Nadeem Safdar & Co.
Chartered Accountants

Office No 2, 1st Floor,
VIP Square, 1-8 Markaz,
Islamabad, Pakistan
Tel: +92 (51) 8431604-5
Email: nsafdar@nsco.com.pk
nsafdar66@gmail.com
URL: www.nsco.com.pk

INDEPENDENT AUDITORS' REPORT

To the members of PAK-Villagers Development Foundation
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of PAK-Villagers Development Foundation ("the Foundation"), which comprise the statement of financial position as at 30 June 2023, and the statement of income and expenditure and comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies 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, statement of income and expenditure and comprehensive income, statement of changes in equity 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 Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Foundation's affairs as at 30 June 2023 and of the deficit and other comprehensive deficit, the changes in equity and its cash flows for the year 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.

Material Uncertainty relating to Going Concern

We draw attention to note 1.2 to the financial statements whereby during the year ended June 30, 2023, the Foundation incurred a deficit after taxation of Rs. 88,081 during the year and as of date accumulated deficit amounting to Rs. 433,480. These conditions indicate the existence of a material uncertainty which may cast a significant doubt about the Foundation's ability to continue as a going concern. However, the underlying going concern assumption will be valid depend upon the mitigating factors as mentioned in note 1.2 to the financial statements. Our opinion is not modified in respect of this matter.

NSCO

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 Companies Act, 2017 (XIX of 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 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.

Board of directors are 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.

NSW

- 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.

- 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Foundation as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of income and expenditure and comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017), and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Foundation's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

Nadeem Safdar & Co.
Chartered Accountants
Place: Islamabad

Date: 19 SEP 2023
UDIN No: AR202310594qLsl3O2oH

PAK- VILLAGERS DEVELOPMENT FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
Assets			
Current assets			
Cash In Hand	4	673	1,754
		673	1,754
Total assets		673	1,754
Liabilities			
Current liabilities			
Due to related party	5	379,153	292,153
Accrued expenses	6	55,000	55,000
Total liabilities		434,153	347,153
Net assets		(433,480)	(345,399)
Represented by ;			
Capital fund		1,600,000	1,600,000
General fund		(2,033,480)	(1,945,399)
		(433,480)	(345,399)
Contindencies and commitments	7		

The annexed notes from 1 to 13 form an integral part of these financial statements.

NSG.

CHIEF EXECUTIVE OFFICER

DIRECTOR

PAK- VILLAGERS DEVELOPMENT FOUNDATION
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
Income		-	-
Other income		-	90
		-	90
Administrative and operating expenses	9	88,081	85,884
		88,081	85,884
(Deficit) before taxation		(88,081)	(85,884)
Taxation		-	-
Net (defecit) for the year		(88,081)	(85,884)
Other comprehensive income		-	-
Total comprehensive deficit for the year		(88,081)	(85,884)

The annexed notes from 1 to 13 form an integral part of these financial statements.

NSa/

CHIEF EXECUTIVE OFFICER

DIRECTOR

PAK- VILLAGERS DEVELOPMENT FOUNDATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

	Capital fund	General fund	Total
	--------------	(Rupees)	--------------
Balance as at July 01, 2021	1,600,000	(1,859,515)	(259,515)
Deficit over expenditure	-	(85,884)	(85,884)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(85,884)	(85,884)
Balance as at June 30, 2022	**1,600,000**	**(1,945,399)**	**(345,399)**
Balance as at July 1, 2022	1,600,000	(1,945,399)	(345,399)
Deficit over expenditure	-	(88,081)	(88,081)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(88,081)	(88,081)
Balance as at June 30, 2023	**1,600,000**	**(2,033,480)**	**(433,480)**

The annexed notes from 1 to 13 form an integral part of these financial statements.

NSG

CHIEF EXECUTIVE OFFICER

M Ali

DIRECTOR

PAK- VILLAGERS DEVELOPMENT FOUNDATION
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
Cash flows from operating activities			
(Deficit) before income tax for the year		**(88,081)**	(85,884)
Operating cash flows before working capital changes		**(88,081)**	(85,884)
Decreae/increase in working capital			
Accrued expenses		-	-
		-	-
		(88,081)	(85,884)
Income tax paid		-	-
Net cash (used in) operating activities		**(88,081)**	(85,884)
Cash flows from financing activities			
Due to related party		**87,000**	**87,535**
Net Cash inflow from financing activities		**87,000**	**87,535**
Net (decrease) / increase in cash an cash equivalents		**(1,081)**	**1,651**
Cash and cash equivalents at the beginning of year		**1,754**	**103**
Cash and cash equivalents at the end of year		**673**	**1,754**

The annexed notes from 1 to 13 form an integral part of these financial statements.

NSW

M Ali

CHIEF EXECUTIVE OFFICER

DIRECTOR