



Hisaar Foundation
a foundation for water, food and livelihood security

Governors' Report to Council Members

July 2023 – June 2024

1. Introduction

This report highlights the activities and achievements of Hisaar Foundation from 1 July 2023, to 30 June 2024. We are delighted to share that this has been another exceptional year of progress for the Foundation. The year 2023 marks two decades of Hisaar Foundation's impactful work and a decade of the Karachi International Water Conference. Reflecting on the past twenty years, and this year in particular, we take pride in our accomplishments and look forward to an even brighter future.

The highlights of this period include the outstanding success of the sixth Karachi International Water Conference and the completion of the grey structure of the Panjwani-Hisaar Water Institute at NED University. Today, Hisaar Foundation is widely recognized as a leading organization in Pakistan's water sector, known for its thought leadership, innovation, and commitment to going beyond the ordinary. The overall growth of the Foundation and the successes of this year are a testament to the dedication of our Governors, the hard work of our staff and the trust of our donors.

2. Company Affairs and Organizational Matters

2.1 Registration with Securities Exchange Commission of Pakistan (SECP)

According to recent amendments made to the Companies Act 2017, section 42 companies are no longer required to get their license renewed. Therefore, the Foundation has a valid license until further notice from SECP.

2.2 Registration with Economic Affairs Division (EAD), Pakistan

Hisaar Foundation is registered with Economic Affairs Division Pakistan. The Foundation has signed an MoU with the Government that expired on 30 June 2024. We have applied for renewal and our application is under review.

2.3 Registration with Federal Board of Revenue

Hisaar Foundation has valid tax exemption certificates under Section 2(36)(c) and Section 155 up to June 30, 2025.

2.4 Registration with Sindh Charity Commission

Hisaar Foundation has applied for registration with the Sindh Charities Commission. We are awaiting a response regarding the status of our application.

2.5 Zakat and Shariah Certification

We are happy to report that Hisaar Foundation and the Panjwani-Hisaar Water Institute are shariah certified. We have contracted Shariah advisors and consultants (Al Hamd Shariah Advisory Services) to guide us on this continuously, as per requirement.

2.6 Registration with Social Welfare Department

Hisaar Foundation is enlisted with Social Welfare Department, Tharparkar.

2.7 Staff Changes

As the Foundation continues to grow, so does our team. During this period, we welcomed four new full-time employees to strengthen our finance, research, communications, and IT functions. Syed Aatir Jilani joined as Senior Manager Finance in February 2024, replacing the previous arrangement with Grant

Thornton Consulting for managing accounts and finance. Mohammad Jamil initially joined as the Conference Accountant for a six-month term from August to December 2023 and transitioned to a full-time role supporting the accounts function from January 2024.

Faryal Azam came on board in August 2023 as a Research and Communications Officer. In November 2023, her role was expanded, and she now serves as Assistant Manager, Research and GIS. Additionally, Saifullah Anwar was hired in October 2023 as a full-time officer focusing on IT and communications.

3. Karachi International Water Conference (KIWC)

The Karachi International Water Conference, a flagship event of Hisaar Foundation, is held every two years and has earned a “must attend” status on the global stage. The conference attracts a diverse audience from the global North and South, including participants from South Asia and Pakistan. It serves as a unique platform that brings together key stakeholders from the government, private and commercial sectors, bilateral and multilateral agencies, academia, NGOs, and media, fostering collaboration on critical water issues.

The 6th Karachi International Water Conference took place on November 27-28, 2023, at the Marriott Hotel in Karachi, preceded by a special event celebrating Hisaar Foundation’s 20th anniversary. The theme, “Water Matters – Bring Water Back to Climate Discourse,” highlighted the urgent need to center water within the global climate narrative. Recognizing water as a crucial yet often overlooked component of the climate crisis, the conference gathered policymakers, scientists, practitioners, activists, and youth leaders to advocate for water’s rightful place in climate discussions.

This edition featured 16 sessions over two days, with 89 speakers and over 1400 participants. It was supported by 15 organizations, with Infra Zamin Pakistan as the lead partner. A notable milestone for the sixth conference was the transition to a younger group of organizers, guided by a newly formed Council of Mentors that comprised Simi Kamal, Zohair Ashir, Ashraf Kapadia, Meher Marker Noshirwani, Dr. Pervaiz Amir, Barbara Schreiner, Dr. Imran Ahmed, and Tofiq Pasha Mooraj, who provided invaluable support and guidance.

The conference opened with an impactful plenary session featuring a parliamentary-style debate and a keynote by Dr. Adil Najam. The second plenary, “Why Water Matters for Finance: Investing in the Water Economy,” addressed the intersection of water and finance, underscoring the critical need to invest in Pakistan’s water economy.

The first set of parallel sessions delved into water and climate justice, the hidden links between water and health, and the Living Indus program led by the Ministry of Climate Change, offering a mix of keynote presentations and panel discussions. Subsequent parallel sessions explored themes such as women and water, the circular economy, and water-related disasters through a combination of presentations, papers, and discussions.

Day two began with a deep dive into Pakistan’s water economy, the blue economy, and the role of water in achieving Sustainable Development Goals. A highlight of the day was the sixth plenary session, “Café of the Unheard: New Voices Matter,” which provided an inclusive forum for emerging voices to share untold stories and fresh perspectives on water-related challenges, emphasizing the importance of amplifying voices often overlooked in mainstream discourse.

The next series of sessions featured a robust debate on Karachi's water supply, and parallel discussions explored IWMI's Transformative Futures initiative and a HANDS-USAID panel on public-private partnerships in municipal services.

The closing plenary was conducted in two parts. The first part, moderated by Zohair Ashir, titled "Panjwani-Hisaar Water Institute: From Vision to Reality to Future," featured speeches from key partners, including Simi Kamal of Hisaar Foundation, Nadira Panjwani of the Panjwani Charitable Foundation, and Dr. Muhammad Tufail of NED University, along with a virtual address by the President of Pakistan, Dr. Arif Alvi.

The second part, moderated by Sanaa Baxamoosa, was themed "Water Matters for the Future," with remarks from representatives of USAID and UNESCO. Sanaa Baxamoosa also acknowledged the collective efforts behind the conference's success, and the event concluded with a poignant performance of "SOS from the Kids" by the KGS Middle Section Choir, highlighting the urgency of addressing water challenges for future generations.

The conference also featured a vibrant exhibition area and a series of pre-conference events, further enriching the dialogue. The 6th Karachi International Water Conference not only spotlighted critical water issues but also reinforced the power of collective action in driving solutions to the global water crisis and climate challenges.

A detailed report is available [here](#).

4. Panjwani-Hisaar Water Institute (PHWI)

The grey structure of the Panjwani-Hisaar Water Institute was **completed** during this period. Additionally, Hisaar Foundation continued its fundraising activities and we are happy to report that we made substantial progress on the academic front as well with the commencement of Masters courses.

