Developments in Literacy
Educating Children • Empowering Communities
DIL

2023 ANNUAL REPORT

قدم قدم آباد

ABOUT THE COVER

The phrase "Sohne Dharti," which translates to "flourishing step by step," encapsulates the themes of growth, progress, and prosperity. The essence of this poem powerfully and meaningfully connects to DIL's mission and purpose. It represents the ongoing efforts and positive strides DIL is making to help each student fulfill his or her greatest potential.

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ABOUT US

Developments in Literacy (DIL) is a nonprofit organisation registered under the Societies Registration Act 1980. DIL provides high-quality education to underserved children in Pakistan, and has been pursuing this mission since 1997. DIL operates a network of schools in the most remote and hard-to-access regions of the country.

DIL has attained a 94% score from the Pakistan Centre for Philanthropy (PCP) for maintaining strong financial health and demonstrating commitment to accountability and transparency.

VISION

Developments in Literacy (DIL) believes that no child in Pakistan, no matter how poor or underprivileged, should be denied access to a quality education. All children should have an equal opportunity to reach their full potential and contribute toward the socio economic betterment of their communities.

MISSION

Developments in Literacy contributes towards strengthening and implementing quality education programs for children from underserved communities across Pakistan through innovative and sustainable solutions.

CORE VALUES

COLLABORATION

We take a democratic, participatory approach to all aspects of our work.

TRANSFORMATION

We transform lives and empower communities by pursuing innovative ideas and approaches that improve student learning outcomes and soft skills.

EXCELLENCE

We are commited to achieving the highest level of impact through excellence in service delivery and educational products.

TRANSPARENCY

We exercise strong internal controls and transparency, remaining fully accountable to our donors and the people whom we serve.

INTEGRITY

We strive to set high moral and ethical standards for ourselves and to gain the trust of others.

EQUITY

We exercise fairness, compassion and respect when dealing with each other and those around us.

FLEXIBILITY

We drive and embrace change and are willing to try out different pioneering approaches.

CEO's MESSAGE

Dear Friends and Supporters,

It is with immense pride and gratitude that I present our Annual Report for 2023. This year has been a testament to our collective commitment to providing life-changing education to underserved children across Pakistan. Your unwavering support has enabled us to expand our reach and deepen our impact in significant ways.

We are excited to share that our school network now includes 191 schools, serving over 61,000 students. This remarkable growth, particularly in Sindh and Punjab, underscores our dedication to brightening the futures of thousands of children. Despite the challenges posed by natural disasters. We have remained steadfast in our mission to provide the best possible learning opportunities. At DIL, our students are benefiting from technology-enabled academic learning, gaining essential IT skills that prepare them for the future.

Your generosity has been the cornerstone of our success. With your continued partnership, we are confident in our ability to further expand and transform lives through education in the coming year.

Thank you for believing in our mission and helping us build a brighter future for all.

FIZA SHAH
Founder & CEO
Developments in Literacy

CHAIRPERSON'S BOT MESSAGE

I am honored to present our Annual Report for 2023. This year has been a remarkable journey of growth, resilience, and unwavering commitment to our mission of providing quality education to underserved children across Pakistan.

Our network has grown to 191 schools, serving over 61,000 students. This expansion, particularly in Sindh and Punjab, underscores our dedication to reaching more children and transforming more lives through education. Despite the challenges posed by natural disasters, we have remained steadfast in our goal, ensuring our students receive the best possible learning opportunities.

The success we celebrate today would not be possible without the generous support of our donors, partners, and community. Your contributions have enabled us to enhance our educational programs, integrate technology in our classrooms, and provide comprehensive teacher training. These efforts have significantly improved our students' learning experiences and outcomes.

As we look to the future, we are excited about the possibilities that lie ahead. With your continued support, we are confident that we can expand our reach, innovate our programs, and make an even greater impact on the lives of the children we serve.

Thank you for your unwavering belief in our mission and for helping us build a brighter future through education.

SHAZAD G. DADA
Chairman, Board of Trustees
Developments in Literacy (DIL)

BOARD OF TRUSTEES

SHAZAD G. DADA - CHAIRPERSON

Shazad is a seasoned banker and a businessperson who is currently on the boards of the Securities & Exchange Commission of Pakistan, AIESEC (Pakistan), and British Business Centre. Formerly, Shazad served as the President & CEO of UBL and Standard Chartered Banks, Chairman Pakistan Mercantile Exchange Ltd., MD, Chief Country Officer & Head Global Banking at Deutsche Bank AG (Islamabad), CEO & MD at Barclays Bank Pakistan, MD Mergers & Acquisitions at Deutsche Bank Securities, Inc., Chairman at Pakistan Banks Association, VP & Council Member at The Institute of Bankers Pakistan, and Director Governors' Board at The British Overseas School.

TASNIM SHAHERYAR - VICE CHAIRPERSON

Tasnim is an IBA graduate and has worked as a business development expert in the US. She is a philanthropist and has a very long association with DIL. She was on the New York Chapter, and later a member of the US Board of Directors until she moved permanently to Pakistan.

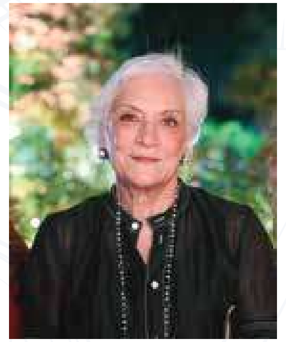
DR. ANJUM RIYAZUL HAQUE - TRUSTEE

With a Ph.D in Development Education from the University of Santo Tomas, Philippines, Anjum has served as the Executive Director of the Pakistan Centre of Philanthropy, as well as a representative of the Head of Office at UNESCO in several countries. She has also been Programme Specialist at Asia Foundation, Islamabad, and a Director at the National Academy of Higher Education at the University Grants Commission.

NASREEN IQBAL - TRUSTEE

Nasreen has been an educationist since 1978 and is the founder of Grammar School Rawalpindi, a UNESCO partner school with five branches in the city. She was a former Examiner for B.Ed with the University of Punjab and Teacher Trainer for SPELT.

SAEEDA FANCY - TRUSTEE

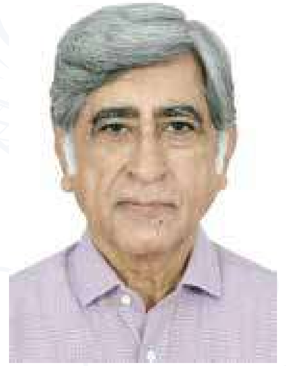


Saeeda has over 30 years of experience in administrative, financial, human resources, and customer service issues. She has served as The Head of Academics at Bay View College, Karachi and senior positions in reputable schools, including Beaconhouse, Lyceum School in Karachi. In addition, she has been Project Manager of OXED Books at Oxford University Press.

AMJAD ALI KHAN - TRUSTEE

Amjad is the co-founder and former managing partner of Afridi & Angell. He headed the firm's banking and financial services practice, and advises on both conventional and sharia-compliant transactions. He also advises private equity firms and investors on UAE and cross-border transactions and acquisitions. Amjad is an active speaker at conferences and seminars, and has authored several specialised publications.

KAMRAN NISHAT - TRUSTEE



An accomplished senior executive with over thirty years of results-driven and diversified experience at leading organisations in automotive, textiles, leather, distribution, and consulting sectors. He is currently serving as the MD & CEO of Muller & Phipps, Pakistan. Formerly, he was Senior Manager at Sidat Hyder Morshed.

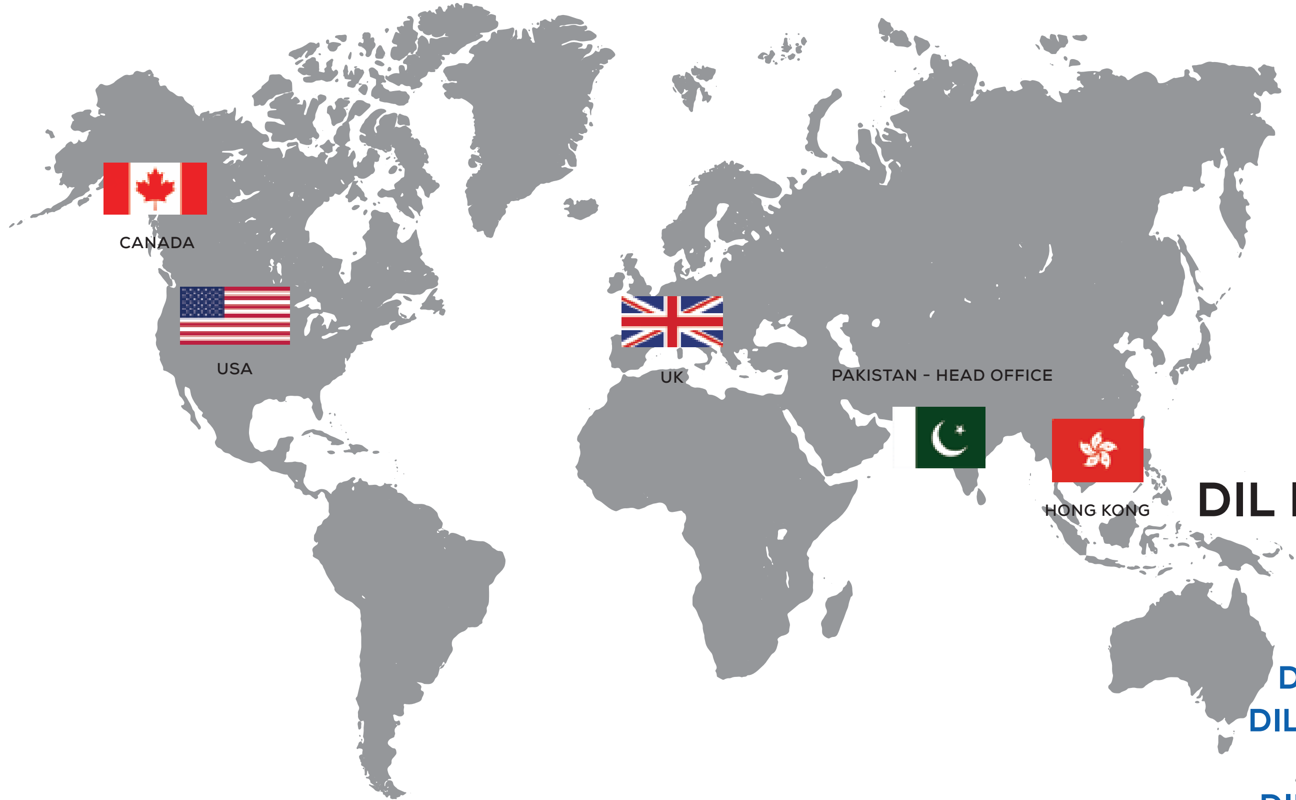
ZIBBER MOHIUDDIN - TRUSTEE

Zibber holds a Masters degree in Business Administration from George Washington University, and is currently serving as the CEO of Panasian Group, Pakistan. Previously, he worked as President and Country Manager at Ericsson, Pakistan, and as the GM of Panasian Marketing Services, Ltd. He is serving on several Boards including Equinox Ltd., VPL Ltd., and Hilti Pakistan.

AYESHA TAMMY HAQ

Ayesha is a barrister-at-law and an international legal practitioner. She is also a member of the Vision 2020 think tank in Pakistan, where she has worked on policy and governance matters. She hosted 24Seven on Business Plus, where she interviewed high-profile political leaders and policy makers. She also writes opinion pieces for several publications. Previously, she was the CEO of Fashion Pakistan and organised Pakistan's first ever Fashion Week in 2009. At present, she heads Pharma Bureau, the association of research-based multinational pharmaceutical companies in Pakistan.

DIL AFFILIATES



DIL International Chapters

DIL USA

DIL Houston Chapter
DIL Las Vegas Chapter
DIL Los Angeles
DIL New York Chapter
DIL San Francisco
DIL San Diego

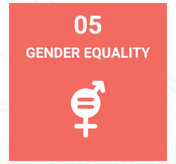
DIL Trust UK
DIL Canada
DIL Hong Kong

DIL National Chapters

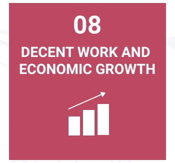
DIL Karachi Chapter
DIL Lahore Chapter
DIL Islamabad Chapter

EMPOWERING EDUCATION: ALIGNED WITH UN SDGS FOR A SUSTAINABLE FUTURE

At Developments in Literacy (DIL), we are dedicated to advancing one of the most critical objectives of the United Nations Sustainable Development Goals (UNSDG): Quality Education (Goal 4). However, our commitment extends beyond just this goal. Our programs are thoughtfully aligned with several other



We strive to promote equal access to education for all genders, empowering girls and women in their communities.



By providing quality education and skills training, we help equip individuals for better job opportunities and economic

We collaborate with various stakeholders, including government entities and local organizations, to strengthen our impact and achieve sustainable outcomes.

Through our comprehensive approach, DIL is making meaningful contributions to multiple UNSDGs, fostering a more

By providing quality education and skills training, we help equip individuals for better job opportunities and economic advancement.

