



ANWAR & Co.

Chartered Accountants

Independent auditors' report

To the Members of SR Homes

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of **SR Homes** (herein after referred to as 'the Company'), which comprise the Statement of Financial Position as at June 30, 2024 and the Statement of Income and Expenditure and Other Comprehensive Income, Statement of Changes in Net Assets and Statement of Cash Flows for the year ended June 30, 2024, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at June 30, 2024, and its financial performance and its cash flows for the year ended June 30, 2024 in accordance with the approved 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company 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 Directors' 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.



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Responsibilities of Management and the Board of Directors for the Financial Statements

Management 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 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, the management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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 omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 Company's internal controls.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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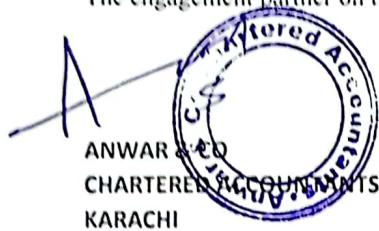
ANWAR & Co.

Chartered Accountants

- 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.

The engagement partner on the audit resulting in this independent auditors' report is _____



Date: August 22, 2024

UDIN: AR202410658vKC7LXgbz

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SR HOMES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	2024	2023
	Rupees	Rupees
NON CURRENT ASSETS		
Operating fixed assets (At cost less accumulated depreciation)	4 4,074,863	4,527,625
CURRENT ASSETS		
Capital Work in Progress	4,000,000	
Advance to staff	130,560	
Receivable From Sr Homes Staff	439,337	34,785
Tax Asset Refundable Asset	-	-
Cash and Bank balance	6 249,452	908,986
	<u>8,763,652</u>	<u>5,601,956</u>
CURRENT LIABILITIES		
Accrued expenses - audit fee	70,000	70,000
Payable to Creditors	<u>3,091,896</u>	
Provision for taxation	-	-
NET ASSETS	<u><u>5,601,756</u></u>	<u><u>5,531,956</u></u>
REPRESENTED BY:		
General and reserve funds	<u><u>5,601,756</u></u>	<u><u>5,531,956</u></u>

The annexed notes 1 to 10 form an integral part of these financial statements.


CHIEF EXECUTIVE



SR HOMES®
A Non-Profit Organisation


DIRECTOR



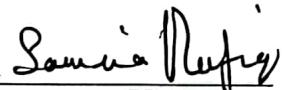
SR HOMES
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
INCOME			
Donation		56,432,487	35,430,386
EXPENDITURES			
Operational expenses	8	56,202,687	30,901,622
Administrative expenses	9	160,000	120,000
		(56,362,687)	(31,021,622)
Surplus for the year / period before taxation		69,800	4,408,764
Less: Taxation - current			
Surplus for the year / period before taxation		69,800	4,408,764
Other comprehensive surplus			
Total comprehensive surplus for the year / period		69,800	4,408,764

The annexed notes 1 to 10 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



SR HOMES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year / period before taxation		69,800	4,408,764
Non cash item adjustments			
Depreciation		452,763	503,069
Operating surplus/(Deficte) before working capital		522,563	4,911,833
Increase/decrease in current assets		(4,273,992)	(1,000)
Increase/decrease in current liabilities		3,091,896	(10,000)
Tax Paid			
Net cash used in operating activities		(659,532)	4,900,833
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets			(4,110,000)
Net cash used in investing activities			(4,110,000)
CASH FLOW FROM FINANCING ACTIVITIES			
Net increase in cash and cash equivalents		(659,534)	790,833
Cash and cash equivalent at the beginning of the year		908,986	118,152
Cash and cash equivalent at the end of the year		249,452	908,986

The annexed notes 1 to 10 form an integral part of these financial statements.


 CHIEF EXECUTIVE


 DIRECTOR


 A Non-Profit Organisation



SR HOMES
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Descriptions	Opening	Reserve Fund	Net Surplus/(Deficit) for the year	Total
Rupees-----				
Balance as at 30 June 2021	340	-	1,206,068	1,206,408
Total comprehensive surplus for the year	1,206,408	-	(83,216)	1,123,192
Balance as at June 30, 2022	1,206,408	-	(83,216)	1,123,192
Total comprehensive surplus for the year	1,123,192	-	4,408,764	5,531,956
Balance as at June 30, 2023	1,123,192	-	4,408,764	5,531,956
Balance as at June 30, 2023	5,531,956		69,800	5,601,756
Total comprehensive surplus for the year	5,531,956		69,800	5,601,756
Balance as at June 30, 2024	5,531,956		69,800	5,601,756

The annexed notes 1 to 10 form an integral part of these financial statements.