Update on Construction of Building

The Panjwani-Hisaar Water Institute (PHWI) has made significant progress in its construction despite challenges, including flooding damage at the site. The first and second-floor slabs have been successfully casted, and some areas, such as the Library, Multipurpose Room, Water Psychology Lab, and Advisor Room, are fully operational. The installation of a drainage system was completed in August 2023, and the grey structure of the entire building was also completed during this period. Now, the focus has shifted to a phased finishing of the remaining parts, prioritizing the labs on the lower ground floor. This is so that the lab equipment already procured with federal government funding can be placed in its appropriate locations and that the labs can be operationalized. A smaller contractor has been engaged to do this finishing work. Several completed sections are already being utilized to support ongoing academic activities.

4.2 Update on Revision of Project Cost

Originally, the total cost of the project, including land, construction, finishing, furniture and fixtures, MEP, lab equipment, vehicles, elevator, solar and back-up systems etc. was Rs. 1.25 billion. To date we

have received Rs. 1.04 billion in cash or in-kind from NED University, Government of Pakistan, Panjwani Charitable Trust, Engro Foundation, Infaq Foundation, EBM and individual donors.

Due to the economic conditions and market volatility, the material and construction cost has escalated and risen to Rs. 1.68 billion. In order to offset this increase in cost, we consulted the architects, contractors and experts to modify and decrease the finishing cost of the project. Our revised project cost has come down to Rs. 1.50 billion.

4.3 Update on Fundraising

INFAQ Foundation released its remaining tranche of Rs 30 million for the Library. Our seed donor, Panjwani Charitable Foundation also contributed another Rs 15 million during the year. Fundraising continued at a steady pace throughout this period with small donations coming in regularly from other sources.

The grey structure is done and some spaces are already operational. We have already raised the bulk of the total cost of the project (Rs 1.2 billion). We now need Rs 250 million (approximately US\$ 850,000) before the end of the year to finish the building and operationalize the institute to 80 percent capacity. We invite corporate sponsorships, water saviour donations and other forms of donation (including cash, in-kind donations of materials, equipment and furniture).

Additionally, there have been several visits of potential donors to the PHWI site. This includes representatives of IFC, Artistic Milliners, Unilever, Rotary Clubs of Karachi, English Biscuit Manufacturers and others.

4.4 Appointment of Permanent Director of Institute

Prof. Dr Syed Imran Ahmed has been appointed as a permanent Director of PHWI to oversee Program and Academics. He brings over 27 years of experience in climate change, water quality and quantity, irrigation and hydrologic modelling.

4.5 Strategic Plan

A five-year strategy plan for PHWI has been developed for the period 2023-2027. The workplan clearly outlines milestones, timeline and responsibilities in order to achieve the 16 strategic goals that have been set forth. The implementation of this plan commenced since March 2023.

4.6 Establishment of Board of Studies and Board Committee

A Board committee for academic commissioning is functional since June 2023. A Board of Studies has also been established to develop and oversee the academic program. The Board of Studies has met twice since its inception. The first meeting was held in September 2023 and the second meeting was held in December 2023. Simi Kamal is the Advisor of PHWI and closely works with the Director, who serves on all the PHWI Committees.

4.7 Academic Update

We are delighted to report that PHWI has announced three Masters of Engineering Management Programs which commenced in Spring Semester 2024. These specializations include Climate Change Management, Urban Water Management and Coastal & Water Resources.

Over 138 topics under 6 broad categories have also been identified for short courses. In addition, 67 courses have been identified within NED University that will be executed through the Institute in the

future. In parallel to the ongoing construction of the building itself, several certificate courses have already been designed and delivered, the most recent one on Water Law held in Karachi from 9th to 13th June.

4.8 Update on Research Activities

PHWI has developed and engaged in several research studies such as the World Bank funded research study entitled Sindh IWRM Roadmap with Focus on Keenjhar Lake. PHWI was responsible for conducting the Social Gender Assessment and to examine behavioral change through understanding the dynamics of communities living near Keenjhar Lake, Thatta district, Sindh.

The research study on Decentralized Sanitation and Water Services Provision in Informal Urban Settlements (SWaPS) in four South Asian countries: India, Nepal, Sri Lanka and Pakistan was also recently completed. The research was carried out in collaboration with University of Exeter and Loughborough University and. NED University of Engineering & Technology (NED) is one of the partner institutions along with Karachi University (KU) and Mehran University of Engineering & Technology (MUET). Part of NED's share of work was done through PHWI.

Several research studies are in the pipeline as well.

5. Emergency Support

5.1 Recovery & Rehabilitation Services in Taluka Johi, District Dadu

In the aftermath of the Pakistan Floods 2022 which affected 30 million people and inundated a third of the country, Hisaar Foundation developed a strategy to overcome the devastating impacts of the floods. Hisaar Foundation's intervention in flood-affected areas was spread over a two-year period and divided into three phases:

- Phase 1 – Relief which includes the provision of an immediate supply of safe drinking water to displaced people including essential food rations, temporary shelters, and medical and hygiene supplies.
- Phase 2 – Recovery which comprises the provision of kitchen gardening supplies, water systems and mosquito protection to people living in camps and temporary shelters.
- Phase 3 – Rehabilitation which focuses on the return of displaced people and their resettlement. This phase focuses on rebuilding the homes and lives of the flood-affected communities through provision of water systems, kitchen gardening supplies, community bathrooms and asset generation through distribution of livestock.

We chose to concentrate our efforts for the Recovery and Rehabilitation services in Taluka Johi, District Dadu. This area was one of the worst affected. In the beginning, we had to deliver our relief supplies in boats! Our objective was to assist 1000 families in Taluka Johi, District Dadu with the required assistance to bring them back on their feet and return to normalcy, including assistance for income generation.

This year, we continued our efforts of providing recovery and rehabilitation services in Taluka Johi, District Dadu. During the period 2023-24, we distributed 40 kilograms of wheat seeds each to 385 families in three villages.

6. Ramzan Appeal

Hisaar Foundation launched its Ramzan Appeal seeking donations in four areas – flood recovery, provision of food and nutrition packs, provision of water systems and education (Panjwani-Hisaar Water Institute). This year, Hisaar Foundation exceeded its target of Rs 5 million and successfully provided support to 650 families located in 35 villages across Badin and Malir districts in Sindh. Each food pack contained essential items, including flour, oil, sugar, pulses, rice, milk, tea, and spices, aimed at supporting families during Ramzan and beyond. Due to limited donations, books, toys, and clothes were only distributed in District Badin, Sindh. Additionally, we also raised funds for installation of 18 water systems, small donations for Panjwani-Hisaar Water Institute and flood recovery efforts. A detailed report is available [here](#).

Hisaar Foundation representatives Simi Kamal and Sanaa Baxamoosa, along with Mashooque Birhamani, CEO of our partner organization Sujag Sansar Organization, were featured on TV One's Ramzan transmission, Rah-e-Naiki.

7. Developing Solutions

Developing solutions has been at the core of all programmatic interventions undertaken by Hisaar Foundation. Projects and programmes are designed such that low-cost creative solutions form an integral part of all water, food and livelihood-related interventions and activities.

The highlight of the year was the partnership formed with Church of Latter-Day Saints (COLDS) who have supported us in sponsoring hand operated ultrafiltration plants in Jamshoro district. With this support, we were able to deploy 60 systems in remote areas of Jamshoro district. These systems are being deployed in areas with perennial canals, thereby allowing the communities to have access to safe drinking water all year around.