REGULATORY COMPLIANCE

Pakistan Centre for Philanthorpy

Ministry of Economic Affairs

Federal Board of Revenue

Grant Thornton Pakistan

Alhamd Shariah Advisors

OUR IMPACT

191 DIL Schools

61,448 Students currently enrolled, More than 300,000 students benefitted

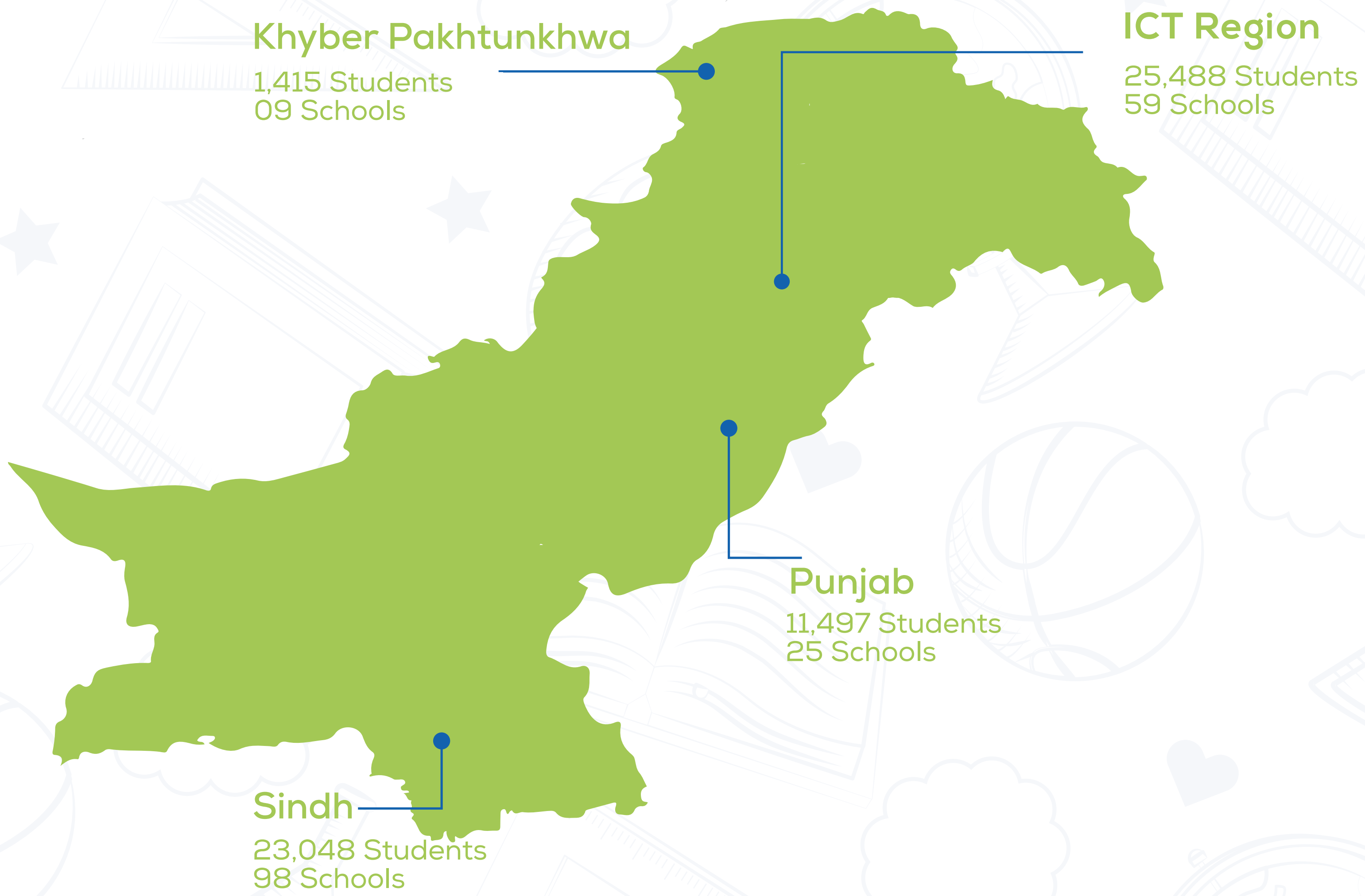
2,855 Teachers & Principals

57 Dedicated IT Labs

86 Schools with Digital Learning

92% students have Access to Technology

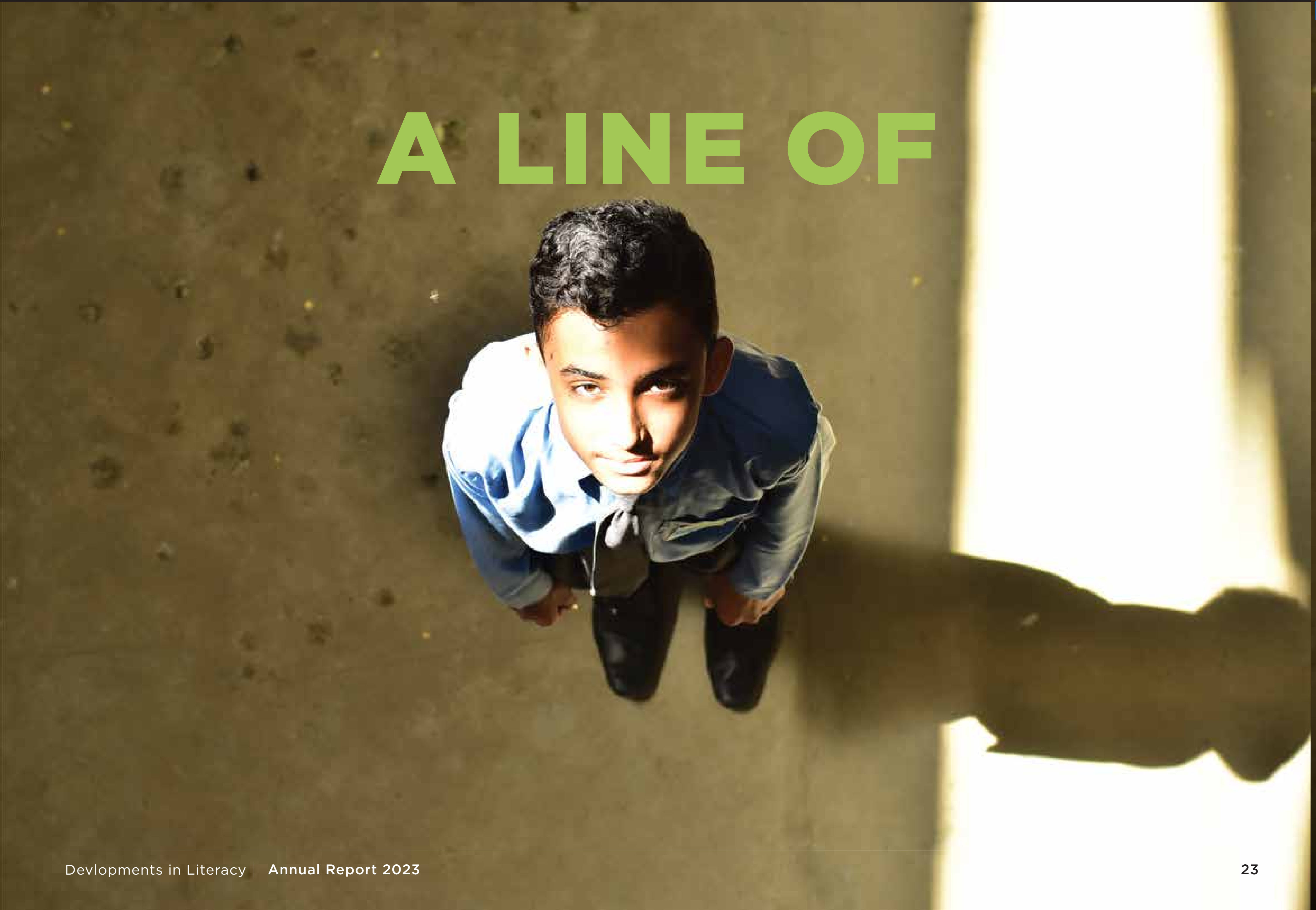
OUR SCHOOL LOCATIONS



27 YEARS

PAVING THE WAY

A LINE OF BRILLIANT PROJECTS



TECHNOLOGY ENABLED ACADEMIC LEARNING (TEAL)
THE GAME CHANGER

TRANSFORMING EDUCATION FOR MIDDLE SCHOOL STUDENTS

At DIL, we believe quality education has the power to change lives. To address the critical needs of middle school students, who are at the greatest risk of dropping out, we leverage the expertise of our Curriculum, Training, Programs, and ICT departments to deliver our flagship Technology Enabled Academic Learning (TEAL) program. TEAL is specifically designed to enhance learning outcomes and provide tailored instructional support for this vulnerable group.

OUR APPROACH: THEORY OF CHANGE

TEAL employs high-quality direct instruction videos, delivered through LCDs, to empower teachers as "guides on the side." Teachers facilitate learning through linked, student-centered activities, ensuring active engagement. Each lesson concludes with checks for understanding, driving meaningful learning experiences and accelerated academic growth for students.

TEAL INTERVENTIONS IN 2023

In 2023, the TEAL program expanded significantly, growing from 59 to 86 schools, including 45 government schools. During this period, the number of students impacted increased from 4,775 to 9,157, with 8,578 of them being girls. Each participating school was equipped with solar-powered devices where necessary, along with LCD screens. TEAL was introduced in 5 SED RRP schools and 11 FED schools. As part of the SED RRP initiative, TEAL established 32 rooms with LCDs and laptops, and later expanded to FDE schools, creating 39 TEAL AV rooms with the same technology.

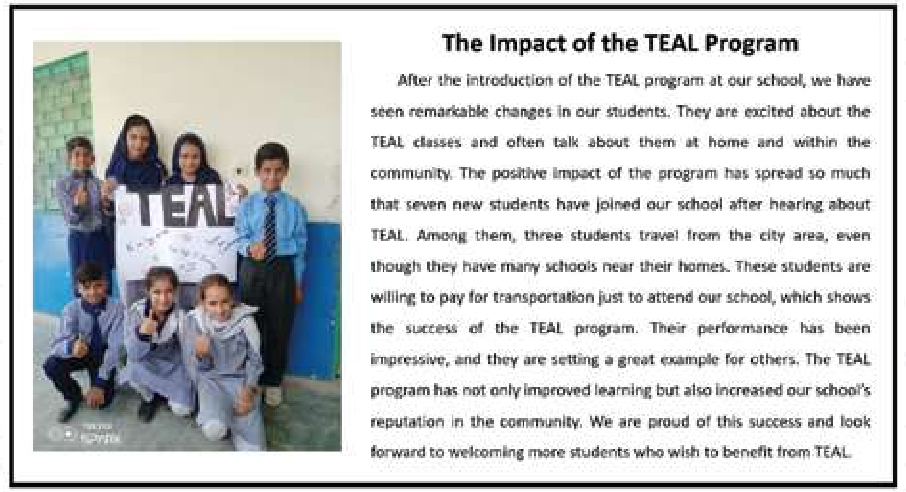
New TEAL teachers underwent a comprehensive 3-day orientation, including subject-specific pedagogy training. Feedback from teachers has been overwhelmingly positive. Ms. Asama, a science teacher, shared, "Showing animated science videos is sparking my students' interest in the subject. Concepts like heart pumping, which are hard to convey through textbooks, come alive in TEAL videos."

The program's impact extends to students as well. Eman Zainab, a previously disengaged seventh grader, now actively participates in her TEAL classes, smiling and eager to contribute. Teachers across the project areas report that TEAL has led to increased enrollment, better attendance, heightened engagement, and improved learning.

TEAL SUCCESS STORIES

STUDENT SUCCESS STORY: AYESHA RANI

The TEAL program is designed to help students build their own understanding of concepts through a blend of instructional videos, student-centered activities, and assessments. Ayesha Rani, a previously shy and disengaged student, exemplifies this transformation. Before TEAL, Ayesha struggled to engage in her classes. However, after joining TEAL, she began actively participating in every lesson. Not only has she grown more confident in her studies, but she also now helps guide her classmates. Her efforts are reflected in her improved performance, as she consistently achieves high marks in her TEAL assessments.



The Impact of the TEAL Program

After the introduction of the TEAL program at our school, we have seen remarkable changes in our students. They are excited about the TEAL classes and often talk about them at home and within the community. The positive impact of the program has spread so much that seven new students have joined our school after hearing about TEAL. Among them, three students travel from the city area, even though they have many schools near their homes. These students are willing to pay for transportation just to attend our school, which shows the success of the TEAL program. Their performance has been impressive, and they are setting a great example for others. The TEAL program has not only improved learning but also increased our school's reputation in the community. We are proud of this success and look forward to welcoming more students who wish to benefit from TEAL.

Title: The Journey of Perseverance

Doha Nadeem's Return to Education

Introduction: Meet Doha Nadeem a current grade 6th student at DIL School Khinger Khurd. Her story is one of dedication, spiritual growth and a rekindled passion for learning.

Challenges: Doha was a student in grade 4th at DIL School when she made the life changing decision to leave school to memorize the Holy Quran, a significant and demanding journey known as Hifz. After successfully completing her Hifz -e- Quran, she found herself free at home, unsure about the next step in her academic path.

A New Opportunity: During this time DIL School moved from Khinger to Kattarian right in Doha's neighborhood. She visited the school and was immediately captivated by innovative TEAL classes. This experience reignited her love for learning and education. Determined to continue her studies, she convinced her family that she wanted to return to school.

A Happy Return: Now after a five-year break Doha is committed and enthusiastic student of grade 6th at DIL School Khinger Khurd. She has embraced her return with joy and is fully dedicated to completing her education.

Conclusion: Doha's story is a powerful reminder that it is never too late to ignite one's educational journey. Her resilience and determination to return to school and pursue her studies after completing Hifz-E-Quran is truly inspiring. We are proud of Doha's progress and look forward to witnessing her continued success.

TRAINING DEPARTMENT

BOOSTING EDUCATION QUALITY AT DIL AND BEYOND THROUGH TEACHER SUPPORT

Course Development:

Under the guidance of our Training Director, DIL Lead Trainers and Trainers have developed instructional modules that enhance both content knowledge and pedagogical skills for teachers. In 2023, our focus was on refining existing materials, with 15 course modules undergoing comprehensive revisions and 8 others currently in the field-testing phase.

Additionally, 3 new courses were introduced to address specific needs identified among teachers.

Training Delivery

DIL's pre-service Induction Course, a self-paced, technology-driven program for newly recruited teachers, was delivered quarterly across multiple projects in 2023. A total of 40 principals and 6 school officers received refresher training to facilitate the course, while 87 new teachers successfully completed it.

This year, 54 subject modules from DIL's Foundation Courses were rolled out, benefiting 904 primary and middle-grade teachers across various projects. Post-training assessments showed an impressive average increase of 90% in content knowledge, highlighting the program's effectiveness. (See the success story of an Early Childhood Education (ECE) teacher in Annexure 2.)

Moreover, 85 principals received Leadership and Academic Management training.

English Language Proficiency Course (ELPC):

In 2023, DIL launched a new English Language Proficiency Course aimed at improving teachers' language skills. The course focuses on key areas such as instructional language, interaction, grammar, vocabulary accuracy, pronunciation, stress, and intonation. After a 12-week online segment, participants attended a face-to-face workshop where their skills were evaluated through

Post-Training Support:

DIL recognizes that continued support after training is essential for long-term success. Our post-training support model includes Cluster School Visits (CSVs), which are conducted across various projects to observe volunteer teachers delivering lessons. After each CSV, focused group discussions are held to reflect on best practices. School Officers and Principals participate, contributing to improved

Conference Participation:

DIL's training team attended the British Council's seminar Embracing New Trends in English Language Teaching (ELT) in Pakistan on December 7, 2023. The seminar offered valuable insights into emerging trends, including the use of Artificial Intelligence (AI) in education, and provided networking opportunities with industry leaders who are innovating English language instruction across the country.

