

ANNUAL REPORT 2018



Let's Bring Change



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ABOUT MOJAZ FOUNDATION

MOJAZ Foundation (MF) is a not for profit organization, registered under Societies Registration Act 1860. Established in 2008, MF has evolved into a national organization with its roots deeply embedded into Pakistan. Mojaz Foundation believes in integrated development ranging from rights based advocacy related interventions to service delivery focusing on social and economic inclusion of the marginalized. Gender equality has always featured as a major theme and unit of analysis in our work.



CEO's Message

Mojaz Foundation achieved most of its yearly targets through implementing various developmental projects. We made special efforts to align our program and project with our Mission. Our focus remained on developing and strengthening institutions of the poor at grassroots level. Whether it is creating awareness on health and hygiene, enrolling out of school children in schools, expanding poor and marginalized livelihood options, partnering with small scale farmers to improve their living, improving women's access to Microfinance, or engaging with the local government, Mojaz Foundation always keeps the institutions of the poor at the forefront.

We will rely on the dedication, facilitation and commitments of all stakeholders to play their part to ensure that achievement of our developmental goals remains a reality. The road to achieving a society where every individual has dignity and quality of life is quite challenging. The provision of social services to those in need is key to helping poor people come out of poverty. This definitely requires a culture and systemic change at the policy and the practice levels to develop an inclusive culture. We will continue playing our role in developing models for effective, efficient and inclusive development. At the same time, we will keep investing in human capital for achieving SDGs.

We would like to thank our donors, partners and the government representatives who have provided the invaluable support that has enabled us to keep our commitments and achieve the developmental agenda of Pakistan. Together we are able to initiate work on interventions that will considerably impact and improve the poverty situation in the country. We wish to continue the deliberations for the greater impact. I would also like to congratulate my team at MOJAZ for their dedication and hard work and proud of the results that we have produced so far.

Lets bring change!

Mrs. Rattan Kaur Chawla



WHO WE ARE

MOJAZ Foundation (MF) is a not for profit organization, registered in 2008 under Societies Registration Act 1860. The organization aims to support most vulnerable and marginalized people through providing financial and non-financial services on sustainable basis. The organization has 10 years' experience in implementing a wide range of programmatic interventions. It has worked successfully in both emergent and peaceful situations in the country. Mojaz Foundation's experiences includes integrated development ranging from long term developmental projects to interventions related to service delivery.

The Chief Executive Officer (CEO) is responsible for the facilitation of organizational growth as a team leader and participates in Program/project planning, oversight, and provides strategic direction to the organization.

A Board of Directors oversees the organization, where all its members are selected on the criteria of non-political, non-religious or without any ethnic affiliations.



The organization has staff from various backgrounds such as research, advocacy, monitoring and evaluation, trainings, HR, F&A etc. MOJAZ Foundation conducts annual audit from QCR rated auditors every year since inception. We have strong policies and procedures in place in accordance with the applicable laws.



Vision

A society where every individual has dignity and quality of life.



Mission

To empower vulnerable & marginalized communities by providing financial & non-financial services on sustainable basis through an inclusive approach.

Core Values

Integrity: Being open and honest. We honor our commitments towards the community and each other in our circle

Inclusiveness: Demanding us to work to ensure that everyone irrespective of sex, age, color, class, religion, creed, physical disability, ethnic group or social background has an equal opportunity for expressing and utilizing their potential

Honesty and Transparency:

Requiring us to be accountable for the effectiveness of our action and open in our judgments and communications with others.

Accountability: We are responsible to our community and each other for our personal and organizational decisions, action and performances

Team Work: We create an environment in which all employees work together and support the individual talents and contributions of the team members

Respect: We demonstrate respect to our co-workers and members of our community

Board of Directors

MOJAZ Foundation Board encompasses personalities from various professional and personal backgrounds. A brief profile is given as under:



Dr. Sono Khangharani serving chairman is CEO of Thardeep Microfinance Foundation working in Sindh. He is a member of the International Dalit Solidarity Network against caste discrimination. Additionally, Sono Khangharani has worked extensively on microfinance and natural resource management, environmental sustainability, child rights, disaster management and social entrepreneurship. In recognition of his services and accomplishments in the rural development sector, he has been awarded Tamgha-i-Imtiaz – the highest civilian honour in Pakistan- by the Government of Pakistan in 2009-10. He is on our board since 2008.



