Parker Russell-A.J.S.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the annexed financial statements of **"RAHMA ISLAMIC RELIEF" (the "Entity")**, which comprise the statement of financial position as at **June 30, 2024**, and related income and expenditure account, statement of changes in general fund, statement of comprehensive income and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at **June 30, 2024,** and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) and Approved Accounting and Reporting Standards as applicable in Pakistan for non-government organization (NGOs) / non-profit organization (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

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 Financial Statements section of our report. We are independent of the Entity 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 that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Council Member for the Financial Statements

Management is responsible for preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) and Approved Accounting and Reporting Standards as applicable in Pakistan for non-government organization (NGOs) / non-profit organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and, for such internal control as the management determines is necessary to enable the preparation of the 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 Entity's ability to continue as a going concern, disclosing, as applicable matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Members are responsible for overseeing Entity's Financial Reporting Process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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

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issue an auditors' report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 risk of material misstatement of 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 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 effectiveness of the Entity's internal control.

- Evaluate the appropriateness of the 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 over the Entity'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 Entity 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 transaction and events in a manner that achieves fair presentation.

We communicate with Members 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.

Parker Russell AJS

ISLAMBAD
DATE: DECEMBER 26, 2024
UDIN # AR202410334Xp8vMq21Z

CHARTERED ACCOUNTANTS
ENGAGEMENT PARTNER
M. MASOOD SHAHID-FCA

RAHMA ISLAMIC RELIEF

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024	2023
		--------Amount in Rupees-------	
FUNDS AND LIABILITIES			
Un-restricted fund		**3,438,278**	27,249,910
Endowment fund		**9,825,000**	9,825,000
		13,263,278	37,074,910
NON-CURRENT LIABILITIES			
Deferred grants	4.1	**82,043,471**	55,978,043
Deferred capital grants	4.2	**89,924,408**	99,097,954
Deferred tax liability	5	**-**	-
		171,967,879	155,075,997
CURRENT LIABILITIES			
Creditors	6	**145,959**	6,161,594
Accrued and other liabilities	7	**2,951,381**	8,599,702
		3,097,340	14,761,296
Contingencies and commitments	8	**-**	-
TOTAL FUNDS AND LIABILITIES		**188,328,496**	206,912,202
ASSETS			
NON CURRENT ASSETS			
Property and equipment	9	**113,734,543**	121,790,649
Intangibles	10	**283,681**	324,206
Capital work-in-progress	11	**-**	1,187,282
		114,018,224	123,302,137
CURRENT ASSETS			
Accounts receivable	12	**5,198,592**	27,516,230
Loans and advances	13	**5,405,621**	2,388,494
Short term investment	14	**3,115,787**	2,378,313
Cash and bank balances	15	**60,590,272**	51,327,027
		74,310,272	83,610,064
TOTAL ASSETS		**188,328,496**	206,912,202

The annexed notes from 1 to 27 form an integral part to these financial statements.

CHAIRMAN **SECRETARY FINANCE**

RAHMA ISLAMIC RELIEF
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Restricted	2024 Unrestricted	2024 Total	2023 Restricted	2023 Unrestricted	2023 Total
		---Amount in rupees---			---Amount in rupees---		
INCOME							
Grants recognized	16	101,421,581	-	101,421,581	242,066,316	-	242,066,316
Operational income	17	-	14,834,210	14,834,210	-	15,109,905	15,109,905
Donations	18	-	3,080,337	3,080,337	-	11,385,230	11,385,230
Amortization of deferred capital grants	4.2	9,535,141	-	9,535,141	6,674,542	-	6,674,542
Other income	19	-	2,542,240	2,542,240	-	1,560,509	1,560,509
		110,956,722	20,456,787	131,413,509	248,740,858	28,055,644	276,796,502
EXPENDITURE							
Programme expenses	20	(101,421,581)	(14,834,210)	(116,255,791)	(242,066,316)	(15,109,905)	(257,176,221)
Depreciation on restricted assets	8.2	(9,494,616)	-	(9,494,616)	(6,634,016)	-	(6,634,016)
Amortization on resticted assets	9	(40,526)	-	(40,526)	(40,526)	-	(40,526)
Provision for receivable from donors	12	-	(24,601,078)	(24,601,078)			
Administrative expenses	21	-	(4,833,131)	(4,833,131)	-	(12,507,422)	(12,507,422)
		(110,956,723)	(44,268,419)	(155,225,142)	(248,740,858)	(27,617,328)	(276,358,186)
SURPLUS/ (DEFICIT) BEFORE FINAL AND INCOME TAX		-	(23,811,632)	(23,811,632)	-	438,316	438,316
Final tax		-	-	-	-	-	-
SURPLUS/ (DEFICIT) BEFORE INCOME TAX		-	(23,811,632)	(23,811,632)	-	438,316	438,316
Income tax	22	-	-	-	-	-	-
SURPLUS/ (DEFICIT) FOR THE YEAR		-	(23,811,632)	(23,811,632)	-	438,316	438,316

The annexed notes from 1 to 27 form an integral part to these financial statements.

