



Hisaar Foundation
a foundation for water, food and livelihood security

Governors' Report to Council Members
July 2024 – June 2025



Governors Report to Council Members

July 2024– June 2025

1. Introduction

This report presents the activities and achievements of Hisaar Foundation from 1 July 2024 to 30 June 2025. We are pleased to share that this has been another remarkable year of progress and impact for the Foundation.

A key milestone was the realization of the Million Ponds Project, an initiative of the Think Tank on the Rational Use of Water, marked by the successful completion of the first eight community ponds in Lasbela, Balochistan. Equally significant has been the impressive growth of the Adopt a School Programme in Karachi and its expansion into the Bahawalpur region of Punjab. Another proud achievement is the graduation of the first Master’s cohort from the Panjwani-Hisaar Water Institute at NED University.

Today, Hisaar Foundation stands as a leading voice in Pakistan’s water sector, recognized for its thought leadership, innovation, and commitment to advancing solutions beyond the ordinary. The accomplishments of this year are a testament to the vision of our Governors, the dedication of our staff, and the unwavering trust and support 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 was previously registered with the Economic Affairs Division (EAD), Pakistan, and held a signed MoU with the Government that remained valid until 30 June 2024. However, following a verdict by the Lahore High Court (LHC), the NGO Policy under which project MoUs were issued by the EAD has become dysfunctional. As a result, since last year, the EAD no longer holds authority over project implementation. Similarly, NOCs previously required from the Home Department at the provincial level are no longer necessary. While the Federal Government has appealed the LHC decision, no stay has been granted, and the case remains under process.

2.3 Registration with Federal Board of Revenue

Tax exemption certificates under Section 2(36)(c) and Section 155 had a validity up to June 30, 2025 and currently the renewal is under process.

2.4 Certification from Pakistan Center of Philanthropy (PCP)

Hisaar Foundation has a valid certification from PCP up to December 29, 2025.

2.5 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.



Governors' Report to Council Members

July 2024 – June 2025

2.6 Zakat and Shariah Certification

We are happy to report that Hisaar Foundation and the Panjwani-Hisaar Water Institute are shariah certified with a valid certification up to 31 December 2025. We have contracted Shariah advisors and consultants (Al Hamd Shariah Advisory Services) to guide us on this continuously, as per requirement.

2.7 Registration with Social Welfare Department

Hisaar Foundation is enlisted with Social Welfare Department, Tharparkar.

2.8 Registration with Employees Old-Age Benefits Institution (EOBI)

Hisaar Foundation is registered with EOBI since July 2024.

2.9 Staff Changes

Hisaar Foundation continues to grow, and our team structure is evolving alongside this growth. During this period, we saw the departure of two colleagues: Syed Raheel Haider, Manager HR & Admin, and Saifullah Anwar, IT Officer. Instead of hiring immediately, we chose to restructure responsibilities within our existing team. As part of this transition, Sirajuddin Khan assumed additional duties in Admin and HR, while IT functions were assigned to Siraj Mulla, an external IT consultant who has previously worked with us on contract.

3. Hisaar Foundation Strategic Plan: Vision 2029

Hisaar Foundation undertook a comprehensive strategy planning process in late 2024 to chart its course for the next five years. A wide consultation was held on 30th November 2024 with participation from Board and Council members, staff, Think Tank members, partners, and associates. Based on the inputs, an amended strategy document and implementation plan were developed, extending through December 2029.

At a special Board meeting on 14th February 2025, the Board of Directors formally approved **Vision 2029** – Hisaar Foundation's Strategic Plan for the next five years. The plan sets out ten strategic goals, categorized into short-, medium-, and long-term priorities.

3.1 Strategic Priorities and Goals

Vision 2029 is built around three pillars: water, food, and livelihood, and ten goals listed out below:

1. Continue to identify, pilot and disseminate solutions for its Programs.
2. Increase adoption of new technologies.
3. Enhance and continue to spearhead thought leadership role of HF (Think Tank, Pakistan Water Panel for Transformative Futures, Collective Voice +).
4. Increase focus on water rights, nature based solutions, eco-systems, water regimes and bio-diversity.
5. Link water with population, food and health.
6. Leverage HF success for branding and recognition and develop an effective Communication Strategy.
7. Continue to develop and strengthen PHWI.
8. Leverage PHWI platform to strengthen HF relationships with the government, private and international organizations.



Governors' Report to Council Members

July 2024 – June 2025

9. Strengthen and optimize the overall organizational capacity of HF.
10. Boost fund generation capacity of the organization to deliver Vision 2029.

To guide the implementation of Vision 2029, the Board constituted a Strategy and Fundraising Committee. This Committee will oversee fundraising, HR, capacity development, and progress monitoring. Membership of the Committee includes Board and Council members (Mr. Ashraf Kapadia, Mr. Danesh Dinshaw, Mr. Nadeem Karamat, Mr. Sarfaraz Rehman, Ms. Simi Kamal, and Mr. Zohair Ashir) and senior staff who will be responsible for the implementation of each of the priority action areas. Initially chaired by Mr. Zohair Ashir, the Committee has now transitioned to the leadership of Ms. Simi Kamal in her role as CEO from August 2025.

Vision 2029 positions Hisaar Foundation to deepen its leadership on water, food, and livelihood while strengthening internal capacity for the future. With its ten goals and dedicated governance structure, the plan provides a clear pathway for sustainable impact over the next five years.

4. Report on Panjwani-Hisaar Water Institute at NED University

The Panjwani-Hisaar Water Institute (PHWI) at NED University notably remains Hisaar Foundation's biggest project to date. PHWI continues to make significant progress across its academic, operational, and infrastructural fronts. The following report consolidates updates on construction of the building, fundraising efforts, academic activities, and governance transitions that occurred during the last financial period ending on 30 June 2025.

4.1 Update on Building and Construction

Considerable efforts are underway to operationalize and expand facilities at PHWI. Notable updates include:

- **Digital Library Repurposing:** Following a decision at the PHWI Executive Board Meeting, the Digital Library will be integrated into NED University's existing system. The space originally allocated for the library is now being converted into a small classroom.
- **Sanitation Facilities:** Completion of one set of men's and women's bathrooms has been prioritized as the next immediate construction goal.
- **Exterior Works:** The next milestone is to complete the external façade of the building, giving it a finished look.
- **Student Courtyard:** Plans are also in place to complete the courtyard, which will serve as a central gathering space for students.
- **Reception Area and Passageways:** Work on the reception and adjoining passageways has also been identified as critical for improving accessibility and usability.
- **Laboratories:** Three laboratories are near completion and will soon be made operational. These labs will later contribute to revenue generation once the certifications have been obtained.

