

Private & Confidential

INDEPENDENT AUDITOR'S REPORT
TO THE GENERAL BODY OF DEVELOPMENT ACTION FOR
MOBILIZATION AND EMANCIPATION (DAMEN) PAKISTAN
REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION (DAMEN) PAKISTAN** (the Society), which comprise the statement of financial position as at December 31, 2023 and the income and expenditure statement, the statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2023, and its financial performance, the changes in accumulated funds and its cash flows for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with 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 Society 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 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 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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. Misstatements 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:

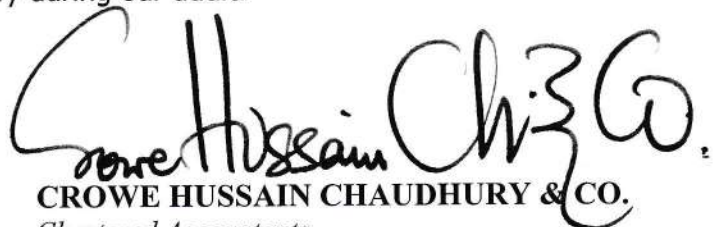
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Society'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 Society'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 Society 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 the 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.

Lahore

Dated: February 20, 2024

UDIN: AR2023100519CnXSbqex



CROWE HUSSAIN CHAUDHURY & CO.

Chartered Accountants

(Engagement Partner: Amin Ali)

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION (DAMEN) PAKISTAN

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

		2023	2022
	Note	Rupees	Rupees
ASSETS			
Non Current Assets			
Operating fixed assets	4	4,638,241	4,643,749
Long term security deposit		170,000	170,000
		4,808,241	4,813,749
Current Assets			
Short term loan	5	110,000,000	110,000,000
Short term investment	6	42,300,000	38,800,000
Short term deposits, advances, prepayments and other receivables	7	312,651	358,657
Accrued markup		1,149,396	714,263
Tax refund due from government		3,423,164	372,843
Cash and bank balances	8	6,396,920	6,412,278
		163,582,131	156,658,041
Total Assets		168,390,372	161,471,790
FUND AND LIABILITIES			
Funds			
General fund		25,329,293	17,925,129
Reserves		139,766,521	139,766,521
		165,095,814	157,691,650
Current liabilities			
Accrued and other liabilities	9	2,693,588	3,232,827
Advance rental income		600,970	547,313
		3,294,558	3,780,140
Contingencies and Commitments	10	-	-
		168,390,372	161,471,790

The annexed notes from 1 to 22 form an integral part of these financial statements.


EXECUTIVE DIRECTOR


TREASURER

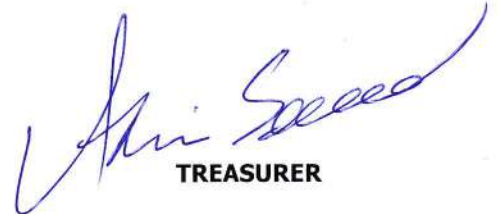
**DEVELOPMENT ACTION FOR MOBILIZATION AND
EMANCIPATION (DAMEN) PAKISTAN**

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Note	2023 Rupees	2022 Rupees
Income			
Donations		140,000	550,000
Profit on investments and bank deposits	11	34,519,587	23,276,710
Membership fee		10,000	12,500
Other income	12	807,039	722,809
		35,476,626	24,562,019
Expenditure			
General and administrative expenses	13	2,308,998	1,968,736
Training expenses	14	3,930,852	2,559,408
Home schools expenses	15	15,724,936	11,499,594
Health care expenses	16	6,107,676	2,813,164
		(28,072,462)	(18,840,902)
Surplus before Taxation		7,404,164	5,721,117
Taxation	18	-	-
Net Surplus for the Year		7,404,164	5,721,117

The annexed notes from 1 to 22 form an integral part of these financial statements.


EXECUTIVE DIRECTOR


TREASURER

**DEVELOPMENT ACTION FOR MOBILIZATION AND
EMANCIPATION (DAMEN) PAKISTAN**

**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General Funds	Reserves	Total Funds
	Rupees	Rupees	Rupees
Balance as at December 31, 2021	12,204,012	139,766,521	151,970,533
Net surplus for the year	5,721,117	-	5,721,117
Balance as at December 31, 2022	17,925,129	139,766,521	157,691,650
Net surplus for the year	7,404,164	-	7,404,164
Balance as at December 31, 2023	<u>25,329,293</u>	<u>139,766,521</u>	<u>165,095,814</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.



