

**Catalysts For Change Foundation
Audited Financial Statements
For the Year Ended June 30, 2025**

INDEPENDENT AUDITORS' REPORT

To the members of CATALYSTS FOR CHANGE FOUNDATION

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of CATALYSTS FOR CHANGE 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 changes in funds, the statement of cash flows for 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 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, and the statement of income and expenditure, the statement of changes in fund and 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 Deficit and changes in cash flow for the year ended then.

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 *Auditors' 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 Directors' report, but does not include the financial statements and our auditors' 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 Director's 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.

Board of directors are responsible for overseeing the Company'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 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 scepticism 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 auditors' 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 the board of directors 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, and the statement of changes in funds and the statement of cash flows, 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 Mr. Muhammad Asif ACA.


Muhammad Asif & Co.
Chartered Accountants



Lahore

Date: September 16, 2025

UDIN: AR202510440h0EKtueFQ

**CATALYSTS FOR CHANGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025**

	Note	2025 Rupees	2024 Rupees
ASSETS			
NON CURRENT ASSETS			
Operating Fixed Assets		-	-
Long Term Deposits		-	-
Total Non Current Assets:		<u>-</u>	<u>-</u>
CURRENT ASSETS			
Advances and Prepayments		-	-
Other Receivables		-	-
Cash and Bank Balances		220,000	450,000
		<u>220,000</u>	<u>450,000</u>
TOTAL ASSETS		<u>220,000</u>	<u>450,000</u>
FUND AND LIABILITIES			
FUND			
General Fund		170,000	270,000
CURRENT LIABILITIES			
Deferred Donation		-	-
Accrued Liabilities		-	-
Other Payables		50,000	180,000
		<u>50,000</u>	<u>180,000</u>
TOTAL FUND AND LIABILITIES		<u>220,000</u>	<u>450,000</u>

Contingency and Commitments

The annexed notes from 1-13 form an integral part of these financial statements.

8



CHIEF EXECUTIVE OFFICER


DIRECTOR

**CATALYSTS FOR CHANGE FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2025**

	2025	2024
Note	Rupees	Rupees
Income		
Income from Operating Activities/ Donations	-	-
Expenditure		
Operational Expenses	-	-
Administrative & Management Expenses	100,000	330,000
	100,000	330,000
Other Income	-	-
Other Expenses	-	-
Finance Cost	-	-
Surplus/(Deficit) of Income over Expenditure - Before Taxation	(100,000)	(330,000)
Taxation	-	-
Surplus of Income over Expenditure - After Taxation	<u>(100,000)</u>	<u>(330,000)</u>

The annexed notes from 1-13 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER

John
DIRECTOR

**CATALYSTS FOR CHANGE FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

	Rupees 2025	Rupees 2024
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/ (Deficit) before taxation	(100,000)	(330,000)
Depreciation	-	-
Changes in working capital	<u>(100,000)</u>	<u>(330,000)</u>
(Increase)/decrease in Advances and prepayments		-
Increase/ (decrease) in Trade Creditors	<u>(130,000)</u>	<u>180,000</u>
Cash generated/consumed from operations	(230,000)	(150,000)
Tax paid	-	-
Net cash generated from operating activities	(230,000)	(150,000)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Computers, Furniture & Equipment Purchased	<u>-</u>	<u>-</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Funds paid by the Promotors	<u>-</u>	<u>600,000</u>
	-	600,000
Net increase in cash and cash equivalents	<u>(230,000)</u>	<u>450,000</u>
Cash and cash equivalents at beginning of the period	<u>450,000</u>	<u>-</u>
Cash and cash equivalents at end of the period	<u>220,000</u>	<u>450,000</u>

The annexed notes from 1-13 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER

[Signature]
DIRECTOR

**CATALYSTS FOR CHANGE FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	<u>Revenue reserve</u> Accumulated Surplus/(Deficit)	Total
	Rupees	Rupees	Rupees
Balance at June 30, 2024	270,000	-	270,000
General Fund by Promoters Surplus/(Deficit) for the period	-	(100,000)	(100,000)
	-	-	-
Balance at June 30, 2025	<u>270,000</u>	<u>(100,000)</u>	<u>170,000</u>

