

**Helpline
Audited Financial Statements
For the year ended
June 30, 2022**

Independent Auditor's Report to the Executive Committee of Helpline

Opinion

We have audited the financial statements of Helpline (the Organization), which comprise the statement of financial position as at June 30, 2022, and income and expenditure account, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Organization as at June 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with 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 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 the management determine(s) 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 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.

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 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 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 Arqum Naveed.

Muniff Ziauddin & Co

Chartered Accountants

Lahore

Date: **06 FEB 2023**

UDIN: AR202210123P5ZDg7TrU

HELPLINE
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Note	2022	2021
----- Rupees -----			
ASSETS			
Non-current assets			
Property and equipment	4	76,606,965	37,708,612
Current assets			
Advances and other receivables	5	112,920,530	41,514,414
Cash and bank balances	6	67,005,866	27,492,962
		179,926,396	69,007,376
Total assets		256,533,361	106,715,988
FUND AND LIABILITIES			
Fund			
General fund	7	110,095,377	90,151,176
Restricted funds	8	143,910,642	15,920,031
		254,006,019	106,071,207
Current liabilities			
Payables		2,527,342	644,781
Contingencies and commitments			
		-	-
Total funds and liabilities		256,533,361	106,715,988

The annexed notes, from 1 to 14, form an integral part of these financial statements.


President




Secretary

HELPLINE
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022	2021
----- Rupees -----			
Income		236,264,682	251,604,250
Expenditure			
Administrative expenses	9	26,263,648	13,273,056
Project expenses	10	189,947,494	200,401,751
Financial expenses		109,339	193,040
		216,320,481	213,867,847
Surplus for the year		19,944,201	37,736,403

The annexed notes, from 1 to 14, form an integral part of these financial statements.


 President




 Secretary

HELPLINE
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General fund	Restricted funds	Total fund
	Rupees		
Balance as at July 01, 2020	52,414,773	19,904,002	72,318,775
Surplus for the year	37,736,403	-	37,736,403
Received during the year	-	271,508,252	271,508,252
Amortized during the year	-	(275,492,224)	(275,492,224)
Balance as at June 30, 2021	<u>90,151,176</u>	<u>15,920,030</u>	<u>106,071,206</u>
Balance as at July 01, 2021	90,151,176	15,920,030	106,071,206
Surplus for the year	19,944,201	-	19,944,201
Received during the year	-	297,037,641	297,037,641
Amortized during the year	-	(169,047,029)	(169,047,029)
Balance as at June 30, 2022	<u>110,095,377</u>	<u>143,910,642</u>	<u>254,006,019</u>

The annexed notes, from 1 to 14, form an integral part of these financial statements.


President




Secretary

HELPLINE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022	2021
		Rupees	
Cash flows from operating activities			
Surplus for the year		19,944,201	37,736,403
Adjustments for non-cash and other items:			
Depreciation	4.1	1,162,923	1,192,470
Amortization during the year		(169,047,029)	(275,492,224)
Financial expenses		109,339	193,041
		(167,774,767)	(274,106,713)
Operating loss before working capital changes		(147,830,566)	(236,370,310)
Effect of working capital changes:			
Increase in advances and other receivables		(71,406,116)	(16,418,510)
Increase / (decrease) in payables		1,882,561	(395,483)
		(69,523,555)	(16,813,993)
Cash used in operations		(217,354,121)	(253,184,303)
Financial expenses paid		(109,339)	(193,041)
Income taxes paid		-	-
		(109,339)	(193,041)
Net cash outflows from operating activities		(217,463,460)	(253,377,344)
Cash flows from investing activities			
Payments for acquisition of property and equipment		(2,636,535)	(2,107,125)
Increase in capital work in progress		(37,424,741)	-
Donations received during the year		297,037,641	271,508,252
Net cash inflows from investing activities		256,976,365	269,401,127
Cash flows from financing activities			
Net cashflows from financing activities		-	-
Net increase in cash and cash equivalents		39,512,904	16,023,784
Cash and cash equivalents at the beginning of the year		27,492,962	11,469,178
Cash and cash equivalents at end of the year	6	67,005,866	27,492,962

The annexed notes, from 1 to 14, form an integral part of these financial statements.


President




Secretary

1 Status and nature of organization

Helpline ("the Organization") is a charitable, non-profit and a non-commercial organization registered under the Voluntary Social Welfare Agencies (Registration & Control) Ordinance, 1961. The organization is principally engaged in providing educational, health and other social services to the under-privileged segment of the populace irrespective of race, creed, sex and language.

The Organization receives funds from donors of society within and outside Pakistan for the projects undertaken.

The registered office of the Organization is situated at 705 A-1, GECHS, Township, Peco Road, Lahore, Pakistan.

