Resolution No 04

Welfare Association Jared (WAJ)
Board of Governors (BoG) Resolution
Date: 04-February-2026

A resolution is passed through circulation by the Board of Governors (BoG) of Welfare Association Jared (WAJ) where the following decisions are made for the best interest of the Organization.

1 **Approval of Financial Statements**

Board approved the Organization Financial Statements for the year ending Jun-2025 audited by M/S Baker Tilly Mehmood Idrees Qamar, Chartered Accountants.

2 **Authorization for Signing Financial Statements**

The BoG authorized Mr. Mukhtar Javed (Executive Director) and Mr. Rafique Abbasi (Manager Finance) to sign the financial statements.

Approved by the Board of Governors (BoG):

1. **Muhammad Akmal** – Chairperson BoG ____________________
2. **Muhammad Gulfam** – Member BoG ____________________
3. **Gulnaz Bibi** – Member BoG ____________________
4. **Noor Muhammad** – Member BoG ____________________
5. **Nazia Anwar** – Member BoG ____________________
6. **Sadia Riaz** – Member BoG ____________________
7. **Ishrat Akbar** – Member BoG ____________________

Mukhtar Javed
Executive Director

WELFARE ASSOCIATION JARED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

bakertilly

Baker Tilly Mehmood Idrees Qamar
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INDEPENDENT AUDITORS' REPORT

To the members of the Welfare Association Jared

Opinion

We have audited the financial statements of Welfare Association Jared (Organization), which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure, the statement of changes in net assets and cash flows statement 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 give a true and fair view of the financial position as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the Revised Accounting and Reporting Standards for Small Sized Entities and Accounting Standard for Not for Profit Organization (NPOs) as issued by the Institute of Chartered Accountants of Pakistan (referred to as "applicable accounting and reporting standards").

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 *Auditor's Responsibilities for the audit of the Financial Statements section* of our report. We were independent of the Organization 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 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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the applicable accounting and reporting standards and for such internal control as the management determines 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 is responsible for assessing the Organization ability to continue as 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 Organization or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Organization financial reporting process.

Auditor's Responsibility 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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes an opinion. Reasonable level of assurance is a high level of assurance, but is not a guaranteed 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 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud of 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 Organization internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Organization. .

- 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 Organization ability to continue as a going concern .If we conclude that a material uncertainty exists, we are required to draw our 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 up to the dates of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as 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 presentations.

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 in internal control that we identify during our audit.

Other Matter

The financial statement of the Organization for the year ended June 30th 2025 were audited by another auditor, who expressed an unmodified audit opinion on those statements on 09 August, 2024

The engagement partner on the audit resulting in this independent auditors' report is Siraj Ahmad (R-2522).

Bakertilly MIQ.

Baker Tilly Mehmood Idrees Qamar
Chartered Accountants

Place: Islamabad

Date: February 12, 2026

Unique Document Identification Number: AR202510286m4u9GU5kh

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

	Note	2025	2024
		---------------- Rupees	----------------
ASSETS			
Non-Current Assets			
Property and equipments	4	1,980,930	727,639
Security deposits		54,000	54,000
		2,034,930	**781,639**
Current Assets			
Other receivables		84,523	666,175
Cash and bank balances	5	4,164,967	2,115,684
		4,249,490	**2,781,859**
TOTAL ASSETS		**6,284,420**	**3,563,498**
LIABILITIES			
Non Current Liabilities			
Deferred capital grant	6	**1,299,944**	-
Current Liabilities			
Restricted funds	7	2,589,403	1,874,617
Accrued and other payables	8	1,849,206	1,286,993
		4,438,609	**3,161,610**
TOTAL LIABILITIES		**5,738,553**	**3,161,610**
NET ASSETS		**545,867**	**401,888**
REPRESENTED BY:			
General fund		**545,867**	**401,888**
CONTINGENCIES AND COMMITMENTS			

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

Manager Finance

Executive Director

WELFARE ASSOCIATION JARED
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		-------------- Rupees	---------------
INCOME			
Amortization of deferred capital grant	6	278,078	-
Grant amortized - restricted	7	10,804,198	12,773,594
Other income	9	212,090	407,475
		11,294,366	**13,181,069**
EXPENDITURE			
Program expenses	10	8,839,610	12,773,594
Administrative expenses	11	2,310,777	516,447
		11,150,387	**13,290,041**
SURPLUS / (DEFICIT) FOR THE YEAR		**143,979**	**(108,972)**

