FINANCIAL STATEMENTS

M/S SMALL EFFORTS TRUST

FOR THE YEAR ENDED JUNE 30, 2025

Ubaid-Ur-Rehman & Co.
Chartered Accountants
Lahore.

Independent Auditor's Report

To the Trustees of SMALL EFFORTS TRUST

Opinion

We have audited the financial statements of **"SMALL EFFORTS TRUST"**, which comprise the statement of financial position as at June 30, 2025 statement of income and expenditure and other comprehensive income, statement of changes in funds, statement of cash flows and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **"SMALL EFFORTS TRUST "** as at June 30, 2025 and of its financial performance in accordance with Approved accounting and reporting standards as applicable in Pakistan (i.e. Accounting Standard for Not for Profit organizations (NPOs) issued by ICAP).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the "Approved accounting and reporting standards as applicable in Pakistan (i.e. Accounting Standard for Not for Profit organizations (NPOs) issued by ICAP)" and for such internal controls as the trustees determines are 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, Trustees are responsible for assessing Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

  We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this auditors' report is Mr. Ubaid Ur Rehman (FCA).

Ubaid-ur-Rehman & Co.

Ubaid Ur Rehman & Co.,
Chartered Accountants,
Place: Lahore.
Dated: 7 October, 2025

Ubaid-ur-Rehman & Co. ★ Chartered Accountants

SMALL EFFORTS TRUST
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 ----Rupees----	2024 ----Rupees----
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	617,336	410,631
Intangibles	5	-	-
		617,336	410,631
CURRENT ASSETS			
Advances and other receivables	6	2,758,357	3,090,857
Cash and bank balances	7	15,449,941	10,304,199
		18,208,298	13,395,056
		18,825,634	13,805,687
FUNDS AND LIABILITIES			
FUNDS			
Restricted funds	8	17,984,666	13,208,440
NON - CURRENT LIABILITIES			
Deferred capital grant	9	617,335	410,630
CURRENT LIABILITIES			
Accrued and other liabilities	10	223,633	186,617
		18,825,634	13,805,687
CONTINGENCIES AND COMMITMENTS	11	-	

The annexed notes from 1 to 27 form an integral part of these financial statements.

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CHAIRMAN **TRUSTEE**

SMALL EFFORTS TRUST
INCOME AND EXPENDITURE STATEMENT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		-----Rupees-----	-----Rupees-----
INCOME			
Grants released	8	54,093,197	33,711,098
Grants amortized	9	248,321	175,984
		54,341,518	33,887,082
EXPENDITURE			
Programme activities:			
Clean Water Projects	12	9,611,006	9,405,581
Poverty Alleviation Projects	13	1,106,000	-
Village Enabling ProjectProject	14	-	-
Disaster Relief	15	-	2,027,966
Qurbani Project	16	630,000	747,000
Agricultural Project	17	2,779,500	2,573,540
Health Care Project	18	7,736,104	5,628,984
Sadqat	19	6,085,691	7,138,384
Orphanages and School Support Project	20	1,924,211	462,750
Feed the Hungry Project	21	1,052,800	3,201,977
Scholarship Project	22	14,654,793	876,038
Livelihood Project	23	2,527,590	
Needy Families Project	24	4,044,814	
Administrative expenses	25	2,189,009	1,824,862
		(54,341,518)	(33,887,082)
SURPLUS BEFORE TAXATION			
Taxation		-	-
SURPLUS FOR THE YEAR		-	-
Other comprehensive income:		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-	-

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The annexed notes from 1 to 27 form an integral part of these financial statements.

CHAIRMAN **TRUSTEE**

SMALL EFFORTS TRUST
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Un - Restricted Funds	Restricted Funds	Total
	---------------Rupees---------------		
Balance as at June 30, 2023	-	8,882,546	8,882,546
Additions during the year	-	38,036,992	
Grants released to revenues	-	(33,711,098)	
Transferred to deferred capital grant - net	-	-	
Surplus for the year		-	
Balance as at June 30, 2024	-	**13,208,440**	**13,208,440**
Additions during the year	-	**59,324,449**	
Grants released to revenues	-	**(54,093,197)**	
Transferred to deferred capital grant - net	-	**(455,026)**	
Surplus for the year		-	
Balance as at June 30, 2025	-	**17,984,666**	**17,984,666**

The annexed notes from 1 to 27 form an integral part of these financial statements.