CHAIRMAN

SECRETARY FINANCE

RAHMA ISLAMIC RELIEF

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	Note	Total	Total
		----------Amount in rupees--------	
Surplus/ (deficit) for the year		**(23,811,632)**	438,316
Other comprehensive income		-	-
Total comprehensive income for the year		**(23,811,632)**	438,316

The annexed notes from 1 to 27 form an integral part to these financial statements.

CHAIRMAN **SECRETARY FINANCE**

RAHMA ISLAMIC RELIEF
STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Unrestricted Fund	Endowment fund	Total
	------------Amount in Rupees-----------		
Balance as at July 01, 2022	26,811,594	9,825,000	36,636,594
Surplus for the year	438,316	-	438,316
Other comprehensive income	-	-	-
Total comprehensive income for the year	438,316	-	438,316
Balance at June 30, 2023	27,249,910	9,825,000	37,074,910
Balance as at July 01, 2023	**27,249,910**	**9,825,000**	**37,074,910**
Deficit for the year	**(23,811,632)**	**-**	**(23,811,632)**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive income for the year	**(23,811,632)**	**-**	**(23,811,632)**
Balance at June 30, 2024	**3,438,278**	**9,825,000**	**13,263,278**

The annexed notes from 1 to 27 form an integral part to these financial statements.

CHAIRMAN

SECRETARY FINANCE

RAHMA ISLAMIC RELIEF
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		--------Amount in Rupees-------	
Cash flows from operating activities			
Surplus/ (deficit) before final and income tax		**(23,811,632)**	438,316
Adjustment for non-cash items:			
Depreciation	**8**	**10,516,255**	7,497,691
Amortization	**9**	**40,526**	40,526
Provision for receivable from donors	**21**	**24,601,078**	-
Amortization of deferred capital grant	**4.2**	**(9,535,141)**	-
Operating surplus before working capital changes		**1,811,086**	7,976,533
Changes in working capital			
(Increase) / Decrease in current assets			
Accounts receivable	**11**	**(2,283,440)**	(22,270,876)
Loan, advances and deposits	**12**	**(3,017,128)**	(486,325)
Increase / (Decrease) in current liabilities			
Creditors	**5**	**(6,015,635)**	-
Accrued and other liabilities	**6**	**(5,729,372)**	1,868,735
Net cash used in operating activities		**(15,234,489)**	(12,911,933)
Cash flows from investing activities			
Acquisition of property and equipment	**8**	**(562,987)**	(1,732,150)
Capital work in progress	**9**	**(709,880)**	(412,137)
Short term investment	**14**	**(737,474)**	(78,167)
Net cash used in investing activities		**(2,010,341)**	(2,222,454)
Cash flows from financing activities			
Grant received during the year		**26,508,076**	27,166,655
Net cash generated from financing activities		**26,508,076**	27,166,655
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the year		**51,327,027**	39,294,758
Cash flows from operating activities		**(15,234,489)**	(12,911,933)
Cash flows from investing activities		**(2,010,341)**	(2,222,454)
Cash flows from financing activities		**26,508,076**	27,166,655
Cash and cash equivalents at the end of the year	**15**	**60,590,272**	51,327,027

The annexed notes from 1 to 27 form an integral part to these financial statements.

CHAIRMAN **SECRETARY FINANCE**

RAHMA ISLAMIC RELIEF

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

1 Introduction, legal status, certification, membership and nature of activities

1.1 Legal status

Rahma Islamic Relief (RIR) Pakistan is a not-for-profit organization and registered as a Trust (registration number 1629) under the Trust Act of 1882 on August 31, 2009 in Pakistan. The registered office of the trust is situated at House no. 817 Ammar Chowk, Chaklala Scheme III Rawalpindi.

1.2 Projects executed by the organization

Names and details of projects and respective donors

Project names and details	Donor	Status
Rahma Hospital Janpur Total grant: Rs. 5,116,476/- Period covered: 01 April, 2024 to 31 December, 2024	NMKKF Oslo Norway	Active

Access to healthcare (prevention and cure) remains a challenge in Pakistan. The burden of no communicable diseases alone is responsible for 50.5%, of all deaths in the country. Women and children suffer more due to the dearth of quality healthcare services especially in remote rural areas. RIR strives to increase access to the quality and timely healthcare services of the demographically remote and economically challenged communities.

Rahma Hospital khuiratta Total grant: Rs. 2,452,846/- Period covered: 01 April, 2024 to 31 December, 2024	NMKKF Oslo Norway	Active

Many women die from preventable complications during pregnancy & delivery, and newborn care is unavailable in many parts of the country. RIR strives to increase access to the quality and timely healthcare services of the demographically remote and economically challenged communities.

Rahma Model School - RYK

Period covered: N/A

Girls' education is the most persistent and widely felt need of the rural areas in Rahim Yar Khan. Currently, there is no facility in the vicinity of Gul Muhammad Langah providing quality education to girls. They have to get admission to boys' school if the parents allowed them. Consequently, the majority of the girls left behind in education. Education & Sports Complex, an initiative by RAHMA, will not bridge this gap only but also help to nurture healthy minds through sports activities.