The revised fundraising target for construction stands at Rs. 160–200 million, while the completion of these activities will bring the institute to approximately 80–90% operational capacity.



4.2 Fundraising and Resource Mobilization

PHWI received Rs. 7.5 million in January 2025, marking a positive step in financial strengthening. The institute was also included in Hisaar Foundation's Ramzan Appeal to generate additional funding. Negotiations are ongoing with various institutions, and continuous efforts are being made to enhance outreach and donor engagement.

4.3 Update on Academic Activities

On the academic front, PHWI has continued to build significant momentum. Three Master's courses are already underway, while a fourth, *Water, Science and Society*, is in development. Designed as a foundational course on interdisciplinary studies, this course seeks to bring together disciplines that are typically taught in isolation. Once endorsed by the NED Senate, NED Syndicate, and the Higher Education Commission, it will become the base course for all PHWI students.

The first Master's course has now been successfully completed, and the Institute's academic footprint continues to grow with an expanding portfolio of undergraduate and postgraduate research projects. In addition, two senior professionals from the water sector have joined PHWI's academic framework, strengthening industry-academia linkages.

To consolidate academic governance, the Board of Studies is now fully functional, and an academic sub-committee—comprising Dr. Iqbal Choudhary (Chair), Ms. Simi Kamal, Mr. Zohair Ashir, and Dr. Muhammad Tufail - has been established, as per the Tripartite Agreement between Panjwani Charitable Foundation, NED University and Hisaar Foundation, to provide academic oversight and direction.

A major academic milestone has been PHWI's long-term partnership with the University of Jordan, built around two-way knowledge exchange. This collaboration focuses on drought water management, an area where Jordan brings valuable expertise, and irrigation management, where Pakistan contributes its strengths. A PHWI delegation visited Jordan earlier this year, and this was reciprocated by visits from the Jordanian faculty. This partnership grew out of engagements at the 6th Karachi International Water Conference and the 8th Universities for Water Network Meeting in 2023 and marks a significant step in PHWI's efforts to foster global collaboration.

Additionally, to foster stronger linkages with NED faculty, students, and industry stakeholders, PHWI is planning a series of open-house events and short courses. These activities are already a part of PHWI's strategic plan and will be executed in the coming reporting period.

4.4 Leadership and Governance Transitions

During the reporting period, there have been important leadership transitions at both NED University and PHWI. Dr. Sarosh Lodi completed his tenure as Vice Chancellor of NED University and has assumed responsibilities with the Sindh Higher Education Commission, while continuing to serve as Patron on the PHWI Executive Board. He has been succeeded by Dr. Muhammad Tufail as Vice Chancellor and Dr. Noman Ahmed as Pro Vice Chancellor. Both have extended strong support to PHWI and Hisaar Foundation, actively facilitating progress in construction and programmatic activities.



Governors' Report to Council Members

July 2024 – June 2025

At PHWI, the Director's position became vacant following the conclusion of Dr. Imran Ahmed's term. Recruitment for this role is currently in process, with an advertisement circulated through NED University. In the interim, Ms. Simi Kamal has amplified her role as Advisor PHWI and visits the institute two or three times a week. She is supported by Mr. Zohair Ashir and Mr. Ashraf Kapadia, to oversee academic and administrative functions. Their regular engagement at PHWI has ensured continuity of operations and maintained institutional momentum during this transition.

4.5 Future Outlook

While rising costs have created a financial shortfall, the Panjwani-Hisaar Water Institute (PHWI) has nonetheless achieved significant momentum in infrastructure development and academic programming. With sustained fundraising efforts and the backing of partner institutions, PHWI is steadily advancing toward its goal of becoming a premier center of excellence in water research, teaching, and policy in Pakistan and the wider region.

In summary, PHWI stands at a pivotal stage in its development. Academic offerings are expanding, infrastructure is moving closer to full operational readiness, and strategic international partnerships are taking shape. Although financial constraints remain a pressing challenge, proactive resource mobilization on the part of all three partner organizations – Hisaar Foundation, Panjwani Charitable Foundation, NED University – is helping to bridge the gap.

5. 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.

During the financial year ending 30 June 2025, Hisaar Foundation recorded significant progress across its portfolio of programs, reflecting both the scale of its impact and the strength of its partnerships.

The Community Ponds Project in Lasbela, Balochistan, emerged as a flagship success and a “feather in the cap” of the Hisaar Foundation Think Tank on the Rational Use of Water. Supported generously by The Church of Jesus Christ of Latter-day Saints, this project marks the formal commencement of the Think Tank's ambitious vision of developing one million community ponds across Pakistan. The ponds not only provide critical water storage for domestic and agricultural use but also strengthen resilience in water-scarce areas. A formal inauguration ceremony was held at one of the pond sites, attended by Ashraf Kapadia, Hisaar Foundation staff, and their families, reflecting both community engagement and institutional pride in this achievement. The project was implemented with HANDS as the field partner, ensuring technical quality, local ownership, and long-term sustainability.

Another highlight of the year was strengthening of the partnership formed with Drip by Drip, a non-profit organization based in Germany. Being satisfied with the pilot conducted in 2022-2023, Drip by Drip extended its partnership with us to implement community WASH interventions in 5 additional government schools in Karachi during the last reporting period. During the financial period 1 July 2024 – 30 June 2024, Drip by Drip extended this support further to 10 more schools located in Karachi and 5



Governors' Report to Council Members

July 2024 – June 2025

government schools in Bahawalnagar. We have also received funds for 24 additional schools in Karachi and 2 schools each in Dadu and Mirpurkhas, which will be utilized during the next financial period.

This initiative supports the rehabilitation of water and sanitation infrastructure in underserved government schools. Alongside infrastructure upgrades, it introduces water conservation awareness and hygiene education for schoolchildren, ensuring that improvements are sustainable and transformative in the long run.

With the continued support of the Church of Latter-Day Saints (COLDS), Hisaar Foundation scaled up the installation of hand-operated ultrafiltration systems in Jamshoro from sixty to one hundred. These systems are designed to provide safe drinking water in rural and peri-urban areas where communities face acute challenges of water contamination. The intervention has been particularly impactful in reducing waterborne diseases and improving community health outcomes, while also being cost-effective and environmentally sustainable.