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CHAIRMAN

TRUSTEE

SMALL EFFORTS TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----Rupees----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year before tax			
Adjustments for:			
Grants released	8	(54,093,197)	(33,711,098)
Grants amortized		-	-
Provision for taxation		-	-
Gain on disposal of property and equipment		-	-
		(54,093,197)	(33,711,098)
Changes in:			
Advances and other receivables		332,500	(1,385,000)
Accrued and other liabilities		37,016	(478,405)
Cash generated from / (used in) operations		369,516	(1,863,405)
Taxes Paid			
Net cash used in operating activities		(53,723,681)	(35,574,503)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property and equipment		(455,026)	-
Payments for long term deposits		-	-
Payments for intangibles		-	-
Net cash used in investing activities		(455,026)	-
Grants received	8	59,324,449	38,036,992
Net cash generated from financing activities		59,324,449	38,036,992
Net increase in cash and cash equivalents during the year		5,145,742	2,462,489
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		10,304,199	7,841,710
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	15,449,941	10,304,199

The annexed notes from 1 to 27 form an integral part of these financial statements.

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CHAIRMAN **TRUSTEE**

SMALL EFFORTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1 THE COMPANY AND ITS OPERATIONS

Small Efforts Trust "the Organization" is a non-profit, non-governmental organization established and registered in 2017 under the Trust Act 1882 in Islamabad. It is working throughout the country having its registered office at 3rd floor, Plaza # 145 Civic Center, Phase IV, Bahria Town Islamabad. It is engaged to facilitate Social Development through the provision of sustainable quality education as the main tool for poverty alleviation and to be at the forefront of provision of health care and emergency relief aid whenever and wherever it occurs.

The Organization, in its respective domain, has been contributing towards a positive social change and to achieve that goal the main areas it has been focusing on are education, health, livelihood, safe drinking water in its core thematic category whereas the Organization has been equally proactive during emergency situations to respond to the community needs at its best.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as applicable in Pakistan i.e. as notified by the Securities and Exchange Commission of Pakistan (SECP). Where the requirements of IFRS differ from those of the Accounting Standard for NPOs, the requirements of IFRS prevail.

2.2 Basis of measurement and preparation

These financial statements have been prepared under historical cost convention.

This is the first set of the company's annual financial statements in which IFRS 15 'Revenue from Contracts with Customers' and IFRS 9 'Financial Instruments' have been applied. Changes to significant accounting policies are described in Note 3.1 of the financial statements.

2.3 Functional and Presentation currency

The financial statements are presented in Pakistan Rupees (PKR) which is the Company's functional and presentation currency. Amounts presented in PKR have been rounded off to nearest rupees, unless otherwise stated.

2.4 Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of Company's accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in these financial statements is included in the following notes:

The Company reviews the useful lives and residual value of property and equipment on a regular basis. Any change in the estimates in future years which might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation and impairment.

2.4.1 Property and equipment

The Company reviews the residual values and useful lives of property and equipment on regular basis. Further where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis. Any change in such estimates in future years might affect the carrying amounts of the respective items of property and equipment with corresponding effect on the depreciation charge and impairment of the assets.

2.4.2 Provisions and contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of such obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where 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 can not be measured with sufficient reliability, it is disclosed as contingent liability.

2.4.3 Impairment

2.4.3.1 Impairment of financial assets

The Company measures loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost after considering the pattern of receipts from and future financial outlook of the counterparty and is reviewed by the management on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of assets with a corresponding effect on the profit or loss.

2.4.3.2 Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated using criteria given in respective accounting standards to determine the extent of impairment loss, if any.

2.5 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS) and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2019:

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- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The application of interpretation is not likely to have an impact on Company's financial statements.