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

Manager Finance

Executive Director

WELFARE ASSOCIATION JARED
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund
	Rupees
Balance as at July 1, 2023	**510,860**
Deficit for the year	(108,972)
Balance as at June 30, 2024	**401,888**
Balance as at July 1, 2024	**401,888**
Surplus for the year	143,979
Balance as at June 30, 2025	**545,867**

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

Manager Finance

Executive Director

WELFARE ASSOCIATION JARED
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Notes	2025	2024
		---------------- Rupees	----------------
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus/ (Deficit) for the year		143,979	(108,972)
Adjustment of non-cash items:			
Depreciation on property and equipments	4	324,731	55,000
Amortization of grant income	6	(278,078)	-
Grant amortized - restricted		(10,804,198)	
		(10,613,566)	**(53,972)**
WORKING CAPITAL CHANGES			
(Increase)/ decrease in current assets			
Grant receivables		-	1,286,684
Other receivable		581,652	(474,725)
Increase/ (decrease) in current liabilities			
Accrued and other payables		562,213	(4,090)
		1,143,865	**807,869**
Net cash (used in)/ generated from operations		**(9,469,701)**	**753,897**
CASH FLOWS FROM FINANCING ACTIVITIES			
Grant received		11,518,984	-
Members contribution		-	892,963
Net cash flows from financing activities		**11,518,984**	**892,963**
Net increase in cash and cash equivalents		**2,049,283**	**1,646,860**
Cash and cash equivalent at start of the year		2,115,684	468,824
Cash and cash equivalent at the end of the year	5	**4,164,967**	**2,115,684**

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

Manager Finance

Executive Director

WELFARE ASSOCIATION JARED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND OBJECTIVES

Welfare Association Jared (the Organization) is non government, not for profit and non political organization registered with Directorate of Social Welfare of Government of KPK under the Voluntary Social Welfare Agencies (Registration and Control Ordinance) 1961 in 1988. The Welfare is working for uplift of vulnerable communities. The main objective of Welfare Association are to work for community development, democracy and governance, child welfare protection of human rights. The principal office of entity is situated in Jared Abbottabad.

The Organization was registered on 26 May 2025 (Certificate No.PCP-2025/1535) with Pakistan Centre for Philanthropy (PCP) as an Not for Profit Organization (NPO) valid upto 2027.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan comprise of:

- Revised Accounting and Financial Reporting Standards for Small Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan.

- Accounting standard for not for Profit Organizations (Accounting standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2.2 Basis of measurement

These financial statements have been prepared using the accrual basis of accounting.

2.3 Functional and presentation currency

These financial statements are presented in Pak rupee, which is the functional and presentation currency of the organization.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Property and equipments

Property and equipment are stated at cost less accumulated depreciation. Depreciation is charged at the rates mentioned in respective note under reducing balancing method. Depreciation is charged when an asset is available for use and is calculated on a pro-rata basis for the period the asset is held during the year.

The gain or loss on disposal of an asset is represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

3.2 Security Deposit

Security deposits are recognized at nominal amount which is fair value of the consideration to be received in future

3.3 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and cash at bank.

3.4 Other receivables

These are recognized at cost, which is the fair value of the consideration given. However, an assessment is made at each reporting date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such an indication exists, the estimated recoverable amount of that asset is determined, and any impairment loss is recognized for the difference between the recoverable amount and the carrying value.

3.5 Accrued and other liabilities

Accrued and other liabilities are carried at cost which is the fair value of the consideration to be paid in future for the goods and services received, whether billed or not to the Organization.

3.6 General Fund

The surplus/deficit for the year is accumulated to general fund.

3.6 Impairment

At each statement of financial position date, the Organization reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount is the greater of an asset's net selling price and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease, to the extent of the revaluation surplus pertaining to that asset.

3.7 Recognition of income

- Grant received for specific purposes are classified as restricted grant. Such grants are transferred to income to the extent of actual expenditure incurred there against. Unspent portion of such grant is reflected as unutilized donor fund in the balance sheet.

- Expenditure incurred against grant committed but not received is accrued and recognized in income and is reflected as grant receivable where there is reasonable assurance that the Organization will comply with the conditions attached and that the grants will be received.