Rahma Model School - RAWAT

A significant number of Out-Of-School Children (OOSC) belongs to the poorest, marginalized and, socially excluded groups living in self-made tarpaulin huts in slums. Approximately, there are around 15,000 children in Rawalpindi/Islamabad who belong to such group and, not enrolled in schools. RAHMA started providing education to such children in 2012. Initially, it opened a school within a slum, near Rawalpindi Railway station, in a small hut. Later on, it succeeded in constructing the very first school exclusively for such marginalized children. The school inaugurated in 2019.

1.3 Certification

Rahma Islamic Relief is certified by Pakistan Center for Philanthropy (PCP) for good practices in governance, financial management and programme delivery.

1.4 MOU with Economic Affairs Division

Memorandum of understanding between The Government of Islamic Republic of Pakistan and Rahma Islamic Relief is signed dated January 10, 2024 and will expire on January 09, 2026.

1.5 Membership/ Affiliation

Rahma Islamic Relief is the member of different global forums as Stop TB Partnership and Union of NGOs of the Islamic World (UNIW). It is a national-level NPO in the country, inspired by the Islamic charity principles and is working for improving lives of the people irrespective of their gender, caste, color, religion or political views.

1.6 Nature of activity

The aims and objects of the trust are providing educational activities, research activities, special education activites, religious activities, social infrastructure and human resource development activities, rural support program activities, health service activities, charity activities and sports activities.The trust is involved in various projects including health care, education, educational sponsorship for ophans, WASH , seasonal activities and emergency relief activities

2 Statement of compliance

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

International Financial Reporting Standards for Medium and Small Sized Entities (IFRS for SMEs)

Accounting Standards for Not for profit organizations (Accounting Standards for NPOs) issued by the Institute of Chartered Accountants of Pakistan.

3 Summary of significant accounting policies

3.1 Basis of preparation

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

3.2 Functional and presentation currency

Items included in the financial statements of the entity are measured and presented using the currency of the primary economic environment in which it operates (functional currency), which is Pakistan Rupee (Rupees).

3.3 Significant accounting estimates and key judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience, as well as expectations of future events that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the penod 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.

Significant management estimates in these financial statements relate to the useful life and residual values of operating fixed assets; provisions for advances, and taxation.

The basis and associated assumptions underlying the accounting estimates used in the preparation of annual financial statement of the Entity for the year ended June 30, 2022 have been consistent with previous years unless otherwise stated.

The significant accounting policies adopted in the presentation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless stated otherwise.

3.4 Income recognition

Grants related to income are recognised on a systematic basis as income over the periods necessary to match them with related expenses incurred. All other grants/donations are recognised when actually received.

3.5 Operating fixed assets and depreciation

These have been stated at cost less accumulated depreciation. Depreciation is computed using the reducing basis method over the estimated useful lives of the assets. Depreciation is charged for the full month in which an asset is put to use and no depreciation is charged in the month of disposal. Gain or loss, if any, on disposal of fixed assets is included in current year's income. Maintenance and repairs are charged to the profit and loss account as and when incurred. Major renewals and improvements are capitalized.

3.6 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred and advances made, in respect of operating fixed assets and intangible assets, in the course of their acquisition, construction and installation.

3.7 Cash and cash equivalent

Cash and cash equivalents are carried at cost. For the purpose of cash flow statement, cash and cash equivalents include cash in hand and deposits with banks in current and savings accounts.

3.8 Donation-in-kind

Donations-in-kind received has been valued and recorded at their estimated fair value as provided by the donor or in absence of donor's valuation, at wholesale values estimated by the organization. at the time the goods are received from the donor.

3.9 Volunteer services

The efforts of volunteer workers are not reflected in the accompanying financial statements, in as much as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time to the organization.

3.10 Grant income

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Grants against operating activities

Grants of a non-capital nature are recognized as deferred income at the time of their receipt. Subsequently, these are recognized in the income and expenditure account to the extent of expenditure incurred.

Grants against purchase of fixed assets

Grants received for the purchase of fixed assets, are initially recorded as deferred income upon receipt. Subsequently, these are recognized in the income and expenditure account, on a systematic basis, over the periods necessary to match them with the carrying value of the related assets.

Others

Profit on bank deposit is recognized using the effective interest rate method.

Other income is recognized on receipts basis.

Contribution from the trust is recognized on receipts basis.

3.11 Loans and advances

These are recognized at cost, which is the fair value of the consideration given. An assessment is made at each reporting date to determine, whether there is an indication that a financial asset, or a group of financial assets, may be impaired. If such an indication exists, the estimated recoverable amount of that asset is determined and an impairment loss is recognized for the difference between the recoverable amount and the carrying value.

3.12 Accrued and other liabilities

Accrued and other liabilities are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received, whether or not billed to the Trust.

3.13 Provident fund

The Organization operates funded contributory provident fund scheme for its all employees in Rahma pay scales. Equal monthly contributions are made by the Organization and employees at 2% of basic pay of employees. However, the scheme has been ended during the year.