- Amendment to IFRS 9 'Financial Instruments' – Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 January 2019). For a debt instrument to be eligible for measurement at amortized cost or FVTOCI, IFRS 9 requires its contractual cash flows to meet the SPPI criterion – i.e. the cash flows are 'solely payments of principal and interest'. Some prepayment options could result in the party that triggers the early termination receiving compensation from the other party (negative compensation). The amendment allows that financial assets containing prepayment features with negative compensation can be measured at amortized cost or at fair value through other comprehensive income (FVTOCI) if they meet the other relevant requirements of IFRS 9. The application of amendment is not likely to have an impact on Company's financial statements.
- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after 1 January 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on Company's financial statements.

- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS.

- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.

Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:

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- IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
- IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.
- IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The above amendments are effective from annual period beginning on or after 1 January 2019 and are not likely to have an impact on Company's financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except for the changes as indicated below:

3.1 IFRS 15 'Revenue from Contracts with Customers'

The IASB issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15") in May 2014. This IFRS replaces IAS 18 Revenue, IAS 11 Construction Contracts and several revenue-related interpretations. IFRS 15 establishes a single revenue recognition framework which requires an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive, when control is transferred to the purchaser. The Company has reviewed its revenue stream and underlying contracts with the customers and, as a result of this review, the adoption of IFRS did not have a material impact on the Company's statement of profit or loss, statement of comprehensive income and financial position.

3.2 Income tax

The Company being registered as Trust under Trust Act 1882 intends to apply for approval under section 2(36) of the Income Tax Ordinance, 2001 as a non profit organization. Accordingly, the income of the Foundation would be subject to 100% tax credit as per section 100C of the Income Tax Ordinance, 2001.

3.3 Property and equipment

Owned

Property and equipment, recognized initially at cost less accumulated depreciation and any accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items which comprises of purchase price, non-refundable local taxes and other directly attributable cost including borrowing cost.

The cost of replacing part of an item of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in income and expenditure statement.

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Depreciation is provided on reducing balance method at rates specified in note 4 to the financial statements so as to write off the cost of property and equipment over their estimated useful life. Depreciation on additions to property and equipment is charged from the month in which property and equipment is acquired or capitalized while no depreciation is charged for the month in which property and equipment is disposed off.

Amortization is provided on reducing balance method rates specified in note 4 to the financial

statement so to write off the cost of intangible over their estimated useful life. Full amortization is

charged in the year of disposal and no amortization is charged in the year of purchase
Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognized net within "other income" in income and expenditure statement.

3.4 Impairment

(i) Non - derivative financial assets
Policy applicable from 1 July 2018
The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company measures loss allowances at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial asset.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of ECLs
Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

Credit-impaired financial assets
At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

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- significant financial difficulty of the counterparty;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the counterparty will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the carrying amount of the assets and charged to income and expenditure statement.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Policy applicable before 1 July 2018

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognized in income and expenditure statement. An impairment loss is reversed in income and expenditure statement if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(ii) Non-financial assets

At each reporting date, the Company reviews the carrying amount of its non-financial assets (other than investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

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Impairment losses are recognized in income and expenditure statement. They are allocated first to reduce the carrying amounts of any goodwill allocated to CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.5 Advances and other receivables

Advances and other receivable are stated at amortized value as reduced by appropriate provision for impairment.

3.6 Accrued and other liabilities

Accrued and other liabilities are carried at amortized value which is approximately the fair value of the consideration to be paid in future for goods and services, whether or not billed to the Company.

3.7 Other income

Other income comprises of exchange gain only.

3.8 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of expected expenditure, discounted at a pre tax rate that reflects current market assessment of the time value of the money and the risk specific to the obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

3.9 Foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pakistani Rupee at the rate of exchange ruling on the balance sheet date and exchange differences, if any, are charged to income or expenditure for the period.

3.10 Financial instruments

Recognition and initial measurement

Grant receivable are initially recognized when they are originated. All other financial assets and liabilities are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of an instrument.

A financial asset (unless it is a trade debt without significant financing component) or financial liability is initially measured at fair value, plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

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Classification and subsequent measurement

Financial assets - Policy applicable from 1 July 2018

On initial recognition, a financial asset is classified as measured at amortized cost, FVTOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in business model.