2 Basis of preparation**2.1 Basis of measurement**

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

2.2 Statement of compliance

These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The 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) and Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan.

2.3 Functional and presentational currency

These financial statements have been prepared in Pakistani Rupees (PKR), which is the organization's functional and presentational currency.

3 Summary of significant accounting policies**3.1 Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, Cost includes expenditures directly attributable to the acquisition of an asset.

Depreciation on property, plant and equipment is charged on reducing balance method at the rates stated in Note 4 to these financial statements. Depreciation on additions is charged from the day when asset is available for use and continues until the day of disposal.

Maintenance and normal repairs are charged to income and expenditure account as and when incurred. Major renewals and improvements are capitalized and assets so replaced, if any, are retired.

3.2 Advances and other receivables**Measurement**

Receivables are recognized at transaction price less an allowance for impairment.

Impairment

A provision for impairment of receivables is established when there is objective evidence that the Organization will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognized in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

The allowance for impairment of receivables of the Organization is based on the aging analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, management considers, among other factors, the creditworthiness and the past collection history.

3.3 Cash and cash equivalents

Cash and cash equivalents are carried at cost. Cash and cash equivalent consists of cash in hand and balances in bank.

3.4 Payables

Payables are measured at cost which is the fair value of the consideration to be paid in the future for goods or services received, whether billed to the Organization or not.

3.5 Provisions

A provision is recognized when, and only when, the Organization has a present obligation (legal or constructive) as a result of past event and 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. Provision are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.6 Contingencies

A contingent liability is disclosed when the Organization 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 Organization; or the Organization 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.

3.7 Revenue recognition

Revenue comprises of donations which are recognized by the Organization when received or right to receive is established. Restricted contributions for expenses of the current period is recognized as revenue in the current period.

3.8 Restricted contribution

Restricted contribution is received or recognized as a contribution receivable in the same period in which the related expenses are incurred, the restrictions have been complied with by the reporting date. Therefore, such restricted contributions would be recognized as revenue in the current period.

3.9 Expense recognition

Expenses are recorded in the time period in which they occur, regardless of when the actual cash flows for the expenses are paid.

3.10 Taxation

The Organization has obtained approval under clause 2(36)(c) of the Income Tax Ordinance, 2001 and hence, the income of the Organisation is subject to 100% tax credit as per Clause 100C of the Ordinance. Consequently, no provision for taxation is made in these financial statements.

HELPLINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

3.11 Related party transactions

A related party transaction is a transfer of resources, services and obligations between the Organization and its related parties, regardless of whether a price is charged. The Organization regularly reviews the related party transactions and related party relationships and disclose such transactions in the financial statements.

HEPLINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

4 PROPERTY AND EQUIPMENT
Operating fixed assets
Capital work in process - (CWIP)

4.1 Operating fixed assets

	Note		Rupees	
	2022	2021	2022	2021
	Rupees			
	39,182,224	37,708,612		
	37,424,741	-	76,606,965	37,708,612

	Rupees					
As at June 30, 2020	31,147,300	2,449,577	7,120,750	2,408,639	655,791	43,762,057
Cost	-	(409,947)	(5,262,500)	(1,066,468)	(229,185)	(6,968,100)
Accumulated depreciation	31,147,300	2,039,630	1,858,250	1,342,171	406,606	36,793,957
Closing-net book value						

Operating-net book value	31,147,300	2,039,630	1,858,250	1,342,171	406,606	36,793,957
Additions	-	990,325	561,000	409,500	146,300	2,107,125
Depreciation charge for the year	-	(302,996)	(483,850)	(350,334)	(55,291)	(1,192,470)
Closing-net book value	31,147,300	2,726,959	1,955,400	1,401,337	497,615	37,708,612

As at June 30, 2021	31,147,300	3,439,902	7,681,750	2,318,139	782,091	45,869,182
Cost	-	(712,943)	(5,746,330)	(1,416,802)	(284,476)	(8,160,570)
Accumulated depreciation	31,147,300	2,726,959	1,955,400	1,401,337	497,615	37,708,612
Closing-net book value						

Operating-net book value	31,147,300	2,726,959	1,935,400	1,401,337	497,615	37,708,612
Additions	-	2,274,535	11,000	275,000	76,000	2,636,535
Depreciation charge for the year	-	(422,627)	(388,913)	(296,624)	(54,759)	(1,162,923)
Closing-net book value	31,147,300	4,578,867	1,557,487	1,379,713	518,856	39,182,224

As at June 30, 2022	31,147,300	5,714,437	7,692,750	3,093,139	858,091	48,505,717
Cost	-	(1,135,570)	(6,135,263)	(1,713,426)	(339,235)	(9,323,493)
Accumulated depreciation	31,147,300	4,578,867	1,557,487	1,379,713	518,856	39,182,224
Closing-net book value						
Rate of depreciation per annum (%)	10%	20%	20%	20%	10%	10%

HELPLINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	----- Rupees -----	
4.2 Allocation of depreciation		
Administrative expenses	427,839	438,710
Project expenses	735,084	753,761
	<u>1,162,923</u>	<u>1,192,471</u>
5 Advances and other receivables		
Advances	104,602,342	40,794,414
Receivables	7,372,188	-
Security	946,000	720,000
	<u>112,920,530</u>	<u>41,514,414</u>
6 Cash and bank balances		
Cash at bank	56,059,123	23,788,453
Cash in hand	10,946,743	3,704,509
	<u>67,005,866</u>	<u>27,492,962</u>
7 General fund		
Opening balance	90,151,176	52,414,773
Surplus for the year	19,944,201	37,736,403
	<u>110,095,377</u>	<u>90,151,176</u>
8 Restricted funds		
Qurbani fund	62,121,585	326,000
Family welfare	28,302,858	-
Rana Town Masjid Markaz fund	20,328,350	-
Zakat fund	15,680,696	137,058
Education fund	9,980,070	3,675,812
Kot Radha Kishan fund	3,000,000	2,000,000
Ramazan package fund	1,774,737	-
Patient welfare fund	1,482,121	2,071,284
Hajra Bibi Hospital fund	508,981	-
Families Help - fund	314,724	-
Sahiwal fund	200,000	200,000
Secrat book fund	182,520	172,520
Flood Relief Fund	34,000	-
Foreign Donors fund	-	4,538,000
Misali goth & tharparker fund	-	940,732
Abdul Aziz Educational Welfare Trust	-	727,090
Super adobe fund	-	638,962
Abbottabad fund	-	492,572
	<u>143,910,642</u>	<u>15,920,030</u>

HELPLINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022	2021
----- Rupees -----			
9. Administrative expenses			
Salaries, wages and benefits		9,678,977	6,424,757
Misc expenses		6,922,781	93,906
Traveling and conveyance		2,507,960	864,713
Repairs and maintenance		2,463,761	1,993,923
Rent and rates		1,339,750	1,712,789
Food & Refreshment expenses		899,591	663,651
Utensils		450,357	51,612
Depreciation	4.2	427,839	438,710
Marketing & Fund Raising		392,183	-
Telephone and mobiles		292,381	287,280
Electricity		277,235	315,835
Printing and stationary		193,777	118,268
Staff welfare expenses		159,797	138,441
Advertisement		121,812	92,240
Postage		53,910	12,331
Audit fee		25,000	-
Gas		20,830	30,180
Water and sanitation		15,430	12,220
Website and Internet charges		11,927	13,350
Books and periodicals		8,350	8,850
		<u>26,263,648</u>	<u>13,273,056</u>
10. Project expenses			
Educational services	10.1	11,912,195	11,092,851
Health Services/ Dispensaries	10.2	3,481,968	2,709,661
Food services in Govt. hospitals	10.3	4,652,503	3,271,557
Family welfare services	10.4	24,471,901	31,305,752
Vocational training centres	10.5	1,125,010	1,049,096
Sindh Project (Misali Goth & Tharparker)	10.6	9,838,551	7,720,511
Masjid Markaz- Rana Town	10.7	12,794,261	8,859,179
Other projects	10.8	121,671,105	134,393,144
		<u>189,947,494</u>	<u>200,401,751</u>
10.1 Educational services			
Adopted government schools	10.1.1	9,055,004	2,490,535
Janjata and shadawal school	10.1.2	264,845	236,545
Gojra Project	10.1.3	2,592,346	8,365,770
		<u>11,912,195</u>	<u>11,092,850</u>
10.1.1 Adopted government schools			
Student Welfare		5,648,891	1,383,025
Salaries		1,968,964	626,490

HELPLINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	----- Rupees -----	
Rent Building	462,130	-
Teacher and student training	218,210	-
Printing and stationary	174,385	1,055
Computer repair and maintenance	167,350	-
Traveling and conveyance	87,532	42,447
Depreciation	81,676	83,751
Quranic Education	75,850	112,381
Utility Charges	71,313	-
Food expense	49,978	55,508
Telephone expenses	33,111	45,798
Repairs and renovation	15,614	140,080
	<u>9,055,004</u>	<u>2,490,535</u>
10.1.2 Janjata and shadewal school		
Salaries	208,965	186,000
Others	55,880	49,145
Repairs and renovation	-	1,400
	<u>264,845</u>	<u>236,545</u>
10.1.3 Gojra Project		
Repairs and renovation	1,559,976	278,470
Miscellaneous expense	594,515	422,790
Salaries	232,800	6,397,773
Traveling and conveyance	109,217	72,248
Vehicle running and maintenance	55,000	156,920
Depreciation	40,838	41,876
Printing and stationary	-	34,943
Vehicle Fuel (Petrol/Diesel)	-	541,380
Advertisement & Fund raising	-	840
Transport Rent	-	166,300
Utility	-	108,689
Office & Board Fee	-	143,542
	<u>2,592,346</u>	<u>8,365,771</u>
10.2 Health Services/ Dispensaries		
Patient Welfare	3,481,968	2,709,661
	<u>3,481,968</u>	<u>2,709,661</u>
10.3 Food services in Govt. hospitals		
Food items	2,856,717	1,758,802
Salaries	981,049	891,470
Vehicle running and maintenance	478,488	303,654

HELPLINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	----- Rupees -----	
Depreciation	245,028	251,254
Repairs and renovation	37,387	12,280
Miscellaneous expenses	19,439	11,004
Utensils	11,750	22,540
Traveling and conveyance	10,254	13,560
Printing and stationary	6,791	3,093
Telephone and Mobile	5,600	3,900
	<u>4,652,503</u>	<u>3,271,557</u>
10.4 Family welfare services		
Family welfare rashion-Food/Ramzan	20,200,096	28,138,711
Financial Assistance	3,556,361	2,581,833
Salaries	490,160	408,408
Miscellaneous expenses	188,294	116,800
Family welfare sewing machines	31,000	-
Printing and stationary	5,990	-
Marriage contribution	-	60,000
	<u>24,471,901</u>	<u>31,305,752</u>
10.5 Vocational training centres		
Salaries	686,745	665,130
Rent rates and taxes	319,980	222,665
Miscellaneous expenses	48,386	55,873
Traveling and conveyance etc	45,060	100
Utilities	19,179	16,750
Repairs and renovation	2,900	84,838
Printing and stationary	2,760	3,740
	<u>1,125,010</u>	<u>1,049,096</u>
10.6 Sindh Project (Misali Goth & Tharparker)		
Salaries	3,866,270	3,035,400
Student/Family Welfare	2,480,377	165,023
Mobile Dispensary	2,223,757	1,846,905
Traveling and conveyance	883,139	520,121
Miscellaneous expenses	146,480	140,646
Refreshment	106,012	25,250
Depreciation	81,676	83,751
Telephone and Mobile	33,000	30,880
Printing and stationary	17,840	17,790
Live stock expenses	-	1,569,640
Repairs and renovation	-	174,050
Masjid construction	-	111,055
	<u>9,838,551</u>	<u>7,720,511</u>

HELPLINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	----- Rupees -----	
10.7 Masjid Markaz- Rana Town		
Salaries	6,682,259	4,358,648
Agriculture expenses	1,250,177	961,644
Traveling and conveyance	1,132,925	560,080
Food Expense	791,624	427,723
Repairs and renovation	724,735	975,350
Utility Charges	519,780	147,531
Student Welfare	517,192	368,297
Printing and stationary	460,303	166,681
Miscellaneous expenses	396,185	222,308
Education	161,233	165,571
Depreciation	81,676	83,751
Vehicle running and maintenace	67,052	55,940
Utensils	9,120	-
Super adobe	-	365,655
	<u>12,794,261</u>	<u>8,859,179</u>
10.8 Other projects		
Eid ul azha expenses	50,388,470	55,648,505
Community Development- Hand pump/food etc	33,821,940	37,436,850
Manawan Complex	10,982,288	7,151,897
Abdul Aziz Educational Welfare Trust	8,951,498	12,817,907
Karbath Welfare Hospital	7,467,424	5,658,566
Orphan House Abbottabad	5,556,899	2,017,428
IT-Lab H/O & Bahawalpur	1,782,815	1,254,907
Nawabshah project	1,332,176	-
Hajira Bibi Hospital	581,857	7,176,881
Channi Goth School	502,404	-
Haripur- Julian	288,334	-
Chitral	15,000	180,000
Rehabilitation of Refugces/ Families Help	-	4,689,165
Super Adobe- Balochistan	-	361,038
	<u>121,671,105</u>	<u>134,393,144</u>

11. EVENTS AFTER THE REPORTING PERIOD

There are no other significant events after the reporting period which may require adjustment of and / or disclosure in these financial statements

HELPLINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

12. GENERAL

Figures have been rounded off to the nearest rupee.

13. CORRESPONDING FIGURES


Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison. No reclassification have been made during the year.

14. DATE OF AUTHORIZATION

These financial statements were authorized for issue on February 03, 2023 by the Executive Committee of the Organization.


President




Secretary