

ISLAMIC HELP PAKISTAN (THE COMPANY)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

INDEPENDENT AUDITORS' REPORT

To the members of Islamic Help Pakistan
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Islamic Help Pakistan**, a company setup under Section 42 of the Companies Act, 2017 ("the Company"), which comprise the statement of financial position as at June 30, 2023 and the statement of income and expenditure and other comprehensive income, the statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant 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 and other comprehensive income, the statement of changes in funds 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, 2023 and of the surplus and 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 *Auditor's 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.

Other Matter Paragraph

The financial statements of the Company for the year ended June 30, 2022 were audited by another firm of auditors who expressed an unmodified opinion on those statements on October 29, 2022.

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

Management is responsible for the other information. The other information comprises the Director's Report, but does not include the financial statements and our Auditor's 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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

- i. 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.
- ii. 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.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- iv. Conclude on the appropriateness of the 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 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 conclusion is 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.
- v. 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.

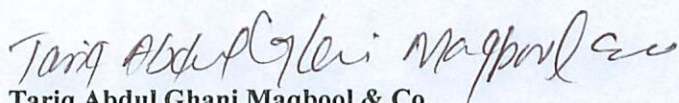
We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 profit or loss and other comprehensive income, the statement of changes in equity 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 Usher Ordinance, 1980 (XVIII of 1980).

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


Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants

Place: Lahore

Date: December 17, 2023

UDIN: AR202310233UwJrM1va4


ISLAMIC HELP PAKISTAN

(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

STATEMENT OF FINANCIAL POSITION**AS AT 30 JUNE 2023**

ASSETS	Note	2023	2022
		-----Rupees-----	
NON-CURRENT ASSETS			
Operating fixed assets	4	81,524,412	75,433,458
Intangible asset	5	163,800	204,750
		81,688,212	75,638,208
CURRENT ASSETS			
Advances and deposits	6	5,118,508	2,387,064
Cash and bank balances	7	49,888,500	24,058,265
		55,007,008	26,445,329
TOTAL ASSETS		136,695,220	102,083,537
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
General funds		136,355,771	100,452,221
		136,355,771	100,452,221
LIABILITIES			
CURRENT LIABILITIES			
Accrued and other liabilities	8	339,449	1,631,316
TOTAL FUNDS AND LIABILITIES		136,695,220	102,083,537
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes from 1 to 22 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

TAGM

ISLAMIC HELP PAKISTAN

(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

**STATEMENT OF INCOME AND EXPENDITURE AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

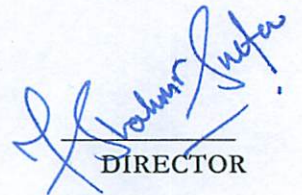
	Note	2023 -----Rupees-----	2022
INCOME			
Donations	10	399,774,335	303,948,477
Other income	11	1,464,124	972,290
		401,238,459	304,920,767
EXPENDITURES			
Direct project expenses	12	339,775,528	270,936,690
Administrative and general expenses	13	25,499,672	18,679,235
Finance cost	14	59,706	121,202
		365,334,906	289,737,127
Surplus / (deficit) for the year before taxation		35,903,553	15,183,640
Taxation		-	-
Surplus / (deficit) for the year after taxation		35,903,553	15,183,640
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		35,903,553	15,183,640

The annexed notes from 1 to 22 form an integral part of these financial statements.

TAGM



CHIEF EXECUTIVE OFFICER



DIRECTOR

ISLAMIC HELP PAKISTAN

(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

STATEMENT OF CHANGES IN FUNDS

FOR THE YEAR ENDED 30 JUNE 2023

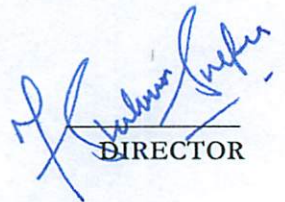
	General Funds	Restricted funds	Total
	-----Rupees-----		
Balance as at 01 July 2022	100,452,218	-	100,452,218
Total comprehensive income for the year	35,903,553	-	35,903,553
Balance as at 30 June 2023	<u>136,355,771</u>	<u>-</u>	<u>136,355,771</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

