DISABLED WELFARE ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

JASB

Business Redefined

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the financial statements of **Disabled Welfare Association**, which comprise the statement of financial position as at June 30, 2025, and the income and expenditure account and statement of changes in Fund Balances 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, 2025 and of its financial performance for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the 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 the 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to note 2.1 to the financial statements, which describes the basis of accounting. These financial statements are prepared to assist the society for submission of their financial position to the regulatory authority. As a result, the financial statement may not be suitable for another purpose. Our report is solely for the society and should not be distributed to parties other than as mentioned above. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Management Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, Management Committee is responsible for assessing the *entity;s* ability to continue as a going concern, disclosing, as applicable, matters related 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.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the 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 risks of material misstatement of the 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 for 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 the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of 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 on 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 auditor's 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 auditor's 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 transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Basharat Rasool.

Jasb & Associates

Chartered Accountants
Karachi

Dated:

DISABLED WELFARE ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Notes	2025	2024
		(Rupees')	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	18,279,539	12,680,582
		18,279,539	12,680,582
CURRENT ASSETS			
Cash and bank balances	5	8,341,889	10,374,530
Other current assets	6	93,000	61,568
		8,434,889	10,436,098
TOTAL ASSETS		26,714,428	23,116,680
FUND AND LIABILITIES			
FUNDS			
Accumulated fund		25,058,397	21,890,832
CURRENT LIABILITY			
Accrued and other liabilities	7	1,656,031	1,225,848
TOTAL FUND AND LIABILITIES		26,714,428	23,116,680

The annexed notes from 1 to 11 form an integral part of these financial statements.

President

DISABLED WELFARE ASSOCIATION
D.W.A

General Secretary

DISABLED WELFARE ASSOCIATION
STATEMENT OF INCOME & EXPENDITURE
AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees')	
INCOME			
Donations		69,479,503	65,417,386
Zakat		3,820,900	5,135,100
		73,300,403	70,552,486
EXPENSES			
Program expenditure	8	58,694,105	47,170,705
Administrative, management & general expenditure	9	11,389,041	10,089,932
Financial expenses		49,692	38,511
		70,132,838	57,299,148
OPERATING SURPLUS		3,167,565	13,253,338
OTHER INCOME		-	-
Surplus before taxation		3,167,565	13,253,338
Taxation - Current		-	-
-Deferred		-	-
Surplus after taxation		3,167,565	13,253,338

The annexed notes from 1 to 11 form an integral part of these financial statements.

President D.W.A DISABLED WELFARE ASSOCIATION **General Secretary**

DISABLED WELFARE ASSOCIATION
STATEMENT OF CHANGE IN FUND BALANCES
FOR THE YEAR END JUNE 30, 2025

	Restricted	Un Restricted	Total
	---------------------(Rupees')---------------------		
FUND BALANCE AS AT JULY 01, 2023	-	6,569,872	6,569,872
Fund receipts during the year	-	70,552,486	70,552,486
Disbursement of expenses	-	(56,416,032)	(56,416,032)
Last year adjustment		1,223,017	1,223,017
Financial charges	-	(38,511)	(38,511)
FUND BALANCE AS AT JUNE 30, 2024	-	**21,890,832**	**21,890,832**
Fund receipts during the year	-	73,300,403	73,300,403
Disbursement of expenses		(70,083,146)	(70,083,146)
Financial charges	-	(49,692)	(49,692)
FUND BALANCE AS AT JUNE 30, 2025	-	**25,058,397**	**25,058,397**

The annexed notes from 1 to 11 form an integral part of these financial statements.

President

D.W.A
DISABLED WELFARE ASSOCIATION

General Secretary

DISABLED WELFARE ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND OPERATIONS

Disabled Welfare Association(The Association) was registered on 03 December 2003 under the Voluntary Social Welfare Agencies (Registration & Control) Ordinance, 1961. The purpose of the Association is to serve disabled people around the country. The main functions of the Association

1. Coordinate with the government to implement disability rights.
2. Running a Disability Advocacy Campaign for gender mainstreaming and disability awareness.
3. Reduce the existing disability discrimination and increase social recognition of PWDs.
4. Arrange ongoing events and sports tailored for PWDs, promoting their active engagement in daily life.
5. Provide essential aid to financially challenged families with Persons with Disabilities PWDs.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting and financial reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of Accounting Standards for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and the voluntary social welfare agencies (Registration and Control) ordinance 1961.

2.2 Accounting convention

These financial statements have been prepared under 'historical cost convention' except as otherwise stated in respective accounting policies notes.

2.3 Critical judgments and accounting estimates in applying the accounting policies

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of policies and the 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 results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below.

