

DAACHI FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
ASSETS			
Non Current Assets			
Operating fixed assets	4	2,261,870	2,266,957
Current Assets			
Advances, prepayments and other receivables	5	1,529,314	1,465,201
Short term investment	6	28,000,000	28,000,000
Bank balance - current account		14,742,828	10,236,290
		44,272,142	39,701,491
TOTAL ASSETS		46,534,012	41,968,448
FUNDS AND LAIBILITIES			
Funds			
Un-restricted fund		38,959,012	34,430,898
Restricted fund		7,500,000	7,500,000
		46,459,012	41,930,898
Current Liabilities			
Accrued liabilities		75,000	37,550
Contingencies and Commitments			
	7	-	-
		46,534,012	41,968,448

The annexed notes from 1 to 13 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, 2022

	2022	2021
	Rupees	Rupees
INCOME		
Donations	524,100	116,500
Stalls booking	4,984,000	457,700
Gate passes	2,585,000	-
Profit on short term investment	1,653,289	1,069,018
Advertisement-Daachi Nama	68,950	-
	<u>9,815,339</u>	<u>1,643,218</u>
EXPENDITURE		
Function and exhibition	1,407,080	176,500
Printing and stationery	1,694,709	172,845
Salaries and benefits	866,200	840,000
Refund paid against stall bookings	84,000	2,790,000
Donation to artisans	422,800	-
IT expense	125,773	69,600
Advertisement	122,000	126,000
Legal and consultancy charges	480,400	326,789
Audit fee	75,000	35,000
Depreciation	5,087	7,267
Bank charges	4,176	926
	<u>5,287,225</u>	<u>4,544,927</u>
Surplus / (Deficit) before Taxation	4,528,114	(2,901,709)
Taxation	-	-
Net Surplus / (Deficit) for the Year	<u>4,528,114</u>	<u>(2,901,709)</u>

The annexed notes from 1 to 13 form an integral part of these financial statements.


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DAACHI FOUNDATION
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Un-restricted Fund	Restricted Fund	Total Fund
	Rupees	Rupees	Rupees
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
Net surplus for the year	4,528,114	-	4,528,114
Balance as at June 30, 2022	38,959,012	7,500,000	46,459,012

The annexed notes from 1 to 13 form an integral part of these financial statements.


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DAACHI FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / (deficit) before taxation	4,528,114	(2,901,709)
Adjustments for:		
- Depreciation	5,087	7,267
- Profit on short term investment	(1,653,289)	(1,069,018)
Operating surplus / (deficit) before working capital changes	2,879,912	(3,963,460)
Increase / (decrease) in current assets:		
- Advances, prepayments and other receivables	55,000	144,600
Increase in current liabilities:		
- Accrued liabilities	37,450	2,550
Cash generated from / (used in) operations	2,972,362	(3,816,310)
Income tax paid	(41,426)	(297,806)
Net Cash Generated from / (Used in) Operating Activities	2,930,936	(4,114,116)
CASH FLOW FROM INVESTING ACTIVITIES		
Addition in property and equipment	-	(2,250,000)
New placement of funds in debt securities	(336,000,000)	(336,000,000)
Amount received of funds in debt securities	336,000,000	336,000,000
Profit received on short term investment	1,575,602	1,137,292
Net Cash Generated from / (Used in) Investing Activities	1,575,602	(1,112,708)
CASH FLOW FROM FINANCING ACTIVITIES		
	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents	4,506,538	(5,226,824)
Cash and cash equivalents at the beginning of the year	10,236,290	15,463,114
Cash and Cash Equivalents at the End of the Year	14,742,828	10,236,290

The annexed notes from 1 to 13 form an integral part of these financial statements.


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DAACHI FOUNDATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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 Basis of measurement

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 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 estimates used in the preparation of these financial statements comprise the determination of obsolescence of inventories. However, these estimates do not have any effect on these financial statements.

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 operating fixed assets is calculated using the reducing balance method at the rates specified in Note 4 and is charged to income and expenditure statement. 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 income and expenditure statement, as and when incurred. Major renewals and improvements are capitalized. Gain or loss, if any, on disposal of operating fixed assets is charged to the income and expenditure statement.

Note 3, Significant Accounting Policies - Continued...

3.2 Short term investments

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

3.3 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 balance.