The Johi Recovery and Rehabilitation Program remained a central element of Hisaar Foundation's commitment to flood-affected communities in Taluka Johi, District Dadu. The program provided essential support in recovery and livelihood restoration, complementing earlier relief interventions and contributing to the gradual resettlement of displaced families.

Our long-term supporters, Old Associates of Kinnaird Society (OAKS) Karachi continued to give donations for 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 various Rotary clubs also continued to support us for interventions in Thar and Karachi.

Financially, the Foundation exceeded its targets. Against a budgeted goal of 211 water systems, 251 systems were installed during the year. Moreover, while the overall project budget was Rs. 68 million, the Foundation successfully mobilized over Rs. 87 million, surpassing expectations and underscoring the continued trust of its donors and partners.

6. Emergency Support

6.1 Recovery & Rehabilitation Services in Taluka Johi, District Dadu

In the aftermath of the devastating 2022 floods, which affected over 30 million people and inundated nearly one-third of Pakistan, Hisaar Foundation developed a phased strategy to support affected communities and help them rebuild their lives. Our intervention was designed as a two-year program and structured around three phases:

- **Phase 1 – Relief:** Immediate provision of safe drinking water to displaced families, along with essential food rations, temporary shelters, and medical and hygiene supplies.
- **Phase 2 – Recovery:** Support for families in camps and temporary shelters through the provision of kitchen gardening supplies, water systems, and mosquito protection.



Governors' Report to Council Members

July 2024 – June 2025

- **Phase 3 – Rehabilitation:** Assistance for the return and resettlement of displaced families, focusing on rebuilding homes and livelihoods through the provision of water systems, community bathrooms, kitchen gardening resources, and asset generation via distribution of livestock.

Hisaar Foundation concentrated its Recovery and Rehabilitation efforts in Taluka Johi, District Dadu, one of the hardest-hit areas. In the earliest stages, relief supplies had to be delivered by boat due to the severity of flooding. The objective was to assist 1,000 families in Johi with the necessary support to restore normalcy and generate sustainable income.

During the previous reporting period (2023–2024), Hisaar Foundation provided rehabilitation and recovery services to 385 families. Earlier this year, an additional 115 families were reached, bringing the total number of families supported in Johi to 500.

In 2024–2025, based on requests from the community and prevailing ground realities, management revised its strategy to address more immediate needs. Soil conditions in Johi remain waterlogged and unsuitable for construction, delaying plans for communal washrooms. Many families have also not returned to their original homes. Given these constraints, the funds allocated for Johi Recovery and Rehabilitation in earlier years were redirected to provide urgent food and relief services.

Additionally, a portion of the Johi funds was allocated to Hisaar Foundation's Ramzan Appeal, in response to requests received from the partner organization for food and ration supplies during the holy month. This redirection of resources allowed us to provide coverage and support to all 1,000 target beneficiary families, and at the same time, addressing the pressing needs of the area.

7. Ramzan Appeal

The Ramzan Appeal 2025 emerged as one of Hisaar Foundation's most successful fundraising campaigns to date, generating a total of Rs. 32.2 million through a combination of cash contributions, Zakat and non-Zakat donations, and in-kind support. Funds were mobilized under several categories, including food packs, water systems, the Panjwani–Hisaar Water Institute (PHWI), Johi Recovery and Rehabilitation (R&R), general donations, and the Endowment Fund.

Of the total amount raised, Rs. 3.95 million was allocated towards food packs, Rs. 6.65 million towards water systems, Rs. 11.18 million towards PHWI, and Rs. 6.87 million towards Johi R&R. Additionally, Rs. 215,000 was received under general donations, Rs. 600,000 was directed to the Endowment Fund, and Rs. 2.75 million was received as in-kind donations.

The campaign not only raised substantial funds but also translated them into meaningful impact. A total of 1,705 food packs were distributed across Sindh, Punjab, and Balochistan. Support was extended to 49 water systems, while overall assistance reached 2,895 families, benefitting more than 20,000 individuals across 87 villages.

In Taluka Johi, District Dadu, conditions of persistent waterlogging prevented the planned construction of community washrooms. To ensure resources were not left idle while communities remained in need, part of the balance funds for Johi Recovery and Rehabilitation were redirected towards the Ramzan Appeal. This decision allowed Hisaar Foundation to respond to urgent requests from partner organizations for food and ration supplies, thereby addressing the immediate needs of more than 1,000 people.