Mrs. Rattan Kaur Chawla has BSs. (Hons) and MSc. (Hons) in Human Nutrition from the University of Agriculture, Peshawar-Pakistan. She is an educationist and is a Gold medalist. Being a BOD member since 2017, she has been providing nutritional advice in a variety of settings in various programs to improve health and wellbeing of poor and marginalized communities. Keeping in view her contributions to the organization, the board of the Mojaz Foundation appointed her as Chief Executive Officer in June 2018.



Mr. Jaffri has a degree in MBA and currently working as Head Cash Management & ATM Monitoring at National Bank of Pakistan, AAA rated bank of the country. His experience consists of operational activities including branch banking and regional office supervisory roles. He is enthusiastic to bring innovation and learn better management systems to deliver tasks in way that is more efficient. He is on Mojaz BOD since 2017.



Mr. Irfan Khokar is CEO of FFO-a national level not for profit organization working in Pakistan since 2005. He started his career in the development sector in 1998 and since then has been dedicatedly contributing to the sector. He has extensive experience in microfinance. Mr. Khokhar is with Mojaz Board since 2011.



Mr. Asim Mustaq is having vast experience as project manager, technical advisor and consultant on Microfinance. He has more than 18 years of extensive experience with various Non- Governmental organizations and Microfinance Networks. During his career he has worked with various GOVT led developmental projects. Mr. Asim is also president Association for Alleviation of Poverty & Illiteracy (AAPI). Mr. Mushtaq is serving as BOD member of Mojaz Foundation since 2011.



Ms Sadaf Wahab is associate Member of Institute of Chartered Accountants of Pakistan. She has diversified eight years' experience of micro-finance products with Agrow Limited and Poverty Alleviation Fund of Pakistan (PPAF). She has a financial background of working with well Known organization PricewaterhouseCoopers (PWC) as supervisor for different assignments. She had also served Buksh Foundation with his financial expertise and currently she is involved in working with MAS Group of Companies as Manger Internal and Market audit with his sound expertise. Ms. Wahab is serving as Mojaz BOD member since 2013.



Ms. Naneeta Jai is CA Finalist of Institute of Chartered Accountants of Pakistan. She is representing youth in BoD of MOJAZ Foundation. With overall professional experience of 5 years, she is a self-motivated individual, having strong analytic skills and target oriented approach. She has diversified three years' experience of micro-finance audit with Poverty Alleviation Fund of Pakistan (PPAF). Ms. Naneeta became Mojaz BOD member in 2014.



Having post-graduation degree in Gender & Women Studies. She has worked in development sector of Pakistan at various positions in different projects of Social/Rural development. Coming from a rural background, she has special interest in community development. Ms. Parveen is extending her support to Mojaz Foundation as BOD member since 2015.



Mojaz Foundation 2020

“Let’s bring change”

Over a period of past 10 years, MOJAZ Foundation’s outreach has been extended in Punjab, Sindh and KPK Provinces. It has worked successfully in both emergent and peaceful situations in the country. MF’s work with socially excluded and marginalized communities through a wide range of programmatic interventions has guided it to become more efficient, effective and innovative. Gender & disability are thematic areas of MOJAZ which get central space in all kinds of interventions.

MF believes that development efforts cannot be successful without addressing strategic needs of the people. Mobilizing marginalized sections of society to use their rights becomes all the more important for long-term impact on development processes. MOJAZ Foundation has remained involved in building partnerships and linkages across civil society and government. The organization has invested time, human and financial resources towards developing a culture of communication and information sharing among people so that they are able to negotiate their rights in best possible manner.

Five Key Program Outcomes

Increase household incomes among targeted population through empowering excluded people by advocating for economic justice; increasing their capacity and resources to ensure sustainable income opportunities.

Immediately respond in humanitarian crisis, and to protect vulnerable people affected by conflict and disasters by way of emergency relief and recovery.

Assure access and retention in targeted communities through institutionalizing key driving factors by engaging stakeholders and by promoting education rights in target communities to break the barriers.

Increase equitable access to water and sanitation by enabling communities to find innovative local solutions to address issues related child mortalities and health and hygiene with special focus on women and children.

Promote peaceful society by advocating citizen rights, increasing transparency and accountability in realm of basic social services and strengthen civil institutions by extending support in service delivery.



