

Independent Auditor's Report to the members of NATIONAL DISABILITY & DEVELOPMENT FORUM

Report on the Audit of Financial Statements

Opinion

We have audited the annexed financial statements of **NATIONAL DISABILITY & DEVELOPMENT FORUM** (the Association), which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in funds, the statement of cash flows for the year 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, the statement of comprehensive income, the statement of changes in funds 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 June 30, 2025 and of the loss, the comprehensive loss, the changes in funds 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.

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's 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.

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 trustees 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 judgement 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.

- 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 trustees 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, the statement of comprehensive income, the statement of changes in funds 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 Muhammad Yaqub.



YAQUB & CO.
Chartered Accountants
Faisalabad
October 29, 2025

UDIN: AR202510292JIBd5pVfA


**NATIONAL DISABILITY & DEVELOPMENT FORUM
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025**

	Note	2025 Rupees	2024 Rupees
Non Current assets			
Property, plant and equipment	5	3,989,957	854,058
Current assets			
Short term investments	6	100,000,000	100,000,000
Project security deposits		3,300,000	2,200,000
Cash and bank balances	7	24,812,267	3,136,989
Non Current liabilities			
Deferred Capital grant	8	3,175,493	39,594
Contingencies and commitments			
	9		
Net assets		<u>128,926,731</u>	<u>106,151,453</u>
Net assets represented by			
Fund			
Capital fund	10	128,926,731	106,151,453
		<u>128,926,731</u>	<u>106,151,453</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.



SECRETARY GENERAL



PRESIDENT



**NATIONAL DISABILITY & DEVELOPMENT FORUM
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025**

Note	Fund		2025	Fund		2024
	Unrestricted General	Restricted Disable and flood victims		Unrestricted General	Restricted Disable and flood victims	
Income						
11	131,925,841	28,040,042	159,965,883	60,343,573	140,000,000	200,343,573
	3,006,601	-	3,006,601	1,643,024	-	1,643,024
12	17,293,376	-	17,293,376	8,753,078	-	8,753,078
	152,225,818	28,040,042	180,265,860	70,739,675	140,000,000	210,739,675
Expenditure						
13	(113,092,632)	(20,399,161.00)	(133,491,793)	(52,862,530.00)	(44,639,771)	(97,502,301)
14	(23,998,789)	-	(23,998,789)	(8,821,390.00)	-	(8,821,390)
	(137,091,421)	(20,399,161)	(157,490,582)	(61,683,920)	(44,639,771)	(106,323,691)
	15,134,397	7,640,881	22,775,278	9,055,755	95,360,229	104,415,984
15	-	-	-	-	-	-
	15,134,397	7,640,881	22,775,278	9,055,755	95,360,229	104,415,984

The annexed notes from 1 to 21 form an integral part of these financial statements.

(Signature)

SECRETARY GENERAL

(Signature)

PRESIDENT



**NATIONAL DISABILITY & DEVELOPMENT FORUM
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 Rupees	2024 Rupees
Surplus for the year		22,775,278	104,415,984
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>22,775,278</u>	<u>104,415,984</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.



SECRETARY GENERAL



PRESIDENT



**NATIONAL DISABILITY & DEVELOPMENT FORUM
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2025**

	Accumulated Fund		
	Unrestricted	Restricted	Total
	General	Disable and Flood victim	
Rupees			
Balance as at June 30, 2023	1,735,469	-	1,735,469
Surplus for the year	9,055,755	95,360,229	104,415,984
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	9,055,755	95,360,229	104,415,984
Balance as at June 30, 2024	10,791,224	95,360,229	106,151,453
Surplus for the year	15,134,397	7,640,881	22,775,278
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	15,134,397	7,640,881	22,775,278
Balance as at June 30, 2025	25,925,621	103,001,110	128,926,731

The annexed notes from 1 to 21 form an integral part of these financial statements.