Drip by Drip, a non-profit organization based in Germany, being satisfied with the pilot conducted last year, extended its partnership with us to implement community WASH interventions in 5 government schools located in Gadap Town. They have also pledged to 10 Adopt a School projects in Karachi and 5 more in Bahawalnagar during the next financial period.

Old Associates of Kinnaird Society (OAKS) Karachi Chapter and Hisaar Foundation continued to collaborate on the rehabilitation of deep dug wells in Tharparkar as well as installation of handpumps and solar powered borewells with water storage tanks. Hope Uplift Foundation and Rotary Karachi Metropolitan Trust continued to support us with interventions in Thar and Karachi.

In October 2023, the German Consulate extended its support to sponsor solar bores in two villages of Tharparkar with the aim of improving water access and water security for the local communities.

In addition, Hisaar Foundation installed 4 solar bores and 1 solar system on existing rehab well with water storage tanks, rehabilitated 57 wells, and installed 37 handpumps to improve water access and water security in various parts of the Tharparkar. The Foundation also provided 1 electric water cooler in a government school of Karachi.

8. Think Tank on the Rational Use of Water

The Million Ponds project conceived by several members of the Think Tank has been included in the priority interventions being put forth by the Living Indus Initiative. The Living Indus initiative proposes an indicative menu of 25 high-impact interventions for policy makers, practitioners, and civil society to lead and support the ecological restoration of the Indus Basin. The Living Indus initiative is a UN supported initiative put forward by the Ministry of Climate Change that aims to restore the ecological health of the Indus within the boundaries of Pakistan (which is most vulnerable to climate change). The Living Indus initiative has included the construction of 100,000 community ponds as a part of its high priority interventions. Hisaar Foundation is now part of the consultative process and is involved in developing implementation plans etc.

9. Creating Partnerships

Hisaar Foundation continued to play an integral role in anchoring and strengthening the Water Partnerships and Women and Water Networks that were originally created under the aegis of the Karachi Water Partnership. Some of the activities conducted are outlined below.

9.1 Public Private Partnership

Our biggest and most significant partnership remains with NED University of Engineering and Technology and Panjwani Charitable Foundation for the establishment of Panjwani-Hisaar Water Institute. See section 4 for details.

9.2 Partnering with Civil Society

During this period, Rotary Club of Karachi New Central, a civil society donor organization extended its support to Hisaar Foundation for several water systems in Tharparkar. This club also invited us to make a presentation on PHWI to its members and its members have engaged with us extensively on generating support for Panjwani-Hisaar Water Institute during the 2023-2024 financial year.

9.3 Partnering with Academia (Universities for Water Network)

The 8th meeting of the Universities for Water Network took place on 29th November 2023, as a post-conference event at the Panjwani-Hisaar Water Institute (PHWI). Attendees had the opportunity to tour the institute following the meeting. Several international delegates from the conference joined the session, along with network mentors Ms. Simi Kamal and Dr. Pervaiz Amir. The event, hosted by Dr. Imran Ahmed, Director of PHWI, was attended by 18 participants, fostering an engaging discussion on collaborative initiatives.

9.4 Leveraging International Partnerships

Nisa Global Foundation, a non-profit based out of UK, supported us in the installation of a solar bore in Village Pabuhar, Tharparkar.

Sanaa Baxamoosa, in her capacity as Network Manager Cap-Net Pakistan participated in developing a Regional Roadmap for Asia. Cap-Net UNDP is an international network for capacity development in sustainable water management with a mission to strengthen individual and institutional knowledge and capacities for sustainable water management at local level. Composed of 23 affiliated regional and country level capacity development networks with over a thousand member organisations in 120 countries, Cap-Net delivers training and education to water professionals in Asia, Africa, Latin America,

and the Caribbean. Cap-Net UNDP is a United Nations Development Programme (UNDP) delivery mechanism within the Global Water and Oceans Governance Support Programme.

Hisaar Foundation is a member of the Alliance for Water Stewardship, an international network with the vision of a water-secure world that enables people, cultures, business and nature to prosper, now and in the future. Its mission is to ignite and nurture global and local leadership in credible water stewardship that recognises and secures the social, cultural, environmental and economic value of freshwater.

Hisaar Foundation is also affiliated as an Environmental Partner with the 1% for the Planet network which was founded on the premise that a company has a responsibility to give back for use of our planet's resources.

10. Dialogues, Engagements and Webinars

Hisaar Foundation representatives participated in important international and national water events throughout the year. Simi Kamal (Chairperson) and Sanaa Baxamoosa (Director External Relations) represented the Foundation as key organizers or featured speakers at these events. A selected list of some of the notable engagements and events is presented in the table below:

Event	Date	Representation of Hisaar Foundation
Meeting with FAO, Head of Sindh Province, hosted by Hisaar Foundation	23 rd August 2023	Simi Kamal led the meeting with representatives of FAO Sindh Office in attendance.
Meeting by Italian Cooperation in Pakistan on CSR Partnerships	1 st September 2023	Hisaar Foundation representatives attended the meeting
Meeting with the Dr Rudiger Lotz, Consul General, Germany, held at Panjwani-Hisaar Water Institute premises	10 th October 2023	Zohair Ashir led the meeting and presented on the work of Hisaar Foundation and PHWI project. Danesh Dinshaw and Sanaa Baxamoosa in attendance.
Roundtable to meet Kate Somvongsiri, Mission Director of USAID Pakistan, held at Indus Valley School of Arts and Architecture	19 th October 2023	Sanaa Baxamoosa attended the Roundtable Discussion
Youth Jamboree on Water and Climate, hosted by IWA YWP, as a pre-conference event of 6 th KIWC	28 th October 2023	Simi Kamal was Chief Guest
Pre COP28 Conference on Accelerating Water, Food, Climate Nexus Transformation: Pathways for Pakistan, hosted by IWMI	30 th October 2023	Meher Marker Noshirwani was a panelist during the Technical Session
Pre COP28 Roundtables Series and Seminar, hosted by CSCCC	30 th October – 2 nd November 2023	Sanaa Baxamoosa was a featured speaker for the Roundtable on Sub-National Climate Perspectives
2 nd Sindh NDCs Implementation Committee Consultation with Stakeholders	12 th December 2023	Sanaa Baxamoosa was a featured speaker and made a presentation on Hisaar Foundation

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Provincial Consultation for Preparation of National Report on "Need Analysis for Financing & Strengthening Institutions", hosted by NCSW	26 th January 2024	Sanaa Baxamoosa and Faryal Azam attended the event
Stakeholder Consultation on Curriculum for Environmental Journalism, hosted by GNMI	15 th February 2024	Sanaa Baxamoosa attended the event
Conference on Coastal Resilience, hosted by Islamic Relief Pakistan	28 th February 2024	Simi Kamal was a panelist
Global Compact Network Pakistan's National Climate Action Conference	29 th February 2024	Simi Kamal was Chief Guest and delivered the Keynote.
Webinar on Building Women's Leadership in the Water Sector of Pakistan, hosted by Hisaar Foundation	5 th March 2024	The webinar was hosted by Hisaar Foundation. Sanaa Baxamoosa moderated the discussion
Meeting with representatives of IFC at the Panjwani-Hisaar Water Institute	3 rd April 2024	Simi Kamal made a presentation; Zohair Ashir moderated the discussion and Ashraf Kapadia led the site tour
Women Emerging Pakistan	26 th April 2024	Simi Kamal attended the inaugural event of Women Emerging Pakistan
Rotary Conference on CSR	27 th April 2024	Simi Kamal was a panelist for the fourth plenary session on CSR, Partnerships and Corporate Governance
Webinar on Navigating Climate Governance: Executive Action and Judicial Oversight, hosted by the Law and Justice Commission of the Supreme Court of Pakistan	8 th June 2024	Simi Kamal was featured as a panelist
Course on Water Law, conducted by Panjwani-Hisaar Water Institute	9 th to 13 th June 2024	Simi Kamal was a lead trainer and Faryal Azam attended the course

These are only some examples of our inputs and influencing activities in related sectors, there were many others.

