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## INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNERS

### Opinion

We have audited the financial statements of **Pakistan Partnership Initiative** ("the Society"), which comprise the statement of financial position as at June 30, 2021, and the statement of income and expenditure, the statement of changes in fund, for the year ended June 30, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, and to the best of our information and to explanations given to us, the statement of financial position, the statement of income and expenditure and the statement of changes in fund together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan in the manner so required and respectively give true and fair view of the state of the society's affairs as at June 30, 2021.

### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

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

### Auditors' 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

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not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation 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.

ISLAMABAD

DATED: 29 AUG 2022

*BDO ebrahim & Co.*  
CHARTERED ACCOUNTANTS

Engagement Partner: Iffat Hussain

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**PAKISTAN PARTNERSHIP INITIATIVE  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2021**

	Note	2021 Rupees	2020 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Operating fixed assets	4	5,333,356	5,613,625
Intangible asset	5	107,216	120,618
		<u>5,440,572</u>	<u>5,734,243</u>
<b>CURRENT ASSETS</b>			
Advances and other receivables	6	483,632	830,313
Deposits and short-term prepayments	7	477,606	462,466
Cash and bank balances	8	9,484,548	7,715,430
		<u>10,445,786</u>	<u>9,008,209</u>
<b>TOTAL ASSETS</b>		<u>15,886,358</u>	<u>14,742,452</u>
<b>LESS:</b>			
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
Deferred capital grant	9	5,440,572	5,734,243
Restricted grant	10	4,793,910	3,305,816
Deferred liabilities	11	1,061,373	1,197,469
		<u>11,295,855</u>	<u>10,237,528</u>
<b>CURRENT LIABILITIES</b>			
Accrued and other liabilities	12	2,766,423	560,311
<b>TOTAL LIABILITIES</b>		<u>14,062,278</u>	<u>10,797,839</u>
<b>NET ASSETS</b>		<u>1,824,080</u>	<u>3,944,613</u>
<b>REPRESENTED BY:</b>			
General fund		<u>1,824,080</u>	<u>3,944,613</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	13	-	-

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
CHAIRMAN

  
TREASURER

  
CHIEF EXECUTIVE



**PAKISTAN PARTNERSHIP INITIATIVE  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE PERIOD FROM JULY 01, 2020 TO JUNE 30, 2021**

	Note	July 01, 2020 to June 30, 2021 Rupees	January 01, 2020 to June 30, 2020 Rupees
<b>INCOME</b>			
Amortization of restricted grant	10	50,162,810	33,164,156
Amortization of deferred capital grant	17	1,848,243	765,984
Other income	14	424,188	782,224
		<u>52,435,241</u>	<u>34,712,364</u>
<b>EXPENDITURE</b>			
Programme expenses - direct costs	15	52,707,531	33,164,156
Administrative expenses	16	-	184,745
Amortisation of deferred capital grant	17	1,848,243	765,984
		<u>54,555,774</u>	<u>34,114,885</u>
<b>(DEFICIT) / SURPLUS FOR THE PERIOD</b>		<u><u>(2,120,533)</u></u>	<u><u>597,479</u></u>

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
CHAIRMAN

  
TREASURER

  
CHIEF EXECUTIVE

**PAKISTAN PARTNERSHIP INITIATIVE  
STATEMENT OF CHANGES IN FUND  
FOR THE PERIOD FROM JULY 01, 2020 TO JUNE 30, 2021**

	<b>Fund Rupees</b>
<b>Balance at December 31, 2019</b>	3,347,134
Surplus for the period	597,479
<b>Balance at June 30, 2020</b>	<u>3,944,613</u>
Deficit for the period	(2,120,533)
<b>Balance at June 30, 2021</b>	<u><u>1,824,080</u></u>

The annexed notes from 1 to 23 form an integral part of these financial statements.

  
**CHAIRMAN**

  
**TREASURER**

  
**CHIEF EXECUTIVE**

**PAKISTAN PARTNERSHIP INITIATIVE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM JULY 01, 2020 TO JUNE 30, 2021**

**1 STATUS AND NATURE OF BUSINESS**

- 1.1 Pakistan Partnership Initiative (PPI) (the Society) is a non-government, not for profit organization registered under the Societies Registration Act, 1860 on December 21, 2011. PPI is a Christian faith based organization that works with all segments of society regardless of their religion, color or political affiliation. The major focus of PPI being on leadership, youth & children development, building capacity of local institutions/initiatives and business development.
- 1.2 The registered office of the Society is situated at SSEWA Pak, Rattanabad, Mirpur Khas, Sindh, Pakistan however, presently the company is carrying out its operational activities from House # 4, street # 158, G-13/4 Islamabad.
- 1.3 In prior period, the PPI management decided to change the reporting period from December 31 to June 30 to coincide with the normal tax year. Thereby, the current period balances are comprised of twelve months and are not comparable with previous period balances, which comprises of six months.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of :

- International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board as adopted by Institute of Chartered Accountants of Pakistan
- Accounting Standard for Not for Profit Organisations (Accounting standard for NPOs) issued by Institute of Chartered Accountants of Pakistan

**2.2 Basis of measurement**

These financial statements have been prepared, using accrual basis of accounting, under the historical cost convention.