The annexed notes from 1-13 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER

DIRECTOR

**CATALYSTS FOR CHANGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 M/s CATALYSTS FOR CHANGE FOUNDATION (the entity) is established in Pakistan in KARACHI as a Not-for-Profit entity under Section 42 of the companies Act, 2017 on November 17, 2023. The registered office of the entity is located at Plot # 45D, Street No. 1, Flat No. 08, Fourth Floor, Muslim Commercial, Phase VI, DHA, Karachi, Pakistan.

1.2 The principal objectives of the entity is to render/ provide Educational Services and General Charity.

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 Standards for SMEs and Accounting Standards for NPOs

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, 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 convention.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is also the Company's functional and presentation currency.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make estimates, assumptions and use judgment that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognized in the period in which the estimates are revised. There are no area where judgement and estimate has been used in these financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprises balances with bank.

3.2 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, the particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The Company derecognizes the financial assets and liabilities when it ceases to be a party to such contractual provisions of the instruments. The Company recognises the regular way purchase or sale of financial assets using settlement date accounting.

3.3 Foreign currency transaction and translation

Transactions in foreign currencies are translated in Pakistan Rupees using the exchange rate prevailing at the dates of transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupees using the rates of exchange at the reporting date. Exchange gains and losses from the settlement of foreign currency transactions and translation of monetary assets and liabilities denominated in foreign currencies at the

3.4 Taxation

Provision for current taxation is based on the taxable income for the period determined in accordance with the prevailing law for taxation on income. The charge for current tax is calculated using prevailing tax rates. Furthermore, the NPOs are eligible for 100% tax credit under section 100C of the Income Tax Ordinance, 2001 subject to approval of the commissioner.

3.5 Income recognition

Donations for operation of projects are recognized as Income as and when received.

Donation in kind is recognized at fair value when received. If the fair value of donated asset exceeds the capitalization limit, it is recognized as an item of operating fixed assets in accordance with the Foundation's policy and the amount of donation is recognized as deferred Income and amortized over the useful life of asset from the date asset is available for Intended use. Donation received in kind which are below the capitalization limit are recognized as income for the year.

3.6 Accrued expenses and others

Accrued expenses are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

3.7 Allocation of Expenses

All the expenses incurred by the Foundation are apportioned between administrative, Management and operational expenses as per defined percentages approved by the Board of Directors.

	2025	2024
4 FUND		
General Fund by the Promotors	<u>220,000</u>	<u>270,000</u>
5 Deferred Donation	<u>-</u>	<u>-</u>
Deferred Donation	<u>-</u>	<u>-</u>
6 Accrued Liabilities	<u>-</u>	<u>-</u>
Accrued Liabilities	<u>-</u>	<u>-</u>
7 Other Payables	<u>50,000</u>	<u>180,000</u>
Other Payables	<u>50,000</u>	<u>180,000</u>
8 Income		
Grants	<u>-</u>	<u>-</u>
Donations from Other NPOs	<u>-</u>	<u>-</u>
9 Other Income	<u>-</u>	<u>-</u>
Bank Profit	<u>-</u>	<u>-</u>
10 ADMINISTRATIVE EXPENSES		
Salaries	-	-
License & Incorporation Fee	-	180,000
Maintenance	-	-
Entertainment	20,000	-
Office Stationary	5,000	-
Professional Charges	-	100,000
Audit fee	50,000	50,000
Telephone Expense	5,000	-
Office Electricity Expense	20,000	-
Depreciation Expense	-	-
	<u>100,000</u>	<u>330,000</u>

8

11 CASH & BANK

Cash at bank
Cash in hand

4,583	450,000
<u>215,417</u>	<u>-</u>
<u>220,000</u>	<u>450,000</u>

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 16-09-2025 by the Board of Directors of the Company.

13 GENERAL

13.1 Figures have been rounded off nearest to Rupee.



CHIEF EXECUTIVE OFFICER

DIRECTOR