Approach

MF believes that a combination of service delivery and rights based approaches lead to change.

Mojaz Foundation provides financial and non-financial services to poor and marginalized people of Pakistan through an inclusive approach. We aim to educate and empower poor and marginalized people at grassroots level through different programmatic interventions to bring lasting change to their lives. The poor and marginalized groups are always at the Centre of our initiatives. The stronger focus is on building institutions of the poor that promote inclusion of the poor, women, youth and people with special needs. The community organizations are strengthened by building capacities and linkages with improved infrastructures, government and market. The marginalized and poor households are empowered by enhancing productive capacities and access to services.

Last but not the least, engaging with government is important to advocate for the needs of the communities and to bringing changes in the public policies in favour of poor and marginalized people. This certainly involves advocacy at various fronts to make sure that rights of the poor and marginalize people are advocated and promoted by the duty bearers.

Overview of the Achievements of 10 years



**Implemented
79 projects**



**Benefitting 5
million projects.**



**worth 1740
million rupees**

Highlights 2017-18

Number of staff members increased from 131 previous year to 209 as of Jun 2018

31% percent of overall staff members are female (including all project sites)

Total 6 trainings for staff were conducted (5 internal trainings and 13 external)

Finance, Administration and logistics

6 new field offices were established for projects in 2017-18

Faisalabad,
Pakpattan,
Hafizabad,
Bahawalnagar,
Muzaffargarh

Geographic Magnitude

PAKISTAN





ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Mojaz focuses on economic well-being and quality of life for marginalized and poor communities by supporting income generation activities and expanding livelihood options; thereby giving them hope to constructively contribute to their communities. This essentially entails a strong focus on the enhancement of people's ability to become self-sustainable so that they can generate adequate resources for meeting the requirements of the self and household on a sustainable basis with dignity.

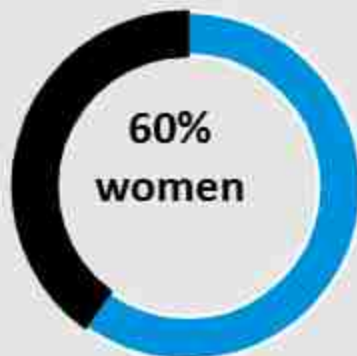
Mojaz is working in Southern Punjab since 2010 and since then has established a strong network of community organization at village, tehsil and UC level. In Muzffargarh only there are three LSO, 114 village organizations and 421 community organization. These community institutions are playing a vital role in their respective communities. The production centers established under PPAF projects are functioning on their own and marketing their products.



PKR. 41,575,590
provided as IFL
loans



The Prime Minister Interest free loan continued during the year reaching out to **some 4368 clients with OLP of PKR 41,575,590** in District Muzaffargarh, Bahawalnager and Narowal. Women remain 60% of our total clients. The beneficiaries are below the score of 40 on PSC of Benazir-Income Support Program. These loans are utilized for livestock, enterprise and agricultural activities. The loan size is between PKR 20,000 to 35000. The beneficiaries are also trained side by side for effective utilization of loan.



Bashir Ahmad's courage to take risk & try out an area for business that no one else could think of was the key to his success. He started a unique business, "Miswak making packing & sale" and created employment opportunity for 9 persons.

Bashir Ahmad plans to expand his business from local to national to international level. He has contact in UAE & Saudi Arabia & is discussing with them to start the export of Miswak to these countries as there is a great demand. In Saudi Arabia, in particular, people use Miswak & there is a great demand for this product. Whosoever Bashir discuss the idea with, every one opposed the idea. He started this business on his own in partnership with his wife. They collected miswak from the jungle & Bashir used to sell them in Mela, to Jamia Masjid on Fridays and on Eid days. Slowly the business started becoming profitable and that gave him confidence to continue.

success stories

He generated employment for 09 persons. Now Bashir Ahmad is a symbol of courage in his community. He provides free miswak in his village and advises the people to use miswak to clean their teeth for good health. He has stabled the fact that nothing is impossible if followed with dedication and courage.

So the biggest challenge was to take the risk and he had overcome it by taking the initiative and pursuing his business for quite some time. Now 09 people from his native village are working with him.