*Bahera*



### **3 SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1 Operating fixed assets**

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is charged to the statement of income and expenditure by applying the written down-value method. The applicable rates are stated in the note 4 to these financial statements.

In respect of additions and deletions of assets during the year, full year's depreciation is charged in the year of addition and no depreciation is charged in the year of disposal.

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment losses are charged to the statement of income and expenditure.

An item of property and equipment is derecognized when disposed off or when no economic benefit is expected from their use or sale. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income and expenditure in the year the asset is derecognized.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are recognized in the statement of income and expenditure during the year in which they are incurred.

#### **3.2 Intangible**

These are stated at cost less accumulated amortization and impairment losses, if any. Major computer software licenses are capitalized on the basis of cost incurred to acquire and bring to use the specific software. Amortization is provided on straight line basis at the rates disclosed in note 5 to the financial statements.

Cost associated with maintaining computer software are recognized as an expense as and when incurred.

#### **3.3 Receivables**

These are stated at cost less provision for impairment if any. Known impaired receivables are written off, when identified. However, doubtful receivables are fully provided for.

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### **3.4 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise of cash and bank balances and short-term investments having maturity up to three months.

### **3.5 Accrued and other liabilities**

Accrued and other liabilities are carried at cost, which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the entity.

### **3.6 Retirement benefits**

Entity operates a provident fund in which employee has to contribute 8.33 percent of his basic salary, and an equal contribution will be made by the employer.

### **3.7 Income recognition**

#### **Grants**

- i) Grant related to capital expenditure are deferred and recognized as income to the extent the asset is depreciated over its useful life.
- ii) Grant related to income are restricted grants received for specific purpose which are deferred when received and are recognised to income to the extent of actual expenditure incurred.

### **3.8 Expenditure**

Expenses are carried at cost and are recognised on accrual basis i.e. fair value of consideration paid or to be paid in future.

Expenses related to capital expenditure are capitalized in operating fixed assets - funded by donor and charged to income over useful life of the asset.

### **3.9 Provisions**

A provision is recognized in the financial statements when the society has 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.

*Review.*

### **3.10 Functional and presentation**

Items included in these financial statements of the Society are measured using the currency of the primary economic environment in which the Foundation operates (the functional currency), which is the Pakistan Rupee (Rs).

### **3.11 Foreign currency transactions and translation**

Monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Pak Rupees at the approximate rates of exchange ruling on the date of the transactions. Exchange differences are charged to the statement of income and expenditure.

### **3.12 Significant accounting judgements and critical accounting estimates/assumptions**

The preparation of financial statements in conformity with approved accounting standards require the management to :-

- exercise its judgement in process of applying the entity's accounting policies; and
- use of certain critical accounting estimates and assumptions concerning the future.

Judgements and assumptions have been required by the management in applying the entity's accounting policies in many areas. Actual results may differ from estimates calculated using through judgements and assumptions.

Major areas involving critical accounting estimates and significant assumptions concerning the future are as follows:-

- a) Residual values and useful lives of property and equipment with corresponding effect on the depreciation charge and impairment loss.
- b) Contingencies for expected outcomes of legal cases.