3.14 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in income and expenditure except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. In accordance with section 100C of the Income Tax Ordinance, 2001 (the Ordinance), the Society is allowed a tax credit equal to one hundred percent of the tax payable, including minimum tax and final tax payable, under any of the provisions of the Ordinance, subject to conditions as outlined in section 100C. Accordingly, no provision for tax has been recognized in the financial statements of the trust.

3.15 Transactions with related parties

All transactions involving related 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 third party transactions unless stated otherwise.

3.16 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition, except for "financial instruments at fair value through profit or loss "which are initially measured at fair value.

Financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial asset. The Company loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Company surrenders those rights. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on subsequent measurement (except available for sale investments) and de-recognition is charged to the statement of comprehensive income currently. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

3.17 Deferred tax

Deferred tax is accounted for using the balance sheet in respect of all temporary differences arising from differences bwtween the carrying amount of assets and liabilities in the financial statements and corresponding tax bases used in the computation of the taxable income. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are calculated at the rates that are expected to apply the period when the asset is realized or the liability is settled, based on the tax rate and tax laws that have been enacted or substantively enacted by the reporting date. Deferred tax asset is charged or credited to the statement of income and expenditure

		Note	2024	2023
			--------Amount in Rupees-------	
4	**Restricted fund**			
4.1	**Deferred grants**			
	Balance as at July 01,		**55,978,043**	29,335,292
	Funds received		**111,754,394**	269,820,917
	Transfer from reserve fund		**1,260,000**	-
	Transferred to capital grant		**(361,595)**	(1,111,850)
	Grant amortized during the year		**(86,587,371)**	(242,066,316)
	Balance as at June 30,	**4.1.1**	**82,043,471**	55,978,043
4.2	**Deferred capital grants**			
	Balance as at July 01,		**99,097,954**	104,660,646
	Received during the year		**361,595**	1,111,850
	Grant amortized during the year		**(9,535,141)**	(6,674,542)
	Balance as at June 30,	**4.2.1**	**89,924,408**	99,097,954

5 Deferred tax liability

The management has applied for obtaining 100% tax credit under Section 100C of Income Tax Ordinance, 2001 and is confident that credit shall be granted. Hence, no deferred tax has been recorded in these financial statements.

			2024	2023
6	**Creditors**			
	Payable against project expenses		**145,959**	6,161,594
			145,959	6,161,594
7	**Accrued and other liabilities**			
	Salaries payable		**2,282,976**	3,595,035
	Withholding tax payable		**166,100**	713,196
	Utilities payable		**349,240**	166,245
	Provident fund contribution payable		-	3,992,126
	Audit fee payable		**153,065**	133,100
			2,951,381	8,599,702

8 Contingencies and commitments

There is no contingencies and commitments as at June 30, 2024 (2023 : Rs. 709,880/- on construction of Quran house).

9 **Property and equipment**

	Note	2024	2023
Property and equipment- Unrestricted	9.1	**22,196,655**	23,016,901
Property and equipment- Restricted	9.2	**91,537,888**	98,773,748
		113,734,543	121,790,649

9.1 **Property and equipment- Unrestricted**

Particulars	Computer and Hardware	Land	Furniture and Fixtures	Vehicle	Medical equipments	Building	Office Equipments	Total
Cost								
As at July 1, 2023	1,411,894	12,710,000	738,225	86,900	-	14,743,734	991,890	30,682,643
Addition during the year	56,500	-	-	-	-	-	144,892	201,392
Disposals during the year	-	-						-
As at June 30, 2024	1,468,394	12,710,000	738,225	86,900	-	14,743,734	1,136,782	30,884,035
As at July 1, 2022	1,099,594	12,710,000	718,225	86,900	-	14,743,734	703,890	30,062,343
Addition during the year	312,300	-	20,000	-	-	-	288,000	620,300
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 2023	1,411,894	12,710,000	738,225	86,900	-	14,743,734	991,890	30,682,643
Accumulated Depreciation								
As at July 1, 2023	988,311	-	653,238	23,898	-	5,521,041	479,253	7,665,741
Depreciation charge	180,754	-	17,550	13,035	-	737,186	73,115	1,021,639
Disposals during the year								-
As at June 30, 2024	1,169,065	-	670,788	36,933	-	6,258,227	552,368	8,687,380
As at July 1, 2022 - Restated	879,080	-	602,988	10,863	-	4,783,854	407,070	6,683,855
Depreciation charge	109,231	-	50,250	13,035	-	737,187	72,183	981,885
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 2023	988,311	-	653,238	23,898	-	5,521,041	479,253	7,665,740
NBV June 30,2024	299,330	12,710,000	67,437	49,967	-	8,485,507	584,414	22,196,655
NBV June 30,2023	423,583	12,710,000	84,987	63,002	-	9,222,693	512,637	23,016,901
Annual rate of depreciation	30%	0%	15%	15%	15%	5%	15%	