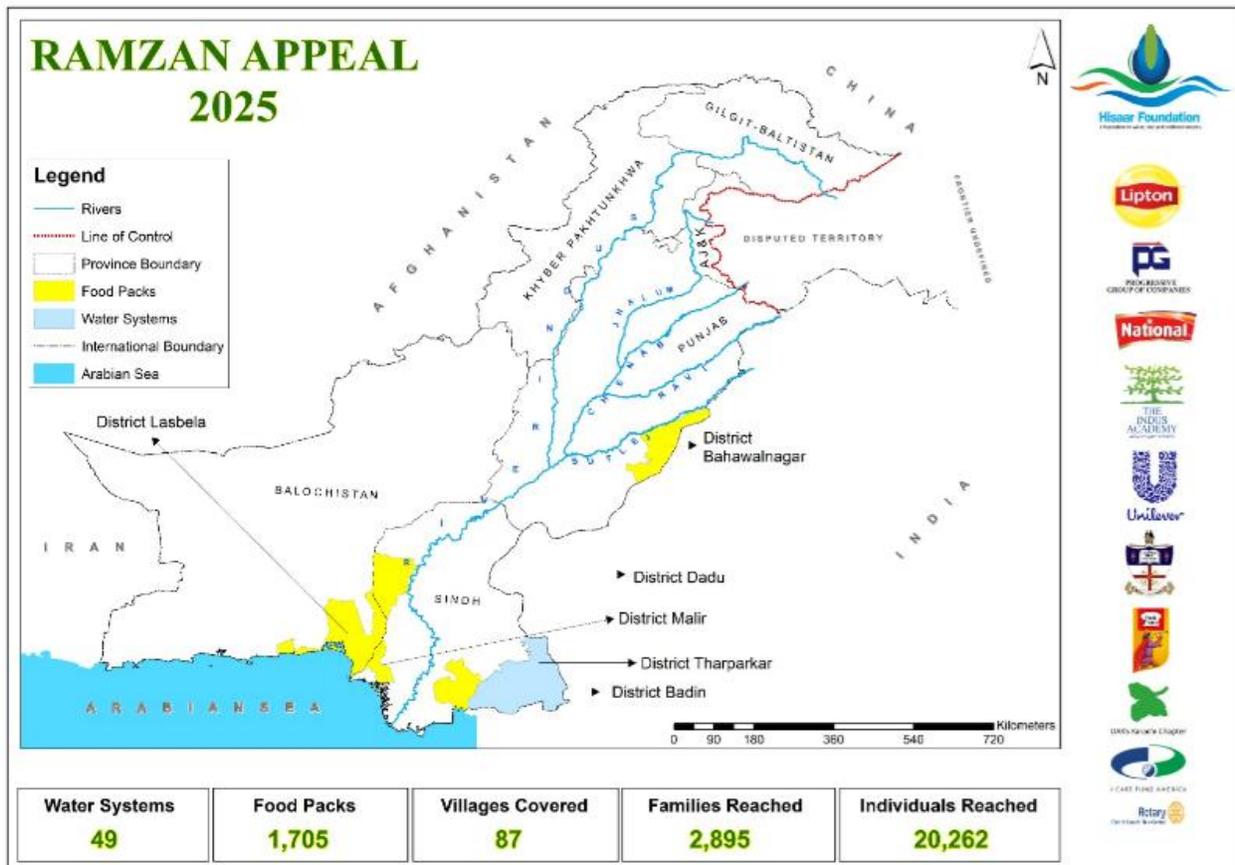
Governors' Report to Council Members

July 2024 – June 2025

An innovative element of the 2025 campaign was the launch of “*Bachon ki Imdad, Bachon ke Liye*” (*Children Helping Children*). Through this initiative, food drives were organized in private schools in Karachi, and donations were distributed in government schools where Hisaar Foundation is implementing its *Adopt a School* program. The initiative not only provided food assistance but also fostered a culture of compassion and social responsibility among children.

The Ramzan Appeal 2025 thus demonstrated Hisaar Foundation’s ability to mobilize resources effectively, adapt to on-ground challenges, and extend both immediate relief and long-term institutional support.

We thank all our donors and partners who supported our Ramzan appeal efforts in cash and in kind. We are especially grateful to the organizations whose logos are displayed in the image below.



8. Think Tank on the Rational Use of Water

During the reporting period, Hisaar Foundation convened meetings of its Think Tank on the Rational Use of Water to deliberate on critical national and regional water issues. A preparatory meeting was held online on 12th April, followed by a formal in-person session on 19th April at the Avari Hotel, Karachi. The discussions at the Think Tank focused on charting the next steps for its future work and examining pressing issues such as the Green Pakistan Initiative and the Six Canals dispute. These deliberations took place



Governors' Report to Council Members

July 2024 – June 2025

shortly before the escalation of tensions between India and Pakistan and renewed debates surrounding the Indus Waters Treaty, adding urgency to the agenda.

The Think Tank identified several important outcomes. First, members agreed on the need to update the Citizens' Water Policy, with the possibility of publishing a revised version to reflect new challenges and opportunities. Second, the development of Pakistan's New Water Paradigm was prioritized, aiming to reframe national discourse on water management, allocation, and sustainability. Third, the Think Tank resolved to prepare a position paper on the Green Pakistan Initiative and the Six Canals Issue, providing clarity on the political, ecological, and social implications of these projects. In addition, it was agreed that a dedicated paper on the Indus Waters Treaty should be developed to present a coherent and well-informed perspective on this critical transboundary water-sharing framework.

Mr. Zohair Ashir further emphasized that another key outcome of the meeting would be the preparation of a paper examining decision-making processes and the politics surrounding the Green Pakistan Initiative, highlighting the intersection of governance, policy, and resource management. These outcomes reflect the Think Tank's ongoing role as a thought leader in water policy, producing research and guidance that inform national debates, shape public policy, and strengthen Hisaar Foundation's advocacy for the rational use of water in Pakistan.

The Community Ponds Project represents a landmark initiative of Hisaar Foundation and is directly rooted in the vision of the Think Tank on the Rational Use of Water. The concept of developing a network of ponds emerged from the Think Tank's deliberations as part of its long-term strategy to strengthen water security in Pakistan. Ponds were identified as a simple yet transformative solution to capture and store rainwater, recharge groundwater, and provide multipurpose benefits for domestic, agricultural, and livestock use.

The first pilot in Lasbela, Balochistan, supported by *The Church of Jesus Christ of Latter-day Saints* and implemented on the ground with the assistance of HANDS, has marked the commencement of this vision. These community ponds are already helping address water scarcity in vulnerable areas while building resilience against droughts and climate variability.

Importantly, the Community Ponds Project is not just a standalone intervention but the first step towards the Think Tank's ambitious goal of developing one million ponds across Pakistan. This initiative is a "feather in the cap" of the Think Tank, translating thought leadership into practical action and demonstrating how visionary ideas can be converted into scalable, community-driven solutions for water management.

The Million Ponds project has also 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 is aimed 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



Governors' Report to Council Members

July 2024 – June 2025

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. Pakistan Water Panel for Transformative Futures

The Pakistan Water Panel for Transformative Futures represents a pioneering initiative that has emerged directly from the deliberations of the 6th Karachi International Water Conference (KIWC). The delegates of the 6th Karachi International Water Conference identified the urgent need for a body in the water sector modeled after the Intergovernmental Panel on Climate Change (IPCC)—a forum that could bring together experts, practitioners, and thought leaders to guide policy, research, and practice in water management.

In response, Hisaar Foundation and the International Water Management Institute (IWMI) jointly took on the responsibility of establishing this Panel. Following the conference, a call for applications was issued, which generated nearly 50 credible submissions from across the country. These applications underwent a rigorous selection process, jointly conducted by IWMI and Hisaar Foundation, resulting in the identification of a highly qualified group of members.

The Panel was officially launched during IWMI's Pakistan Water Week in December 2024, with an inaugural group of five members. These included Mr. Mahmood Nawaz Shah and Mr. Rafay Alam from Hisaar Foundation's Think Tank, Ms. Nuzhat Khan, Dr. Mohsin Hafeez from IWMI, and Ms. Sanaa Zulfikar Causer, who also played a dual role as coordinator alongside Dr. Hafeez. Building on this foundation, a further seven members were added through the formal selection process. The final 12-member Panel reflects a deliberate effort to ensure balance and diversity, with equal representation of youth, mid-career professionals, and senior experts, members from all provinces, and five women, ensuring strong gender representation.

