

INDEPENDENT AUDITORS' REPORT

To the Members of Pakistan Down Syndrome Association (PDSA)

Report on the Audit of the Financial Statements

Opinion

I have audited the annexed financial statements of Pakistan Down Syndrome Association (PDSA) (the Association), which comprise the statement of financial position as at June 30, 2023, and the statement of comprehensive income, the statement of cash flows for the year ended June 30, 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and I state that I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purposes of the audit.

In my opinion and to the best of my information and according to the explanations given to us, the statement of financial position, the statement of comprehensive income and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Societies Act, 1860, in the manner so required and respectively give a true and fair view of the state of the association's affairs as at June 30, 2023, and of the total comprehensive income and its cash flows for the period.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. My responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the association 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 I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Societies Act, 1860, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

The board of directors is responsible for overseeing the association's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

My 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 auditors' report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 association'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 association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditors' report. However, future events or conditions may cause the association 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.

I communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Other Legal and Regulatory Requirements

Based on my audit, I further report that in my opinion:

- a) proper books of account have been kept by the association as required by the Societies Act, 1860;
- b) the statement of financial position, the statement of comprehensive income and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Societies Act, 1860, and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the period were for the purpose of the association's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The sole proprietor on the audit resulting in this independent auditors' report is **Muhammad Shakeel Nasir**.

M. Shakeel

Shakeel & Company
Chartered Accountants
Place: FAISALABAD
Date:



**PAKISTAN DOWN SYNDROME ASSOCIATION (PDSA)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023**

ASSETS	Note	2023 Rupees	2022 Rupees
NON-CURRENT ASSETS			
Property and equipment	4	52,299	58,110
		<u>52,299</u>	<u>58,110</u>
CURRENT ASSETS			
Cash and bank balance	5	23,081	16,246
		<u>23,081</u>	<u>16,246</u>
		<u><u>75,380</u></u>	<u><u>74,356</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	75,380	74,356
Provision of taxation	12	-	-
		<u>75,380</u>	<u>74,356</u>
Contingencies and commitments	8	-	-
Total Liabilities		<u><u>75,380</u></u>	<u><u>74,356</u></u>
Net Assets		<u><u>-</u></u>	<u><u>-</u></u>

The annexed notes 1-16 form an integral part of these financial statements.

Represented by
General funds
Deferred capital gains
Deferred restricted grants

-	-
-	-
-	-
<u>-</u>	<u>-</u>


President

PRESIDENT
Pakistan Down Syndrome Association
PDSA Pakistan


General Secretary

GENERAL SECRETARY
Pakistan Down Syndrome Association
PDSA Pakistan


Finance Secretary

FINANCE SECRETARY
Pakistan Down Syndrome Association
PDSA Pakistan



**PAKISTAN DOWN SYNDROME ASSOCIATION (PDSA)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023 Rupees	2022 Rupees
Income	9	350,000	415,000
Administrative expenses	10	350,000	414,237
Finance cost	11	-	763
Surplus/deficit before taxation		-	-
Taxation	12	-	-
Surplus/deficit after taxation		-	-

The annexed notes 1-16 form an integral part of these financial statements.



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PDSA Pakistan



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PDSA Pakistan



Finance Secretary

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Pakistan Down Syndrome Association
PDSA Pakistan



PAKISTAN DOWN SYNDROME ASSOCIATION (PDSA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	2023 Rupees	2022 Rupees
A) Cash flow from operating activities		
Net surplus/deficit before taxation	-	-
Depreciation	5,811	6,456
Surplus before working capital charges	5,811	6,456
Movement in working capital		
Loan and advances	-	-
Accrued expenses	1,024	(35,458)
Cash generated / (used) from operations	6,835	(29,002)
Tax paid	-	-
Net cash flow from operating activities	6,835	(29,002)
B) Cash flow from investing activities		
Addition in operating assets	-	-
C) Cash flows from financing activities		
Cash flow from financing activities	-	-
Increase in cash and cash equivalents (a+b+c)	6,835	(29,002)
Cash and cash equivalents at beginning of the year	23,420	52,422
Cash and cash equivalents at end of the year	30,255	23,420

The annexed notes 1-16 form an integral part of these financial statements.



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 PDSA Pakistan



 General Secretary

GENERAL SECRETARY
 Pakistan Down Syndrome Association
 PDSA Pakistan



 Finance Secretary

FINANCE SECRETARY
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 PDSA Pakistan



PAKISTAN DOWN SYNDROME ASSOCIATION (PDSA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. Association and its operations

1.1 Pakistan Down Syndrome Association (the Association) is an association incorporated under the Societies Act 1860 having registration # 1787 of 2014-2015. It was incorporated on September 02, 2014 at Benazirabad. The principle business of the association is to carry our social activities. The registered office of the association is situated at House no. A-114, Housing Society, Nawabshah district, Shaheed Benazirabad.

2. Basis of preparation

2.1. Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Reporting standards as applicable in Pakistan on non-government organizations (NGOs) / non-profit organizations (NPOs) issued by Institute of Chartered Accountants of Pakistan and Revised Accounting and Financial Reporting Standards for Small Sized Entities (Revised AFRS for SSEs) issued by Institute of Chartered Accountants of Pakistan.

2.2. Measurement basis and basis of preparation of financial statements

These financial statements have been prepared under the historical cost convention. These are prepared, except for cash flow information and certain financial instruments, on accrual basis of accounting. Financial Instruments are measured at fair value.

2.3. Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the association's functional and reporting currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

2.4. Accounting convention

These financial statements have been prepared under the historical cost convention except for certain items as disclosed in the relevant accounting policies.

