AUDIT REPORT

RAHMA ISLAMIC RELIEF

July 01, 2022 to June 30, 2023

Parker Russell-A.J.S.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT
TO THE EXECUTIVE BOARD OF TRUSTEES

Opinion

We have audited the financial statements of **"RAHMA ISLAMIC RELIEF (the Entity)"**, which comprise the statement of financial position as at June 30, 2023, and related statement of income and expenditure, statement of changes in general fund 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, 2023**, and its financial performance and its cash flows for the year then ended in accordance with Revised Accounting and Financial Reporting Standards for the Small Sized Entities (Revised AFRS for SSEs) 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.

Emphasis of Matter

We draw your attention towards Note 22 of financial statements, which describes effect of restatement in previous final year financial statements. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Trustees for the Financial Statements

Management is responsible for preparation and fair presentation of these financial statements in accordance with Revised Accounting and Financial Reporting Standards for Small Sized Entities (Revised AFRS for SSEs) 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.

Board of Trustees is responsible for overseeing Entity's Financial Reporting Process.

Parker Russell-A.J.S.
CHARTERED ACCOUNTANTS

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 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.

- Evalųate 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 Board of Trustees 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

ISLAMABAD
DATED: DECEMBER 5, 2023
UDIN: AR2023103344xqBTaFUj

CHARTERED ACCOUNTANTS
ENGAGEMENT PARTNER
M. MASOOD SHAHID-FCA

RAHMA ISLAMIC RELIEF

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees Restated
FUNDS AND LIABILITIES			
Un-restricted fund		27,249,910	26,811,594
Endowment fund		9,825,000	9,825,000
		37,074,910	36,636,594
NON-CURRENT LIABILITIES			
Deferred grants	4.1	55,978,043	29,335,292
Deferred capital grants	4.2	99,097,954	104,660,646
		155,075,997	133,995,938
CURRENT LIABILITIES			
Creditors	5	6,161,593	193,207
Accrued and other liabilities	6	8,599,702	6,730,967
		14,761,295	6,924,174
Contingencies and commitments	7	-	-
TOTAL FUNDS AND LIABILITIES		206,912,202	177,556,706
ASSETS			
NON CURRENT ASSETS			
Property and equipment	8	121,790,650	127,674,403
Intangibles	9	324,206	364,732
Capital work-in-progress	10	1,187,282	775,145
		123,302,138	128,814,280
CURRENT ASSETS			
Accounts receivable	11	27,516,230	5,245,354
Loans, advances and receivables	12	2,388,494	1,902,168
Short term investment	13	2,378,313	2,300,146
Cash and bank balances	14	51,327,027	39,294,758
		83,610,064	48,742,426
TOTAL ASSETS		206,912,202	177,556,706

The annexed notes from 1 to 26 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, 2023

	Note	2023 Restricted	2023 Unrestricted	2023 Total	2022 Restricted	2022 Unrestricted	2022 Total
		----------Amount in rupees----------			----------Amount in rupees---------- Restated		
INCOME							
Grants recognized	4.1	242,066,316	-	242,066,316	119,883,269	-	119,883,269
Operational income	16	-	15,109,905	15,109,905	-	14,639,851	14,639,851
Donations	17	-	11,385,230	11,385,230	-	5,885,469	5,885,469
Amortization of deferred capital grants	4.2	6,674,542	-	6,674,542	6,817,049	-	6,817,049
Other income	18	-	1,560,509	1,560,509	-	1,161,290	1,161,290
		248,740,858	28,055,644	276,796,501	126,700,318	21,686,610	148,386,928
EXPENDITURE							
Programme expenses	19	(242,066,316)	(15,109,905)	(257,176,221)	(119,883,269)	(14,639,851)	(134,523,120)
Depreciation on restricted assets	8.2	(6,634,016)	-	(6,634,016)	(6,776,523)	-	(6,776,523)
Amortization on resticted assets	9	(40,526)	-	(40,526)	(40,526)	-	(40,526)
Administrative expenses	20	-	(12,507,422)	(12,507,422)	-	(7,030,007)	(7,030,007)
		(248,740,858)	(27,617,327)	(276,358,185)	(126,700,318)	(21,669,858)	(148,370,176)
SURPLUS / (DEFICIT) FOR THE YEAR		-	438,316	438,316	-	16,752	16,752