10. Lobbying with Government

Hisaar Foundation continued to engage with government officials and departments at all levels to disseminate its work and share its policy recommendations to spearhead and catalyze efforts for development of provincial and federal water policies, implementation frameworks and the million ponds storage concept.

11. Lobbying with Media

On 13th February 2024, Hisaar Foundation hosted a Media Roundtable as a follow up event to the 6th Karachi International Water Conference. It brought together a select group of journalists, experts, and stakeholders for an in-depth discussion on the critical intersection of water and climate change. The event focused on the role of media in raising awareness, shaping public discourse, and driving action on water

conservation and climate resilience. Participants exchanged insights on current challenges, and explored collaborative strategies to amplify the impact of climate-related reporting. The discussion underscored the urgency of informed media coverage in fostering sustainable water management and addressing the global climate crisis.

12. Social Media

The Media and Communication team of Hisaar Foundation highlights the activities of the Foundation, creates fundraising campaigns and promotes awareness on the focus areas of the Foundation through content creation and information dissemination. In addition, Hisaar Foundation leverages specific environmental days as occasions to mark particular events or topics in order to promote awareness and action.

Since January 2024, Hisaar Foundation has engaged the services of Starlinks PR to increase and build its presence in both digital and traditional media. Starlinks PR particularly create content for our social media channels and help us gain traction and followers on Linked In, Facebook, Instagram and YouTube in particular. They are also responsible for printing one or two articles in print media highlighting various aspects of the Foundation and its work.

13. Financial Outlay

During the financial period July 2023 to June 2024, donations for projects and water systems amounted to Rs 45.85 million. This is a significant increase compared to last year (Rs 29.3 million), driven primarily by the introduction of innovative hand-operated ultrafiltration systems (amounting to Rs 15.97 million) in areas severely affected and still recovering from the effects of the Pakistan flood of 2022. Additionally, the Adopt a School programme saw significant growth, reaching Rs 7.9 million as compared to Rs 1.4 million last year. This is mainly attributed to the support of Drip by Drip, a non-profit organization based in Germany.

Furthermore, we raised Rs 23.46 million through the 6th Karachi International Water Conference held in November 2023 and incurred Rs 23.2 million in expenses, resulting in generation of a nominal surplus from the conference.

Cash donations for the Ramzan Appeal amounted to Rs 4.73 million this year potentially reflecting donor fatigue and declining conditions of the economy.

Additionally, the Foundation secured approximately Rs 50.2 million for the Panjwani-Hisaar Water Institute (PHWI). These funds were used for vendor payments, procurement of cement, construction work, building expenditures and salary of project and fundraising staff. All expenditures related to PHWI are categorized as fixed assets and are treated as capital work in progress.

14. Endowment Fund

Hisaar Foundation established an Endowment Fund in May 2023. This creates a provision and a steady income stream to support the organization's mission and ongoing programs. This milestone marks a significant step towards securing the future of the organization in the years to come.

15. Twenty Year Celebration

Hisaar Foundation commemorated its two-decade journey with the grand celebration held on 26th November 2023, at the Marriott Hotel in Karachi. The event brought together a diverse array of attendees, including Council Members, Board of Governors, Associates, and Staff members, to honor their collective contributions to Hisaar Foundation's mission.

The event commenced with the unveiling of the 20 Year Report, a comprehensive retrospective capturing Hisaar Foundation's transformative trajectory and its relentless efforts to address Pakistan's water and climate crises. Sanaa Baxamoosa delivered remarks on the report's significance, highlighting Hisaar Foundation's pivotal role in driving change over the past two decades.

Following the report launch, the Award Ceremony recognized and applauded individuals who played instrumental roles in Hisaar Foundation's journey. Awards were conferred upon Board of Governors, Council Members, members of the Think Tank on the Rational Use of Water, donors, partners, staff members, and associates for their unwavering commitment and support.

Former staff members, associates, and council members shared their invaluable insights and experiences in an engaging open mic discussion moderated by Zohair Ashir. Afia Salam, who conducted the 20-year Impact Assessment for Hisaar Foundation, provided feedback and reflections on the Foundation's work, adding depth to the event's discourse.

The evening culminated with the unveiling of "Undertow," a captivating book of photographs by Maazin Kamal. Ms. Simi Kamal spearheaded the book launch, introducing attendees to Undertow's concept through an evocative excerpt read by Mr. Tofiq Pasha Mooraj. The launch served as a poignant reminder of Hisaar Foundation's enduring legacy and its commitment to catalyzing positive change through visual storytelling.

16. Way Forward

This year has been truly remarkable for Hisaar Foundation. With the invaluable support and guidance of our Governors and Council Members, who have played a crucial role in shaping our vision and growth, we are steadily progressing towards the institutionalization of the Foundation through the establishment of the Panjwani-Hisaar Water Institute.

As we celebrated our 20th anniversary, we took the opportunity to reflect on our journey, proud of the milestones we've achieved. Over the past two decades, our persistent efforts have positioned Hisaar Foundation as a thought leader and innovator in the water sector.

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I am proud to say that Hisaar Foundation has demonstrated resilience during challenging times, overcoming obstacles to fulfill our promises. The decade-long success of the Karachi International Water Conference and the completion of the grey structure of the Panjwani-Hisaar Water Institute's building stand as testaments to our unwavering commitment to this cause.

We are deeply grateful for the dedication of our team, the guidance of our Governors, and the generous support of our donors. Thank you for your continued patronage. As we look forward to the next twenty years of the Foundation, we hope to achieve even greater milestones together in the future.



Simi Kamal
Chairperson & CEO



Zohair Ashir
Governor

Dated: October 02, 2024



FINANCIAL STATEMENTS
OF
HISAAR FOUNDATION
(COMPANY LIMITED BY GUARANTEE
AND LICENSED UNDER SECTION 42
OF THE REPEALED COMPANIES ORDINANCE, 1984)
FOR THE YEAR ENDED
JUNE 30, 2024

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HISAAR FOUNDATION

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of HISAAR FOUNDATION, (Company limited by guarantee and licensed under Section 42 of the repealed Companies Ordinance, 1984) "The Company", which comprise the statement of financial position as at June 30, 2024, and the related statement of income and expenditure, the statement of other comprehensive income, the statement of changes in general fund, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material 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, the statement of income and expenditure, the statement of other comprehensive income, the statement of changes in general fund and the statement of cash flows 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 Company's affairs as at June 30, 2024 and of the surplus, total comprehensive income, the changes in general fund 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 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 Board of Governors 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.