EXECUTIVE DIRECTOR



TREASURER

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION (DAMEN) PAKISTAN

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 Rupees	2022 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before taxation	7,404,164	5,721,117
Adjustments for non cash items		
- Depreciation of operating fixed assets	130,508	116,917
- Markup income on loan	(25,623,672)	(18,415,624)
- Profit on short term investment	(8,130,074)	(4,861,086)
- Rental income recognized during the year	(795,802)	(722,444)
Deficit before working capital changes	(27,014,876)	(18,161,120)
Working capital changes		
(Increase) / decrease in current assets:		
- Short term deposits, advances, prepayments and other receivables	46,006	(18,243)
(Decrease) / increase current liabilities:		
- Accrued and other liabilities	(539,239)	1,777,274
Rental Income received during the year	849,459	774,931
	356,226	2,533,962
Cash used in operations	(26,658,650)	(15,627,158)
Income tax paid / deducted at source	(3,050,321)	(128,710)
Net Cash Used in Operating Activities	(29,708,971)	(15,755,868)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of term deposit receipts	(3,500,000)	(33,800,000)
Proceeds from maturity of term deposit receipts	-	28,500,000
Purchase of fixed asset	(125,000)	(110,000)
Markup on short term loan received	25,623,672	18,415,624
Profit on short term investments received	7,694,941	4,528,247
Net Cash Generated from Investing Activities	29,693,613	17,533,871
CASH FLOWS FROM FINANCING ACTIVITIES		
	-	-
(Decrease) / Increase in Cash and Cash Equivalents	(15,358)	1,778,003
Cash and cash equivalents at the beginning of the year	6,412,278	4,634,275
Cash and Cash Equivalents at the End of the Year	6,396,920	6,412,278

The annexed notes from 1 to 22 form an integral part of these financial statements.


EXECUTIVE DIRECTOR


TREASURER

DEVELOPMENT ACTION FOR MOBILIZATION AND EMANCIPATION (DAMEN) PAKISTAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

Note 1

The Society and its Operations

Development Action for Mobilization and Emancipation (DAMEN) Pakistan (the 'Society') was founded and registered in May 1992 as a non profit organization under the Societies Registration Act, 1860 (Act XXI of 1860). The principal activity of DAMEN Pakistan is to provide financial and operational support for provision of primary education and basic health facilities through community based schools and health care programs in rural areas in vicinity of Lahore, Kasur, Sheikhpura and Nankana Districts. In addition to these functions, DAMEN Pakistan also provides non financial services in the form of trainings both to its clients and staff.

The Society is domiciled in Pakistan and its registered office is situated at 1st Floor, 187-Excise and Taxation Employees Cooperative Housing Society, (ETECHS) Abdul Sattar Edhi Road, Lahore.

Note 2

Basis of Preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standard comprise Revised Accounting and Financial Reporting Standard for Small Sized Entities (SSEs) and Accounting Standard for Non-profit Organizations (NPOs), both 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 Use of estimation 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.

The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of operating fixed assets – Note 3.1 & 4
- Provision for taxation - Note 3.8 & 18
- Contingencies and commitments - Note 10
- Expenditure allocation between general & administrative expenses and different programs - Note 3.12
- Provision for doubtful trade debts - Note 3.5, 3.9 & 7

2.4 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees, which is the Society's functional and presentation currency. All financial information is presented in Pak Rupees and has been rounded off to the nearest rupee, unless stated otherwise.

Note 3

Significant Accounting Policies

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

3.1 Operating Fixed Assets

Operating Fixed Assets are stated at cost less accumulated depreciation and identified impairment loss, if any. The cost of these assets consists of historical cost and other directly attributable costs incurred to bring assets to their working conditions.

Depreciation on all operating fixed assets is charged to income on straight-line method so as to write off the historical cost of assets over estimated useful life at rates specified in note 4. Depreciation on additions to operating fixed assets is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is derecognized.

3.2 Rental Income

Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of profit or loss on a straight-line basis over the lease term and is included in rental income.

3.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cheques in hand and deposits with banks in saving accounts.

3.4 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Society.

3.5 Trade debts***Measurement***

Trade receivables and other receivables are recognized and carried at transaction price less an allowance for impairment.

Impairment

A provision for impairment of trade receivables is established when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognized in the income and expenditure statement. Bad debts are written-off in the income and expenditure statement on identification.

3.6 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak rupees at exchange rates prevailing at the date of transaction. Exchange gains and losses are charged / credited to income or expenditure.

3.7 Related party transactions

Transactions with related parties are priced on arm's length basis. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.

