



Muhammad Ishaq & Co.
Chartered Accountants



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEHRAB-E-UMEED FOUNDATION

OPINION

We have audited the accompanying financial statements of **M/S Mehrab-e-Umeed Foundation** (*the organization*) registered under Section 42 of the Companies Act, 2017 which comprise the statement of financial position as at June 30, 2025, the statement of receipts and payment, statement of cash flows and statement of changes in funds for the period from April 08, 2025 to June 30, 2025, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the association present fairly, in all material respects, the financial position of the association as at June 30, 2025, its financial performance and statement of changes in funds for the the period from April 08, 2025 to June 30, 2025 in accordance with the requirements of the Companies Act, 2017.

BASIS FOR OPINION

We conducted our audit in accordance with the International Standards on Auditing (ISAs). 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 cooperative society in accordance with the ethical requirements that are relevant to our audit of financial statements in Pakistan, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to Note 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared for the internal use of members using specified accounting policies. Our opinion is not modified in respect of this matter.

RESPONSIBILITIES OF MANAGEMENT AND MANAGING COMMITTEE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of the financial statements in accordance with the requirements of Companies Act, 2017 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.

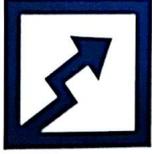
In preparing the financial statements, management is responsible for assessing the co-operative society's ability to continue as a going concern and using the going concern basis of accounting unless management either intends to liquidate the co-operative society or to cease operations or has no realistic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

Managing Committee is responsible for overseeing the co-operative society's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



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- 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 Firm'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 Firm'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 Firm 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 managing committee 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 **Muhammad Ishaq, ACA**.

Muhammad Ishaq & Co.

Muhammad Ishaq & Co.,
Chartered Accountants
Islamabad
Date: December 26, 2025



MEHRAB-E-UMEED FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees
<u>ASSETS</u>		
Non-Current Assets		
Property, plant and equipment	4	40,150
Current Assets		
Cash and bank balances	5	506,682
Total Assets		<u><u>546,832</u></u>
<u>FUNDS AND LIABILITIES</u>		
Reserves		
General funds		544,183
Current Liabilities		
Provision for taxation	6	2,649
Total Equity & Liabilities		<u><u>546,832</u></u>
CONTINGENCIES AND COMMITMENTS	7	-
		<i>Mik</i>

Annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

**MEHRAB-E-UMEED FOUNDATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD FROM APRIL 08, 2025 TO JUNE 30, 2025**

		For the period from April 08, 2025 to June 30, 2025
	Notes	Rupees
Income		
Donation & Other Income	8	211,900
		211,900
Expenditure		
Donation Expense	9	144,000
Admin & General Expense	10	121,068
		(265,068)
Surplus before tax		(53,168)
Provision for taxation		(2,649)
Surplus for the period		(55,817)

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Annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

**MEHRAB-E-UMEED FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM APRIL 08, 2025 TO JUNE 30, 2025**

	For the period from April 08, 2025 to June 30, 2025
Note	Rupees
CASH FLOW FROM OPERATING ACTIVITIES	
Surplus before tax	(53,168)
Adjustment for non-cash items	
Depreciation	10 11,850
Donation in Kind	8 (35,000)
	<u>(23,150)</u>
Profit/(Loss) before working capital changes	<u>(76,318)</u>
Changes in working capital	
(Increase) / decrease in current assets	-
Increase / (Decrease) in Current liabilities	-
Tax paid	-
Net cash flow from operating activities	<u>A (76,318)</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of property, plant and equipment	4 (17,000)
Net cash flow from investing activities	<u>B (17,000)</u>
CASH FLOW FROM FINANCING ACTIVITIES	
Members Contribution	600,000
Net cash flow from financing activities	<u>C 600,000</u>
NET CASH GENERATED DURING THE YEAR	<u>506,682</u>
CASH AND BANK BALANCE AS AT BEGINNING OF THE YEAR	<u>-</u>
CASH AND BANK BALANCE AS AT END OF THE YEAR	<u><u>506,682</u></u>

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Annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

MEHRAB-E-UMEED FOUNDATION
STATEMENT OF CHANGES IN FUNDS
FOR THE PERIOD FROM APRIL 08, 2025 TO JUNE 30, 2025

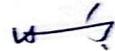
	General Fund
	Rupees
Balance as at 08 April 2025	-
Contribution by Members	600,000
Surplus for the period	(55,817)
Balance as at 30 June 2025	544,183

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

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CHIEF EXECUTIVE



DIRECTOR

**MEHRAB-E-UMEED FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM APRIL 08, 2025 TO JUNE 30, 2025**

1 STATUS AND NATURE OF BUSINESS

Mehrab-e-Umeed Foundation is Non Profit Organization incorporated in the province of Punjab under section 42 of the Companies Act, 2017 with SECP on 08 April 2025. The Company is mainly engaged to provide food, shelter, warm clothes, shoes and other associated goods to poor and needy people. The registered address of the company is Office # 210, First Floor, City Centre, Bank Road, Saddar, Rawalpindi.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the approved accounting and financial reporting standards for Small Sized Entities (AFRS for SSE) as applicable in Pakistan and Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan. these financial statements have been prepared on request of members of the association for their own internal use.

