNED ASSETS						Total
	Land	Building	Furniture and fixture	Office equipment	Electric equipment	Vehicles	
Rupees							
As at 30 June 2023							
Cost	700,000	2,584,883	560,999	474,393	64,800	11,136,270	15,521,345
Accumulated depreciation	-	(1,963,076)	(478,115)	(383,620)	(1,620)	(7,403,077)	(10,229,508)
Net book value	700,000	621,807	82,884	90,773	63,180	3,733,193	5,291,837
Period ended 30 June 2024							
Opening net book value	700,000	621,807	82,884	90,773	63,180	3,733,193	5,291,837
Additions - at cost	-	-	-	-	107,500	-	107,500
Depreciation charged for the year	-	(62,181)	(12,433)	(13,616)	(16,281)	(559,979)	(664,490)
Closing net book value	700,000	559,626	70,451	77,157	154,399	3,173,214	4,734,847
As at 30 June 2024							
Cost	700,000	2,584,883	560,999	474,393	172,300	11,136,270	15,628,845
Accumulated depreciation	-	(2,025,257)	(490,548)	(397,236)	(17,901)	(7,963,056)	(10,893,998)
Net book value	700,000	559,626	70,451	77,157	154,399	3,173,214	4,734,847
Period ended 30 June 2025							
Opening net book value	700,000	559,626	70,451	77,157	154,399	3,173,214	4,734,847
Additions - at cost	-	-	6,500	779,190	1,339,760	-	2,125,450
Depreciation charged for the year	-	(55,963)	(11,299)	(126,502)	(173,883)	(475,982)	(843,629)
Closing net book value	700,000	503,663	65,652	729,845	1,320,276	2,697,232	6,016,668
As at 30 June 2025							
Cost	700,000	2,584,883	567,499	1,253,583	1,512,060	11,136,270	17,754,295
Accumulated depreciation	-	(2,081,220)	(501,847)	(523,738)	(191,784)	(8,439,038)	(11,737,627)
Net book value	700,000	503,663	65,652	729,845	1,320,276	2,697,232	6,016,668
Depreciation rate (% per annum)	0%	10%	15%	15%	15%	15%	5%

	Note	2025 Rupees	2024 Rupees
5 LONG TERM INVESTMENTS			
Term deposit receipts (TDR)	5.1	<u>35,700,000</u>	<u>28,300,000</u>

5.1 It represents amount invested from restricted funds with FINCA Microfinance Bank Limited in "Tahaffuz Term Deposit Receipts (TDR's)" for a period of three years. Profit on these TDR's is paid on monthly basis. Following are the details of TDR's:

Term deposit receipts - at amortized cost	Maturity date	Rate of return	2025 Rupees	2024 Rupees
Tahaffuz term deposit receipts	23-Jun-28	12.5%	20,000,000	8,300,000
Tahaffuz term deposit receipts	23-Jun-28	12.5%	5,700,000	10,000,000
Tahaffuz term deposit receipts	23-Jun-28	12.5%	10,000,000	10,000,000
			<u>35,700,000</u>	<u>28,300,000</u>

5.2 Movement in TDRs measured at amortized cost is as follows:

Balance as at July 01, 2024	28,300,000	28,300,000
Additions during the year	35,700,000	-
Redemptions during the year	(28,300,000)	-
Markup earned during the year	4,097,509	4,109,489
Markup received during the year	(4,097,509)	(4,109,489)
Balance as at June 30, 2025	<u>35,700,000</u>	<u>28,300,000</u>

5.3 Interest income earned on TDRs is incorporated into the restricted fund and used in accordance with donor-specified purposes. Interest is recognized on an amortized cost basis and disclosed in note 11.

6 LONG TERM SECURITY DEPOSITS	6.1	<u>10,000</u>	<u>10,000</u>
6.1 This amount represents a security deposit for internet services.			

7 SHORT TERM INVESTMENT

Treasury bills	7.1	<u>51,285,518</u>	<u>24,721,410</u>
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7.1 It represents amount invested from restricted funds with Sindh Bank Limited in "Treasury Bills (T. Bills)" for a period of 12 months. Profit on these T. Bills is paid on monthly basis. Following are the details of T. Bills:

Treasury bills - at amortized cost	Maturity date	Rate of return	2025 Rupees	2024 Rupees
Treasury bills	30-Apr-26	11.97%	13,404,375	-
Treasury bills	26-Dec-26	12.19%	37,881,143	24,721,410
			<u>51,285,518</u>	<u>24,721,410</u>

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	2025 Rupees	2024 Rupees
7.2 Movement in treasury bills measured at amortized cost is as follows:		
Balance as at July 01, 2024	24,721,410	-
Additions during the year	51,285,518	24,721,410
Redemptions during the year	(24,721,410)	-
Markup earned during the year	5,239,680	-
Markup received during the year	(5,239,680)	-
Balance as at June 30, 2025	<u>51,285,518</u>	<u>24,721,410</u>

7.3 Interest income earned on T. bills is incorporated into the restricted fund and used in accordance with donor-specified purposes. Interest is recognized on an amortized cost basis and disclosed in note 11.

8 ADVANCES AND DEPOSITS

Advance income tax	3,813,165	2,533,939
Other advances	-	600,000
	<u>3,813,165</u>	<u>3,133,939</u>

9 CASH AND BANK BALANCES

- Cash in hand	13,760	16,971
- Cash at bank - current account	11,283,948	30,421,437
	<u>11,297,708</u>	<u>30,438,408</u>

10 ACCRUED AND OTHER PAYABLES

Salaries payable	283,827	248,027
Utilities payable	3,450	31,973
Audit fee payable	175,000	90,000
	<u>462,277</u>	<u>370,000</u>

11 RESTRICTED FUND

Opening balance	73,143,165	57,401,163
Additions during the year		
Profit on term deposit receipts	11.1 4,097,509	4,109,489
Profit on treasury bills	11.1 5,239,680	-
Profit on saving account	11.1 3,965,974	6,709,785
Donations	11.1 5,172,478	4,922,728
	<u>18,475,641</u>	<u>15,742,002</u>
Closing balance as at year end	<u>91,618,806</u>	<u>73,143,165</u>

12 CONTINGENCIES AND COMMITMENTS

There are no known contingencies and commitments as at 30 June 2025 (2024: Nil).

13 TAXATION

No provision for income tax is made in the financial statements for the reason that association is a non profit organisation certified by Pakistan Centre for Philanthropy, Islamabad and is established for the welfare of mentally disabled children. The income of the Association shall be allowed a tax credit equal to one hundred percent of the tax payable, including minimum tax and final taxes payable under any of the provisions of Income Tax Ordinance 2001.

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14 TRANSACTION WITH RELATED PARTIES

Related parties comprise of trustees of the Trust, their close family members and other key management personnel. Details of transactions and balances with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Details of transactions with related parties during the year are as follows:

	2025 Rupees	2024 Rupees
Donations received from:		
Dr. Muhammad Tamoor	<u>400,000</u>	<u>400,000</u>
15 NUMBER OF EMPLOYEES	2025	2024
Number of employees at year end	<u>12</u>	<u>10</u>
Average number of employees during the period	<u>11</u>	<u>10</u>

16 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized and approved for issue by the Board of Trustees of the Association on 27-12-2025.

17 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. There was no major reclassification to report during the current reporting period.

18 GENERAL

Figures have been rounded off to the nearest Rupee.


PRESIDENT


TREASURER


PRINCIPAL