

DAACHI FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
ASSETS			
Non Current Assets			
Operating fixed assets	4	2,457,659	2,261,870
Current Assets			
Advances, prepayments and other receivables	5	2,678,093	1,529,314
Short term investment	6	28,000,000	28,000,000
Bank balance - current account		18,907,181	14,742,828
		49,585,274	44,272,142
TOTAL ASSETS		52,042,933	46,534,012
FUNDS AND LAIBILITIES			
Funds			
Un-restricted fund		44,442,933	38,959,012
Restricted fund		7,500,000	7,500,000
		51,942,933	46,459,012
Current Liabilities			
Accrued liabilities		100,000	75,000
Contingencies and Commitments			
	7	-	-
		52,042,933	46,534,012

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, 2023

	2023	2022
	Rupees	Rupees
INCOME		
Donations	3,313,250	524,100
Stalls booking	9,383,926	4,984,000
Gate passes	3,923,775	2,585,000
Profit on short term investment	3,205,563	1,653,289
Advertisement-Daachi Nama	-	68,950
Miscellaneous income	297,950	-
	<u>20,124,464</u>	<u>9,815,339</u>
EXPENDITURE		
Function and exhibition	8,091,382	1,407,080
Printing and stationery	3,553,573	1,694,709
Travelling	323,000	-
Salaries and benefits	1,076,705	866,200
Refund paid against stall bookings	112,075	84,000
Donation to artisans and others	715,000	422,800
IT expense	154,050	125,773
Advertisement	-	122,000
Legal and professional	482,800	480,400
Audit fee	100,000	75,000
Depreciation	25,711	5,087
Bank charges	6,247	4,176
	<u>14,640,543</u>	<u>5,287,225</u>
Surplus before Taxation	5,483,921	4,528,114
Taxation	-	-
Net Surplus for the Year	<u><u>5,483,921</u></u>	<u><u>4,528,114</u></u>

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

Ajmal Khorani
PRESIDENT

Ajmal Khorani
FINANCE SECRETARY

Shahria Saleem Cheema
GENERAL SECRETARY

DAACHI FOUNDATION
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Un-restricted Fund	Restricted Fund	Total Fund
	Rupees	Rupees	Rupees
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
Net surplus for the year	5,483,921	-	5,483,921
Balance as at June 30, 2023	44,442,933	7,500,000	51,942,933

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

Ayesha Borain
PRESIDENT

Almair Feroze
FINANCE SECRETARY

Shahina Saleem Cheema
GENERAL SECRETARY

DAACHI FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	2023 Rupees	2022 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before taxation	5,483,921	4,528,114
Adjustments for:		
- Depreciation	25,711	5,087
- Profit on short term investment	(3,205,563)	(1,653,289)
Operating surplus before working capital changes	2,304,069	2,879,912
(Increase)/decrease in current assets:		
- Advances, prepayments and other receivables	(622,600)	55,000
Increase in current liabilities:		
- Accrued liabilities	25,000	37,450
Cash generated from operations	1,706,469	2,972,362
Income tax paid	(472,833)	(41,426)
Net Cash Generated from Operating Activities	1,233,636	2,930,936
CASH FLOW FROM INVESTING ACTIVITIES		
Addition in property and equipment	(221,500)	-
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	3,152,217	1,575,602
Net Cash Generated from Investing Activities	2,930,717	1,575,602
CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase in Cash and Cash Equivalents	4,164,353	4,506,538
Cash and cash equivalents at the beginning of the year	14,742,828	10,236,290
Cash and Cash Equivalents at the End of the Year	18,907,181	14,742,828

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

Ayesha Noorain
PRESIDENT

Shahid Farooq
FINANCE SECRETARY

Shabina Saleem Cheema
GENERAL SECRETARY

DAACHI FOUNDATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

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, except for certain items as disclosed in the relevant accounting policies below.

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.

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.

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Note 3, Significant Accounting Policies - Continued...

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

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.

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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	-	-	221,500	221,500
Balance as at June 30, 2022	2,250,000	81,940	281,500	2,613,440
Accumulated Depreciation				
Balance as at July 01, 2022	-	75,320	54,750	130,070
Depreciation charge for the year	-	1,986	23,725	25,711
Balance as at June 30, 2023	-	77,306	78,475	155,781
Net WDV as at June 30, 2023	2,250,000	4,634	203,025	2,457,659
Net WDV as at June 30, 2022	2,250,000	6,620	5,250	2,261,870
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	2023 Rupees	2022 Rupees
Advance tax deducted at source		1,591,159	1,118,326
Advance to vendors		747,600	200,000
Accrued profit		189,334	135,988
Security deposit	5.1	150,000	75,000
		<u>2,678,093</u>	<u>1,529,314</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	2023 Rupees	2022 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 9.51% to 12.99% (2021: 4.08% to 9.33%) per annum.

Note 7
Contingencies and Commitments

There is no material contingencies or commitments outstanding as at the reporting date (2022: Nil).

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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	2023	2022
			Rupees	Rupees
Ms. Ismat Riaz	Member	Donation received	-	20,000
Ms. Sameera Noorani	Member	Donation received	-	5,000
Ms. Tahira Qadri	Member	Subscription	-	5,000
Mr. Ch. Liaqat Ali	Member	Subscription	-	5,000
Ms. Fauzia Azim	Member	Subscription	-	5,000
Mr. Dr. Gul e Raana	Member	Subscription	-	5,000
Mr. Saber Ali Awan	Member	Subscription	-	5,000
Ms. Amna Nasim	Member	Subscription	-	5,000
Ms. Riffat Sadia	Member	Subscription	-	5,000
Mr. Umair Noorani	Member	Subscription	-	5,000
Ms. Sehryr Agha Saigol	Member	Subscription	-	5,000
Ms. Sahar Atif	Member	Subscription	-	5,000
Ms. Iram Ansari	Member	Subscription	-	5,000
Mr. Muhammad Jamshaid	Member	Subscription	-	5,000
Mr. Samer Hashmi	Member	Subscription	-	5,000
Mr. Raffey Qayum	Member	Subscription	-	5,000
Ms. Ayesha Noorani	Member	Subscription	-	5,000
Mr. Awais Noorani	Member	Subscription	-	5,000
Ms. Alima Khan Wali	Member	Subscription	-	5,000

Note 10

Basic Financial Instruments

	2023	2022
	Rupees	Rupees
10.1 Financial Assets at amortized cost		
Accrued profit	189,334	135,988
Short term investment	28,000,000	28,000,000
Bank balance	18,907,181	14,742,828
	<u>47,096,515</u>	<u>42,878,816</u>

10.1.1 The Society has no financial assets classified at Fair through P&L and Fair value through OCI.

	2023	2022
	Number	Number
10.2 Financial liabilities		
Accrued liabilities	<u>100,000</u>	<u>75,000</u>

Note 11

Number of Employees

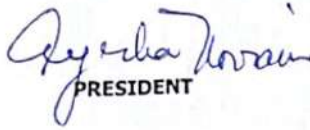
	2023	2022
	Number	Number
Number of employees as at June 30,	<u>2</u>	<u>2</u>

Note 12
Authorization of Financial Statements

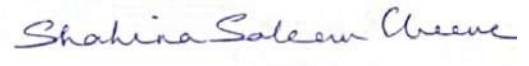
These financial statements have been approved and authorized for issuance by the Management Committee of the Society on
~~11 3 DEC 2023~~

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