

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF RIZQ TRUST

Report on the audit of financial statements

Opinion

We have audited the annexed financial statements of **RIZQ TRUST** ("the Trust"), which comprise the statement of financial position as at June 30, 2024, and the statement of income and expenditure, the statement of changes in fund, and the statement of cash flows for the year ended, and notes to the financial statements, including material accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, the statement of cash flows and the statement of changes in fund together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Trust's affairs as at June 30, 2024 and of the surplus and other comprehensive income, its cash flows and the changes in fund for the year 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 Trust 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 Board of Trustees 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 the requirements of Companies Act, 2017 (XIX of 2017) 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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Board of trustees are responsible for overseeing the Trust'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 Trust'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 Trust'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 Trust 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.



ATHER, RASOOL, IMRAN & CO.
CHARTERED ACCOUNTANTS

We communicate with the trustees 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 Faisal Masood Afzal.

Ather Rasool Imran & Co

Ather, Rasool, Imran & CO.
CHARTERED ACCOUNTANTS

Lahore

Date: 04/21/2025

UDIN: AR202410316E5J79dN6L

RIZQ TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Notes	2024 (Rupees)	2023 (Rupees)
ASSETS			
NON-CURRENT ASSETS			
Operating assets	6	65,956,737	58,301,006
Intangible assets	7	3,710,558	4,738,051
		69,667,295	63,039,057
CURRENT ASSETS			
Inventories	8	10,774,076	2,822,487
Advances, deposits and prepayments	9	60,724,714	13,001,972
Other receivables	10	9,562,142	19,171,315
Cash and bank balances	11	130,749,703	170,912,041
		211,810,635	205,907,815
TOTAL ASSETS		281,477,930	268,946,872
FUNDS & LIABILITIES			
FUNDS			
Accumulated fund		260,497,965	242,663,218
NON-CURRENT LIABILITIES			
Deferred grants	12	2,869,037	19,213,431
CURRENT LIABILITIES			
Accrued and other payables	13	15,588,388	4,547,683
Provision for taxation		2,522,540	2,522,540
		18,110,928	7,070,223
CONTINGENCIES AND COMMITMENTS	14	-	-
TOTAL FUNDS & LIABILITIES		281,477,930	268,946,872

The annexed notes from 1 to 25 form an integral part of these financial statements. *ARI*

CHAIRMAN

SECRETARY FINANCE

RIZQ TRUST
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Notes	Restricted Fund Rupees	General Fund Rupees	2024 Rupees	2023 Rupees
INCOME					
Donations - in cash	15	37,651,158	362,928,727	400,579,885	538,948,459
Donations - in kind	16	-	28,904,524	28,904,524	84,359,117
		37,651,158	391,833,251	429,484,409	623,307,576
EXPENDITURE					
Operating expenses	17	19,213,430	339,414,087	358,627,517	466,369,035
Administrative expenses	18	-	58,018,475	58,018,475	45,936,076
Finance cost		-	1,105,176	1,105,176	1,353,990
		19,213,430	398,537,738 #	417,751,168	513,659,101
Other Income	19	-	6,101,506	6,101,506	997,011
Surplus / (deficit) before taxation		18,437,728	(602,981)	17,834,747	110,645,486
Taxation	20	-	-	-	-
Surplus / (deficit) for the year		18,437,728	(602,981)	17,834,747	110,645,486

The annexed notes from 1 to 25 form an integral part of these financial statements. *PRi*

CHAIRMAN

Muhammad Farooq Khan

SECRETARY FINANCE

Muhammad Asim

RIZQ TRUST
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Restricted Fund	General Fund	Accumulated Fund
	----- (Rupees) -----		
Balance as at July 01, 2022	52,569,129	79,448,603	132,017,732
(Deficit) / surplus for the year	(13,290,329)	123,935,815	110,645,486
Balance as at June 30, 2023	39,278,800	203,384,418	242,663,218
Surplus / (deficit) for the year	18,437,728	(602,981)	17,834,747
Balance as at June 30, 2024	57,716,528	202,781,437	260,497,965

The annexed notes from 1 to 25 form an integral part of these financial statements. *ARI*