The annexed notes from 1 to 26 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, 2023

	Unrestricted Fund	Endowment fund	Total (Rs.)
	----------------	-Rupees-	----------------
Balance as at June 30, 2021 - Restated	26,794,842	9,825,000	36,619,842
Deficit for the year-Restated	16,752	-	16,752
Balance at June 30, 2022-Restated	26,811,594	9,825,000	36,636,594
Balance as at June 30, 2022-Restated	**26,811,594**	**9,825,000**	**36,636,594**
Surplus for the year	**438,316**	-	**438,316**
Balance at June 30, 2023	**27,249,910**	**9,825,000**	**37,074,911**

The annexed notes from 1 to 26 form an integral part to these financial statements.

CHAIRMAN

SECRETARY FINANCE

RAHMA ISLAMIC RELIEF

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023	2022 Restated
		---------Rupees---------	
Cash flows from operating activities			
Surplus for the year		**438,316**	16,752
Adjustment for non-cash and other items:			
Depreciation	8	**7,497,691**	7,640,198
Amortization	9	**40,526**	40,526
Operating profit before working capital changes		**7,976,533**	7,697,476
Changes in working capital			
(Increase)/ decrease in current assets			
Accounts receivable		**(22,270,876)**	(3,888,786)
Loans, advances and deposits		**(486,325)**	(90,370)
Increase/ (decrease) in current liabilities			
Accrued and other liabilities		**1,868,735**	3,078,691
Net cash flows (used in)/ generated from operating activities ---- (A)		**(12,911,932)**	6,797,011
Cash flows from investing activities			
Acquistion of property and equipment		**(1,732,150)**	(5,042,658)
Acquisition of intangible assets		-	(405,258)
Capital work in progress		**(412,137)**	(775,145)
Short term investment made		**(78,167)**	(1,200,000)
Net cash flows used in investing activities ------------------------------ (B)		**(2,222,454)**	(7,423,061)
Cash flows from financing activities			
Grants received during the year		**27,166,655**	3,379,124
Net cash flows generated from financing activities ----------------- (C)		**27,166,655**	3,379,124
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the year		**39,294,758**	36,541,684
(A) Cash flows from operating activities		**(12,911,932)**	6,797,011
(B) Cash flows from investing activities		**(2,222,454)**	(7,423,061)
(C) Cash flows from financing activities		**27,166,655**	3,379,124
Cash and cash equivalents at the end of the year	14	**51,327,027**	39,294,758

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, 2023

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. 5,179,306/-	RAHMA Norway	Active

Period covered: 01 January, 2023 to 31 December, 2023

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. 2,881,572/-	RAHMA Norway	Active

Period covered: 01 January, 2023 to 31 December, 2023

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

Total grant: Rs. 2,717,360/-	RAHMA Norway	Active

Period cowered: 01 January, 2023 to 31 December, 2023

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

Total grant: Rs. 2,952,516/-	RAHMA Norway	Active

Period covered: 01 January, 2023 to 31 December, 2023

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 21, 2021 for a period upto 19 January, 2023.

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 comprise of:

Revised Accounting and Financial Reporting Standard for the small-sized entities (Revised AFRS for SSEs) issued by the Institute of Chartered Accountants of Pakistan;

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 straight line 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 accrual basis.

Contribution from the trust is recognized on accrual 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.

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.

	Note	2023	2022 Restated
		----------Rupees----------	

4 Restricted fund

4.1 Deferred grants

	2023	2022
Balance as at July 01	29,335,292	21,976,224
Funds received	269,820,917	127,242,337
Transferred to Capital grant	(1,111,850)	-
Grant amortized during the year	(242,066,316)	(119,883,269)
Balance as at June 30	55,978,043	29,335,292

4.2 Deferred capital grants

	2023	2022
Balance as at July 01	104,660,646	106,483,869
Received during the year	1,111,850	4,993,826
Grant amortized during the year	(6,674,542)	(6,817,049)
Balance as at June 30	99,097,954	104,660,646

