

**FINANCIAL STATEMENTS
OF
SINDH DEVELOPMENT ORGANIZATION
FOR THE YEAR ENDED 30TH JUNE, 2024**

RAZA SIDDIQUI & CO.

CHARTERED ACCOUNTANTS

Room # 402, Amber Estate (Ext), K.C.H.S.U., Block-7/8, Karachi,
Karachi- Tel: 021-4532778, Fax: 021-4391843



RAZA SIDDIQI & CO.

CHARTERED ACCOUNTANTS



INDEPENDENT AUDITORS' REPORT

To the Management Committee of Sindh Development Organization

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Sindh Development Organization**, which comprise the statement of financial position as at **30 June, 2024**, and the statement of income and expenditure 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 presents fairly, in all the material respect, the financial position of **Sindh Development Organization**, and of its financial performance, and of the Surplus 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 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 for the Financial Statements

Executive Committee 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 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 the Executive Committee of the Organization 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 Shafqat Raza.


Raza Siddiqui & Co.
Chartered Accountants
Place: Karachi
Date: 26 SEP 2024
UDIN: AR202410266NrWhSEcyT

**SINDH DEVELOPMENT ORGANIZATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024**

	<u>Note</u>	<u>2024 Rupees</u>	<u>2023 Rupees</u>
ASSETS			
NON- CURRENT ASSETS			
Fixed Assets	4	2,718,739	-
CURRENT ASSETS			
Cash and bank balance	5	3,220,527	4,851,364
		<u>5,939,266</u>	<u>4,851,364</u>
EQUITY AND LIABILITIES			
Surplus of income and expenditure		5,847,466	4,781,164
CURRENT LIABILITIES			
Accrued expenses	6	91,800	70,200
		<u>5,939,266</u>	<u>4,851,364</u>

The annexed notes form an integral part of these Financial Statements.



CHIEF EXECUTIVE


MEMBER-EC

**SINDH DEVELOPMENT ORGANIZATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Note</u>	<u>2024 Rupees</u>	<u>2023 Rupees</u>
INCOME			
Donations	7	279,348,857	395,256,930
Gain on sale of fixed assets - vehicle		-	720,000
		<u>279,348,857</u>	<u>395,976,930</u>
EXPENDITURE			
Welfare and development expenses	8	(249,161,239)	(375,898,896)
General and administrative expenses	9	(29,028,836)	(22,575,525)
Bank charges and withholding taxes		(92,480)	(302,516)
		<u>(278,282,555)</u>	<u>(398,776,937)</u>
Surplus of income over expenditure		<u>1,066,302</u>	<u>(2,800,007)</u>
Accumulated surplus brought forward		4,781,164	7,581,171
Accumulated surplus carried forward		<u><u>5,847,466</u></u>	<u><u>4,781,164</u></u>

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


CHIEF EXECUTIVE


MEMBER-EC

**SINDH DEVELOPMENT ORGANIZATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2024**

1 LEGAL STATUS AND OPERATION:

Sindh Development Organization (SDO) was registered on 27 November, 2011 as welfare and development Non Government Organization under Society Act of XXI 1860, with the registration Number 591. The office of SDO is situated in City Naudero near Sindh Bank, District Larkana.

The principal activity of SDO is to work for sustainable development and change in the lives of rural communities through social mobilization, advocacy and client centered approach, provision of basic necessities and supports and welfare activities. Currently SDO, is mainly working over water projects and also gets engaged in distribution of food, Qurbani etc.

2 STATEMENT OF COMPLIANCE

These Financial Statements have been prepared with in accordance with the approved accounting and financial reporting standards as applicable in Pakistan which includes Revised Accounting and Financial Reporting Standards International for Small Sized Entities (AFRS for SSEs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and the guidelines of Accounting Standards for Non Profit Organizations issued by ICAP and provisions of Society Act of XXI 1860 and rules of

3 SIGNIFICANT ACCOUNTING POLICIES:

3.1 ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention.

3.2 FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost comprises acquisition and other directly attributable costs. Depreciation is charged to income on reducing balance basis at the rates mentioned in note No. 4. Depreciation is charged from the month in which assets becomes available for use, while no depreciation is charged for the month in which the assets is disposed off.

Maintenance and repairs are charged to statement of revenue and expenditure as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are written off.

The carrying amount of the Company's assets are reviewed at each reporting date to identify circumstances indicating concurrence of impairment loss or reversal of previous impairment losses. If any such indications exist, the recoverable amounts of such assets are estimated and impairment losses or reversal of impairment losses are recognized in the statement of revenue and expenditure. Reversal of impairment loss is restricted to the original cost of the asset.

3.3 TRADE AND OTHER PAYABLE

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

3.4 PROVISION

Provision is recognized when the company has present, legal or constructive obligation as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation, and reliable estimate of the amounts can be made.

