

INDEPENDENT AUDITORS REPORT TO THE MEMBERS**Opinion**

We have audited the financial statements of Pakistan Partnership Initiative ("the Society"), which comprise the statement of financial position as at June 30, 2022, and the statement of income and expenditure, the statement of changes in fund, for the year ended June 30, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, and to the best of our information and according to the 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 a true and fair view of the state of the Society's affairs as at June 30, 2022.

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 *Auditors 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 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.

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



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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization'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 Organization 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: 31 AUG 2022

UDIIN: AR202210094gpbqwxSBZ

Bdo ebrahim & Co
CHARTERED ACCOUNTANTS
Engagement Partner: Iffat Hussain
Iffat Hussain



FINANCIAL STATEMENTS OF

PAKISTAN PARTNERSHIP
INITIATIVE (PPI)

FOR THE YEAR ENDED
JUNE 30, 2022

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.


**PAKISTAN PARTNERSHIP INITIATIVE
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	4	6,280,222	5,333,356
Intangible asset	5	474,876	107,216
		<u>6,755,098</u>	<u>5,440,572</u>
CURRENT ASSETS			
Advances and other receivables	6	2,206,637	483,632
Deposits and short-term prepayments	7	1,135,340	477,606
Cash and bank balances	8	9,299,937	9,484,548
		<u>12,641,914</u>	<u>10,445,786</u>
TOTAL ASSETS		<u>19,397,012</u>	<u>15,886,358</u>
LESS:			
LIABILITIES			
NON CURRENT LIABILITIES			
Deferred capital grant	9	6,755,098	5,440,572
Restricted grant	10	8,452,979	4,793,910
Deferred liabilities	11	1,641,084	1,061,373
		<u>16,849,161</u>	<u>11,295,855</u>
CURRENT LIABILITIES			
Accrued and other liabilities	12	306,352	2,766,423
TOTAL LIABILITIES		<u>17,155,513</u>	<u>14,062,278</u>
NET ASSETS		<u>2,241,499</u>	<u>1,824,080</u>
REPRESENTED BY:			
General fund		<u>2,241,499</u>	<u>1,824,080</u>
CONTINGENCIES AND COMMITMENTS	13	-	-

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


CHAIRMAN


TREASURER

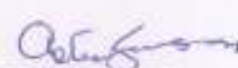

CHIEF EXECUTIVE


**PAKISTAN PARTNERSHIP INITIATIVE
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 Rupees	2021 Rupees
INCOME			
Amortization of restricted grant	10	108,293,430	50,162,810
Amortization of deferred capital grant	17	1,525,446	1,848,243
Other income	14	417,419	-
		<u>110,236,295</u>	<u>52,011,053</u>
EXPENDITURE			
Programme expenses - direct costs	15	86,085,666	37,755,541
Administrative expenses	16	22,207,764	14,509,802
Amortisation of deferred capital grant	17	1,525,446	1,848,243
		<u>109,818,876</u>	<u>54,113,586</u>
SURPLUS / (DEFICIT) FOR THE YEAR		<u>417,419</u>	<u>(2,102,533)</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 YEAR ENDED JUNE 30, 2022**

	Fund Rupees
Balance at July 01, 2020	3,944,613
Deficit for the year	(2,120,533)
Balance at June 30, 2021	<u>1,824,080</u>
Surplus for the year	417,419
Balance at June 30, 2022	<u><u>2,241,499</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 YEAR ENDED JUNE 30, 2022**

1 STATUS AND NATURE OF BUSINESS

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.

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.

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.

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.

Full year's depreciation is charged in the year in which asset is acquired or capitalized while no depreciation is charged in the year in which it is disposed off.

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 asset

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.

Full year's amortization is charged in the year in which asset is acquired or capitalized while no amortization is charged in the year in which it is disposed off.

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.

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.

3.10 Functional and presentation

Items included in these financial statements of the organization are measured using the currency of the primary economic environment in which the organization 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.

