HAMDAM DEVELOPMENT ORGANIZATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

Opinion

We have audited the annexed financial statements of Hamdam Development Organization (the Organization), which comprise the statement of financial position as at June 30, 2025, statement of Income and expenditure and statement of cash flow for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the annexed financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2025, its financial performance and 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 the 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 Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Board of Directors 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, Board of Directors 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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

RSM

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 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 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 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 those charged with governance 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 Muhammad Arif Saeed.

RSM Avais Hyder Liaquat Nauman

RSM Avais Hyder Liaquat Nauman
Chartered Accountants

Place: Peshawar
Date: December 31, 2025
UDIN: AR202510513qNb0XLEGM

HAMDAM DEVELOPMENT ORGANIZATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Notes	2025 Rupees	2024 Rupees
NON-CURRENT ASSETS			
Plant and equipment	4	178,658	201,983
CURRENT ASSETS			
Short term investment	5	100,000	100,000
Cash and bank balances	6	40,202	47,702
		140,202	147,702
TOTAL ASSETS		318,860	349,685
LESS: LIABILITIES			
Current Liabilities		87,360	326,647
		87,360	326,647
NET ASSETS		231,500	23,038
REPRESENTED BY:			
General Fund	7	231,500	23,038

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

Finance Officer

Director

HAMDAM DEVELOPMENT ORGANIZATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	Notes	2025 Rupees	2024 Rupees
INCOME			
Restricted grant	8	1,542,923	1,607,226
Unrestricted grant	9	1,664,324	1,840,721
		3,207,247	**3,447,947**
EXPENDITURE			
Program expenditures	10	1,342,923	1,807,226
Administrative expenditures	11	1,655,862	1,803,661
		2,998,785	**3,610,887**
Surplus for the year before taxation		208,462	(162,940)
Provision for taxation		-	-
Surplus / (deficits) for the year		208,462	(162,940)

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

Finance Officer

Director

HAMDAM DEVELOPMENT ORGANIZATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
Cash flows from operating activities		
(Deficit)/Surplus for the year	208,462	(162,940)
Adjustment for non cash items:		
Depreciation	23,325	26,787
	231,787	(136,153)
Changes in working capital		
Increase / (decrease) in current liabilities:	(239,287)	148,453
	(239,287)	148,453
Net cash (used in) operating activities	(7,500)	12,300
Net (Decrease)/increase in cash and cash equivalents	(7,500)	12,300
Cash and cash equivalents at beginning of the year	47,702	35,402
Cash and cash equivalents at end of the year	40,202	47,702

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

Finance Officer

Director

1 STATUS AND OPERATION

Hamdam Development Organization is a non-profit entity dedicated to the social development of vulnerable and less developed populations. Established on May 19, 1994, organization has been serving the southern districts of Khyber Pakhtunkhwa. The organization is officially registered with the Social Welfare Department Peshawar under the Social Welfare Ordinance 1961 (Registration No: 1004/DSW/NWFP, Date: September 18, 1995) and with the Khyber Pakhtunkhwa Charity Commission under the Charity Commission Act, 2019 (Registration No. KP-4200737674130072, Date: November 27, 2020). Organization's mission is to empower marginalized communities through equitable, inclusive, and holistic development programs.

In addition to its core mission, the organization operates exclusively for human rights, health, education, poverty alleviation and emergency response purposes and is also enrolled with the Income Tax Department and the Old-Age Benefits Institution in Peshawar.

2 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 Accounting and Financial Reporting Standard for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation

These financial statements has been prepared under the historical cost convention.

3.2 Functional and Presentation currency

Items included in the financial statements of the entity are measured and presented using the currency of the primary economic environment in which it operates (functional currency), which is Pakistani Rupee.

3.3 Significant accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying adopted accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying entity's accounting policies, management has made the significant estimates and judgments that are disclosed in respective notes to the financial statements.

3.4 Taxation

The entity's income from voluntary contributions is exempt from tax under clauses (59) & (60) of Part 1 of Second Schedule to the Income Tax Ordinance, 2001. Provisions will be made for other taxable income, if any.

3.5 Foreign currency

Foreign currency transactions are recognized at the exchange rate applicable at the transaction date. Monetary assets and liabilities are translated into rupees using exchange rates applicable at the balance sheet date. Gains and losses on settlement and translation at the year end are recognized in the statement of financial activities

3.6 Plant and equipment

Property and equipment at are carried at cost less accumulated depreciation and impairment in value, if any.

Depreciation is charged to income applying the reducing balance method at the rates specified in the property and equipment note.

