

MAHBOOB SHEIKH & Co.

Chartered Accountants

Near Auto Plaza, Dera Adda,

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INDEPENDENT AUDITOR'S REPORT ON THE MANAGING BODY

Opinion

We have audited the financial statements of **PAKISTAN RURAL WORKERS SOCIAL WELFARE ORGANIZATION (PRWSWO)** which comprise the statement of financial position as at **JUNE 30, 2022**, and the Statement of income and expenditure, the statement of comprehensive income, the statements of changes in funds and the statement of Cash Flows for the year then ended, and notes to the financial statement including a summary of significant accounting policies, in our opinion, the accompanying financial statement present fairly, in all material respects, the financial position of the Organization as at **June 30, 2022** and of its financial performance and its Cash Flows for the year then ended in accordance with approved 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 Organization 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 Those Charged With Governance for the Financial Statements

The 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 Organization'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 Organization's or to cease operations, or has no realistic alternative but to do so.

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.

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- 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 Organization'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 Organization'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 Organization 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 Executive Committee Members 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.

This audit report supersedes the previous audit report in which an unqualified opinion was expressed on these financial statements.

Dated: October 03, 2022
Location: Multan

Mahboob

MAHBOOB SHEIKH AND COMPANY
CHARTERED ACCOUNTANTS

Engagement Partner: Mahboob Ahmad Sheikh



PAKISTAN RURAL WORKERS SOCIAL WELFARE ORGANIZATION (PRWSWO)
 BAHAWALPUR DIVISION, BAHAWALPUR
 STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2022

	Note	2022 Rupees	2021 Rupees
ASSETS			
Non-Current Assets			
Property and equipment	6	370,995	473,845
Current Assets			
Advances, deposits, prepayments and other receivables	7	264,702	264,702
Cash and bank balances	8	2,980,371	1,730,344
		3,245,073	1,995,046
		<u>3,616,068</u>	<u>2,468,891</u>
FUND AND LIABILITIES			
General fund		2,702,407	1,243,572
Current Liabilities			
Trade and other payables	9	913,661	1,225,319
Contingencies and commitments	10	-	-
		<u>3,616,068</u>	<u>2,468,891</u>

The annexed notes from 01 to 16 form an integral part of these financial statements.



PRESIDENT



EXECUTIVE DIRECTOR



SECRETARY FINANCE

PAKISTAN RURAL WORKERS SOCIAL WELFARE ORGANIZATION (PRWSWO)
 BAHAWALPUR DIVISION, BAHAWALPUR
 STATEMENT OF INCOME AND EXPENDITURE
 FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 Rupees	2021 Rupees
INCOME			
Grant income	11	14,420,959	12,711,555
Other income-Profit on debt		15,101	-
		<u>14,436,060</u>	<u>12,711,555</u>
EXPENDITURE			
Administrative and operational expenses	12	(12,977,225)	(11,532,861)
Surplus/ (deficit) before taxation		1,458,835	1,178,694
Taxation		-	-
Surplus/ (deficit) for the year		<u><u>1,458,835</u></u>	<u><u>1,178,694</u></u>

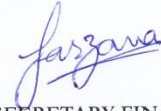
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PAKISTAN RURAL WORKERS SOCIAL WELFARE ORGANIZATION (PRWSWO)
 BAHAWALPUR DIVISION, BAHAWALPUR
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2022

Note	2022 Rupees	2021 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus/ (deficit) before taxation	1,458,835	1,178,694
Adjustment for non-cash items:		
Depreciation	102,850	87,150
	102,850	87,150
Cash flow from operations before working capital changes	1,561,685	1,265,844
(Increase)/ decrease in current assets		
Advances, deposits, prepayments and other receivables		-
(Decrease)/ increase in current liabilities		
Trade and other payables	(311,658)	633,701
Net cash generated from/ (used in) operations	1,250,027	1,899,545
Net cash generated from/ (used in) operating activities	1,250,027	1,899,545
CASH FLOW FROM INVESTING ACTIVITIES		
Increase / Decrease Fixed Assets	-	(497,770)
CASH FLOW FROM FINANCING ACTIVITIES		
Net increase/ (decrease) in cash and cash equivalents	1,250,027	1,401,775
Cash and cash equivalents at beginning of the year	1,730,344	328,569
Cash and cash equivalents at end of the year	2,980,371	1,730,344

The annexed notes from 01 to 16 form an integral part of these financial statements.