TAGM



CHIEF EXECUTIVE OFFICER



DIRECTOR

ISLAMIC HELP PAKISTAN

(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

STATEMENT OF CASH FLOWS**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 -----Rupees-----	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus / (deficit) for the year before taxation		35,903,553	15,183,640
Adjustment for non cash and other items:			
Depreciation	4	483,147	296,478
Amortization	5.1	40,950	5,250
Finance cost	14	59,706	121,202
		583,803	422,930
Operating cash flows before working capital changes		36,487,356	15,606,570
Working capital changes:			
Advances and deposits		(2,731,444)	(1,657,010)
Accrued and other liabilities		(1,291,867)	581,904
		(4,023,311)	(1,075,106)
Cash (used in) / generated from operations		32,464,045	14,531,464
Finance cost paid		(59,706)	(121,202)
Net cash flow (used in) / generated from operating activities (A)		32,404,339	14,410,262
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(6,574,104)	(74,494,400)
Net cash flow (used in) / generated from investing activities (B)		(6,574,104)	(74,494,400)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in general fund except surplus		-	73,500,000
Net cash flow (used in) / generated from financing activities (C)		-	73,500,000
Net increase / (decrease) in cash and cash equivalents (D=A+B+C)		25,830,235	13,415,862
Cash and cash equivalents at the beginning of the year (E)		24,058,265	10,642,403
Cash and cash equivalents at the end of the year (F=D+E)		49,888,500	24,058,265

The annexed notes from 1 to 22 form an integral part of these financial statements.

TAGM



CHIEF EXECUTIVE OFFICER



DIRECTOR

ISLAMIC HELP PAKISTAN

(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 STATUS AND NATURE OF BUSINESS

Islamic Help Pakistan (the Company) was incorporated in Pakistan as a non-profit organization under Section 42 of the Companies Ordinance, 1984 (repealed with the enactment of Companies Act, 2017 on 30 May 2017). The principle activity of the company is to promote religious and charitable activities.

The registered office of the company is situated at House No. 366, G-3 Block, Johar Town, Lahore. The company is domiciled in the province of Punjab.

- 1.1 The Company had been granted the license on August 18, 2011 to operate under section 42 of the Companies Act for the period of five years. License of the Company has expired on August 18, 2016. The Company had applied for renewal of license for further period which is yet to be acceded to by the Security and Exchange Commission of Pakistan (SECP). Furthermore, the Company expects to receive grants in upcoming years from its donors. The management believes that aforesaid renewal requirement is procedural in nature and till such time the license is renewed, the existing license is deemed to be valid under "Association with charitable and Not for Profit objects regulations 2018" issued through SRO 733(I) 2018 dated June 7, 2018. It does not cast any material uncertainty about the Company's ability to continue as a going concern and management is confident that it will get necessary approvals to continue to operate in Pakistan the foreseeable future.

2 STATEMENT OF COMPLIANCE

2.1 Basis for preparation

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

- International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standard for Not-for-Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) 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 for SMEs or the Accounting standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting convention

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

2.3 Functional and presentation of currency

These financial statements are presented in Pakistani rupees which is also the company's functional currency.

TAGM

2.4 Significant accounting judgments and estimates

The preparation of financial statements in conformity with approved accounting standards requires management to make judgment, estimates and assumptions that effect the application of policies and reported amounts of operating fixed assets, liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances the result of which form basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other resources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on the ongoing basis. The areas involving a higher degree of judgment or complexity or areas where assumption and estimates are significant to the financial statements are as follows:

- useful life of depreciable assets;

However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustments to the carrying amounts of assets and liabilities in the next year.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Operating fixed assets

Owned:

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Cost in relation to operating fixed assets signifies historical cost and directly attributable cost of bringing the asset to working condition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company, and cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit and loss account during the year in which these are incurred.

Residual value and the useful life of assets are reviewed at least at each financial year end and adjusted if impact on depreciation is significant.

Depreciation:

Depreciation on fixed assets is charged to income and expenditure account applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 4. The company charges the depreciation on additions from the day when the asset is available for use and to the date in which the asset is disposed off.

De-recognition:

An item of operating fixed assets is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the income and expenditure account in the month the asset is de-recognized.

3.2 Cash and cash equivalents

Cash and cash equivalent comprise cash in hand, cash at banks on current, saving and deposit accounts.

