Rural Community Development Society (RCDS)

Head Office:
House No. 04, D Block, 1st Floor, Phase-II,
Al-Rehman Garden, Near Faizpur M2 Begum Kot,
Sharaqpur Sharif Road, Lahore.

Registered Office:
Bholay Shah Bazar Mandi Faizabad,
Tehsil & District Nankana Sahib.

+92 42 37170280-81
+92 42 37902831
info@rcdspk.org
www.rcdspk.org
www.facebook.com/RCDSociety
www.linkedin.com/company/rural-community-development-society/
www.youtube.com/@RCDS-p2t

RURAL COMMUNITY
DEVELOPMENT
SOCIETY

Annual REPORT 2024

Annual**REPORT**24

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Message
from Founder Director

Muhammad Murtaza

As the Founder of RCDS, I am delighted to share my perspective on the Annual Report 2024, a year that highlights RCDS continued commitment to serving underserved communities and advancing sustainable development. This year has been both inspiring and challenging, yet our resolve to make a difference has only strengthened.

At RCDS, we believe that meaningful change begins at the grassroots level. In 2024, RCDS focused on addressing critical issues such as climate change, health, education, and livelihoods in some of the most vulnerable areas. Pakistan has become one of the most vulnerable countries to the impacts of climate change, with annual floods causing widespread devastation across the nation. Through our dedicated efforts, we have supported marginalized groups, including women, children, and youth, empowering them with the tools and opportunities needed to improve their lives.

RCDS key achievements this year include enhancing community adaptation to climate change, initiating humanitarian emergency response in the flood-affected areas. I firmly believe that education is the key to transforming a nation. To ensure access to quality education for underprivileged children, RCDS is making a meaningful impact through its well-established Rumi Grammar School, providing brighter futures for those in need. Each of these initiatives is made possible through our collaborative partnerships with government departments, donors, and communities.

I am particularly proud of the innovative approaches our team has adopted in year 2024 to create sustainable solutions for communities in need. None of this would have been possible without the unwavering support of our partners, donors, and the dedication of the RCDS team.

As we reflect on the successes of 2024, I invite stakeholders to join us in our journey forward. Together, we can continue to transform lives, foster resilience, and build a brighter future for underserved communities. It is universally recognized that collective action has the power to drive change and transform societies.

Muhammad Murtaza
Founder Director

Message
from Chairperson

Ms. Razia Akbar

I am honored to share our accomplishments, challenges, and lessons learned in the 2024 at Rural Community Development Society, we remain committed to empowering marginalized communities and driving sustainable development.

Our team's dedication, perseverance, and collaboration with stakeholders have been instrumental in achieving our goals. We have made significant strides in health, infrastructure, education, capacity building, women empowerment, humanitarian response, climate change, WASH, and policy advocacy for the right of older people in Punjab with policy makers.

We acknowledge the challenges we faced, but instead of hindering us, they have strengthened our resolve to continue working towards our mission, we face numerous challenges, including limited resources, inadequate infrastructure, and societal barriers. Despite these hurdles, there exist vast opportunities for growth and impact, such as fostering collaborative partnership that contributed to wellbeing of marginalized communities. However, a significant gap persists in effectively engaging marginalized communities, addressing intersectional issues, and ensuring sustainable, community-led initiatives. We tried to bridging the gaps by adopting participatory approaches, prioritize community ownership, and invest in capacity-building programs that foster local leadership and resilience.

I extend my deepest gratitude to our partners, donors, and communities for their unwavering trust and support. Their contributions have been invaluable, enabling us to deliver critical services and drive meaningful change.

As we look to the future, we remain committed to transparency, accountability, and continuous improvement. We will continue to innovate, adapt, and evolve to address the complex challenges facing our communities.

Ms. Razia Akbar
Chairperson - RCDS

Message
from Managing Director

Qaisar Iqbal

RCDS is persistently taking different initiatives aimed at supporting the destitutes and vulnerable communities facing the poverty in different forms. The major objective is to materialize the organizational vision, contributing to achieving the ultimate organizational strategic plan.

Multi facet challenges have been faced at country level in the form of worsening the poverty dimensions, ongoing economic crisis and multi-layered natural disasters. The declining incomes have resulted in less nutritious food undermining human development outcomes. Furthermore, the frequent floods have disrupted social infrastructure such as schools, roads, and WASH facilities.

The unending problems are going on, the out of school children have increased from 25 million to 26 million. The frequent floods have broken the backbone of Pakistan economy. Agriculture is hit badly, and ripened crops are damaged, the farmers are reduced to nothingness.

Resuming Education with Adaptable & Durable Solutions amidst Covid-19 (READ) in Pakistan project concluded providing multiple development in 50 government schools of district Lahore and Sheikhupura benefitting 22,000 students. The schools were digitalized, out of school children were brought back to school. In addition, WASH facilities were constructed in schools to enhance hygiene and sanitation standards.

During the reporting period RCDS has started a project "Restoring Social Services and Climate Resilience" in Rajanpur district with the support of Pakistan Poverty Alleviation Fund (PPAF). This project aims at the formation of Community Institutions, their capacity building, restoring/ rehabilitating the infrastructure in schools, Basic Health Units/ Rural Health Dispensaries, construction of watercourse lining, and laying of link roads.

The second phase of ToGETHER 2.0 project was signed with Welthungerhilfe for the promotion and cultivation of Localization Agenda, with the addition of peer mentoring of the small-scale Community Based Organizations for their system development and capacity building, and networking with donor agencies for partnership.

Another milestone achieved through the revisiting and development of organization's five-year business Plan for 2024-2028. The detailed session with the Communities, Board of Directors and RCDS management. The Board of Directors took the strategic decision of RCDS registration in UK as Charity.

I highly appreciate and acknowledge the endless efforts of RCDS team who contributed a lot in fostering communities to combat their innate problems. My heartfelt gratitude to the organizational Board of Directors for their time-to-time strategic directions for the betterment of organization. I am thankful to partners, and donors for their support to translate the shared vision.

Qaisar Iqbal
Managing Director

Resuming Education with Adaptable and Durable solutions amidst COVID-19 in Pakistan (READ)