5 Creditors

	2023	2022
Payable against project expenses	6,161,593	193,207
	6,161,593	193,207

6 Accrued and other liabilities

	2023	2022
Salaries payable	3,595,035	2,984,563
Withholding tax payable	713,196	241,559
Utilities payable	166,245	19,977
Provident fund contribution payable	3,992,126	3,363,868
Audit fee payable	133,100	121,000
	8,599,702	6,730,967

7 Contingencies and commitments

Thers in no contingencies and commitments as at June 30, 2023 (2022: Nil)

8 Property and equipment

	Note	2023	2022
Property and equipment- Unrestricted	8.1	23,016,901	23,378,489
Property and equipment- Restricted	8.2	98,773,749	104,295,914
		121,790,649	127,674,403

8.1 Property and equipment- Unrestricted

Particulars	Computer and Hardware	Land	Furniture and Fixtures	Vehicle	Medical equipments	Building	Office Equipments	Total
Cost								
As at July 01, 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
As at July 01, 2021	901,674	12,710,000	673,225	-	-	14,743,734	579,620	29,608,253
Addition during the year	197,920	-	45,000	86,900	-	-	124,270	454,090
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 2022	1,099,594	12,710,000	718,225	86,900	-	14,743,734	703,890	30,062,343
Accumulated depreciation								
As at July 01, 2022-Restated	879,080	-	602,988	10,863	-	4,783,854	407,070	6,683,854
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	-	5,521,040	479,253	7,665,739
As at July 30, 2021-Restated	845,894	-	566,973	-	-	4,046,667	360,646	5,820,179
Depreciation charge-Restated	33,186	-	36,015	10,863	-	737,187	46,424	863,674
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 2022-Restated	879,080	-	602,988	10,863	-	4,783,854	407,070	6,683,854
Net book value- June 2023	423,583	12,710,000	84,988	63,003	-	9,222,694	512,637	23,016,901
Net book value- June 2022(Restated)	220,514	12,710,000	115,237	76,038	-	9,959,880	296,820	23,378,489
Annual rate of depreciation	30%	0%	15%	15%	15%	5%	15%	

8.2 Property and equipment- Restricted

Particulars	Computer and Hardware	Land	Furniture and Fixtures	Vehicle	Medical equipments	Building	Office Equipments	Total
Cost								
As at July 01, 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
As at July 01, 2021	1,485,290	13,825,000	3,751,255	10,589,435	12,259,587	102,214,293	5,339,278	149,464,138
Addition during the year	859,397	-	332,800	-	901,150	-	2,495,221	4,588,568
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 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
Accumulated depreciation								
As at July 01, 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	8,412,564	12,126,661	26,314,623	5,209,862	56,390,808
As at July 30, 2021-Restated	1,146,426	-	1,473,206	6,352,517	10,996,232	19,178,527	3,833,359	42,980,269
Depreciation charge-Restated	377,993	-	439,274	1,268,799	648,353	3,435,562	606,544	6,776,523
Disposals during the year	-	-	-	-	-	-	-	-
As at June 30, 2022-Restated	1,524,419	-	1,912,480	7,621,316	11,644,585	22,614,089	4,439,903	49,756,792
Net book value- June 2023	382,955	13,825,000	1,955,540	2,176,871	1,449,076	76,359,670	2,624,637	98,773,749
Net book value- June 2022 (Restated)	820,268	13,825,000	2,171,575	2,968,119	1,516,152	79,600,204	3,394,596	104,295,914
Annual rate of depreciation	30%	-	15%	15%	15%	5%	15%	

9 Intangibles- Restricted

	Software	Total (Rs.)
Cost		
Balance as at July 1, 2021	-	-
Additions	405,258	405,258
Disposals	-	-
	405,258	405,258
Accumulated amortization		
Balance as at July 1, 2021	-	-
Amortization during the year	(40,526)	(40,526)
Balance as at June 30, 2022	(40,526)	(40,526)
Carrying value		
Cost	405,258	405,258
Accumulated amortization	(40,526)	(40,526)
Balance as at June 30, 2022	364,732	364,732
Cost		
Balance as at July 1, 2022	405,258	405,258
Additions	-	-
Disposals	-	-
Balance as at June 30, 2023	405,258	405,258