A financial asset is measured at amortized 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 of the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit or loss.

Financial assets - Policy applicable before 1 July 2018

The Company classified its financial assets into one or more of the following categories:

-FVTPL

-Loans and receivables

Loans and receivables and held to maturity financial assets were subsequently measured at amortized cost using effective interest method.

Financial liabilities-Classification and subsequent measurement

Financial liabilities are measured at amortized cost or FVTPL. A Financial liability is classified as FVTPL if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in income and expenditure statement.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company de recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of modified liability are substantially different, in which case a new financial liability is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognized in income and expenditure statement.

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3.11 Off-setting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise of cash and bank balance.

3.13 Grants

Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Fair value signifies the amount received in cash and current market value in case of grant received in kind.

Grants of a non-capital nature are recognized as deferred income at the time of their receipt. Subsequently, these are recognized in the income and expenditure statement to the extent of expenditure incurred. Expenditure incurred against grants, against which grant funds have been committed but not received, is recognized in the income and expenditure statement and reflected as a receivable from donors.

Grants received for the purchase of fixed assets are initially recorded as deferred income upon receipt. Subsequently, these are recognized in the income and expenditure statement, on a systematic basis over the periods necessary to match them with the carrying value of the related assets.

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4 Property and equipment

	COST				DEPRECIATION				WRITTEN DOWN VALUE	Annual rate of depreciation
	As at 1 July 2024	Additions	Transfer	As at 30 June 2025	As at 1 July 2024	For the year	Transfer	As at 30 June 2025	As at 30 June 2025	%
Owned assets										
Computers & equipment	1,612,776	455,026	-	2,067,802	1,202,146	248,321	-	1,450,467	617,335	30%
	1,612,776	455,026	-	2,067,802	1,202,146	248,321	-	1,450,467	617,335	
2025	1,612,776	455,026	-	2,067,802	1,202,146	248,321	-	1,450,467	617,335	
2024	1,612,776	-	-	1,612,776	1,026,162	175,984	-	1,202,146	410,630	

5 Intangibles

	COST				AMORTIZATION				WRITTEN DOWN VALUE	Annual rate of depreciation
	As at 1 July 2024	Additions	Transfers	As at 30 June 2025	As at 1 July 2024	For the year	Transfers	As at 30 June 2025	As at 30 June 2025	%
Owned assets										
Software	-	-	-	-	-	-	-	-	-	10%
	-	-	-	-	-	-	-	-	-	
2025	-	-	-	-	-	-	-	-	-	
2024	-	-	-	-	-	-	-	-	-	

Ubaid-ur-Rehman & Co.
Chartered Accountants

SMALL EFFORTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	----Rupees----	
4 COMPUTER AND EQUIPMENT		
Cost		
Opening balance	1,612,776	1,612,776
Addition during the year	455,026	-
Transfer from intangiles	-	-
Deletion	-	-
Closing balance	2,067,802	1,612,776
Accumulated Depreciation		
Opening balance	1,202,145	1,026,161
Addition during the year	248,321	175,984
Transfer from intangiles	-	-
Deletion	-	-
Closing balance	1,450,466	1,202,145
Written Down Value	617,336	410,631
Depreciation rate	30%	30%
5 INTANGIBLES		
Cost		
Opening balance	-	-
Addition during the year	-	-
Transfer to Computer & Equipment	-	-
Deletion		
Closing balance	-	-
Accumulated Amortization		
Opening balance	-	-
Addition during the year	-	-
Transfer to Computer & Equipment	-	-
Deletion		
Closing balance	-	-
Written Down Value	-	-
6 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES		
Advances to employees - unsecured	-	-
Advances to others - unsecured	-	-
Advance tax	-	-
Prepayments	2,758,357	3,090,857
	2,758,357	3,090,857
7 CASH AND BANK BALANCES		
Cash in hand	11,106	8,060
Cash at banks:		
Local currency - current accounts	15,438,835	10,296,139
Foreign currency - saving account	-	-
	15,438,835	10,296,139
	15,449,941	10,304,199

Qadir-ur-Rehman & Co. Chartered Accountants

SMALL EFFORTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025
8 RESTRICTED FUND