He started sale from district Muzaffargarh. Now he is supplying miswak in Peshawar, Rawalpindi, Lahore and Multan. He has started sending his children to school. They have a vehicle for transportation. He is able to provide medicines to his old parents in a timely manner. He is able to bring fruit for his children. Bashir Ahmad also wishes a bright future of his children and other children of his employees. All his employees are now sending their children to school.

Strengthening Value Chains

Mojaz is implementing a project on agriculture value chain in district Muzaffargarh and district Okara. The project is a component of the Agriculture Value Chain Collaborative Research Program (AVCCR), through which the Australian Government is supporting continued investment in Pakistan. ***The overarching goal of the AVCCR Program is that the rural poor, particularly women, living in the Punjab and Sindh significantly and equitably benefit from improvements in strategically selected agricultural value chains.***

The aim of this project is to strengthen the value chains of four vegetable crops in Pakistan using a community-based approach. The targets are onions, potatoes, tomatoes and chilies. By building the capacity of participants in these value chains, including farming families, traders, and intermediaries, the project seeks to improve household income and livelihoods of resource-poor communities.

Mojaz Foundation is implementing this project in two districts namely Muzaffargarh and Okara. Village profiling has been carried out to finalize villages that are involved in vegetable cultivation (Onion, Tomato, Chilies) and where farmers are willing to allow women from their household to participate in the project as equal counterparts. Two such communities have been selected namely Baili Janobi & Haji Wah for project implementation in union council Jaggat Pur in district Muzaffargarh and Chak Fazal Shah and 37/D in district Okara for Potato value chain.



The partnerships established in the project will enable project outcomes to be scaled out after its conclusion. Mojaz is partner in this project for the social mobilization activities that entail establishment of farmers groups and facilitation in their capacity building.

Farmers groups have been formed. Two farmer groups (one women and one men) in each village in both the districts with a membership of 30 farmers per group. The farmers from these groups have been given the opportunity to participate in Agriculture Expo held in Lahore.

Training have been organized for these farmers by the University of Agriculture Faisalabad on Land preparation, Impact of pesticides and fertilizers, sowing and harvesting techniques. Two vegetable nursery tunnels have been installed in Hajiwah and Bali Janobi for farmers to grow vegetable nursery in tunnels.



EDUCATION

Take A Child to School - TACS



Mojaz Foundation implemented phase II of Take a Child to School (TACS) project in Bahawalnager with the financial support from British Council, starting from Feb 2018 for period of 11 months.

The objectives of the partnership with British Council are:

Increase the number of better-informed parents committing to enrolling # of out-of-school-children and maintain retention;

Establish a strong coordinated ownership amongst the community influencers and partners who will facilitate access to schools and enrolment by setting up # of independent mohalla committees and;

Enable and provide a positive learning environment created through life skills and sports encouraging retention and preparing # of teachers to play a leadership role in their communities.

MOJAZ believes that young people are the most promising resource available to us in developing a new societal structure and meeting the high service needs of our communities. We envision young people as part of the solution rather than part of the problem & a major force to bring positive change in the communities. Mojaz has mobilized and trained IImbassadors (Youth) under this project who are responsible to enroll 830 out of school children in schools.

The project aims at achieving:

- **Improved education levels in the target communities**
- **Willingness by communities in voluntarily addressing education problems without external facilitation**
- **Emergence of young leaders as community leaders with fresh ideas to drive change**
- **Confidence building with the education department**

Journey of EHSAS Mohallah Committee (TACS Phase-2)

Mojaz Foundation established the Mohallah Committee (MC) Ehsas in April 2015 (during phase 1), with a number of 15 members including both men and women in Union Council 52/Fateh. Objectives of Ehsas MC (EMC) includes enrollment and retention of out of school children through community school management committees and the education department. The EMC also mobilize resources for provision of missing facilities in schools.

With the technical support from Mojaz Foundation, the MC was got registered with the name of "Ehsas Educational & Social Development Organization" under society's registration act XXI 1860 with District Bahawalnagar in 2016.

Achievements of the Ehsas MC:

Started Interest free Loan (IFL) program with its donations in their area to start their enterprise

Started Food Support Program for Poor families on small & easy installment without any interest

Secured NTN from FBR, opened bank account, created official website of Ehsas MC.

Constructed Boundary wall in GGPS 52/Fateh Masoodabad, a School building in GPS 53/Fateh Qaziwala, main gate in GGPS 11/F.W Sikandarwala

Provide 135 School support kit (Uniform, Shoes, School Bag, Shawl, Sweater, Cap & Stationery) in Different Schools. Also, provide electricity equipment in one school

Organized Enrollment walks.