*Note 3, Significant Accounting Policies - Contd....***3.8 Taxation**

Under section 100C of the Income Tax Ordinance, 2001, the tax liability of the Society does not arise because it is entitled to a 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. The exemption certificate expired on June 30, 2023 and its renewal is currently in process.

3.9 Provisions

Provisions are recognized when the Society has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources shall be required to settle the obligation and the amount has been reliably estimated. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.10 General Fund and Reserves

These are unrestricted funds. Income arising from general unrestricted resources is recognized in the income and expenditure statement when the amount of income can be measured reliably and when it is probable that the economic benefits associated with the transaction will flow to the Society.

3.11 Restricted funds

Funds held for specific usage are restricted funds which are separately accounted for and presented in the financial statements.

Contributions against restricted funds are recognized as income in the year of receipt in the income and expenditure account for the respective restricted fund reported in the financial statements. Contributions subject to similar restrictions will all be reported in the same fund and will be accounted for in the same way on consistent basis from year to year. Income that is generated from assets held in a restricted fund is subject to the same restrictions as the original fund, unless the terms that imposed the original restriction specifically say otherwise.

There are no funds which are designated as restricted funds.

3.12 Allocation of common expenses

Common expenses incurred by the Society other than those that are directly attributable to administrative and general expenses or a particular program have been apportioned between general and administrative expenses, training expenses, home school expenses and health care expenses in the ratio of 10%, 15%, 50%, 25% (2022: 10%, 15%, 50%, 25%) respectively.

3.13 Financial instruments

The Society accounts for its financial instruments as per International Financial Reporting Standard for Small Sized Entities (IFRS for SSEs) issued by IASB. The Society determines the classification of its financial instruments at the time of initial recognition and classifies its financial assets as basic financial instruments initially measures at transaction price and 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.

Note 4

Operating Fixed Assets

Year Ended December 31, 2023

Particulars	Land	Building	Vehicles	Computer Equipment	Furniture and Fixtures	Office Equipment	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost							
Balance as at January 01, 2023	3,866,200	1,157,579	2,624,200	502,009	361,561	722,285	9,233,834
Additions	-	-	-	-	-	125,000	125,000
Disposals	-	-	-	-	-	-	-
Balance as at December 31, 2023	3,866,200	1,157,579	2,624,200	502,009	361,561	847,285	9,358,834
Accumulated depreciation							
Balance as at January 01, 2023	-	566,912	2,624,200	445,248	277,406	676,319	4,590,085
Charge for the year	-	57,876	-	22,698	33,978	15,956	130,508
Disposals	-	-	-	-	-	-	-
Balance as at December 31, 2023	-	624,788	2,624,200	467,946	311,384	692,275	4,720,593
Book Value as at December 31, 2023	3,866,200	532,791	-	34,063	50,177	155,010	4,638,241
Depreciation rates	-	5%	20%	33%	10%	20%	

Notes to and Forming Part of the Financial Statements

Note 4, Operating fixed assets - Contd.....

Year Ended December 31, 2022

Particulars	Land	Building	Vehicles	Computer Equipment	Furniture and Fixtures	Office Equipment	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at January 01, 2022	3,866,200	1,157,579	2,624,200	433,909	361,561	680,385	9,123,834
Additions	-	-	-	68,100	-	41,900	110,000
Disposals	-	-	-	-	-	-	-
Balance as at December 31, 2022	3,866,200	1,157,579	2,624,200	502,009	361,561	722,285	9,233,834

Accumulated depreciation

Balance as at January 01, 2022	-	509,036	2,624,200	430,792	249,891	659,249	4,473,168
Charge for the year	-	57,876	-	14,456	27,515	17,070	116,917
Disposals	-	-	-	-	-	-	-

Balance as at December 31, 2022	-	566,912	2,624,200	445,248	277,406	676,319	4,590,085
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Book Value as at December 31, 2022	3,866,200	590,667	-	56,761	84,155	45,966	4,643,749
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Depreciation rates	-	5%	20%	33%	10%	20%	
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4.1 Apportionment of depreciation charge for the year

Depreciation charge for the year has been apportioned as follows:

	Note	2023	2022
		Rupees	Rupees
General and administrative expenses	13	13,051	11,691
Training expenses	14	19,576	17,538
Home schools expenses	15	65,255	58,459
Health care expenses	16	32,626	29,229
		<u>130,508</u>	<u>116,917</u>

4.2 Land and buildings include certain investment properties which are either mixed used properties or whose fair value cannot be determined without undue cost or effort. Therefore, these investment properties have been classified in operating fixed assets.