Projects	Clean Water Projects	Administrative	Administrative Zaka	Poverty Alleviation Projects	Village Enabling Project	Healthcare (Jhelum)	Healthcare (Dental)	Qurbani	Zakat	Zakat MBL	Sadqa MBL	Feed the Hungry Project	Agricultural Project	Disaster Relief	Orphanages and School Support	Scholarship	Livelihood	Needy Families	Total
Balance as at 1st July 2024	1,889,193	386,890	-	1,467,000	-	1,283,091	-	(733,893)	638,590	481,576	298,612	1,072,837	78,294	226,146	3,146,940	2,973,162	-	-	13,208,438
Reclassification of unrestricted fund	-	-	-	-	-	-	-	-	-	27,877	203	-	-	-	-	-	6,000	-	34,080
Fund Received	11,261,945	2,242,048	-	2,428,000	-	7,858,067	1,059,000	751,815	565,614	2,604,000	3,539,920	1,395,000	3,625,350	-	-	13,867,570	2,525,000	5,601,120	59,324,449
Total funds available for use	13,151,138	2,628,938	-	3,895,000	-	9,141,158	1,059,000	17,922	1,204,204	3,113,453	3,838,735	2,467,837	3,703,644	226,146	3,146,940	16,840,732	2,531,000	5,601,120	72,566,967
Released to revenue	(9,611,006)	(2,189,009)	-	(1,106,000)	-	(6,587,783)	(900,000)	(630,000)	(828,000)	(2,576,820)	(2,680,871)	(1,052,800)	(2,779,500)	-	(1,924,211)	(14,654,793)	(2,527,590)	(4,044,814)	(54,093,197)
Reclassification of Fund	-	82,894	-	(27,000)	-	(6,000)	-	-	-	-	(82,894)	-	-	(1,000)	-	-	-	-	(34,080)
Transferred to deferred capital grants-net	-	-	-	-	-	(455,026)	-	-	-	-	-	-	-	-	-	-	-	-	(455,026)
	(9,611,006)	(2,106,115)	-	(1,133,000)	-	(7,048,809)	(900,000)	(630,000)	(828,000)	(2,576,820)	(2,763,765)	(1,052,800)	(2,779,500)	(1,000)	(1,924,211)	(14,654,793)	(2,527,590)	(4,044,814)	(54,582,303)
Balance as 30th June 2025	3,540,132	522,823	-	2,761,920	-	2,092,349	159,000	(612,078)	376,204	536,633	1,074,970	1,415,037	924,144	225,146	1,222,729	2,185,939	3,410	1,556,306	17,984,664
Balance as at 1st July 2023	2,307,274	1,055,536	(31,668)	1,467,000	-	233,855	30,000	(348,693)	327,290	1,226,000	215,000	104,814	1,256,334	(157,888)	1,197,690	-	-	-	8,882,544
Reclassification of unrestricted fund	-	203	(203)	-	-	(15,000)	(30,000)	-	-	30,000	15,000	-	-	-	-	-	-	-	-
Fund Received	8,987,500	1,138,150	49,734	-	-	6,517,236	-	361,800	837,300	5,014,000	892,572	4,170,000	1,395,500	2,412,000	2,412,000	3,849,200	-	-	38,036,992
Total funds available for use	11,294,774	2,193,889	17,863	1,467,000	-	6,736,091	-	13,107	1,164,590	6,270,000	1,122,572	4,274,814	2,651,834	2,254,112	3,609,690	3,849,200	-	-	46,919,536
Released to revenue	(9,405,581)	(1,806,999)	(17,863)	-	-	(5,453,000)	-	(747,000)	(526,000)	(5,788,424)	(823,960)	(3,201,977)	(2,573,540)	(2,027,966)	(462,750)	(876,038)	-	-	(33,711,098)
Reclassification of Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to deferred capital grants-net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(9,405,581)	(1,806,999)	(17,863)	-	-	(5,453,000)	-	(747,000)	(526,000)	(5,788,424)	(823,960)	(3,201,977)	(2,573,540)	(2,027,966)	(462,750)	(876,038)	-	-	(33,711,098)
Balance as 30th June 2024	1,889,193	386,890	-	1,467,000	-	1,283,091	-	(733,893)	638,590	481,576	298,612	1,072,837	78,294	226,146	3,146,940	2,973,162	-	-	13,208,438

Ubaid-ur-Rehman & Co.