SECRETARY GENERAL



PRESIDENT




**NATIONAL DISABILITY & DEVELOPMENT FORUM
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 Rupees	2024 Rupees
a Cash flows from operating activities			
Surplus before taxation		22,775,278	104,415,984
Adjustments for:			
Deferred income realized		(3,006,601)	(1,643,024)
Depreciation	5	3,006,601	1,643,024
Finance cost		1,964,672	208,203
Cash generated from operations		<u>24,739,950</u>	<u>104,624,187</u>
Income tax		-	-
Finance cost		(1,964,672)	(208,203)
Net cash generated from operating activities		<u>22,775,278</u>	<u>104,415,984</u>
b Cash flows from investing activities			
Project security deposit		(1,100,000)	(2,200,000)
Purchase of short term investement		-	(100,000,000)
Net cash used in investing activities		<u>(1,100,000)</u>	<u>(102,200,000)</u>
c Cash flows from financing activities			
Net increase in cash and cash equivalents (a+b+c)		21,675,278	2,215,984
Cash and cash equivalents at the beginning of the year		3,136,989	921,005
Cash and cash equivalents at the end of the year	7	<u>24,812,267</u>	<u>3,136,989</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.



SECRETARY GENERAL



PRESIDENT



**NATIONAL DISABILITY & DEVELOPMENT FORUM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1 The company and its activities

National Disability & Development Forum (the Association) was incorporated as a NGO on 2 September 2014 under the Societies Registration Act XXI of 1860. The registered office of the Association is H.no.A-81/2, Housing society, Nawabshah. The principal activity of the Association is to provide wheel chairs to the disable persons and provide food during flood relief programmes to the affected peoples.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, Accounting Standards for Not For Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Act, 2017. Wherever, provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs or the Accounting Standards for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting convention

These financial statements have been prepared on accrual basis of accounting except for the statement of cash flows. Moreover, these financial statements have been prepared under the historical cost convention, except as otherwise disclosed in the respective accounting policy notes.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Association's functional and presentation currency. Figures have been rounded off to the nearest rupee unless otherwise specified.

2.4 Material accounting estimates and judgments

The preparation of financial statements in conformity with Accounting Standard for Not for Profit Organizations (NPOs) and International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

Significant areas requiring the use of management estimates in these financial statements relate to the provision for doubtful receivables, tax and deferred tax. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

3 Material accounting policy information

The accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years, unless otherwise stated:

3.1 Creditors, accrued and other liabilities

Creditors, accrued and other liabilities are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether billed to the Association or not.

3.2 Provisions

Provisions are recognized when the Association has a present, legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

3.3 Provision for taxation

Current

The Association is a non-profit organization under section 2(36) of the Income Tax Ordinance, 2001. The Association is eligible for a tax credit equal to 100% of the tax payable under the Section 100C of the Income Tax Ordinance, 2001, therefore, no provision of taxation is made.

Deferred

Deferred tax is accounted for using the liability method for all temporary differences at the balance sheet date between tax bases of assets and liabilities and their corresponding carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses and credits, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences, tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement.

3.4 Contingent liabilities

A contingent liability is disclosed when the Association 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 Association, or the Association 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.

3.5 Property, plant and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses except freehold land which is stated at cost less impairment losses. Cost includes historical cost, borrowing cost pertaining to erection / construction period and directly attributable cost of bringing the assets to working condition. Depreciation is charged to income on reducing balance method at the rates given in the property, plant and equipment note to write off the cost of operating assets over their expected useful lives on a pro-rata basis from the day of use while depreciation on disposals during the year is charged up to the day preceding the day of disposal.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized only when it is probable that the future economic benefits associated with the assets will flow to the Association and the cost of renewal or improvement can be measured reliably. Gain or loss on disposal of operating assets is recognized in current year's income.

3.6 Other receivables

Other receivables are recognised at nominal amount which is fair value of the consideration to be received in future. Balances considered bad are written off when identified.

3.7 Short term investments

These investments are initially measured at amortized cost. Interest income is recognized in the statement of income and expenditure.

3.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of cash in hand and balances with banks net off books overdrawn.

3.9 Financial Instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument and de-recognised when the Association loses control of the contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired.

Recognition methods adopted by the Association are disclosed in the individual policy statements associated with each item of financial instruments.

3.10 Off-setting of financial asset and financial liability

A financial asset and a financial liability is off-set and net amount is reported in the statement of financial position, if the Association has a legally enforceable right to set-off the recognised amount and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.11 Related party transactions

Transactions with related parties are carried out at arm's length. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.

4 Revenue and grants recognition

Unrestricted fund

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business. Receipts and other contributions from members are recognized as income in the period to which these relate.