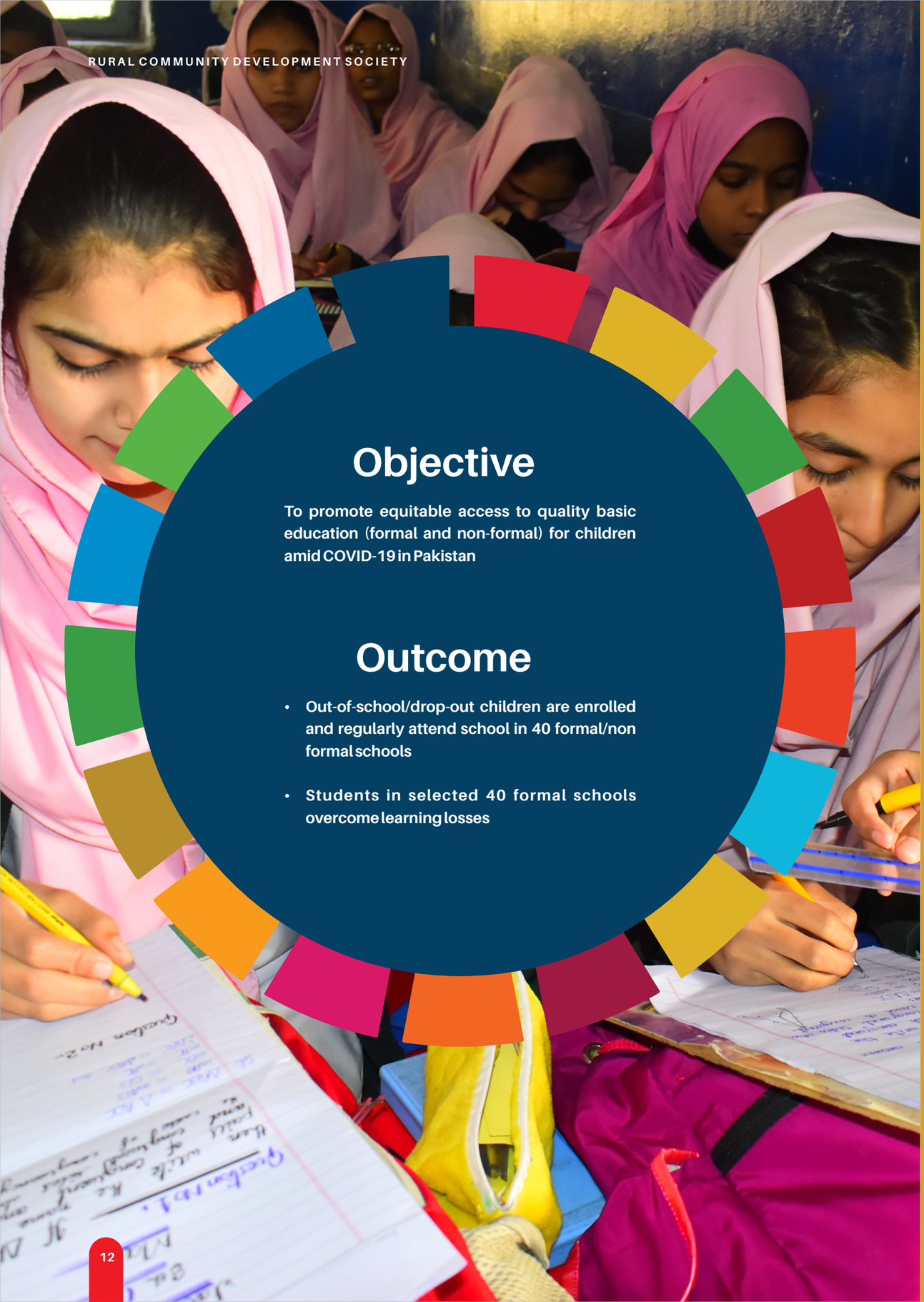
RCDS, in partnership with Helvetas Swiss Intercooperation, implemented a project titled, Resuming Education with Adaptable & Durable solutions amidst COVID-19 in Pakistan (READ). The project started from May 1, 2022 to December 31, 2023. The geographical focus of the project was on the sub-urban industrial area of Lahore and Sheikhupura districts of Punjab Province where prevalence of post COVID-19 drop out remained the highest, especially among girls (60% of students not returning to schools are girls).

Project beneficiaries are children of school going age from the age bracket of 5 to 15 years and teachers of government schools. The Project benefited 15,666 children (4,389 boys, 11,309 girls) of 4,761 families of employees of the industries, agriculture farms, and brick kilns in these districts.

The Project was implemented in 40 government schools of Lahore and Sheikhupura districts. The project interventions focused on three categories of children i.e.

(i) **out of school pre and post COVID-19,**
(ii) **dropped out post-COVID-19 and**
(iii) **students enrolled in schools.**

The project mainly focused on two major components, i.e. (i) Promoting the return to school for out-of-school/drop-out children, and (ii) Ensuring that children overcome learning losses resulting from the effects of COVID-19 lockdowns.



Objective

To promote equitable access to quality basic education (formal and non-formal) for children amid COVID-19 in Pakistan

Outcome

- Out-of-school/drop-out children are enrolled and regularly attend school in 40 formal/non formal schools
- Students in selected 40 formal schools overcome learning losses

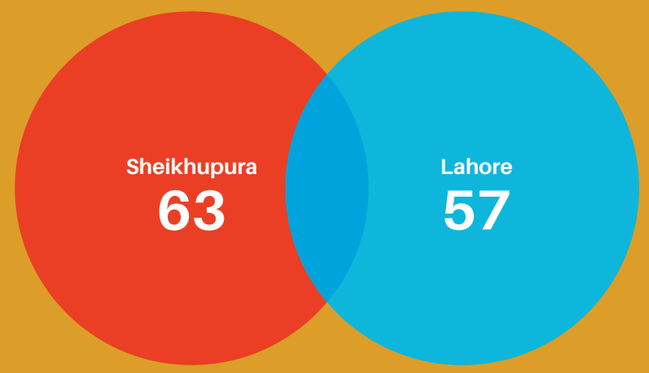
Interventions during Reporting Period

Digitalization of Schools

To digitalize government schools and provide digital learning environment to students, following digital equipped were provided to schools:

Provision & Installation of LCD Screens

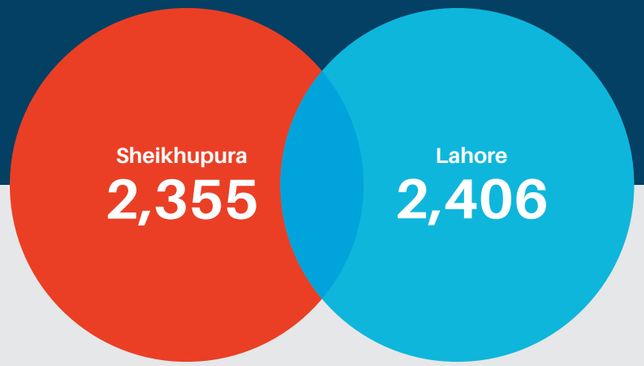
To enhance learnings of students through digital equipment in the targeted schools, 120 LCD screens (50 inches) were installed in classrooms. Teachers were guided to teach students through this modern technology. The LCDs are installed in 40 schools of Lahore and Sheikhupura, where students have invaluable access to many of educational resources, ranging from e-books to engaging online stories. With LCD screens, children from underprivileged communities have been provided immersive learning environment. LCD screens were installed district wise highlighted in the graph:



Provision of Transistors

In response to the learning setbacks experienced by students due to the COVID-19 pandemic, a proactive initiative was launched to mitigate these challenges and ensure continued access to educational resources. As part of this effort, students were provided with transistors, effectively equipping them with the means to engage with educational content remotely. Transistors were distributed to 40 government schools, where a total of 4,761 students were received radios. By leveraging these radios, students have been empowered to participate in distance learning initiatives. District wise number of students were provided radios:

Students received transistors



Establishment of Computer Labs

Given the paramount importance of information technology and the imperative to provide children from underprivileged communities with computer education, a commendable initiative has been undertaken: the establishment of five fully equipped computer labs in five government schools. Each of these labs has a setup comprising five computers. With establishment of computer labs, we have paved the way for a more inclusive and technologically proficient schools, ensuring that no child is left behind in the digital revolution. Labs are established in the following schools in which 3,844 students are learning computer education:

Name of School	Students Benefited		District
	Boys	Girls	
GGES Bhutto Colony	407	879	Lahore
GGES Haji Kot	235	615	
GGES Karool	94	206	Sheikhupura
GGES Jhugian Sialan	126	232	
GGES Wandala Dial Shah	300	750	

Construction of WASH Facilities

To maintain the health and hygiene standards of children within school environments, WASH Water, Sanitation, and Hygiene (WASH) facilities have been provided in 12 government schools. Total 6,585 students are now benefiting from these facilities, thereby ensuring the maintenance of their health and hygiene.

Below schools have been provided WASH facilities:

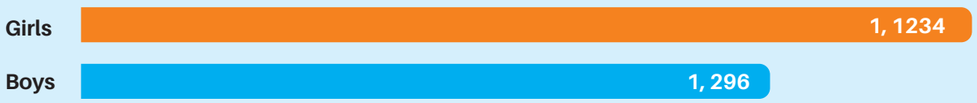
Name of School	New Latrine	Repaired Latrine	Hand Washing Station	Student Benefitted		District
				Boys	Girls	
GGPS Faizpur		4	2	200		Sheikhupura
GES Kot Noor Shah			2	461		
GGPS Bado		6	2	70	214	
GGES Nizampura	2	5	4		1716	
GGPS Kot Noor Shah			2		320	
GPS Rana Bhatti	6		6	28	152	
GGPS Muslim Colony	2			196	330	Lahore
GGMS Dher	4	3	6	10	990	
GGPS Mustafabad	4		6	275	281	
GGES Karool war	2	2	4	154	198	
GGES Weaving Factory	3	5	5	192	338	
GGPS Jia Musa	2	2	2	249	211	

Provision Pedagogical Kits & Flesh Cards

Pedagogical kits, along with flashcards, were distributed to 40 schools, each equipped with essential educational tools designed to enhance the learning environment. Kits included are whiteboards, white markers, and blocks featuring letters and numbers (ABC, 123, ا پ ب) are provided to promote early literacy and numeracy skills in students. In addition, educational flashcards were provided in schools. By furnishing schools with these comprehensive pedagogical kits and flashcards, teachers are empowered to implement innovative teaching strategies that cater to diverse learning styles, ultimately fostering a more dynamic and enriching educational journey for students.

