

DISABLED WELFARE ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026



J.A.S.B. & Associates
Chartered Accountants

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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, 2026, 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, 2026 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.

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.



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.



Chartered Accountants

Karachi

Dated: 27 AUG 2026

UDIN: AR20261045227fpUzABh



DISABLED WELFARE ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 ------(Rupees')-----	2025
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	<u>15,891,836</u> 15,891,836	<u>18,279,539</u> 18,279,539
CURRENT ASSETS			
Cash and bank balances	5	<u>14,571,221</u>	<u>8,341,889</u>
Other current assets	6	<u>-</u>	<u>93,000</u>
		14,571,221	8,434,889
TOTAL ASSETS		<u><u>30,463,057</u></u>	<u><u>26,714,428</u></u>
FUND AND LIABILITIES			
FUNDS			
Accumulated fund		30,277,583	25,058,397
CURRENT LIABILITY			
Accrued and other liabilities	7	<u>185,474</u>	<u>1,656,031</u>
TOTAL FUND AND LIABILITIES		<u><u>30,463,057</u></u>	<u><u>26,714,428</u></u>

The annexed notes form an integral part of these financial statements.


PRESIDENT




GENERAL SECRETARY



DISABLED WELFARE ASSOCIATION
STATEMENT OF INCOME & EXPENDITURE
AS AT JUNE 30, 2026

	Note	2026 ------(Rupees')-----	2025
INCOME			
Donations		69,344,426	69,479,503
Zakat		11,208,455	3,820,900
		<u>80,552,881</u>	<u>73,300,403</u>
EXPENSES			
Program expenditure	8	62,660,908	58,694,105
Administrative, management & general expenditure	9	12,653,961	11,389,041
Financial expenses		18,826	49,692
		<u>75,333,695</u>	<u>70,132,838</u>
OPERATING SURPLUS		<u>5,219,186</u>	<u>3,167,565</u>
OTHER INCOME			
		-	-
Surplus before taxation		<u>5,219,186</u>	<u>3,167,565</u>
Taxation - Current		-	-
-Deferred		-	-
Surplus after taxation		<u><u>5,219,186</u></u>	<u><u>3,167,565</u></u>

The annexed notes form an integral part of these financial statements.


PRESIDENT




GENERAL SECRETARY



DISABLED WELFARE ASSOCIATION
STATEMENT OF CHANGE IN FUND BALANCES
FOR THE YEAR END JUNE 30, 2026

	Restricted	Un-restricted	Total
	----- (Rupees) -----		
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
Fund receipts during the year	-	80,552,881	80,552,881
Disbursement of expenses	-	(75,314,869)	(75,314,869)
Financial charges	-	(18,826)	(18,826)
FUND BALANCE AS AT JUNE 30, 2026	-	30,277,583	30,277,583

The annexed notes form an integral part of these financial statements.


PRESIDENT




GENERAL SECRETARY

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 are:

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 judgments, 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.

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 outstanding.

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.

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.

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.

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4. OPERATING FIXED ASSETS - TANGIBLE

Description	Land	Building on leasehold land	Furniture and fixtures	Computer & electronic equipment	Vehicle	Plant & equipment	Generator	Total
Cost								
Balance as at July 01, 2025	3,000,000	6,613,381	2,554,055	3,979,135	20,280,186	5,914,430	836,700	43,177,887
Additions	-	-	-	-	-	188,000	-	188,000
Disposal	-	-	-	-	-	-	-	-
Balance as at June 30, 2025	3,000,000	6,613,381	2,554,055	3,979,135	20,280,186	6,102,430	836,700	43,365,887
Depreciation								
Balance as at July 01, 2025	-	1,256,542	2,331,858	2,607,349	15,074,259	2,893,392	734,948	24,898,348
Charge for the year	-	535,684	44,439	452,689	1,041,185	481,356	20,350	2,575,703
On disposals	-	-	-	-	-	-	-	-
Balance as at June 30, 2026	-	1,792,226	2,376,297	3,060,038	16,115,444	3,374,748	755,298	27,474,051
Total -2026	3,000,000	4,821,155	177,758	919,097	4,164,742	2,727,682	81,402	15,891,836
Total -2025	3,000,000	5,356,839	222,197	1,371,786	5,205,927	3,021,038	101,752	18,279,539
Rate (%)	0%	10%	20%	33%	20%	15%	20%	

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	2026	2025
	(Rupees')	
5. CASH AND BANK BALANCES		
Cash in Hand	78,737	78,737
Sindh Bank Limited	17,933	4,284,494
Habib Metropolitan Bank	10,018,978	1,501,650
JS Bank Limited	1,888	245,667
Habib Bank Limited	4,453,685	2,231,341
	<u>14,571,221</u>	<u>8,341,889</u>
6. OTHER CURRENT ASSETS		
Staff loan	-	93,000
Other receivable	-	-
	<u>-</u>	<u>93,000</u>
7. ACCRUED AND OTHER LIABILITIES		
Sohail Rais	88,054	88,054
Jawaid Rais	97,420	97,420
WHT tax payable	-	1,470,557
	<u>185,474</u>	<u>1,656,031</u>
8. PROGRAM EXPENDITURE		
Distribution of assistive devices	23,101,249	5,973,918
Financial help of PWD's	150,000	795,000
Training of PWD's	1,981,638	5,567,620
Awareness campaign	-	2,198,095
Transport for PWD's	3,913,551	3,347,761
Assistance for artificial limbs and hands	-	7,901,264
Food for beneficiaries	7,536,784	10,010,752
Salaries, wages and benefits	15,768,395	12,593,487
Event management	568,796	70,998
Medicines and health care of PWD's	1,242,147	4,750,492
Zakat distribution	3,290,000	1,545,160
Donations and charitable disbursements	1,262,000	-
Travelling and conveyance	836,939	1,566,613
School fee of PWD's	265,785	717,125
Shipping and clearing charges	848,350	-
ILC building rent	1,895,274	1,655,820
	<u>62,660,908</u>	<u>58,694,105</u>
9. ADMINISTRATION, MANAGEMENT & GENERAL EXPENDITURE		
Office supplies	976,264	127,697
Depreciation	2,575,703	3,186,453
Fee and Subscription	10,000	415,730
Salaries, wages and benefits	3,099,237	2,475,217
Utilities and communications	2,400,082	2,162,781
Repair and maintenance	1,735,084	1,762,701
Printing and stationary	277,470	364,150
Legal and professional	1,082,183	627,522
Postage and courier	-	67,990
Property tax	497,938	-
Misc. expense	-	198,800
	<u>12,653,961</u>	<u>11,389,041</u>



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