9.2 Property and equipment- Restricted

Particulars	Computer and Hardware	Land	Furniture and Fixtures	Vehicle	Medical Equipments	Building	Office Equipments	Total
Cost								
As at July 1, 2023	2,344,687	13,825,000	4,320,905	10,589,435	13,575,737	102,674,293	7,834,499	155,164,556
Addition during the year	-	-	44,505	-	276,590	-	40,500	361,595
Transfers during the year	-	-	-	-	-	1,897,162	-	1,897,162
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 2024	2,344,687	13,825,000	4,365,410	10,589,435	13,852,327	104,571,455	7,874,999	157,423,313
As at July 1, 2022	2,344,687	13,825,000	4,084,055	10,589,435	13,160,737	102,214,293	7,834,499	154,052,706
Addition during the year	-	-	236,850	-	415,000	460,000	-	1,111,850
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 2023	2,344,687	13,825,000	4,320,905	10,589,435	13,575,737	102,674,293	7,834,499	155,164,556
Accumulated Depreciation								
As at July 1, 2023	1,961,732	-	2,365,365	8,412,565	12,126,662	26,314,623	5,209,862	56,390,809
Depreciation Charge	274,319	-	348,859	791,249	375,659	7,058,745	645,785	9,494,616
Disposals during the year								-
As at June 30, 2024	2,236,051	-	2,714,224	9,203,814	12,502,321	33,373,368	5,855,647	65,885,425
As at July 1, 2022 - Restated	1,524,419	-	1,912,480	7,621,316	11,644,585	22,614,089	4,439,903	49,756,792
Depreciation Charge	437,313	-	452,885	791,249	482,077	3,700,534	769,959	6,634,016
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 2023	1,961,732	-	2,365,365	8,412,565	12,126,662	26,314,623	5,209,862	56,390,808
NBV June 30,2024	108,636	13,825,000	1,651,186	1,385,622	1,350,006	71,198,087	2,019,352	91,537,888
NBV June 30,2023	382,955	13,825,000	1,955,540	2,176,870	1,449,075	76,359,670	2,624,638	98,773,748
Annual rate of depreciation	30%	0%	15%	15%	15%	5%	15%	

	Note	2024	2024
		--------Amount in Rupees-------	
10 Intangibles- Restricted			
		Software	**Total (Rs.)**
Cost			
Balance as at July 1, 2022		405,258	405,258
Additions		-	-
Disposals		-	-
Balance as at June 30, 2023		405,258	405,258
Accumulated amortization			
Balance as at July 1, 2022		(40,526)	(40,526)
Amortization during the year		(40,526)	(40,526)
Balance as at June 30, 2023		(81,052)	(81,052)
Carrying value			
Cost		405,258	405,258
Accumulated amortization		(81,052)	(81,052)
Balance as at June 30, 2023		324,206	324,206
Cost			
Balance as at July 1, 2023		405,258	405,258
Additions		-	-
Disposals		-	-
Balance as at June 30, 2023		405,258	405,258
Accumulated amortization			
Balance as at July 1, 2023		(81,052)	(81,052)
Amortization during the year		(40,526)	(40,526)
Balance as at June 30, 2024		(121,577)	(121,577)
Carrying value			
Cost		405,258	405,258
Accumulated amortization		(121,577)	(121,577)
Adjustment		-	-
Balance as at June 30, 2024		283,681	283,681
Amortization rate		10%	

	Note	2024	2023
		--------Amount in Rupees-------	
11 Capital work in progress			
Balance as at July 01,		**1,187,282**	775,145
Additions during the year	**11.1**	**709,880**	412,137
Transfer to property and equipment		**(1,897,162)**	-
Balance as at June 30,		**-**	1,187,282
11.1 Additions during the year			
Civil work for Quran house		**709,880**	412,137
		709,880	412,137

11.2 Capital work in progress represents funds used from donor grants, hence, is part of deferred capital grants.

		2024	2023
12 Accounts receivable			
Fee receivable from schools		**1,351,583**	1,129,730
Receivable against expenses		**39,009**	258,650
Funds receivable from donors		**28,409,078**	26,127,850
Less: Provision for receivable from donors		**(24,601,078)**	-
		5,198,592	27,516,230
13 Loans and advances			
Advances to employees against salary		**43,688**	-
Advances against project expenses		**170,172**	93,204
Advances to suppliers		**4,200,000**	1,195,204
Security deposit		**5,000**	5,000
Loan to employees		**125,692**	552,724
Advance tax		**861,069**	542,362
		5,405,621	2,388,494
14 Short term investment			
Investment in mutual funds		**3,115,787**	2,378,313
		3,115,787	2,378,313

14.1 This represents investment in Al-Meezan investment management and investment in NIT. The rate of interest on this investment depends upon the units invested.