Restricted fund

Grant received for specific purposes are initially recognized as income at the time of receipt. Utilization of grant is restricted to activities as described in the agreement with the donors.

Grants recognition

Grants received in kind are recorded at their prevailing fair values.

Deferred Grants

Grants that are received in advance of the incurrence of the related expenditure are recognized as deferred income in the statement of financial position. These deferred grants are subsequently recognized as income in the periods in which the related expenditures are incurred.

5 Property, plant and equipment

Description	Cost		At June 30, 2025		At July 01, 2024		Depreciation		Written down value as at June 30, 2025	Depreciation rate %
	At July 01, 2024	Additions / (disposals)	At June 30, 2025	At July 01, 2024	For the year	At June 30, 2025				
	Rupees									
Furniture and fixtures	3,394,779	1,417,500	4,812,279	2,757,366	721,842	3,479,208	1,333,071	15		
Office equipment	1,334,950	-	1,334,950	1,326,716	8,234	1,334,950	-	15		
Computers	2,168,712	4,725,000	6,893,712	2,168,712	2,068,114	4,236,826	2,656,886	30		
Motor vehicles	3,490,000	-	3,490,000	3,287,506	202,494	3,490,000	-	15		
Generator	234,400	-	234,400	228,483	5,917	234,400	-	15		
Year 2025	10,622,841	6,142,500	16,765,341	9,768,783	3,006,601	12,775,384	3,989,957			

Description	Cost		At June 30, 2024		At July 01, 2023		Depreciation		Written down value as at June 30, 2024	Depreciation rate %
	At July 01, 2023	Additions / (disposals)	At June 30, 2024	At July 01, 2023	For the year	At June 30, 2024				
	Rupees									
Furniture and fixtures	2,680,315	714,464	3,394,779	2,248,149	509,217	2,757,366	637,413	15		
Office equipment	1,334,950	-	1,334,950	1,126,473	200,243	1,326,716	8,234	15		
Computers	2,168,712	-	2,168,712	1,793,808	374,904	2,168,712	-	30		
Motor vehicles	3,490,000	-	3,490,000	2,764,006	523,500	3,287,506	202,494	15		
Generator	234,400	-	234,400	193,323	35,160	228,483	5,917	15		
Year 2024	9,908,377	714,464	10,622,841	8,125,759	1,643,024	9,768,783	854,058			

	Note	2025 Rupees	2024 Rupees
6 Short term investments			
At amortized cost			
Term Deposit Receipt- U Microfinance Bank	6.1	50,000,000	50,000,000
Term Deposit Receipt- Bank Islami	6.2	50,000,000	50,000,000
		<u>100,000,000</u>	<u>100,000,000</u>

6.1 These represent U Microfinance Bank- Term Deposit Receipts (TDRs) having aggregate face value of Rs. 50,000,000/- (2024: Rs. 50,000,000/-).

6.2 These represent Bank Islami- Term Deposit Receipts (TDRs) having aggregate face value of Rs. 50,000,000/- (2024: Rs. 50,000,000/-).

	Note	2025 Rupees	2024 Rupees
7 Cash and bank balances			
Cash at bank - in current account		22,466,797	2,766,989
Cash in hand		2,345,470	370,000
		<u>24,812,267</u>	<u>3,136,989</u>

8 Deferred capital grant			
Opening balance		39,594	968,154
Additions		6,142,500	714,464
Grant income realized against asset		(3,006,601)	(1,643,024)
		<u>3,175,493</u>	<u>39,594</u>

9 Contingencies and commitments			
Contingencies		-	-
Commitments		-	-

10 Capital fund			
Opening balance		106,151,453	1,735,469
Surplus for the year		22,775,278	104,415,984
		<u>128,926,731</u>	<u>106,151,453</u>

	Note	Unrestricted fund Rupees	Restricted fund Rupees	2025 Rupees	2024 Rupees
11 Operating income					
Donations		131,925,841	28,040,042	159,965,883	200,343,573

12 Other income					
Profit on investment					
Term Deposit Receipt- U Microfinance Bank		17,293,376	-	17,293,376	7,444,662
Term Deposit Receipt- Bank Islami		-	-	-	1,308,416
		<u>17,293,376</u>	<u>-</u>	<u>17,293,376</u>	<u>8,753,078</u>