- Non monetary grants that are intended to compensate the Organization for the specific cost is recognized systematically as income over the periods necessary to match those grants with the cost that are intended to compensate non-monetary grants are reported at fair value is determinable otherwise non monetary grants are reported at nominal amounts.

- Grant that relate to purchase, construction, or otherwise acquisition of long-lived assets including intangible assets are recognized by the grant as deferred income. Deferred income is recognized in the income statement on a systematic and rational basis over the shorter of project life or useful of the asset in case, project budget specifies purchase of asset necessary to meet the objectives of the grant contract for that specific period, then such purchase is treated as period cost.

3.8 Provisions

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

3.9 Taxation

The Organization is registered with the income tax authorities as not for profit Organization under Section 2(36) of the Income Tax Ordinance, 2001 read with the Rule 212 and 220 of the Income Tax Rules 2002. No provision for taxation has been recognized in the financial statements since as a not for profit organization, it is allowed a tax credit equal to one hundred percent (100%) of the tax payable including minimum tax and final tax payable, under section 100C of the Income Tax Ordinance, 2001.

3.10 Foreign currency transactions

Transactions in foreign currencies are translated into rupees at the rates of exchange approximating those prevailing at the dates of transactions. Monetary assets and liabilities in foreign currencies are translated into rupees at the rates of exchange approximating those prevailing at the balance sheet date. Profit and losses arising on translation are recognized in the income and expenditure statement. All exchange differences are routed through income and expenditure statement.

4 PROPERTY AND EQUIPMENTS

	Owned					Funded				Total
	Land	Building	Furniture & Fixture	Office Equipment	Sub-total	Furniture & Fixture	Computer & Printers	Office Equipment	Sub-total	
	---------- Rupees ----------									
Net carrying value basis										
Year ended June 30, 2025										
Opening net book value	375,000	238,747	35,173	78,719	727,639	-	-	-	-	727,639
Additions (at cost)	-	-	-	-	-	21,000	880,410	676,612	1,578,022	1,578,022
Depreciation charge	-	(23,875)	(7,035)	(15,744)	(46,653)	(3,360)	(155,338)	(119,380)	(278,078)	(324,731)
Net book value	**375,000**	**214,872**	**28,138**	**62,975**	**680,986**	**17,640**	**725,072**	**557,232**	**1,299,944**	**1,980,930**
Gross carrying value basis										
As at June 30, 2025										
Cost	375,000	500,000	103,666	147,000	1,125,666	21,000	880,410	676,612	1,578,022	2,703,688
Accumulated depreciation	-	(285,128)	(75,528)	(84,025)	(444,680)	(3,360)	(155,338)	(119,380)	(278,078)	(722,758)
Net book value	**375,000**	**214,872**	**28,138**	**62,975**	**680,986**	**17,640**	**725,072**	**557,232**	**1,299,944**	**1,980,930**
Net carrying value basis										
Year ended June 30, 2024										
Opening net book value	375,000	265,275	43,966	98,398	782,639	-	-	-	-	782,639
Additions (at cost)	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	(26,528)	(8,793)	(19,680)	(55,000)	-	-	-	-	(55,000)
Net book value	**375,000**	**238,748**	**35,173**	**78,718**	**727,639**	**-**	**-**	**-**	**-**	**727,639**
Gross carrying value basis										
As at June 30, 2024										
Cost	375,000	500,000	103,666	147,000	1,125,666	-	-	-	-	1,125,666
Accumulated depreciation	-	(261,253)	(68,493)	(68,281)	(398,027)	-	-	-	-	(398,027)
Net book value	**375,000**	**238,747**	**35,173**	**78,719**	**727,639**	**-**	**-**	**-**	**-**	**727,639**
Depreciation rate	**-**	**10%**	**20%**	**20%**		**20%**	**20%**	**20%**		

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WELFARE ASSOCIATION JARED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		---------------- Rupees	----------------
5 CASH AND BANK BALANCES			
Cash in hand		1,525	-
Cash at bank			
- Saving account	5.1	4,163,442	1,926,700
- Current account		-	188,984
		4,164,967	**2,115,684**

5.1 The saving account carries markup rate of 9.5% (2024: 13.5%)

	Note	2025	2024
6 DEFERRED CAPITAL GRANT			
Balance as at July 01		-	-
Addition during the year:	6.1	1,578,022	-
Less: Amortization for the year		(278,078)	-
Balance as at June 30		**1,299,944**	**-**

6.1 During the year the organization received in-kind donations of equipment valued at Rs.676,612, furniture and fixtures valued at Rs.21,000 and computers and printers valued at Rs.880,410 from donors.