Responsibilities of Management and Board of Governors 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 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.

Boards of Governors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional 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 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 auditors' 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 Board of Governors 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of cash flows and the statement of changes in general fund together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 05 OCT 2024

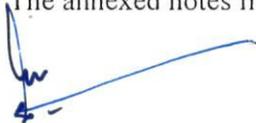
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BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

HISAAR FOUNDATION
(COMPANY LIMITED BY GUARANTEE
AND LICENSED UNDER SECTION 42 OF REPEALED COMPANIES ORDINANCE, 1984)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	351,986,693	259,802,975
Long term deposits		120,000	120,000
		<u>352,106,693</u>	<u>259,922,975</u>
CURRENT ASSETS			
Advances	5	310,000	1,326,255
Other receivables	6	2,655,267	232,375
Tax refundable	7	1,356,327	1,276,811
Short term investment (Endowment Fund)	8	2,000,000	1,000,000
Cash and bank balances	9	27,633,341	34,859,008
		<u>33,954,935</u>	<u>38,694,449</u>
TOTAL ASSETS		<u><u>386,061,627</u></u>	<u><u>298,617,424</u></u>
FUND AND LIABILITIES			
FUND			
Unrestricted		8,733,390	7,011,345
Endowment fund		2,092,890	1,016,875
		<u>10,826,280</u>	<u>8,028,220</u>
NON CURRENT LIABILITIES			
Deferred capital grant	10	313,434,490	265,949,155
CURRENT LIABILITIES			
Deferred credit - unutilized grants	11	39,279,160	18,130,046
Other payables	12	22,521,697	6,510,003
		<u>61,800,857</u>	<u>24,640,049</u>
TOTAL FUND AND LIABILITIES		<u><u>386,061,627</u></u>	<u><u>298,617,424</u></u>
CONTINGENCIES AND COMMITMENTS	13		

The annexed notes from 1 to 30 form an integral part of these financial statements.


CHIEF EXECUTIVE


GOVERNOR

HISAAR FOUNDATION
(COMPANY LIMITED BY GUARANTEE
AND LICENSED UNDER SECTION 42 OF REPEALED COMPANIES ORDINANCE, 1984)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
INCOME			
Donation Income	14	3,318,975	1,704,269
Membership fee		-	25,000
Relief and emergency support income	15	-	11,483,278
Programme support income	16	45,851,666	29,308,089
Zakat ramzan appeal support income	17	4,737,166	3,138,750
Water conference support income	18	23,461,678	-
Other income		3,622,381	3,096,502
		80,991,866	48,755,888
EXPENDITURE			
Administrative expenses	19	12,290,000	9,908,450
Programme expenses	20	38,934,696	23,303,939
Relief and emergency support expenses	21	-	9,401,830
Water conference expenses	22	23,221,357	-
Zakat ramzan appeal expenses	23	3,727,660	2,671,634
Financial charges		20,093	22,877
		78,193,806	45,308,730
Net surplus for the period		2,798,060	3,447,158
Attributable to:			
Unrestricted Fund		2,581,465	3,405,283
Endowment Fund		216,595	41,875
		2,798,060	3,447,158

The annexed notes from 1 to 30 form an integral part of these financial statements.

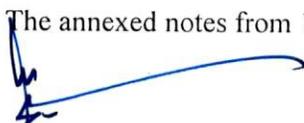

CHIEF EXECUTIVE


GOVERNOR

HISAAR FOUNDATION
(COMPANY LIMITED BY GUARANTEE
AND LICENSED UNDER SECTION 42 OF REPEALED COMPANIES ORDINANCE, 1984)
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Net surplus for the year	2,798,060	3,447,158
Adjustment for items not involving movement of funds:		
Depreciation	1,269,571	514,198
Interest Income	(216,595)	(2,660,473)
Financial charges	20,093	22,877
Operating profit before working capital changes	<u>3,871,129</u>	<u>1,323,760</u>
Decrease / (Increase) in current assets		
Advances	1,016,255	(1,296,255)
Prepaid rent	-	152,698
Other receivables	(2,409,350)	2,520,230
	(1,393,095)	1,376,673
Decrease in current liabilities		
Other payables	16,011,694	(14,954,753)
Cash flows from operations	<u>18,489,728</u>	<u>(12,254,320)</u>
Financial charges paid	(20,093)	(22,877)
Interest Income Received	203,054	2,643,597
Taxes paid	(79,516)	(4,636)
Net cash generated from / (used in) operating activities	<u>18,593,173</u>	<u>(9,638,235)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to operating fixed assets	(555,380)	(6,827,826)
Addition to capital work in progress	(92,897,909)	(98,018,886)
Addition in short term investment	(1,000,000)	(1,000,000)
Net cash (used in) investing activities	<u>(94,453,289)</u>	<u>(105,846,712)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Grants received for PHWI	50,202,847	129,079,613
Grants received for other programmes	95,199,624	65,755,163
Grants utilized during the year	(76,768,022)	(47,405,276)
Net cash flows from financing activities	<u>68,634,449</u>	<u>147,429,500</u>
Net (decrease) / increase in cash and cash equivalents	<u>(7,225,667)</u>	<u>31,944,553</u>
Cash and cash equivalents at the beginning of the year	<u>34,859,008</u>	<u>2,914,455</u>
Cash and cash equivalents at the end of the year	<u><u>27,633,341</u></u>	<u><u>34,859,008</u></u>

The annexed notes from 1 to 30 form an integral part of these financial statements.


CHIEF EXECUTIVE


GOVERNOR

**HISAAR FOUNDATION
(COMPANY LIMITED BY GUARANTEE
AND LICENSED UNDER SECTION 42 OF REPEALED COMPANIES ORDINANCE, 1984)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023
	Rupees	Rupees
Net surplus for the year	2,798,060	3,447,158
Other comprehensive income	-	-
Total comprehensive income for the year	<u>2,798,060</u>	<u>3,447,158</u>

The annexed notes from 1 to 30 form an integral part of these financial statements.


CHIEF EXECUTIVE


GOVERNOR

**HISAAR FOUNDATION
(COMPANY LIMITED BY GUARANTEE
AND LICENSED UNDER SECTION 42 OF REPEALED COMPANIES ORDINANCE, 1984)
STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	Unrestricted fund	Endowment funds	Total
	-----Rupees-----		
Balance as at July 01, 2022	4,581,062	-	4,581,062
Total comprehensive income for the year			
Transfer to endowment fund	(975,000)	975,000	-
Surplus for the period	3,405,283	41,875	3,447,158
Other Comprehensive income	-		
	3,405,283	41,875	3,447,158
Balance as at June 30, 2023	7,011,345	1,016,875	8,028,220
Balance as at July 01, 2023	7,011,345	1,016,875	8,028,220
Total comprehensive income for the year			
Transfer to endowment fund	(859,420)	859,420	-
Surplus for the period	2,581,465	216,595	2,798,060
Other Comprehensive income	-		
	2,581,465	216,595	2,798,060
Balance as at June 30, 2024	8,733,390	2,092,890	10,826,280

The annexed notes from 1 to 30 form an integral part of these financial statements.