Catch-up classes

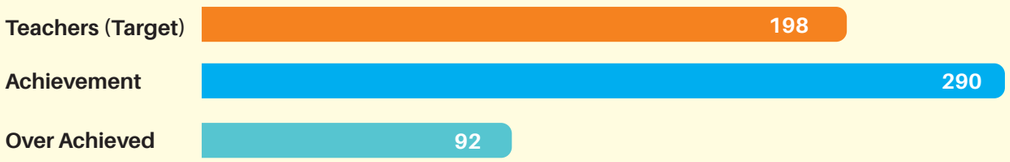
In response to the educational setbacks faced by students amidst the COVID-19 pandemic, a concerted effort was made to address these challenges through the start of catch-up classes in 40 government schools, where 1,530 students benefited. These supplementary classes were strategically scheduled after regular school hours. To ensure the success of this initiative, teachers were duly compensated for their additional time and efforts dedicated to instructing students during these catch-up sessions. Over the course of one month, these classes continued, serving as a vital mechanism to accelerate the educational progress of students and mitigate the impact of disrupted learning experiences. Through the continuation of these catch-up classes, students were afforded the opportunity to bridge the gaps in their academic knowledge and skills. Detail of students (boys, girls) benefited from the initiative highlighted in the following graph:



Digital Skills Training

Digital Skills Trainings were organized for government teachers of the targeted schools. Total five (05) training events were conducted. Digital skills training aimed at empowering teachers to navigate the digital world and explore modern teaching methods. Through these trainings, teachers learned how to communicate clearly and professionally using digital platforms, such as email, zoom or team viewer. They acquired the ability to use digital tools to analyze and solve problem.

Target v/s Achievement



Training of National Professional Standards for Teaching in Pakistan

The trainings on National Professional Standards for teaching were organized for teachers. There four (04) trainings were conducted. In these trainings, government teachers developed their understanding on the teaching standards, such as they learned how to treat all students fairly and create a safe and secure learning environment. They also learned how to assess students' learning and performance, and to ensure classroom participation and create learning environment in classroom. There 120 teachers have been trained on national professional teaching standards. The trained teachers' detail gender wise is highlighted in the following graph:

Training of Safe and Friendly Classroom Management

To support schools in their planning, organization of classrooms and children management, the trainings on Safe and Friendly Classroom Management were organized for teachers. The training amid to provide teachers with the necessary skills and techniques for effective classroom management to retain the enrolment of children in schools. There six (06) training events were conducted where teachers were equipped with proven techniques and skills that guided them to establish clear expectations, manage student behavior, promote active engagement, and create a positive and orderly learning environment. Teachers gained the tools necessary to maximize students' learning and create a harmonious classroom. This training provided a sketch of key concepts and techniques related to effective, safe and friendly classroom management. Participant teachers gained a comprehensive understanding of the skills and strategies necessary to create a well-managed and engaging learning environment for children. The training covered a range of topics, including establishing clear expectations and rules, fostering positive relationships with students, managing student behavior, promoting active engagement, addressing disruptions, and utilizing effective instructional strategies.

Target v/s Achievement

Impacts of the Project

- Interest of the children increased through the digitalization of the schools and even children from private schools re-enrolled to public schools
- Skill enhancement of the teachers through training as per the modern teaching techniques
- Schools and teachers are better equipped to impart the best of knowledge to the students
- Through school safety training and preparation of school safety plans the targeted schools are better trained and equipped to coop with any kind hazard
- Provision of learning free and attractive environment
- Enrollment increased through birth registration awareness camps
- Maintained health & hygiene of children in schools
- Computer education provided to children
- Development of better relationship of RCDS/Helvetas with the District Education Authority
-

Towards Greater Effectiveness and Timelines in Humanitarian Emergency Response (ToGETHER)

RCDS, in partnership with Welthungerhilfe (WHH), is implementing a project titled, Towards Greater Effectiveness and Timeliness in Humanitarian Emergency Response (ToGETHER). The project started from April 2021, and will continue till April 2027. The project is going on in the eight countries, including Pakistan, Bangladesh, Myanmar, Ethiopia, DRC, Indonesia, Somalia, and Colombia. RCDS, among 40 Local Humanitarian Partners (LHPs) partners of aforementioned countries, is implementing a project in the Punjab province of Pakistan. ToGETHER focuses the localization of humanitarian sector, with the aim to strengthen the capacities of local partner organizations.

Capacity Building Initiative

As part of the ToGETHER, RCDS staff participated in several capacity-building initiatives to enhance their expertise in the humanitarian sector. RCDS staff capacitated through capacity development trainings as follows:

1. Safety and Security
2. Climate Change & Disaster Risk Reduction (DRR)
3. People-First Impact Method
4. Rethinking of Partnerships, Joint Risk Management and Allocation of Overheads cost.

South-South Exchange

South-South Exchange held in November 2023 in Bangkok, Thailand. LHPs of ToGETHER from four countries: Bangladesh, Indonesia, Myanmar, and Pakistan participated in the exchange event. Representatives from Caritas, Welthungerhilfe, and Malteser International also attended the event. RCDS team participated and contributed to the exchange learning event.

The South-South Exchange served as a dynamic platform for peer review, collaboration and knowledge sharing, focusing on key pillars that drive impactful change.

RCDS among Pakistan LHPs facilitated the session on National Advocacy Strategy. Mr. Qaisar Iqbal, Managing Director of RCDS, conducted the session and delivered a presentation, highlighting the following key initiatives:

- Advocacy Canvas/ Stakeholders Engagement Plan, was prepared by every country, having in mind the situation and circumstances going on in the country
- Advocacy demands as follows:
  1) Equal partnerships
  2) Timely, quality, and direct funding
  3) Locally led localization
  4) Mutual accountability and Transparency
  5) Participation Revolution
  6) Influence the policies and practices of international humanitarian actors and donors to promote the localization

- Advocacy implementation status of Pakistan, and it was shared what Pakistan LHPs has taken initiatives to implement
- READY Pakistan (Start Network) Pool Fund
- Pakistan LHPs having networking with the Inter-Agency Standing Committee (IASC) working committees, VENRO, the, the Start Network, ICVA, SUN
- Way forward as follows:
  1) Resource mobilization and partnerships, through consortia/ local partners engagement implementation
  2) Promotion of seven (07) dimension of localization and its self-implementation
  3) Strategy development for digitalization in financial, procurement, monitoring, human resources, and programmatic systems
  4) Consortia development and downstream partners
  5) Collaboration with influencers
  6) Joining hands with people of our interest/ Lobbying with major stakeholders by creating evidence and watchdog monitoring
  7) Training and Development (Institutional, Social and Personnel)

Development of the Strategic Plan

RCDS developed a strategic plan (2023-2028) with a laser focus on augmenting humanitarian capacities to ensure sustained preparedness and effective response mechanisms. Through rigorous analysis and stakeholder engagement, the strategic plan is customized to address multifaceted challenges and emerging needs within the humanitarian landscape. Emphasizing proactive measures and innovative approaches, RCDS aimed to bolster the resilience of communities and institutions alike, fostering a culture of preparedness and adaptive response. By aligning resources, expertise, and partnerships, the strategic plan laid the foundation for comprehensive and sustainable interventions that are poised to make a lasting impact on humanitarian operations.