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PAKISTAN RURAL WORKERS SOCIAL WELFARE ORGANIZATION (PRWSWO)
BAHAWALPUR DIVISION, BAHAWALPUR
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2022

	<i>Rupces</i>	
	GENERAL FUND	TOTAL
Balance as at 30 June 2020	64,878	64,878
Surplus/(Deficit) for the year ended 30 June 2021	1,178,694	1,178,694
Balance as at 30 June 2021	1,243,572	1,243,572
Surplus/(Deficit) for the year ended 30 June 2022	1,458,835	1,458,835
Balance as at 30 June 2022	2,702,407	2,702,407



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**PAKISTAN RURAL WORKERS SOCIAL WELFARE ORGANIZATION (PRWSWO)
BAHAWALPUR DIVISION, BAHAWALPUR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1 LEGAL STATUS AND NATURE OF BUSINESS

Pakistan Rural Workers Social Welfare Organization (PRWSWO) was registered on February 2, 1998 under the Voluntary Social Welfare Agencies (VSWA) Registration and Control Ordinance, 1961 (XLVI of 1961) . The registered office of the organization is situated at House No. 73, Street No.4, Qasim Town, Bahawalpur. It is a non-profit, non-governmental and non-political developmental organization struggling to aware, organize and help marginalized people in realizing their developmental, civil and the basic human rights.

2 BASIS OF PREPARATION

2.01 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standard as applicable in Pakistan. Approved accounting standards comprise of accounting standard for NPO's issued by Institute of Chartered Accountants of Pakistan.

3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pak Rupees, which is the Organization's functional and presentation currency.

4 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention. In these financial statements, except for the amounts reflected in the cash flow statement, all transactions have been accounted for on accrual basis.

5 SIGNIFICANT ACCOUNTING POLICIES

5.01 Property and equipment

Operating fixed assets are stated at cost less accumulated depreciation.

Depreciation is taken to Income and expenditure account applying reducing balance method to write-off the cost over estimated remaining useful life of assets. Full year's depreciation is charged on additions while no depreciation is charged in the year of disposals.

The gain or loss on disposal or retirement of an asset is recognized as an income or expense.

5.02 Cash and cash equivalents

Cash in hand and at bank are carried at cost. The cash and cash equivalents are subject to insignificant risk of change in value.

5.03 Trade and other payables:

Liability for trade and other amounts payable are measured at cost which is the fair value of the consideration to be paid in the future for goods and services received.

5.04 Grants and donations

Grants and donations are recognized in accordance with the International Accounting Standards.

5.05 Revenue recognition

Revenue is recognized when it is probable that the economic benefit associated with the transaction will flow to the Organization.

6 PROPERTY AND EQUIPMENT

PARTICULARS	COST			DEPRECIATION		W.D.V. As at 30.06.2022
	As at 01.07.2021	ADDITION / DELETION	As at 30.06.2022	RATE %	FOR THE YEAR	
Cell phone	58,225		58,225	15%	8,734	49,491
Bicycle	12,580		12,580	15%	1,887	10,693
Projector	44,200		44,200	15%	6,630	37,570
Water Dispensor	14,450		14,450	15%	2,168	12,282
CCTV Camera	56,457		56,457	30%	16,937	39,520
Tablet	22,355		22,355	30%	6,707	15,648
Voice Recorder	5,525		5,525	15%	829	4,696
Laptop	119,000		119,000	30%	35,700	83,300
Sound System	11,560		11,560	15%	1,734	9,826
UPS	22,525		22,525	15%	3,379	19,146
UPS Batteries	25,500		25,500	15%	3,825	21,675
Intercom	30,727		30,727	15%	4,609	26,118
Furniture and fixtures	33,213		33,213	15%	4,982	28,231
Air conditioner	1,766		1,766	15%	265	1,501
Generator	1,766		1,766	15%	265	1,501
Computer and equipments	13,996		13,996	30%	4,199	9,797
30-06-2022	473,845	-	473,845	-	102,850	370,995
30-06-2021	63,225	497,770	560,995	-		473,845

6.01 Depreciation charge for the year as follows:

30.06.2022

Rupees

Administrative and operational expenses

102,850

6.02 Disposal of property and equipment

102,850

There were no disposals of fixed assets during the year.

