

**TEAM KARACHI WELFARE SOCIETY
(INTERNATIONAL)**

Audited financial statements for the year ended
June 30, 2024

Independent Auditors' Report to the members of the Managing Committee

Opinion

We have audited the accompanying financial statements of **Team Karachi Welfare Society International** (the Society), which comprise the statement of financial position as at June 30, 2024, and the statement of income and expenditure, the statement of 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

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Society as at June 30, 2024, and its financial performance for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Responsibilities of Management and Managing Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the approved 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 is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

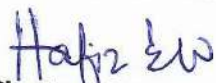
Managing Committee is responsible for overseeing the Society's financial reporting process.

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 Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society 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 Managing Committee 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.

**Chartered Accountants****Engagement Partner**
Jawwad Lakhani**Date:** March 24, 2025**Place:** Karachi**UDIN:** AR202410539qTsRQjGDx

TEAM KARACHI WELFARE SOCIETY INTERNATIONAL
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
Non-current assets			
Property and equipment	4	3,739,887	2,818,788
Long term Investments	5	9,817,992	7,199,639
		<u>13,557,879</u>	<u>10,018,427</u>
Current assets			
Cash in hand		4,622	5,562
Cash at bank		7,421,676	2,722,273
Advance rent		392,000	-
		<u>7,818,298</u>	<u>2,727,835</u>
TOTAL ASSETS		<u>21,376,177</u>	<u>12,746,262</u>
FUND AND LIABILITIES			
- Zakat Fund		24,073,455	2,917,322
- General Fund		(9,311,213)	8,089,985
Current liabilities			
Accrued expenses and other liabilities	7	6,613,935	1,738,955
		<u>6,613,935</u>	<u>1,738,955</u>
TOTAL FUND AND LIABILITIES		<u>21,376,177</u>	<u>12,746,262</u>
Contingencies and commitments	8		

The annexed notes from 1 to 11 form integral part of these financial statements


PRESIDENT

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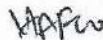

FINANCE SECRETARY


TEAM KARACHI WELFARE SOCIETY INTERNATIONAL
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
INCOME			
<u>Donations</u>			
Ration project			
Tubewell / Water project		19,086,512	19,987,213
Qurbani Project		5,390,300	12,653,380
Shadi Project		8,922,700	4,389,000
Silai center Project		13,850,000	1,000,000
Others (Sadqah)		8,696,750	1,010,000
Profit on saving account -net		22,220,478	50,352,625
Dividend on long term investments	5	149,101	258,324
Realized capital gain on long term investment		1,257,054	199,639
		312,981	-
		79,885,876	89,850,181
EXPENDITURE			
Ration distribution expenses		26,940,992	19,875,538
Qurbani project expenses		14,400,000	3,371,000
Tubewell development expenses		5,790,500	13,401,857
Shadi project		11,348,825	1,700,000
Silai center project		7,173,060	2,220,000
Other charity/donation work	6	23,406,371	36,667,403
Salaries and wages		3,181,425	2,678,000
Rent		887,000	725,000
Utilities		492,504	551,155
Entertainment		322,383	571,673
Website and related expenses		164,100	287,200
Printing and Stationery expenses		1,186,703	977,160
Security expenses		309,000	384,000
Legal and professional fee		353,510	291,920
Internet expenses		78,000	49,500
Software expenses		87,450	137,500
Depreciation expenses		1,165,251	1,003,898
Other expenses		-	42,000
		97,287,074	84,934,804
(Deficit) / Excess of income over expenditure for the year		(17,401,198)	4,915,377

The annexed notes from 1 to 11 form integral part of these financial statements


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TEAM KARACHI WELFARE SOCIETY INTERNATIONAL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
(Deficit) / Excess of income over expenditure for the year	(17,401,198)	4,915,377
Other comprehensive income		
Items that may not be reclassified subsequently to income and expenditure	-	-
Items that will not be reclassified subsequently to income and	-	-
Total comprehensive income for the year	<u>(17,401,198)</u>	<u>4,915,377</u>

The annexed notes from 1 to 11 form integral part of these financial statements

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TEAM KARACHI WELFARE SOCIETY INTERNATIONAL
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Zakat fund	General fund	Total
Rupees.....		
Balance as at July 1, 2022	1,522,822	3,174,608	4,697,430
Total comprehensive income for the year 2023	1,394,500	4,915,377	6,309,877
Balance as at June 30, 2023	<u>2,917,322</u>	<u>8,089,985</u>	<u>11,007,307</u>
Total comprehensive income for the year 2024	-	(17,401,198)	3,754,935
Zakat income -net	21,156,133	-	21,156,133
Balance as at June 30, 2024	<u>24,073,455</u>	<u>(9,311,213)</u>	<u>14,762,242</u>

During the year, the zakat funds has been utilized in general fund projects.