EXTERNAL TRAINING INITIATIVES:

Behbud Project:

63 teachers participated in training sessions covering core subjects, including Urdu, Mathematics, and Early Childhood Education (ECE). Additionally, 16 principals received training in Academic Management.

Momina & Duraid Foundation:

Before engaging with schools, DIL conducted a comprehensive Training Needs Assessment (TNA), including school visits, classroom observations, and consultations with school leadership. The assessment aimed to identify strengths and areas for improvement in the M&D Foundation's adopted schools. Based on the results, a detailed agreement with specific goals was established with the M&D Foundation for 2023-2025, focusing on improving the quality of education and student performance.

SUCCESS STORIES FROM THE ENGLISH LANGUAGE PROFICIENCY COURSE (ELPC)

Saba Ujjan Realizes Dream of Helping Children Learn

I am grateful to the DIL team and trainers who supported me since my childhood. I always had a passion for English, and this training has helped me improve both my language skills and teaching abilities. This was my first course on English Language proficiency. Through this, I have enhanced my English pronunciation and learned to provide constructive feedback to identify students' weaknesses. This training also taught me how to conduct classes using various activities like assessing prior knowledge, explaining concepts, and giving instructions in simple language. It has truly made me a better teacher, and I am benefiting from it in my daily routine.
While the training presented challenges, such as timely task submissions, I did my best, and now I have achieved my goal and become successful. This success is thanks to the DIL team, trainers, principal, and library coordinator who encouraged and supported me in fulfilling my late father's dream.
Thank you all.

Fatima Bibi Becomes Confident in English:

Primarily, I would like to express my gratitude to the DIL Institute and its trainers for providing me with the English Language Proficiency course. This was my first course on classroom language, although I have taken a few on teaching English content. This program has significantly boosted my confidence in speaking English. I have acquired various strategies for English communication, including explaining topics, giving instructions, providing feedback, and taking attendance, which I can now apply effectively in my classroom.
Since completing this course, I have noticed a positive change in myself. The impact on my language proficiency has been outstanding. I have transitioned from the Grammar Translation method to the Direct method, which has been immensely helpful and has motivated me to engage in English conversations with my students. I believe this shift will also encourage my students to communicate more confidently in English.

The Success Story of an ECE Teacher

DIL Early Childhood Program

The initial stages of a child's development are delicate and can easily be shaped into a form that will have a lasting impact on their future. Early Childhood Education (ECE) serves as the cornerstone and crucial initial step for every growing child aspiring to acquire knowledge and achieve success. ECE lays the groundwork for a child's fundamental concepts, serving as the basis upon which subsequent learning frameworks are constructed throughout their educational journey.

Saiqa Nawaz's Remarkable Progress Teaching DIL's Youngest Students:

Saiqa Nawaz, a dedicated teacher at Thallian School under the Rawalpindi Rural Program, has demonstrated remarkable growth through DIL's teacher training, becoming a source of inspiration for her colleagues. She has developed key skills in classroom management, communication, and critical thinking. Since joining DIL in 2007, Saiqa has actively participated in numerous training sessions, earning certifications in Early Childhood Education (ECE) and receiving further training in classroom support and assessment. Two of her most valuable takeaways have been effective lesson planning and advanced assessment techniques, which have transformed her teaching into a more dynamic and engaging experience for her students. Saiqa's commitment highlights the impact of DIL's teacher training programs in improving the quality of early childhood education.

TEACHER TRAINING

A 3-day training was organized for the newly hired teachers. Overall, 30 participants attended the training, 2 participants had to leave the training on day one, due to a family emergency.
Following are the details:

TRAINING DELIVERABLES

- Identify aspects of Classroom Management and their segments.
- Design and implement classroom rules and routines.
- Explore the impact of seating arrangement on teaching and learning.
- Design and maintain effective displays
- Maintain a positive classroom environment
- Use a variety of interactive strategies to deliver a lesson
- Design lesson plans which provide opportunities for interaction and active learning

Group work during training

ENROLLMENT CAMPAIGN:

MEETINGS WITH FDE AND AEOS:

Before starting the enrolment campaign in the sectors, a meeting was conducted at FDE. The Deputy Director R&D, area education officers of Sihala, Nilore and Tarnol sectors, as well as Project Manager and School Officer from DIL, attended the meeting.
Following were action points of the meeting:
1. The first meetings with the SMCs and principals will be conducted in the Area Education Offices of all three sectors.
2. The second meeting will be conducted with the communities in the respective schools of each sector.
3. All following meetings will be done with the SMCs.
4. It will be made sure that the awareness walks are organized between 20th to 30th March, after the annual exams.

MEETINGS FOR NETWORKING:

For creating effective networking within the community, it was decided to conduct two different types of meetings in each target school: with the communities and SMCs.

MEETINGS FOR NETWORKING:

The introductory meetings with the SMCs of all target schools were held at AEO offices of Sihala, Nilore and Tarnol sectors.

The principals were informed by their AEOs to join the meeting with SMC members of their respective schools.

During these meetings, it was found that there is less involvement of SMCs in school related matters, particularly in enrollment campaigns.In these meetings, the SMCs were given the target to gather the community in their schools and suggest a suitable date for a meeting with the AEO and DIL team. The details about the general occupations and source of income of the community members, as well as possibilities of enrollment increase were discussed regarding all target schools. This basic information was helpful for the community meetings. The SMC members further conducted meetings in Mosques and the Molana Sahiban addressed the importance of girls' education in Jummah Khutba.

Meeting with Principals at AEO Office Sihala

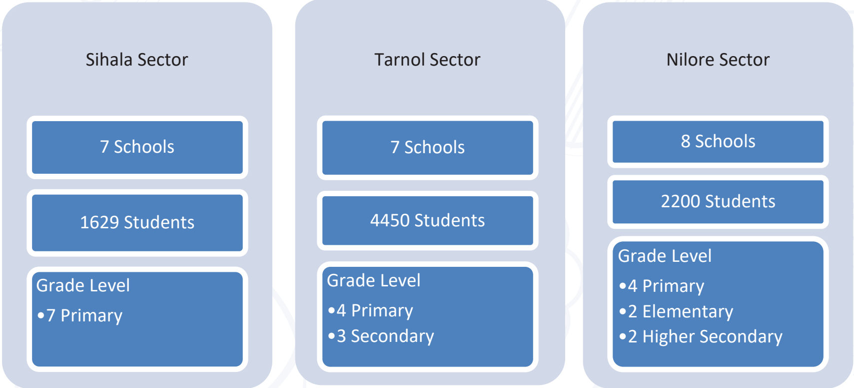
Meeting with the SMC of IMSG Sevra (Nilore Sector)

FDE - UNESCO PROGRAM

INTRODUCTION

Subsequent to the in-depth review and qualification of Developments in Literacy (DIL)'s technical and financial proposal submitted in response to the subject RFP, a partnership agreement was signed with UNESCO on 24th October 2022. With the support of UNESCO, DIL facilitated FDE to hire teachers and run awarenesscampaigns to promote girls' education. The Area Education Officers of Sihala, Nilore and Tarnol sectors recommended 9 schools for this intervention, where DIL could work closely with the SMCs and communities.

DIL organized 4 awareness walks to promote girls' education, 3 walks in communities suggested by the sector Area Education Offices and one walk in a community at the recommendation of FDE.



Awareness Walk to promote Girls Education at FDE (UNESCO Project)

STATUS OF THE ACTIVITIES

S#	Activity	Target	Achieved
1	Teachers	32	32
2	Meetings for network-	28	28
3	Meetings with AEOs	9	9
4	Awareness Walks	4	4

TEACHER HIRING

After completion of the baseline survey, the next step was the hiring of 32 primary teachers for the selected schools. The number of required teachers was finalized after analyzing the data of teachers' workload and the student/teacher ratio of the schools, as suggested by the AEOs.

The AEO collected CVs from their respective sectors. The tests and interviews were conducted separately in Sihala, Tarnol and Nelore sectors. To ensure complete transparency of the process, DIL master trainers, trainers and project team, (including project manager and two school officers), were involved, whereas AEOs, designated principals and FDE team not only facilitated the whole activity, but also participated in the hiring process. A total of 85 candidates appeared for the test and interview, on the rather short notice; 32 candidates, who met the criteria and agreed to join by 31st May, 2023, were appointed.

GIRL SCHOOL ENROLLMENT CAMPAIGN IN PARTNERSHIP WITH UNESCO

In rural areas, many girls face significant barriers to accessing education. To address this, Developments in Literacy (DIL) launched a concerted effort to enroll girls in schools, focusing on community engagement and collaboration with local education officers. This campaign was strengthened by a partnership with UNESCO, formalized on October 24, 2022. Through this collaboration, DIL received both technical and financial support to promote girls' education and expand its outreach.

As part of the FDE-UNESCO Program, DIL worked closely with the Federal Directorate of Education (FDE) to hire teachers and run awareness campaigns in the Sihala, Nilore, and Tarnol sectors. The Area Education Officers recommended nine schools for intervention, where DIL could collaborate with School Management Committees (SMCs) and local communities to address enrollment challenges.

DIL organized four awareness walks, three in communities suggested by the Area Education Offices and one at the recommendation of FDE. These walks, held between March 20th and 30th, were key in mobilizing support for girls' education. In tandem, meetings were held with SMCs and community leaders to further engage stakeholders in the campaign. Religious leaders also supported the initiative by addressing the importance of girls' education during Friday sermons, amplifying the message throughout the community.

This partnership with UNESCO not only helped increase school enrollment but also built a stronger, more sustained commitment to girls' education in rural areas.

SCHOOL ON WHEELS

PROJECT OF FDE

School on Wheels: Bringing Education to Out-of-School Children

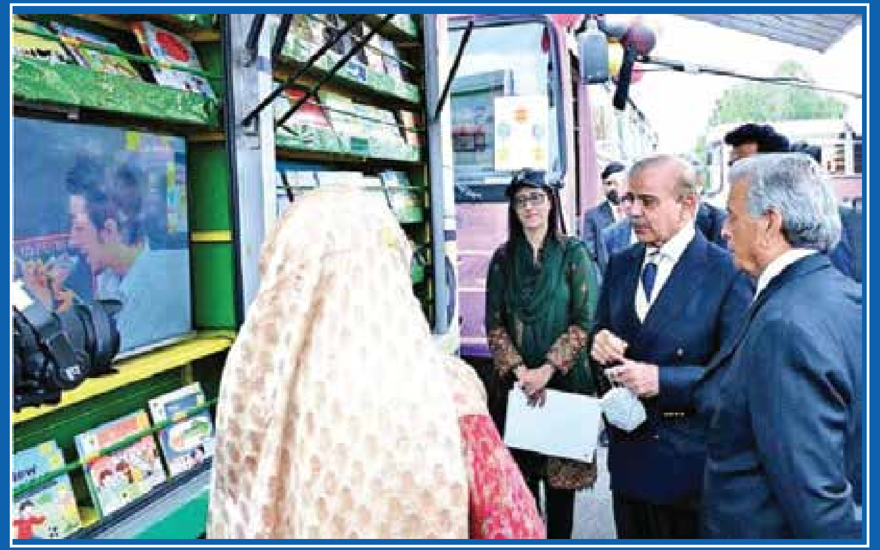
Access to early childhood education is a critical issue in rural and underserved regions of Pakistan. In response to this need, the Federal Directorate of Education (FDE) launched the School on Wheels program in the Islamabad Capital Territory (ICT) region, introducing two mobile Early Childhood Education (ECE) vans. These vans, one serving Nilore and the other Tarnol, have been refurbished and converted into fully equipped mobile classrooms, bringing education directly to out-of-school children in areas with limited access to formal schools.

DIL was invited to collaborate on the project, providing two dedicated ECE teachers per van. Each van was also equipped with DIL's comprehensive ECE teaching kits, which included flashcards, play materials, and stationery for engaging, activity-based learning. Additionally, Montessori equipment was procured to enhance the quality of early learning offered in these mobile classrooms.
This initiative is an innovative solution to the challenges of educational access, reaching children in

ECE Teachers engaging students using various strategies inside the van as well as through outdoor activities

PRIME MINISTER OF PAKISTAN VISITED OUR PROJECT "SCHOOL ON WHEELS"

An inauguration ceremony of School on Wheels was done in PM Office by the his excellency Prime minister of Pakistan Mr. Shehbaz Sharif. He admired the idea of mobile library with the mobile ECE classes. Before the final rehearsal, two rehearsals were done in IMSG F7/2 by the Secretory of education and Education Minister of Pakistan.



DIL REPRESENTATION IN THE READING FESTIVAL BY FDE

The Ministry of Education and FDE organized a Reading & Learning Festival in the Pak-China Center Islamabad. It was 3 days event where DIL set up a stall and the Mobile library was displayed in the open area. More than 500 students visited the stalls and participated in different reading activities, whereas 80+ students participated in the Reading challenge. The students were given opportunity to select a book and read it in their decided time. They had to give answers related to the book or write a short review of the book. These activities attracted the audience and people took great interest in DIL's stall and mobile library.

UNESCO GRANT FOR FDE SCHOOLS

DIL was selected for a UNESCO grant for hiring and training primary grade teachers for FDE schools. It is a short-term project with a total cost of PKR 8.6 million where we will provide training to 30 teachers in 10 government schools for one year. The funds will cover some of our staff and overhead costs for the duration of the project. DIL was issued an RFP for the project at the strong recommendation of our focal person who was the former Deputy Director General at FDE.

The project activities were completed on 30th May, 2023. A lessons learnt workshop was conducted for analyzing challenges and successes. All deliverables were attained as given below:

- 32 teachers were hired in 22 schools in 3 sectors of FDE (for six months) and trained on pedagogy
- Enrollment campaigns in 9 schools in three sectors through
- Local networks in the 9 schools in three sectors
- 4 enrollment walks (one in each sector and 1 at the FDE level)
- 10 radio messages were broadcast on FM Power 99 over 40 times over a period of one month in April for boosting enrollment
- Learning kits were procured for 100 deserving students

Challenges and concerns: Short duration of the project (six months contract with teachers) was an issue as candidates were not willing. Sustainability with regards to the candidates' adjustment after project closure was also an issue.

