

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
OPEN FOR EVERY ONE (O4E) WELFARE ORGANIZATION  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the annexed financial statements of **OPEN FOR EVERY ONE (O4E) WELFARE ORGANIZATION** (The Organization), which comprise the Statement of Financial Position as at 30<sup>th</sup> June 2023 and the Statement of Income and Expenditure Accounts, the Statement of Changes in Net Assets, 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 account, the Statement of Changes in Net Assets and the Statement of Cash Flows together with the notes forming part thereof conform with the approved accounting standards and international financial reporting standards as applicable in Pakistan, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at 30<sup>th</sup> June, 2023 and of the Surplus / (Deficit) and the changes in the Net Assets 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 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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 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 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.

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Board of members is responsible for overseeing the Organization'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 Company'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 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 auditor's report. However, future events or conditions may cause the Company 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.

**Islamabad**  
**Date: 30<sup>th</sup> August, 2023**  
**Engagement Partner: Mr SHAFQAT NIAZI (ACA)**



*SHAFQAT NIAZI & CO*  
**SHAFQAT NIAZI & Co**  
Chartered Accountants

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**OPEN FOR EVERY ONE (O4E) WELFARE ORGANIZATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**

	Note	<u>2023</u> Rupees	<u>2022</u> Rupees
<b>NON CURRENT ASSETS</b>			
Operating assets	4	159,575	298,944
Intangible assets	4.1	102,930	96,632
		<b>262,504</b>	395,576
<b>CURRENT ASSETS</b>			
Advances		40,000	360,000
Advances, deposits and prepayments	9	100,000	100,000
Cash and Cash Equivalents	8	245,710	187,871
		<b>385,710</b>	<b>647,871</b>
		<b>648,214</b>	<b>1,043,447</b>
<b>Non - current liabilities</b>			
Contingencies & Commitments		-	-
<b>Current Liabilities</b>			
Loan From Managing Trustee		183,972	-
Salaries Payable		35,000	-
Accrued payables		-	71,365
		218,972	71,365
<b>TOTAL LIABILITIES</b>		<b>218,972</b>	<b>71,365</b>
<b>NET ASSETS</b>		<b>429,242</b>	<b>972,082</b>
REPRESENTED BY			
<b>General fund</b>		<b>429,242</b>	<b>972,082</b>

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

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**President**

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**Finance Secretary**

**OPEN FOR EVERY ONE (O4E) WELFARE ORGANIZATION  
INCOME AND EXPENDITURE ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2023**

	NOTE	2023 Rupees	2022 Rupees
<b>Revenue</b>	<b>5</b>	6,992,986	7,653,019
<b>Program Expenses</b>			
Direct expenses	<b>6</b>	6,552,590	6,447,324
Administrative Expenses	<b>7</b>	819,612	521,617
		<u>7,372,202</u>	<u>6,968,941</u>
Provision for taxation			
- Current		-	-
-Prior Year Tax		163,624	
<b>Net surplus/(deficit) for the year</b>		<u><b>(542,840)</b></u>	<u><b>684,078</b></u>

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

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**President**

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**Finance Secretary**

**OPEN FOR EVERY ONE (O4E) WELFARE ORGANIZATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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	<b>2023</b> <b>Rupees</b>
<b>Balance as at July 1, 2021</b>	288,004
Member Contribution	-
Surplus / (Deficit) for the year	684,078
<b>Balance as at 30 June 2022</b>	<b>972,082</b>
<b>Balance as at July 1, 2022</b>	972,082
Member Contribution	-
Surplus for the year	(542,840)
<b>Balance as at 30 June 2023</b>	<b>429,242</b>

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

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**President**

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**Finance Secretary**

**OPEN FOR EVERY ONE (O4E) WELFARE ORGANIZATION  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT JUNE 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Open For Everyone (O4E) Welfare Organization is a non-governmental organization registered with the Social Welfare Department of Sindh under Voluntary Social Welfare Agencies Ordinance 1961 on June 24, 2014, having registration number DSW(S)2015. The registered office of the trust is situated at R-921, block-2, Azizabad, F.B area, Karachi. The principle activities of Open For Everyone is to provides a platform to the underprivileged segment of the society to rewrite their fate. We offer them oppurtunities they did not have before. We welcome everyone despite their cast, creed, colour or religion. Our journey started from a trash dump school catering only five pupils back in 2014. Our hardwork an community's positive response made us possible to enroll more students, hire qualified teachers and shift to better premises. In doing this our improved services for the community played a detrimental role for the development of society. Our current projects include:

- 1- Street To School-STS
- 2- Adults in School-ADINS
- 3- Sehaat Program - In-house school Lunch facility
- 4- Street Deeds
- 5- O4E Vocational Education and Training Center - O4EVET
- 6- Connector
- 7- Rangeen

**2 STATEMENT OF COMPLIANCE AND SIGNIFICANT ESTIMATES**

**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standards for Small-Sized Entities (SSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Act, 2017. Approved accounting standards comprise of IFRS International Financial Reporting Standard issued by the International Accounting Standard Board as are notified under the Companies Act, 2017 provision of and directives issued under the Companies Act,2017.. In case requirements differ, the provisions or directives of the Ordinance shall prevail

**2.2 Significant Estimates**

The preparation of these financial statements in conformity with Accounting and Financial Reporting Standards for SSEs 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 judgment about carrying value 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 estimates are revised if the revision affects only that year, or in the year of the revision and any future year affected.