The Panel's first preliminary meeting is scheduled to take place alongside KIWC in October, followed by its formal first meeting during IWMI's Pakistan Water Week in November 2025.

The uniqueness of the Pakistan Water Panel lies not only in its diversity but also in its design. The Panel functions much like a "MENZA club," with each member bringing a distinct specialty and perspective. Furthermore, the vision is that these country-level panels will eventually federate into an International Water Panel for Transformative Futures, built from the bottom up.

This initiative marks a significant step forward in advancing collaborative, evidence-based water governance in Pakistan, and positions Hisaar Foundation at the forefront of shaping transformative futures in water policy and practice.

10. Creating Partnerships

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



Governors' Report to Council Members

July 2024 – June 2025

10.1 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.

10.2 Partnering with Civil Society and Private Sector

During this period, Hisaar Foundation continued to engage with civil society organizations such as OAKS, HOPE Foundation, and various Rotary clubs of Karachi. These organizations extended their support to Hisaar Foundation for implementation of water related interventions in both urban and rural areas, especially in Karachi and Tharparkar. Legal Aid Society and Sindh Singhar Initiative also supported us for the installation of solar powered RO and filtration plants in Jacobabad and Thatta respectively.

Additionally, Lipton Foods also supported us for the installation of two water filtration plants at the Khanewal Public School and University College, thereby helping us expand our footprint in Punjab.

10.3 Leveraging International Partnerships

Ms. Sanaa Zulfikar Causer, 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. (www.cap-net.org). 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.

11. Dialogues, Engagements and Webinars

Hisaar Foundation actively contributed to national discourse on transboundary water challenges during the year. On 2nd May, the Foundation co-hosted a webinar with Inter Market Securities on *Pakistan's Water Economy: Risks and Challenges*, organized amidst heightened tensions with India over the Indus Waters Treaty and the Cholistan Six Canal issue.

On 4th June, in collaboration with the Karachi Council for Foreign Relations (KCFR) and COMSTECH, the Foundation co-hosted a seminar on the Indus Waters Treaty in Islamabad. The seminar brought together the diplomatic community and experts to present a balanced, evidence-based perspective on the Indus



Governors' Report to Council Members

July 2024 – June 2025

Waters conflict, countering media-driven speculation and clarifying the limits of India's options under the Treaty. The event received wide media coverage, and further work is underway with a forthcoming paper on the Treaty by Ms. Simi Kamal and Mr. Rafay Alam, which Senator Mr. Mushahid Hussain has offered to present in the Senate.

Additionally, Hisaar Foundation representatives participated in important international and national water events throughout the year. Ms. Simi Kamal (Chairperson) and Ms. Sanaa Zulfikar Causer (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:

S.no	Details of Event	Date of Event	Hisaar Foundation Representation
1	Pakistan Water Week 2024 and launch of Pakistan Water Panel for Transformative Futures	November 4-8, 2024	Simi Kamal was a session panelist. Sanaa Zulfikar Causer, Rafay Alam and Mahmood Nawaz Shah launched the inaugural Panel and Zohair Ashir signed the MoU with International Water Management Institute
2	Dawn TV Morning show - Chai, Toast aur Host	December 5, 2024	Sanaa Zulfikar Causer was a featured guest
3	First Meeting of Networking Water Centers of Excellence, hosted by COMSTECH-OIC	February 24-25, 2025	Afia Salam delivered a presentation on behalf of the Foundation and Wasif Rashid helped to organize.
4	Conference on 'Seventy Years After Bandung: The Struggle Continues', organized by Pakistan Institute of International Affairs	April 26-27, 2025	Simi Kamal delivered a presentation on Indus Waters Treaty and Transboundary Water Sharing
5	Water for People: Water, Sanitation & Hygiene Solutions for Health and Development, organized by the World Bank	May 21-22, 2025	Sanaa Zulfikar Causer was a panelist and Wasif Rashid was a participant

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



Governors' Report to Council Members

July 2024 – June 2025

12. 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.

13. Lobbying with 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.

14. Financial Outlay

Donations for projects and water systems during this reporting period amounted to Rs. 89.81 million, reflecting a significant increase compared to Rs. 45.85 million during the last financial year. This growth was driven primarily by the introduction of the Community Pond project in Lasbela, Balochistan (Rs. 25.85 million), where water storage facilities are virtually non-existent.

The Adopt a School initiative also experienced significant growth, enabling us to raise Rs. 29.96 million during 2024-2025 as compared to Rs. 7.95 million in the previous year. This increase is mainly attributed to the support of Drip by Drip, a non-profit organization based in Germany.

Cash donations received for Ramzan Appeal amounted to Rs 7.20 million this year showing a marked increase from Rs 4.70 million last year.

Additionally, the Foundation secured approximately Rs 43.54 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.

15. Way Forward

This year has been one of steady growth and progress 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 at NED Univeristy.

Our persistent efforts have positioned Hisaar Foundation as a thought leader and innovator in the water sector and I am proud to say that Hisaar Foundation has demonstrated resilience during challenging times, overcoming obstacles to fulfill our promises.



Governors' Report to Council Members

July 2024 – June 2025

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

Amjad Iqbal Ahmed
Governor

Dated: October 02, 2025



**FINANCIAL STATEMENTS
OF
HISAAR FOUNDATION
(A COMPANY LIMITED BY GUARANTEE,
LICENSED UNDER SECTION 42 OF THE COMPANIES ACT 2017)
FOR THE YEAR ENDED
JUNE 30, 2025**

BDO Ebrahim & Co. Chartered Accountants

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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** (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure, the statement of 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 material accounting policy information 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 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, 2025 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 (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the 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 changes in general fund, the statement of cash flows and 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: October 04, 2025