TAGM

3.3 Intangible assets

An intangible asset is recognized if it is probable that future economic benefits attributable to the asset will flow to the Company and that the cost of such asset can be measured reliably. These are stated at cost less accumulated amortization and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding the cost beyond one year, are recognized as intangible asset. Direct costs include the purchase cost of software, implementation cost and related overhead cost.

Intangible assets are amortized using the reducing balance method so as to write off the cost / amortization amount of the assets over their estimated useful lives at the rates given in note No. 5.

The carrying value of intangible assets is reviewed for impairment when events or changes in Circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

3.4 Financial instruments

Classification

Financial assets are classified into amortized cost, fair value through income and expenditure or at fair value through other comprehensive income based on the business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial liabilities are classified at amortized cost and may otherwise irrevocably be classified as fair value through income and expenditure.

Recognition and measurement

Financial assets and liabilities are initially recognized at their fair value plus / less, in the case of a financial assets / liabilities not at fair value through income and expenditure, transaction costs that are directly attributable to the acquisition/ issuance of the financial instrument.

Subsequent measurement is at fair value except for loans, receivables, held to maturity instruments and other financial instruments, which are measured at amortized cost.

De-recognition

Financial assets are de-recognized when the Company loses control of the contractual right that comprise the financial assets. Financial liabilities are de-recognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial assets and financial liabilities is charged to income and expenditure account.

Off-setting of financial assets and financial liabilities

A financial asset and a financial liability are offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.5 Accrued and other payables

Liabilities for trade 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.

TAGM

3.6 Donations

Donations are recognized when all of the following conditions have been satisfied;

- Company obtains control of the donation or the right to receive the donation;
- It is probable that the economic benefits comprising the donation will flow to the Company and,
- The amount of donation can be measured reliably.

3.7 Other Income

Other income includes profit on deposit accounts which is recognized when the profit is credited to the bank while income from all other sources is recognized on accrual basis.

3.8 Funds

(i) Restricted - fund

Restricted funds are those funds which are received for specific purpose. Funds received for these purposes are recognized as income in income and expenditure statement. Surplus or deficit (if any) for the year is transferred to restricted funds.

(ii) Un - restricted - fund

Un - restricted funds are those funds which are received for general purpose. Funds received for these purposes are recognized as income in income and expenditure statement. Surplus or deficit (if any) for the year is transferred to un - restricted funds.

3.9 Foreign currency translations

Transactions in foreign currencies are accounted for in Pak rupees at the rates of exchange prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated at rates of exchange prevailing at the balance sheet date. Gains or losses on exchange are charged in the income and expenditure account.

3.10 Related party transactions

All transactions involving reliable 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 to any third party. Prices for these transactions are determined on the basis of comparable uncontrolled price method.

3.11 Taxation

Current and deferred

The Company is entitled to one hundred percent tax credit of the income tax payable, including minimum and final taxes payable, under section 100(C) of the Income Tax Ordinance, 2001. Therefore no provision for income tax has been accounted for in these financial statements.

TACM

4 OPERATING FIXED ASSETS

Note	2023	2022
	-----Rupees-----	
4.1	81,524,412	75,433,549

4.1 Reconciliation of carrying amounts of operating fixed assets at the beginning and at the end of the year is as follows:

	Free hold land	Furniture and Fixture	Computer and accessories	Medical equipment	Motor vehicles	Office Equipment	Total
	-----Rupees-----						
At 30 June 2022							
Cost	73,500,000	967,607	1,855,337	200,000	144,000	989,641	77,656,585
Accumulated depreciation	-	(563,735)	(929,581)	(153,677)	(28,143)	(547,990)	(2,223,126)
Net book value	73,500,000	403,872	925,756	46,323	115,857	441,651	75,433,459
Year ended 30 June 2023							
Opening net book value	73,500,000	403,872	925,756	46,323	115,857	441,651	75,433,459
Additions during the year	3,500,000	231,500	630,600	-	1,293,000	919,000	6,574,100
Depreciation charge for the year	-	(48,526)	(207,159)	(6,948)	(109,752)	(110,762)	(483,147)
Closing net book value	77,000,000	586,846	1,349,197	39,375	1,299,105	1,249,889	81,524,412
As at 30 June 2023							
Cost	77,000,000	1,199,107	2,485,937	200,000	1,437,000	1,908,641	84,230,685
Accumulated depreciation	-	(612,261)	(1,136,740)	(160,625)	(137,895)	(658,752)	(2,706,273)
Net book value	77,000,000	586,846	1,349,197	39,375	1,299,105	1,249,889	81,524,412
Annual rate of depreciation (%)	0%	10%	20%	15%	15%	15%	