Humanitarian Operation & Innovation Facility (HOIFA)

Strengthening Contingency Planning in District Layyah of Province Punjab, Pakistan

RCDS, in partnership with Welthungerhilfe (WHH), under HOIFA, implemented a project titled, "Strengthening Contingency Planning in District Layyah of Province Punjab, Pakistan." The project duration was from December 15,2023 to March 22,2024. The main objective of the project was to improve disaster preparedness through district government and community engagement for the most vulnerable population in district Layyah.

HOIFA Achievements

- Forty (40) government officials from DDMA were equipped with advanced knowledge, skills, and tools to enhance disaster preparedness and response capabilities, strengthening community resilience
- Disaster Management Village Committees were formed in 30 villages
- Conducted two-day Training of Trainers (TOT) on Contingency Plan and Disaster Risk Reduction (DRR) for 40 community leaders (30 men & 10 women)
- Community Leaders trained 781 community volunteers (433 men and 348 women) on Contingency plan and Disaster Risk Reduction (DRR)
- 113 Disaster Preparedness and Emergency Toolkits were provided in 30 villages
- WASH facilities were constructed in 13 government schools, promoting improved hygiene, health, and a better learning environment for students
- A successful tree plantation drive was conducted across 30 villages, resulting in the planting of 14,900 trees, contributing to environmental sustainability and community resilience
- 300 copies of the contingency plan were published, ensuring wide accessibility to strategic disaster preparedness and response guidelines.

Restoring Social Services and Climate Resilience

RCDS, in partnership with Pakistan Poverty Alleviation Fund (PPAF), is implementing a project titled, "Restoring Social Services and Climate Resilience." The project is going on in the District Rajanpur, Punjab. The project duration is from May 1,2024 to April 30, 2026. The project would mainly target the vulnerable communities of district Rajanpur, with particular focus on rural areas. The population at large would be ultimate beneficiaries but women, girls, children, and persons with disabilities would receive special benefit as provision of the better and improved water and sanitation, restoration of health, education facilities, irrigation channels, installation of communal solar system, and DRR, agri inputs, awareness raising sessions would directly benefit them.

Overall Goal of the Project

To contribute to the Government of Pakistan's efforts to alleviating poverty through climate resilient sustainable development approaches.

Project Objectives

- To restore access of the floods-affected communities to social services – particularly health, education and water & sanitation, and critical community social infrastructure
- To strengthen resilience of the disaster-prone rural communities and local governments/authorities, while mainstreaming gender, to enhance their ability to anticipate, absorb, accommodate, and recover from climate change and other disaster and pandemic shocks.

Project Key Interventions

- Rehabilitation/retrofitting of health facilities (including provision of missing facilities, solarisation)
- Restoration/retrofitting of educational (including provision of missing facilities, solarization)
- Rehabilitation/retrofitting of basic WASH facilities including drainage/sanitation
- Restoration of damaged/installation of new water supply schemes/installation of filtration plants
- Provision of Health Service through Health Outreach camps/Vaccination Drives
- Climate resilient community infrastructure/flood protection work (check dams, floods, protection/retaining walls
- Restoration of Damaged Irrigation Channels
- Emergency response teams' identification and capacity building
- Multi hazard vulnerability & capacity assessment
- Need-based climate-change adaptation and replication of best practices
- Community based disaster risk management trainings to communities
- School based disaster risk management: social safety plan mock drills, safety tips, environmental club, and plantation event
- Health centre-based disaster risk management: disaster management committee, capacity building, disaster management plan
- Social mobilization and capacity building training events
- GBV prevention sessions for communities
- Voice in leadership and decisions-making training for women
- Training & awareness on human rights/women rights/GBV/rights & responsibilities/ linkages development
- Training on women rights & information on legal aid, entitlements/rights
- Behaviour-change interventions for GBV prevention and raise awareness of government staff
- Celebration of international days at local level

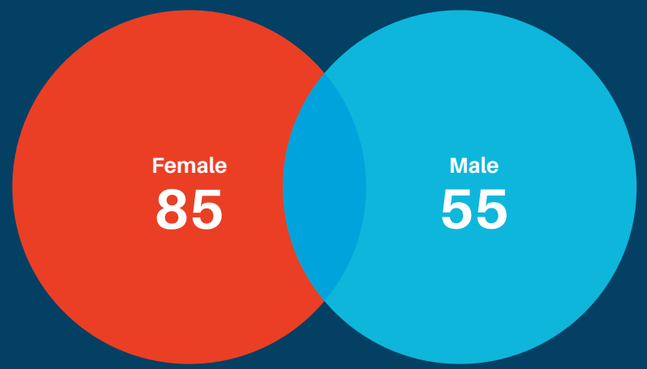
Improving Seasonal Rice Workers' Conditions, Human Capital, Resilience – Sustainable Scale – up Initiative

For Strategic Partnership, RCDS has signed a Memorandum of Understanding (MoU) with Care International, for project a project titled, Improving Seasonal Rice Workers' Conditions, Human Capital, and Resilience – Sustainable Scale-up Initiative. This collaboration was initiated from September 9, 2023, reflects RCDS's ability to forge impactful partnerships for sustainable development initiatives.

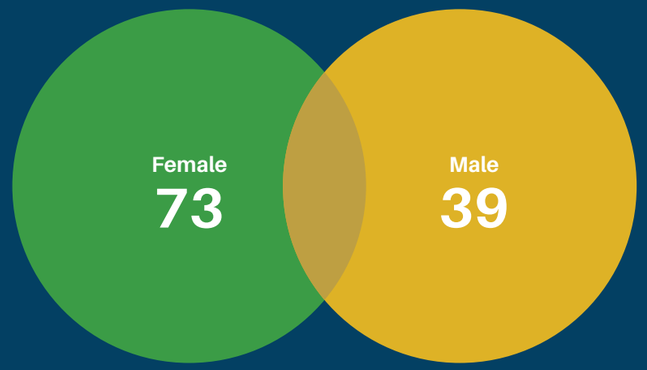
The initiative aims to empower youth by equipping them with advanced skills in pedagogy, e-commerce, and social media marketing.

As part of the initiative, 10 trainings are conducted in the districts of Sheikhupura and Nankana Sahib. Around 450 participants, including teachers and youth from underserved communities are trained in pedagogical skills, e-commerce, and social media marketing. Youth participants trained highlighted in the diagram gender wise as under:

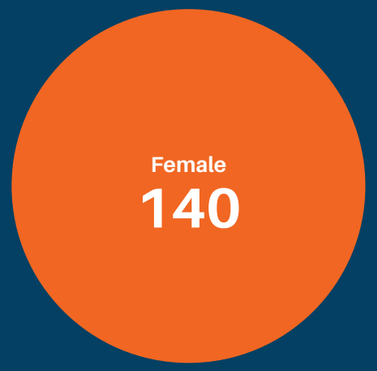
E-Commerce



Social Media Marketing



Pedagogical



Providing Safe Drinking Water to the Vulnerable Communities in the Punjab

RCDS, in partnership with Tayyaba Welfare International Association, is implementing a project titled, "Provision of Water Wheels to the vulnerable communities in the Punjab." Project is going on in the districts: Layyah, Bahawalnagar and Bhakar. The project duration is from May 10, 2023-October 30, 2024.

Project Objective

Enhance access to safe water for vulnerable communities in Punjab by providing innovative water wheels and installation of water solar pumps, reducing the burden of water collection and promoting health and well-being.

Project Achievements

- Distributed 6,000 water wheels to vulnerable households, improving access to clean water and reducing the physical burden of water collection for communities
- Installed five (05) solar-powered water pumps in underserved communities, providing sustainable access to potable water and promoting energy-efficient solutions.

Buzurg Dost Network Punjab (BDN)

With the support of HelpAge International, the Buzurg Dost Network Punjab (BDN) was established on January 25,2024, a collaborative initiative aimed at promoting the well-being of older people. This network serves as a platform for various stakeholders to come together and address the needs and concerns of the elderly population in Punjab. RCDS was elected as the chair of the network for the year 2024. As the chair of the BDN, RCDS celebrated International Days with the purpose of promoting the rights of older people.