CHIEF EXECUTIVE


GOVERNOR

**HISAAR FOUNDATION
(COMPANY LIMITED BY GUARANTEE
AND LICENSED UNDER SECTION 42 OF REPEALED COMPANIES ORDINANCE, 1984)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2024**

1 NATURE AND STATUS OF COMPANY

1.1 Legal status and operations

Hisaar Foundation ("the Company") was established under a license granted by the Securities and Exchange Commission of Pakistan under section 42 of the repealed Companies Ordinance, 1984 on January 14, 2003. The main object of the Company is to promote and advance the welfare and the well being of the people of Pakistan and of other countries in the world. The geographical location and registered address of the Company is Office 3B, Plot 41/C, Lane 13, Bukhari Commercial Area, Phase VI, DHA, Karachi.

1.2 GEOGRAPHICAL LOCATION AND REGISTERED OFFICE

The geographical location and registered address of the Company is Office 3B, Plot 41/C, Lane 13, Bukhari Commercial Area, Phase VI, DHA, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting 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) as notified under the Companies Act, 2017, Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, except as disclosed in relevant accounting policies.

These financial statements have been prepared following accrual basis of accounting except for cash flow information.

The preparation of these financial statements in conformity with approved accounting standards requires the management to exercise its judgment in the process of applying the Company's accounting policies and use of certain critical accounting estimates. The areas involving a higher degree of judgment, critical accounting estimates and significant assumptions are disclosed in note 3.15.

2.3 Functional and presentation currency

These financial statements are presented in Pak rupee, which is the functional and presentation currency for the Company and rounded off to the nearest rupee.

2.4 Significant accounting judgements and estimates

The preparation of financial statements is in conformity with accounting and reporting standards as applicable in Pakistan, requires the 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 the judgments about carrying values 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 recognised in the period in which the estimates are revised if revision affects the period of revision only and future periods if the revision affects both current and future periods.

The areas where various assumptions and estimates are significant to the company's financial statement or where judgements were exercised in application of approved accounting standards as applicable in Pakistan are as follows-

	Note
- Useful lives of property and equipment and methods of depreciation	4.1
- Contingencies	13

3 MATERIAL ACCOUNTING POLICIES INFORMATION

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

3.1 Property and equipment

3.1.1 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment (if any). Depreciation is charged using the straight line method at the rates specified in the relevant note.

Depreciation on additions is charged from the month of addition and in case of deletion up to the month immediately preceding the deletion.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized if the recognition criteria are met.

3.1.2 Capital work in progress

Capital work-in-progress are stated at cost and consists of expenditure incurred, advances made and other costs directly attributable in the course of their construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant category as and when assets are available for use intended by the user. Capital work-in-progress is stated at cost less any identified impairment loss.

3.2 Financial instruments

3.2.1 Financial assets

i. Classification and measurement of financial assets and financial liabilities

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or fair value through profit or loss (FVTPL). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets of the Company classified as measured at amortised cost.

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at amortised cost

All the financial assets of the Company as at statement of financial position date are carried at amortized cost.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through statement of profit or loss:

(i) it is held with in a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.2.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

Liabilities for 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, whether or not billed to the Company.

3.3 Trade & other receivables

Trade & other receivables are recognized at normal amount which is fair value of the consideration to be received in future.

3.4 Cash and bank balances

Cash in hand and at banks are carried at nominal amount.

3.5 Cash and cash equivalent

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash in hand, balances at banks.

3.6 Other payables

Liabilities for 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, whether or not billed to the Company.

3.7 Provisions

A provision is recognized in statement of financial position when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of obligation.

3.8 Fund

The accounts of the Company are maintained substantially in accordance with the principles of fund accounting. Under these principles, resources are classified for accounting and reporting purposes, into funds that are in accordance with activities specified by donor. In the financial statements of the Company, two main groups of funds are distinguished which are Un-restricted Funds and Restricted Funds.

3.8.1 Un-restricted Funds

Funds received for on-going operations, without any restrictions are classified as Un-restricted funds. Unrestricted grants / contributions received are recognized as income in the year of receipts.

3.9 Endowment fund

This is a form of restricted fund to be retained for the benefit of the Company as a capital fund. Membership joining fee and income generated from this fund are also credited to the fund.

3.10 Taxation

The Company is allowed a tax credit equal to one hundred per cent of the tax payable, including minimum tax and final taxes payable subject to the conditions specified under 100C of the Income Tax Ordinance, 2001, and therefore, no provision for income tax has been made during the year.

3.11 Revenue recognition

Donations, fees and programme income are recognized on receipt basis.

Unrestricted grants are recognized in income and expenditure account on receipt basis.

Restricted grants received for revenue expenditure are treated as "Grant Income" upon utilization. Restricted grant received is credited to "Deferred Credit - Unutilized Grant" upon receipt of funds. This grant is transferred to income and expenditure account when conditions stipulated for its receipt have been complied with.

Grants not utilized are repayable and shown as "Deferred Credit – Unutilized Grant".

3.12 Deferred capital grant

Donations for purchase of property, plant and equipment and donation received in kind are taken to deferred capital grant. Funding for property, plant and equipment to be utilized are deferred and amortized over the estimated useful lives of related assets.

3.13 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company 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.

3.14 Related party transactions and transfer pricing

Transactions and contracts with the related parties are based on the policy that all transactions between the Company and related parties are carried out at an arm's length.

3.15 Significant accounting judgments and critical accounting estimates / assumptions

The preparation of financial statements in conformity with approved accounting standards requires the management to:-

- exercise its judgment in process of applying the Company's accounting
- use of certain critical accounting estimates and assumptions concerning the future.

The areas involving critical accounting estimates and significant assumptions concerning the future are discussed below:

a) Property and equipment

Management has made estimates of residual values, useful lives and recoverable amounts of certain items of operating assets. Any change in these estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with corresponding effect on the depreciation charge and impairment loss.

	Note	2024 Rupees	2023 Rupees
4			
PROPERTY AND EQUIPMENT			
Operating fixed assets	4.1	6,445,503	7,159,694
Capital work in progress	4.2	345,541,190	252,643,281
		<u>351,986,693</u>	<u>259,802,975</u>

4.1 Operating fixed assets

Description	2024					Total
	Owned					
	Office equipment	Computers	Furniture and fixtures	Leasehold Improvements	Vehicles	
	Rupees					
Net carrying value basis year ended June 30, 2024						
Opening net book value	854,030	349,118	1,649,472	78,741	4,228,333	7,159,694
Additions	200,760	291,000	63,620	-	-	555,380
Depreciation	(234,381)	(193,944)	(351,096)	(60,150)	(430,000)	(1,269,571)
Closing net book value	820,409	446,174	1,361,996	18,591	3,798,333	6,445,503
Gross carrying value basis year ended June 30, 2024						
Cost	1,413,488	1,134,870	2,088,797	240,600	4,300,000	9,177,755
Accumulated depreciation	(593,079)	(688,696)	(726,801)	(222,009)	(501,667)	(2,732,252)
Net book value	820,409	446,174	1,361,996	18,591	3,798,333	6,445,503
Depreciation rate (% per annum)	20%	33.33%	20%	25%	10%	