Judgments made by the management in the application of Accounting and Financial Reporting Standards for SSEs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the ensuing paragraphs.

### **2.2.1 Property and equipment**

The Company reviews the useful lives of property and equipment on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

### **2.2.2 Taxation**

Open for Everyone Welfare Organization takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the views taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Moreover, No Provision of tax has been incorporated because Open for Everyone Welfare Organization has been granted exemption U/s 2(36), which enables the Open for Everyone Welfare Organization to claim tax credit U/s 100C.

## **3 SIGNIFICANT ACCOUNTING POLICIES**

### **3.1 Basis of Measurement**

These financial statements have been prepared under the historical cost convention, using accrual basis of accounting, except for financial instruments which are stated at fair value.

### **3.2 Functional and Presentation Currency**

Being the currency of the economic environment in which the Company operates, the financial statements are prepared in Pak Rupees which is also the functional currency of the Company.

### **3.3 Off-setting**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set-off the recognised amounts and the Company intends to settle either on a net basis or realise the asset and settle the liability simultaneously.

### **3.4 Accrued and Other Liabilities**

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

### **3.5 Provisions**

Provisions are recognized in the balance sheet when the Company has a legal or constructive obligation as a result of past events and it is probable that 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 balance sheet date and adjusted to reflect current best estimate.

### **3.6 Trade Debts and Other Receivables**

Trade debts and other receivables are carried at original invoice amount less an estimate for doubtful receivables based on review of outstanding amounts at the year end. Balances which are irrecoverable are written off when identified.

### **3.7 Property and Equipment**

Property and equipment are stated at cost less accumulated depreciation. Cost includes expenditures that is directly attributable to the acquisition of the assets.

Depreciation is charged to profit and loss account using the reducing balance method at the rates specified in note 4 to write off the cost of each asset over its estimated useful life without taking into account its residual value.

Full month's depreciation is charged in the month of addition, while no depreciation is charged in the month of deletion. Depreciation rates are revised mainly of Intangible assets and Generator.

Maintenance and normal repairs are charged to revenue as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

Gains or losses on disposals of property and equipment are charged to the profit and loss account.

### **3.8 Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

### **3.9 Foreign Currency Transactions**

Foreign currency transactions are recorded in Pak Rupees at monthly average exchange rate. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the exchange rate prevailing at the balance sheet date. Exchange differences are dealt with through the profit and loss account.

### **3.10 Revenue Recognition**

Revenue is measured at fair value of consideration received or receivable and represents amounts receivable for services rendered in the normal course of business. Revenue is recognized when the customers are invoiced in accordance with the terms of the respective service contracts.

**OPEN FOR EVERY ONE (O4E) WELFARE ORGANIZATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**4 PROPERT, PLANT AND EQUIPMENTS**

**COST**

**Balance as at July 1, 2022**

Addition during the period

Disposal during the year

**Balance as at June, 30 2023**

**DEPRICIATION**

**Balance as at July 1, 2022**

Charge for the year

on disposal

**Accumulated Depreciation as at June, 30 2023**

**Written down value as at June, 30 2023**

**Written down value as at June, 30 2022**

**DEPRICIATION RATE**

	<b>Furniture and Fixtures</b>	<b>Equipment</b>	<b>Generator</b>	<b>Computers and Laptops</b>	<b>Educational Equipment &amp; Access</b>	<b>Total</b>
	<b>Rupees</b>					
Balance as at July 1, 2022	345,810	510,805	52,000	73,000	186,335	1,167,950
Addition during the period	230,481	99,590				330,071
Disposal during the year	-	-	-	-	-	-
<b>Balance as at June, 30 2023</b>	<b>576,291</b>	<b>610,395</b>	<b>52,000</b>	<b>73,000</b>	<b>186,335</b>	<b>1,498,021</b>
Balance as at July 1, 2022	315,846	399,877	9,750	50,332	93,201	869,006
Charge for the year	190,176	201,430	13,000	18,250	46,584	469,440
on disposal	-	-	-	-	-	-
<b>Accumulated Depreciation as at June, 30 2023</b>	<b>506,022</b>	<b>601,307</b>	<b>22,750</b>	<b>68,582</b>	<b>139,785</b>	<b>1,338,446</b>
<b>Written down value as at June, 30 2023</b>	<b>70,269</b>	<b>9,088</b>	<b>29,250</b>	<b>4,418</b>	<b>46,550</b>	<b>159,575</b>
<b>Written down value as at June, 30 2022</b>	<b>29,964</b>	<b>110,928</b>	<b>42,250</b>	<b>22,668</b>	<b>93,134</b>	<b>298,944</b>
<b>DEPRICIATION RATE</b>	<b>33%</b>	<b>33%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	