Depreciation on additions during the year is charged from the month in which an asset is acquired or

capitalized, while no depreciation is charged for the month in which the asset is disposed off.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

3.7 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered in the normal course of business.

- Profit on investments / bank deposits is recognized on time proportionate basis.

- Restricted grants

Grants received for specific purposes and interest thereon are classified as restricted grants. Such grants are transferred to income as grants to the extent of actual expenditure incurred against them. Unspent portion of such grants are reflected as restricted grants in the balance sheet. Expenditure incurred against grant committed but not received is accrued and recognized in income and is reflected as receivable from donors.

- Unrestricted grants

Unrestricted grants, if any, received from donor without any conditions are recognized as income during the year of receipt.

3.8 Cash and Cash equivalent

Cash and Cash equivalent in the statement of affairs comprise cash in hand, NSC pass book balance and cash at bank in current and saving accounts.

4 PLANT AND EQUIPMENT

PARTICULARS	COST				DEPRECIATION			W.D.V.
	AS AT 01-Jul-24	ADDITION/ (DELETION)	AS AT 30-Jun-25	RATE	Up to 01-Jul-24	For the Year	Up to 30-Jun-25	As on 30-Jun-25
	Rupees			%	Rupees			
Furniture & fixture	251,000	-	251,000	10	187,249	6,375	193,624	57,376
Office equipment	103,680	-	103,680	10	75,936	2,774	78,710	24,970
Computer & other accessories	528,010	-	528,010	20	496,738	6,254	502,992	25,018
Electric Appliances	300,600	-	300,600	10	221,384	7,922	229,306	71,294
2025	1,183,290	-	1,183,290		981,307	23,325	1,004,632	178,658
2024	1,183,290	-	1,183,290		954,520	26,787	981,307	201,983

		2025 RUPEES	2024 RUPEES
5	**SHORT TERM INVESTMENT**		
	Investment (National Saving Certificates)	100,000	100,000
		100,000	**100,000**
6	**CASH AND BANK BALANCE**		
	Cash in hand	37,000	42,500
	Cash at bank:		
	National Bank of Pakistan A/C # 4016304686	3,202	5,202
		40,202	**47,702**
7	**GENERAL FUND**		
	Opening Balance	23,038	185,978
	Add: Surplus for the year	208,462	(162,940)
	Closing Balance	**231,500**	**23,038**
8	**RESTRICTED GRANT**		
	Funds from Chanan Development Association Project	200,000	800,000
	Funds from SBC Section UNICEF, Peshawar	1,342,923	807,226
		1,542,923	**1,607,226**
9	**UNRESTRICTED GRANT**		
	Membership Fee	21,000	20,500
	Fund raised through campaign	1,626,764	1,803,661
	Interest income	16,560	16,560
		1,664,324	**1,840,721**
10	**PROGRAM EXPENDITURE**		
	Chanan Development Association Project Expenses		
	Salary Field Trainer	-	100,000
	Organizing a one-day training for 180 selected youth on peace-building	-	209,400
	Organizing a one-day training for 180 selected youth on leadership	-	209,400
	Organizing one day youth forums focused on dialogue with local decision-making bodies/government representatives	-	128,000
	Conducting one-day dialogues with members of grassroots organizations and religious and community leaders	-	133,400
	Hosting a one-day peace sports festival at target areas	-	103,800
	Disseminating IEC material (02 brochures) for advocacy and awareness raising	-	116,000
	SBC Section UNICEF, Peshawar Expenses		
	Expenses of Big Catch-up Campaing (phase-I)	522,934	670,526
	Expenses of Big Catch-up Campaing (phase-II)	819,989	136,700
		1,342,923	**1,807,226**

	2025 RUPEES	2024 RUPEES
11 ADMINISTRATIVE EXPENDITURE		
Salaries, wages and other benefits	850,000	850,000
Rent, rate and taxes	277,000	385,000
Office Supplies	31,561	39,670
Communication	30,500	29,423
Utilities	110,890	128,231
Travelling and transportation	165,900	180,000
Registration & Annual Membership fee	45,000	45,000
Staff capacity building	49,000	65,000
Audit fee	40,000	20,000
Repair and maintenance	17,456	22,550
Depreciation	23,325	26,787
Miscellaneous expenses	15,230	12,000
	1,655,862	1,803,661

12 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements are authorized for issue by the Executive Body/Board in their meeting held on 3-12-2025

13 GENERAL

Figures have been rounded to the nearest of rupees.

Corresponding/ Comparative figures have been rearranged as and where necessary for comparison purposes.

Finance Officer

Director

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