Description	2023					Total
	Owned					
	Office equipment	Computers	Furniture and fixtures	Leasehold Improvements	Vehicles	
	Rupees					
Net carrying value basis year ended June 30, 2023						
Opening net book value	439,271	213,826	54,078	138,891	-	846,066
Additions	556,714	297,009	1,674,103	-	4,300,000	6,827,826
Depreciation	(141,955)	(161,717)	(78,709)	(60,150)	(71,667)	(514,198)
Closing net book value	854,030	349,118	1,649,472	78,741	4,228,333	7,159,694
Gross carrying value basis year ended June 30, 2023						
Cost	1,212,728	843,870	2,025,177	240,600	4,300,000	8,622,375
Accumulated depreciation	(358,698)	(494,752)	(375,705)	(161,859)	(71,667)	(1,462,681)
Net book value	854,030	349,118	1,649,472	78,741	4,228,333	2,931,361
Depreciation rate (% per annum)	20%	33.33%	20%	25%	10%	

4.2 This amount is related to the capital work in relation to the construction of Panjwani-Hisaar Water Institute at NED University of Engineering and Technology. This Institute will be transferred to NED University on the completion of project.

	2024 Rupees	2023 Rupees
5 ADVANCES		
Unsecured - considered good		
Advances to others	310,000	1,326,255
6 OTHER RECEIVABLES		
Other receivables	2,655,267	232,375

	Note	2024 Rupees	2023 Rupees
7 TAX REFUNDABLE			
Advance tax		<u>1,356,327</u>	<u>1,276,811</u>
8 SHORT TERM INVESTMENT			
Hold-to-maturity Term deposit receipts (TDRs)	8.1	<u>2,000,000</u>	<u>1,000,000</u>
8.1	This TDR certificates carry markup at the fixed rate of 18.25% (2023: 20.25%) per annum. This investment wholly pertains to endowment fund. The maturity date of TDRs is May 26, 2025.		
9 CASH AND BANK BALANCES			
Cash in hand		4,390	37,418
Cash at bank	9.1	<u>27,628,951</u>	<u>34,821,590</u>
		<u>27,633,341</u>	<u>34,859,008</u>
9.1	The balance in saving accounts carry profit at average rates ranging from 18.00% to 20.50% per annum (2023: 14.50% to 19.50% per annum).		

10 DEFERRED CAPITAL GRANT

Particulars	Panjwani - Hisaar Water Institute	Vehicle	Jun 30, 2024	Jun 30, 2023
	----- Rupees -----			
Opening balance	261,720,822	4,228,333	265,949,155	136,044,701
Grants Received	48,618,000	-	48,618,000	128,390,662
Profit on Treasury call	1,584,847	-	1,584,847	4,988,951
Grants Utilized	(2,287,512)	(430,000)	(2,717,512)	(3,475,159)
Closing balance	<u>309,636,157</u>	<u>3,798,333</u>	<u>313,434,490</u>	<u>265,949,155</u>

- 10.1 During the year, the Company received grant from Panjwani Charitable Foundation amounting to Rs.15 million (2023: 10 million), whereas rest of the grant is received from other institutional and individual donors.

11 DEFERRED CREDIT - UNUTILIZED GRANTS

Particulars	Programme (11.2)	Zakat Ramzan appeal	Relief and emergency	Water Conference	General	Jun 30, 2024	Jun 30, 2023
Rupees							
Opening balance	18,130,046	-	-	-	-	18,130,046	605,000
Add:							
Grants Received	67,000,780	4,737,166	-	23,461,678	3,318,975	98,518,599	63,159,432
Other income	-	-	-	-	3,405,786	3,405,786	3,079,627
Less:							
- Material Cost	29,757,358	3,727,660	-	23,221,357	-	56,706,375	29,689,236
- Other Cost	5,670,561	355,683	-	-	-	6,026,244	5,688,167
Total Direct Cost	(35,427,919)	(4,083,343)	-	(23,221,357)	-	(62,732,619)	(35,377,403)
Admin Overheads	(10,423,747)	(653,823)	-	(240,321)	(4,143,296)	(15,461,187)	(9,931,327)
Transfer (to)/from General Fund	-	-	-	-	(2,581,465)	(2,581,465)	(3,405,283)
Closing balance	39,279,160	-	-	-	-	39,279,160	18,130,046

11.1 These grants are received from various institutional and individual donors.

11.2 DEFERRED CREDIT - UNUTILIZED GRANTS - PROGRAMME

Particulars	Adopt a School	Adopt a Village	Hand Pump	Rehab of well	Recovery & Rehab	Solar Bore	Solar Deep dug Well	Filtration Plant	Ultrafiltration System	Water Cooler	Jun 30, 2024	Jun 30, 2023
Rupees												
Opening balance	234,495	-	-	70,000	17,825,551	-	-	-	-	-	18,130,046	605,000
Add:												
Grants for the period	31,627,500	2,833,600	3,170,000	4,680,000	90,006	5,695,238	1,500,000	1,335,610	15,978,832	90,000	67,000,780	46,833,135
Less:												
- Material Cost	5,235,080	1,724,000	1,992,500	3,156,500	2,577,198	3,649,080	1,055,000	686,160	9,684,000	-	29,757,358	19,527,057
- Other Cost	957,112	390,949	364,665	494,500	241,147	720,958	156,788	126,563	2,217,879	-	5,670,561	3,776,882
Total Direct Cost	(6,199,112)	(2,114,949)	(2,357,165)	(3,651,000)	(2,818,345)	(4,369,958)	(1,211,788)	(812,723)	(11,901,879)	-	(35,427,919)	(23,303,939)
Admin Overheads	(1,759,383)	(718,651)	(670,335)	(909,000)	(443,282)	(1,325,200)	(288,212)	(232,651)	(4,076,953)	-	(10,423,747)	(6,004,150)
Closing balance	23,912,500	-	142,500	190,000	14,653,924	-	-	290,236	-	90,000	39,279,160	18,130,046

Note 2024 2023
Rupees Rupees

12 OTHER PAYABLES

Payable to supplier		1,117,125	2,969,562
Payable to contractor	12.1	21,404,572	3,463,997
Other payables		-	76,444
		22,521,697	6,510,003

12.1 This represents liability accounted for against work performed up to the reporting date by contractor Paragon in respect of Panjwani - Hisaar Water Institute "PHWI".

13 CONTINGENCIES AND COMMITMENTS

Contingencies

- 13.1 The Company received show cause notice dated August 16, 2018 from Federal Board of Revenue (FBR) on account of failure to deduct and pay withholding taxes under section 161(IA) of the Income Tax Ordinance, 2001 amounting to Rs. 0.795 million from payments of purchases and expenses made during Tax Year 2017. Final reply on the said notice was filed on December 07, 2018 and no further notice has been received from FBR in respect of the said notice .

Commitments

- 13.2 On November 23, 2018, the Company has entered into agreement with Panjwani Charitable Foundation and NED University of Engineering and Technology "the NED" to establish Panjwani - Hisaar Water Institute "PHWI" for water education, research and training and dissemination to various stakeholder groups. Panjwani charitable foundation agreed to donate initial seed money and ongoing partial payments, whereas, the Company agreed to raise the funds and manage the construction of Water Institute and upon completion donate the building to the NED.