**SINDH DEVELOPMENT ORGANIZATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2024**

3.5 REVENUE

Donations are recorded on receipt basis.

3.6 TAXATION

Provision for taxation is made in accordance with the provisions of Income Tax Ordinance 2001; however the Organization being non-profit organization no provision for income tax is made.

Dr

SINDH DEVELOPMENT ORGANIZATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2024

4

	30-Jun-24			30-Jun-23
	Furniture and Fixture	Office and IT Equipment	Vehicles	Total
	Rupees			
Net carrying value basis				
Opening assets written back	235,917	552,182	-	788,099
Additions	414,000	2,003,199	-	2,417,199
Disposal				1,380,000
Cost	-	-	-	(3,000,000)
Depreciation	-	-	-	1,620,000
				(1,380,000)
Depreciation for the year	(87,138)	(399,421)	-	(486,559)
Closing Carrying value	562,779	2,155,960	-	2,718,739
Gross carrying value basis				
Cost	726,000	2,819,699	-	3,545,699
Accumulated depreciation	(163,221)	(663,739)	-	(826,960)
	562,779	2,155,960	-	2,718,739
Depreciation rates	15%	15% - 20%		

**SINDH DEVELOPMENT ORGANIZATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2024**

5 CASH AND BANK BALANCES

Cash in hand	2,100,000	2,100,000
Cash in bank	1,120,527	2,751,364
	<u>3,220,527</u>	<u>4,851,364</u>

6 ACCRUED EXPENSES

Audit Fee Payable	91,800	70,200
-------------------	--------	--------

7 DONATIONS

Received against		
Water projects	8.1 148,381,041	125,108,928
Flood relief	-	75,898,431
Qurbani	18,358,157	19,906,777
Food distribution	56,106,677	80,406,311
Ramzan Iftar Dinner	-	12,867,187
Construction of mosque	12,192,937	4,450,759
Shelter / Recovery and rehabilitation	310,000	37,407,006
School	-	982,966
Village Activies	-	1,363,750
Wheel Chair Distribution	824,842	581,897
Winter Project	-	5,975,707
Financial Support	-	3,072,464
Sewing Machine Distribution	749,857	-
Rozgar Rickshaw Distribution	34,088,610	7,184,778
Vocational training	4,899,821	10,791,575
Sindh solar energy	2,595,946	3,874,950
Eid gifts	-	1,819,444
Sadqa goats	-	2,850,000
Miscellaneous	840,969	714,000
	<u>279,348,857</u>	<u>395,256,930</u>

**SINDH DEVELOPMENT ORGANIZATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2024**

		2024 Rupees	2023 Rupees
8 EXPENSES			
Direct expenses related to			
Water projects - material and installation charges	8.1	123,005,806	114,740,875
Flood Emergency Projects		-	58,724,431
Qurbani Projects - Live Animals & labour charges		27,603,370	23,521,700
Food distribution material & labour charges		52,251,509	40,618,217
Mosque (Material & Labour Charges)		7,236,500	11,808,837
Shelter / Recovery and rehabilitation		106,720	42,552,449
Ramzaan Food / Sehri and Iftari		1,822,092	60,122,202
Winter Project		6,269,992	3,954,000
Financial Support		1,419,250	2,855,000
Village Activities		-	200,000
Wheel Chair Distribution		818,000	345,000
Rozgar schemes		28,177,000	5,515,000
Vocational Skill Training Program		451,000	1,668,664
Sindh Solar Energy		-	1,585,200
Eid gifts		-	1,432,340
Goats and sadqa		-	5,687,056
Other welfare expenses			567,925
		<u>249,161,239</u>	<u>375,898,896</u>

	DONATIONS Rupees	EXPENSES Rupees
8.1 Donations- Water Project		
Installation of small water hand pumps	69,935,830	54,296,249
Installation of large and extra large water hand pumps	64,520,859	55,065,208
Solar submersible pump	10,023,452	9,569,689
Digging and developemnt of water wells / tube wells	3,900,900	4,074,660
2024- Total	<u>148,381,041</u>	<u>123,005,806</u>
2023- Total	<u>125,108,928</u>	<u>114,740,875</u>

	2024 Rupees	2023 Rupees
9 GENERAL AND ADMINISTRATIVE EXPENSES		
Salaries and benefits	10,790,732	11,892,621
Rent, utilities and other office expenses	8,613,415	10,182,704
Donor name plaques, survey and donors visit expenses	3,451,380	-
Audit fee	91,800	70,200
Report writing	5,344,950	-
Consultancy	250,000	250,000
Depreciation	486,559	180,000
	<u>29,028,836</u>	<u>22,575,525</u>

**SINDH DEVELOPMENT ORGANIZATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2024**


10 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized on 26 SEP 2024 by the Executive Committee of SDO.

11 GENERAL

Figures have been rounded off to the nearest rupee.

R



CHIEF EXECUTIVE



MEMBER-EC