TAC

5 INTANGIBLE ASSET	Note	2023	2022
		-----Rupees-----	
Software	5.1	163,800	204,750
5.1 Year ended 30 June 2022			
Opening net book value		204,750	-
Additions during the year		-	210,000
Amortization charge for the year		(40,950)	(5,250)
Closing net book value		163,800	204,750
At 30 June 2022			
Cost		210,000	210,000
Accumulated amortization		(46,200)	(5,250)
Net book value		163,800	204,750
Annual rate of depreciation (%)		20%	20%
6 ADVANCES AND DEPOSITS			
Advances to employees		640,000	340,975
Security deposit	6.1	1,800,000	1,800,000
Prepaid rent		418,100	-
Advance income tax		260,408	246,089
Advance for Land		2,000,000	-
		5,118,508	2,387,064

6.1 These represents security deposit amounting to Rupees 1,500,000 and 300,000, against offices rented in Lahore.

7 CASH AND BANK BALANCES	Note	2023	2022
		-----Rupees-----	
Cash in hand		7,142	31,539
Cash at banks:			
- Current account		48,598,481	22,114,471
- Saving accounts	7.1	1,282,877	1,912,255
		49,881,358	24,026,726
		49,888,500	24,058,265

7.1 Rate of markup on savings account range from 9.75% to 16.25% (2022: 4.15% to 9.75%).

8 ACCRUED AND OTHER LIABILITIES	Note	2023	2022
		-----Rupees-----	
Salaries payable		-	317,000
Accrued expenses		-	995,000
EOBI payable		8,750	10,500
Audit fee payable		300,000	300,000
Taxes withheld at source		30,699	8,816
		339,449	1,631,316

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at 30 June 2023 (2022: nil).

TAGM

10 DONATIONS	Note	2023	2022
		-----Rupees-----	
Foreign donation	10.1	394,194,421	300,409,130
Local donations		5,579,914	3,539,347
		<u>399,774,335</u>	<u>303,948,477</u>

10.1 These are received from Islamic Help-UK - a related party due to common directorship.

11 OTHER INCOME	2023	2022
	-----Rupees-----	
Profit	235,399	972,290
Miscellaneous income	1,228,725	-
	<u>1,464,124</u>	<u>972,290</u>

12 DIRECT PROJECT EXPENSES

Salaries, wages and other benefits	7,036,891 ✓	6,207,000
Digital development services for projects	9,595,000 ✓	7,875,000
Orphans care programme	12,660,608 ✓	11,705,547
Care and relief foundation	-	3,184,875
Education project	71,925,702 ✓	27,731,957
Qurbani project	18,046,647 ✓	4,765,200
Medical aid	255,000 ✓	613,900
Food programme	43,297,666 ✓	27,286,553
Livelihood	9,380,600 ✓	11,443,683
Masjid	34,848,145 ✓	25,217,344
Hazrat sultan bahu trust	10,885,126 ✓	12,113,890
Heaton's Muslims community	15,116,212 ✓	20,874,193
Wash	29,487,929 ✓	33,517,456
Brands bank shop	6,042,317 ✓	19,684,724
Peshawar project	-	49,883,670
Travelling, loading and unloading	1,083,666	600,809
Other programmes	13,746,675 ✓	8,230,892
Emergency Relief		
-Flood	55,196,894	-
-Earthquake	1,170,450 ✓	-
	<u>339,775,528</u>	<u>270,936,693</u>