		2024	2023
15 Cash and bank balances			
Cash at bank			
-Current account		**18,753,448**	32,392,683
-Saving accounts		**41,808,714**	18,905,554
-USD account		**28,110**	28,790
		60,590,272	51,327,027
16 Grants recognized			
Restricted grants		**101,421,581**	257,176,221

		Note	2024	2023
			--------Amount in Rupees-------	
17	**Operational income- unrestricted**			
	Rahma hospital Janpur, Rahimyar Khan		**8,566,501**	9,032,175
	Rahma hospital Khuiratta		**888,019**	1,942,043
	Rahma model school Rawat, Rawalpindi		**2,304,530**	1,770,457
	Rahma model school, GML RYK student contribution		**3,075,160**	2,365,230
			14,834,210	15,109,905
18	**Donations- unresticted**			
	General donations		**3,080,337**	6,500,580
	Grants for operational expenses		-	4,884,650
			3,080,337	11,385,230
19	**Other income**			
	Profit on saving accounts		**1,748,330**	922,576
	Investment income		**793,910**	-
	Rental income		-	624,000
	Exchange gain		-	13,933
			2,542,240	1,560,509
20	**Programme expenses - restricted**			
	Rahma hospital Khuiratta	**20.1**	**5,569,379**	11,156,617
	Rahma hospital Janpur. Rahimyar Khan	**20.2**	**18,264,574**	21,984,025
	Rahma model school Rawat, Rawalpindi	**20.3**	**8,278,889**	10,189,201
	Rahma model school GML RYK	**20.4**	**6,360,167**	7,245,366
	Project audit fee	**20.5**	**525,000**	-
	Seasonal activities	**20.6**	**9,105,258**	24,028,040
	Emergency relief activities	**20.7**	**4,653,650**	60,531,143
	Water and sanitation	**20.8**	**3,013,535**	4,665,985
	Charity for life activities	**20.9**	**28,908,742**	74,203,305
	Reconstruction of Houses Flood	**20.10**	**16,742,387**	43,023,781
	Orphan sponsorship		-	148,758
			101,421,581	257,176,221
20.1	**RAHMA Hospital Khuiratta**			
	Salaries and benefits of project medical staff		**3,259,584**	7,924,494
	Medicine and lab material		**554,444**	637,508
	Monitoring and evaluation		**137,942**	229,850
	Project support cost		**1,081,221**	1,426,230
	Communication and utilities		**150,693**	151,687
	Postage and courier		**10,020**	8,550
	Services and supplies		**161,375**	159,790
	Fuel & transportation		**141,160**	403,705
	Repairs and maintenance		**45,240**	150,323
	Branding and promotion		**27,700**	64,480
			5,569,379	11,156,617

		Note	2024	2023
			--------Amount in Rupees-------	
17	**Income- unrestricted**			
	Ral Janpur, Rahimyar Khan		**8,566,501**	9,032,175
	Ral Khuiratta		**888,019**	1,942,043
	R school Rawat, Rawalpindi		**2,304,530**	1,770,457
	R school, GML RYK student contribution		**3,075,160**	2,365,230
			14,834,210	15,109,905
18	**Dresticted**			
	Gions		**3,080,337**	6,500,580
	Grational expenses		**-**	4,884,650
			3,080,337	11,385,230
19	**O**			
	Pg accounts		**1,748,330**	922,576
	Irome		**793,910**	-
	R		**-**	624,000
	E		**-**	13,933
			2,542,240	1,560,509
20	**Pxpenses**			
	Ral Khuiratta	**20.1**	**5,569,379**	11,156,617
	Ral Janpur. Rahimyar Khan	**20.2**	**18,264,574**	21,984,025
	R school Rawat, Rawalpindi	**20.3**	**8,278,889**	10,189,201
	R school GML RYK	**20.4**	**6,360,167**	7,245,366
	Pee	**20.5**	**525,000**	-
	Sities	**20.6**	**9,105,258**	24,028,040
	Eief activities	**20.7**	**4,653,650**	60,531,143
	Witation	**20.8**	**3,013,535**	4,665,985
	C activities	**20.9**	**28,908,742**	74,203,305
	Rn of Houses Flood	**20.10**	**16,742,387**	43,023,781
	Orship		**-**	148,758
			101,421,581	257,176,221
20.1	**Rpital Khuiratta**			
	Senefits of project medical staff		**3,259,584**	7,924,494
	Mab material		**554,444**	637,508
	Md evaluation		**137,942**	229,850
	Pt cost		**1,081,221**	1,426,230
	Cn and utilities		**150,693**	151,687
	Pourier		**10,020**	8,550
	Supplies		**161,375**	159,790
	Frtation		**141,160**	403,705
	Raintenance		**45,240**	150,323
	Bpromotion		**27,700**	64,480
			5,569,379	11,156,617