*Review.*



4 OPERATING FIXED ASSETS

Description	Owned assets			Donor funded assets			Total	
	Furniture, fixtures and office equipment	Computers and accessories	Subtotal	Computers and accessories	Furniture, fixtures and office equipment	Motor Vehicles		Subtotal
-----Rupees-----								
<b>Year ended June 30, 2021</b>								
<b>Net carrying value basis</b>								
Opening net book value (NBV)	-	-	-	827,224	1,433,978	3,352,423	5,613,625	5,613,625
Additions (at cost)	-	-	-	435,300	1,136,772	-	1,572,072	1,572,072
Disposals								
Cost	-	-	-	17,500	-	-	17,500	17,500
Accumulated depreciation	-	-	-	-	-	-	-	-
Depreciation charge	-	-	-	17,500	-	-	17,500	17,500
Closing net book value (NBV)	-	-	-	529,252	424,745	880,844	1,834,841	1,834,841
	-	-	-	715,772	2,146,005	2,471,579	5,333,356	5,333,356
<b>Gross carrying value basis</b>								
Cost/revalued amount	-	-	-	1,764,174	2,831,631	4,404,220	9,000,025	9,000,025
Accumulated depreciation	-	-	-	(1,048,402)	(685,626)	(1,932,641)	(3,666,669)	(3,666,669)
Net book value (NBV)	-	-	-	715,772	2,146,005	2,471,579	5,333,356	5,333,356
<b>Year ended June 30, 2020</b>								
<b>Net carrying value basis</b>								
Opening net book value (NBV)	5,941	10,816	16,757	870,728	819,469	3,303,320	4,993,517	5,010,274
Additions (at cost)	-	-	-	102,477	730,778	1,600,000	2,433,255	2,433,255
Disposals								
Cost	6,990	15,452	22,442	-	-	1,324,930	1,324,930	1,347,372
Accumulated depreciation	(1,049)	(4,636)	(5,685)	-	-	(264,365)	(264,365)	(270,050)
Depreciation charge	5,941	10,816	16,757	-	-	1,060,565	1,060,565	1,077,322
Closing net book value (NBV)	-	-	-	(145,981)	(116,269)	(490,332)	(752,582)	(752,582)
	-	-	-	827,224	1,433,978	3,352,423	5,613,625	5,613,625
<b>Gross carrying value basis</b>								
Cost/revalued amount	-	-	-	1,346,374	1,694,859	4,404,220	7,445,453	7,445,453
Accumulated depreciation	-	-	-	(519,150)	(260,881)	(1,051,797)	(1,831,828)	(1,831,828)
Net book value (NBV)	-	-	-	827,224	1,433,978	3,352,423	5,613,625	5,613,625
<b>Depreciation rate per annum</b>	15%	30%		30%	15%	20%		

Rupees

	Note	2021 Rupees	2020 Rupees
<b>5 INTANGIBLE ASSET</b>			
License	5.1	<u>107,216</u>	<u>120,618</u>
<b>5.1 Net carrying value basis</b>			
Opening net book value (NBV)		120,618	-
Additions during the year		-	134,020
Amortization during the year		<u>(13,402)</u>	<u>(13,402)</u>
Closing net book value (NBV)		<u>107,216</u>	<u>120,618</u>
<b>5.2 Gross carrying value basis</b>			
Opening Cost		134,020	134,020
Accumulated amortization		<u>(26,804)</u>	<u>(13,402)</u>
Net book value (NBV)		<u>107,216</u>	<u>120,618</u>
Amortization rate per annum		10%	10%

5.3 Intangible assets represents licenses of MS office obtained for usages of staff. The amortization rate used for amortization of these softwares is 10% per annum using straight line basis.

	Note	2021 Rupees	2020 Rupees
<b>6 ADVANCES AND OTHER REVEIVABLES</b>			
Unsecured - considered good			
To employees			
-against operations		153,305	270,314
-against salary		32,500	240,000
To suppliers		-	99,999
To PMS		-	160,000
Advance tax		2,500	-
Others		<u>295,327</u>	<u>60,000</u>
		<u>483,632</u>	<u>830,313</u>
<b>7 DEPOSITS AND SHORT-TERM PREPAYMENTS</b>			
Deposits		136,103	136,000
Short term prepayments	7.1	<u>341,503</u>	<u>326,466</u>
		<u>477,606</u>	<u>462,466</u>

7.1 Prepayments include health insurance prepayment and one month prepayment of rent.



	Note	2021 Rupees	2020 Rupees
<b>8 CASH AND BANK BALANCES</b>			
Cash in hand		62,215	93,087
Cash at bank - local currency			
Current account		9,422,333	7,622,343
		<u>9,484,548</u>	<u>7,715,430</u>
<b>9 DEFERRED CAPITAL GRANT</b>			
Opening balance		5,734,243	4,993,517
Addition in deferred capital grant	10.1	1,572,072	2,567,275
Disposals of fixed assets	4	(17,500)	(1,060,565)
Less: Amortization	17	(1,848,243)	(765,984)
Closing balance		<u>5,440,572</u>	<u>5,734,243</u>
<b>10 RESTRICTED GRANT</b>			
Balance as at July 01,		3,305,816	4,586,903
Grant received during the period	10.1	56,892,976	33,787,252
<b>Grant recognised during the period - net</b>			
Amortization during the period	10.1	(50,162,810)	(33,164,156)
Transferred to PMS		(3,670,000)	-
Adjustments during the period		-	663,092
Transferred to deferred capital grant		(1,572,072)	(2,567,275)
		<u>(55,404,882)</u>	<u>(35,068,339)</u>
Balance as at June 30,		<u>4,793,910</u>	<u>3,305,816</u>