DISABLED WELFARE ASSOCIATION
D.W.A

3.1 Property and equipment

All items of property and equipment are initially recognized at cost. Cost includes expenditure that is directly attributable to bringing the asset to its working condition for its intended use less any trade discount or rebates. Normal repairs and maintenance expenses are charged to income and expenditure account as and when incurred. Such expenditure is capitalized only when it increases the future economic benefits embodied in the item of property and equipment.

Items of property and equipment are subsequently measured at cost less accumulated depreciation and impairment, if any, except freehold land which is stated at cost less accumulated impairment losses, if any. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the reducing line method at rates specified in note 5 to the financial statements. In respect of additions, depreciation is charged from the month the asset is available for use while no depreciation is charged in the month of disposal.

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized as other income in the statement of income and expenditure. The useful lives, residual values and depreciation methods are reviewed on a regular basis. The effect of any changes in estimates is accounted for on a prospective basis.

3.2 Capital work in progress

Capital work-in-progress is stated at cost less impairment loss, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when these are available for use.

3.3 Financial assets

Classification

Financial assets are classified at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL). The measurement basis is determined by reference to both the business model for managing the financial assets and the characteristics of contractual cash flows relating to it.

a) Amortized cost

Financial asset is measured at amortized cost where asset is held within a business model whose objective is to hold assets to collect contractual cash flows and the contractual term gives rise, on specified date, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) At fair value through other comprehensive income

Financial asset is measured at fair value through other comprehensive income where assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets and the contractual term of the financial asset gives rise, on specified date, to cash flows that are solely payments of principal and interest on the principal amount

c) At fair value through profit or loss

Financial assets, that are not measured at amortized cost or at fair value through other comprehensive income on initial recognition, are classified as fair value through profit or loss.

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D.W.A

All financial assets are recognized at the time when the organization becomes a party to the contractual provisions of the instrument. Financial assets at amortized cost are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment losses are recognized in income and expenditure statement. Financial assets carried at FVTOCI are initially and subsequently measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income / (loss). Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income and expenditure statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the income and expenditure statement in the period in which they arise. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the organization has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received / receivable is recognized in the income and expenditure statement.

3.4 Advances, deposits and prepayments

These are stated at cost less estimates made for any doubtful receivables based on a review of all outstanding amounts at the balance sheet date. Balances considered bad and irrecoverable are written off when identified.

3.5 Cash and cash equivalents

Cash and cash equivalents for the purpose of statement of cash flows comprise of cash in hand, balances with bank and short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.6 Other payables

Other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the organization.

3.7 Income recognition

Donations, tuition fee and membership fee income are recognized on receipt basis.

3.8 Un-restricted contribution

Income generated by the organization's through school fee/ event/ meeting receipts (if any) and other sources that does not bear any restriction on its intended use are classified as unrestricted contribution / income. This includes grants or donations received unconditionally and may be used by the organization for general expenses or any other legitimate expenditure. These unrestricted contributions are recognized on receipt basis in the statement of income and expenditure.

DISABLED WELFARE ASSOCIATION ★ D.W.A

3.9 Restricted contribution

Funds received directly as donation for specific purpose, are classified as restricted contribution. Funds utilized for the purpose of capital items from such grants are shown in the statement of financial position as deferred capital grant and a portion of the grant is recognized as income to match the depreciation and amortization provided during the year on the capital items. Grants utilized for operations are taken to statement of income and expenditure to the extent of related expenses incurred. Committed grant is accrued in cases where it is probable that the economic benefits of such grant will flow to the organization.

3.10 Donation in-kind

Where the organization avails certain services, if any, in the form of donations received in-kind from related parties or other persons, these financial statements do not incorporate the monetary impact of the free use of such services obtained in the course of organization's operations.

3.11 Other income

Other income arises when the activity that generates income is not the part of organization's normal course of business operations. It is recognized when the organization is entitled to receive such income.

Income on investments and saving accounts with banks is proportionately accrued up to the date of statement of financial position.

3.12 Expenditure

Expenses that are incurred in the normal operations of the organization are classified as administrative and support expenses. All expenses that relate to a project are charged to project expenses.

3.13 Taxation

The organization is registered with the Income Tax Department as a Not for Profit organization under Section 2(36)(C) of the Income Tax Ordinance, 2001 read with Rule 212 and 220 of the Income Tax Rules, 2002. Therefore, organization income is subject to tax credit under section 100(C) of Income Tax Ordinance, 2001. The organization is allowed a tax credit equal to one hundred percent of the tax payable including minimum tax and final taxes payable under any provisions thereof subject to compliance of relevant requirements of law.