CHAIRMAN

Muhammad Farooq Khan

SECRETARY FINANCE

Mrs. A. Khan

RIZQ TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Notes	(Rupees)	(Rupees)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Surplus before taxation	17,834,747	110,645,486
Adjustments of non-cash items:		
Add: Loss on disposal	16,196	480,361
Add: Depreciation	10,682,089	5,756,441
Add: Amortization	1,183,741	1,167,637
Less: Deffered Income recognized	(19,213,431)	-
	(7,331,405)	7,404,439
Surplus before working capital changes	10,503,342	118,049,925
Effect on cash flow due to working capital changes:		
(Increase) in inventories	(7,951,589)	(2,427,810)
(Increase)/decrease in advances, deposits and prepayments	(47,722,742)	930,989
Increase/(decrease) in other receivables	9,609,173	(19,032,315)
Increase in accrued and other payables	11,040,705	438,338
	(35,024,453)	(20,090,798)
Net cash (used in)/generated from operations	(24,521,111)	97,959,127
Income taxes paid	-	-
Net cash (used in) / generated from operating activities	(24,521,111)	97,959,127
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Deferred grants	2,869,037	19,213,431
Payments for acquisition of operating assets	(18,404,016)	(48,626,016)
Proceeds from the disposal of operating fixed assets	50,000	-
Payments for development of intangibles	(156,248)	(350,000)
Net cash outflow from investing activities	(15,641,227)	(29,762,585)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Net cash generated from financing activities	-	-
Net (decrease) / increase in cash and cash equivalents during the year	(40,162,338)	68,196,542
Cash and cash equivalents at beginning of the year	170,912,041	102,715,499
Cash and cash equivalents at end of the year	130,749,703	170,912,041

The annexed notes from 1 to 25 form an integral part of these financial statements. *ARI*

CHAIRMAN

SECRETARY FINANCE

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND OPERATIONS

The Rizq Trust ("the Trust") was registered on February 13, 2020 under the Trust Act, 1882 (repealed,) later re-registered on June 29, 2022 under the Punjab Trusts Act 2020, with the objective to research and execute the programs related to food insecurity, nutritional enrichment and health awareness.

1.1 Community Support Operations

Rizq's Community Support Division is dedicated to uplifting vulnerable communities and fostering resilience. Through Rizq Bachao, we combat food waste by rescuing surplus food and redistributing it to families in need, ensuring that no meal goes to waste. Rizq Dastarkhawan offers free, communal meals, bringing people together and providing nourishment to those facing hardship. Rizq Ration serves as a vital safety net, delivering affordable food provisions to help secure the well-being of under-served households. In times of crisis, Rizq Emergency Relief provides swift, life-saving aid, aiding communities in recovery and rebuilding with strength.

1.2 Food Operations

Through initiatives like Rizq Mega Kitchens and Rizq Khana, we work to make healthy meals available and affordable for everyone. Rizq Mega Kitchens serve as community hubs, offering the best quality food at economical rates to support a range of our services. Rizq Khana empowers micro-entrepreneurs by providing them with affordable food carts, where they can sell nutritious meals prepared at Rizq Hub. Together, these programs address food insecurity while creating opportunities for local employment and community upliftment.

1.3 Agriculture & Livestock

Rizq's Sustainable Agriculture & Livestock Division is dedicated to empowering small farmers in the face of challenges like climate change, food insecurity, and poverty. Through our GroRizq program, we support smallholder farmers by providing quality seeds, fertilizers, and pesticides at zero up-front cost, enabling them to grow crops more efficiently. Farmers repay the input value after harvest with no interest, easing financial burdens and fostering productivity.

1.4 Research and Policy

Rizq's Research and Advancement Division is committed to harnessing the power of knowledge to tackle the world's most pressing sustenance challenges. At the heart of this division is the Rizq Knowledge Hub, a research centre in partnership with Yunus Thailand and hosted at the Asian Institute of Technology in Thailand. The Hub focuses on the water-energy-food (WEF) nexus, advancing research and community-based knowledge to develop sustainable, climate-smart solutions. Our mission is to translate research into actionable solutions that can create lasting, positive impact on a global scale, while nurturing the next generation of socially responsible leaders.

1.5 Advocacy and Volunteerism

Rizq's Advocacy and Volunteerism Division is dedicated to mobilizing and educating individuals to drive meaningful social change. We believe in the boundless potential of youth and aim to empower them as catalysts for positive transformation. Through programs like Rizq Youth Republic, we provide young people with the knowledge, skills, and opportunities to tackle critical issues related to food, nutrition, and the environment, positioning them as leaders in sustainable development. AKI

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

The Trust is a people-powered social enterprise focused on making food philanthropy convenient for those who want to manifest compassion and food accessible for those in need.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 380 B-Faisal Town, Lahore.

