Rural Community Development Society

Audited Financial Statements

For the yead ended 30 June 2025

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INDEPENDENT AUDITOR'S REPORT
TO THE GENERAL BODY OF RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
REPORT ON AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Rural Community Development Society (RCDS),** which comprise of the statement of financial position as at **June 30, 2025**, statement of income and expenditure, statement of comprehensive income, statement of changes in fund, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Rural Community Development Society (RCDS)** as at **June 30, 2025**, and its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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.

Responsibility 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 the management determines, is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 intend 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 financial reporting process.

Auditors' Responsibility

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.

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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's to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The engagement partner on the audit resulting in this independent auditor's report is Bushra Sana.

Ilyas Saeed & Co. ISCO
Chartered Accountants
Lahore

Dated: October 30, 2025
UDIN: AR202510278obIKZh4W3

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
Non-current assets			
Property and equipment	4	68,095,674	71,444,811
Capital Work in progress		31,875	31,875
Asset held on Behalf of PPIF - Furniture & Computers	5	17,333,500	-
Long Term Investment	6	22,378	22,378
		85,483,427	71,499,064
Current assets			
Advances, prepayments and other receivables	7	6,422,531	3,297,230
Grant Receivable	8	56,783,092	4,367,814
Advance Income tax		29,578,715	28,198,992
Cash and bank balances	9	49,699,404	27,660,973
		142,483,742	63,525,009
		227,967,169	135,024,073
FUNDS AND LIABILITIES			
Funds			
General fund		118,608,562	116,938,875
LIABILITIES			
Non current liabilities			
Deferred income	10	40,037,934	14,567,230
		40,037,934	14,567,230
Current liabilities			
Trade and other payables	11	69,320,673	3,517,968
		227,967,169	135,024,073
Contingencies and commitments	12	-	-

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

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MANAGING DIRECTOR

CHAIRPERSON

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
INCOME			
Profit on bank deposits	13	**5,365,920**	3,535,028
Income from other activities	14	**14,718,210**	11,990,284
Deferred grants amortized	10	**115,840,153**	44,332,609
		135,924,283	59,857,921
EXPENDITURE			
Salaries and other benefits		**46,740,201**	16,401,650
Operating expenses	15	**87,408,111**	46,060,488
Finance Cost	16	**106,285**	74,747
Total Expenditures		**134,254,597**	62,536,885
Net (deficit) / surplus for the year		**1,669,686**	(2,678,964)

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

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MANAGING DIRECTOR **CHAIRPERSON**

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	0	2024 Rupees
Surplus (deficit) for the year		**1,669,686**		(2,678,964)
Other Comprehensive Income for the year		-		-
		1,669,686		(2,678,964)

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

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MANAGING DIRECTOR

CHAIRPERSON

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Endowment Funds	General Funds	Total Funds
	Rupees		
Balance as at June 30, 2023	-	**119,617,840**	**119,617,839**
Net Surplus for the year ended June 30, 2024		(2,678,964)	(2,678,964)
Balance as at June 30, 2024	-	**116,938,876**	**116,938,875**
Net Surplus for the year ended June 30, 2025		1,669,686	1,669,686
Balance as at June 30, 2025	-	**118,608,562**	**118,608,561**

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

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MANAGING DIRECTOR

CHAIRPERSON

RURAL COMMUNITY DEVELOPMENT SOCIETY (RCDS)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Cash flows from operating activities			
(Deficit) / Surplus for the year		**1,669,686**	(2,678,964)
Adjustments for non cash items:			
Depreciation		**3,460,401**	3,815,530
Deferred income amortized		**(115,840,153)**	(44,332,609)
		(112,379,752)	(40,517,079)
Net cash flows before working capital changes		**(110,710,066)**	(43,196,043)
(Increase) / decrease in current assets and liabilities			
Advances, prepayments and other receivables		**(56,920,302)**	(571,608)
Trade and other payables		**65,802,705**	785,940
		8,882,403	214,332
Net cash from operating activities		**(101,827,663)**	(42,981,711)
Cash flows from investing activities			
Purchase of fixed assets		**(514,153)**	(3,487,300)
Sale proceeds from disposal of fixed assets		**402,889**	-
Assets held on behalf of GOP PPIF - Furniture & Computer		**(17,333,500)**	-
Net cash used in investing activities		**(17,444,764)**	(3,487,300)
Cash flows from financing activities			
Deferred income		**141,310,858**	49,909,618
Net cash (used in)/ from financing activities		**141,310,858**	49,909,618
Net (decrease) / increase in cash and cash equivalents		**22,038,431**	3,440,608
Cash and cash equivalents at beginning of year		**27,660,973**	24,220,365
Cash and cash equivalents- at the end of year		**49,699,404**	27,660,973

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

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MANAGING DIRECTOR

CHAIRPERSON

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 recognized 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 accrual accounting

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.

