

HUM MASHAL-E-RAH FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024



**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF
TRUSTEES OF HUM MASHAL-E-RAH FOUNDATION**

Opinion

We have audited the annexed financial statements of **HUM MASHAL-E-RAH FOUNDATION** "the Foundation" which comprise of statement of financial position as at 30th June, 2024, statement of income and expenditure, statement of cash flows and statement of changes in funds together with the notes forming part thereof, for the year then ended, and including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material aspects, the statement of financial position of "**HUM MASHAL-E-RAH FOUNDATION**" as at 30th June, 2024, and its financial performance and its cash flows for the year then ended in accordance with approved Accounting and Reporting Standards as applicable in Pakistan.

Basis of Opinion

We conducted the audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further disclosed in Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are Independent of the Foundation 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 Paragraph

We draw attention to Note 13 of the financial statements, which explains the restatement of prior-period figures. The restatement involves the reclassification of PKR 16,085,890, previously recognized as Donation Income, to a Deferred Grant, as well as the recognition of PKR 25,718,392 as a Deferred Grant that had not been recorded previously. These amounts have been allocated to renovations and recognized under Property, Plant & Equipment (PPE). The adjustments have been made in compliance with IAS 8 and IAS 20 for the year ended June 30, 2023. Our opinion is not modified in respect of this matter.



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

The Board of trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards for not-for-profit organizations (NGOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) in Pakistan and for such internal control as the Board of trustees 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, The Board of Trustees are responsible for assessing the Foundation's ability to continue as going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless Management either intend to liquidate the Foundation or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable level of assurance is a high level of assurance, but is not guaranteed 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 decision 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:

1. Identify and assess the risks of material misstatements 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.
2. 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 Foundation's internal control.



ALAM & AULAKH
Chartered Accountants

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
4. Conclude on the appropriateness of Trustees'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 Foundation's ability to continue as a going concern. (If we conclude that a material uncertainty exists, we are required to draw our 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 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.
5. 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 presentations.

We communicate with those charged with governance and the board of trustees 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 audit resulting in this independent auditor's report is Aqeel Alam.

Alam & Aulakh
(Chartered Accountants)



Place: Lahore

Date: December 11, 2024

UDIN: AR2024100413jlawo98I

HUM MASHAL-E-RAH FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS ON JUNE 30, 2024

	Note	2024 (Rupees)	Restated 2023 (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property, Plant and Equipment	4	38,747,364	36,972,439
CURRENT ASSETS			
Cash and Bank Balances	5	4,836,696	5,943,285
TOTAL ASSETS		43,584,060	42,915,724
FUNDS AND LIABILITIES			
General Fund	6	8,039,352	6,325,892
Restricted Fund	7	4,250,000	-
		12,289,352	6,325,892
NON CURRENT LIABILITIES			
Deferred Grant	8	26,615,625	31,939,224
		26,615,625	31,939,224
CURRENT LIABILITIES			
Deferred Grant	8	4,604,083	4,575,609
Payable	9	75,000	75,000
		4,679,083	4,650,609
TOTAL FUND AND LIABILITIES		43,584,060	42,915,724

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



CHAIRPERSON




GENERAL SECRETARY

HUM MASHAL-E-RAH FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 (Rupees)	Restated 2023 (Rupees)
Income	10	23,631,596	13,285,376
Administrative Expenses	11	(27,213,260)	(19,200,380)
Other Income	12	5,295,124	5,289,450
Surplus/ (Deficit) for the year		<u>1,713,460</u>	<u>(625,554)</u>

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

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CHAIRPERSON





GENERAL SECRETARY