3 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with 'Accounting Standard for Not for Profit Organizations (NPOS)' and 'Accounting and Financial Reporting Standards for Small Sized Entities (AFRS for SSEs)' as applicable in Pakistan.

4 BASIS OF PREPARATION

4.1 Basis of measurement

These financial statements have been prepared under historical cost convention.

4.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees (Rupees), which is also the Trust's functional currency.

4.3 Going concern assumption

These financial statements have been prepared on going concern basis without any adjustments to assets and liabilities based on operation results and future projections. The management is also confident of generating surplus fund through streamlining the operations of the Trust.

5 SIGNIFICANT ACCOUNTING POLICIES

5.1 Basis of accounting

The financial statements of the Trust have been prepared on the accrual basis of accounting and accordingly reflects all significant receivables, payables, and other liabilities.

5.2 Estimation

The preparation of financial statements, in conformity with the approved accounting standards, requires the use of certain critical accounting estimates. It also requires the management to examine its judgment in the process of applying the Trust's accounting policies. Estimates and judgments are continuously evaluated and are based on historical experiences, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Trust's financial statements and where judgment was exercised in the application of relevant accounting policies are estimation of depreciation on operating fixed assets of the Trust.

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RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

5.3 Cash and cash equivalent

Cash and cash equivalents comprises cash in hand, cash at bank on current, saving and deposit accounts and other short term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

5.4 Accrued and other payables

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

5.5 Operating assets

Operating assets are recognized as an asset, if and only if it is probable that, future economic benefits associated with the item will flow to the trust, and the cost of the item can be measured reliably. For a contributed asset, cost is considered to be fair value at the date of contribution. Operating assets are stated at cost less accumulated depreciation. Depreciation on leased operating assets is charged on straight line method and on owned operating assets charged on reducing balance method to write off the cost of an asset over its estimated useful life at the rates mentioned in note 6.

Full depreciation is charged for the month of purchase and no depreciation is charged for the month in which an asset is disposed off.

5.6 Intangible Assets

Expenditure incurred to acquire/ build an intangible asset is capitalized as an intangible asset and stated at cost less accumulated amortization and any identified impairment loss. Intangible assets are amortized using straight line method over a period of 5 years.

5.7 Research and Development Cost

All research cost is recognized as an expense in the year incurred. Development costs are recognized as an intangible if, and only if: (a) the technical feasibility of completing the asset exists, (b) the intention to complete the asset exists, (c) management has the ability to use or sell the asset, d) the asset will generate future economic benefits by use or sell, (e) there is availability of adequate resources to complete and (f) the cost of development of the asset can be reliably measured.

5.8 Inventories

Inventory of contributed material is initially recognized at fair value. Inventory items that are held for consumption/ distribution at are measured at the lower of weighted average cost and net realizable value.

5.9 Income

Income is recognized when it is probable that the economic benefits associated with the transaction will flow to the Trust and the amount of income can be measured reliably. Contributions from donors are recognized as income using "Restricted Fund method". In this method, restricted contributions are recognized as restricted fund due to the restrictions on these donations relevant to specific activities of the Trust. All other donations are treated as general fund.

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RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Contributed material or services are recognized as income if and only if the fair value of these contributions can reliably be measured. The materials and services are used in the normal course of the Trust's operations and would otherwise have been purchased.

5.10 Donation In Kind

Donated assets and other non-cash donations are recorded as contributions at their fair values at the date of donation.

5.11 Restricted Fund

This includes any funds received by the Trust but could not be spent and treated as Income during the year due to any obligation placed by the donor.

5.12 General Fund

This is a general purpose unrestricted fund. All donations other than those for specific purpose are recognized in this fund.

5.13 Expenditures

Expenditures are recognized in income and expenditure account when they are incurred.

5.14 Taxation

Income tax comprises current and deferred tax. Income tax is recognized in the income and expenditure account except to the extent that it relates to items recognized directly in fund balance, in which case it is recognized directly in fund balance.

Tax liability is the amount of tax payable on taxable income for the year using tax rates enacted or substantively enacted by the reporting date. Provision for taxation is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any.