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. *proceed.*

4 OPERATING FIXED ASSETS

Description	Donor funded assets			Total
	Computers and accessories	Furniture, fixtures and office equipment	Motor Vehicles	
-----Rupees-----				

Year ended June 30, 2022

Net carrying value basis

Opening net book value (NBV)	715,772	2,146,005	2,471,579	5,333,356
Additions (at cost)	479,597	1,965,842	-	2,445,439
Disposals:				
Cost	-	(33,964)	-	(33,964)
Accumulated depreciation	-	5,095	-	5,095
	-	(28,869)	-	(28,869)
Depreciation charge	(358,611)	(616,777)	(494,316)	(1,469,704)
Closing net book value (NBV)	836,758	3,466,201	1,977,263	6,280,222

Gross carrying value basis

Cost	2,243,771	4,763,509	4,404,220	11,411,500
Accumulated depreciation	(1,407,013)	(1,297,308)	(2,426,957)	(5,131,278)
Net book value (NBV)	836,758	3,466,201	1,977,263	6,280,222

Year ended June 30, 2021

Net carrying value basis

Opening net book value (NBV)	827,224	1,433,978	3,352,423	5,613,625
Additions (at cost)	435,300	1,136,772	-	1,572,072
Disposals:				
Cost	(17,500)	-	-	(17,500)
Accumulated depreciation	-	-	-	-
	(17,500)	-	-	(17,500)
Depreciation charge	(529,252)	(424,745)	(880,844)	(1,834,841)
Closing net book value (NBV)	715,772	2,146,005	2,471,579	5,333,356

Gross carrying value basis

Cost	1,764,174	2,831,631	4,404,220	9,000,025
Accumulated depreciation	(1,048,402)	(685,626)	(1,932,641)	(3,666,669)
Net book value (NBV)	715,772	2,146,005	2,471,579	5,333,356

Depreciation rate per annum

30% 15% 20%

Balance

	2022 Rupees	2021 Rupees
5 INTANGIBLE ASSET		
License :		
Year ended June 30,		
Opening net book value	107,216	120,618
Additions	423,402	-
Amortization charge	(55,742)	(13,402)
Closing net book value	<u>474,876</u>	<u>107,216</u>
As at June 30,		
Cost	557,422	134,020
Accumulated amortization	(82,546)	(26,804)
Net book value	<u>474,876</u>	<u>107,216</u>
Amortization rate per annum	10%	10%

5.1 Intangible assets represents licenses of MS office obtained for usage of staff and quickbook license for bookkeeping. The amortization rate used for amortization of these softwares is 10% per annum using straight line basis.

	Note	2022 Rupees	2021 Rupees
6 ADVANCES AND OTHER RECEIVABLES			
Unsecured - considered good :			
To employees :			
-against operations		1,490,349	153,305
-against salary		280,000	32,500
Advance tax		2,500	2,500
Others		433,788	295,327
		<u>2,206,637</u>	<u>483,632</u>
7 DEPOSITS AND SHORT-TERM PREPAYMENTS			
Deposits		396,103	136,103
Short term prepayments	7.1	739,237	341,503
		<u>1,135,340</u>	<u>477,606</u>

7.1 Prepayments include one month prepayment of rent.
Patel & Co.

	Note	2022 Rupees	2021 Rupees
8 CASH AND BANK BALANCES			
Cash in hand		41,912	62,215
Cash at bank - local currency			
Current account		9,258,025	9,422,333
		<u>9,299,937</u>	<u>9,484,548</u>
9 DEFERRED CAPITAL GRANT			
Balance as at July 01,		5,440,572	5,734,243
Addition in deferred capital grant	10.1	2,868,841	1,572,072
Disposals of fixed assets	4	(28,869)	(17,500)
Less: Amortization	17	(1,525,446)	(1,848,243)
Balance as at June 30,		<u>6,755,098</u>	<u>5,440,572</u>
10 RESTRICTED GRANT			
Balance as at July 01,		4,793,910	3,305,816
Grant received during the year	10.1	114,821,340	56,892,976
Grant recognised during the year - net :			
Recognised during the year	10.1	(108,293,430)	(50,162,810)
Transferred to PMS		-	(3,670,000)
Transferred to deferred capital grant		(2,868,841)	(1,572,072)
		<u>(111,162,271)</u>	<u>(55,404,882)</u>
Balance as at June 30,		<u>8,452,979</u>	<u>4,793,910</u>

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

Donor / Project	2022					Balance as at June 30
	Balance as at July 01	Grant received during the year	Grant recognized in income and expenditure statement	Transferred to deferred capital grant	Transferred to PMS	
Rupees						
	A	B	C	D	E	G=A+B+C+D+E
Asia partner's project:						
PPI-For programme expenses	1,082,141	76,339,690	(66,116,580)	(2,868,841)	-	8,436,410
Kirk In Action's projects:						
HELP II	-	13,972,500	(13,972,500)	-	-	-
Displaced Persons	-	14,362,500	(14,362,500)	-	-	-
PPI strengthening organisational governance and management 2020-2021	3,684,157	-	(3,684,157)	-	-	-
COVID-19	27,612	-	(27,612)	-	-	-
Tearfund's Projects:						
HELP II	-	2,260,622	(2,241,894)	-	-	18,728
COVID - 19	-	2,081,009	(2,081,009)	-	-	-
International Christian Concern's Projects:						
Displaced Persons	-	1,104,602	(2,026,185)	-	-	(921,583)
HELP III	-	3,785,492	(3,780,993)	-	-	4,499
COVID - 19	-	914,925	-	-	-	914,925
	<u>4,793,910</u>	<u>114,821,340</u>	<u>(108,295,430)</u>	<u>(2,868,841)</u>	<u>-</u>	<u>8,452,979</u>