The annexed notes from 1 to 11 form integral part of these financial statements

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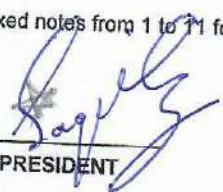

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TEAM KARACHI WELFARE SOCIETY INTERNATIONAL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
(Deficit) / Excess of income over expenditure for the year		(17,401,198)	4,915,377
Adjustments for:			
Dividend on long term investments			
Depreciation	4	(1,257,054)	(199,639)
		<u>1,165,251</u>	<u>1,003,898</u>
Working capital changes		(17,493,001)	5,719,636
(Decrease) / Increase in current assets			
Advance Rent		-	-
		(392,000)	-
Increase / (Decrease) in current liabilities			
Accrued and other liabilities		4,874,980	1,688,955
Receipts of Zakat Funds		36,976,740	16,766,255
Payments from Zakat Fund		(15,820,607)	(15,371,755)
Net cash generated from operating activities		<u>8,146,112</u>	<u>8,803,091</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment	4	(2,086,350)	(3,822,686)
Additions to Long term Investment- net	5	(1,361,299)	(7,000,000)
Net cash used in investing activities		<u>(3,447,649)</u>	<u>(10,822,686)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		4,698,463	(2,019,595)
Cash and cash equivalents at the end of the year		<u>2,727,835</u>	<u>4,747,430</u>
		<u>7,426,298</u>	<u>2,727,835</u>

The annexed notes from 1 to 11 form integral part of these financial statements


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**TEAM KARACHI WELFARE SOCIETY INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

1. STATUS AND NATURE OF BUSINESS

- 1.1** Team Karachi Welfare Society International (the Society) has been established under the Societies Registration Act, XXI of 1860 on May 3, 2016. The objects and functions of the Society are to promote education, literary, cultural, eradicate poverty from the country. The registered office of the Society is located at Plot No. 1/45, Sector 35-B, Baldia Homeopathic Dispensary, Korangi No. 4, Karachi. The Society has conducted various welfare activities during this financial year in which majorly ration distribution, water tube well projects, Qurbani projects, Shadi projects and Silai projects were looked after for the poor people of Sindh province. Furthermore, the Society also have certification from Pakistan Center of Philanthropy (PCP) for a period of three years until 2025.

2.1 STATEMENT OF COMPLIANCE

- 2.1.1** 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 comprises of:
- International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
 - Accounting Standard for Not for Profit Organization (Accounting Standards for NPOs) issued by the institute of Chartered Accountants of Pakistan 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 Standards for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of financial statements

3.1.1 Accounting convention

These financial statements has been prepared under historical cost convention.

3.1.2 Functional and presentation currency

These financial statements are presented in Pakistan rupees, which is the functional and presentation currency for the Institute.

3.2 Provisions

A provision is recognized in the balance sheet when the Institute has legal or contractual obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each balance sheet date to reflect and adjusted to reflect the current best estimate.

3.3 Taxation

The Society has obtained exemption from income tax on sources of income specified under clause of sub-section 36 of section 2 of the Income Tax Ordinance, 2001 read with the rule 212, 220 and 220A of the Income Tax Rules, 2002.

3.4 Income

Donation income is recognized as soon as it is received.

3.5 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to income applying the reducing balance method except for leasehold improvements on which straight line method is applied at the rates specified in note 4 to the financial statements. In respect of additions and disposals during the year, depreciation is charged from the month of acquisition and up to the month preceding the disposal, respectively.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the income and expenditure account as and when incurred.

Gains and losses on disposal of assets, if any, are included in the income and expenditure account.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks in current, savings and deposit accounts. For the purposes of cash flow statement, cash and cash equivalents comprise of cash in hand, balance with banks and short term investments realizable within three months.

3.7 Impairment of assets

3.7.1 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

3.7.2 Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the profit and loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had

3.8 Other receivables

Other receivables are stated at cost less accumulated impairment losses, if any.

3.9 Accrued expenses and other liabilities

These are measured 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 Institute.