Distribution of free 400 households Ramzan food packages.

Provided 700 School uniforms to needy & Poor Students and provide fans in GGPS 55/Fateh.

Organized Events (Result day, 14 august, importance of girl's education, Literacy Day)

Carried out Soil filling in four schools

Enrollment of OSC in schools

Organized Sport events in the community

Carried out Plantation Campaign in different schools



Ehsas MC started engaging with key stakeholders to make sure that all out of school children are enrolled, missing facilities are provided in the schools, with special focus on girls education. The MC also mobilized the influential for creating a pool of resources. They also utilized and mobilized local media and newspapers for spreading awareness on enrollment of OSC in schools.

Scholarship Distribution Ceremony

Mojaz Implemented British Council's awards scheme of distributing Scottish scholarship to school going children in 15th March, 2018 of PKR 1,000,000 in Narowal. The project aimed at safeguarding and protecting children and vulnerable adults. There were 100 scholarships with 50% only for female students and 25% for disabled students. The scholarships were given in kind and included materials such as uniform, shoes, winter sweaters, blazers, shawls school bags, brail books and wheel chairs for disabled students. Those students were selected who had secured 50% marks in their last academic year.

The scholarships were distributed in a ceremony held at CMS High school, Narowal. The chief guest was special secretary education Mr. Jahanzeb Awan , CEO education, Mr. Abdul Waheed Raza, Mr. Ahmad Iqbal District Chairman Zila Council, MPAs, Founder Mojaz Foundation, Ramesh Singh Arora, school principals, teachers and a large number of students.



**140 students
(50% girls)**





WASH and Nutrition

QUEST FOR PRIVACY

Mojaz Foundation implemented a 7 month project on Girls' friendly WASH services in 13 public schools of Islamabad with the financial support from Waterid Pakistan. The activities included awareness raising of adolescent girls on MHM and WASH, training of AEOs, principals, and focal teachers MHM so that they are equipped to facilitate girls for a better MHM at schools. The project also included construction of 13 Girls' friendly toilets.



Six Area Education Officers and other relevant staff from Federal Directorate of Education were engaged throughout the project implementation period for their capacity enhancement with regards to WASH. Thirteen Girls friendly toilets were constructed and handed over to school for use of adolescent girls. 13 WASH groups (248 members) were formed and strengthened on MHM so that they can continue the awareness raising among girls after the project ends. Sustainability plan of all 13 schools were prepared and owned by the principals and the AEOs for continuation of the project activities.

Suggestion boxes were installed in all 13 schools for girls to submit their queries, suggestion and complaints with regards to the usage of GFT. The WASH groups were made responsible to open these boxes during MHM courts hearings so that the complaints and suggestions can be addressed in a transparent and open manner.

Reached out 15,895 girls, 345 teachers and principal in 13 girls schools with awareness raising and capacity building.

The third touch was more interactive and elaborated where various interactive activities were organized by the project team. The students were involved in painting and poster completion on MHM, debate completion, Quiz competition and holding of MHM courts where the WASH groups addressed the queries posed by the school girls with regards to WASH, MHM and use of GFT.

These activities gave the students an opportunity to showcase their knowledge and skills that they had acquired through capacity building activities carried out under the first and second touch stages of the project. This stage also helped the students to get familiarized with WASH group members and their role. It is learnt through this approach that the three touch methodology works really well and help the students understand MHM in a more comfortable and sustainable manner.

Celebrated women's day, World Water day and MHM under the project banner

NAUVE WOMEN
AND GIRLS ARE
FRIGHTENED
BY THE FIRST PERIOD



THEY DO NOT
UNDERSTAND
WHAT IS GOING ON

Breaking the Silence



Iman Gill is a grade 10 student in IMCG-G6/1-4, Islamabad and belongs to a middle class family. She shared her experience of first menstruation as "I first menstruated at 13 when I was in school & got Scared. I found red stain at school uniform & have no words to explain what I was feeling at that time to anyone. I can't forget how girls in the school stared and bullied me. It was so embarrassing". She had no prior knowledge about menstruation as no one from her school or parents ever talked about it. Just like other girls in her school. she said that it was so shocking for her when Ayesha, her fast friend told her some very basic details about menstruation.