3.14 Provisions

Provisions are recognized when, the organization has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimates.

3.15 Functional and presentation currency

Items included in the financial statements of the organization are measured using the currency of the primary economic environment in which the organization operates (the functional currency). These financial statements are presented in Pakistan Rupees (Rs.) which is the organization's functional and presentation currency.

DISABLED WELFARE ASSOCIATION
D.W.A

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30,2025

4. OPERATING FIXED ASSESTS - TANGIBLE

Description	Land	Building on leasehold land	Furniture and fixtures	Computer & electronic equipment	Vehicle	Plant & equipment	Generator	Total
Cost								
Balance as at July 01, 2024	3,000,000	6,613,381	2,554,055	3,979,135	14,406,966	3,002,240	836,700	34,392,477
Additions	-	-	-	-	5,873,220	2,912,190	-	8,785,410
Disposal	-	-	-	-	-	-		-
Balance as at June 30, 2025	3,000,000	6,613,381	2,554,055	3,979,135	20,280,186	5,914,430	836,700	43,177,887
Depreciation								
Balance as at July 01, 2024	-	661,338	2,276,309	1,931,693	13,772,777	2,360,268	709,510	21,711,895
Charge for the year	-	595,204	55,549	675,656	1,301,482	533,124	25,438	3,186,453
On disposals	-	-	-	-	-	-	-	-
Balance as at June 30, 2025	-	1,256,542	2,331,858	2,607,349	15,074,259	2,893,392	734,948	24,898,348
Total -2025	**3,000,000**	**5,356,839**	**222,197**	**1,371,786**	**5,205,927**	**3,021,038**	**101,752**	**18,279,539**
Total -2024	**3,000,000**	**5,952,043**	**277,746**	**2,047,442**	**634,189**	**641,972**	**127,190**	**12,680,582**
Rate (%)	0%	10%	20%	33%	20%	15%	20%	

The annexed notes from 1 to 12 form an integral part of these financial statements.

President

DISABLED WELFARE ASSOCIATION
D.W.A

General Secretary

	Note	2025	2024
5. CASH AND BANK BALANCES		--------------(Rupees')--------------	
Cash in Hand		78,737	78,737
Sindh Bank Limited -Current Account		4,284,494	263,374
Habib Metropolitan Bank -Current Account		1,501,650	5,941,215
JS Bank Limited - Current Account		245,667	843,325
Habib Bank Limited-Current Account		2,231,341	3,247,879
		8,341,889	10,374,530

6. OTHER CURRENT ASSESTS

	2025	2024
Staff Loan	-	55,000
WHT	-	6,568
Other Receivable	93,000	-
	93,000	61,568

7. ACCRUED AND OTHER LIABILITIES

	2025	2024
Sohail Rais	88,054	88,054
Jawaid Rais	97,420	97,420
Accrued expenses	-	1,040,374
WHT tax payable	1,470,557	-
	1,656,031	1,225,848

8. PROGRAM EXPENDITURE

	2025	2024
Distribution of Assistive Devices (Wheel Chairs etc.)	5,973,918	5,530,539
Financial help of PWD's	795,000	1,772,160
Training of PWD's	5,567,620	1,011,230
Awareness campaign	2,198,095	1,142,638
Transport for PWD's	3,347,761	4,587,100
Assistance for artificial limbs and hands	7,901,264	10,252,059
Food for beneficiaries	10,010,752	7,940,276
Salaries, wages and benefits	12,593,487	10,314,094
Event management	70,998	891,687
Medicines and health care of PWD's	4,750,492	658,524
Zakat distribution	1,545,160	435,940
Travelling and conveyance	1,566,613	957,900
School fee of PWD's	717,125	-
ILC Building Rent	1,655,820	1,676,558
	58,694,105	47,170,705

DISABLED WELFARE ASSOCIATION
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	2025	2024
	---(Rupees')---	

9. ADMINISTRATION, MANAGEMENT & GENERAL EXPENDITURE

	2025	2024
Office supplies	127,697	52,035
Depreciation	3,186,453	3,186,453
Fee and Subscription	415,730	692,400
Salaries, wages and benefits	2,475,217	2,100,000
Utilities and communications	2,162,781	1,983,783
Repair and maintenance	1,762,701	1,546,914
Printing and stationary	364,150	279,072
Legal and professional	627,522	150,000
Postage and courier	67,990	19,105
Misc. expense	198,800	80,170
	11,389,041	10,089,932

10. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on __________ by the Board of directors of the Association.

11. GENERAL

Figures have been rounded off to the nearest rupee.

President

General Secretary

DISABLED WELFARE ASSOCIATION D.W.A