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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.

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.

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3.11 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

3.12 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.

3.13 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.

3.14 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.

3.15 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.

3.16 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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4 PROPERTY AND EQUIPMENT

Particulars	Cost					Depreciation				Written down value as at June 30, 2025
	As at July 01, 2024	additions during the period	Disposal / Transferred	As at June 30, 2025	Rate	As at July 01, 2024	For the period	Disposal / Transferred	As at June 30, 2025	
	Rs.									
Free hold land	**26,837,919**	-	-	**26,837,919**	**0%**	-	-		-	**26,837,919**
Building	**40,662,716**	-	-	**40,662,716**	**5%**	**8,852,967**	**1,590,487**		**10,443,454**	**30,219,262**
Furniture and fixtures	**5,882,351**	-	-	**5,882,351**	**10%**	**2,109,128**	**377,322**	-	**2,486,450**	**3,395,901**
Vehicles	**21,044,230**	-	**(1,769,750)**	**19,274,480**	**20%**	**15,412,673**	**1,045,734**	**(1,366,861)**	**15,091,545**	**4,182,935**
Office equipment	**1,294,533**	**514,153**	-	**1,808,686**	**30%**	**1,043,467**	**130,922**		**1,174,389**	**634,297**
Agri Equipment	**6,548,783**	-	-	**6,548,783**	**10%**	**3,416,520**	**313,226**	-	**3,729,747**	**2,819,036**
Health Equipment	**2,239,000**	-	-	**2,239,000**	**30%**	**2,229,965**	**2,711**		**2,232,675**	**6,325**
Total	**104,509,532**	**514,153**	**(1,769,750)**	**103,253,935**		**33,064,720**	**3,460,402**	**(1,366,861)**	**35,158,261**	**68,095,674**

Particulars	Cost					Depreciation				Written down value as at June 30, 2024
	As at July 01, 2023	additions during the period	Disposal / Transferred	As at June 30, 2024	Rate	As at July 01, 2023	For the period	Disposal / Transferred	As at June 30, 2024	
	Rs.									
Free hold land	26,837,919	-	-	26,837,919	0%	-	-		-	26,837,919
Building	40,662,716	-	-	40,662,716	5%	7,178,769	1,674,197		8,852,967	31,809,749
Furniture and fixtures	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%	14,150,087	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%	2,226,092	3,872		2,229,965	9,035
Water testing equipment	-	-	-	-	10%	-	-		-	-
Total	101,022,232	3,487,300	-	104,509,532		29,249,189	3,815,531	-	33,064,720	71,444,811

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		Note	2025 Rupees	2024 Rupees
5	**ASSET HELD ON BEHALF OF PPIF - FURNITURE & COMPUTERS**			
	Opening balance		-	-
	Additions during the Year (Funded by PPIF)		**17,333,500**	-
	Less: Adjustment (if any)		-	-
	Closing balance		**17,333,500**	-

The Society holds specific movable assets exclusively for use in the PPIF-funded project "Scale up of E-Voucher Model for BISP beneficiaries in District Lahore".

(i) Legal ownership of all such assets rests solely with PPIF, and

(ii) Movable assets are required to be returned to PPIF in working condition upon project completion.

The Society holds these assets strictly for designated project use and does not control their substantive future economic benefits.