	Note	2024	2023
		--------Amount in Rupees-------	
17 Operational income- unrestricted			
Rahma hospital Janpur, Rahimyar Khan		**8,566,501**	9,032,175
Rahma hospital Khuiratta		**888,019**	1,942,043
Rahma model school Rawat, Rawalpindi		**2,304,530**	1,770,457
Rahma model school, GML RYK student contribution		**3,075,160**	2,365,230
		14,834,210	15,109,905
18 Donations- unresticted			
General donations		**3,080,337**	6,500,580
Grants for operational expenses		-	4,884,650
		3,080,337	11,385,230
19 Other income			
Profit on saving accounts		**1,748,330**	922,576
Investment income		**793,910**	-
Rental income		-	624,000
Exchange gain		-	13,933
		2,542,240	1,560,509
20 Programme expenses			
Rahma hospital Khuiratta	**20.1**	**5,569,379**	11,156,617
Rahma hospital Janpur. Rahimyar Khan	**20.2**	**18,264,574**	21,984,025
Rahma model school Rawat, Rawalpindi	**20.3**	**8,278,889**	10,189,201
Rahma model school GML RYK	**20.4**	**6,360,167**	7,245,366
Project audit fee	**20.5**	**525,000**	-
Seasonal activities	**20.6**	**9,105,258**	24,028,040
Emergency relief activities	**20.7**	**4,653,650**	60,531,143
Water and sanitation	**20.8**	**3,013,535**	4,665,985
Charity for life activities	**20.9**	**28,908,742**	74,203,305
Reconstruction of Houses Flood	**20.10**	**16,742,387**	43,023,781
Orphan sponsorship		-	148,758
		101,421,581	257,176,221
20.1 RAHMA Hospital Khuiratta			
Salaries and benefits of project medical staff		**3,259,584**	7,924,494
Medicine and lab material		**554,444**	637,508
Monitoring and evaluation		**137,942**	229,850
Project support cost		**1,081,221**	1,426,230
Communication and utilities		**150,693**	151,687
Postage and courier		**10,020**	8,550
Services and supplies		**161,375**	159,790
Fuel & transportation		**141,160**	403,705
Repairs and maintenance		**45,240**	150,323
Branding and promotion		**27,700**	64,480
		5,569,379	11,156,617

	Note	2024	2023
		--------Amount in Rupees-------	
20.2 RAHMA Hospital Janpur, RahimYaar Khan			
Salaries and benefits of project medical staff		**7,946,200**	10,862,929
Monitoring and evaluation		**22,140**	-
Medicine and supplies		**5,087,006**	5,620,173
Project support cost		**1,366,097**	2,058,265
Communication and utilities		**1,816,300**	1,016,831
Branding and promotion		**28,500**	52,545
Printing and stationary		**284,312**	351,700
Services and supplies		**408,557**	480,900
Repairs and maintenance		**422,209**	289,870
Vehicle insurance		**63,000**	63,000
Fuel, travelling and conveyance		**820,253**	1,187,812
		18,264,574	21,984,025
20.3 RAHMA Model School Rawat Rawalpindi			
Salaries and benefits of project school staff		**4,673,049**	5,259,091
Services and supplies		**594,613**	871,454
Project support cost		**1,093,381**	1,567,582
Printing and stationery		**67,345**	211,380
Miscellaneous		**167,713**	98,972
Repairs and maintenance		**290,545**	315,477
Travelling and conveyance		**239,585**	279,772
Ceremonies and events		**293,255**	91,758
School bus fuel, maintenance and insurance		**638,530**	1,207,205
Communication and utilities		**220,873**	286,510
		8,278,889	10,189,201
20.4 RAHMA Model School GML RYK			
Salaries of project staff		**3,793,487**	3,744,148
Services and supplies		**590,584**	899,647
Project support cost		**1,079,391**	1,557,959
Ceremonies and events		**150,328**	246,325
Communication and utilities		**181,566**	141,222
Printing and stationery		**64,740**	58,290
Repairs and maintenance		**196,670**	218,940
Travelling and conveyance		**92,436**	104,860
Miscellaneous		**210,965**	273,975
		6,360,167	7,245,366
20.5 Project audit fee			
Audit fee		**525,000**	-
		525,000	-

	Note	2024	2023
		--------Amount in Rupees-------	
20.6 Seasonal activities			
Food distribution in ramadan		**434,338**	2,076,771
Fidyah and fitrana distribution		**100,000**	-
Banners printing		-	182,770
Transportation of food		-	40,088
Qurbani Programe		**8,440,920**	21,219,344
Sadqa Aqiqha		**130,000**	509,067
		9,105,258	24,028,040
20.7 Emergency relief activities			
Salaries and benefits		-	1,463,390
Medicine and supplies		-	2,416,422
Entertainment		-	96,500
Financial aid		-	3,594,600
Communication and utilities		-	157,150
Branding and promotion		-	371,220
Printing and stationery		-	61,852
Registeration fee		-	1,228,000
Miscellaneous		-	223,570
Relief activities in pakistan		**2,253,650**	407,807
Travelling and conveyance		-	771,850
Food for animals in Cholistan		-	523,840
Purchasing of food and non food items in Afghanistan		-	16,781,461
Fidyah and financial aid in Afghanistan		-	285,000
Installation of clay oven and running costs		-	10,350,000
IRF activities	**20.7.1**	**2,400,000**	21,798,481
		4,653,650	60,531,143
20.7.1 IRF activities			
Re-construction of damaged house		-	5,000,000
Travel and lodging expenses		-	724,564
Drinking water supplies		-	1,792,000
Purchasing of food items		**2,400,000**	7,418,515
Free medical camps		-	750,767
Purchasing of non-food items.		-	3,814,675
Miscellaneous		-	47,960
Clay oven activity		-	2,250,000
		2,400,000	21,798,481
20.8 Water and sanitation			
Hand pump , filteration plants & RO plants in Rahimyar Khan		-	287,906
Hand pumps and RO plants, Tharparkar		**1,462,385**	1,122,968
Hand pumps and RO plants in AJK		-	673,787
Hand Pump in Afghanistan		**1,551,150**	2,581,324
		3,013,535	4,665,985

