BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the annexed financial statements of **EMPOWERING COMMUNITIES FOR CHANGE** (the Trust), which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure, the statement of changes in fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the annexed financial statements give a true and fair view of the financial position of the Trust as at June 30, 2025, and of its financial performance, and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

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 Trust 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.

Responsibilities of Management and Trustees for the Financial Statements

The Management of the Trust 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 of the Trust 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 of the Trust is responsible for assessing the Trust'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 Trustees either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Trustees are responsible for overseeing the Trust'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.

EMPOWERING COMMUNITIES FOR CHANGE
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		---------- (Rupees) ----------	
ASSETS			
CURRENT ASSETS			
Profit receivable on savings account		42,598	140,765
Bank balances	5	8,975,112	11,895,376
TOTAL ASSETS		9,017,710	12,036,141
NET ASSETS		9,017,710	12,036,141
REPRESENTED BY:			
Accumulated surplus		9,017,710	12,036,141
CONTINGENCIES AND COMMITMENTS	6		

The annexed notes from 1 to 12 form an integral part of these financial statements.

TRUSTEE **TRUSTEE**

EMPOWERING COMMUNITIES FOR CHANGE
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		---------- (Rupees) ----------	
INCOME			
Donation received	7	11,106,207	16,188,519
Profit on savings account		971,288	1,248,994
TOTAL INCOME		12,077,495	17,437,513
EXPENDITURE			
Donation disbursed	8	(14,603,200)	(9,873,561)
Administrative expenses	9	(491,921)	(264,000)
Financial charges		(805)	(57)
TOTAL EXPENDITURE		(15,095,926)	(10,137,618)
(Deficit) / surplus before taxation		(3,018,431)	7,299,895
Taxation		-	-
(Deficit) / surplus after taxation		(3,018,431)	7,299,895

The annexed notes from 1 to 12 form an integral part of these financial statements.

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EMPOWERING COMMUNITIES FOR CHANGE
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Accumulated surplus Rupees
Balance as at June 30, 2023	4,736,246
Surplus transferred from income and expenditure account	7,299,895
Balance as at June 30, 2024	12,036,141
Deficit transferred from income and expenditure account	(3,018,431)
Balance as at June 30, 2025	9,017,710

The annexed notes from 1 to 12 form an integral part of these financial statements.

TRUSTEE **TRUSTEE**

EMPOWERING COMMUNITIES FOR CHANGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

Empowering Communities for Change (the Trust) is a charitable private trust constituted under the Trust Act on July 11, 2018 and registered with Sub-Registrar, Karachi on August 20, 2018. The Trust is established for charitable purpose for platform for empowering the financially fragile communities for change through provision of micro function inter alia for education, health, vocational training, acquisition of tools, equipments, inventory stocks and various models. The Trust has been registered as Non-Profit Organization in terms of sub-section 36 of section 2 of the Income Tax Ordinance, 2001 dated March 14, 2019. The registered office of the Trust is situated at 3rd Floor, Beach Luxury Hotel, M.T. Khan Road, Karachi.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with accounting and reporting standards, as applicable in Pakistan. The accounting and reporting standards comprise of:

- Revised Accounting and Financial Reporting Standard for the Small-Sized Entities (Revised AFRS for SSEs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017;

Where provisions of the Accounting Standard for NPOs differ from the Revised AFRS for SSEs, the provisions of the Accounting Standard for NPOs have been followed.

3. BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under historical cost convention.

3.2 The financial statements are presented in Pakistani Rupee, which is the Trust's functional and presentation currency.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Cash and cash equivalents

Cash and cash equivalents consist of bank balances.

4.2 Revenue recognition

- Profit on saving account is recognised on an accrual basis.
- Voluntary donations are recorded as and when received.

4.3 Taxation

The Trust is registered as 'Non-Profit Organization' by Commissioner Inland Revenue, whereby the trust is eligible for 100% tax credit on its income under section 100C(1) of the Income tax Ordinance, 2001. The management believes that the Trust is in compliance with the stipulated conditions as mentioned in the relevant section of the Act. Accordingly, No provision has been made in these financial statements.

		Note	2025	2024
			---------- (Rupees)	---------
5.	**BANK BALANCES**			
	Savings account	5.1	6,277,075	11,702,007
	Current account		2,698,037	193,369
			8,975,112	11,895,376

5.1 This carries profit at the rate of 7-11% (2024: 11-18%)

6. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at reporting date (2024: nil).

		2025	2024
7.	**DONATIONS RECEIVED**		
	Institutions	3,911,620	11,185,415
	Charity events	2,284,560	2,563,094
	Other individuals	4,910,027	2,440,010
		11,106,207	16,188,519
8.	**DONATIONS DISBURSED**		
	Institutions	12,403,200	5,344,561
	Ration bank	2,200,000	4,529,000
		14,603,200	9,873,561
9.	**ADMINISTRATIVE EXPENSES**		
	Salaries and wages	195,000	195,000
	Audit fee	58,320	54,000
	Other expenses	-	15,057

	2025	2024
	---------- (Rupees) ----------	
Printing and stationary / internet expenses	78,183	-
Income tax written off	160,418	-
	491,921	264,057

10. FINANCIAL INSTRMENTS RELATED DISCLOSURES

Financial instruments by catergory

	2025	2024
Financial assets - amortized cost		
Profit receivable on savings account	42,598	140,765
Bank balances	8,975,112	11,895,376
	9,017,710	12,036,141
Financial liabilities - amortized cost	-	-

10.1 Fair value of financial statements

The carrying amount of all the financial assets and financial liabilities are estimated to approximate their fair values at the reporting date.

11. GENERAL

Amounts have been rounded off to the nearest rupee, unless otherwise stated. No rearrangement or reclassification has been made in these financial statements.

12. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on 29 SEP 2025 by the Board of Trustees.

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