UDIN: AR202510067e7qgzk9Yn



**BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS**

HISAAR FOUNDATION
(A COMPANY LIMITED BY GUARANTEE,
LICENSED UNDER SECTION 42 OF THE COMPANIES ACT 2017)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	369,065,534	351,986,693
Long term deposits		120,000	120,000
		<u>369,185,534</u>	<u>352,106,693</u>
CURRENT ASSETS			
Advances	5	67,000	310,000
Other receivables	6	3,633,580	2,655,267
Short term prepayments	7	895,336	-
Tax refundable	8	1,511,711	1,356,327
Short term investment (Endowment Fund)	9	2,000,000	2,000,000
Cash and bank balances	10	57,259,259	27,633,341
		<u>65,366,886</u>	<u>33,954,935</u>
TOTAL ASSETS		<u><u>434,552,420</u></u>	<u><u>386,061,627</u></u>
FUNDS AND LIABILITIES			
Unrestricted fund		14,602,024	8,733,390
Endowment fund		2,981,837	2,092,890
		<u>17,583,861</u>	<u>10,826,280</u>
NON CURRENT LIABILITIES			
Deferred capital grant	11	354,060,794	313,434,490
CURRENT LIABILITIES			
Deferred credit - unutilized grants	12	51,747,729	39,279,160
Other payables	13	11,160,036	22,521,697
		<u>62,907,765</u>	<u>61,800,857</u>
TOTAL FUND AND LIABILITIES		<u><u>434,552,420</u></u>	<u><u>386,061,627</u></u>
CONTINGENCIES AND COMMITMENTS	14		

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



CHIEF EXECUTIVE



GOVERNOR

6/30

HISAAR FOUNDATION
(A COMPANY LIMITED BY GUARANTEE,
LICENSED UNDER SECTION 42 OF THE COMPANIES ACT 2017)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
INCOME			
Donation Income	15	1,241,870	3,318,975
Membership fee	16	70,000	-
Programme support income	17	89,814,531	45,851,666
Zakat ramzan appeal support income	18	7,203,271	4,737,166
Water conference support income	19	-	23,461,678
Other income		5,445,711	3,622,381
		103,775,383	80,991,866
EXPENDITURE			
Administrative expenses	20	15,340,340	12,290,000
Programme expenses	21	76,593,109	38,934,696
Water conference expenses	22	-	23,221,357
Zakat ramzan appeal expenses	23	5,069,840	3,727,660
Financial charges		14,513	20,093
		97,017,802	78,193,806
Net surplus for the year		6,757,581	2,798,060
Attributable to:			
Unrestricted Fund		6,190,301	2,581,465
Endowment Fund		567,280	216,595
		6,757,581	2,798,060

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


CHIEF EXECUTIVE


GOVERNOR

6/30

HISAAR FOUNDATION
(A COMPANY LIMITED BY GUARANTEE,
LICENSED UNDER SECTION 42 OF THE COMPANIES ACT 2017)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	Rupees	Rupees
Net surplus for the year	6,757,581	2,798,060
Other comprehensive income	-	-
Total comprehensive income for the year	<u>6,757,581</u>	<u>2,798,060</u>

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


CHIEF EXECUTIVE


GOVERNOR

6/30

**HISAAR FOUNDATION
(A COMPANY LIMITED BY GUARANTEE,
LICENSED UNDER SECTION 42 OF THE COMPANIES ACT 2017)
STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	Unrestricted fund	Endowment funds	Total
	Rupees		
Balance as at July 01, 2023	7,011,345	1,016,875	8,028,220
Total comprehensive income for the year			
Surplus for the period	2,581,465	-	2,581,465
Other Comprehensive income	-	-	-
	2,581,465		2,581,465
Transfer to endowment fund	(859,420)	859,420	-
Interest income	-	216,595	216,595
Balance as at June 30, 2024	8,733,390	2,092,890	10,826,280
Balance as at July 01, 2024	8,733,390	2,092,890	10,826,280
Total comprehensive income for the period			
Surplus for the period	6,435,914	321,667	6,757,581
Other Comprehensive income	-	-	-
	6,435,914	321,667	6,757,581
Transfer to endowment fund	(507,280)	507,280	-
Membership Fee	(60,000)	60,000	-
Balance as at June 30, 2025	14,602,024	2,981,837	17,583,861

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



CHIEF EXECUTIVE



GOVERNOR

6/30

**HISAAR FOUNDATION
(A COMPANY LIMITED BY GUARANTEE,
LICENSED UNDER SECTION 42 OF THE COMPANIES ACT 2017)
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Net surplus for the year	6,757,581	2,798,060
Adjustment for items not involving movement of funds:		
Depreciation	1,290,416	1,269,571
Interest Income	(321,667)	(216,595)
Financial charges	14,513	20,093
Operating profit before working capital changes	<u>7,740,843</u>	<u>3,871,129</u>
Decrease / (increase) in current assets		
Advances	243,000	1,016,255
Prepaid Expense	(895,336)	-
Other receivables	(978,313)	(2,409,350)
	<u>(1,630,649)</u>	<u>(1,393,095)</u>
(Decrease)/increase in current liabilities		
Other payables	(11,361,661)	16,011,694
Cash flows from operations	<u>(5,251,467)</u>	<u>18,489,728</u>
Financial charges paid	(14,513)	(20,093)
Interest Income received	321,667	203,054
Taxes paid	(155,386)	(79,516)
Net cash (used in) / generated from operating activities	<u>(5,099,699)</u>	<u>18,593,173</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to operating fixed assets	(144,370)	(555,380)
Addition to capital work in process	(18,224,887)	(92,897,909)
Addition in short term investment	-	(1,000,000)
Net cash used in investing activities	<u>(18,369,257)</u>	<u>(94,453,289)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Grants received for PHWI	43,542,682	50,202,847
Grants received for other programmes	109,486,371	95,199,624
Grants utilized during the year	(99,934,180)	(76,768,022)
Net cash flows from financing activities	<u>53,094,873</u>	<u>68,634,449</u>
Net increase/ (decrease) in cash and cash equivalents	29,625,917	(7,225,667)
Cash and cash equivalents at the beginning of the year	27,633,341	34,859,008
Cash and cash equivalents at the end of the year	<u>57,259,259</u>	<u>27,633,341</u>

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


CHIEF EXECUTIVE


GOVERNOR

**HISAAR FOUNDATION
(A COMPANY LIMITED BY GUARANTEE,
LICENSED UNDER SECTION 42 OF THE COMPANIES ACT 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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.

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 3.11.

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	14

3 MATERIAL ACCOUNTING POLICY 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:

- (i) it is held within a business model whose objective is to hold assets to collect contractual cash
- (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.

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. The Company complies with the prescribed conditions, therefore no provision for income tax has been made in these financial statements.

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.