FDE Students participating in enrollment walks

SCHOOL REBUILDING KHAIRPUR

The summer floods of 2022 severely impacted our partners' (IRC & NOWA) schools and communities in District Khairpur, one of the worst hit districts of Sindh. DIL teams immediately started identifying needy flood affected families and mobilized rehabilitation support for the schools and communities. After the initial relief work for families in the form of ration bags, tents, mosquito nets, etc. DIL decided to focus on the rehabilitation of our schools. As per our estimate, a total of PKR 31.8 million was required for rebuilding and repair work in all the schools, this included the construction of 13 new classrooms for NOWA, 3 new classrooms for IRC, and structural repairs to the buildings as well as the cost of procuring furniture & fixtures and repairing school facilities e.g. IT labs, libraries, science labs, TEAL AV rooms, etc.

The rehabilitation work was divided into two phases;

- Phase I for repairs of buildings and facilities and procurement of damaged furniture and fixtures
- Phase II for capital works and reconstruction

All work listed under Phase I has been successfully completed and now we are getting ready for the reconstruction work. For NOWA, we will be focusing only on 3 schools that will be retained and directly managed by DIL. For IRC also, we have come to an understanding with their Founder & Board on the division of schools in case the partnership ends and based upon this division, DIL will be going for construction in two schools that will eventually come to DIL. Layout and maps for all four schools have been finalized and assessment of work done accordingly. Quotations from local contractors have been received and we will be moving ahead with the final award of contract to initiate the work immediately.

ADOPTION OF 5 SCHOOLS FROM SCHOOL EDUCATION DEPARTMENT – RAWALPINDI

The adoption of schools in Rawalpindi was awaiting approval from the DC Office since June 2022. Finally in March, after many follow up meetings, and on the instructions of the DC Office, a model school set up to showcase DIL's interventions and quality. A school visit was arranged for the Additional Deputy Commissioner (ADC), and a report then submitted to the DC along with a PowerPoint presentation and picture gallery. DIL's interventions were much appreciated and, finally, the MOU for 5 schools signed off immediately after this. We will be setting up ECE rooms and libraries and deploying TEAL in the summer break in these schools. A total of 4879 students from grade Nursery to Grade 12 will benefit from DIL's interventions in these schools.

Teal AV Room in Model SED Rawalpindi

ADOPTION OF 5 SCHOOLS FROM SCHOOL EDUCATION DEPARTMENT – RAWALPINDI

DIL applied for the adoption of 6 School Education & Literacy Department (SELD), Sindh under their Education Management Organizations (EMOs) project. Many organizations including Beaconhouse, Indus Resource Centre, etc. are already managing government adopted schools under the first phase of this project. When the second phase was announced, DIL decided to apply and we have submitted a technical and financial proposal for a quality and cost-based selection. The results for the final selection will be announced soon. If successful, DIL will get the full management control of these schools and all costs will be covered by SELD on a quarterly reimbursement model.

SIGNING OF MOU WITH MOMINA & DURAID FOUNDATION

DIL has signed an MOU with Momina and Duraid Foundation for providing technical support to 27 public school campuses in Karachi. Requirement gathering was done in the schools in January following which, a comprehensive Training Needs Assessment report was shared with them including our findings and recommendations for improving the quality of education in the schools. The team identified many gaps in infrastructure and staffing and these have been communicated to the Foundation as well. We will be deploying our ECE, Libraries, RGRK, TEAL and training programs in the schools. We are regularly following up with our focal person and implementation will start as soon as we get a go ahead for roll out from their side. A total of 220 teachers and 3409 students will benefit from this project.

FGD with Teachers in M&D Foundation

JUNAID FAMILY FOUNDATION – FAISALABAD

DIL received a request for providing technical support to a public school in Jaranwala, Faisalabad, that is being financially supported by Junaid Family Foundation. The family supports DIL through donations and we have already communicated to them that we adopt schools in clusters. The family has agreed to help us identify nearby government schools for forming a cluster of 5 to 7 schools and help build inroads with the local education department. A team of program and subject experts visited the school in May in order to conduct a feasibility study for adoption. A comprehensive report based upon our findings and recommendations has been submitted to the Foundation.

STATUS UPDATE ON OTHER LEADS

Adoption of 5 additional schools from School Education Department in Lahore is almost finalized; draft of the MOU is approved and the document is being submitted to the Education Department for signing. Hopefully, we will be able to initiate activities after summer break.

LIBRARIES AND READING PROGRAM

DIL's Libraries and Reading Program managed 139 school libraries across both DIL and partner government schools in 2023. Of these, 105 libraries offered access to our e-library and the Read to Grow, Read to Know (RGRK) tablet reading program. The primary goal of these libraries is to cultivate a love for reading and provide high-quality reading materials to support this mission. In 2023, we enhanced our offerings for middle and secondary students while also preparing to expand into six additional government schools.

READ TO GROW READ TO KNOW (RGRK)

The Read to Grow, Read to Know program continued its expansion in government schools throughout 2023. In partnership with the Federal Directorate of Education (FDE), RGRK was introduced to 27 new schools, bringing the total to 46 government schools in Islamabad. Overall, in 2023 RGRK was implemented in 101 schools, positively impacting 14,693 students—more than half of whom are girls.

In Her Own Words

Khadija, a student at DIL Model School Shahjeevan, shared how RGRK has helped her improve her reading skills:

"My name is Khadija, and I am a student at DIL Model School Shahjeevan. I used to struggle with correctly pronouncing English words, but reading stories on tablets has helped me improve. The apps in our digital library, especially Starfall, are very helpful. Now, I no longer shy away from reading new stories because I can listen to the pronunciation of words as I read them."

GATEWAY PROGRAM
TRANSFORMING LIVES THROUGH LIFE SKILLS

Students Take Flight:
Accomplishments in 2023 reflect DIL's multi-pronged approach to develop the aspirations of students and graduates by building a runway from school to career. Opportunities provided to students include life-skills workshops, mentorship, career guidance, parental engagement, exposure visits, higher education scholarships, and targeted professional development for DIL alumni. In addition to developing programing in-house, DIL also partners with other organizations to address related health and mental wellbeing needs of students, parents and graduates.

Life Skills Program for Students:
DIL nurtures life skills among students by organizing weekly sessions on themes like leadership, confidence building, communication and negotiation skills, resilience, and other topics. In 2023, life skills sessions were conducted with 546 students across schools in RRP, ICT, Orangi, Khairpur, Mansehra, and Dir. As a follow-up to these sessions, Community Action Projects were developed by the students to practically apply their acquired skills. These projects allowed students to apply problem-solving and decision-making skills to address pressing issues within their communities, such as the protection of school property, the importance of education, and the negative impact of early

marriages. By engaging in these projects, students contributed to their communities' development while enhancing their own learning experience.

Capacity Building Sparks Mentorship:
In 2023, DIL partnered with Girls 4 Girls (G4G) Islamabad to provide a four-day mentorship training for our Life Skills Trainer. The training addressed several key challenges, including the identification of role models and the setting of clear learning goals. Mentees were guided on defining specific objectives to maximize their mentorship experience. Additionally, the program focused on overcoming social barriers and improving communication techniques to facilitate meaningful discussions – a critical skill for enhancing DIL's Life Skills programming.

The mentorship program provided valuable motivation and guidance, helping mentees navigate these challenges and equipping them with tools for personal and professional growth. Most importantly, this capacity-building partnership provided a template developing a mentor program for DIL secondary students and graduates to be piloted in 2024.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DIL ALUMNI AFFAIRS PROGRAM

CONNECTING DREAMS BUILDING FUTURES

Scholarships and Transitioning to Higher Education

- 103 DIL graduates were admitted to universities in 2023, with 100% of these students receiving full tuition support from DIL. Additionally, transport allowances were provided to students when requests were verified and approved by the scholarship committee.
- Under the UGo-funded project, 170 female students received scholarships for higher education (college and university). DIL also supported 55 additional graduates through its own scholarship program, including students in higher secondary education and males pursuing Bachelor's degrees.

Alumni Support:

In December 2023, alumni networking events were successfully held in Orangi and Khairpur, bringing together 50 participants from Orangi and 25 from Khairpur (IRC). These events aimed to foster connections among DIL-supported scholars and graduates, creating opportunities for professional development and career advancement.

The program featured sessions on essential career skills such as personality development, resume building, and employability strategies. A special session on mental wellbeing through art therapy, led by partner Parindey, was included to address mental health and provided techniques for managing stress through creative expression.

Feedback from participants was overwhelmingly positive, with many highlighting the practical tools for career advancement and the focus on mental wellbeing. There is strong interest in organizing similar initiatives in the future.

Achievements of DIL Alumni:

- Waniya Ahsan, a 2016 DIL graduate, completed her fully-funded Bachelor's in Education from the Government Elementary College for Education in 2023 through a program managed by Durbeen, a non-profit dedicated to quality teacher education. She also passed the inaugural Sindh Teaching License exam and is now a BPS-16 Government Elementary School Teacher. Waniya aims to pursue an MPhil in Teacher Education at the University of Karachi.

- Amna Iqbal, a graduate from Orangi, was awarded a scholarship from NED University for maintaining a perfect 4.0 GPA.

- Muskan Fatima consistently excels in her studies and served as a group representative during one semester, showcasing her leadership skills. She is now leading the social media team for the Faculty of Aerospace and Strategic Studies Annual Conference 2024.

- Faiza Bibi received a university scholarship for her outstanding academic performance.

- Alishba Nasir earned a scholarship reducing her university fees by 33% due to her exceptional academic results.

- Areeba Zahid has inspired her peers and secured a place on the University Dean's Honor List.

We are proud of the hard work and accomplishments of our students and graduates. Through the support we have been able to provide with the help of generous donors, DIL graduates are able to take flight, soaring toward a new trajectory in their lives.

CAREER GUIDANCE

- In 2023, 191 career guidance sessions were delivered to 1228 students of Grade 8, 9 and 10 and DIL graduates from Orangi, IRC, NOWA, ICT, RRP and Manshera. These sessions helped the students set a career goal while identifying their own strengths and challenges. Additionally, a skills assessment database was created for each student to give them focused counselling as per their subjects and eligibility.

- One on one sessions with 534 parents were done to share about the future goal and prospects for their child. This session helped in gaining parents' support towards higher education especially for the girls.

- An exposure visit for DIL graduates was facilitated at Iqra University North Campus in the 3rd Quarter, which has created awareness of diverse field of study in Media Science, Business and Management Science, Medical Sciences, along with Computer Science and Engineering. This exposure visit has been source of network

Cohort-I Scholars from DIL Farash School and Community with Principal and Ms Sana Arshad LSTF - ICT RRP

U-GO SCHOLARSHIP PROGRAM OVERVIEW

DIL and U-Go collaborated in May 2022 intending to encourage and support promising young women from marginalized communities to pursue higher education. In the first agreement year from June 2022 to May 2023, DIL and IRC partnered together with U-Go to provide 100 scholarships (75 DIL; 25 IRC). However, due to the devastating floods in interior Sindh in July and August 2022, IRC was unable to do the surveys and DIL took over the sole responsibility of identifying 100 dedicated students (referred as Cohort 1 in this report) to receive the funds given by U-Go; due to representation of IRC communities was ensured.

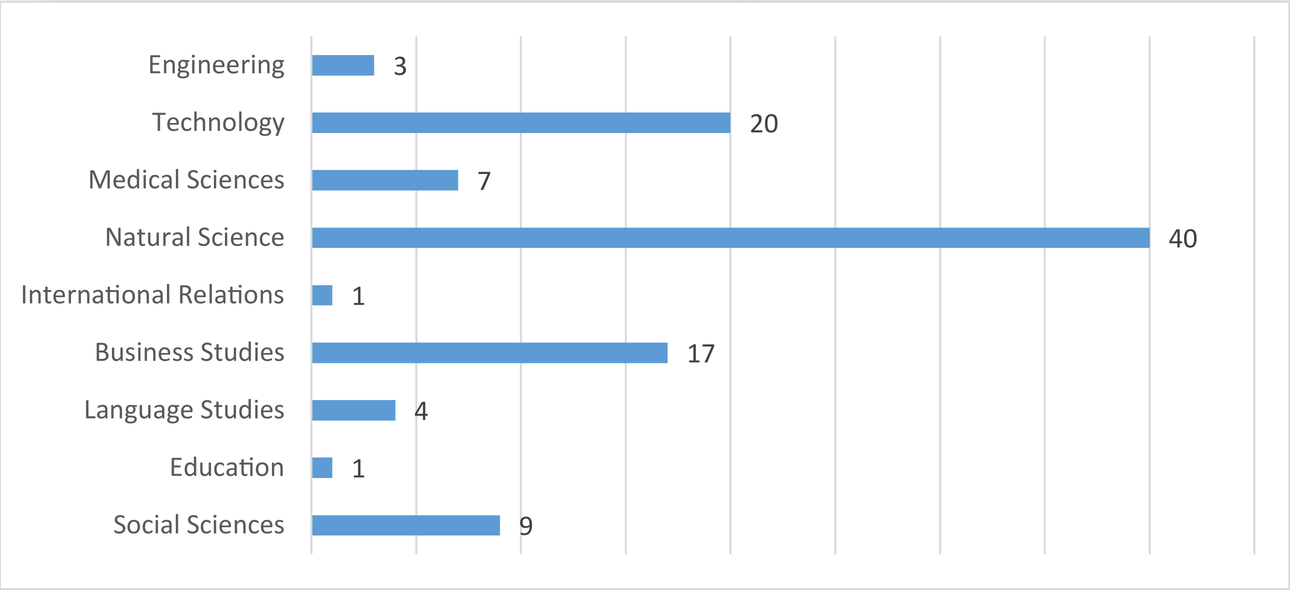
An extensive outreach campaign was conducted from June 2022 to January 2023 in all DIL and IRC communities. This enabled DIL to identify and support 102 qualifying females to pursue higher education from all over Pakistan, including marginalized communities from Rawalpindi, Islamabad, Karachi, Khairpur, Thatta and Hunza. As a result, DIL received funds to provide scholarships to additional 130 females (hereby referred as Cohort 2) for the batch of 2023-2024.