5.15 Related Party Transactions

Transactions with related parties are priced at comparable uncontrolled market price. Parties are said to be related if they are able to influence the operating and financial decision of the Trust and vice versa keeping in view the definition of related party as defined in Guideline for Accounting and Financial Reporting by Non-Government Organizations (NGOs) / Non-Profit Organizations (NPOs). *RAJ*

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

6 OPERATING ASSETS

Class of assets	FOR THE YEAR ENDED JUNE 30, 2024									
	Cost				Depreciation Rate	Accumulated Depreciation				Net Book Value
	As at July 1, 2023	Additions	Deletions	As at June 30, 2024		As at July 1, 2023	Disposal	For the year Depreciation	As at June 30, 2024	
Leased Assets:										
Building	7,594,185	239,192	-	7,833,377	10%	(779,253)	-	(772,286)	(1,551,539)	6,281,838
Owned Assets:										
Machinery	1,280,366	9,792,579	-	11,072,945	15%	(80,485)	-	(998,012)	(1,078,497)	9,994,448
Vehicles	44,154,551	5,227,312	100,400	49,281,463	15%	(4,159,145)	34,204	(6,480,892)	(10,605,833)	38,675,630
IT equipment	3,542,322	1,856,177	-	5,398,499	30%	(932,676)	-	(1,175,697)	(2,108,373)	3,290,126
Furniture and fixture	3,502,514	372,400	-	3,874,914	15%	(454,538)	-	(492,101)	(946,639)	2,928,275
Electrical equipment	3,566,457	892,356	-	4,458,813	15%	(488,446)	-	(526,178)	(1,014,624)	3,444,189
Kitchen equipment	1,926,581	24,000	-	1,950,581	15%	(371,427)	-	(236,923)	(608,350)	1,342,231
Total	65,566,976	18,404,016	100,400	83,870,592		(7,265,970)	34,204	(10,682,089)	(17,913,855)	65,956,737

Class of assets	FOR THE YEAR ENDED JUNE 30, 2023									
	Cost				Depreciation Rate	Accumulated Depreciation				Net Book Value
	As at July 1, 2022	Additions	Deletions	As at June 30, 2023		As at July 1, 2022	Disposal	For the year Depreciation	As at June 30, 2023	
Leased Assets:										
Building	5,652,308	2,290,379	348,502	7,594,185	10%	(224,444)	60,988	(615,797)	(779,253)	6,814,932
Owned Assets:										
Machinery	-	1,280,366	-	1,280,366	15%	-	-	(80,485)	(80,485)	1,199,881
Vehicles	5,282,035	38,872,516	-	44,154,551	15%	(477,622)	-	(3,681,523)	(4,159,145)	39,995,406
IT equipment	1,398,360	2,224,562	80,600	3,542,322	30%	(450,300)	45,189	(527,565)	(932,676)	2,609,646
Furniture and fixture	1,503,181	2,179,464	180,131	3,502,514	15%	(246,296)	64,540	(272,782)	(454,538)	3,047,976
Electrical equipment	1,856,728	1,778,729	69,000	3,566,457	15%	(211,751)	27,155	(303,850)	(488,446)	3,078,011
Kitchen equipment	1,926,581	-	-	1,926,581	15%	(96,988)	-	(274,439)	(371,427)	1,555,154
Total	17,619,193	48,626,016	678,233	65,566,976		(1,707,401)	197,872	(5,756,441)	(7,265,970)	58,301,006

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

7 INTANGIBLE ASSETS

Class of assets	<i>FOR THE YEAR ENDED JUNE 30, 2024</i>									
	Cost				Amortization Rate	Accumulated Amortization				Net Book Value
	As at July 1, 2023	Additions	Deletions	As at June 30, 2024		As at July 1, 2023	Disposal	For the year Amortization	As at June 30, 2024	
Rizq App	2,848,267	-	-	2,848,267	20%	(569,653)	-	(569,653)	(1,139,306)	1,708,961
Website	3,057,421	156,248	-	3,213,669	20%	(597,984)	-	(614,088)	(1,212,072)	2,001,597
Total	5,905,688	156,248	-	6,061,936		(1,167,637)		(1,183,741)	(2,351,378)	3,710,558

Class of assets	<i>FOR THE YEAR ENDED JUNE 30, 2023</i>									
	Cost				Amortization Rate	Accumulated Amortization				Net Book Value
	As at July 1, 2022	Additions	Deletions	As at June 30, 2023		As at July 1, 2022	Disposal	For the year Amortization	As at June 30, 2023	
Rizq App	2,848,267	-	-	2,848,267	20%	-	-	569,653	569,653	2,278,614
Website	2,707,421	350,000	-	3,057,421	20%	-	-	597,984	597,984	2,459,437
Total	5,555,688	350,000	-	5,905,688		-	-	1,167,637	1,167,637	4,738,051