13 ADMINISTRATIVE AND GENERAL EXPENSES

Salaries, wages and other benefits		9,717,612	8,583,359
Meals and entertainment		344,994	460,608
Professional fee		5,101,549	3,075,109
Auditors remuneration	13.1	300,000	300,000
Travelling and conveyance		4,439,705	2,340,993
Vehicle running		225,827	383,978
Repair and maintenance		2,225,394	429,529
Rent, rates and taxes		1,053,900	950,818
Office supplies		222,948	373,357
Printing and stationery		242,527	160,675
Postage and communication		57,180	66,704
Utilities		605,183	548,102
Depreciation	4	483,147	296,478
Amortization of software	5.1	40,950	5,250
Miscellaneous		423,006	253,675
Write off advances		-	200,000
Advertisement		15,750	250,600
		<u>25,499,672</u>	<u>18,679,235</u>

TAGM

	Note	2023	2022
		-----Rupees-----	
13.1 Auditors remunerations			
Audit fee		250,000	250,000
Out of pocket		50,000	50,000
		<u>300,000</u>	<u>300,000</u>

14 FINANCE COST

Bank charges		<u>59,706</u>	<u>121,202</u>
--------------	--	---------------	----------------

15 FINANCIAL RISK MANAGEMENT

The Company finances its operations through the mix of fund and working capital management with a view to maintain an appropriate mix between various sources of finance to minimize risk. The overall risk management is carried out by the management in line with the policies approved by the board of directors.

		2023	2022
		-----Rupees-----	
15.1 Financial Instruments by category			
At amortization cost			
Financial assets:			
Cash and bank balances		49,888,500	24,058,265
Advances and deposits		4,858,100	2,140,975
		<u>54,746,600</u>	<u>26,199,240</u>
Financial liabilities:			
Accrued and other payables		<u>339,449</u>	<u>1,631,316</u>

15.2 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

15.2.1 Market risk

(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 mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The company is not exposed to currency risk.

(b) Interest rate risk

This represents 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's interest rate risk arises from lease arrangement as a lessee and bank balance in saving accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

TAGM

	Note	2023	2022
		-----Rupees-----	
Fixed rate instruments		-	-
Floating rate instruments:			
Financial assets			
Bank balances - saving accounts	7.1	<u>1,282,877</u>	<u>1,912,255</u>

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rupees 19,123 higher / lower, mainly as a result of lower / higher interest income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(c) Equity price risk

Trading and investing in equity securities give rise to equity price risk. The Company is not exposed to equity price risk.

15.2.2 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2023	2022
	-----Rupees-----	
Advances and deposits	1,800,000	1,800,000
Bank balances	49,881,358	24,026,726
	<u>51,681,358</u>	<u>25,826,726</u>

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

Rating agency	Bank name	Rating		-----Rupees-----	
		Long term	Short term	2023	2022
PACRA	Standard chartered	AAA	A1+	-	589,113
PACRA	Bank Islami	A+	A1	48,527,813	23,433,779
PACRA	Faysal bank	AA	A1+	1,353,545	5,860
				<u>49,881,358</u>	<u>24,028,752</u>

15.2.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to manage liquidity is to maintain enough cash on the basis of expected cash flows.

Contractual maturities of financial liabilities are as follows:

	Carrying amount	On demand	Less than 12 months	1 to 2 years
As at June 30,2022				
Accrued and other payable	1,631,316	-	1,631,316	-
As at June 30,2023				
Accrued and other payable	339,449	-	339,449	-

TAGM

16 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year ended June 30,2023 as remuneration to chief executive, directors and executives is Rs. nil (2022: Rs. nil).

	2023	2022
17 NUMBER OF EMPLOYEES		
Total number of employees as at June 30,2023	<u>36</u>	<u>31</u>
Average number of employees during the year	<u>35</u>	<u>35</u>

18 TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with related parties which comprise of donations received from associated company on the basis of common directorship. Details of related party transactions during the year, other than those disclosed elsewhere in these financial statements, are as follows:

	2023	2022
	-----Rupees-----	
Name of organization	Nature of Transaction	
Islamic Help UK	Donations received	
	<u>394,194,421</u>	<u>300,409,130</u>

19 EVENTS AFTER THE BALANCE SHEET DATE

There are no events occurred after the balance sheet date that requires adjustment/ disclosure in the financial statements.

20 DATE OF AUTHORISATION FOR ISSUE


The financial statements were authorized for issue on 18. Dec, 2023 by the board of directors of the Company.

21 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however no significant re-arrangements have been made during the year.

22 GENERAL

Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR

TAGM