6.03 No impairment relating to operating fixed assets has been recognized in the current year.

	2022 Rupees	2021 Rupees
7 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Loan and advances	264,702	264,702
	<u>264,702</u>	<u>264,702</u>
8 CASH AND BANK BALANCES		
Cash in hand	1,051	1,401
Cash at bank	2,979,320	1,728,943
	<u>2,980,371</u>	<u>1,730,344</u>
9 TRADE AND OTHER PAYABLES		
Trade and other payables	913,661	1,225,319
	<u>913,661</u>	<u>1,225,319</u>
10 CONTINGENCIES AND COMMITMENTS		
Contingencies as at balance sheet date were Nil (2021: Nil).		
Commitments as at balance sheet date were Nil (2021: Nil).		
11 GRANT INCOME		
- Projects		
SELP Project -(TDEA/UNDP)	-	152,841
ILO	-	559,580
OXFAM	9,015,580	7,655,121
UN-OHCHR	-	2,267,955
UN-OHCHR-NEW	4,606,965	-
LADIR	453,718	1,664,890
MRGE	-	33,964
PRWSWO Main Account	344,696	377,204
	<u>14,420,959</u>	<u>12,711,555</u>
12 ADMINISTRATIVE AND OPERATIONAL EXPENSES		
	Note	
	2022 Rupees	2021 Rupees
Salaries and other benefits	6,502,675	5,034,666
P.O BOX FEE	-	1,000
Charity Commission Fee	-	10,000
Hygein Items Expecse	-	9,000
Transport (NRC)	-	9,000
Entertainment / Refreshment	54,540	26,142
Radio Talkshow	-	10,000
Press Conference Expense	-	9,800
Community Meeting Expense	-	149,970
NRC Facilitation Expense	-	276,340
MRV Facilitation Expense	-	13,450
Journalist Training	-	274,950
Advocacy Events Expense	-	204,410
Volunteers Expense	252,160	75,000
Tax Expense	-	9,900
IEC Expense	645,500	210,100
Staff Orientation Meeting	-	287,757
PRA Training	-	289,726
Study Circles Expense	-	66,330
Rent A Car Expense	417,900	892,290

16 days of Activism Expense	167,540	120,100
Documentary Expense	-	150,000
PCP Certification fee	-	175,400
Awareness Raising Seminar/Sessions	950,545	987,805
NFE Material expense	158,250	-
Medicine Expense	40,990	-
Workshop of Local NGOs / CBOs	171,510	466,155
Training/Workshop of Community Activist	129,320	204,550
Seminar of Religious leaders	308,270	-
Bi Monthly Meeting	454,300	93,520
Website design/update and website management	50,000	-
Review Planning and Learning Meeting Including Board Members	33,350	-
Performnce of 4 Interactive Street Theatres in five Union Councils	800,000	-
International Women Day Celebration	53,200	-
Organizing Rural Women Festival at the occasion of International Day of Rural Women	308,610	-
Mumkin alliance activities	100,000	-
GLPier	161,467	-
Communication	142,097	129,740
Community meeting expenses	-	9,000
Office rent	375,000	343,666
Office Supplies	-	41,330
Printing and stationery	214,895	224,068
BCCI Membership fee	-	19,400
Audit Fee	50,000	120,000
Staff Training & Travelling exp	95,716	314,200
Utility expenses	225,434	139,861
Bank charges & WHT Tax	11,106	47,085
Depreciation	6.01 102,850	87,150
	<u>12,977,225</u>	<u>11,532,861</u>
12.01 Auditors' remuneration		
Audit fee	50,000	50,000
Out of pocket expenses	-	-
	<u>50,000</u>	<u>50,000</u>

13 COMPATIVES

Comparative Figures has been revised and restated wherever required for better Presentation.

14 NON ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There were no non adjusting events after the balance sheet date.

15 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements have been approved and authorized for issue on October 03, 2022.

16 GENERAL

- Figures have been rounded off to the nearest of rupee, unless otherwise stated.
- Corresponding figures have been rearranged/ reclassified, wherever necessary, to facilitate comparison.



PRESIDENT



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