2.5. Significant accounting estimates and judgements

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain crucial accounting estimates. It also requires management to exercise judgements in the process of applying the association's accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. However, such differences are estimated to be insignificant and hence will not affect the true and fair presentation of the financial statements. The assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Judgements made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy note.

3. Summary of significant accounting policies

The significant accounting policies set out below have been applied consistently in the preparation of these financial statements.

3.1. Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged on reducing balance method at the rates stated in note 4.

Depreciation on additions is charged from the month in which an asset is acquired or capitalized, while no depreciation is charged in month in which asset is disposed off.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The effect of any adjustment to residual values and useful lives is recognized prospectively as a change of accounting estimate in the statement of income

Disposal of assets is recognized when significant risks and rewards incidental to the ownership have been transferred to buyer. Gains and losses on disposal are determined by comparing the proceeds with the carrying amounts and are recognized in the statement of income and expenditure.



Subsequent costs are included in the assets carrying amount or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income as and when incurred.

3.2. **Advances**

These are carried at fair value of the consideration to be received in future. An estimated provision is made against amounts considered doubtful of recovery whereas, amounts considered irrecoverable are written off.

3.3. **Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of statement of cash flows, cash and cash equivalents comprise of cash in hand, balances with banks and highly liquid short term investments that are convertible to known amount at cash and subject to insignificant risk of change in value.

3.4. **Borrowing**

Loans are measured at amortized cost using the effective interest method. Overdrafts are repayable in full on demand and are mutually measured and subsequently stated at face value (the amount of loan). Interest expense is recognized on the basis of effective method and is included in finance cost.

3.5. **Trade and other payables**

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

3.6. **Revenue recognition**

General grants

General grants received without any specific purpose for social services by fund raising or other sources are termed as Unrestricted grants and recognized as income when received.

Specific grants

Grants received for specific purpose are referred as restricted grants and deferred when received and are amortized on the basis of expenditure incurred. Any difference in total grant received and total expenditure incurred at the end of project are dealt in accordance with project / donor agreements.

Capital grants

Capital grants utilized for fixed assets are reflected in the statement of financial position as deferred capital grant, which is amortized over useful life of the related depreciable assets equivalent to related depreciation. In-kind Capital donations are recorded at nominal values, unless fair values of items received are determinable, upon which, these are deferred, and amortized over useful life of the assets received equivalent to the related depreciation charge.

3.7. **Taxation**

Current taxation

Provision for current taxation is based on the taxable income at the current rate of taxation after taking into account tax credits, rebates, losses and exemptions available, under the law.

Deferred taxation

Deferred tax is provided using the liability method for all temporary differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the income statement, except in case of items charged or credited to equity in which case it is included in equity.

3.8. **Provisions**

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

3.9. **Related party transactions**

All transactions with related parties arising in the normal course of business are carried out at an arm's length basis, at normal commercial rates on the same terms and conditions as third party transactions.



4 Property and equipment

As at July 01, 2021

Cost
 Accumulated depreciation / Acc. amortization
 Net book value as at July 01, 2021

Year ended June 30, 2022

Opening net book value
 Additions
 Depreciation for the period
 Closing net book value

Year ended June 30, 2023

Opening net book value
 Additions
 Depreciation for the period
 Closing net book value

At June 30, 2023

Cost
 Accumulated depreciation / Acc. amortization
 Net book value

Annual rate of depreciation

10%

10%

	Office equipment	Furniture & fixture	Total
As at July 01, 2021			
Cost	25,780	45,960	71,740
Accumulated depreciation / Acc. amortization	2,578	4,596	7,174
Net book value as at July 01, 2021	23,202	41,364	64,566
Year ended June 30, 2022			
Opening net book value	23,202	41,364	64,566
Additions	-	-	-
Depreciation for the period	2,320	4,136	6,456
Closing net book value	20,882	37,228	58,110
Year ended June 30, 2023			
Opening net book value	20,882	37,228	58,110
Additions	-	-	-
Depreciation for the period	2,088	3,723	5,811
Closing net book value	18,794	33,505	52,299
At June 30, 2023			
Cost	25,780	45,960	71,740
Accumulated depreciation / Acc. amortization	6,986	12,455	19,441
Net book value	18,794	33,505	52,299



5 Cash and bank balance
Cash in hand
Cash at bank-current account

6 Trade and other payables
Trade payables
Accrued expenses
Auditors' remuneration payable

8 Contingencies and commitments
There are no contingencies and commitments at year end.

9 Donation
Local

10 Administrative expenses
Salaries and wages
Utility expenses
Auditors' remuneration
Printing and stationery
Repair and maintenance
Depreciation
Other expenses

11 Finance cost
Bank charges

12 Provision of taxation
Current tax

No provision for deferred taxation has been made as no significant temporary differences have arisen

13 Number of employees
Total no of employees as at the year end
Average no of employees during the year

14 Events after the statement of financial position date

There are no subsequent events occurring after the statement of financial position date, which required disclosure in these financial statements.

15 General

Figures in these financial statements have been rounded-off to the nearest Pak Rupee, unless otherwise stated.

16 Date of authorization

These financial statements were authorized for issue on _____

2023
Rupees

2022
Rupees

17,255	15,510
5,826	736
<u>23,081</u>	<u>16,246</u>

31,297	31,439
27,083	26,917
17,000	16,000
<u>75,380</u>	<u>74,356</u>

350,000	415,000
<u>350,000</u>	<u>415,000</u>

300,000	300,000
25,000	23,000
17,000	16,000
925	24,310
1,264	26,153
5,811	6,456
	18,318
<u>350,000</u>	<u>414,237</u>

-	763
<u>-</u>	<u>763</u>

-	-
<u>-</u>	<u>-</u>

1	1
<u>1</u>	<u>1</u>

1	1
<u>1</u>	<u>1</u>


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