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# **RAAZDAR FOUNDATION**

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**Financial Statements**  
**For the period ended June 30, 2025**

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAAZDAR FOUNDATION REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### *Opinion*

We have audited the annexed financial statements of **Raazdar Foundation** (the Foundation), which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure and other comprehensive income, the statement of changes in fund balance, the statement of cash flows for the period then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure and other comprehensive income, the statement of changes in fund balance 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 respectively give a true and fair view of the state of the Foundation's affairs as at June 30, 2025, and of the surplus and other comprehensive income, the changes in fund balance and its cash flows for the period then ended.

### *Basis for Opinion*

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

### *Information Other than the Financial Statements and Auditor's Report Thereon*

Management is responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*RHZASR*

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**Reanda Haroon Zakaria Aamir Salman Rizwan & Company**  
Chartered Accountants

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Other offices at:  
Lahore and Islamabad

### ***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 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Foundation's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 Foundation'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 Foundation to cease to continue as a going concern.

QH-ZAS&C

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

We communicate with the 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 we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is **Mohammad Iqbal**.

*RHZ&Reanda Haroon Zakaria Aamir Salman Rizwan & Company*  
**Reanda Haroon Zakaria Aamir Salman Rizwan & Company**  
**Chartered Accountants**

Place: Karachi

Dated: December 23, 2025

UDIN: AR202510086nbo3KmAGs

RAAZDAR FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2025

2025  
Rupees

ASSETS

Non-Current Assets

Current Assets

Cash in hand	66,882
<b>Total Assets</b>	<b>66,882</b>

FUNDS AND LIABILITIES

Fund

General fund	24,482
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Current Liabilities

Audit fee payable	32,400
Provision for taxation	10,000
	42,400

<b>Total Funds and Liabilities</b>	<b>66,882</b>
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The annexed notes 1 to 10 form an integral part of these financial statements.

R HAZARCO



Chief Executive



Director

**RAAZDAR FOUNDATION**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED JUNE 30, 2025**

	<i>Note</i>	<i>2025</i> <i>Rupees</i>
Income	4	800,000
Operating expenses	5	(345,000)
Administrative expenses	6	(420,518)
<b>Surplus before tax</b>		<b>34,482</b>
Less: current taxation		(10,000)
<b>Surplus after tax</b>		<b>24,482</b>
Other comprehensive income		-
<b>Total comprehensive income for the period</b>		<b>24,482</b>

The annexed notes 1 to 10 form an integral part of these financial statements.

*R-H-202510*

  
Chief Executive

  
Director

**RAAZDAR FOUNDATION  
STATEMENT OF CHANGES IN FUND BALANCE  
FOR THE PERIOD ENDED JUNE 30, 2025**

	<u>Unrestricted</u> <u>General Fund</u>	<u>Total</u> <u>Fund</u>
<b>Balance as at June 26, 2025</b>	-	-
Total comprehensive income for the year	24,482	24,482
<b>Balance as at June 30, 2025</b>	<b>24,482</b>	<b>24,482</b>

The annexed notes 1 to 10 form an integral part of these financial statements.

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Chief Executive

  
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Director

**RAAZDAR FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED JUNE 30, 2025**

**2025**  
**Rupees**

**A. CASH FLOW FROM OPERATING ACTIVITIES**

Surplus before tax	34,482
Cash inflows before working capital changes	<u>34,482</u>
Working capital changes	
Increase in current liabilities	32,400
Audit fee payable	<u>32,400</u>
Cash generated from operations	<u>66,882</u>

**B. CASH FLOW FROM INVESTING ACTIVITIES**

-

**C. CASH FLOW FROM FINANCING ACTIVITIES**

-

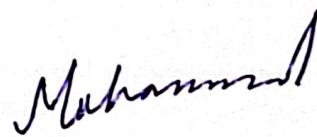
Net increase in cash and cash equivalents (A+B+C)	66,882
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<u>66,882</u>

The annexed notes 1 to 10 form an integral part of these financial statements.

*R H Aslam*



Chief Executive



Director

**RAAZDAR FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Raazdar Foundation (the Foundation) was incorporated in Pakistan on June 26, 2025, under Section 42 of the Companies Act, 2017. The principal activity of the Foundation is to provide essential support in terms of food, clothing, education, dowry aid, fuel, and transportation to help individuals in pursuing their education, accessing employment, sustaining their families with dignity, and reducing poverty.

Following funds are being managed by the Foundation, in order to pursue its aforementioned objectives:

**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 International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) issued by International Accounting Standards Board (IASB) and Accounting Standards for Not For Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the Companies Act, 2017, and provisions of and directives issued under the Companies Act, 2017. In case the requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

**2.2 Basis of measurement**

These financial statement have been prepared under the historical cost convention. Further, accrual basis of accounting is followed except for cash flow information.