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10.1 Project wise movement in grants against operating activities is as follows:

Donor / Project	2021						
	Balance as at July 01	Grant received during the year	Grant recognized in income and expenditure statement	Transferred to deferred capital grant	Adjustment	Transferred to PMS	Balance as at June 30
	Rs.	-----Rupees-----					
	A	B	C	D	E	F	G=A+B+C+D+E+F
<b>Asia partner's project:</b>							
PPI-For programme expenses	(1,169,796)	53,208,819	(49,384,810)	(1,572,072)	-	-	1,082,141
<b>Kirk In Actie's project:</b>							
PPI strengthening organisational governance and management 2020-2021	3,670,000	3,684,157	-	-	-	(3,670,000)	3,684,157
COVID-19	805,612	-	(778,000)	-	-	-	27,612
	<u>3,305,816</u>	<u>56,892,976</u>	<u>(50,162,810)</u>	<u>(1,572,072)</u>		<u>(3,670,000)</u>	<u>4,793,910</u>

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2020							
Donor / Project	Balance as at January 01	Grant received during the year	Grant recognized in income and expenditure statement	Transferred to deferred capital grant	Adjustment	Transferred to PMS	Balance as at June 30
	Rs.	Rs.	-----Rupees-----				
	A	B	C	D	E	F	G=A+B+C+ D+E+F
<b>Asia partner's project:</b>							
PPI-For programme expenses	4,087,935	12,213,880	(16,066,396)	(2,567,275)	1,162,060	-	(1,169,796)
<b>Kirk In Actie's project:</b>							
PPI strengthening organisational governance and management 2020-2021	-	3,670,000	-	-	-	-	3,670,000
COVID-19 - Kirk In Actie	-	17,110,000	-	-	-	-	-
COVID-19 - Local	-	793,372	-	-	-	-	-
	-	17,903,372	(17,097,760)	-	-	-	805,612
	4,087,935	33,787,252	(33,164,156)	(2,567,275)	1,162,060	-	3,305,816

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	2021 Rupees	2020 Rupees
<b>11 DEFERRED LIABILITIES</b>		
Provident fund:		
Opening balance	1,197,469	284,041
Additions during the period	2,347,358	913,428
Deletions during the period	(2,483,454)	-
Closing balance	<u>1,061,373</u>	<u>1,197,469</u>

**12 ACCRUED AND OTHER LIABILITIES**

Accrued liabilities	18,438	146,286
Payable to suppliers	2,668,185	173,140
Withholding tax payable	79,800	240,885
	<u>2,766,423</u>	<u>560,311</u>

**13 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at the balance sheet date (2020 :Rs. Nil).

	Note	July 01, 2020 to June 30, 2021 Rupees	January 01, 2020 to June 30, 2020 Rupees
<b>14 OTHER INCOME</b>			
Gain on sale of operating fixed assets		-	103,256
Restricted grant written back		-	498,968
Other income	14.1	<u>424,188</u>	<u>180,000</u>
		<u>424,188</u>	<u>782,224</u>

14.1 This mainly includes rental income against subletting of one portion of office building to CEO for Rs 384,000 for the year ended June 30, 2021.

*Answer.*



	Note	July 01, 2020 to June 30, 2021 Rupees	January 01, 2020 to June 30, 2020 Rupees
<b>15</b>			
<b>PROGRAMME EXPENSES - DIRECT COSTS</b>			
PPI - For programme costs	15.1	49,384,810	16,066,396
COVID 19	15.2	3,322,721	17,097,760
		<u>52,707,531</u>	<u>33,164,156</u>
<b>15.1</b>			
<b>PPI - For programme costs</b>			
Staff salary		28,696,782	10,383,807
Wages		731,290	200,500
Staff travel cost		923,532	-
Legal consultancy		603,922	582,000
Life insurance		455,114	42,740
Repairs and maintenance		1,363,844	318,265
Travelling and conveyance		223,140	154,874
International networking		-	183,065
Printing and stationery		294,183	20,995
Postage and communication		91,591	19,190
Monitoring	15.1.1	2,083,460	144,412
Office rent		1,320,401	913,236
Setup of chapters		338,850	-
Vehicle insurance		105,674	-
Vehicle running cost		258,602	84,090
Auditor remuneration		130,000	75,000
Utilities		451,451	95,604
Consultation		-	2,101,611
Partner networking	15.1.2	5,157,889	382,800
Entertainment		459,287	198,579
Bank charges		64,427	1,345
Capacity building		685,538	-
Business as mission (RISE)	15.1.3	3,179,370	-
Information, Entertainment and Communication (IEC) materials		755,825	-
Senior management time charge		578,000	-
Miscellaneous		432,638	164,283
		<u>49,384,810</u>	<u>16,066,396</u>

15.1.1 These expenses relate to process and progress of monitoring of projects, regular, emergency meetings of steering and executive committees and for formulation and regularization of working group meetings.