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Notes	(Rupees)	(Rupees)
8	INVENTORIES		
	Food items	10,398,170	2,770,212
	Other consumables	375,906	52,275
		<u>10,774,076</u>	<u>2,822,487</u>
9	ADVANCES , DEPOSITS AND PREPAYMENTS		
	Advance to vendors	53,803,060	8,759,733
	Advances to employees	1,797,497	402,335
	Advance income tax	1,822,919	1,803,553
	Security deposits	2,230,450	1,780,750
	Prepaid expenses	1,070,788	255,601
		<u>60,724,714</u>	<u>13,001,972</u>
10	OTHER RECEIVABLES		
	TCS receivables	-	236,001
	Receivables from Donors	10.1 9,562,142	18,935,314
		<u>9,562,142</u>	<u>19,171,315</u>
10.1	These are the donations against which relief activities were conducted on behalf of donors as per the agreement. These receivables are subsequently received.		
		2024	2023
	Notes	(Rupees)	(Rupees)
11	CASH AND BANK BALANCES		
	Cash at bank - current account	130,300,720	170,690,932
	Cash in hand	448,983	221,109
		<u>130,749,703</u>	<u>170,912,041</u>
12	DEFERRED GRANTS		
	Deferred grants-restricted	12.1 -	19,213,431
	Deferred grants-general	12.2 2,869,037	-
12.1	Details of grants		
	Grant as at 01st July, 2023	19,213,431	-
	Received during the year	75,460,837	102,615,449
	Utilization during the year	(91,805,231)	(83,402,018)
	Grant as at 30th June, 2024	12.2 <u>2,869,037</u>	<u>19,213,431</u>
12.2	These grants represents the amount received to carry out flood relief activities.		

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Notes	(Rupees)	(Rupees)
13	ACCRUED AND OTHER PAYABLES		
	Accrued liabilities	7,741,110	494,455
	Withholding tax	4,114,810	624,906
	Other payables	3,207,468	2,948,322
	Audit fee payable	525,000	480,000
		<u>15,588,388</u>	<u>4,547,683</u>

14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2024 (June 30, 2023: NIL).

		2024	2023
	Notes	(Rupees)	(Rupees)
15	DONATIONS - IN CASH		
	General fund	15.1 362,928,727	455,546,440
	Restricted fund	15.2 37,651,158	83,402,019
		<u>400,579,885</u>	<u>538,948,459</u>

15.1 Details of general funds

Agriculture and Livestock	125,810,532	87,776,156
Community Support Operations	39,604,276	230,308,141
Food Operations	22,054,945	10,874,040
RIZQ General Fund	175,458,974	126,588,103
Research & Policy	-	-
Advocacy and Volunteerism	-	-
	<u>362,928,727</u>	<u>455,546,440</u>

15.2 Details of restricted funds

Agriculture and Livestock	-	31,640,129
Community Support Operations	19,213,430	51,761,889
Zakat	18,437,728	-
Food Operations	-	-
Research & Policy	-	-
Advocacy and Volunteerism	-	-
	<u>37,651,158</u>	<u>83,402,018</u>

15.3 These funds include Zakat received during the year and the recognized restricted deferred grants pertaining to previous year. *AKI*

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Notes	(Rupees)	(Rupees)
16 DONATIONS- IN KIND			
Food donations	16.1	28,904,524	84,359,117

- 16.1 These include food donations from various organizations and individuals of which fair value can reasonably be estimated. Majority of such donations were received during the flood relief operations. Apart from these, food donations are also received from about 20-25 organizations and distributed among needy families however due to Trust's inability to reasonably estimate the fair value for various reasons, those donations have not been assigned any value.

	Notes	2024	2023
		(Rupees)	(Rupees)
17 OPERATING EXPENSES			
General fund:			
Agriculture and Livestock		119,884,849	58,371,586
Community Support Operations		171,383,934	292,749,293
Food Operations		30,899,285	13,708,954
Research & Policy		7,224,272	-
Advocacy and Volunteerism		1,715,666	-
Depreciation		7,477,462	4,029,509
Amortization		828,619	817,346
		<u>339,414,087</u>	<u>369,676,688</u>
Restricted fund:			
Agriculture and Livestock		-	31,640,129
Community Support Operations		19,213,430	51,761,889
Food Operations		-	13,290,329
Research & Policy		-	-
Advocacy and Volunteerism		-	-
Zakat		-	-
		<u>19,213,430</u>	<u>96,692,347</u>
Operating expenses		<u>358,627,517</u>	<u>466,369,035</u>