4.3 The immovable property (i.e. land and building) owned by the Society is situated at Nawab Town, Block C, Plot 24. The total land area of the property is 1 Kanal.

Note 5
Short Term Loan

		2023	2022
	Note	Rupees	Rupees
Short term loan	5.1	<u>110,000,000</u>	<u>110,000,000</u>

- 5.1** A demand finance loan of Rs. 110 million (2022: Rs. 110 million) has been given to Damen Support Programme, a related party to enhance the microcredit programme of Damen Support Programme. As per the financing agreement, the 6 monthly KIBOR + 3.25% (2022: 6 monthly KIBOR + 3.25%), prevailing on the first working day of January and July, shall be applied to Damen Support Programme as markup, with no floor and ceiling. Markup is repayable on quarterly basis in arrears. The loan financing is extendable for one year on mutual agreement of both parties. Principal repayments will start from May 14, 2024 and lump sum amount will be paid on maturity date for each tranche, as per repayment schedule agreed by both the parties. This loan is secured against hypothecation of receivables but the charge is not registered.

Note 6
Short Term Investment

		2023	2022
	Note	Rupees	Rupees
Short term investment	6.1	<u>42,300,000</u>	<u>38,800,000</u>

- 6.1** This represents investment in Term Deposit Receipts (TDRs) yielding markup at rates ranging from 15.00% to 21.50% per annum (2022: 15.00% to 16.50%).

Note 7
Short term Deposits, Advances, Prepayments and Other Receivables

		2023	2022
		Rupees	Rupees
Security deposits		187,500	187,500
Advance to staff		-	29,555
Advances to supplier		3,248	3,249
Prepayments		100,395	135,666
Other receivables		<u>21,508</u>	<u>2,687</u>
		<u>312,651</u>	<u>358,657</u>

Note 8
Cash and Bank Balances

		2023	2022
	Note	Rupees	Rupees
Cash in hand		11,316	4,075
Cash at banks - deposit accounts	8.1	<u>6,385,604</u>	<u>6,408,203</u>
		<u>6,396,920</u>	<u>6,412,278</u>

- 8.1** The deposit accounts yielding mark up at rates ranging from 8.8% to 22% per annum (2022: 7.7% to 12.70% per annum).

Note 9
Accrued and Other Liabilities

		Rupees	Rupees
Accrued liabilities		1,316,851	659,893
Other payables		<u>1,376,737</u>	<u>2,572,934</u>
		<u>2,693,588</u>	<u>3,232,827</u>

Note 10
Contingencies and Commitments

There are no material contingencies and commitments outstanding as of reporting date. (2022: Rs. Nil).

Note 11

Profit on Investments and Bank Deposits

	2023	2022
	Rupees	Rupees
Profit on short term investments	8,130,074	4,380,474
Profit on bank deposits	765,841	480,612
Markup income on loan	25,623,672	18,415,624
	<u>34,519,587</u>	<u>23,276,710</u>

Note 12

Other Income

	2023	2022
	Rupees	Rupees
Rental income	795,802	722,444
Other income	11,237	365
	<u>807,039</u>	<u>722,809</u>

Note 13

General and Administrative Expenses

		2023	2022
	Note	Rupees	Rupees
Salaries, wages, and other benefits	13.1	960,835	927,616
Auditor's remuneration		661,250	575,000
Staff health insurance		52,774	52,990
Depreciation		13,051	11,690
Professional charges		131,392	58,385
Fee and subscription		45,480	-
Office supplies		18,946	13,644
Travelling expenses		93,461	40,535
Rent, rates and taxes		63,622	59,173
Utilities		35,592	25,924
Communications		17,476	10,313
Insurance		11,099	7,647
Printing and stationery		16,193	8,397
Bank charges		1,999	9,576
Office repair and maintenance		36,546	22,796
Covid-19 staff benefit		148,219	131,544
Other indirect expenses		1,063	13,506
		<u>2,308,998</u>	<u>1,968,736</u>

13.1 This includes Rs. 41,243 (2022: Rs. 39,912) in respect of employee benefits.

Note 14

Training Expenses

		2023	2022
	Note	Rupees	Rupees
Salaries, wages, and other benefits	14.1	1,990,146	1,878,737
Depreciation		19,576	17,538
Workshop and training		1,143,617	129,050
Professional charges		197,089	87,578
Fee and subscription		68,220	-
Staff health insurance		79,161	79,483
Travel expenses		124,771	68,848
Rent, rates and taxes		95,433	95,834
Utilities		53,388	38,886
Insurance		16,649	11,471
Communications		26,214	15,469
Office supplies		28,419	20,466
Vehicles running expense		15,419	46,560
Office repair and maintenance		54,819	34,194
Meeting expense		16,337	13,031
Other direct expenses		1,594	22,263
		<u>3,930,852</u>	<u>2,559,408</u>

