S.MUBEEN&CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOLITON WELFARE FOUNDATION REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of **Soliton Welfare Foundation ('the Foundation')**, which comprise of the statement of financial position as at June 30, 2024 and the statement of income and expenditure and other comprehensive income, the statement of changes in funds, 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.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Foundation as at June 30, 2024 and of its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standard as applicable in Pakistan.

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 Foundation 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 Board of Directors ('the Board') is responsible for the preparation and fair presentation of the financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

SMC

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In preparing the financial statements, Board is responsible for assessing the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation 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 guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it occurs. 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 asses 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 omission, 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 Foundation'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 appropriate 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 Foundation's ability to continue as a going concern.

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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 Foundation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, 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 independent auditor's report is Sadul Mubeen.

S. Mubeen & Co.

S. Mubeen & Co.
Chartered Accountants

S.MUBEEN&CO. Chartered Accountants

Islamabad
October 7, 2024

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SECP

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Company Registration Office

Lahore

ACKNOWLEDGEMENT OF FILING

(For financial statements)

CUIN:0194374 Dated:06/12/2024

In the matter of **SOLITON WELFARE FOUNDATION The Enterprise Building, Office # 301, 3rd Floor, 01-KM Thokar Niaz Baig, Main Multan Road Lahore Lahore lahore Punjab, Gulberg Town, Lahore, Punjab, Pakistan**

It is acknowledged that the following document(s) have been filed pursuant to the provisions of Companies Act, 2017 (XIX of 2017),is hereby acknowledged.

1. Annual Accounts for the period ended June 2024 .

Note: This acknowledgement only confirms filing of aforesaid documents by the company and does not authenticate the correctness of their content or compliance with the Act or the applicable accounting standards. .

Muhammad Hasan Zaidi
Additional Joint Registrar

Fee Paid: 2200
Process ID: 20241206_3258422

S.MUBEEN&CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOLITON WELFARE FOUNDATION

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

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S. Mubeen & Co.
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STATEMENT OF FINANCIAL POSITION
AS ON JUNE 30, 2024

	Note	Year | 2024	Year | 2023
		--- rupees ---	
ASSETS			
Current assets			
Advances	4	577,587	2,605
Cash and bank balances	5	471,110	1,756,830
Total assets		1,048,697	1,759,435
FUNDS AND LIABILITIES			
Current liabilities			
Accrued expenses		100,000	60,000
Funds			
General fund (un-restricted)		948,697	1,699,435
Contingencies and commitments	6		
		1,048,697	1,759,435

The annexed notes from 1 to 14 forms an integral part of these financial statements.

Chief Executive Officer

Director

SOLITON WELFARE FOUNDATION

STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Note	Year | 2024	Year | 2023
		--- rupees ---	
Income			
Donations	7	28,520,020	18,352,560
Expenditure			
Operating expenses	8	(803,042)	(529,786)
Utilization of donations	9	(28,467,716)	(16,217,609)
		(29,270,758)	(16,747,395)
(Deficit) / Surplus of income over expenditure for the year		(750,738)	1,605,165
Other comprehensive income for the year			
Total comprehensive (loss) / income for the year		(750,738)	1,605,165

The annexed notes from 1 to 14 forms an integral part of these financial statements.

Chief Executive Officer

Director

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Unrestricted General Fund	Total Funds
	— rupees —	
Balance as at July 01, 2022	94,270	94,270
Comprehensive income:		
Surplus of income over expenditure for the year	1,605,165	1,605,165
Other comprehensive income for the year	-	-
Total comprehensive income for the year	1,605,165	1,605,165
Balance as at June 30, 2023	1,699,435	1,699,435
Balance as at July 01, 2023	1,699,435	1,699,435
Comprehensive income:		
Deficit of income over expenditure for the year	(750,738)	(750,738)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(750,738)	(750,738)
Balance as at June 30, 2024	948,697	948,697

The annexed notes from 1 to 14 forms an integral part of these financial statements.

SOLITON WELFARE FOUNDATION

Chief Executive Officer

Director

SOLITON WELFARE FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	Year | 2024	Year | 2023
		--- rupees ---	
CASH FLOW FROM OPERATIONS			
(Deficit) / Surplus of income over expenditure for the year		(750,738)	1,605,165
Working capital changes			
(Increase) / Decrease in advances		(574,982)	49,415
Increase / (Decrease) in accrued expenses		40,000	(15,000)
		(534,982)	34,415
Net cash (used in) / generated from operating activities		(1,285,720)	1,639,580
CASH FLOWS FROM INVESTING ACTIVITIES		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			-
Net (decrease) / increase in cash and cash equivalents from all activities		(1,285,720)	1,639,580
Cash and cash equivalents at beginning of the year		1,756,830	117,250
Cash and cash equivalents at end of the year	5	471,110	1,756,830

The annexed notes from 1 to 14 forms an integral part of these financial statements.