		Note	2025 Rupees	2024 Rupees
6	**LONG TERM INVESTMENT**			
	Investment in EFU saving plans		**22,378**	22,378
			22,378	22,378
7	**ADVANCES, DEPOSITS AND OTHER RECEIVABLES**			
	Advance to staff against salaries		**384,999**	93,440
	Advance to staff against expenses		**2,680,139**	514,563
	Advance against the purchase of Agri Machinery		**2,000,000**	2,000,000
	Unadjustable advance		**387,000**	257,000
	Receivable against School fees & Books collection		**304,675**	131,800
	Receivable From Al Khair Motors		**28,800**	28,800
	Receivable From PSDF		**73,510**	73,510
	Other receivable		**563,408**	198,117
			6,422,531	**3,297,230**
8	**GRANT RECEIVABLE**			
	Punjab Population Innovation Fund (PPIF)		**53,252,440**	-
	Helvitas		**181,870**	-
	Welthungerhilfe		**3,348,782**	4,367,814
			56,783,092	4,367,814
9	**CASH AND BANK BALANCES**			
	Cash in hand			
	Cash in hand		**722,813**	326,440
	Cash at banks			
	In current accounts	**12.1**	**386,184**	386,184
	In deposit accounts	**12.2**	**48,590,407**	26,948,349
			48,976,591	27,334,533
			49,699,404	27,660,973

9.1 Cash at bank is free of lien and charge.

9.2 The rate of return on deposit accounts at rates ranging from 7% to 19% per annum (2024: 8% to 20% per annum).

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10 DEFERRED INCOME

Opening balance	**14,567,231**	8,990,222
Add : Cash received from donors	**84,527,764**	45,541,804
Less: Amortization of grants	**(115,840,153)**	(44,332,609)
Add: Grant Receivable portion	**56,783,092**	4,367,814
Closing balance	**40,037,934**	14,567,231

10.1 RCDS is continuing its collaboration with the **Pakistan Poverty Alleviation Fund (PPAF)** through the project "**Restoring Social Services and Climate Resilience**" (May 2024–April 2026; budget: Rs. 49.45 million), implemented in Union Council Haripur, District Rajanpur.

The project aims to rebuild flood-affected communities by strengthening local capacity through training in social mobilization, leadership, disaster preparedness, and health awareness. Future efforts will focus on linking communities with relevant agencies to enhance livelihoods, economic opportunities, and socio-economic resilience.

10.2 In 2024, RCDS formalized a partnership with **Welthungerhilfe** to implement the project "Together 2.0 – Towards Greater Effectiveness and Timeliness in Humanitarian Emergency Response."

- The project runs from May 1, 2024, to April 30, 2027, with an initial budget of EUR 301,444, and is active in the Lahore and Layyah districts. Its primary goal is to strengthen localized humanitarian response by enhancing organizational systems, building staff capacity, and ensuring timely assistance delivery.

-During the year 2025, modification to the agreement has increased the total budget to EUR 318,862.5, allowing for expanded implementation and impact.

10.3 During the current year, RCDS has entered into a partnership with **Helvtas** for the Capacity Building for Socially Diligent Agribusiness project, effective from January 2025 to April 2028. The project is funded at PKR 23,021,541.

The initiative will directly engage 2,000 farmers, 7,500 farm laborers, and 750 factory workers, alongside key stakeholders including 10 civil society organizations, 4 labor unions, and 15 rice companies. The project aims to achieve the following outcomes:

1 **Enhanced Awareness and Capacity on Labor Rights**

– Build knowledge of labor and human rights among 7,500+ workers and farmers.

– Strengthen civil society organizations and labor unions to effectively advocate for rights and provide legal support.

2 **Functional Due Diligence and Whistle-Blowing Mechanisms**

– Establish safe, confidential reporting channels for labor rights violations.

– Support 15 rice companies in implementing due diligence policies across their supply chains.

3 **Measurable Improvement in Working Conditions**

– Document gaps in compliance and facilitate remedial actions in the rice value chain.

– Improve labor law adherence in areas such as fair wages, occupational safety, and social protection for workers and laborer's.

We look forward to working together to advance socially responsible agribusiness practices and strengthen labor rights across the sector.

10.4 During the year, RCDS has entered into an agreement with **Community Helpers USA** for the Clean Drinking Water project. The project is scheduled to run from April 2025 to March 2026, with a total budget of PKR 300,000.

Project Objective: To install three hand water pumps in prioritized, vulnerable communities within District Bahawalpur, District Rajanpur, and Lahore following a comprehensive needs assessment.

10.5 RCDS has signed two agreements with the **Punjab Population Innovation Fund (PPIF)**—a non-profit public sector company supporting family planning initiatives—to scale the E-Voucher Model for BISP beneficiaries.