**2.3 Functional and presentation currency**

The financial statements are presented in Pakistan Rupees, which is also the functional currency of the Foundation.

**2.4 Use of estimates and judgment**

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates, if any, are recognized prospectively commencing from the period of revision.

Judgments and estimates made by the management that may have a significant risk of material adjustments to the financial statements in the subsequent year are as follows:

## **MATERIAL ACCOUNTING POLICY INFORMATION**

### **3.1 Cash and cash equivalents**

It comprises of cash in hand which is recognized at nominal amounts which is considered to be their amortized cost.

### **3.2 Accured and other payables**

These are carried at nominal amounts which is the value of the consideration to be paid in the future for services received, whether or not billed to the Foundation. Liabilities no longer payable are written back and recognized as other income in the statement of income and expenditure.

### **3.3 Taxation**

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of income and expenditure, except to the extent that it relates to the items recognized directly in other comprehensive income or in equity, in which case it is recognized there.

#### ***Current***

Provision for taxation is based on current year taxable income determined in accordance with the provisions of Income Tax Ordinance, 2001, enacted on the date of statement of financial position.

#### ***Deferred***

Deferred tax is provided in full using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date.

The Foundation recognizes deferred tax asset only to the extent that it is probable that future taxable profit for the foreseeable future will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### **3.4 Income recognition**

The Foundation follows deferral method of accounting for the recognition of contributions / grants / donations. Recognition of restricted contribution/grant/donation is deferred till the date when the conditions associated with the contribution/grant/donation have been fulfilled by the Foundation.

Accordingly, these are recognized where there is reasonable assurance that these will be received and all attached conditions will be complied with. If the grant / contribution / donation relates to the expenses to be incurred, then, it is initially recognized as liability (deferred income) and transferred gradually to income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate or on completion of the project it relates to. Accordingly, if a grant / contribution / donation relates to a depreciable / amortizable asset, then income for the year is recognized to the extent of depreciation / amortization charged during the year.

#### ***Cash donation***

These are recorded on occurrence of transactions.

### ***Donation in kind***

Donation of fixed assets is recognized as income in the statement of income and expenditure when the title is transferred in the name of the Foundation. Donation received in the form of prosthesis, or other consumable are recognized as income in the statement of income and expenditure when they are received.

Donation in kind is recognized at lower of cost to the donor or net market value at the time of the transfer.

### ***3.5 Financial instruments***

All the financial assets and liabilities are recognized at the time when the Foundation becomes a party to the contracted provisions of the instruments. Any gain or loss on derecognizing of the financial assets and financial liabilities is taken to profit and loss account currently.

### ***3.6 Off-setting of financial assets and financial liabilities***

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the Foundation has a legally enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

### ***3.7 Impairment***

#### ***Financial assets***

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

#### ***Non-Financial assets***

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the profit and loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sale and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

**4 INCOME**

	<i>2025</i>	<i>Note</i>	<i>Rupees</i>
Donation	4.1		<u>800,000</u>

**4.1** This represents unrestricted donation received from members and individuals for supporting the cause of the Foundation.

**5 OPERATING EXPENSES**

	<i>2025</i>	<i>Note</i>	<i>Rupees</i>
Rashan	230,000		
Dowry	115,000		
	<u>345,000</u>		

**6 ADMINISTRATIVE EXPENSES**

Printing, stationary and postage	8,118		
Software and website maintenance	30,000		
Professional charges	350,000		
Auditors' remuneration	6.1		
	<u>32,400</u>		
	<u>420,518</u>		

**6.1 Auditors' remuneration**

Audit fee	30,000		
Sales tax	2,400		
	<u>32,400</u>		

**7 TAXATION**

Current	<u>10,000</u>		
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**8 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT***Financial instruments by category*

<i>Financial assets at amortized cost</i>			
Cash in hand			<u>66,882</u>
<i>Financial liabilities at amortized cost</i>			
Audit fee payable			<u>32,400</u>

**9 GENERAL**

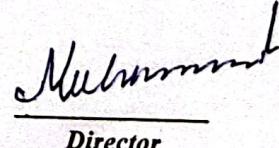
- Figures have been rounded off to a nearest rupees.
- There are no employees on the payroll of the Foundation while the operations of the Foundation are being managed honorably by the Trustee.

**10 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements were approved and authorized for issue by the Board of Directors of the Foundation on December 23, 2025.

R H ZAFAR

  
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Chief Executive

  
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Director