International Women's Day

RCDS organized a seminar in the connection of International Women's Day under the theme 'Invest in women: Accelerate progress." The seminar, held on March 8, 2024, in Lahore, attended by around 300 participants from diverse backgrounds, including older people, women, girls, civil society representatives, government officials, academia, BDN members, and media. Invest in Women: During the event, keynote speakers highlighted, women are playing an important role in socio-economic development across the globe.

Punjab Senior Citizens Welfare Bill

To promote and protect the rights of senior citizens in Punjab province, RCDS, as the chair of the BDN, has been actively advocating for legislation to address the needs of older people. In this regard, RCDS conducted comprehensive meetings with the Deputy Speaker of the Provincial Assembly and Members of the Provincial Assembly (MPAs) to emphasize the urgent need for legislation supporting the welfare of senior citizens.

During these meetings, an overview on the draft of Punjab Senior Citizens Welfare Bill was given outlining its key provisions and benefits. The bill aims to ensure the social, economic, and healthcare rights of older people, providing them with a dignified quality of life. RCDS highlighted the significance of this legislation, noting that Punjab, despite being Pakistan's most populous province, has yet to introduce any laws specifically addressing the welfare of its senior citizens.

In fact, these meetings have marked as an important step in raising awareness among policymakers and encouraging their support for the adoption of the Punjab Senior Citizens Welfare Bill, which would serve as a vital framework to protect and empower the aging population in the province.

Empowering Underprivileged Children for a Brighter Future

Rumi Grammar School

Giving every child the right to education is the most important and a dire need for any nation. Only educated nations can unlock the doors of prosperity and driving sustainable development. To ensure every child's right to education in the Pakistan has become obligation for the government, and non-government institutions. According to the UNCEP, Pakistan has the world's second-highest number of out-of-school children (OOSC) with an estimated 22.8 million children aged 5-16 not attending school, representing 44 per cent of the total population in this age group.

Mr. Muhammad Murtaza, Founder of RCDS, has taken initiative to play his role to give education to children from the marginalized communities. For this, RCDS established Rumi Grammar School (RGS) at Mandi Faizabad Tehsil & District Nankana Sahib, where orphans and children from underprivileged communities are receiving free education. The RGS is registered with the District Education Authority (DAE) up to 10th class. The details of enrolled students, categorized by class and gender wise are as follows:

Class	Boys	Girls	Total
Play Group	18	27	**45**
Nursery	9	14	**23**
Prep	7	15	**22**
One	14	14	**28**
Two	11	13	**24**
Three	10	12	**22**
Four	10	7	**17**
Five	11	11	**22**
Six	2	14	**16**
Seven	5	5	**10**
Pre - Nine	2	3	**5**
Ten	0	6	**6**
	99	**141**	**240**

To provide quality education to children, RCDS constructed a school with standard and international-level infrastructure, where well-qualified teachers are educating children by using modern teaching methods. Here are some key modern teaching methods used in the schools:

Project-Based Learning (PBL):

Students work on real-world problems or projects, developing critical thinking, problem-solving, and collaboration skills.

Flipped Classroom:

Students review learning material (e.g., videos, readings) at home and engage in interactive, hands-on activities during class. Promotes active learning and better use of classroom time.

Blended Learning:

Combines online digital tools with traditional face-to-face instruction.

Gamification:

Incorporates game elements into the learning process to make it more engaging and enjoyable.

Collaborative Learning:

Encourages students to work together in groups to solve problems, complete tasks, or discuss topics. Builds teamwork and communication skills.

Inquiry-Based Learning:

Students are encouraged to ask questions, investigate, and draw conclusions on their own. Focuses on developing curiosity and a deeper understanding of concepts.

Technology Integration:

Incorporates tools like smart boards, tablets, and educational apps to enhance learning.

Critical Thinking and Problem-Solving:

Activities designed to challenge students to think deeply, analyze data, and develop innovative solutions.

Peer Teaching and Peer Assessment:

Students teach or evaluate each other, reinforcing their own understanding and fostering collaboration.

SUCCESS STORIES

A private school teacher struggling for reducing impacts of climate change

Akhtar Abbas, 27 years old, lives at village Basti Muhana. He is a teacher in private school. He is a community volunteer, struggling for the wellbeing of his people. He wants to raise awareness in his village about climate change. "My village remains often in the flood station, and houses, agriculture and infrastructure are badly devastated. Our people are not resilient and do not know how to be protected from the impacts of flood," he said. RCDS selected volunteers in his village and provided them trainings on contingency plan and DRR. In his village, no any community members were aware from the safeguarding measures in the disaster situation. "RCDS started a project in our village, and I joined project team as a community volunteer. Initially, I had no idea why volunteers were picked up, what will be their role in the project. I was confused in this regard. I attended two days training on contingency plan and DRR. I learned many things in the training. I understand disaster management cycle and how to be resilient. The trainer has equipped us with knowledge which I am also applying leaned skills in the school and teaching my students to be disaster resilience, and I am preparing my students for upcoming floods," he added.

Mr. Abbas has conducted training sessions in his village on the contingency plan and DRR. He is leading in the village to make resilient his community members. "I am sensitizing my community members on how to be resilient in the face of flood. I am mobilizing and holding meetings with youth of my village to take climate action," he said.

Tree plantation is a need of the area, and trees can reduce the floods. Mr. Abbas was not paying attention on cutting of trees in his area. He did not know trees can reduce impacts of climate change. "When I became a volunteer and received a training, I became aware that trees are the best solution to reduce impacts of climate change. I am doing advocacy in my village on tree planation. I am sensitizing youth community to play an active role in planting trees in their houses and land. I have a dream to make my area green and make it free from floods," he stated.

AKHTAR ABBAS

A Poor Girl's Journey Back to School

Shiza, 12-year-old, a daughter of Muratib Hussain, lives at (aging 12 year) at the village Kala Virkan in district Sheikhupura. Her father is a poor farmer. Her father is a sole breadwinner for eight family members. She was a regular student in the fifth class. She, along with her two sisters, was attending classes at the government school. "My father is a poor who do not have more resources to meet our educational expenses. My parents decided to pull me out of school and engage me in labor work so that I could support my family in the vulnerable condition. I started to raise our cattle. I was not interested in child labor. I wanted to continue my education. I had dreams of becoming an officer and building a house for my family. We are living in a mud house. I want to eradicate poverty of my family," she stated.

Her parents want to give education to their children so as to become educated citizens and live a quality life. "My good days started when RCDS team visited our village. They held meeting with people of our village, luckily, my parents were also attending the meeting. RCDS team motivated my parents to send us back to schools. At first, mother was not willing to send us to school. She wanted to engage us in labor work," said shared.

READ project provided learning environment to children. Schools were digitalized. Teachers' capacity was enhanced by equipping them with modern teaching methods. "When READ project was initiated in our school, teachers started to focus on our education. Parents started to send their children to school. My parents allowed me to go school. When my parents gave me permission to continue education. I did not believe it at first. That day brought a joy and happiness into my life. I felt that I got new life." Shiza uttered. She is a regular student. She is attending classes with her goals in mind.

S H I Z A

AUDITED REPORT

A-4, Sea Breeze Homes, Shershah Block,
New Garden Town, Lahore - Pakistan
Phones: (042) 35861852, 35868849
Fax: +92-42-35856145
E-mail: info@ilyassaeed.com
www.ilyassaeed.com

Ilyas Saeed & Co.
Chartered Accountants

Ref: A/00123/24
October 30, 2024

Management's Committee,
Rural Community Development Society (RCDS)
House # 04 D, Al Rehman Garden Phase 2,
Lahore.