To successfully run the program, a dedicated post for U-GO Coordinator was introduced and hired in September 2022 for Cohort 1. As the program expanded in 2023, a second position for the U-Go Coordinator was hired and responsibilities were divided between North and South region. Additionally, DIL

U-Go is a university scholarship program initiated by Room to Read to help ambitious and promising young women in low-income countries pursue higher education by providing financial scholarships funded by individuals and corporations. DIL has secured a grant for supporting 100 girls for 4 years of their university education @ 750 USD per student per annum. For the session 2022-23, DIL will receive approximately PKR 16.6 million and total funding for the project over the 4 years will amount to around PKR 66.3 million. The project will be managed by our Graduate and Alumni Affairs team. We have hired a field coordinator for the project and initiated the induction of deserving girls that meet the eligibility criteria for the scholarship program.

A total of 102 girls are receiving scholarships under this program. 80 scholars were inducted in the fall 2022 semester and the remaining scholars in the spring 2023 semester. Details of the fields of study selected by the scholars are provided in the chart below:

Chart : Number of Scholars in Various Study Programs




تجھ سے نام ہمارا ---

SUCCESS STORIES FROM SCHOLARS

Mohsina Gul belongs to the marginalized community of Chaol Pattan, Islamabad Pakistan. She lives with a family of 7; her family's expenses are dependent on farming, with a monthly income of $125 only. Despite living in such tough conditions, where basic necessities are also a struggle, Mohsina's father has always been a supporter of female education. She completed her Matriculation from a community school run and managed by DIL (Developments in Literacy). Later, she completed her Intermediate in Computer Science on scholarship. Currently, Mohsina is pursuing her degree in Bachelor of Science in Software Engineering from Iqra University, Islamabad, Pakistan.

Mohsina is a hardworking student who scored a 3.7 GPA in her 1st semester and 3.8 GPA in her second semester of the bachelor's program and aims to promote coding and programming among young girls and youth from her community so they can contribute to the digital era. Mohsina is currently working on a digital identity project under Youth Empowerment by the Iqra University under the umbrella of the Government of Pakistan. She believes in paying back the community despite all the struggles and low financial resources.

Areeba Zahid, A DIL alumni belonging to one of the underprivileged areas of Rawalpindi, it has always been a challenge for her to pursue her education due to lack of adequate support and guidance. However, the U-Go Scholarship has provided her with a positive opportunity to fulfill her dream of higher education, making her one of the first females in her community to strive for this goal.

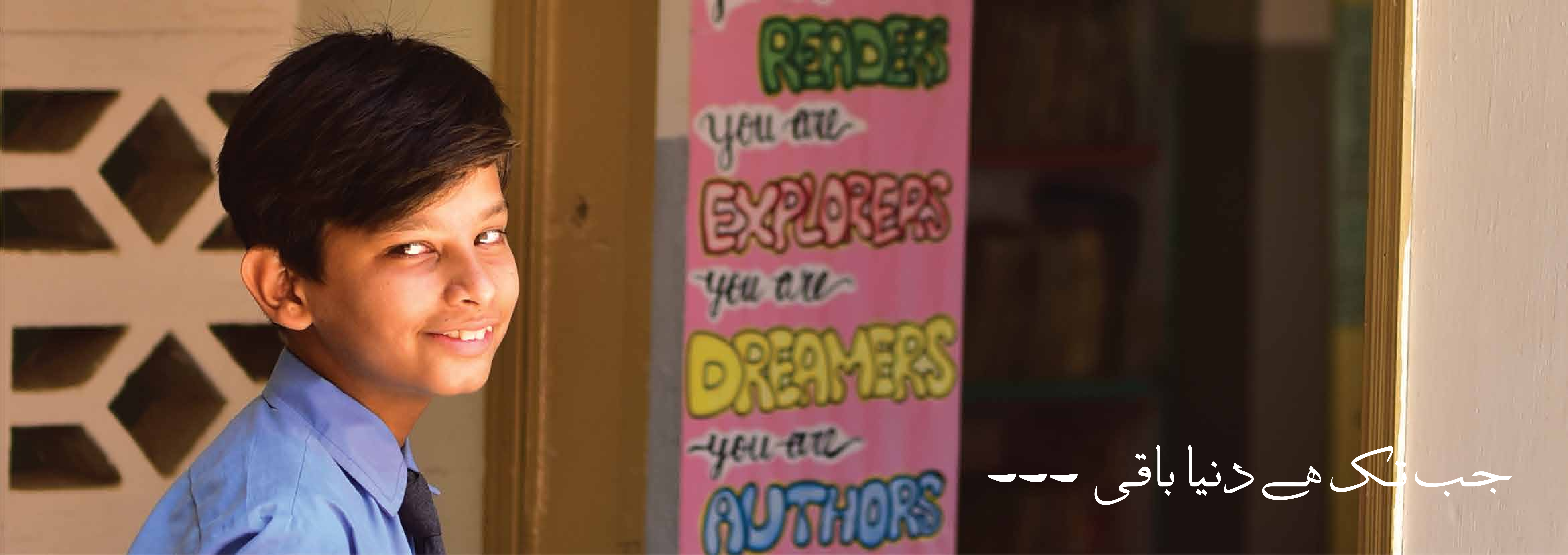
Her dedication and commitment to her studies have yielded exceptional results, as she achieved an impressive 4.0 GPA in her first semester, earning her a place on the Dean's Honor list. This remarkable achievement has not only brought pride to her family but has also garnered appreciation from her community members

With her passion for education and a strong desire to make a difference, she aspires to become an entrepreneur and create opportunities for other female community members. She aims to empower and uplift the women in her community, breaking barriers to progress. Her determination and success serve as an inspiration to others, highlighting the transformative power of education and the possibilities it holds for personal as well as community development.

First Aspiring Female Dentist from Orangi Town, Karachi

Ifrah Urooj, a trailblazer from Orangi Town in Karachi, is breaking barriers and pursuing her Bachelor of Dental Surgery. As the first female from her community to embark on this educational journey, Ifrah's pursuit of higher education has been made possible through the support of the U-Go Scholarship program.

By choosing to pursue a career in dentistry, Ifrah is not only fulfilling her own aspirations but also serving as an inspiration to other girls in Orangi Town. Her pursuit of higher education in the field of dentistry is a significant achievement, highlighting the transformative power of education and the opportunities provided by the U-Go Scholarship program.
Ifrah's journey as a dental student symbolizes progress and empowerment for girls in underprivileged areas. Her determination and commitment to her chosen field will not only contribute to her personal growth but also positively impact the oral healthcare landscape in her community.



جب تک ہے دنیا باقی ---

NEWS & EVENTS

PARTNERSHIP WITH TECHVALLEY FOR GOOGLE CERTIFIED COURSES (GCC)

DIL has partnered with TechValley for providing 100 slots for free Google certified Courses (GCC) on Coursera. 97 DIL graduates, teachers and team members have enrolled for these courses which include Data Analytics, Business Analytics, Project Management, E-Marketing, etc. TechVa lley is very happy with us for inducting candi-dates on such a short notice and they have expressed their interest in increasing our slots in the next phase. DIL IT department is regularly tracking the progress of the candidates in order to ensure the completion within the stipulated time.

Rangoonwala Trust, who has provided us with free office space in Karachi, is also collaborating with us in this project. DIL will facilitate them by enrolling their candidates on our portal, however, they will be completely responsible for the induction and progress tracking of their candidates without any implications for DIL.

PARTNERING WITH TEACH THE WORLD FOUNDATION (TTWF)

TTWF is running a primary grades digital program for out of school children. They set up one room learning centers with one teacher or facilitator and provide devices to the students who access and work through the content at their own pace. DIL is keen to pilot their content in two mainstream schools in Orangi. Devices are being procured and the pilot will be initiated in August, 2023. This will help us evaluate their content for using in our schools. There is also potential for adjusting the primary grades graduates from their learning centers into DIL elementary schools, after they qualify their final assessment. Also, TTWF is going to pilot its program in 25 SEF supported schools and we have requested them to include DIL SEF schools in Karachi and Khairpur in this intervention. DIL will share a list of its schools in both regions, and schools will be selected based upon the availability of space and competent staff.

PARTICIPATION IN THE TEXTBOOK REVIEW COMMITTEE

DIL subject specialists participated in the internal review of model textbooks for grades 1 to 5 at the National Curriculum Council (NCC) of the Ministry of Federal Education and Professional Training (MoFEPT).
Math Books published by the National Book Foundation were reviewed by a team of subject specialists from NCC and private sector experts. DIL was the only nonprofit organization that participated in the activity. Our team members and DIL were named on the textbooks.

PARTICIPATION IN CSR SUMMIT & AWARDS BY HABIB METRO BANK

DIL set up a branding stall in the CSR summit organized by Habib Metro Bank. DIL's marketing material was displayed with a running PowerPoint presentation showcasing our work. The team present at the stall shared information on our various programs and responded to the questions of visitors. It was a good opportunity to gain visibility and expand our network as many high-profile entities were being represented.

SESSIONS ON FINANCIAL LITERACY BY HABIB METRO BANK

Two sessions on financial literacy were organized by Habib Metro bank in Orangi and RRP/ICT projects. In Islamabad, the session was organized in the head office where 30 participants were in attendance, a mix of teachers and DIL graduates. In Karachi also, there were 30 participants, teachers and graduates. Facilitation support was provided to the participants in opening bank accounts through a fast-track mode.

DIL Stall Setup in CSR Award Summit

DIL KARACHI CHAPTER FUNDRAISING EVENTS

The DIL KARACHI CHAPTER organized two impactful events in 2023, showcasing their dedication to education. The successful "Fundraiser" and a 'Khelo Dil Sey' sports night brought together prominent business leaders and members of civil society, uniting them in support of a noble cause. These events not only raised vital funds but also increased brand awareness, ultimately enabling underprivileged students in DIL's programs to access quality education and unlock a brighter future."

DIL LAHORE CHAPTER FUNDRAISING EVENT

In 2023, the DIL LAHORE CHAPTER demonstrated exceptional dedication to the cause of education, hosting two separate fundraising events. These events brought together collective support, raising signif icant funds to support the education of underprivileged students. The success of these events testified to the chapter's unwavering commitment to empowering marginalized communities through education.

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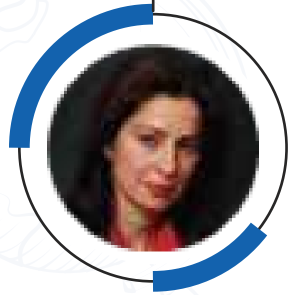
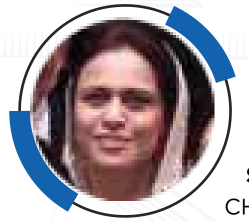
SENIOR MANAGEMENT TEAM

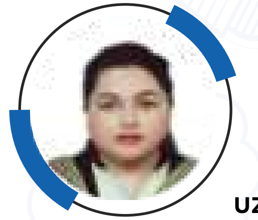


FIZA SHAH
CEO



SADIA HASHIR
CHIEF OPERATING OFFICER

SAIMA SHAHID
SENIOR CURRICULUM MANAGER



UZMAA HAMEED
MANAGER TEAL

ABID ALI
FINANCE DIRECTOR

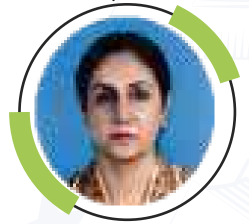
SYED ALI IJAZ
SENIOR MANAGER ICT PROGRAMS

WASIM KHAN
NETWORK ADMINISTRATOR

FARHAT NADEEM
TRAINING DIRECTOR

KHALID EMMANUEL
SENIOR TRAINING MANAGER

QURATULAIN
MANAGER LIBRARIES & READING PROGRAMME

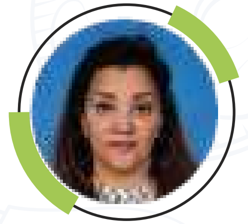


ZEBA SHAFI
PROGRAMME DIRECTOR

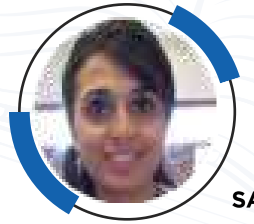
RAHIM KHAN
SENIOR PROGRAMME MANAGER

ABDUL RAUF
SENIOR M&E OFFICER

KASHIF FARID
SENIOR MANAGER HR/ADMIN & PROC



CAROLINE FARIA
MANAGER GATEWAY PROGRAMMES



SARAH ADAM ALI
MANAGER ALUMNI AFFARIS

ANEES AWAN
SENIOR MANGER BD & C

OUR FINANCIALS

GrantThornton

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of Developments in Literacy (the Society), which comprise the statement of financial position as at December 31, 2023, and the statement of income and expenditure, the statement of comprehensive income, the statement of cash flows, the statement of changes in funds for the year then ended, and notes to 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 the Society as at December 31, 2023 and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

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 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 Standard 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 these requirements. 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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is 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 going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the management either intends 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's financial reporting process.

GrantThornton

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 statement.

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 the material misstatement of the financial statement, 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, if any, and related disclosures made in the financial statements 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 relating to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that 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.

Grant Thornton Anjum Rahman
Grant Thornton Anjum Rahman
Chartered Accountants
Date: September 27, 2024
Islamabad
Engagement Partner: Waqas Waris
UDIN: AR202310209xj6cgWF3z

DEVELOPMENTS IN LITERACY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	Note	2023 (Rupees)	2022 (Rupees)
NON-CURRENT ASSETS			
Property and equipment	4	193,052,648	174,407,461
Intangible asset	5	71,216	89,020
Right of use asset	6	4,002,257	5,040,490
Long term deposits and prepayments	7	390,000	277,978
		197,516,121	179,814,949
CURRENT ASSETS			
Advances - unsecured, considered good	8	2,581,801	2,834,728
Short term deposits and prepayments	9	9,051,895	4,287,676
Receivable from donor	10	7,118,238	7,338,313
Income tax refundable		2,250,000	-
Inventory	11	3,147,435	13,572,000
Cash and bank balances	12	310,060,690	206,845,502
		334,210,059	234,878,219
TOTAL ASSETS		531,726,180	414,693,168
FUND			
Restricted fund/grants	10	205,619,947	161,005,649
NON CURRENT LIABILITIES			
Deferred capital grant	13	193,123,864	174,496,481
Lease liability	15	4,266,273	1,691,963
Deferred liabilities	16	89,148,223	54,535,878
		286,538,360	230,724,322
CURRENT LIABILITIES			
Current portion of lease liability	15	701,460	5,752,632
Accrued and other liabilities	17	38,866,413	17,210,565
		39,567,873	22,963,197
TOTAL LIABILITIES		326,106,233	253,687,519
TOTAL LIABILITIES AND FUND		531,726,180	414,693,168
CONTINGENCIES AND COMMITMENTS	18		

The annexed notes from 1 to 25 form an integral part of these financial statements.