I had overcome my stress with support of my friend Ayesha a bit but she too had limited knowledge. I told my mother immediately on returning from school and she told me to use a piece of cloth and taught me not to take bath, not to eat sour and cold things, and to take some pain killer during these days. I used to stay at home during menstruation due to fear of stain and due to not having facilities at school to change pads

"I was shocked when I first listened to Mojaz Foundation team. How could someone talk about such issues openly!! But then all my friends and other girls were attending the session with their heads down with embarrassment. When we looked up at the face of the teacher (Mojaz Staff, I realized that it was a normal topic, nothing to be embarrassed of. Slowly we realized that we have a right to acquire that information. After all it was bout health and hygiene. And then we could not stop ourselves from asking all sorts of questions from the teachers. The information was an eye opener. Why had suffered in the past? Why our teachers or mothers didn't told us all those things!"

She said that now she takes bath with hot water during menstruation and feels so good. She can focus on her studies during these days at school without the fear of having stains on her shirt. So what even if she does get a stain. She talks with her friends and mother and sister at home and tries to transfer what she has learnt as much as she can to them as she wants to see a change in their lives too.

Diarrhoea Reduction through Hygiene Promotion & Women Empowerment



983, 685 from 331
villages, 45 UCs of 4
districts



247
villages
declared
ODF



Trained 52 RSMs,
92 masons, 840 CRPs,
403 VWC, 501 SWC,
539 health professional

Mojaz Foundation (MF) continued implementing "Diarrhoea Reduction through Hygiene Promotion and Women Empowerment" project funded by Plan International with the support from Reckitt and Benckiser(RB) CSR fund in four districts of Punjab namely Narowal, Sargodha, Layyah and Vehari. In Sargodha and Narowal, MF is implementing the project whereas in Layyah and Vehari, MF is implanting the project in partnership with Public Health Engineering Department (PHED). Another agreement with Plan International has been signed to include four more districts namely Faisalabad, Hafizabad, Pakpattan & Sahiwal.

MF is following a 03 prong approach to implement the project which includes Social Mobilization, Social Marketing and Linkages development with the key stakeholder including the Government Departments at District and Provincial level.

The major tasks include formation & strengthening of village Wash Committees & School WASH clubs at village level so that they can take lead in the implementation of major tasks with regard to WASH. One of the important components of the project is identification & capacity building of Community Resource Persons (CRP) 840, so that trained resource person are available at village level to take the project purpose further thus strengthening sustainability of the results achieved under the project. These CRPs are active in conducting triggering & health & hygiene sessions for communities aimed at moving toward ODF environment. They are also responsible to make sure that people in the villages are constructing latrine at house hold level on self-help help basis. Some 3093 such latrines have been constructed in project villages so far.

The project has used different creative ways such as street theatres to mobilize people to realize the importance of keeping their environment clean and sustaining their ODF status.

Our Partners



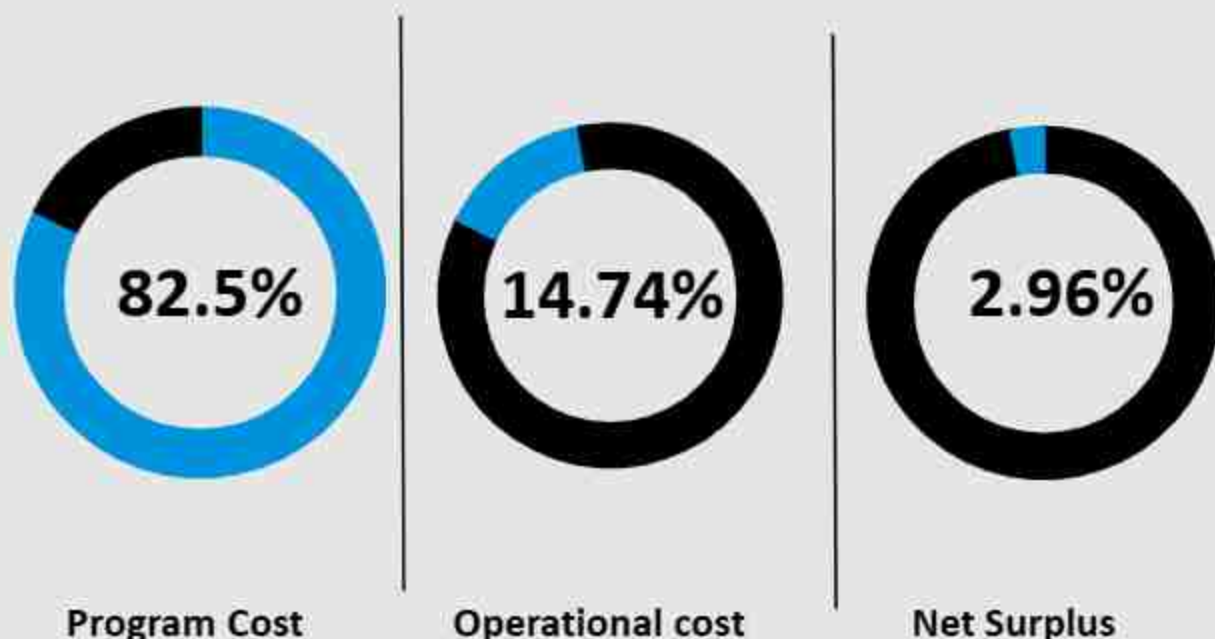
MOJAZ Foundation participated 7th SACOSAN in 2018 held in Pakistan