AUDIT OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

We are pleased to enclose herewith the financial statements of RCDS for the financial year ended **30 June 2024** together with our Report to the Management's Committee, duly initialed by us for identification purposes. We would like to inform the Management's Committee that unless we sign the auditors' report on these financial statements, the same shall remain and be deemed unaudited. We shall be glad to sign our report in the present or amended form after:

- The enclosed financial statements have been approved by you and signed by the competent authority on your behalf;
- We have received the Management Representation Letter duly signed by the competent authority duly authorized in this behalf.

1. RESPONSIBILITIES OF THE AUDITORS AND THE MANAGEMENT COMMITTEE IN RELATION TO THE FINANCIAL STATEMENTS

The responsibilities of the independent auditors, in a usual examination of the financial statements, are explained in International Standard on Auditing – 200. While the auditors are responsible for forming and expressing an opinion on the financial statements, the responsibility for the preparation of financial statements is primarily that of the Society's management. The management's responsibilities include the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of assets of the Society and prevention and detection of frauds and irregularities. The audit of the financial statements does not relieve the management of its responsibilities. Accordingly, our examination of the books of account and records should not be relied upon to disclose all the errors or irregularities in relation to the financial statements.

2. GENERAL

We have been informed by the management that:

- There are no contingencies and / or commitments including contingent assets other than those disclosed in the financial statements, if any.
- There have been no transactions with related parties other than those disclosed in the financial statements.

A member of

Ilyas Saeed & Co.
Chartered Accountants

- No cases of material frauds or suspected frauds are known that may have affected the Society.

Finally, we wish to express our appreciation for the co-operation and courtesy extended to us by the management and other staff members in accomplishing our task.

Thanking you and with profound regards.

Very truly yours,

Ilyas Saeed & Co.
Chartered Accountants
Lahore.

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
Non-current assets			
Property and equipment	4	**71,444,811**	71,773,042
Captial work in progress		**31,875**	31,875
Long term investment	5	**22,378**	22,378
		71,499,064	71,827,295
Current assets			
Advances, prepayments and other receivables	6	**3,297,230**	4,963,140
Grant receivable	7	**4,367,814**	3,957,263
Advance income tax		**28,198,992**	26,372,025
Cash and bank balances	8	**27,660,973**	24,220,365
		63,525,009	59,512,793
Total assets		**135,024,073**	131,340,088
FUNDS AND LIABILITIES			
Funds			
General fund		**116,938,875**	119,617,839
LIABILITIES			
Non current liabilities			
Deferred income	9	**14,567,230**	8,990,221
Current liabilities			
Trade and other payables	10	**3,517,968**	2,732,028
Total funds and liabilities		**135,024,073**	131,340,088
Contingencies and commitments	11	**-**	-

The annexed notes from 1 to 23 form an integral part of these financial statements.

ISCO

MANAGING DIRECTOR **CHAIRPERSON**

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
REVENUE			
Profit on bank deposits	12	**3,535,028**	3,147,678
Income from other activities	13	**11,990,284**	15,535,731
Deferred grants amortized	9	**44,332,609**	45,962,508
		59,857,921	64,645,917
EXPENDITURES			
Salaries and other benefits		**16,401,650**	15,382,602
Operating expenses	14	**46,060,488**	46,383,064
Finance cost	15	**74,747**	50,181
		62,536,885	61,815,847
Net (deficit) / surplus for the year		**(2,678,964)**	2,830,070

The annexed notes from 1 to 23 form an integral part of these financial statements.

ISCO

MANAGING DIRECTOR **CHAIRPERSON**

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Endowment Funds Rupees	General Funds Rupees	Total Funds Rupees
Balance as at June 30, 2022	-	116,787,769	116,787,769
Net Surplus for the year ended June 30, 2023		2,830,070	2,830,070
Balance as at June 30, 2023	-	119,617,839	119,617,839
Net Surplus for the year ended June 30, 2024		(2,678,964)	(2,678,964)
Balance as at June 30, 2024	-	116,938,875	116,938,875

The annexed notes from 1 to 23 form an integral part of these financial statements.

ISCO

MANAGING DIRECTOR

CHAIRPERSON

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Cash flows from operating activities			
Deficit from continuing operations		(2,678,964)	2,830,070
Adjustments for non cash items:			
Depreciation		3,815,530	3,625,799
Deferred income amortized		(44,332,609)	(45,962,508)
		(40,517,079)	(42,336,709)
Net cash flows before working capital changes		(43,196,043)	(39,506,639)
Increase / decrease in current assets and liabilities:			
Advances, prepayments and other receivables		(571,608)	(3,115,933)
Trade and other payables		785,940	(125,741)
		214,332	(3,241,674)
Net cash from operating activities		(42,981,711)	(42,748,313)
Cash flows from investing activities			
Purchase of fixed assets		(3,487,300)	-
Net cash used in investing activities		(3,487,300)	-
Cash flows from financing activities			
Deferred income		49,909,618	50,076,675
Net cash (used in)/ from financing activities		49,909,618	50,076,675
Net (decrease) / increase in cash and cash equivalents		3,440,608	7,328,361
Cash and cash equivalents at beginning of year		24,220,365	16,892,004
Cash and cash equivalents at the end of year		27,660,973	24,220,365

The annexed notes from 1 to 23 form an integral part of these financial statements.

ISCO

MANAGING DIRECTOR

CHAIRPERSON

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 STATUS AND NATURE OF BUSINESS

1.1 Rural Community Development Society "The Society" was registered under the Societies Registration Act, 1860 vide registration No: RP/6061/L/S/98/570 dated July 04, 1998. The purpose of RCDS is to work for social, economic and cultural betterment of low income groups in both urban and rural areas.

1.2 The principal activity of the Society is to provide cost effective grant based services to needy persons in order to enhance their economic role. The RCDS is also taking part to train and support human resources for designing implementing and overseeing development projects of community physical infrastructure and programs. In addition to these functions the RCDS also provides services in the form of training both to its clients and staff.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Approved Accounting & Reporting Standards as applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards and the Accounting standards for Not For Profit Organizations (NPOs) issued by Institute of Chartered Accountants of Pakistan (ICAP).

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in preparation of these financial statements are set out below. These policies have been consistently applied to all years prescribed, unless otherwise stated.

3.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective policies and notes given hereunder.

3.2 Material Accounting Estimates and Judgments

The preparation of financial statements in conformity with the Financial reporting guidelines for NGOs/ NPOs engaged in microfinance issued by the Institute Chartered Accountants of Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets and provisions for doubtful receivables. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amount of assets and liabilities in the next year.

3.3 Revenue

Revenue is recognized to the extent that the economic benefits will flow to the entity and revenue can be reliably measured. Revenue from different sources is recognized on the following basis:

- Donations in kind are recognized at fair market value as and when donated items are received.
- Return on investments is recognized on accrual basis.
- Revenue received from rental income is recognized on the basis of accural accounting standards (recorded till the extent of economic benefit given.

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3.4 Borrowings

Loans and borrowings are recorded on the cash basis. In subsequent periods, borrowings are stated at amortized cost using the effective yield method. Financial charges are accounted for on accrual basis and are included in current liabilities to the extent of amount remaining unpaid, if any.

3.5 Taxation

The income of the organization is exempt from the levy of tax under clause (c) of sub-section 36 of section 2 of the Income Tax Ordinance, 2001. Accordingly, no provisions for taxation has been made in the financial statements.

3.6 Property, plant and equipment

Property, plant and equipment are initially recognized at acquisition cost including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequently, property, plant and equipment are stated at cost less accumulated depreciation and any identifiable impairment loss. Subsequent costs are included in the asset's carrying amount or recognized as a separate cost, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organization and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to income statement during the year in which they are incurred.

Depreciation is charged to the Income and Expenditure Account using the reducing balance method, applying the depreciation rates disclosed in Note 4, to allocate the depreciable amount of assets over their estimated useful lives. Depreciation on additions is charged from the date the asset becomes available for use, while no depreciation is charged on the date the asset is disposed of.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of assets (calculated as the difference between the net disposal proceed and carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

The assets' residual values and estimated useful lives are reviewed at least at each balance sheet date and impact on depreciation is adjusted, if significant.