14.1 This includes Rs. 61,685 (2022: Rs. 59,868) in respect of employee benefits.

Note 15

Home Schools Expenses

	Note	2023 Rupees	2022 Rupees
Salaries, waqes, and other benefits	15.1	3,323,183	3,298,355
Stipend to home school teachers		4,957,500	3,280,600
Annual event expenses		709,195	540,096
Professional charges		656,961	291,925
Fee and subscription		227,400	-
Staff health insurance		263,869	264,959
Depreciation		65,254	58,459
Office repair and maintenance		182,729	113,982
Vehicles running and maintenance		51,398	60,715
Rent, rates and taxes		318,110	287,614
Printing and stationery		76,998	41,992
Travel expenses		415,902	238,431
Insurance		55,495	38,235
Utilities		177,961	129,619
Communications		87,382	51,564
Networking and linkages		52,500	30,760
Office supplies		94,729	68,220
Other direct expenses		5,314	32,218
Donation of furniture to home schools		4,003,056	2,671,850
		<u>15,724,936</u>	<u>11,499,594</u>

15.1 This includes Rs. 206,216 (2022: Rs. 199,561) in respect of employee benefits.

Note 16

Health Care Expenses

	Note	2023 Rupees	2022 Rupees
Salaries, waqes, and other benefits	16.1	1,659,177	1,326,793
Subsidy to health awareness sessions		1,043,000	640,564
Health checkup camps		2,065,253	-
Staff health insurance		131,934	132,480
Fee and subscription		113,700	-
Printing and stationery		38,995	20,996
Depreciation		32,626	29,229
Vehicles running expense		25,699	31,081
Travel expenses		207,951	107,662
Professional charges		328,481	145,963
Rent, rates and taxes		159,055	143,807
Insurance		27,748	19,118
Utilities		88,981	64,809
Communications		43,691	25,782
Office repair and maintenance		91,364	56,991
Office supplies		47,365	34,111
Other direct expenses		2,656	33,778
		<u>6,107,676</u>	<u>2,813,164</u>

16.1 This includes Rs. 103,108 (2022: Rs. 99,781) in respect of employee benefits.

Note 17

Related Party Transactions

Related parties comprise associated companies due to common directorship, directors, key management personnel and their close relatives. Transactions with related parties other than remuneration and benefits to key management personnel under the term of their employment are as follows, whereas relevant balances have been stated under their respective notes:

Relationship	Name	Nature of transaction	2023	2022
			Rupees	Rupees
Associate	Damen Support Programme	Markup income on loan	25,623,672	18,415,624
		Rental income	795,802	722,444
Employee benefit plan	Staff Provident Fund	Contribution paid	412,431	399,122
Member, Board of Directors	Syed Ghayoor Obaid	Donation	-	65,000
Advisor to Board of Directors	Naghma Rashid	Donation	140,000	200,000
Member, Board of Directors	Babar Agha	Donation	-	130,000
Member, Board of Directors	Salma Rashid	Donation	-	130,000
Member, Board of Directors	Ghazala Abbass	Donation	-	25,000

The aforementioned transactions with related parties have been conducted in the normal course of business.

Note 18

Taxation

The Society is eligible to claim 100% tax credit under section 100C of the Income Tax Ordinance, 2001, therefore provision for taxation is not incorporated in the financial statements.

Note 19

Remuneration / Salaries of Key Management Personal

	2023		
	Chief Executive Officer	Executives	Total
	Rupees		
Managerial remuneration / salaries	1,794,612	-	1,794,612
Number of persons	1	-	1
	2022		
	Chief Executive Officer	Executives	Total
	Rupees		
Managerial remuneration	1,582,032	-	1,582,032
Number of persons	1	-	1

Note 20

Number of Employees

	2023	2022
Number of employees as at December 31,	<u>15</u>	<u>15</u>
Average number of employees during the year	<u>15</u>	<u>15</u>

Note 21

Date of Authorization

These financial statements have been approved by the Board of Directors and authorized for issuance on 20 FEB 2024.

Note 22

General

Corresponding figures have been re-arranged / reclassified, wherever necessary. No material re-arrangements / reclassifications have been made in these financial statements.

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EXECUTIVE DIRECTOR


TREASURER