4	PROPERTY AND EQUIPMENT	Note	2025 Rupees	2024 Rupees
	Operating fixed assets	4.1	5,299,457	6,445,503
	Capital work in progress	4.2	363,766,077	345,541,190
			<u>369,065,534</u>	<u>351,986,693</u>

4.1 Operating fixed assets

Description	Owned					Total
	Office equipment	Computers	Furniture and fixtures	Leasehold improvements	Vehicles	
	Rupees					
Net carrying value as at June 30, 2025						
Opening net book value	820,409	446,174	1,361,996	18,591	3,798,333	6,445,503
Additions	144,370	-	-	-	-	144,370
Depreciation	(261,205)	(217,860)	(362,760)	(18,591)	(430,000)	(1,290,416)
Closing net book value	<u>703,574</u>	<u>228,314</u>	<u>999,236</u>	<u>-</u>	<u>3,368,333</u>	<u>5,299,457</u>
Gross carrying value as at June 30, 2025						
Cost	1,496,033	1,031,870	2,088,797	240,600	4,300,000	9,157,300
Accumulated depreciation	(792,459)	(803,556)	(1,089,561)	(240,600)	(931,667)	(3,857,843)
Net book value	<u>703,574</u>	<u>228,314</u>	<u>999,236</u>	<u>-</u>	<u>3,368,333</u>	<u>5,299,457</u>
Depreciation rate (% per annum)	20%	33.33%	20%	25%	10%	

Description	Owned					Total
	Office equipment	Computers	Furniture and fixtures	Leasehold improvements	Vehicles	
	Rupees					
Net carrying value as at 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	<u>820,409</u>	<u>446,174</u>	<u>1,361,996</u>	<u>18,591</u>	<u>3,798,333</u>	<u>6,445,503</u>
Gross carrying value as at 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	<u>820,409</u>	<u>446,174</u>	<u>1,361,996</u>	<u>18,591</u>	<u>3,798,333</u>	<u>6,445,503</u>
Depreciation rate (% per annum)	20%	33.33%	20%	25%	10%	

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

	Note	2025 Rupees	2024 Rupees
5 ADVANCES			
Unsecured - considered good Advances to others		<u>67,000</u>	<u>310,000</u>
6 OTHER RECEIVABLES			
Other receivables	6.1	<u>3,633,580</u>	<u>2,655,267</u>
6.1	This includes interest receivable on term deposits amounting to Rs. 0.017 million.		
7 SHORT TERM PREPAYMENTS			
Prepayments		<u>895,336</u>	<u>-</u>
7.1	This represents maintenance and internet charges paid in advance.		
8 TAX REFUNDABLE			
Advance tax		<u>1,511,711</u>	<u>1,356,327</u>
		<u>1,511,711</u>	<u>1,356,327</u>
9 SHORT TERM INVESTMENT			
Held-to-maturity Term deposit receipts (TDRs)	9.1	<u>2,000,000</u>	<u>2,000,000</u>
9.1	These investments carry mark-up at the rate of 10.5% per annum (2024: 18.25% per annum). These investment wholly pertains to endowment fund. These TDRs contains maturity period of 1 year.		
10 CASH AND BANK BALANCES			
Cash in hand		9,782	4,390
Cash at bank	10.1	<u>57,249,477</u>	<u>27,628,951</u>
		<u>57,259,259</u>	<u>27,633,341</u>
10.1	This balance pertains to saving accounts carrying markup at the rate from 9.25% to 10.50% per annum (2024: 18% to 20.50% per annum).		

11 DEFERRED CAPITAL GRANT

Particulars	Panjwani - Hisaar Water Institute	Vehicle	2025	2024
----- Rupees -----				
Opening balance	309,636,157	3,798,333	313,434,490	265,949,155
Grants Received	42,693,852	-	42,693,852	48,618,000
Profit on Treasury Call	848,830	-	848,830	1,584,847
Grants Utilized	(2,486,378)	(430,000)	(2,916,378)	(2,717,512)
Closing balance	350,692,461	3,368,333	354,060,794	313,434,490

11.1 During the year, the Company has not received any grant from Panjwani Charitable Foundation, whereas entire amount of the grant is received from other institutional and individual donors.

12 DEFERRED CREDIT - UNUTILIZED GRANTS

Particulars	Programme (12.2)	Zakat Ramzan appeal	General	2025	2024
----- Rupees -----					
Opening balance	39,279,160	-	-	39,279,160	18,130,046
Add:					
- Grants received	102,283,100	7,203,271	1,311,870	110,798,241	98,518,599
- Other income	-	-	5,445,711	5,445,711	3,405,786
Less:					
- Material cost	64,874,708	5,069,840	-	69,944,548	56,706,375
- Other cost	10,794,966	923,435	-	11,718,401	6,026,244
Total direct cost	(75,669,674)	(5,993,275)	-	(81,662,949)	(62,732,619)
Admin overheads	(14,144,857)	(1,209,996)	-	(15,354,853)	(15,461,187)
Transfer to General Fund	-	-	(6,757,581)	(6,757,581)	(2,581,465)
Closing balance	51,747,729	-	-	51,747,729	39,279,160

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

12.2 DEFERRED CREDIT - UNUTILIZED GRANTS - PROGRAMME

Particulars	Adopt a School	Adopt a Village	Pond	Pump	Rehab of well	Rehab	Solar Bore	Solar Rehab Well	Filteration Plant	Water Treatment System	Water Cooler	2025	2024
----- Rupees -----													
Opening balance	23,912,500	-	142,500	190,000	14,653,924	-	-	290,236	-	90,000	39,279,160	18,130,046	
Add:													
Grants for the period	48,844,277	4,250,400	25,850,000	1,776,008	5,630,500	-	2,412,000	825,000	3,724,915	8,770,000	200,000	102,283,100	67,000,780
Less:													
- Material Cost	19,701,500	2,586,000	17,576,617	1,459,853	4,207,500	6,807,320	2,325,000	484,000	3,071,278	6,533,000	122,640	64,874,708	29,757,358
- Other Cost	4,443,602	720,420	3,581,055	198,524	279,399	47,833	37,657	76,180	408,546	968,264	33,485	10,794,966	5,670,561
Total Direct Cost	(24,145,102)	(3,306,420)	(21,157,672)	(1,658,377)	(4,486,899)	(6,855,153)	(2,362,657)	(560,180)	(3,479,824)	(7,501,264)	(156,125)	(75,669,674)	(35,427,919)
Admin Overheads	(5,822,540)	(943,980)	(4,692,328)	(260,131)	(366,101)	(62,677)	(49,343)	(99,820)	(535,327)	(1,268,736)	(43,875)	(14,144,857)	(10,423,747)
Closing balance	42,789,135	-	-	-	967,500	7,736,094	-	165,000	-	-	90,000	51,747,729	39,279,160

	Note	2025 Rupees	2024 Rupees
13 OTHER PAYABLES			
Payable to supplier		1,689,744	1,117,125
Payable to contractor	13.1	7,856,470	21,404,572
Other payables		1,613,822	-
		<u>11,160,036</u>	<u>22,521,697</u>

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

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

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(1A) of the Income Tax Ordinance, 2001 amounting to Rs. 0.795 million from payments of purchases and expenses made during Tax Year 2017. However, 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 .