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-The Lahore project, running from February 2025 to May 2027 with a budget of PKR 196,474,935, aims to reach 169,091 eligible women through household visits on Healthy Timing and Spacing of Pregnancies (HTSP).

-The Kasur project, covering the same period with a budget of PKR 116,332,670, targets 95,549 eligible women for similar family planning sensitization services.

10.6 RCDS entered into an agreement with the **Tayyaba Foundation** in July 2024 to implement a humanitarian support project valued at PKR 1,050,000. This initiative, active from July to August 2024, involved installing three solar-powered water filtration plants—each equipped with a full water facilitation system and a 500-foot bore—in vulnerable communities across the districts of Layyah, Rajanpur, and Lahore.

10.7 Received PKR 10 million from Rural Community Development Programme (RCDP) for the construction of a hospital.

	Note	2025 Rupees	2024 Rupees
11 TRADE AND OTHER PAYABLES			
Withholding tax payable		**1,096,698**	101,754
Staff payables		**3,011,779**	1,173,718
Staff provident fund payable		**1,140,352**	1,140,352
Accrued expenses		**1,099,550**	696,710
Payable to PPIF (Security received from PPIF against the project)		**62,561,521**	-
Payable to PPAF		**206,714**	206,714
Others		**204,059**	198,720
		69,320,673	3,517,968

12 CONTINGENCIES AND COMMITMENTS

12.1 There are no contingencies and commitments as on balance sheet date. (2024: NIL)

13 PROFIT ON BANK DEPOSITS

		2025	2024
Profit on bank deposits		**5,365,920**	3,535,028
		5,365,920	3,535,028

14 INCOME FROM OTHER ACTIVITIES

		2025	2024
Vehicle Rental Income		**7,605,601**	6,425,250
Building Rental Income		**2,636,616**	2,396,925
School Fee income		**2,871,357**	2,890,843
Profit from Banks		-	-
Profit on Sale of Fixed Asset		**1,597,111**	-
Exchange gain		**7,525**	277,266
		14,718,210	11,990,284

15 OTHER OPERATING EXPENSES

	Note	2025	2024
Project and Allied Expenses		**58,633,650**	32,539,978
Training expenses		**3,763,483**	-
Office rent		**2,688,000**	832,000
Printing and stationery		**973,521**	1,111,650
Petrol and maintenance		**4,947,636**	2,694,501
Utilities		**691,402**	613,838
Communication & Couriers		**1,481,581**	579,681
Depreciation		**3,460,402**	3,815,531
Office supplies		**2,145,044**	2,745,674
Audit Fee	**15.1**	**312,500**	250,000
Legal aid Expenses		-	-
Travelling		**6,497,036**	304,022
Registration expenses		**365,412**	105,715
Consultancy		**210,000**	-
Others		**1,238,444**	467,899
		87,408,111	46,060,489

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	312,500	250,000

16 FINANCE COST

Bank charges	**106,285**	74,747
	106,285	74,747

17 NUMBER OF EMPLOYEES

	2025 Numbers	2024 Numbers
Number of employees at the end of the year	**27**	27
Average number of employees during the year	**27**	28

18 REMUNERATION OF CHIEF EXECUTIVES, DIRECTORS AND EXECUTIVES

Following are the particulars of remuneration to chief executive officer, Certain directors and executives:

	2025		2024	
	Managing Director	Executives	Managing Director	Executives
Basic Salaries	3,597,273	6,716,108	2,760,000	3,302,273
Medical allowances	359,727	671,611	276,000	330,227
Bonus	150,000	80,000	-	-
Others	392,000	908,182	210,000	65,000
	4,499,000	**8,375,901**	3,246,000	3,697,500
Number of Persons	1	4	1	2

19 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 and basis of relationship	Nature of Transaction	2025 Rupees	2024 Rupees
Rural Community Development Programmes (RCDP) - Associated Entity	Received vehicle and building rental income	**10,242,217**	8,822,175
Rural Community Development Programmes (RCDP) - Associated Entity	Funds received for hospital construction	**10,000,000**	-

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 GENERAL

Figures have been rounded off to the nearest rupees.

22 DATE OF AUTHORIZATION FOR ISSUE

The Board of Directors authorized these financial statements for issue on October 30, 2025.

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MANAGING DIRECTOR **CHAIRPERSON**