For the purpose of designing of PHWI, the Company has entered into a consultancy agreement with Arcop (Private) Limited (the consultant) on March 26, 2018. Arcop (Private) Limited was responsible to prepare the design of the project, prepare budgets and assist the Company in conducting the call for tenders, and finalizing the construction company.

On June 16, 2020, the Company has entered in to an agreement with Paragon Constructors (Private) Limited, for the construction of the PHWI. It has been agreed in the contract that entire work including the mobilization shall be completed within 18 months from the execution of the contract. The contract price agreed between the parties is amounting to Rs. 294.661 million exclusive of Sindh sales tax and withholding tax.

Last year, the cost of project is revised through variation order dated January 03, 2023 from Paragon Constructors (Private) Limited amounting to Rs. 469.669 million. The Company has paid Rs.345.541 million till date and further estimated expenditure is expected to be Rs. 124.128 million

	2024 Rupees	2023 Rupees
14 DONATIONS INCOME		
General donation	3,179,350	1,704,269
CapNet	139,625	-
	<u>3,318,975</u>	<u>1,704,269</u>

15 RELIEF AND EMERGENCY SUPPORT INCOME

Donation for flood relief program - 11,483,278

16 PROGRAMME SUPPORT INCOME

Donation for adopt a school	7,949,495	1,418,290
Donation for adopt a village	2,833,600	6,378,250
Donation for hand pump	3,027,500	1,020,000
Donation for solar deep dug well	1,500,000	-
Donation for rehabilitation of well	4,560,000	2,446,486
Donation for recovery and rehabilitation	3,261,627	6,705,063
Donation for solar bore	5,695,238	6,155,000
Donation for filtration system	1,045,374	-
Donation for solar on rehab well	-	500,000
Donation for ultrafiltration system	15,978,832	4,580,000
Donation for water cooler	-	105,000
	<u>45,851,666</u>	<u>29,308,089</u>

17 ZAKAT RAMZAN APPEAL SUPPORT INCOME

Zakat Ramzan appeal 4,737,166 3,138,750

18 WATER CONFERENCE SUPPORT INCOME

Registration	852,864	-
Sponsorship	22,608,814	-
	<u>23,461,678</u>	<u>-</u>

19 ADMINISTRATIVE EXPENSES

Salaries, wages and other benefits	4,692,407	3,010,730
Printing charges	315,777	800,755
Postage and courier	23,735	13,872
Legal and professional charges	927,200	1,320,642
Depreciation 4.1	1,269,571	424,547
Utilities expenses	467,393	386,028
Rent expense	1,964,556	1,771,440
Repair and maintenance	412,330	343,700
Travelling, conveyance and maintenance	324,797	403,216
Office and kitchen supplies	358,441	218,370
Internet and email / web maintenance and	242,710	412,500

	2024 Rupees	2023 Rupees
Vehicle running and maintenance	606,461	96,200
Generator rent and running	10,000	30,420
Newspapers & Magazine	39,605	-
Mobile Charges	27,070	-
Meeting expenses	240,519	167,004
Dues and subscription	324,204	194,455
Miscellaneous	43,224	314,571
	<u>12,290,000</u>	<u>9,908,450</u>

19.1 Grant received for programs are also utilized in overhead expenses of the Company.

20 PROGRAMME EXPENSES

Salaries, wages and other benefits	4,136,176	2,268,532
Consultancy expenses	698,318	62,500
Shariah advisory fee	310,750	339,000
Travelling and outstation	678,495	923,063
Printing and stationary	3,172,654	112,533
Meeting Expenses	180,945	71,254
Adopt a school	5,233,000	1,114,340
Adopt a village	1,724,000	4,935,000
Filtration plant	686,160	-
Hand pump	1,992,500	660,000
Rehabilitation of well	3,156,500	1,672,000
Recovery and rehabilitation	2,577,198	3,816,757
Solar bore	3,649,000	4,005,000
Solar on rehab well	-	450,000
Ultrafiltration systems	9,684,000	2,800,810
Water cooler	-	73,150
Solar on deep dug well	1,055,000	-
	<u>38,934,696</u>	<u>23,303,939</u>

21 RELIEF AND EMERGENCY SUPPORT EXPENSES

Emergency relief activities	-	7,671,945
Salaries, wages and other benefits	-	892,100
Transportation and field expenses	-	829,015
Printing and stationary	-	8,770
	<u>-</u>	<u>9,401,830</u>

	2024 Rupees	2023 Rupees
22 WATER CONFERENCE EXPENSES		
Salaries, wages and other benefits	1,417,267	-
Event Management	11,995,145	-
Hoteling and Catering	6,743,621	-
Advertising	253,934	-
Travelling expenses	891,932	-
Web designing	88,000	-
Printing and stationary	773,450	-
Meeting expense	60,582	-
Miscellaneous	997,426	-
	<u>23,221,357</u>	<u>-</u>
23 ZAKAT RAMZAN APPEAL EXPENSES		
Zakat Ramzan appeal expenses	<u>3,727,660</u>	<u>2,671,634</u>

24 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of directors and key management personnel. Transactions with related parties are as under:

Nature of transaction	Nature of relation	Basis of relation	2024 Rupees	2023 Rupees
Repayment of loan	Director	Directorship	-	3,200,000
Grant received for PHWI - PCF	Associate	Directorship	15,000,000	10,000,000
Grant received for PHWI	Director	Directorship	477,000	1,250,000
Donation received - General	Director	Directorship	270,000	750,000
Donation received - Relief & Emergency	Director	Directorship	-	916,000
Donation received - Ramzan Appeal	Director	Directorship	550,000	300,000
Donation received - Hand Pump	Director	Directorship	95,000	-
Donation received - AASA Consulting (PVT) LTD	Associate	Director's Company	200,000	-
Registration - Water Conferece	Director	Directorship	60,000	-

25 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

No amount has been paid or payable by the Company on account of chief executive and directors' remuneration for the year.

	2024 Rupees	2023 Rupees
26 FINANCIAL INSTRUMENTS BY CATEGORY		
Financial assets as per statement of financial position		
Loans and receivables		
Other receivables	2,655,267	232,375
Long term deposits	120,000	120,000
Cash and bank balances	27,633,341	34,859,008
	<u>30,408,608</u>	<u>35,211,383</u>
Financial liabilities as per statement of financial position		
Financial liabilities - at amortised cost		
Payable to contractor	21,404,572	3,463,997
Others	1,117,125	3,046,006
	<u>22,521,697</u>	<u>6,510,003</u>

27 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison.

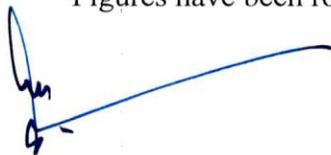
	2024	2023
28 NUMBER OF EMPLOYEES		
		Number of employees
Number of employees as at year end	<u>16</u>	<u>13</u>
Average number of employees for the year	<u>15</u>	<u>12</u>

29 DATE OF AUTHORIZATION FOR ISSUE

The Board of Governors of the Company authorized these financial statements for issue on 04 OCT 2024.

30 GENERAL

Figures have been rounded off to the nearest rupee unless otherwise stated. *h*



CHIEF EXECUTIVE



GOVERNOR