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

17.1 The breakup of operating expenses with reference to nature of expense is as under:

	Notes	2024 (Rupees)	2023 (Rupees)
Operating expenses			
Cost of food items consumed		285,688,551	410,196,174
Salaries and benefits		36,081,510	19,230,474
Delivery charges		3,063,659	7,190,651
Travel and lodging		5,709,463	3,354,975
Fuel Expenses		2,400,201	2,357,358
Repair and maintenance		2,348,169	2,190,072
Rent		3,561,849	1,980,713
Meals and entertainment		1,924,205	1,047,517
Marketing expenses		5,712,686	845,732
Utilities		2,254,258	822,198
Printing and stationary		268,454	214,270
Depreciation		7,477,462	4,029,509
Amortization		828,619	817,346
Other charges		1,308,430	12,092,046
		<u>358,627,516</u>	<u>466,369,035</u>

18 ADMINISTRATIVE EXPENSES

Salaries, wages and other benefits		31,314,305	16,780,631
Fee & subscription		2,534,627	650,428
Marketing expenses		2,716,231	7,951,602
Rents, rates & taxes		4,036,927	2,478,192
Utilities cost		1,899,689	1,005,592
Printing and stationery		373,620	151,259
Repair and maintenance		2,931,695	3,167,228
Legal and professional fee		742,225	2,439,500
Travelling & conveyance		2,892,960	7,030,430
Entertainment		4,294,214	820,175
Auditor's remuneration	18.1	525,000	480,000
Depreciation		3,204,627	1,726,932
Amortization		355,122	350,291
Loss on disposal of fixed assets		16,196	480,361
Insurance expense		181,037	423,455
		<u>58,018,475</u>	<u>45,936,076</u>

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Notes	(Rupees)	(Rupees)
18.1 Auditor's remuneration			
Audit fee		500,000	460,000
Auditor's out of pocket expenses		25,000	20,000
		<u>525,000</u>	<u>480,000</u>
19 OTHER INCOME			
Grow rizq	19.1	6,101,506	992,511
Scrap sale		-	4,500
		<u>6,101,506</u>	<u>997,011</u>

- 19.1 The trust has initiated a "Grow Rizq" program, whereby fertilizers and seeds are provided to the needy farmers as donations. However, in case of healthy crop, the farmers are encourage to repay the entire value of fertilizers and seeds, at current market rates. This amount represents the difference between the value of fertilizers and seeds provided and the amount returned from the farmers during the year.

20 TAXATION

The Trust is registered as Not-For-Profit organization under section 2(36) of the Income Tax Ordinance, 2001 since January 29, 2021. Therefore, the income of the Trust after the said date is subject to hundred percent tax credit under section 100C of Income Tax Ordinance, 2001.

21 NUMBER OF EMPLOYEES	2024	2023
Total Number of employee in June 2024	62	45
Average number of employees during the year	54	23

22 SUBSEQUENT EVENT

No such event has been observed that needs adjustment(s) or require disclosure(s) in the financial statements.

23 TRANSACTIONS WITH RELATED PARTIES.

There were no related party transactions during the year,except as discussed in note 23.1

The related parties comprise of affiliates, Board of Governors of the Trust, key management personnel, and post-employment benefit plan (Employee's Provident Fund). Affiliates are entities that have a person common on their Board of Directors/Governors/Trustees with the Trust. The Trust, in the normal course of business, carries out transactions with various related parties. Remuneration of key management personnel is disclosed in note 23.1. Amounts due from and to related parties, if any, are shown under receivables and payables. *AKI*

RIZQ TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

23.1 Remuneration of key management personnel

Key management personnel are the persons having authority and responsibility for planning, directing, and controlling the activities of the Trust, directly or indirectly. The aggregate amounts charged in the financial statements for the year for remuneration, including certain benefits, to the key management personnel of the Trust are as follows:

	2024 (Rupees)	2023 (Rupees)
Employee benefits	<u>36,280,326</u>	<u>15,185,472</u>

The Trust also provides the key management personnel with entity maintained cars.

24 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Trustees in their meeting held on _____.

25 GENERAL

Figures in these financial statements have been rounded off to nearest rupee. *phd*

CHAIRMAN

SECRETARY FINANCE