6. OTHER CHARITY/DONATION WORK

	2024 Rupees	2023 Rupees
Masajid Makatib Project	15,503,182	5,396,000
General Donation	2,539,189	2,307,088
Palestine Relief Project	1,262,500	-
Monthly Support Project	970,000	-
Student Welfare Project	812,500	-
Medical Aid	738,500	801,000
Wheat for Jama Imdadia Project	511,500	-
Family Support Project	400,000	-
Non Coplient	250,000	-
Rozgar Project	191,000	-
Sadqah	132,000	11,000
Dispensary and Ambulance	66,000	-
Qarze Hasna	30,000	-
Flood Relief	-	16,502,955
Cooked Food Project	-	4,133,800
House Rehabilitation Project	-	2,965,560
Cash Distribution Sadqah	-	1,713,500
I.T Project	-	1,438,500
Eartquake Victims Aid	-	1,015,000
Winter Project	-	243,000
Fidya	-	50,000
Fitrana	-	38,000
Cloths Distribution	-	37,000
Fire Victims Sindh	-	15,000
	<u>23,406,371</u>	<u>36,667,403</u>

6.1 These are welfare projects funded from sadqah donations received during the year.

7. ACCRUED EXPENSES AND OTHER LIABILITIES

	2024 Rupees	2023 Rupees
Trade Creditors	6,485,325	1,247,000
Rent Payable	72,000	55,000
Utilities Payable	6,610	66,455
Salaries Payable	-	265,500
Other Payable	50,000	105,000
	<u>6,613,935</u>	<u>1,738,955</u>

8. CONTINGENCIES AND COMMITMENTS

8.1 There are no contingencies and commitment as at current and prior year ends.

9. **TRANSACTIONS WITH RELATED PARTY**

The related parties of the Society are the members of Managing Committee. The transactions with related party comprise of donations only which are disclosed as follows:

Name of related party	Nature of transaction	2024 Rupees	2023 Rupees
Mr. Saqib Zeeshan - President	Donation	1,001,500	7,604,500
Mr. Zeeshan ul Rab Jafri - Vice President	Donation	3,351,220	4,419,758
Mr. Abdul Basit - Finance Secretary	Donation	1,500,000	-
Mr. Tahir Farooqui - General Secretary	Donation	174,000	186,550
Mr. Abdul Rahim - Joint Secretary	Donation	3,339,600	1,125,000
Mr. Mahmood Arshad - Member	Donation	1,998,398	1,955,946
Mr. Mufti Shakir - Member	Donation	221,000	220,000
		<u>11,585,718</u>	<u>15,511,754</u>

9.1 **Key management personnel**

9.1.1 The members of Managing Committee are not paid any salary and other benefits by the Society.

10. **GENERAL**


Corresponding figures have been rearranged and reclassified, wherever necessary, for the purposes of better presentation.

11. **DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on _____ by the members of Managing Committee of the Society.


PRESIDENT

HAFW


FINANCE SECRETARY

4. PROPERTY AND EQUIPMENT

Description	COST			ACCUMULATED DEPRECIATION			Written down value as at June 30, 2024	Rate %
	As at July 01, 2023	Additions / Donation / (Disposal)	As at June 30, 2024	As at July 01, 2023	Charge for the year	As at June 30, 2024		
	Rupees.....							
Owned								
Leasehold Improvements	2,025,786	-	2,025,786	668,509	668,509	1,337,018	668,768	33%
Silai machines	233,000	128,000	361,000	34,950	43,279	78,229	282,771	15%
Furniture and fixture	897,900	13,000	910,900	119,238	117,654	236,892	674,008	15%
Office equipment	666,000	1,835,350	2,501,350	181,201	332,735	513,936	1,987,414	30%
Motor Bike	-	110,000	110,000	-	3,074	3,074	106,926	20%
	3,822,686	2,086,350	5,909,036	1,003,898	1,165,251	2,169,149	3,739,887	

5 LONG TERM INVESTMENTS

Name of Investee Company	Number of Units					Carrying Value	Carrying Value
	As at July 1, 2023	Purchased/Reinvest during the year	Bonus/Right/Reinvest	Redeemed during the year	As at June 30, 2024	As at June 30, 2024	As at June 30, 2023
Pak Qatar Cash Plan	71,891	37,473	4,745	16,563	97,546	9,817,992	7,199,639
	71,891	37,473	4,745	16,563	97,546	9,817,992	7,199,639

* Investments are carried at market values i.e., net asset value at year end date for each unit announced by Pak Qatar Management Company.