MOJAZ Foundation celebrated breastfeeding week at 4 district. Conducted 353 sessions with 8204 women and girls including lactating, pregnant and young girls for awareness raising. 92 best mother awards were also distributed to best mother and child

Financial Review

MOJAZ Foundation secured funding for its thematic focus including WASH and Nutrition, Education, Economic Development from 5 different international donors. During the financial year, total funds amortized worth PKR. 126,145,207. All projects funds are kept in separate and dedicated bank accounts and were controlled centrally from head office located at Narowal (Punjab). MOJAZ Foundation has fully established financial information system following double entry system as per GAAP. Following is the review of financial performance



INDEPENDENT AUDITOR'S REPORT TO THE GENERAL BODY

Opinion

We have audited the financial statements of **MOJAZ Foundation**, which comprise of the statement of financial position as at **June 30, 2018**, and the statement of income and expenditure account, the statement of comprehensive income, the statement of changes in fund and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **MOJAZ Foundation** as at **June 30, 2018**, and its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards 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 Society 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.

Responsibility of Management and those Charged with Governance for the Financial Statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, 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 society'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 intend to liquidate the society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the society financial reporting process.

Auditors' Responsibility

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 Society'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 Society'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 Society 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.


Amin Mudassar & Co
Chartered Accountants
GHULAM MUDASSAR FCA

Faisalabad


Date: 05 OCT 2018

MOJAZ FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2018

	2018 Rupees	2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Net surplus for the year	3,733,305	35,521,065
Non cash charges and other items:		
Depreciation	1,155,341	747,557
Amortisation of intangible assets	-	125,000
Finance cost	-	15,798,200
Amortisation of capital grants	(1,407,707)	3,258,080
Amortisation of leased assets	544,179	544,179
Grants recognised as revenue	(114,029,247)	(241,945,023)
Provision for loan losses	-	2,477,500
	(113,737,434)	(218,804,507)
Deficit before working capital changes	(110,004,129)	(183,473,442)
Movement in working capital		
(Increase)/Decrease in current assets		
Advances, prepayments and other receivable	1,159,774	18,452,372
Micro credit loan portfolio	(16,839,789)	266,462,793
Short term investment	-	25,000,000
Increase/(Decrease) in current liabilities		
Accrued and other liabilities	1,320,774	(3,560,414)
	(14,359,239)	306,354,750
Cash used in operations	(124,363,368)	122,881,309
Finance cost paid	-	(21,994,067)
Net cash used in operations	a	(124,363,368)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(4,847,122)	(10,529,852)
Long term investment	-	(43,000,000)
Net cash outflow from investing activities	b	(4,847,122)
CASH FLOWS FROM FINANCING ACTIVITIES		
Grants received/ capitalized during the year:		
for capital cost	226,958	1,743,017
for projects and operational cost	130,490,587	238,379,396
Proceeds of long term loans	-	(394,186,180)
Decrease in general fund	-	(14,478,935)
Payment of liabilities under finance lease	(812,483)	(750,975)
Net cash inflow from financing activities	c	129,905,067
Net increase in cash and cash equivalents (a+b+c)	894,571	(121,948,287)
Cash and cash equivalents at beginning of the year	29,366,849	151,315,135
Cash and cash equivalents at the end of the year	30,061,421	29,366,849
Cash and cash equivalents		
Cash and bank balances	50,664,293	52,131,321
Short term borrowings	(20,602,872)	(22,764,473)
	30,061,421	29,366,849

