

DAACHI FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

		2021	2020
	Note	Rupees	Rupees
ASSETS			
Non Current Assets			
Operating fixed assets	4	2,266,957	24,224
Current Assets			
Advances, prepayments and other receivables	5	1,465,201	1,380,269
Short term investment	6	28,000,000	28,000,000
Cash and bank balances	7	10,236,290	15,463,114
		39,701,491	44,843,383
TOTAL ASSETS		<u>41,968,448</u>	<u>44,867,607</u>
FUNDS AND LAIBILITIES			
Funds			
Un-restricted fund		34,430,898	37,332,607
Restricted fund		7,500,000	7,500,000
		41,930,898	44,832,607
Current Liabilities			
Accrued liabilities		37,550	35,000
Contingencies and Commitments			
	8	-	-
		<u>41,968,448</u>	<u>44,867,607</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.


PRESIDENT


FINANCE SECRETARY


GENERAL SECRETARY

DAACHI FOUNDATION
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	Rupees	Rupees
INCOME		
Donations	6,500	2,035,600
Stalls booking	457,700	10,345,270
Gate passes	-	2,162,730
Profit on short term investment	1,069,018	2,719,507
Advertisement	-	212,300
Membership fee	110,000	-
	<u>1,643,218</u>	<u>17,475,407</u>
EXPENDITURE		
Function and exhibition	176,500	4,644,006
Printing	172,845	1,506,000
Salaries	840,000	775,000
Refund paid against stall bookings	2,790,000	-
Travelling	-	230,000
Legal and professional	326,789	210,080
Audit fee	35,000	35,000
Depreciation	7,267	10,382
Bank charges	926	4,702
Postage expense	-	9,850
Donation to artisans	-	1,550,000
IT expense	69,600	139,100
Advertisement	126,000	108,330
	<u>4,544,927</u>	<u>9,222,460</u>
(Deficit) / Surplus before Transfer to Restricted Fund	(2,901,709)	8,252,947
Transferred to restricted fund	-	<u>(7,500,000)</u>
(Deficit) / Surplus before Taxation	(2,901,709)	752,947
Taxation	-	-
Net (Deficit) / Surplus for the Year	<u>(2,901,709)</u>	<u>752,947</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

Ayesha Nosair
PRESIDENT

Shahid Hussain
FINANCE SECRETARY

Shahida Saleem Cheema
GENERAL SECRETARY

DAACHI FOUNDATION
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Un-restricted Fund	Restricted Fund	Total Fund
	Rupees	Rupees	Rupees
Balance as at June 30, 2019	36,579,660	-	36,579,660
Net surplus for the year	752,947	7,500,000	8,252,947
Balance as at June 30, 2020	37,332,607	7,500,000	44,832,607
Net deficit for the year	(2,901,709)	-	(2,901,709)
Balance as at June 30, 2021	34,430,898	7,500,000	41,930,898

The annexed notes from 1 to 14 form an integral part of these financial statements.

Aysha Noorain
PRESIDENT

Ahmad Hassan
FINANCE SECRETARY

Shahira Saleem Cheema
GENERAL SECRETARY

DAACHI FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficit) / surplus before transfer to restricted fund	(2,901,709)	8,252,947
Adjustments for:		
- Depreciation	7,267	10,382
- Profit on short term investment	(1,069,018)	(2,719,507)
Operating (deficit) / surplus before working capital changes	(3,963,460)	5,543,822
Increase in current assets:		
- Advances and Prepayments	144,600	(405,100)
Increase / (decrease) in current liabilities:		
- Accrued liabilities	2,550	-
Cash (used in) / generated from operations	(3,816,310)	5,138,722
Income tax paid	(297,806)	(413,539)
Net Cash (Used in) / Generated from Operating Activities	(4,114,116)	4,725,183
CASH FLOW FROM INVESTING ACTIVITIES		
Addition in property and equipment	(2,250,000)	-
Profit received on short term investment	1,137,292	2,746,663
Net Cash (Used in) / Generated from Investing Activities	(1,112,708)	2,746,663
CASH FLOW FROM FINANCING ACTIVITIES		
Net (Decrease) / Increase in Cash and Cash Equivalents	(5,226,824)	7,471,846
Cash and cash equivalents at the beginning of the year	15,463,114	7,991,268
Cash and cash equivalents at the end of the year	10,236,290	15,463,114

The annexed notes from 1 to 14 form an integral part of these financial statements.

Ayesha Noorain
PRESIDENT

Ahmad Farooq
FINANCE SECRETARY

Shahina Saleem Cheema
GENERAL SECRETARY

DAACHI FOUNDATION**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

Note 1

The Society and its Operations

The Daachi Foundation Society was registered under (the Society) provisions of Societies Registration Act, 1860 with the primary objective of advancement and protection of Pakistani culture. The Society is domiciled in Pakistan and its registered office is situated at 234-L DHA, Lahore.

Note 2

Basis of Preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise Revised Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs) and the Accounting Standard for Not for Profit Organizations issued by the Institute of Chartered Accountants of Pakistan.

2.2 Accounting convention

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

2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupee (Rs. / Rupees), which is the Society's functional currency. All financial information is presented in Pak Rupees and has been rounded off to the nearest Rupee.

2.4 Uses of estimates and judgments

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of forming judgment about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

Significant areas requiring the use of management's estimates in these financial statements relate to the useful life of depreciable assets. However, assumption and judgments made by the management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

Note 3

Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are set below. These policies have been consistently applied to all years, otherwise stated.

3.1 Operating fixed assets

All operating fixed assets are stated at cost less accumulated depreciation and impairment loss, if any.