	Note	2024	2023
		--------Amount in Rupees-------	
20.9 Charity for Life Activities			
Water boring installation		**15,616,072**	7,187,900
Flood releif actvities		**2,187,000**	9,109,710
Financial aid/ livelihood		**808,500**	2,750,278
Educational support		**989,498**	18,479,912
Miscellaneous		-	789,499
Purchasing of food		-	26,144,900
Water and sanitation		-	1,218,541
Travelling and communication		-	744,559
Purchasing of animals		-	4,915,500
Qurbani project		**5,623,158**	2,018,400
Ramadan program		**2,343,466**	844,106
Reconstruction of Primary School Havli AJK		**1,341,048**	-
		28,908,742	74,203,305
20.10 RIRF Rconstruction of Houses			
Staff salaries and benefits		**1,658,724**	1,956,257
Consultancy fee		**676,238**	-
Civil/Labour work		**375,585**	5,665,357
Purchases of material		**11,269,715**	34,006,520
Communication and utilities		**459,844**	320,757
Printing and stationery		**59,100**	67,443
Travelling and lodging		**1,562,634**	968,547
Miscellaneous		**140,840**	38,900
Project ceremonies		**539,707**	-
		16,742,387	43,023,781
21 Administrative expenses			
Staff salaries and benefits		**1,217,616**	1,175,105
Entertainment expense		**323,769**	324,084
Miscellaneous activities	**21.1**	-	4,533,230
Office repair and maintenance		**137,000**	687,245
Auditor's remuneration		**235,565**	208,100
Legal and professional charges		-	193,286
Communication		**31,440**	121,918
Consultancy fee		**350,000**	57,500
Utilities		**381,442**	114,152
Insurance		-	5,060
Office supplies		**233,237**	500,379
Depreciation		**1,021,639**	981,885
Financial aid		**513,951**	1,001,300
Taxes		-	498,045
Printing and stationery		**62,781**	321,190
Travelling expense		**36,570**	1,179,713
Miscellaneous		**213,792**	605,231
Software expenses		**73,649**	-
Exchange loss		**680**	-
		4,833,131	12,507,423

	Note	2024	2023
		--------Amount in Rupees-------	

21.1 Miscellaneous activities

		2024	2023
Staff reward and honorarium		-	3,045,187
Publicity and documentary		-	385,250
Visit Expenses RIRF Delegation		-	1,102,793
		-	4,533,230

22 Income tax

The management has applied for 100% tax credit under section 100C of Income Tax Ordinance, 2001, and is confident that exemption shall be granted. Hence, no provision has been made in these financial statements.

23 Related party transactions and balances

The related party comprises of Rahma Islamic Relief Fund Norway and NMKKF Oslo Norway. The entity in the normal course of business carried out transactions with related party. Significant transactions with related party during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

23.1 Transactions with related party

Relationship with the entity	Nature of transactions	2024	2023
		--------Amount in Rupees-------	
	Grants received during the year	**102,940,618**	231,779,209
Associate	Grant receivable	**28,409,078**	26,127,850
	Grant recognized during the year	**101,421,581**	(230,152,458)

23.2 Balances with related parties

Relationship with the entity	Nature of transactions	2024	2023
		--------Amount in Rupees-------	
Associate	Grants receivable from donors - net	**3,808,000**	26,127,850

24 **Financial instruments**

	Amortized cost		Total	
	2024	2023	2024	2023
	-Rupees-			
Financial assets as per financial position				
Accounts receivable	**5,198,592**	27,516,230	**5,198,592**	27,516,230
Loans and advances	**5,405,621**	2,388,494	**5,405,621**	2,388,494
Short term investment	**3,115,787**	2,378,313	**3,115,787**	2,378,313
Cash and bank balances	**60,590,272**	51,327,027	**60,590,272**	51,327,027
Financial liabilities as per financial position				
Deferred grants	**82,043,471**	55,978,043	**82,043,471**	55,978,043
Deferred capital grants	**89,924,408**	99,097,954	**89,924,408**	99,097,954
Accrued and other liabilities	**2,951,381**	8,599,702	**2,951,381**	8,599,702

25 **Number of employees**

	2024	2023
	-Numbers-	
Number of persons employed as at year end	71	81
Average number of persons employed during the year	70	80

26 **Date of authorization**

These financial statements were approved and authorized for issue on **December 26, 2024** by the board of trustees.

27 **General**

27.1 Figures have been rounded off to the nearest Pakistani rupee.

27.2 Figures have been reclassified wherever necessary, however, no material reclassification have been made during the year.

CHAIRMAN

SECRETARY FINANCE