14.2 Commitments

On November 23, 2018, the Company has entered into agreement with Panjwani Charitable Foundation and NED University of Engineering and Technology (the University) 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 University.

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. The consultant will 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.

On January 03, 2023, the cost of project was revised through variation order from Paragon Constructors (Private) Limited amounting to Rs. 469.669 million.

	Note	2025 Rupees	2024 Rupees
15 DONATIONS INCOME			
General donation		1,241,870	3,179,350
CapNet		-	139,625
		<u>1,241,870</u>	<u>3,318,975</u>
16 Membership Fee			
Annual Membership Fee	16.1	<u>70,000</u>	<u>-</u>
16.1	This represents membership fee received from Board members and council members during the year for the purpose of endowment fund of the Company.		
17 PROGRAMME SUPPORT INCOME			
Donation for Adopt a School		29,967,642	7,949,495
Donation for Adopt a Village		4,250,400	2,833,600
Donation for Community Ponds		25,850,000	-
Donation for Filtration System		4,015,151	1,045,374
Donation for Hand Pump		1,918,508	3,027,500
Donation for Recovery and Rehabilitation		6,917,830	3,261,627
Donation for Rehabilitation of Well		4,853,000	4,560,000
Donation for Solar Bore		2,412,000	5,695,238
Donation for Solar Deep Dug Well		-	1,500,000
Donation for Solar on Rehab Well		660,000	-
Donation for Ultrafiltration System		8,770,000	15,978,832
Donation for Water Cooler		200,000	-
		<u>89,814,531</u>	<u>45,851,666</u>
18 ZAKAT RAMZAN APPEAL SUPPORT INCOME			
Zakat Ramzan appeal		<u>7,203,271</u>	<u>4,737,166</u>
19 WATER CONFERENCE SUPPORT INCOME			
Registration		-	852,864
Sponsorship		-	22,608,814
		<u>-</u>	<u>23,461,678</u>

	Note	2025 Rupees	2024 Rupees
20 ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		6,231,614	4,692,407
Printing charges		883,350	315,777
Postage and courier		13,450	23,735
Legal and professional charges		206,425	927,200
Depreciation	4.1	1,290,416	1,269,571
Utilities expenses		661,431	467,393
Rent expense		2,179,930	1,964,556
Books and periodicals		-	-
Repair and maintenance		461,865	412,330
Office and kitchen supplies		362,024	358,441
Internet and email / web maintenance and		190,205	242,710
Venue, meals and accommodation		-	-
Vehicle running and maintenance		488,665	606,461
Newspapers & Magazine		-	39,605
Management compensation		125,000	-
Mobile Charges		190,276	27,070
Meeting expenses		345,379	240,519
Miscellaneous		167,679	43,224
		<u>15,340,340</u>	<u>12,290,000</u>
21 PROGRAMME EXPENSES			
Salaries, wages and other benefits		7,875,003	4,136,176
Consultancy expenses		1,936,291	698,318
Shariah advisory fee		373,250	310,750
Travelling and outstation		1,359,760	678,495
Printing and stationary		-	3,172,654
Meeting Expenses		174,097	180,945
Adopt a School		19,701,500	5,233,000
Adopt a Village		2,586,000	1,724,000
Community Pond		17,576,617	-
Filtration Plant		3,071,278	686,160
Hand Pump		1,459,853	1,992,500
Recovery and Rehabilitation		6,807,320	2,577,198
Rehabilitation of Well		4,207,500	3,156,500
Solar Bore		2,325,000	3,649,000
Solar on Deep Dug Well		-	1,055,000
Solar on Rehab Well		484,000	-
Ultrafiltration System		6,533,000	9,684,000
Water Cooler		122,640	-
		<u>76,593,109</u>	<u>38,934,696</u>

	Note	2025 Rupees	2024 Rupees
22 WATER CONFERENCE EXPENSES			
Salaries, wages and other benefits		-	1,417,267
Event Management		-	11,995,145
Advertising		-	253,934
Travelling expenses		-	891,932
Web designing		-	88,000
Printing and stationary		-	773,450
Meeting expense		-	60,582
Miscellaneous		-	997,426
		<u>-</u>	<u>23,221,357</u>
23 ZAKAT RAMZAN APPEAL EXPENSES			
Zakat Ramzan appeal expenses		<u>5,069,840</u>	<u>3,727,660</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 Transactions	Nature of Relationship	Basis of Relationship	Amount
Donation Received - General (1 Director)	Director	Directorship	100,000
Donation Received - PHWI (2 Directors)	Director	Directorship	650,000
Donation Received - Ramzan Appeal (4 Directors)	Director	Directorship	915,000
Membership fees (4 Directors)	Director	Directorship	20,000

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.

26 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

- at amortised cost

Other receivables	3,633,580	2,655,267
Long term deposits	120,000	120,000
Cash and bank balances	<u>57,259,259</u>	<u>27,633,341</u>
	<u>61,012,839</u>	<u>30,408,608</u>

	2025 Rupees	2024 Rupees
Financial liabilities		
- at amortised cost		
Payable to contractor	7,856,470	21,404,572
Others	3,303,566	1,117,125
	<u>11,160,036</u>	<u>22,521,697</u>

27 CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified, wherever necessary, for better presentation and disclosure.

	2025	2024
	Number of employees	
28 NUMBER OF EMPLOYEES		
Number of employees as at year end	14	16
Average number of employees for the year	<u>15</u>	<u>15</u>

29 DATE OF AUTHORIZATION FOR ISSUE

The Board of Governors of the Company authorized these financial statements for issue on October 03, 2025 .

30 GENERAL

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


CHIEF EXECUTIVE

 6/20
GOVERNOR