	Note	2025	2024
7 RESTRICTED FUNDS			
Opening balance		1,874,617	981,654
Received during the year		11,518,984	13,666,557
Amortization during the year		(10,804,198)	(12,773,594)
Closing balance	7.1	**2,589,403**	**1,874,617**
8 ACCRUED AND OTHER PAYABLES			
EOBI payable		23,680	-
Withholding tax payable		30,547	-
Audit fee payable		135,000	30,000
Others payable		1,659,979	1,256,993
		1,849,206	**1,286,993**
9 OTHER INCOME			
Interest income		177,673	-
Other income		34,417	407,475
		212,090	**407,475**
10 PROGRAM EXPENSES			
Salaries and other benefits		4,088,482	6,674,800
Travel and lodging expense		1,006,180	1,206,873
Printing and stationery expenses		676,657	43,775
Miscellaneous expenses		61,775	545,909
Rent expense		205,443	281,186
Project activity cost		2,504,081	3,890,251
Meeting expenses		296,991	130,800
		8,839,609	**12,773,594**

	Note	2025	2024
		---------------- Rupees ----------------	

11 ADMINISTRATIVE EXPENSES

Staff salaries and benefits	141,614	27,000
Staff travel, perdiem and board lodging	59,217	178,867
Office rent expense	146,745	-
Office supplies	132,555	66,840
Printing and stationery	16,019	17,630
Repair and maintenance	-	4,388
Bank charges	31,509	28,642
Depreciation expense	324,731	55,000
Legal expenses	500,280	-
Audit fee	135,000	30,000
Utilities expense	116,932	98,080
Networking and linkages	40,000	10,000
Advance tax withheld written-off	666,175	-
	2,310,777	**516,447**

12 REMUNERATION OF EXECUTIVE DIRECTORS

Executive remuneration	**3,499,815**	**2,566,800**
Number of Person	**2**	**2**

13 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by Board of Governance of the Organization on 04-Feb-2026.

14 GENERAL

Figures have been rounded off to the nearest rupees, unless otherwise stated.

Manager Finance

Executive Director

7.1 RESTRICTED FUND

Development Partners	30-Jun-25				
	Opening balance	Received during the year	Program Activities	Unspent fund amortized	Closing balance
	----Rupees----				
TDEA-Excess To Women Workers To Market (EWAM)	88,417	-	-	(88,417)	-
TDEA-Women's Enjoyment Of Rights & Leadership (WRL)	1,105,061	-	-	(1,105,061)	-
TDEA-Electoral Quality Inclusiveness In Pakistan(EQUIP)	597,248	3,504,023	(4,101,271)		-
Canadian Funds For Local Initiatives In Kaghan Valley(CFLI)	53,061	-	-	(53,061)	-
Start Network - Hunza Flood (READY)	-	2,077,920	(2,007,036)	(70,884)	-
Strengthening Citizen's Engagement In Accountability (CPDI)	30,830	1,516,373	(983,424)	(563,779)	-
Beyond Survival Transforming Power Of Community (BEST)	-	4,420,668	(1,831,265)	-	2,589,403
	1,874,617	**11,518,984**	**(8,922,996)**	**(1,881,202)**	**2,589,403**

Development Partners	30-Jun-24				
	Opening balance	Received during the year	Program Activities	Unspent fund amortized	Closing balance
	----Rupees----				
TDEA-Excess To Women Workers To Market (EWAM)	88,417	-	-	-	88,417
TDEA-Women's Enjoyment Of Rights & Leadership (WRL)	820,364	3,771,291	(3,486,594)	-	1,105,061
TDEA-Electoral Quality Inclusiveness In Pakistan(EQUIP)	-	7,982,434	(7,385,186)	-	597,248
Canadian Funds For Local Initiatives In Kaghan Valley(CFLI)	53,061	-	-	-	53,061
National Democratic University(NDI)	-	366,160	(366,160)	-	-
Strengthening Citizen's Engagement In Accountability (CPDI)	19,812	1,546,672	(1,535,654)	-	30,830
	981,654	**13,666,557**	**(12,773,594)**	**-**	**1,874,617**