2.2 BASIS OF MEASUREMENT

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

2.3 FUNCTIONAL AND POTENTIAL CURRENCY

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

2.4 KEY JUDGEMENT AND ESTIMATES

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Trust's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

Useful lives, residual values and depreciation method of property plant and equipment

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3 SUMMARY AND SIGNIFICANT ACCOUNTING POLICY

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

3.1 PROPERTY PLANT AND EQUIPMENT

Initial recognition

All items of property plant and equipment are initially recorded at cost.

Subsequent measurement

Items of property plant and equipment are measured at cost less accumulated depreciation and impairment loss (if any).

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives.

Depreciation is calculated on reducing balance method at rates varying from 10 to 30 percent of the written down values depending upon each class of property plant and equipment. Full year's depreciation is charged on additions during a year, while no depreciation is charged on disposals/write off during a year.

Disposal

The gain or loss arising on disposal or retirement of an item of property plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as other income in the statement of income and expenditure.

Judgment and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

**MEHRAB-E-UMEED FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM APRIL 08, 2025 TO JUNE 30, 2025**

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand and cash at bank in current and other short term highly liquid instruments that are readily convertible into known amounts of cash.

3.3 ADVANCES DEPOSITS AND OTHER RECEIVABLES

These are stated at cost which is the fair value of consideration and subsequently measured at amortized cost using the effective interest rate method less an provision for doubtful debts, if any.

3.4 CONTINGENT LIABILITIES

A contingent liability is disclosed when the Trust has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Trust; or the Trust has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Financial assets and financial liabilities are off-set and the net amount is reported in the statement of financial position if the Trust has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.5 CREDITORS, ACCRUED AND OTHER LIABILITIES

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

3.6 DONATIONS

A donation without specified future performance conditions is recognized in income when the donation proceeds are receivable. A donation that imposes specified future performance conditions is recognized in income when all those conditions are met and there is a reasonable assurance that the donation will be received.

Donations are presented separately from the assets to which they relate. Donations received before the income recognition criteria are satisfied are presented as a separate liability in the statement of financial position in restricted funds.

3.7 TAXATION

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax rebates and credits available, if any.

3.8 PROVISION FOR TAXATION

Provision for taxation has been made in these financial statements in accordance with the applicable tax laws. Current tax is based on taxable income for the year, using the tax rates enacted or substantively enacted at the reporting date. Deferred tax is recognized on temporary differences, where applicable, in accordance with the accounting standards.

3.9 REVENUE RECOGNITION

Revenue is recognized on accrual basis.

3.10 RECLASSIFICATION

Reclassifications are made in the financial statements when required by applicable accounting standards or when changes in the nature of transactions provide more reliable and relevant. The nature, reason, and amount of each reclassification are disclosed in the notes to the financial statements to ensure comparability across periods.

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MEHRAB-E-UMEED FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM APRIL 08, 2025 TO JUNE 30, 2025

	2025 Rupees
4 PROPERTY PLANT AND EQUIPMENT (Schedule annexed)	<u>40,150</u>
5 CASH AND BANK BALANCES	
Cash	500,514
Bank Current account - Local Currency	6,168
	<u>506,682</u>
6 PROVISION FOR TAXATION	
Opening Balance	-
Add: provision for the year	2,649
Less: Advance tax paid during the year	-
	<u>2,649</u>
7 CONTINGENCIES AND COMMITMENTS	
There were no contingencies & commitments at June 30, 2025.	
8 DONATIONS AND OTHER INCOME	
Donation Income	176,900
Donation in Kind	35,000
	<u>211,900</u>
9 DONATION EXPENSE	
Donation Expense	144,000
	<u>144,000</u>
10 ADMINISTRATIVE, GENERAL & DONATION EXPENSES	
Admin Expense	96,850
Utility Expense	8,136
Bank Charges	4,232
Depreciation	11,850
	<u>121,068</u>
11 SUBSEQUENT EVENTS	
There are no such subsequent events adjusting or non-adjusting providing further evidence of relating to the period ended June 30, 2025.	
12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES	
During the year, Mr. Akhtar Rizwan, Director of Mehrab-e-Umeed Foundation, donated a computer to the Foundation on 01 May 2025.	
The computer has been recognised at its fair value of Rs. 15,000 in the financial statements as donation income and capitalised under property, plant and equipment.	
No amounts were payable to or receivable from the director in respect of this transaction at year-end.	

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MEHRAB-E-UMEED FOUNDATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD FROM APRIL 08, 2025 TO JUNE 30, 2025

4 PROPERTY PLANT AND EQUIPMENTS

DESCRIPTION	COST			Rate %	ACCUMULATED DEPRECIATION			WDV
	As at 08 April 2025	Additions	As at June 30 2025		As at 08 April 2025	Expense for the year	As at June 30 2025	As at June 30 2025
	------(Rupees)-----				------(Rupees)-----			
Furniture & Fixtures	-	25,000	25,000	15%	-	3,750	3,750	21,250
Computer & IT Equipments	-	27,000	27,000	30%	-	8,100	8,100	18,900
2025	-	52,000	52,000		-	11,850	11,850	40,150

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**MEHRAB-E-UMEED FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM APRIL 08, 2025 TO JUNE 30, 2025**

13 NUMBER OF EMPLOYEES

	Number
Total employees of the Company at the period end	1
Average employees of the Company during the period	1

14 GENERAL

- 14.1 The figures have been rounded off to the nearest rupee, unless otherwise stated.
14.2 These financial statements were authorized by the board of directors for issuance on



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DIRECTOR