SMALL EFFORTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	----Rupees----	

9 DEFERRED CAPITAL GRANT

	2025	2024
Opening balance	410,630	586,614
Transferred from Restricted grant	455,026	
Charged to profit and loss	(248,321)	(175,984)
	617,335	410,630

10 ACCRUED AND OTHER LIABILITIES

	2025	2024
Withholding tax payable	138,633	26,616
Auditor's remuneration	85,000	62,300
Salaries payable	-	97,701
Other	-	-
	223,633	186,617

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2025 (2024 : Nil)

12 CLEAN WATER PROJECTS

	2025	2024
Payroll expense	4,275,000	3,395,000
Bad debts	-	-
Labour charges	-	-
Other direct expenditure	5,336,006	6,010,581
	9,611,006	9,405,581

13 POVERTY ALLEVIATION PROJECT

	2025	2024
Other direct expenditure	1,106,000	-
	1,106,000	-

14 VILLAGE ENABLING PROJECT

	2025	2024
Payroll expense	-	-
Other direct expenditure	-	-
	-	-

15 DISASTER RELIEF

	2025	2024
Direct expenses	-	2,027,966
Labour Expenses	-	-
Logistics/freight/Courier	-	-
Meal & Entertainment	-	-
Printing & Stationery	-	-
Travel & Fuel- National	-	-
	-	2,027,966

Ubaid-ur-Rehman & Co.

SMALL EFFORTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

16 QURBANI PROJECT

Direct Expenditure	630,000	747,000
	630,000	747,000

17 AGRICULTURAL PROJECT

Payroll expense	650,000	650,000
Other direct expenditure	2,129,500	1,923,540
	2,779,500	2,573,540

18 HEALTH CARE PROJECT

Jhelum:		
Payroll expense	6,319,000	5,243,000
Other direct expenditure	268,783	210,000
Depreciation expense	248,321	175,984
Amortization expense	-	-
Dental:		
Other direct expenditure	900,000	-
	7,736,104	5,628,984

19 SADQAT

Others:		
Direct Expenditure	828,000	526,000
Other Expenditure	-	-
Zakat MBL:		
Direct Expenditure	2,576,820	5,788,424
Sadqa MBL:		
Direct Expenditure	2,680,871	778,000
Bank Fee	-	45,960
	6,085,691	7,138,384

20 ORPHANGES AND SCHOOLS SUPPORT

Other direct expenditure	1,924,211	462,750
	1,924,211	462,750

21 FEED THE HUNGRY PROJECT

Direct Expenses	1,052,800	3,201,977
	1,052,800	3,201,977

22 SCHOLARSHIP PROJECT

Direct Expenses	14,654,793	876,038
	14,654,793	876,038

23 LIVELIHOOD PROJECT

Direct Expenses	2,527,590	-
	2,527,590	-

Ubaid-ur-Rehman & Co.

SMALL EFFORTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

24 NEEDY FAMILIES PROJECT

Direct Expenses	4,044,814	-
	4,044,814	-

25 ADMINISTRATIVE EXPENSES

Administrative Expense borne by Mr. Zaka Ul Mustafa	-	17,863
Other General Expenses:		
Office expenses	5,170	10,198
Consultancy fee	112,360	-
Bank charges	92,709	4,900
Auditors' remuneration	100,000	80,000
Travel and tour	-	-
Bad debts	-	-
Freight & Courier	-	360
Payroll expense	1,845,000	1,658,194
Printing & Stationary	5,730	16,370
Transportation	28,040	36,977
	2,189,009	1,824,862

26 GENERAL

- Figures in the financial statements have been rounded off to the nearest rupee.
- The comparative figures have been reclassified for fair presentation

Ubaid-ur-Rehman & Co. Chartered Accountants

27 DATE OF AUTHORIZATION FOR ISSUE

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

CHAIRMAN

TRUSTEE