Depreciation on fixed assets is calculated using the reducing balance method at the rates 30%. Depreciation on additions is charged from the month in which the assets are available for use while no depreciation is charged in the month in which the assets are disposed off.

Maintenance and normal repairs are charged to statement of income and expenditure, as and when incurred. Major renewals and improvements are capitalized. Gain or loss, if any, on disposal of fixed assets is charged to the income and expenditure statement.

3.2 Income recognition

Income from donations, membership fee and income from other sources (sale of tickets and stall booking) are recognized on receipt basis. Profit on deposits is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

3.3 Provisions

Provisions are recognized when the Society has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

3.4 Taxation

Under Section 100C of the Income Tax Ordinance, 2001, income of the Society is subject to zero rate of tax, being tax credit equal to 100% of tax payable including minimum tax and final taxes payable under any of the provisions of the above said ordinance.

3.5 Expenses

Expenses are recognized in the income and expenditure statement when incurred.

3.6 Contingent liabilities

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society.

A contingent liability is also disclosed when there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits would be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Note 3, Significant Accounting Policies - Continued...

3.7 Financial instruments

The Society accounts for its financial instruments as per Revised Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs). The management determines the classification of its financial instruments at the time of initial recognition. The Society classifies its financial assets as basic financial instruments initially measured at transaction price. Subsequently, these financial instruments are measured at undiscounted transaction price less any impairment. Financial assets are derecognized when rights to cash flows from financial assets are settled or expired and financial liabilities are derecognized when these are extinguished.

3.8 Investments

The Society recognizes its investments at cost less impairment loss, if any. Cost comprises of the consideration paid and cost of transaction occurred.

3.9 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Society intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.10 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of bank balances.

3.11 Related party transactions

Transactions involving related parties arising in the normal course of business are conducted at arm's length, at normal rates on the same terms and conditions as third party.

Note 4
Operating Fixed Assets

Particulars	Furniture and Fixtures	Computer Hardware	Land	Total
	Rupees	Rupees	Rupees	Rupees
Year ended June 30, 2021				
Cost				
Balance as at July 01, 2020	81,940	60,000	-	141,940
Additions / (Disposals)	-	-	2,250,000	2,250,000
Balance as at June 30, 2021	81,940	60,000	2,250,000	2,391,940
Accumulated Depreciation				
Balance as at July 01, 2020	68,430	49,286	-	117,716
Depreciation charge for the year	4,053	3,214	-	7,267
Balance as at June 30, 2021	72,483	52,500	-	124,983
Total - 2021	9,457	7,500	2,250,000	2,266,957
Total - 2020	13,510	10,714	-	24,224
Depreciation rates	30%	30%	Nil	

4.1 The depreciation charged for the year has been allocated to expenditure.

Note 5
Advances, Prepayments and Other Receivables

	2021 Rupees	2020 Rupees
Advance tax deducted at source	1,076,900	779,094
Prepaid expenses	-	69,600
Advance to vendors	255,000	330,000
Accrued profit	58,301	126,575
Security deposit	75,000	75,000
	1,465,201	1,380,269

Note 6
Short Term Investment

	Note	2021 Rupees	2020 Rupees
Term deposits - Askari Bank Limited	6.1	28,000,000	28,000,000

6.1 This yields at the rate of 4% (2020: 4%) per annum.

Note 7

Cash and Bank Balances

	2021	2020
	Rupees	Rupees
CDR in hand	-	13,713,000
Bank Balance - Current Account	10,236,290	1,750,114
	<u>10,236,290</u>	<u>15,463,114</u>

Note 8

Contingencies and Commitments

There are no material contingencies or commitments outstanding as at the reporting date (2020: Nil).

Note 9

Remuneration of President, Finance Secretary and General Secretary

No remuneration has been paid to the President, Finance Secretary and General Secretary of the Society during the year.

Note 10

Transaction with Related Parties

Related parties consist of President, General Secretary and Financial Secretary, there are following transaction with these related parties during the year.

Related party	Relationship	Nature of Transaction	2021	2020
			Rupees	Rupees
Ms. Ismat Riaz	Member	Donation received	-	100,000
Ms. Sameera Noorani	Member	Booking of stall	-	10,000

Note 11

Basic Financial Instruments

	Cash and Cash Equivalents	Loans and Advances	Total
	Rupees	Rupees	Rupees
Financial Assets as at June 30, 2021			
- Accrued profit	-	58,301	58,301
- Security deposit	-	75,000	75,000
- Short term investment	-	28,000,000	28,000,000
- Bank balance	10,236,290	-	10,236,290
	<u>10,236,290</u>	<u>28,133,301</u>	<u>38,369,591</u>
Financial Assets as at June 30, 2020			
- Accrued profit	-	126,575	126,575
- Security deposit	-	75,000	75,000
- Short term investment	-	28,000,000	28,000,000
- Bank balance	15,463,114	-	15,463,114
	<u>15,463,114</u>	<u>28,201,575</u>	<u>43,664,689</u>
	<u>2021</u>	<u>2020</u>	
	Rupees	Rupees	
Financial Liabilities			
Accrued liabilities	<u>37,550</u>	<u>35,000</u>	

Note 12

Number of Employees

	2021	2020
	Number	Number
Number of employees as at June 30,	<u>2</u>	<u>2</u>

Note 13

Authorization of Financial Statements

These financial statements have been approved and authorized for issuance by the Management Committee of the Society on 24 DEC 2021.

Note 14

General

Corresponding figures have been re-arranged, wherever necessary, to facilitate better comparison. No re-arrangements have been made in these financial statements.


PRESIDENT


FINANCE SECRETARY


GENERAL SECRETARY