*Advised*

15.1.2 These expenses relate to developing linkages and partnerships with seminaries and christian educational institutions for research work, conducting and documentation of workshops conducted with PPI partners and stakeholders, registration, government liason and networking costs, awareness raising events on political rights, oppurtunities, responsibilities and coordination with christian organisations.

15.1.3 These expenses relate to entrepreneurship activities for christian youth in Pakistan to guide them in developing businesses of their own and exposure visits of Pakistan Partnership Initiative (PPI) partners to Egypt on invitation by donors to observe similar model implemented in Egypt.

	Note	July 01, 2020 to June 30, 2021 Rupees	January 01, 2020 to June 30, 2020 Rupees
<b>15.2 COVID-19</b>			
COVID-19 impact on livelihood - consultaion fee		778,000	-
Re-establishing of business after COVID- 19- report		160,000	-
Cash distribution to COVID-19 affectees	15.2.1	2,384,721	17,097,760
		<u>3,322,721</u>	<u>17,097,760</u>

15.2.1 These expenses were incurred in respect of project to support vulnerable and deserving families affected by Covid-19 through cash grant (PKR 10,000/- per family). Pak Mission Society (PMS) assisted 2080 families from all over Pakistan. Project was implemented in the period of June 2020 to Nov 2020. In this regard, PMS partnered SSEWA-PAK (Mirurkhas, Sindh) and REEDS (Rahimyarkhan, South Punjab), whereas, northern part of the country was managed by PMS directly. Moreover, funds amounting to Rs 2,134,721 were disbursed to PMS as partial tranche for the project. While, Rs. 250,000 was distributed to Church of Peshawar to distribute amount in Peshawar, KPK to the affectees of Covid-19.

	July 01, 2020 to June 30, 2021 Rupees	January 01, 2020 to June 30, 2020 Rupees
<b>16 ADMINISTRATIVE EXPENSES</b>		
Bad debts written off	-	184,745
		<u>184,745</u>



		July 01, 2020 to June 30, 2021 Rupees	January 01, 2020 to June 30, 2020 Rupees
<b>17</b>	<b>AMORTISATION OF DEFERRED CAPITAL GRANT</b>		
	Depreciation	4      1,834,841	752,582
	Amortization	5      13,402	13,402
		<u>1,848,243</u>	<u>765,984</u>

**18 TRANSACTION WITH RELATED PARTIES**

The related parties comprise of associated companies, entities over which the directors are able to exercise significant influence, retirement benefits funds and key management personnel.

There were no related party's transactions other than the remuneration of Executive Director as disclosed in note 20 to the financial statements. There are no transactions with key management personnel other than under their terms of employment.

	2021	2020
<b>19</b>	<b>NUMBER OF EMPLOYEES</b>	
	The number of employees as at period end	<u>13</u> <u>12</u>
	Average number of employees during the period	<u>13</u> <u>12</u>

**20 REMUNERATION TO THE EXECUTIVE DIRECTOR**

Remuneration and other benefits are provided to chief executive officer during the year.

	<u>CHIEF EXECUTIVE OFFICER (CEO)</u>	
	July 01, 2020 to June 30, 2021 Rupees	January 01, 2020 to June 30, 2020 Rupees
Salaries and other benefits	<u>8,900,550</u>	<u>4,209,968</u>
Number of Persons	<u>1</u>	<u>1</u>

20.1 The CEO is using the portion of office building, against which monthly rental of Rs. 33,000 is paid to the entity.  
*Advised.*

**21 CORRESPONDING FIGURES**

The PPI management, in the prior period, decided to change the reporting period from December 31 to June 30 to coincide with the normal tax year. Therefore, the current year balances comprised of twelve months and are not comparable with previous period balances, which comprises of six months.

**22 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue by the Board of Directors of the Pakistan Partnership Initiative on \_\_\_\_\_.


**23 GENERAL**

Figures have been rounded off to the nearest Pak Rupee.

*Review*

  
CHAIRMAN

  
TREASURER

  
CHIEF EXECUTIVE



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