3.4 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.

3.5 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.

3.6 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.

3.7 Expenditure

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

3.8 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.

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 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.

3.11 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	Land	Furniture and Fixtures	Computer Hardware	Total
	Rupees	Rupees	Rupees	Rupees
Year Ended June 30, 2022				
Cost				
Balance as at July 01, 2021	2,250,000	81,940	60,000	2,391,940
Additions	-	-	-	-
Balance as at June 30, 2022	2,250,000	81,940	60,000	2,391,940
Accumulated Depreciation				
Balance as at July 01, 2021	-	72,483	52,500	124,983
Depreciation charge for the year	-	2,837	2,250	5,087
Balance as at June 30, 2022	-	75,320	54,750	130,070
Net WDV as at June 30, 2022	2,250,000	6,620	5,250	2,261,870
Net WDV as at June 30, 2021	2,250,000	9,457	7,500	2,266,957
Depreciation rates	-	30%	30%	

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

4.2 The Society owns land measuring 5 marlas situated in Gul Nishan Park, Canal Bank Cooperative Society Phase II, Lahore.

Note 5
Advances, Prepayments and Other Receivables

	Note	2022 Rupees	2021 Rupees
Advance tax deducted at source		1,118,326	1,076,900
Advance to vendors		200,000	255,000
Accrued profit		135,988	58,301
Security deposit	5.1	75,000	75,000
		<u>1,529,314</u>	<u>1,465,201</u>

5.1 This represents amount paid to Expo Centre Karachi as security deposit for Arts & Crafts Exhibition Karachi.

Note 6
Short Term Investment

	Note	2022 Rupees	2021 Rupees
Term deposit - Askari Bank Limited	6.1	<u>28,000,000</u>	<u>28,000,000</u>

6.1 This TDR yields profit at rates ranging from 4.08% to 9.33% (2021: 3.99% to 4.74%) per annum.

Note 7
Contingencies and Commitments

There is no material contingencies or commitments outstanding as at the reporting date (2021: Nil).

Note 8

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 9

Transaction with Related Parties

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

Related party	Relationship	Nature of Transaction	2022	2021
			Rupees	Rupees
Ms. Ismat Riaz	Member	Donation received	20,000	100,000
Ms. Sameera Noorani	Member	Donation received	5,000	10,000
Ms. Fauzia Azim	Member	Donation received	5,000	-
Dr. Gul e Raana	Member	Donation received	5,000	-
Mr. Saber Ali Awan	Member	Donation received	5,000	-
Ms. Amna Nasim	Member	Donation received	5,000	-
Ms. Riffat Sadia	Member	Donation received	5,000	-
Mr. Umair Noorani	Member	Donation received	5,000	-
Ms. Sehya Agha Saigol	Member	Donation received	5,000	-
Ms. Sahar Atif	Member	Donation received	5,000	-
Ms. Iram Ansari	Member	Donation received	5,000	-
Mr. Muhammad Jamshaid	Member	Donation received	5,000	-
Mr. Samer Hashmi	Member	Donation received	5,000	-
Mr. Raffey Qayum	Member	Donation received	5,000	-
Ms. Ayesha Noorani	Member	Donation received	5,000	-
Mr. Awais Noorani	Member	Donation received	5,000	-
Ms. Alima Khan Wali	Member	Donation received	5,000	-

Note 10

Financial Instruments

	Fair value through profit or loss	Amortized cost	Total
	Rupees	Rupees	Rupees
10.1 Financial Assets as at June 30, 2022			
Accrued profit	-	135,988	135,988
Short term investment	-	28,000,000	28,000,000
Bank balance	-	14,742,828	14,742,828
	-	42,878,816	42,878,816
Financial Assets as at June 30, 2021			
Accrued profit	-	58,301	58,301
Short term investment	-	28,000,000	28,000,000
Bank balance	-	10,236,290	10,236,290
	-	38,294,591	38,294,591
10.2 Financial liabilities			
Accrued liabilities		75,000	37,550

Note 11
Number of Employees

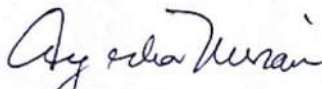
	2022	2021
	Number	Number
Number of employees as at June 30,	<u>2</u>	<u>2</u>

Note 12
Authorization of Financial Statements

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

Note 13
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