	Unrestricted fund Rupees	Restricted fund Rupees	2025 Rupees	2024 Rupees
13 Operational project expenses				
Salaries and benefits	48,495,289	-	48,495,289	19,924,594
Donation	-	-	-	6,741,500
Procurement	64,597,343	20,399,161	84,996,504	70,836,207
	113,092,632	20,399,161	133,491,793	97,502,301

14 Administrative expenses

Rent	6,789,998	-	6,789,998	2,316,660
Travelling and conveyance	222,111	-	222,111	897,366
Printing and stationery	1,876,260	-	1,876,260	256,300
Consultancy	480,400	-	480,400	277,630
Food for flood response	2,072,035	-	2,072,035	342,621
Communication	210,600	-	210,600	137,500
Legal and professional	480,000	-	480,000	699,000
Utilities	1,837,200	-	1,837,200	1,658,500
Repair and maintenance	161,371	-	161,371	-
Bank charges	1,964,672	-	1,964,672	208,203
Software Expense	714,000	-	714,000	-
Social and linkage development	1,314,490	-	1,314,490	-
Laundry	240,000	-	240,000	-
Insurance	1,562,931	-	1,562,931	-
Capacity building training	262,500	-	137,950	108,800
Advertisement	137,950	-	137,950	125,000
Venue charge	438,750	-	438,750	25,166
Depreciation	5 3,006,601	-	3,006,601	1,643,024
Others	226,920	-	226,920	125,620
	23,998,789	-	23,874,239	8,821,390

15 Income tax

The Association is approved u/s 2(36) of the Income Tax Ordinance, 2001. The Association is established for free treatment of poor and needy patients suffering from disability and provide food to the flood victims. The Association is allowed a tax credit equal to 100% of the tax payable under section 100C of the Income Tax Ordinance 2001, therefore, no provision of taxation is made.

16 Financial Instruments, risk management, policies and objectives

The Association's Executive Committee has overall responsibility for the establishment and oversight of the Association's risk management framework. The Committee is also responsible for developing and monitoring the Association's risk management policies. the Association has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk - consisting of currency risk, interest rate risk and other price risk

16.1 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation.

To manage exposure to credit risk in respect of bank balances, bank balances are maintained with sound credit rating banks. the Association attempts to control credit risk in respect of other financial assets by monitoring the credit worthiness of and limiting the credit exposure to counter parties.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	2025 Rupees	2024 Rupees
Short term investments		100,000,000	100,000,000
Project security deposits		3,300,000	2,200,000
Bank balances		22,466,797	2,766,989
		<u>125,766,797</u>	<u>104,966,989</u>

After giving due consideration, the management does not expect non performance by these counter parties on their obligations to the Association. The credit risk exposure is also limited in respect of bank balances as these are placed with local banks having good credit rating.

16.2 Liquidity risk

Liquidity risk reflects the Association's inability in raising funds to meet commitments and obligations associated with financial liabilities. The Association is not exposed to liquidity risk.

16.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Association's income or value of its holding of financial instruments.

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Association is not exposed to any currency risk.

(b) Interest rate risk

This risk arises from the possibility that changes in market interest / mark up / profit rates will affect the fair value or future cash flows of financial instruments. The following table details the Association's financial assets that are subject to interest / mark up / profit rates.

Effective rate %		Carrying amount (Rs.)	
2025	2024	2025	2024

Financial Assets

At amortised cost				
Short term investment- TDRs	5.21	5.21	<u>100,000,000</u>	<u>100,000,000</u>

This risk arises from the possibility that changes in market interest / mark up / profit rates will affect the fair value or future cash flows of financial instruments.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Association is not exposed to other price risk as the Association is not having such investments.

17 Related party transaction

There is no related party transaction during the year.

18 Remuneration to president and other members

During the year, no remuneration / meeting fee is paid to president and members.

19 Number of employees

The average number of employees for the period ended June 30, 2025 was 74 (2024 : 46) and number of employees as at June 30, 2025 was 74 (2024 : 46).

20 Corresponding figures

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison. However, no corresponding figure have been reclassified and rearranged except for deferred capital grant which is reclassified from fund to non current liability.

21 Date of authorization

These financial statements were authorized for issue on October 28, 2025 by the Executive Committee of the Association.


SECRETARY GENERAL


PRESIDENT