CHIEF EXECUTIVE


 DIRECTOR

SR HOMES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 THE SR HOMES AND ITS OPERATION

1.1

The SR Homes (the Home) is registered under Section 42 of the Companies Act , 2017, as Guarantee Limited Company dated: April 07, 2020 at Karachi. The registered office of the company is situated at 56 - F, SME Bank Building, Lower Ground, Nazim udin Road, F-6/1, Islamabad. The Home is to provide, educational facilities to the uneducated people of the underprivileged class, to provide foods, shelter, warm clothes, shoes and other associated goods to poor and needy people and provide scholarships to deserving and needy students and hearing or other aids etc.,

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 accounting standards applicable in Pakistan comprise of:

International Financial Reporting Standards for " Small and Medium-Sized Entities (IFRS for SMEs) issued by IASB as notified by SECP and Accounting standard for Not For Profit organization issued by Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Act 2017. In case requirements differ, the provisions and directives of Companies Act 2017 shall Prevail."

2.2 Accounting convention

These accounts have been prepared under the historical cost convention basis.

3 SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation. Depreciation is charged to income by applying reducing balance method.

Depreciation on additions is charged from the month the asset is available for use and on disposals up to the preceding month of disposal.

Maintenance and normal repairs are charged to income as and when incurred. Major repairs and renewals are capitalized. The rates of depreciation are stated in note no. 4.

3.2 Income recognition

Donations and zakat are accounted for on receipt basis. Donations in kind are recognised at fair value determined at the time when the donations are received. Donations restricted in its use by the donors are utilised for the purpose specified and are classified as donations under restricted funds.

Profit on investments is recognized on accrual basis.

3.3 Loan and advances

Loans and advances are consist of advance to staff, deposits and various advances paid to others.

Interest free loans to employees are stated at cost and recovered in equal monthly installments through salary of the employees.

3.4 Other Payables

Liabilities for trade and other accounts payable are measured 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 company or not.

3.5 Taxation

SR Homes is eligible for the tax credit under section 100C of the Income Tax Ordinance, 2001 resultantly no tax liability is recorded in these financial statements under the provisions of Income Tax Ordinance, 2001 and rules made thereunder.



4 OPERATING FIXED ASSETS

Descriptions	Electrial equipment	Furniture & Fixture	Total
	***** Rs.*****		
Written down value as at June 30, 2021	914,868	108,126	1,022,994
Depreciation during the period	91,487	10,813	102,299
Written down value as at June 30, 2022	823,381	97,313	920,695
Value as at July 01, 2022	823,381	97,313	920,695
Addition during the period	2,690,000	1,420,000	4,110,000
Depreciation during the year	351,338	151,731	503,069
Written down value as at June 30, 2023	3,162,043	1,365,582	4,527,625
Value as at July 01, 2023	3,162,043	1,365,582	4,527,625
Addition during the period			
Depreciation during the year	316,204	136,558	452,763
Written down value as at June 30, 2024	2,845,839	1,229,024	4,074,863
Rate of annual depreciation %age	10%	10%	



	Note	2024 Rupees	2023 Rupees
5	Donation		
Sr Inc.		6,289,660	11,085,021
J.A. Metal		30,500,000	2,000,000
Al Haaj Enterprises		1,500,000	1,500,000
General Donation		18,142,827	20,845,365
		<u>56,432,487</u>	<u>35,430,386</u>

6 Cash and Bank Balances

Cash with banks	249,452	863,986
Cash in hand		45,000
	<u>249,452</u>	<u>908,986</u>

7 Capital Work In Progress

Opening	-	
Addition during the year	4,000,000	-
Closing	<u>4,000,000</u>	<u>-</u>

8 Operational Expense

Orphanage Education and Shelter Project

- Salaries, wages and other benefits	11,640,993	8,105,000
- Education Expense for Needy Children's	11,295,656	4,271,014
- Milk, meat , veg and fruits	8,371,820	6,544,740
- School Related Expense	8,808,859	7,952,000
- Depreciation	920,695	503,069
- General Expense	1,303,020	1,026,000
	<u>42,341,042</u>	<u>28,401,823</u>

Other Projects

- Ration distribution	1,174,745	2,499,799
- WASH Projects	3,340,000	-
- Mosques Repair	6,087,900	-
- Donation to Mosques	3,259,000	-
	<u>13,861,645</u>	<u>2,499,799</u>

9 Administration and selling expenses

Audit fee	70,000	70,000
Legal and Professional Charges	90,000	50,000
	<u>160,000</u>	<u>120,000</u>

10 Number of Employees

The number of employees as of date of statement of financial position date	15	10
Average number of employees during the period	<u>15</u>	<u>10</u>

11 Date of Authorization

These financial statements were authorized for issue by the Board of Directors of the Company on _____ . The financial statements are issued by the express approval of the Board of Directors and any subsequent amendment shall be likewise approved by the Board of Directors also.

12 General

Figures have been rounded off to the nearest rupee.


CHIEF EXECUTIVE


DIRECTOR