**4.1 Intangible**

**COST**

Balance as at July 1, 2022

Addition during the period

Disposal during the year

**Balance as at June, 30 2023**

**Amortization**

Balance as at July 1, 2022

Charge for the year

on disposal

**Accumulated Amortization as at June, 30 2023**

**Written down value as at June, 30 2023**

**Written down value as at June, 30 2022**

**AMORTIZATION RATE**

	<b>Hosting and Domain</b>	<b>Trademark</b>	<b>Software</b>	<b>Total</b>
	<b>Rupees</b>	<b>Rupees</b>		<b>Rupees</b>
Balance as at July 1, 2022	62,101	65,000	44,500	171,601
Addition during the period	13,597	24,000	28,000	65,597
Disposal during the year	-	-	-	-
<b>Balance as at June, 30 2023</b>	<b>75,698</b>	<b>89,000</b>	<b>72,500</b>	<b>237,198</b>
Balance as at July 1, 2022	40,323	21,667	12,979	74,969
Charge for the year	18,925	22,250	18,125	59,300
on disposal				
<b>Accumulated Amortization as at June, 30 2023</b>	<b>59,248</b>	<b>43,917</b>	<b>31,104</b>	<b>134,269</b>
<b>Written down value as at June, 30 2023</b>	<b>16,451</b>	<b>45,083</b>	<b>41,396</b>	<b>102,930</b>
<b>Written down value as at June, 30 2022</b>	<b>21,778</b>	<b>43,333</b>	<b>31,521</b>	<b>96,632</b>
<b>AMORTIZATION RATE</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	

**OPEN FOR EVERY ONE (O4E) WELFARE ORGANIZATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED JUNE 30, 2023**

	<b>2023</b>	<b>2022</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>5 Revenue</b>		
Donations Income	5,480,575	5,781,408
Donations Income-In Kind	-	512,685
Donations Income -Sadqa-e-Nafli	227,982	333,276
Donations Income-Zakat	1,279,429	1,025,650
Donations Income-Fitra	5,000	
	<b>6,992,986</b>	<b>7,653,019</b>

**5.1** Income from donation is received in form of Zakat, Sadqa-e-Nafli and In kind.

**6 Program Expenses**

Salaries	1,970,286	1,443,600
Repair and Maintenance	226,748	1,318,171
Uilty Bills	146,512	126,755
Printing and Stationary	194,743	357,983
Sehat Program	554,690	221,281
Distribution of in kind	153,130	512,685
Vocational and educational training center	141,380	-
Street Deed Program	6.1 1,707,635	1,689,919
Rent	300,000	360,000
Promotion Expense	-	232,700
Depreciation & Amortization	528,740	42,921
Legal and Professional Charges	628,726	128,000
Misc.Program Expense	-	13,309
	<b>6,552,590</b>	<b>6,447,324</b>

<b>6.1</b> Street Deed- Monthly Cash grant	391,200	155,300
Street Deed- Education Support	266,351	180,804
Street Deed- loan	-	82,846
Street Deed- Health grant	11,620	44,848
Street Deed- Income generation	-	21,300
Street Deed-Monthly Ration	90,000	92,818
Street Deed-Other Welfare	212,160	218,107
Ramzan Relief Program	370,000	593,896
Street Deed-Cash Assistance	-	300,000
Other program cost	366,304	-
	<b>1,707,635</b>	<b>1,689,919</b>

## 7 ADMINISTRATIVE, GENERAL EXPENDITURE

Salaries	63,000	145,000
Courier Charges	-	8,230
Fee and Subscription	2,500	5,278
Entertainment	136,421	37,990
Generator Expense	169,200	106,650
Meeting Expense	65,196	-
Office supplies	243,420	36,512
Conveyance	136,875	181,957
Misc. Expense	3,000	-
	<u>819,612</u>	<u>521,617</u>

## 8 CASH & BANK BALANCES

Cash at Bank	245,710	187,871
Cash in Hand	-	-
	<u>245,710</u>	<u>187,871</u>

## 9 ADVANCE ,DEPOSITS AND PREPAYMENT

Security Deposits	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

## 9 CONTINGENCIES & COMMITMENTS

During the year, there were no commitments to the external parties of the Open for Everyone Welfare Organization which may arise with respect to any legal contract made by the company with those external parties nor any contingencies of the Open for Everyone Welfare Organization whose occurrence is dependent on the outcome of a specific future event.

## 10 GENERAL

The figures have been rounded off to the nearest rupee.

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President

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Finance Secretary