3.7 Recognition of grants

Grants received for capital expenditure are presented in the balance sheet as "Deferred Income" that is recognized as income in line with depreciation charged on respective assets over the useful life of the assets.

Grants received for revenue expenditure are recognized as grant income as per terms of agreement with donors.

3.8 Trade and other payables

Trade and other payables are stated at cost which is the fair value of consideration to be paid in the future for goods and services.

3.9 Advances, prepayments and other receivables

These are stated at their nominal values net of any allowance for uncollectable amounts. Other receivables are recognized at nominal amount which is fair value of the consideration to be received in future.

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3.10 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For purpose of cash flow statement, cash and cash equivalents include cash in hand, demand deposits, other short term highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

3.11 Provisions

Provisions are recognized when, and only when, the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflected the current best estimate.

a) General provision

A general provision is made @ 5% of the net outstanding loan balances.

b) Specific provision

In addition to general provision, specific provision for potential loan losses is made for all non-performing loans.

Loans in arrears		Amount in Rupees	Percentage
Other Assets Especially Mentioned (OAEM):	Loan in arrears (Instalment overdue) for 30 days or more but less than 90 days	-	0%
Substandard:	Loan in arrears (Instalment overdue) for 90 days or more but less than 180 days	-	20%
Doubtful:	Loan in arrears (Instalment overdue) for 180 days or more but less than 365 days	-	50%
Loss:	Loan in arrears (Instalment overdue) for 365 days or more	-	100%

3.12 Write off

All non-performing loans are written off after 365 days from the expiry of loan term. However, the society continues its efforts for the recovery of the written-off loans.

3.13 Use of Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are below:

- Operating fixed assets - Tangible and intangible
- Micro credit loan portfolio
- Advances, prepayments and other receivables
- Creditors, accrued and other liabilities

3.14 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported on the balance sheet if the Society has a legal enforceable right to setoff the recognized amounts and intends either to settle on net basis or realize the asset and settle the liabilities simultaneously.

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RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)

3.15 Cost allocation

Common costs relating to financial and non-financial services is allocated on proportionate basis according to share percentage of program's direct cost to total cost.

3.16 Other receivables

Other receivables are recognized initially at fair value plus directly attributable cost, if any and subsequently measured at amortized cost. A provision for impairment of other 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 receivables.

3.17 Creditors, accrued and other liabilities

Liabilities for trade and 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 and subsequently measured at amortized cost.

3.18 Recognition of grants and donations

Funds provided by donors to subsidize operating and administrative expenses are recognized as grant income as per terms of agreement with donors.

Funds utilized for acquiring fixed assets are taken to deferred grant and amortized over the useful life of the assets.

Grant related to capacity building are taken to deferred grant and amortized over the useful life.

Grants utilized for financing of lending operations are recognized as donated fund.

3.19 General fund

Funds generated by the Society through contribution from the trustees and other donors, without any specific purpose or activity, are classified as unrestricted general funds. Accordingly, any income generated and expenses incurred with respect to normal operations of the Society, which are not related to specific funds/activities, are charged to statement of income and expenditure.

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RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)

4 PROPERTY AND EQUIPMENT

Particulars	Cost					Depreciation					Written down value as at June 30, 2024
	As at July 01, 2023	Additions	Disposal	As at June 30, 2024	Rate	As at July 01, 2023	For the period	Disposal	As at June 30, 2024		
	Rs.					Rs.					
Free hold land	26,837,919	-	-	26,837,919	0%	-	-	-	-		26,837,919
Building	40,662,716	-	-	40,662,716	5%	7,178,770	1,674,197	-	8,852,967		31,809,749
Furniture and fixture	5,882,351	-	-	5,882,351	10%	1,689,881	419,247	-	2,109,128		3,773,223
Vehicles	17,556,930	3,487,300	-	21,044,230	20%	14,150,088	1,262,585	-	15,412,673		5,631,557
Office equipment	1,294,533	-	-	1,294,533	30%	935,867	107,600	-	1,043,467		251,066
Agri Equipment	6,548,783	-	-	6,548,783	10%	3,068,491	348,029	-	3,416,520		3,132,263
Health Equipment	2,239,000	-	-	2,239,000	30%	2,226,093	3,872	-	2,229,965		9,035
Total	101,022,232	3,487,300	-	104,509,532		29,249,190	3,815,530	-	33,064,721		71,444,811

Particulars	Cost				Depreciation					Written down value as at June 30, 2023
	As at July 01, 2022	Additions	Disposal	As at June 30, 2023	Rate	As at July 01, 2022	For the period	Disposal	As at June 30, 2023	
	Rs.					Rs.				
Free hold land	26,837,919	-	-	26,837,919	0%	-	-	-	-	26,837,919
Building	40,662,716	-	-	40,662,716	5%	5,416,457	1,762,313	-	7,178,770	33,483,946
Furniture and fixtures	5,882,351	-	-	5,882,351	10%	1,224,051	465,830	-	1,689,881	4,192,470
Vehicles	17,556,930	-	-	17,556,930	20%	13,298,377	851,711	-	14,150,088	3,406,842
Office equipment	1,294,533	-	-	1,294,533	30%	782,153	153,714	-	935,867	358,666
Agri Equipment	6,548,783	-	-	6,548,783	10%	2,681,792	386,699	-	3,068,491	3,480,292
Health Equipment	2,239,000	-	-	2,239,000	30%	2,220,561	5,532	-	2,226,093	12,907
Total	101,022,232	-	-	101,022,232		25,623,391	3,625,799	-	29,249,190	71,773,042

RCDS

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)

	Note	2024 Rupees	2023 Rupees
5 LONG TERM INVESTMENT			
Investment in EFU saving plans		**22,378**	22,378
		22,378	22,378
6 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Advance to staff against salaries		**93,440**	200,000
Advance to staff against expenses		**514,563**	966,162
Advance against the purchase of Agri Machinery		**2,000,000**	2,000,000
Unadjustable advance		**257,000**	257,000
Receivable from Rural Community Development Programmes		**-**	1,064,266
Receivable against School fees & Books collection		**131,800**	114,900
Receivable From Halvitas		**-**	60,386
Receivable From Al Khair Motors		**28,800**	28,800
Receivable From PSDF		**73,510**	73,510
Other receivable		**198,117**	198,116
		3,297,230	4,963,140
7 GRANT RECEIVABLE			
Welthungerhilfe (WHH)		**4,367,814**	3,957,263
		4,367,814	3,957,263
8 CASH AND BANK BALANCES			
Cash in hand			
Cash in hand		**326,440**	552,800
Cash at banks			
In current accounts		**386,184**	396,798
In deposit accounts		**26,948,349**	23,270,767
		27,334,533	23,667,565
		27,660,973	24,220,365

8.1 Cash at bank is free of lien and charge.

8.2 The rate of return on deposit accounts at rates ranging from 8% to 20% per annum (2023: 6% to 17% per annum).

9 DEFERRED INCOME			
Opening balance		**8,990,221**	4,876,054
Add : Cash received from donors		**45,541,804**	46,119,412
Less: Amortization of grants		**(44,332,609)**	(45,962,508)
Add: Grant Receivable portion		**4,367,814**	3,957,263
		14,567,230	8,990,221

9.1 There is continuation of agreement signed with Pakistan Poverty Alleviation Fund (PPAF) for the project titled "Restoring Social Services and Climate Resilience." Agreement duration: May 1, 2024 to April 30, 2026. Project is going on in District Rajanpur. Total Budget is Rs. 49,451,033. The main objective of the agreement is to build the capacity of flood-affected communities and implement development schemes in Union Council Hajipur, District Rajanpur.

RCDS

9.2 In the year 2021, RCDS has signed Modification Agreement with Welthungerhilfe for the project extension titled, "ToGETHER-Towards Greater Effectiveness and Timeliness in Humanitarian Emergency Response." Agreement duration: April 1, 2021 to April 30, 2024. Project was implemented in district Lahore and Layyah. Total budget is: Euro 159,444. The main objective of the agreement is continuity of localization of project, strengthening of organizational systems, staff capacities, and delivering timely humanitarian assistance.