Trustee

Trustee

DEVELOPMENTS IN LITERACY
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	2023 (Rupees)	2022 (Rupees)
INCOME			
Grant income recognized			
- Education and other program activities	10	545,392,443	443,512,898
Amortization of deferred capital grant	13	17,108,144	19,511,822
School fee income	14	924,770	1,947,184
		563,425,357	464,971,904
EXPENDITURE			
Program expenses	19	514,990,493	428,982,144
General and administration expenses	20	44,793,142	28,257,757
Fundraising expenses	21	3,641,722	7,732,003
		(563,425,357)	(464,971,904)
EXCESS OF INCOME OVER EXPENDITURE		-	-

The annexed notes from 1 to 25 form an integral part of these financial statements.

Trustee

Trustee

DEVELOPMENTS IN LITERACY
STATEMENT OF COMPREHNSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 (Rupees)	2022 (Rupees)
EXCESS OF INCOME OVER EXPENDITURE	-	-
OTHER COMREHENSIVE (LOSS) FOR THE YEAR		
Re-measurement (loss) on employees' defined benefit plan	**(19,628,674)**	-
TOTAL COMPREHENSIVE (LOSS) FOR THE YEAR	**(19,628,674)**	-

The annexed notes from 1 to 25 form an integral part of these financial statements.

Trustee

Trustee

DEVELOPMENTS IN LITERACY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	2023 (Rupees)	2022 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES			
Excess of income over expenditure		-	-
Adjustments for:			
- Restricted grant recognized as income	10	**(545,392,443)**	(443,512,898)
- Deferred capital grant recognized as income	13	**(17,108,144)**	(19,511,822)
- Depreciation on fixed assets	4	**17,090,340**	19,489,567
- Amortization	5	**17,804**	22,255
- Depreciation on right of use asset	6	**3,876,700**	4,519,137
- Provision for gratuity	16	**14,983,671**	54,535,878
- Finance cost - interest on lease liability	15	**681,303**	1,086,004
		(525,850,769)	(383,371,879)
Changes in:			
- Advances		**252,927**	2,282,835
- Short term deposits and prepayments		**(4,764,219)**	(2,530,892)
- Long term deposits and prepayments		**(112,022)**	783,933
- Inventory		**10,424,565**	(13,572,000)
- Accrued and other liabilities		**21,655,848**	7,836,720
Cash generated / (used in) operating activities		**27,457,099**	(5,199,404)
Grant received during the year	10	**620,106,062**	568,196,539
Interest received during the year		**23,234,955**	15,458,675
Net cash generated from operating activities		**144,947,347**	195,083,931
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure - property and equipment	4	**(35,735,527)**	(129,682,686)
Net cash used in investing activities		**(35,735,527)**	(129,682,686)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability	15	**(5,996,632)**	(6,348,941)
Net cash used in financing activities		**(5,996,632)**	(6,348,941)
Net increase in cash and cash equivalents		**103,215,188**	59,052,304
Cash and cash equivalents at beginning of the year		**206,845,502**	147,793,198
Cash and cash equivalents at end of the year	12	**310,060,690**	206,845,502

The annexed notes from 1 to 25 form an integral part of these financial statements.

Trustee

Trustee

DEVELOPMENTS IN LITERACY
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	Restricted fund/grant
Balance as at January 01, 2022		159,152,469
Restricted funds received during the year	10	583,655,214
Transferred to statement of income and expenditure	10	(443,512,898)
Transferred to deferred capital grant	10	(129,682,686)
Change in receivable fund donor during the year	10	(8,606,450)
Balance as at December 31, 2022		**161,005,649**
Restricted funds received during the year	10	**645,591,017**
Transferred to statement of income and expenditure	10	**(545,392,443)**
Transferred to deferred capital grant	10	**(35,735,527)**
Change in receivable fund donor during the year	10	**(220,075)**
Other comprehensive loss	10	**(19,628,674)**
Balance as at December 31, 2023		**205,619,947**

The annexed notes from 1 to 25 form an integral part of these financial statements.

Trustee

Naveen Iqbal
Trustee

DEVELOPMENTS IN LITERACY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1 THE SOCIETY AND ITS OPERATIONS

Developments in Literacy ("the Society") is a non-profit organization. The Society was registered in March 2003 under the Societies Registration Act, 1860.

The basic aim of the Society is to promote literacy among children who have no access to education and to encourage and facilitate the improvement and use of educational resources in literacy development in Pakistan. The Society does this by running its own schools and supporting the existing setup of primary schools, mainly in the rural areas with the focus on enrolling girls.

The principal office of the Society is situated at Plot 1-E, Street No. 11, Class III Market, G-11/1, Islamabad.

Society had signed a Memorandum of Understanding (MOU) with the Ministry of Economic Affairs which was valid up to April 09, 2022. The Society had initiated the process of getting its MOU renewed with Economic Affair Division (EAD), however the process is still pending.

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 approved accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and

- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017.

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is also the Society's functional currency. All financial information presented in Pak Rupees has been rounded off to the nearest Rupee.

2.4 Significant accounting estimates

The preparation of financial statements in conformity with the approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the 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

The areas where various assumptions and estimates are significant to the Society's financial statements or where judgment was exercised in application of accounting policies are as follows:

a) Determination of useful lives and depreciation / amortization of operating fixed assets (note 4 & 5)

b) Contingencies and commitments (note 18)

c) Right-of-use assets and corresponding lease liability (note 6 & 15)

2.5 Amendments and interpretations to accounting and reporting standards that became effective in the current year

There were certain amendments and interpretations to published accounting and reporting standards that are applicable for the financial year beginning on January 1, 2024 but does not have any significant impact on the Society's financial reporting and therefore, have not been disclosed in these financial statements.

2.5.1 Standards, interpretations and amendments to published approved accounting standards that are not yet effective and have not been early adopted by the Society.

Standards, interpretations and amendments to published approved accounting standards that are not yet effective and have not been early adopted by the Society.

	Effective date (annual periods beginning on or after)
- IAS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - (Amendments)	January 1, 2024
- IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements - (Amendments)	January 1, 2024
- IFRS 16 - Lease Liability in a Sale and Leaseback - (Amendments)	January 1, 2024
- IAS 21 - Lack of exchangeability – (Amendments)	January 1, 2025
- IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)	Not yet announced

The above standards, amendments and improvements are not expected to have any material impact on the financial statements of the Society for the future periods.

Further, following new standard has been issued by IASB which is yet to be notified by SECP for the purpose of applicability in Pakistan.

Standard	IASB effective date(accounting periods beginning on or after)
- IFRS 1 – First-time Adoption of International Financial Reporting Standards	January 1, 2024
- IFRS 17 - Insurance Contracts	January 1, 2026

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financials statements.

3.1 Property and equipment

These are stated at cost less accumulated depreciation and impairment loss, if any, except for free hold land which is carried at cost less impairment loss, if any. Cost of an item of property and equipment comprises purchase price, import duties and other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Depreciation is calculated on the reducing balance method, except leasehold land on which depreciation is calculated on straight line method, and charged to statement of income and expenditure to write off the depreciable amount of an asset over its estimated useful life at the percentages specified in note 4.

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

Gains and losses on disposal of property and equipment are recognized in the statement of income and expenditure.

3.2 Intangible assets

An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and that the cost of such asset can also be measured reliably. Intangible assets with finite useful life are stated at cost less accumulated amortization and impairment losses, if any.

Amortization of intangible assets, having finite useful life, is charged by applying diminishing balance method, so as to write off the cost of assets at amortization rate as mentioned in note 5 to the financial statements.

Subsequent expenditure is capitalized only when it increases the future economic benefit embodied in the specific asset to which it relates. All other expenditure is recognized in statement of income and expenditure as incurred.

3.3 Impairment of non-financial assets

The carrying amounts of the Society's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are 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. 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 Impairment losses are recognized in profit or loss.

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.

3.4 Leased assets

At the inception of a contract, the Society assesses whether a contract is, or contains, a lease. To assess whether a contract contains a lease, Society considers whether the contract conveys the right to control or use an identified asset by:

- The contract involves the use of an identified asset either explicitly or implicitly. The asset should be physically distinct or represent substantially all the capacity of the asset. If the supplier has the right of substitution, then the asset is not identified;
- The Society has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use; and
- The Society has the right to direct the use of the asset. The Society has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

Right-of-use assets

The Society recognizes a right-of-use asset and corresponding lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Society's incremental borrowing rate. Generally, the Society uses its incremental borrowing rate as the discount rate.

Lease payments in the measurement of the lease liability comprise the following: a). fixed payments, including in-substance fixed payments; b). variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; c). amounts expected to be payable under a residual value guarantee; and d). the exercise price under a purchase option that the Society is reasonably certain to exercise, lease payments in an optional renewal period if the Society is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Society is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if the Society changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash and bank balance.

3.6 Restricted grants

Grant received for specific purpose or imposes specified future performance, and bank interest thereon, are classified as restricted grants. Income from such grants is recognized, to the extent actual expenditure incurred against there. Expenditure against grants committed but not received is accrued and recognized as income, and is reflected as "Receivable from donor" when there is reasonable assurance that the Society will comply with the conditions attaching to such grants and the grants will be received. The unspent portion of such grants is reflected as "restricted grant" in the statement of financial position.

3.7 Deferred capital grants

Grants related to property and equipment and intangible asset are accounted for by setting up the grants as deferred capital grant. These grants are recognized as income on a systematic basis over the useful life of the related property and equipment and intangible asset.

3.8 Taxation

(i) Current

Current provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years which arises from assessments/developments made during the year, if any.

(ii) Deferred

Deferred tax is recognized using balance sheet liability method, providing for temporary differences between the carrying amounts if assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation. The Society recognizes a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilized.

The Society is registered as not for profit organization under section 2(36) of the Income Tax Ordinance, 2001. The Society is eligible for tax credit under Section 100C of the Income Tax Ordinance 2001 from donations, voluntary contributions, subscriptions and so much of the income chargeable under the head "income from business" as is expended in Pakistan for the purposes of carrying out welfare activities. Hence, the provision for current and deferred taxation has not been made in these financial statements.

3.9 Income recognition

Grant is recognized as income over such period as is necessary to match it with the related expenditure, on a systemic basis. Donations received for school support are deferred and recognized as income on a systematic basis to match them with the related costs that they are intended to compensate.

School fee / tuition fee from students is recognized on receipt basis.

3.10 Employee benefits

3.10.1 Short term employee benefits

The cost of short term employee benefits (those payable within twelve months after the service is rendered such as leave pay, bonuses) are recognized in the period in which the service is rendered and are not discounted.

3.10.2 Gratuity

The Society operates an unfunded gratuity scheme for all its employees who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to income. Recent valuation was carried out as at December 31, 2023 using the "Projected Unit Credit Method". The results of actuarial valuation are summarized in note 16 of these financial statements.

3.10.3 Provisions

A provision is recognized in the financial statements when the Society has a legal or constructive obligation as a result of past events 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 obligation.

3.11 Foreign currency transactions

Transactions in foreign currencies are accounted for in Pak rupees at the rate of exchange ruling on the date of transactions. All monetary assets and liabilities in foreign currencies are translated into Pak rupees at the rate of exchange prevailing on the balance sheet date. Exchange gain / loss is charged to current year's income.

3.12 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Society becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Society losses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of income and expenditure.

3.13 Financial assets

The Society classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVTOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

(i) Amortized cost

Assets that are held for collection of contractual cash flows where those cash flow represents solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognized directly in statement of income and expenditure.

(ii) Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognized in statement of income and expenditure in the period in which it arises.

3.14 Financial liabilities

The Society classifies its financial liabilities in the following categories:

- at fair value through profit or loss; and
- other financial liabilities

are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

(i) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Society has not designated any financial liability upon recognition as being at fair value through profit or loss.

(ii) Amortized cost

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of income and expenditure, when the liabilities are derecognized as well as through effective interest rate amortization process.

a) Offsetting

A financial asset and financial liability is off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

b) Impairment of financial assets:

The Society assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortized cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Loans, advances, deposits and prepayments
- Cash and bank balances

c) General approach for loans, advances and deposits and cash and bank balances

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward-looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognized when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognized without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

d) Simplified approach for trade receivables

The Society recognizes life time ECL on trade debts and contract assets, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

As the Society applies simplified approach in calculating ECLs for advances, short term deposits and other receivables the Society does not track changes in credit risk, but instead recognized a loss allowance based on life time ECLs at each reporting date. ECLs on these financial assets are estimated using a provision matrix approach adjusted for forward looking factors specific to the debtors and economic environment.

The Society recognizes an impairment gain or loss in the statement of income and expenditure for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

3.15 Finance income and finance costs

Finance income comprises profit on saving accounts which is recognized on a time proportion basis.

Finance cost comprises bank charges which are charged to statement of income and expenditure in the period in which they are incurred.

3.16 Fair value of financial instruments

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Board is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair Value Measurements' requires the Board to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

4 PROPERTY AND EQUIPMENT

	Note	Freehold land	Leasehold land	Buildings	Vehicles	Furniture and fixtures	Office equipment	Computers	Total
					(Rupees)				(Rupees)
Cost									
As at 1 January 2022		15,891,352	7,037,700	66,637,860	4,586,717	2,133,792	9,967,896	8,777,631	115,032,948
Additions during the year		-	-	129,006,000	-	-	10,296	666,390	129,682,686
As at 31 December 2022		15,891,352	7,037,700	195,643,860	4,586,717	2,133,792	9,978,192	9,444,021	244,715,634
Additions during the year		**50,000**	-	**30,011,501**	-	-	**5,029,026**	**645,000**	**35,735,527**
Transfers	4.3	-	**44,821,291**	**(44,821,291)**	-	-	-	-	-
As at 31 December 2023		**15,941,352**	**51,858,991**	**180,834,070**	**4,586,717**	**2,133,792**	**15,007,218**	**10,089,021**	**280,451,161**
Accumulated depreciation									
As at 1 January 2022		-	774,234	37,201,994	2,870,319	1,069,947	4,595,900	4,306,212	50,818,606
Charge for the year		-	70,377	16,539,937	343,280	106,385	1,074,399	1,355,189	19,489,567
As at 31 December 2022		-	844,611	53,741,931	3,213,599	1,176,332	5,670,299	5,661,401	70,308,173
Charge for the year		-	**577,122**	**14,001,521**	**274,624**	**95,746**	**955,586**	**1,185,741**	**17,090,340**
As at 31 December 2023		-	**1,421,733**	**67,743,452**	**3,488,223**	**1,272,078**	**6,625,885**	**6,847,142**	**87,398,513**
Carrying value as at:									
- 31 December 2023		**15,941,352**	**50,437,258**	**113,090,618**	**1,098,494**	**861,714**	**8,381,333**	**3,241,879**	**193,052,648**
- 31 December 2022		15,891,352	6,193,089	141,901,929	1,373,118	957,460	4,307,893	3,782,620	174,407,461
Depreciation rates (%)			**1% - 1.13%**	**10% - 20%**	**20%**	**10%**	**20%**	**30%**	

4.1 **Depreciation charge for the year has been allocated as follows:**	Note	2023 (Rupees)	2022 (Rupees)
Other program expenses	**19.3**	**13,756,321**	16,257,574
General and administration expenses	**20**	**2,563,551**	2,923,435
School expenditures	**19.1**	**770,468**	308,558
		17,090,340	19,489,567

4.2 Buildings include cost of two individual buildings located in Orangi, Karachi amounting to Rs. 8,000,000 and Rs. 8,200,000 purchased in financial year 2022. The Society is currently in possession of the buildings, however the administrative formalities related to the transfer of title are still pending. The management of the Society is hopeful to initiate and complete the process soon.