	Note	2023 Rupees	2022 Rupees Restated
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, 2022		**324,206**	324,206
Amortization rate		**10%**	-

10 Capital work in progress

	Note	2023 Rupees	2022 Rupees Restated
Opening balance		**775,145**	-
Additions during the year	**10.1**	**412,137**	775,145
Closing balance		**1,187,282**	775,145

10.1 This represents civil work in Quran house

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

11 Accounts receivable

	2023 Rupees	2022 Rupees Restated
Fee receivable from schools	**1,129,730**	125,335
Receivable against expenses	**258,650**	242,405
Funds receivable from donors	**26,127,850**	4,697,614
Other receivables	-	180,000
	27,516,230	5,245,354

12 Loans, advances and deposits

	2023 Rupees	2022 Rupees Restated
Advances to employees against salary	-	45,000
Advances against project expenses	**93,204**	585,545
Advances to suppliers	**1,195,204**	207,500
Security deposit	**5,000**	5,000
Loan to employees	**552,724**	663,752
Tax withheld due from government	**542,362**	395,371
	2,388,494	1,902,168

13 Short term investment

	2023 Rupees	2022 Rupees Restated
Investment in mutual funds	**2,378,313**	2,300,146
	2,378,313	2,300,146

13.1 This represents provident fund contribution that is invested in mutual fund. The rate of interest on this investment depends upon the units invested.

		Note	2023	2022 Restated
			----------Rupees----------	
14	**Cash and bank balances**			
	Cash at bank			
	-Current account		32,392,684	26,397,314
	-Saving accounts		18,905,553	12,882,588
	-USD account		28,790	14,857
			51,327,027	39,294,758
15	**Grants recognized**			
	Restricted grants	4.1	257,176,221	134,523,118
16	**Operational income- Unrestricted**			
	Rahma hospital Janpur, Rahimyar Khan		9,032,175	9,416,221
	Rahma hospital Khuiratta		1,942,043	2,585,655
	Rahma model school Rawat, Rawalpindi		1,770,457	1,353,777
	Rahma model school, GML RYK student contribution		2,365,230	1,284,198
			15,109,905	14,639,851
17	**Donations- Unresticted**			
	General donations		6,500,580	2,050,698
	Grants for operational expenses		4,884,650	3,834,771
			11,385,230	5,885,469
18	**Other income**			
	Profit on saving accounts		922,576	366,280
	Miscellaneous income		-	10,200
	Rental income		624,000	780,000
	Exchange gain		13,933	4,810
			1,560,509	1,161,290
19	**Programme expenses**			
	Rahma hospital Khuiratta	19.1	11,156,617	11,410,874
	Rahma hospital Janpur. Rahimyar Khan	19.2	21,984,025	21,092,563
	Rahma model school Rawat, Rawalpindi	19.3	10,189,201	9,193,997
	Rahma model school GML RYK	19.4	7,245,366	6,441,024
	Quran house	19.5	-	95,000
	Seasonal activities	19.6	24,028,040	12,636,095
	Emergency relief activities	19.7	60,531,143	47,943,269
	Water and sanitation	19.8	4,665,985	8,090,120
	Charity for life activities	19.9	74,203,305	17,620,176
	Reconstruction of Houses Flood	19.10	43,023,781	-
	Orphan scholarship		148,758	-
			257,176,221	134,523,118

	Note	2023	2022 Restated
		----------Rupees----------	

19.1 Rahma hospital Khuiratta

Salaries and benefits of project medical staff	7,924,494	6,856,011
Medicine and lab material	637,508	1,179,249
Monitoring and evaluation	229,850	201,202
Project support cost	1,426,230	2,464,782
Communication and utilities	151,687	109,732
Postage and courier	8,550	8,660
Services and supplies	159,790	155,273
Fuel & transportation	403,705	248,710
Repairs and maintenance	150,323	106,505
Branding and promotion	64,480	80,750
	11,156,617	11,410,874

19.2 Rahma hospital Janpur, RahimYaar Khan

Salaries and benefits of project medical staff	10,862,929	10,566,807
Monitoring and evaluation	-	36,350
Medicine and supplies	5,620,173	5,444,166
Project support cost	2,058,265	1,814,916
Communication and utilities	1,016,831	1,312,448
Branding and promotion	52,545	210,626
Printing and stationery	351,700	178,652
Miscellaneous	480,900	239,006
Repairs and maintenance	289,870	1,192,489
Vehicle insurance	63,000	44,462
Travelling and conveyance	1,187,812	52,642
	21,984,025	21,092,564