9.3 During the year, RCDS has signed agreement with Welthungerhilfe for the project titled, "Strengthening Contingency Planning in District Layyah of Province Punjab, Pakistan." Agreement duration: December 15, 2023 to March 15, 2024. Project was implemented in the district Layyah. Total Budget is: Euro 72,000. The main objective of the agreement is to strengthen the disaster preparedness and response capacity of district authorities and communities by conducting capacity building trainings, developing contingency plans, providing DRR kits, and establishing community-based disaster management committees at village levels.

9.4 During the year, RCDS has signed agreement with Welthungerhilfe for the project titled, "ToGETHER 2.0 – Towards Greater Effectiveness and Timeliness in Humanitarian Emergency Response." Agreement duration: May 1,2024 to April 30, 2027. Total Budget is: Euro 301,444. Project is going on in the district Lahore and Layyah. The main objective of the agreement is to enhance localization of project by strengthening of organizational systems, staff capacities, and delivering timely humanitarian assistance.

	Note	2024 Rupees	2023 Rupees
10 TRADE AND OTHER PAYABLES			
Withholding tax payable		**101,754**	41,189
Staff payables		**1,173,718**	36,911
Staff provident fund payable		**1,140,352**	1,052,930
Accrued expenses		**696,710**	230,000
Payable to Rural Community Development Programmes		**-**	949,839
Payable to PPAF		**206,714**	
Others		**198,720**	421,159
		3,517,968	2,732,028

11 CONTINGENCIES AND COMMITMENTS

11.1 There are no contingencies or commitments as on balance sheet date. (2023: Nil)

12 PROFIT ON BANK DEPOSITS			
Profit on bank deposits		**3,535,028**	3,147,678
		3,535,028	3,147,678
13 INCOME FROM OTHER ACTIVITIES			
Vehicle Rental Income		**6,425,250**	-
Building Rental Income		**2,396,925**	7,839,270
School Fee income		**2,890,843**	2,928,131
Exchange gain		**277,266**	4,768,330
		11,990,284	15,535,731

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	Note	2024 Rupees	2023 Rupees
14 OTHER OPERATING EXPENSES			
Project and Allied Expenses		**32,539,978**	32,838,910
Training expenses		**-**	394,737
Office rent		**832,000**	1,710,414
Printing and stationery		**1,111,650**	1,729,018
Petrol and maintenance		**2,694,501**	2,095,298
Utilities		**613,838**	497,007
Communication & Couriers		**579,681**	612,648
Depreciation		**3,815,530**	3,625,799
Office supplies		**2,745,674**	1,867,073
Audit Fee	14.1	**250,000**	180,000
Travelling		**304,022**	133,490
Registration expenses		**105,715**	38,500
Consultancy		**-**	487,500
Others		**467,899**	172,670
		46,060,488	46,383,064
14.1 Auditor's remuneration		**250,000**	180,000
		250,000	180,000
15 FINANCE COST			
Bank charges		**74,747**	50,181
		74,747	50,181
16 FINANCIAL INSTRUMENTS BY CATEGORY			
Financial assets as per statement of financial position			
Advances, prepayments and other receivables		**689,227**	1,796,978
Cash at bank		**27,334,533**	23,667,565
		28,023,760	25,464,543
Financial liabilities as per statement of financial position			
Trade and other payables		**3,416,214**	2,690,839

16.1 Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Society is going concern and there is no intention or requirements to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

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16.1.1 Fair value hierarchy

Following are three levels in fair value hierarchy that reflects the significance of the inputs used in measurement of fair values of financial instruments.

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

The Society does not hold any instrument which could be included in Level 1, Level 2 and Level 3.

17 FINANCIAL INSTRUMENTS

17.1 Financial risk factors

The society's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The organization's overall risk management program focuses on having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to society.

Risk management is carried out by the Society's finance department under policies approved by the Management Board.

a) Credit risk

Credit risk is the risk that a party to the financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The society's credit risk is primarily attributable to balances at banks, investments and micro credit loan. The risk on liquid funds is limited as the counter parties are banks with high credit ratings.

For micro credit loans, the society has effective loan disbursement and recovery monitoring system which allows it to evaluate borrowers' credit worthiness and identify potential problems of loans. A provision for potential loan losses is maintained.

b) Currency risk

Currency risk is the risk that value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises mainly due to balances in foreign currency. The society is not exposed to any such risk.

The credit quality of Society's bank balances can be assessed with reference to external credit ratings as follows:

		Rating	
Bank	**Rating Agency**	**Long term**	Short term
Allied bank limited	PACRA	AAA	A1+
Habib bank limited	JCR-VIS	AAA	A1+
National bank of Pakistan	PACRA	AAA	A1+

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society's interest rate risk arises from short term borrowings and interest bearing assets. Borrowings obtained at variable rates exposes the Society to cash flow interest rate risk.

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At the statement of financial position date the interest rate profile of the Society's interest bearing financial instruments was:

	Note	2024 Rupees	2023 Rupees
Floating rate instrument			
Financial liabilities		-	-
Financial assets			
Cash at banks - In deposit accounts		**26,948,349**	23,270,767

Cash flow sensitivity analysis for floating rate instruments

If interest rate at the year end date, fluctuates by 1% higher/lower with all other variables held constant, statement of income and expenditure for the year would have been Rs. 269,483 (2023: 232,708) higher/lower, mainly as a result of higher/lower interest income on floating rate borrowings and bank balances. This analysis is prepared assuming the amounts of liabilities outstanding at balance sheet dates were outstanding for the whole year.

The Society does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect profit or loss of the Society.

d) Liquidity risk

Liquidity risk is the risk that the society will encounter difficulty in raising funds to meet its net funding requirement. The Society manages such risk by having adequate credit lines in place and maintaining sufficient liquidity at field office level to meet anticipated funding requirements.

The table below analyses how management monitors net liquidity based on details of the remaining contractual maturities of financial assets and liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

30 June 2024	Carrying Amount	Contractual cash flows	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	RUPEES						
Non-derivative							
Trade And Other Payables	3,416,214	3,416,214	3,416,214	-	-	-	-
	3,416,214	3,416,214	3,416,214	-	-	-	-

30 June 2023	Carrying Amount	Contractual cash flows	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	RUPEES						
Non-derivative Financial Liabilities							
Trade And Other Payables	2,690,839	2,690,839	2,690,839	-	-	-	-
	2,690,839	2,690,839	2,690,839	-	-	-	-

18 NUMBER OF EMPLOYEES

	2024 Number	2023 Number
Number of employees at the end of the year	**27**	29
Average number of employees during the year	**28**	31

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19 REMUNERATION OF KEY MANAGEMENT PERSONALS

The aggregate amount charged in the financial statements for the year in respect of remuneration including certain benefits to the Chief Executive Officer of the Society is as follows:

	Note	2024 Rupees	2023 Rupees
Chief Executive remuneration (Rupees)		**8,826,000**	3,300,000
No. of persons		**3**	1

20 CORRESPONDING FIGURES

20.1 Corresponding figures have been reclassified, where ever considered necessary, for better presentation of the financial statements. However, no significant reclassification has been made during the year.

21 RELATED PARTY TRANSACTIONS

The related parties comprise subsidiaries, associated under takings (Common Directorship), post employment benefit plans, other related companies, and key management personnel. The company in normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of related party	Nature of Transaction	2024 Rupees	2023 Rupees
Transactions During the year			
Rural Community Development Programmes	Rental Income	**8,822,175**	7,839,270
Balance Outstanding			
Rural Community Development Programmes	Payable	-	1,064,266
Rural Community Development Programmes	Receivable	-	949,839

22 DATE OF AUTHORIZATION FOR ISSUE

The Board of Directors authorized these financial statements for issue on 30 October 2024.

23 GENERAL

Figures have been rounded off to the nearest rupee.

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MANAGING DIRECTOR

CHAIRPERSON