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF OPERATIONS

Soliton Welfare Foundation ('the Foundation') was registered in Pakistan on February 2, 2022 as a 'Not for Profit Organization' (NPO) under section 42 of the Companies Act, 2012. The registered office of the Foundation is situated at 107 N, Model Town Extension, Lahore.

The principal charitable activities of the Foundation are to provide:

- cooked food, ration packages, provision of clothes and other support to the needy, poor, destitute, old aged people, orphans and widows;
- financial support to deserving patients enabling them to purchase medicines and get medical tests; and
- scholarships to students and grant aid, including supply of books, stipends, medals, prizes, educational career support and other incentives for the purposes of advancement of knowledge, education and literacy for the underprivileged in the country particularly in rural areas.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards (IFRSs) for Small Sized Entities (AFRS for SSE) as applicable in Pakistan and Accounting Standards for Not for Profit Organizations issued by the Institute of Chartered Accountants of Pakistan.

2.2 Measurement

These financial statements have been prepared under the historical cost convention except stated otherwise elsewhere in these financial statements.

2.3 Use of estimates and judgements

The preparation of financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Foundation's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying the Foundation's accounting policies, the management has made insignificant estimates and judgments.

2.4 Functional and presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Foundation operates. These financial statements are presented in Pak Rupees ("Rs." or "Rupees" or "rupees"), which is the Foundation's functional and presentational currency. Figures in these financial statements are rounded off to a nearest of a rupee unless otherwise disclosed elsewhere in these financial statements.

SMC

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

During the year, the Foundation adopted the Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves. The material accounting policies applied in the preparation of these financial statements are set out below.
These have been consistently applied to all the years presented, unless otherwise stated.

3.1 Taxation

Provision for taxation is recognized on taxable income, if any, for the period determined in accordance with the prevailing law and regulations. The Foundation has been approved as a NPO under section 42 of the Companies Act, 2017.

3.2 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and bank balances.

3.3 Creditors, accrued and other liabilities

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Foundation.

3.4 Restricted funds

The Foundation has adopted the restricted fund method for recognition of revenue relating to donated fund, as prescribed by NPO guidelines. Donations received are recognized on receipt basis and presented in 'Donated Fund'. Donations received in kind, if any, are measured at the market value prevailing at the time of relevant transactions. However, the Foundation have no external or internal restrictions on distribution of funds / donations received.

		Year | 2024	Year | 2023
		--- rupees ---	
4 ADVANCES			
Advances to suppliers	- note 4.1	577,587	2,605

4.1 Advances to suppliers

This represents advance issued to Metro Cash and Carry for provision of supplies.

5 CASH AND BANK BALANCES		
In hand	16,535	17,670
With bank (current account)	454,575	1,739,160
	471,110	1,756,830

6 CONTINGENCIES AND COMMITMENTS

There is no known contingent liability and outstanding commitment at June 30, 2024 (2022: Nil) of the Foundation.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		Year | 2024	Year | 2023
		--- rupees ---	
7	**DONATIONS**		
	Related parties	28,296,920	17,665,000
	Others	223,100	687,560
		28,520,020	18,352,560
8	**OPERATING EXPENSES**		
	Salaries and allowances	-	210,000
	Office supplies	703,042	209,786
	Legal and professional charges	-	10,000
	Audit fee	100,000	100,000
		803,042	529,786
9	**UTILIZATION OF DONATIONS**		
	Food	26,872,716	15,471,209
	Clothes	175,000	181,400
	Education	1,045,000	240,000
	Health	375,000	325,000
		28,467,716	16,217,609

10 **TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise of organizations with common directors and key management personnel. The Foundation in the normal course of business carries out various transactions with its related parties. Details of transactions with related parties are as follows:

Name of related parties	*Basis of relationship*	*Nature of transactions*	*Year | 2024*	*Year | 2023*
			--- rupees ---	
Dr. Fauzia Khan	Promotor/Director	Donations	-	600,000
Dr. Mansoor Khan	Promotor/Director	Donations	-	450,000
Mrs. Mamoona Ali	Promotor/Director	Donations	-	50,000
Scaler Technologies (Private) Limited	Common control	Donations	5,396,920	2,970,000
Soliton Technologies (Private) Limited	Common control	Donations	22,900,000	13,595,000

11 **REMUNERATION OF DIRECTORS AND NUMBER OF EMPLOYEES**

No remuneration is drawn by directors (3) of the NPO during the period and the number of employees to whom the salaries are paid during the year is Nil (2023: 3), certain clerical works are performed by related party of the Company without any charge during the year.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

		Year | 2024	Year | 2023
		--- rupees ---	
12	**FINANCIAL INSTRUMENTS**		
	Financial assets		
	Advances	577,587	2,605
	Financial liabilities		
	Accrued expenses	100,000	60,000

13 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged, wherever necessary, to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant re-classification and re-arrangements are made in these financial statements.

14 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized on October 7, 2024 by board of directors of the Foundation.

Chief Executive Officer

SOLITON WELFARE FOUNDATION

Director