19.3 Rahma model school Rawat Rawalpindi

Salaries and benefits of project school staff	5,259,091	4,461,164
Services and supplies	871,454	1,484,506
Project support cost	1,567,582	1,518,249
Printing and stationery	211,380	137,964
Miscellaneous	98,972	36,536
Repairs and maintenance	315,477	151,490
Travelling and conveyance	279,772	128,111
Ceremonies and events	91,758	230,538
School bus rent, fuel & maintenance	1,207,205	978,012
Communication and utilities	286,510	67,427
	10,189,201	9,193,997

	Note	2023	2022 Restated
		----------Rupees----------	
19.4 Rahma model school GML RYK			
Salaries of project staff		**3,744,148**	2,731,635
Services and supplies		**899,647**	1,016,777
Project support cost		**1,557,959**	1,522,278
Ceremonies and events		**246,325**	377,998
Communication and utilities		**141,222**	199,285
Postage and courier		**-**	4,730
Printing and stationery		**58,290**	92,942
Repairs and maintenance		**218,940**	211,352
Travelling and conveyance		**104,860**	98,569
Miscellaneous		**273,975**	83,458
Advertisement		**-**	102,000
		7,245,366	6,441,024

	Note	2023	2022 Restated
19.5 Quran house			
Books and stationery		**-**	95,000
		-	95,000

	Note	2023	2022 Restated
19.6 Seasonal activities			
Food distribution in ramadan		**2,076,771**	5,474,745
Fidyah and fitrana distribution		**-**	351,700
Banners printing		**182,770**	73,615
Transportation of food		**40,088**	123,200
Purchasing of animals		**21,219,344**	6,345,925
General arrangements for qurbani and aqiqah		**509,067**	266,910
		24,028,040	12,636,095

	Note	2023	2022 Restated
19.7 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 in pakistan		**407,807**	-
Travelling and conveyance		**771,850**	-
Food for animals in Cholistan		**523,840**	378,600
Purchasing of food and non food items in Afghanistan		**16,781,461**	36,181,508
Fidyah and financial aid in Afghanistan		**285,000**	310,000
Installation of clay oven and running costs		**10,350,000**	9,842,320
Monitoring		**-**	1,230,841
IRF activities	19.7.1	**21,798,481**	-
		60,531,143	47,943,269

	Note	2023	2022 Restated
		----------Rupees----------	
19.7.1 IRF activities			
Re Construction of Damage house		5,000,000	-
Travel and lodging expenses		724,564	-
Drinking Water supplies		1,792,000	-
Purchasing of Food Items		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	-
		21,798,481	-

	Note	2023	2022 Restated
19.8 Water and sanitation			
Hand pump , filteration plants & RO plants in. Rahimyar Khan		287,906	2,262,231
Hand pumps and RO plants, Tharparkar		1,122,968	3,530,157
Installation of wash booth in Islamabad		-	1,749,047
Hand pumps and RO plants in AJK		673,787	548,685
Hand Pump in Afghanistan		2,581,324	
		4,665,985	8,090,120

	Note	2023	2022 Restated
19.9 Charity for life activities			
Water boring installation		7,187,900	7,376,340
Flood releif actvities		9,109,710	-
Financial aid		2,750,278	225,000
Educational Support		18,479,912	-
Miscellaneous		789,499	123,490
Purchasing of food		26,144,900	5,244,383
Water & Sanitation		1,218,541	88,315
Travelling and communication		744,559	129,648
Purchasing of animals		4,915,500	1,683,000
Medical treatment		-	750,000
Donation-Microfinance	19.9.1	-	2,000,000
Qurbani Project		2,018,400	-
Ramadan program		844,106	-
		74,203,305	17,620,176

19.9.1 This represents the amount paid to Akhuwat Islamic Microfinance (AIM) as start-up donation for providing interest free loans.