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


R. Kaur
 CHIEF EXECUTIVE


 CHAIR PERSON



FINANCIAL STATEMENTS June 30, 2018

MOJAZ FOUNDATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
Surplus for the year		3,733,305	35,521,065
Other Comprehensive Income for the year			
Balance transferred to General Fund		<u>3,733,305</u>	<u>35,521,065</u>

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


CHIEF EXECUTIVE


CHAIR PERSON

MOJAZ FOUNDATION
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Endowment fund	General fund	Total
	Rupees		
Balances as at July 1, 2016	32,000,000	77,768,185	109,768,185
Transfer from income and expenditure account	-	35,521,065	35,521,065
Transfer of Endowment Fund to general fund	(32,000,000)	32,000,000	-
Transfer to MOJAZ Support Program	-	(50,000,000)	(50,000,000)
Balances as at June 30, 2017	-	95,289,250	95,289,250
Transfer from income and expenditure account	-	3,733,305	3,733,305
Balances as at June 30, 2018	-	99,022,555	99,022,555

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


CHIEF EXECUTIVE


CHAIR PERSON



**MOJAZ FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS ON JUNE 30, 2018**

	Note	2018 Rupees	2017 Rupees
ASSETS			
Current Assets			
Cash and bank balances	5	50,664,293	52,131,323
Portfolio (Prime Minister Interest Free Loan)	6	99,123,368	82,283,579
Advances, prepayments and other receivable	7	53,598,063	57,790,594
		203,385,724	192,205,495
Non Current Assets			
Fixed assets - tangible	8	13,054,234	9,362,454
Assets subject to finance lease	9	2,495,279	3,039,458
Long-term investment	10	50,000,000	50,000,000
		65,549,513	62,401,912
Total Assets		268,935,237	254,607,407
LIABILITIES			
Current Liabilities			
Accrued and other liabilities	11	15,092,006	13,771,232
Short term borrowings	12	20,602,872	22,764,473
Deferred grants	13	20,281,042	6,852,457
Current portion of long term loans	14	930,121	815,252
		56,906,042	44,203,414
Non Current Liabilities			
Long-term loans	15	111,000,000	111,000,000
Liability Against Asset Subject To Finance Lease	16	-	927,352
Deferred revenue - Capital grants	17	2,006,643	3,187,390
		113,006,643	115,114,742
Total Liabilities		169,912,685	159,318,156
Total Net Assets		99,022,555	95,289,250
REPRESENTED BY:			
General fund		99,022,555	95,289,250
		99,022,555	95,289,250

Contingencies and Commitments

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


CHIEF EXECUTIVE


CHAIR PERSON

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FINANCIAL STATEMENTS JUNE 30, 2018



MOJAZ FOUNDATION
STATEMENT OF INCOME AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
Micro credit programme:			
Financial revenue	19	-	69,775,391
Financial cost	20	-	15,798,200
Gross financial margin		-	53,977,191
Provision for loan losses		-	2,477,500
Net financial margin		-	51,499,691
Operating expenditure			
General and administrative cost	21	-	34,090,266
Staff training		-	30,000
Net financial surplus		-	84,129,266
		-	17,370,425
Grants utilized / amortized			
Related to PMFL-PPAF	7.01	11,087,596	11,308,858
Related to capital grants	19	1,407,707	1,517,060
		12,495,303	12,825,918
Net surplus from micro credit programme		12,495,303	30,196,343
Other income	22	13,073,980	18,053,938
Social sector programme			
Grants utilized / amortized			
Related to projects	23	100,348,964	227,378,085
Related to capital grants		226,960	1,741,020
		100,575,924	229,119,105
Revenue available for social sector programme		126,145,207	277,369,386
Operating expenditure - Social sector programme			
Operational cost	24	18,589,959	107,304,051
Programme activities cost	25	101,880,434	131,075,345
Training cost	26	1,931,510	3,468,925
		122,411,902	241,848,321
Net surplus for the year		3,733,305	35,521,065

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


CHIEF EXECUTIVE


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