4.3 Leasehold land located at G-11/1 Islamabad measuring 177.78 square yards area is being amortized over the period of 88.45 years.

5 INTANGIBLE ASSET	Note	2023 (Rupees)	2022 (Rupees)
Cost			
As at January 01,		**901,700**	901,700
Additions during the year		-	-
As at December 31,		**901,700**	901,700
Accumulated amortization			
As at January 01,		**812,680**	790,425
Charge for the year	20	**17,804**	22,255
As at December 31,		**830,484**	812,680
Written down value as at December 31,		**71,216**	89,020
Amortization rate (%)		**20%**	20%

5.1 Intangible asset includes accounting and HR software

6 RIGHT TO USE ASSET	Note	2023 (Rupees)	2022 (Rupees)
Balance at beginning of the year		**5,040,490**	9,559,627
Additions during the year		**2,838,467**	-
Depreciation charge to statement of income and expenditure		**(3,876,700)**	(4,519,137)
Balance at end of the year		**4,002,257**	5,040,490
Allocation of depreciation charge to income and expenditure			
- General and administrative expenses		**581,505**	663,350
- Program expenses		**3,295,195**	3,855,787
		3,876,700	4,519,137

7 LONG TERM DEPOSITS AND PREPAYMENTS			
Security deposit		**390,000**	200,000
Subscription fee		-	77,978
		390,000	277,978

8 ADVANCES - unsecured			
Considered good			
Advance to projects:			
- Naz Old Boys Welfare Association (NOWA)		-	1,907,541
Advances:			
- to suppliers		**203,653**	314,732
- other receivables		**220,626**	-
- to program personnel	8.1	**2,157,522**	612,455
		2,581,801	927,187
		2,581,801	2,834,728

8.1 This represents advance to program and project personnel in project office for routine expenses.

9 SHORT TERM DEPOSITS AND PREPAYMENTS	Note	2023 (Rupees)	2022 (Rupees)
Security deposits		**276,500**	688,500
Prepaid subscription fee		**77,978**	233,933
Prepaid insurance & rent		**1,291,727**	3,365,243
Bid money	9.1	**7,405,690**	-
		9,051,895	4,287,676

9.1 This represents bid money paid for School Education and Literacy Department (SELD) project.

10 RESTRICTED FUND/GRANT / RECEIVABLE FROM DONORS

	Note	DIL USA	DIL UK	Ghazi Farooq	DIL Hong Kong	DIL Canada	Local Chapters	Total
		.... Rupees						
Balance as at December 31, 2023								
Restricted fund - opening balance		54,207,194	-	6,056,162	3,562,286	-	97,180,007	161,005,649
Receivable from donors - opening balance		-	3,083,332	-	-	4,254,981	-	7,338,313
Additions:								
Receipt during the year	10.1	443,835,000	30,601,870	-	-	-	145,669,192	620,106,062
Income allocated	10.3	11,550,818	197,866	112,179	83,149	-	11,290,942	23,234,955
Adjustment	10.4	2,250,000	-	-	-	-	-	2,250,000
		457,635,818	30,799,736	112,179	83,149	-	156,960,134	645,591,017
Utilization:								
Expense charged		330,514,909	25,186,162	4,733,831	2,582,156	2,863,257	179,512,128	545,392,443
Transfer to deferred capital grant		33,743,927	1,019,600	-	-	-	972,000	35,735,527
Re-measurement (loss) on employees' defined benefit plan		19,628,674	-	-	-	-	-	19,628,674
		383,887,510	26,205,762	4,733,831	2,582,156	2,863,257	180,484,128	600,756,644
Restricted fund - closing balance		127,955,502	1,510,642	1,434,510	1,063,279	-	73,656,013	205,619,947
Receivable from donors - closing balance		-	-	-	-	7,118,238	-	7,118,238
Balance as at December 31, 2022								
Restricted fund - opening balance		114,665,171	-	367,417	4,630,301	-	39,489,580	159,152,469
Receivable from donors - opening balance		-	6,796,381	-	-	9,148,382	-	15,944,763
Additions:								
Receipt during the year		340,847,211	23,841,529	9,332,800	1,086,850	7,900,000	185,188,149	568,196,539
Income allocated		9,100,719	425,963	581,004	521,314	-	4,829,675	15,458,675
		349,947,930	24,267,492	9,913,804	1,608,164	7,900,000	190,017,824	583,655,214
Utilization:								
Expense charged		280,723,221	20,554,443	4,225,059	2,676,179	3,006,599	132,327,397	443,512,898
Transfer to deferred capital grant		129,682,686	-	-	-	-	-	129,682,686
		410,405,907	20,554,443	4,225,059	2,676,179	3,006,599	132,327,397	573,195,584
Restricted fund - closing balance		54,207,194	-	6,056,162	3,562,286	-	97,180,007	161,005,649
Receivable from donors - closing balance		-	3,083,332	-	-	4,254,981	-	7,338,313

		Note	2023 (Rupees)	2022 (Rupees)
10.1	**Funds received during the year from:**			
	Related parties			
	Developments in Literacy USA		443,835,000	340,847,211
	Developments in Literacy Canada		-	17,232,800
	Developments in Literacy UK		30,601,870	23,841,529
	Developments in Literacy HK		-	1,086,850
	Local chapters/institutional donors			
	Various donors including zakat		73,584,595	117,818,743
	International Rescue Committee		-	12,468,738
	Target International		5,530,920	-
	UNESCO		4,657,441	927,993
	Punjab Education Fund	10.2	-	6,991,335
	Sindh Education Foundation	10.2	60,058,800	45,908,100
	Food Project Trust		1,837,436	1,073,240
			145,669,192	185,188,149
			620,106,062	568,196,539

10.2 This represent subsidy received from Sindh Education Foundation (SEF) and Punjab Education Fund (PEF) amounting to Rs. 60,058,800 (2022: Rs. 45,908,100) and Rs. Nil (2022: Rs. 6,991,335) respectively for management and administration of various school in accordance with MOUs signed with authorities.

		2023 (Rupees)	2022 (Rupees)
10.3	**Income from financial assets**		
	Interest income from bank accounts	23,234,955	15,458,675

10.4 This represents adjustment pertaining to tax expensed out in prior year but subsequently claimed in return.

11 INVENTORY

This represents tablets available at year end which are not yet transferred to schools.

12	CASH AND BANK BALANCES	Note	2023 (Rupees)	2022 (Rupees)
	Cash in hand		68,785	36,153
	Cash at bank in:			
	Saving accounts	12.1	295,012,960	193,682,916
	Current accounts		14,978,945	13,126,433
			310,060,690	206,845,502

12.1 These carry effective mark-up rate of per annum 17.46%-20.50% (2022: 9.9% per annum).

13	DEFERRED CAPTIAL GRANT	Note	2023 (Rupees)	2022 (Rupees)
	Opening balance		174,496,481	64,325,617
	Cost of property and equipment purchased during the year		35,735,527	129,682,686
	Deferred grant recognized as income during the year	4 & 5	(17,108,144)	(19,511,822)
			193,123,864	174,496,481

14	SCHOOL FEE INCOME	2023	2022
	School fees	3,229,672	5,518,996
	School running expenses	2,304,902	(3,571,812)
	School fees income - net	924,770	1,947,184

15 LEASE LIABILITY

	Note	2023 (Rupees)	2022 (Rupees)
Balance at beginning of the year		7,444,595	12,707,532
Additions during the year		2,838,467	-
Interest expense		681,303	1,086,004
Payment during the year		(5,996,632)	(6,348,941)
As at December 31, 2023		4,967,733	7,444,595
Less: Current portion		(701,460)	(5,752,632)
		4,266,273	1,691,963

15.1 Lease liability is payable as follows:

December 31, 2023	……… Rupees ………		
	Minimum lease payments	**Interest**	**Present value of minimum lease payments**
Less than one year	701,460	(1,007,150)	(305,690)
Between two to five years	3,692,797	(4,651,910)	(959,113)
More than five years	11,022,579	(4,790,044)	6,232,535
	15,416,836	(10,449,104)	4,967,732

December 31, 2022	……… Rupees ………		
	Minimum lease payments	Interest	Present value of minimum lease payments
Less than one year	5,752,632	(512,906)	5,239,726
Between two to five years	1,083,504	(1,298,084)	(214,580)
More than five years	4,641,792	(2,222,343)	2,419,449
	11,477,928	(4,033,333)	7,444,595

15.2 Lease liabilities relates to land and buildings acquired under rental basis. Rented facilities includes Society's head office, khairpur office and school.

15.3 Finance cost allocation of charge to statement of income and expenditure	Note	2023 (Rupees)	2022 (Rupees)
- Program expenses		579,108	923,103
- General and administrative expenses		102,195	162,901
		681,303	1,086,004

16 DEFERRED LIABILITIES

	Note	2023 (Rupees)	2022 (Rupees)
Defined benefit obligation			
- Gratuity	16.1	89,148,223	54,535,878

16.1 Gratuity

16.1.1 Change in present value of defined benefit obligation

	Note	2023	2022
Opening balance of liability		54,535,878	-
Current service cost	16.1.2	8,119,731	6,100,353
Past service cost	16.1.2	-	58,110,813
Interest cost on defined benefit obligation	16.1.2	7,837,145	-
Benefits due but not paid (payables)		(973,205)	(9,675,288)
Actuarial (gains)/loses from changes to financial assumptions		6,791,918	-
Experience adjustments		12,836,756	-
Closing balance of liability		89,148,223	54,535,878

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16.1.2 Expenses charged to statement of income and expenditure	2023 (Rupees)	2022 (Rupees)
Current service cost	8,119,731	6,100,353
Past service cost	-	58,110,813
Interest cost on defined benefit obligation	7,837,145	-
	15,956,876	64,211,166

16.1.3 Total remeasurements chargeable in other comprehensive income

	2023	2022
Actuarial (gains)/loses from changes to financial assumptions	6,791,918	6,100,353
Experience adjustments	12,836,756	-
	19,628,674	6,100,353

16.1.4 Actuarial assumptions	**2023**	2022
Discount rate used for interest cost	14.50%	N/A
Discount rate used for year end obligation	15.50%	14.50%
Salary increase used for year end obligation	N/A	N/A
Net salary increased at	01-Jan-24	01-Jan-23
Withdrawal rates	Age-based	Age-based
Retirement assumption	60	60
Mortality rates	SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year

16.1.5 Estimated expense to be charged in 2024	2023 (Rupees)	2022 (Rupees)
Current service cost	11,483,698	7,037,101
Interest cost on defined benefit obligation	12,969,390	7,375,624
	24,453,088	14,412,725

16.1.6 Sensitivity analysis

The sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied, as applied when calculating the gratuity liability recognized within the statement of financial position.

	Note	2023 (Rupees)	2022 (Rupees)
Discount rate + 100bps		82,674,960	50,552,902
Discount rate - 100bps		96,549,000	59,096,058
Salary increase + 100bps		96,598,442	59,175,848
Salary increase - 100bps		82,516,250	50,414,727

		Note	2023 (Rupees)	2022 (Rupees)
17	**ACCRUED AND OTHER LIABILITIES**			
	Payable to projects:			
	- IRC		3,291,920	3,066,443
	- NOWA		2,514,179	-
			5,806,099	3,066,443
	Accrued expenses		1,469,804	173,858
	Retention money payable		1,649,802	649,802
	Audit fee payable		460,000	350,000
	Withholding income tax payable		3,611,065	2,416,214
	Withholding sales tax payable		2,601,580	712,697
	EOBI payable		24,774	2,114
	Gratuity payable	17.1	6,762,957	9,675,288
	Other payables		6,017,913	164,149
	Teachers salary retention		10,462,419	-
			38,866,413	17,210,565

17.1 Gratuity payments have been deferred until the registration of the gratuity fund.

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

18.1.1 The Deputy Commissioner Inland Revenue DCIR, passed the order for Tax year 2017 and raised the demand of Rs. 33,863,022 without considering the fact that withholding tax is deducted / collected and deposited in government treasury. The Society filed appeal to the Commissioner Inland Revenue CIR(A) where the matter is currently pending for adjudication. Based on advice of tax consultant, the Society is confident that there are reasonable grounds for favorable decision and accordingly no provision in this regard has been recognized in the financial statements.

18.2 Commitments

18.2.1 The Society is committed to contribute towards future expenditure of schools under Society's management and grants to Partner Organization.

