ISHFAQ & TAYYABA
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

M/S HUNARSAAZ

Opinion

We have audited the annexed financial statements of M/s Hunarsaaz which comprise of statement of financial position as at June 30, 2026 statement of income & expenditure the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, profit and loss account and the statement of cash flows together with the notes forming part thereof, conform with the accounting and reporting standards as applicable in Pakistan for small sized entities, in the manner so required and respectively give a true and fair view of the state of the entity's affairs and of the profit and its cash flows for the year then ended.

Basis of Opinion

We conducted the audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further disclosed in *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the entity 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.

Emphasis of Matter

The Auditors were appointed on the request of the management of the business to conduct special audit. Accordingly, our firm did not act in capacity of statutory audit. This audit report relates solely to special purpose financial statements prepared to meet specific requirements for the management and intended for submission of management.

Responsibilities of Management 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 for small sized entities and for such internal control as the 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 entity's ability to continue as a going concern, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or cease operations, or has no realistic alternative but to do so.

Management is responsible for overseeing the entity's financial reporting process.

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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 auditor's report that includes our opinion. Reasonable level of assurance is a high level of assurance, but is not guaranteed 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 audit 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 misstatements 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 firm's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw our 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 firm 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 that achieves fair presentations.

We communicate with the management manner 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.

Date: September 29, 2026
Place: Islamabad

Ishfaq & Tayyaba
Chartered Accountants

HUNARSAAZ
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Notes	AMOUNT (Rs.) June 30, 2026
ASSETS		
Fixed Assets		751,708
Non-Current Assets	3	751,708
CURRENT ASSETS		
Cash and Bank Balances	5	364,321
		364,321
		1,116,029
FUNDS AND LIABILITIES		
GENERAL FUND		
Opening		-
Surplus for the year		298,195
Balance - Ending		298,195
NON CURRENT LIABILITIES		
CURRENT LIABILITIES		
Current Liabilities		825,000
		825,000
TOTAL FUNDS AND LIABILITIES		**1,123,195**

The annexed notes form an integral part of these accounts.

PRESIDENT-HUNARSAAZ

VICE PRESIDENT

HUNARSAAZ
STATEMENT OF PROFIT & LOSS
FOR THE PERIOD ENDED JUNE 30, 2026

	Notes	AMOUNT (Rs.) June 30, 2026
Funds & Donations	7	1,280,000
Less: Expenditures		
Programme Expenses	8	637,743
Saff Salaries & Benefits		68,750
Administrative Expenses	9	275,313
		981,806
Operating surplus for the Year		298,194
Other Income		-
Surplus For the Year		298,194

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

PRESIDENT-HUNARSAAZ

VICE PRESIDENT

HUNARSAAZ
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED JUNE 30, 2026

1 STATUS AND NATURE OF BUSINESS

The HUNARSAAZ was registered in Rawalpindi, Pakistan on 11th September 2025 as a Non Profit Organization. under societies registration act 1860.Registered Office of the Trust is situated at House No KH1, Kohsar Extension Tehsil Taxila District Rawalpindi .The objective of the organization is to promote youth education by offering formal and non formal education and to promote good health practices provide the vocational trainings and skills.

2 **Project by HUNARSAAZ**

Project Title: Computer trainings Starting Date: 1st January 2026 to 31st December 2026

3 ACCOUNTING POLICIES

3.1 ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention.

3.2 FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on reducing balance method at the rates specified in notes. Depreciation is charged for whole year in the year of purchase while no depreciation is charged in the year of disposal of fixed assets. Maintenance and normal repairs are charged to income. Major renewals/improvements are capitalized. Profit and loss on disposal of fixed assets is included in income.

3.3 FUNDS RECEIVED

Funds received from different donors are directly reflected in the income & expenditure account.

3.4 EXPENSES

Expenses relating to projects are charged directly / on fair basis to the particular project and hence reflected in the income and expenditure account.

	AMOUNT (Rs.)
	June 30, 2026
4 OPERATING FIXED ASSETS	
Fixed Assets Less Dep (as per fixed assets Schedule)	751,708
	751,708
5 CASH AND BANK BALANCES	
Cash at Bank	323,834
Cash in Hand	40,487
	364,321
6 Current Liabilities	
Loan from Rana Iftikhar Raza	215,000
Loan from Ahsan Ali Mangi	610,000
	825,000
7 Donations	
Donation from Ahsan Mangi	180,000
Donation from Mr. Nazir Tunio	1,100,000
	1,280,000



HUNARSAAZ
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED JUNE 30, 2026

AMOUNT (Rs.)

		June 30, 2026
	EXPENDITURES	
8	**Program Expenses**	
	Printing & Publication	10,500
	Registration Expenses	132,870
	Computer Room Maintenance	173,590
	POL & Transportation Expenses	11,600
	Amortization of Equipment	309,183
		637,743
9	**Administrative Expenses**	
	Telephone, Postage & Telegram	34,590
	Mess & Entertainment	3,600
	Utilities	49,923
	Janitorial Expenses	6,200
	Rent	181,000
		275,313

10 **DATE OF APPROVAL FINANCIAL STATEMENTS**

These financial statements were authorized for issue on _____ by the board of the directors of the organization.

11 **GENERAL**

11.1 - The figures have been rounded off to the nearest rupee.

PRESIDENT-HUNARSAAZ

VICE PRESIDENT

HUNARSAAZ
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED JUNE 30, 2026

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	Donation from Mr. Nazir Tunio	1,100,000
		1,280,000

MUHAMMAD TAYYEB CA's CHARTERED ACCOUNTANTS

HUNARSAAZ
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED JUNE 30, 2026

3. FIXED ASSETS

(Rupees)

PARTICULARS	COST			DEPRECIATION				W.D.V.
	AS AT July 01,2025	ADDITION/ (DELETION)	AS AT DEC 31,2015	RATE %	AS AT July 01,2025	FOR THE PERIOD	ACC.AS AT JUNE 30, 2026	JUNE 30, 2026
Office Equip. Comuters	-	818,600	818,600	33	-	272,839	272,839	545,761
Office Equip. Others	-	35,300	35,300	15	-	5,295	5,295	30,005
Furniture & Fixtures	-	206,990	206,990	15	-	31,049	31,049	175,942
Total - 30-06-2026	**-**	**1,060,890**	**1,060,891**		**-**	**309,183**	**309,183**	**751,708**