	Note	2023	2022 Restated
19.10 RIRF Rconstruction			
Staff salaries and benefits		1,956,257	-
Field work		5,665,357	-
Material		34,006,520	-
Communication and utilities		320,757	-
Printing and stationery		67,443	-
Travelling and lodging		968,547	-
Miscellaneous		38,900	-
		43,023,781	-

		Note	2023	2022
			------Rupees------	
20	**Administrative expenses**			
	Staff salaries and benefits		1,175,105	1,438,623
	Entertainment expense		324,084	239,988
	Miscellaneous activities	20.1	4,533,230	
	Office repair and maintenance		687,245	1,305,216
	Auditor's remuneration		208,100	231,500
	Legal and professional charges		193,286	-
	Communication		121,918	193,326
	Consultancy fee		57,500	20,000
	Utilities		114,152	-
	Insurance		5,060	-
	Office supplies		500,379	258,738
	Depreciation		981,885	863,675
	Financial aid		1,001,300	1,096,025
	Taxes		498,045	68,050
	Printing and stationery		321,190	1,129,238
	Travelling expense		1,179,713	131,243
	Miscellaneous		605,231	54,385
			12,507,422	7,030,007
20.1	**Miscellaneous activities**			
	Staff reward and honorarium		3,045,187	-
	Publicity and documentary		385,250	-
	Visit Expenses RIRF Delegation		1,102,793	-
			4,533,230	-

21 Taxation

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.

22 Related party transactions and balances

The related party comprises of Rahma Islamic Relief Fund 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:

22.1 Transactions with related party

Relationship with the entity	Nature of transactions	2023	2022 Restated
		------Rupees------	
Associate	Grants received during the year	231,779,209	95,015,942
	Grant receivable	26,127,850	4,697,614
	Grant recognized during the year	(230,152,458)	115,992,002

22.2 Balances with related parties

Relationship with the entity	Nature of transactions	2023	2022 Restated
		------Rupees------	
Associate	Grants receivable from donors	**26,127,850**	4,697,614

23 Effect of retrospective restatement

The below section in Note 23.1 shows the restatement of each line item affected by the error.

23.1 Restatement of prior period financial statements

As at June 30, 2022

Financial statements line item/ balance affected	Note	2022 Audited	Correction of errors	2022 Restated
Statement of financial position				
Increase in property and equipment	23.1.1	116,971,218	10,703,185	127,674,403
Decrease in unrestricted grants	23.1.2	29,536,478	(2,724,883)	26,811,594
Increase in deferred capital grants	23.1.3	93,389,299	11,271,347	104,660,646
Statement of income and expenditure				
Decrease in depreciation	23.1.4	955,034	(91,359)	863,675
Decrease in capital grant amortization	23.1.5	8,701,443	(1,924,920)	6,776,523

23.1.1 This difference is due to depreciation wrongly charged.

23.1.2 This difference is due to depreciation wrongly charged.

23.1.3 This difference is due to depreciation wrongly charged eventually resulting in wrong amortization of deffered capital grant.

23.1.4 This difference is due to depreciation wrongly charged.

23.1.5 This difference is due to depreciation wrongly charged eventually resulting in wrong amortization of defered capital grant.

24 Financial instruments

	Amortized cost		Total	
	2023	2022	2023	2022
	---Rupees---			
Financial assets as per financial position				
Accounts receivable	**27,516,230**	5,245,354	**27,516,230**	5,245,354
Loans, advances and deposits	**2,388,494**	1,902,168	**2,388,494**	1,902,168
Short term investment	**2,378,313**	2,300,146	**2,378,313**	2,300,146
Cash and bank balances	**51,327,027**	39,294,758	**51,327,027**	39,294,758
Financial liabilities as per financial position				
Deferred grants	**55,978,043**	29,335,292	**55,978,043**	29,335,292
Deferred capital grants	**99,097,954**	104,660,646	**99,097,954**	104,660,646
Creditors	**6,161,593**	193,207	**6,161,593**	193,207
Accrued and other liabilities	**8,599,702**	6,730,967	**8,599,702**	6,730,967

25 Number of employees

	2023	2023
	---Numbers---	
Number of persons employed as at year end	81	72
Average number of persons employed during the year	80	70

26 Date of authorization

These financial statements were approved and authorized for issue on 05. December 202 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