		Note	2023 (Rupees)	2022 (Rupees)
19	**PROGRAM EXPENSES**			
	School expenditures	19.1	287,911,577	187,726,512
	Program expenses by Partner Organizations	19.2	17,971,595	16,607,625
	Other program expenses	19.3	209,107,321	224,648,007
			514,990,493	428,982,144
19.1	**School projects expenses**			
	Islamabad Capital Territory Schools	19.1.1	10,237,899	8,711,698
	Orangi Schools	19.1.2	95,302,512	70,554,478
	Kala Shah Kaku School	19.1.3	6,632,603	4,998,690
	Mansehra Community School Project	19.1.4	10,642,254	7,647,587
	Rawalpindi Rural School Program	19.1.5	54,015,341	45,414,075
	Punjab Education Foundation	19.1.6	-	8,399,361
	Federal Directorate of Education	19.1.7	54,965,101	15,731,172
	TEACH - International Rescue Committee	19.1.8	-	4,352,473
	Dir School Project	19.1.9	14,361,863	10,874,451
	UNESCO Project	19.1.10	4,725,639	724,718
	PSP School Project	19.1.11	10,679,854	6,548,493
	LHR Project	19.1.12	8,453,358	3,769,317
	Khairpur Project	19.1.13	9,001,170	-
	SELD Project	19.1.14	4,453,825	-
	SED Rawalpindi	19.1.15	4,425,958	-
	Foundation Assisted Schools	19.1.16	14,200	-
			287,911,577	187,726,512
19.1.1	**Islamabad Capital Territory Schools**			
	Salaries and other benefits		9,569,427	7,479,618
	Direct project expenses	19.1.16	127,400	446,813
	Library establishment		140,540	140,400
	Computer laboratory		239,541	161,634
	Others		160,991	483,233
			10,237,899	8,711,698
19.1.2	**Orangi Schools**			
	Salaries and other benefits		68,058,663	50,713,900
	Direct project expenses	19.1.16	25,196,487	11,917,865
	Library establishment		-	3,882,006
	Computer laboratory		-	2,231,890
	Others		2,047,362	1,808,817
			95,302,512	70,554,478
19.1.3	**Kala Shah Kaku School**			
	Salaries and other benefits		5,857,862	4,575,375
	Direct project expenses	19.1.16	706,314	249,259
	Library establishment		19,600	94,270
	Computer laboratory		34,610	75,286
	Others		14,217	4,500
			6,632,603	4,998,690
19.1.4	**Mansehra Community School Project**			
	Salaries and other benefits		8,687,673	6,537,547
	Direct project expenses	19.1.16	1,954,581	250,036
	Library establishment		-	442,790
	Computer laboratory		-	118,489
	Others		-	298,725
			10,642,254	7,647,587

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	Note	2023 (Rupees)	2022 (Rupees)
19.1.5 Rawalpindi Rural School Program			
Salaries and other benefits		**41,160,814**	35,971,219
Direct project expenses	19.1.16	**7,932,807**	4,819,502
Library establishment		**1,870,585**	2,819,325
Computer laboratory		**1,659,346**	522,536
Others		**1,391,789**	1,281,493
		54,015,341	45,414,075
19.1.6 Punjab Education Foundation			
Salaries and other benefits		-	7,576,872
Direct project expenses	19.1.16	-	373,946
Computer laboratory		-	119,329
Others		-	329,214
		-	8,399,361
19.1.7 Federal Directorate of Education			
Salaries and other benefits		**37,266,674**	12,856,636
Others		**17,698,427**	2,874,536
		54,965,101	15,731,172
19.1.8 TEACH - International Rescue Committee			
Salaries and other benefits		-	1,932,000
Direct project expenses	19.1.16	-	22,429
Others		-	2,398,044
		-	4,352,473
19.1.9 Dir School Project			
Salaries and other benefits		**12,326,066**	9,211,014
Direct project expenses	19.1.16	**1,630,413**	1,479,022
Others		**405,384**	184,415
		14,361,863	10,874,451
19.1.10 UNESCO Project			
Salaries and other benefits		**3,900,173**	631,446
Direct project expenses		**825,466**	93,272
		4,725,639	724,718
19.1.11 PSP School Project			
Salaries and other benefits		**5,663,700**	1,205,548
Direct project expenses	19.1.16	**5,016,154**	5,342,945
		10,679,854	6,548,493
19.1.12 LHR Project			
Salaries and other benefits		**3,828,853**	1,890,623
Direct project expenses	19.1.16	**4,624,505**	1,878,694
		8,453,358	3,769,317
19.1.13 Khairpur Project			
Salaries and other benefits		**8,325,235**	-
Direct project expenses	19.1.16	**675,935**	-
		9,001,170	-
19.1.14 SELD Project			
Salaries and other benefits		**244,925**	-
Direct project expenses	19.1.16	**4,208,900**	-
		4,453,825	-

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	Note	2023 (Rupees)	2022 (Rupees)
19.1.15 SED Rawalpindi			
Salaries and other benefits		**891,199**	-
Direct project expenses	19.1.16	**87,140**	-
Library establishment		**3,067,252**	-
Computer laboratory		**256,892**	-
Others		**123,475**	-
		4,425,958	-
19.1.16 Foundation Assisted Schools			
Direct project expenses		**14,200**	-
		14,200	-

19.1.16 These represent various expenses incurred on schools directly run by the Society. These include expenses incurred on account of maintenance of school buildings, books, note books, furniture, scholarships, one laptop per child campaign and other school running expenses.

19.2 Program expenses by Partner Organizations	Note	2023 (Rupees)	2022 (Rupees)
Indus Resource Centre		**13,366,158**	13,006,377
Naz Old Boys Welfare Association		**4,605,437**	3,601,248
	19.2.1	**17,971,595**	16,607,625

19.2.1 Breakup of program expenses by Partner Organizations:

	(Rupees)			
2023	**Management**	**Program**	**Operating**	**Total**
Indus Resource Centre	-	**8,599,269**	**4,766,889**	**13,366,158**
Naz Old Boys Welfare Association	**1,435,997**	**828,482**	**2,340,958**	**4,605,437**
	1,435,997	**9,427,751**	**7,107,847**	**17,971,595**
2022				
Indus Resource Centre	3,350,362	8,161,691	1,494,324	13,006,377
Naz Old Boys Welfare Association	1,046,262	1,775,579	779,407	3,601,248
	4,396,624	9,937,270	2,273,731	16,607,625

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		Note	2023 (Rupees)	2022 (Rupees)
19.3	**Other program expenses**			
	Salaries and other benefits		78,141,279	65,490,260
	Gratuity		11,648,519	62,554,495
	Staff health and life insurance		2,329,495	2,072,010
	Monitoring and evaluation expenses		955,576	855,127
	Curriculum development		4,181,682	5,107,390
	Training / capacity building		10,254,580	21,230,296
	Library establishment		9,813,504	3,820,474
	Computer laboratory		4,950,981	4,342,083
	Gateway		28,975,103	6,263,563
	Flood relief activities		8,620,314	14,241,729
	Technology enabled & active learning		18,530,942	7,706,863
	Office expenses		5,156,298	2,209,865
	Vehicle running expenses		1,354,363	500,500
	Travel and meetings expenses		1,116,946	1,071,264
	Office utilities		2,211,914	1,900,155
	Other insurance expenses		263,424	267,647
	Depreciation	4.1 & 6	17,821,984	20,421,919
	Bank charges		2,486,353	1,843,003
	Property tax expense		-	2,250,000
	Finance cost - on finance lease	15	102,195	162,901
	Miscellaneous		191,868	336,463
			209,107,321	224,648,007

		Note	2023 (Rupees)	2022 (Rupees)
20	**GENERAL AND ADMINISTRATION EXPENSES**			
	Salaries and other benefits		28,781,063	9,502,694
	Gratuity		4,308,357	9,076,712
	Staff health and life insurance		964,086	857,522
	Other insurance expenses		109,021	110,769
	Office utilities		955,718	821,014
	Printing and stationary		7,563	121,306
	Vehicle running expenses		307,979	113,813
	Communication and postage		209,880	143,588
	Office expenses		1,034,548	47,426
	Bank charges		1,022,596	757,997
	Audit fee		460,000	350,000
	Depreciation	5.1 & 6	3,145,056	3,586,785
	Amortization	5	17,804	22,255
	Legal and professional charges		2,124,661	955,023
	Software maintenance		300,647	193,090
	Travel and meeting expenses		172,704	165,641
	Finance cost - on finance lease	15	579,108	923,103
	Miscellaneous		292,353	509,019
			44,793,142	28,257,757

		Note	2023 (Rupees)	2022 (Rupees)
21	**FUNDRAISING EXPENSES**			
	Salaries		1,565,478	1,135,497
	Fundraising event expenses		2,076,244	6,596,506
			3,641,722	7,732,003

22 FINANCIAL INSTRUMENTS

The Society has exposures to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk.

The Board of Trustees has overall responsibility for the establishment and oversight of the Society's risk management framework. The Board is also responsible for developing and monitoring the Society's risk management policies.

The Society's risk management policies are established to identify and analyze the risks faced by the Society, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Society's activities. The Society, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

22.1 Credit risk

Credit risk is the risk of financial loss to the Society if a counterparty to a financial instrument fails to meet its contractual obligations. The Society's credit risk is primarily attributable to deposits, short term investments and balances at banks. The Society believes that it is not exposed to major concentration of credit risk as the exposure is spread over a number of counter parties which are mainly banks with reasonable high credit ratings. The carrying amount of financial assets represents the maximum credit exposure at the reporting date as follows:

	2023 (Rupees)	2022 (Rupees)
Short term deposits	276,500	688,500
Receivable from donors	7,118,238	7,338,313
Bank balances	309,991,905	206,809,349
	317,386,643	214,836,162

Geographically there is no concentration of credit risk. As at the year end the Society's most significant financial asset represents amount placed with a Bank from whom Rs. 309.991 million (2022: Rs. 206.809 million) was receivable and receivable from donors who are international funding counterparts of the Society having intention to fund the education program in Pakistan. Based on past experience, the management believes that no impairment allowance is necessary in respect of its financial assets.

Cash is held only with reputable banks with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks with which balances are held or credit lines available:

Bank	Rating Agency	Short term/ long term rating	2023 (Rupees)	2022 (Rupees)
Standard Chartered Bank Limited	PACRA	A-1+/AAA	-	10,615,512
Telenor Tameer Bank	PACRA	A-1/A	2,863	2,863
Habib Metropolitan Bank	PACRA	A-1+/AA+	309,989,042	196,190,974
			309,991,905	206,809,349

22.2 Liquidity risk

Liquidity risk is the risk that the Society will not be able to meet its financial obligations as they fall due. The Society's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Society's reputation. The Society uses different methods which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Society ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities:

	Carrying amount	Within one year	Two to five years	Over five year
	---------------- (Rupees) ----------------			
- 2023				
Lease liabilities	4,967,733	(305,690)	(959,113)	6,232,535
Accrued and other liabilities	32,628,994	32,628,994	-	-
	37,596,727	32,323,304	(959,113)	6,232,535
- 2022				
Lease liabilities	7,444,595	5,239,726	(214,580)	2,419,449
Accrued and other liabilities	14,079,540	14,079,540	-	-
	21,524,135	19,319,266	(214,580)	2,419,449

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

22.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. All such activities are carried out with the approval of the Board. The Society is not significantly exposed to market risk.

a) Currency risk

The Society is not significantly exposed to currency risk.

b) Interest rate risk

The interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure arises from investment and saving accounts with banks. The Society has no interest bearing financial liabilities. At the balance sheet date, the interest rate risk profile of the Society's interest bearing financial instruments is:

	Note	2023 (Rupees)	2022 (Rupees)
Saving bank accounts	12	295,012,960	193,682,916

Fair value sensitivity analysis for fixed rate instruments

The Society does not hold any fixed rate financial asset at fair value through profit and loss. Therefore a change in interest rate at reporting date would not affect income and expenditure account of the Society.

Fund management

The Board of Directors of the Society monitors the performance along with the fund required for the sustainable operations of the Society. There were no changes to the Society's approach to the fund management during the year. The Society is not subject to externally imposed fund requirements.

23 DETERMINATION OF FAIR VALUE

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information of financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	2023		2022	
	----(Rupees)----			
	Carrying value	Fair value	Carrying value	Fair value
Assets carried at amortized cost				
Long term deposit	390,000	390,000	200,000	200,000
Security deposits	276,500	276,500	688,500	688,500
Receivable from donors	7,118,238	7,118,238	7,338,313	7,338,313
Cash and cash equivalents	310,060,690	310,060,690	206,845,502	206,845,502
Liabilities carried at amortized cost				
Lease liability	4,967,733	4,967,733	7,444,595	7,444,595
Accrued and other liabilities	38,866,413	38,866,413	17,210,565	17,210,565

24 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Developments in Literacy USA, UK, Canada, all affiliates of the Developments in Literacy, trustees, key management personnel and entities over which the trustees are able to exercise significant influence. Transactions and balances with related parties other than already disclosed in these financial statements are as follows:

	Note	2023 (Rupees)	2022 (Rupees)
Remuneration of key management personnel		21,494,800	17,220,235
Funds received during the year from affiliates	10	620,106,062	568,196,539

25 GENERAL

- Figures have been rounded off to the nearest Pak Rupees unless otherwise stated.
- Comparative figures wherever necessary has been reclassified and rearranged for fair presentation.
- These financial statements were approved by the Board of Trustees of the Society in their meeting held on 19 SEP 2024

A.R. Hamne — Trustee

Naveen Iqbal — Trustee


ہم دیکھیں آباد تجھے...

OUR PARTNERS

OUR DONORS

IGNITE A BRIGHT FUTURE! DONATE

Educate A Child	40,000 Yearly	**Construction of School** (Purpose Built Unit)*	33,000,000
Adopt A School	685,000 Monthly 8,200,000 Yearly	**Adopt a Government School** (200 Students - Avg.)*	3,600,000 Yearly
Sponsor A ClassRoom	82,500 Monthly 990,000 Yearly	**Sponsor IT Lab**	920,000
Establish A Science Lab	600,000	**Develop A Teacher**	41,000

PLEDGE FORM

First Name	
Last Name	
Contact Number	
Organization	
Pledge Amount	
Pledged Project	
Payment Method	☐ Cheque ☐ Cash
Payment Time Period	From: To:
Zakat or Charity	☐ Zakat ☐ Charity

BANKING DETAILS HABIBMETRO

Zakat
IBAN 6-99-02-29301-714-13411
Account PK89MPBL9902177140134311

Donation
IBAN 6-99-02-29314-714-134311
Account PK72MBPL9902477140134311

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سوہنی دھرتی اللہ رکھے قدم قدم آباد
قدم قدم آباد تجھے

تیرا ہر ایک ذرا ہم کو
اپنی جان سے پیارا
تیرے دم سے شان ہماری
تجھ سے نام ہمارا
جب تک ہے یہ دنیا باقی
ہم دیکھیں آزاد تجھے

سوہنی دھرتی اللہ رکھے قدم قدم آباد
قدم قدم آباد تجھے

DIL

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