Donor / Project	2021					Balance as at June 30
	Balance as at January 01	Grant received during the year	Grant recognized in income and expenditure statement	Transferred to deferred capital grant	Transferred to PMS	
	A	B	C	D	E	G=A+B+C+D+E
Rupees						
Asia partner's project:						
PPI-For programme expenses	(1,169,796)	53,208,819	(49,384,810)	(1,572,072)	-	1,082,141
Kir kin actie's project:						
PPI strengthening orgnational 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>

total

		2022 Rupees	2021 Rupees
11	DEFERRED LIABILITIES		
	Provident fund:		
	Balance as at July 01,	1,061,373	1,197,469
	Additions during the year	3,034,152	2,347,358
	Permanent withdrawals during the year	(2,454,441)	(2,483,454)
	Balance as at June 30,	<u>1,641,084</u>	<u>1,061,373</u>
12	ACCRUED AND OTHER LIABILITIES		
	Payable to suppliers	208,723	2,668,185
	Accrued liabilities	52,138	18,438
	Withholding tax payable	45,491	79,800
		<u>306,352</u>	<u>2,766,423</u>
13	CONTINGENCIES AND COMMITMENTS		
13.1	Contingencies :		
	The organisation no contingencies as at June 30, 2022 (2021 : Rs. Nil).		
13.2	Commitments :		
	The organisation has no commitments as at June 30, 2022 (2021 : Rs. Nil).		
14	OTHER INCOME	Note	2022 Rupees
	Liability written off		<u>417,419</u>
15	PROGRAMME EXPENSES - DIRECT COSTS		2021 Rupees
	PPI - For programme costs	15.1	65,901,864
	COVID 19	15.2	34,432,820
			<u>20,183,802</u>
			<u>86,085,666</u>
15.1	PPI - For programme costs		
	Staff salary		21,983,919
	Displaced Persons	15.1.1	16,388,685
	Capacity building	15.1.2	685,538
			<u>685,538</u>

	Note	2022 Rupees	2021 Rupees
Partner networking	15.1.3	6,215,904	5,026,632
Leadership and Networking Support	15.1.4	5,329,298	-
Other project activities	15.1.5	2,258,558	-
Monitoring	15.1.6	1,573,622	2,083,460
Consultation	15.1.7	1,222,591	-
Information, Entertainment and Communication (IEC) materials		1,180,120	755,825
Repairs and maintenance		617,064	148,635
Setup of chapters		406,253	338,850
Vehicle running cost		305,030	129,301
Travelling and conveyance		203,967	101,290
Business as mission (RISE)		-	3,179,370
		<u>65,901,864</u>	<u>34,432,820</u>

- 15.1.1 These expenses were carried out to facilitate and assist the displaced persons in the northern areas of Pakistan. Facilitaion included cash distribution, provision of food, provision of shelter and heath and hygiene and to provide psychological support to the affected families.
- 15.1.2 These expenses include activities related to capacity building of partners which include organisational development of partners, financial management consultations, community mobilisation strategies, leadership trainings and on job support.
- 15.1.3 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 liaison and networking costs, awareness raising events on political rights, opportunities, responsibilities and coordination with Christian organisations.
- 15.1.4 These expenses relate to the support and strengthening leadership skills of emerging partners for which training sessions have been organised.
- 15.1.5 These expenses include activities related to climate change, Corporate Social Responsibility (CSR) training, women empowerment sessions and church engagement strategies for which consultant was hired. Moreover, it also includes documentary film of PPI's achievement of three years.
- 15.1.6 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.
- 15.1.7 These expenses include financial management consultation fee against the assessment of the system of partners. Moreover, it includes the expenses related to the national annual gathering of partners.

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	Note	2022 Rupees	2021 Rupees
15.2 COVID-19			
COVID-19 impact on livelihood - consultation fee		-	778,000
Re-establishing of business after COVID-19-report		-	160,000
Cash distribution to COVID-19 affectees	15.2.1	20,183,802	2,384,721
		<u>20,183,802</u>	<u>3,322,721</u>

15.2.1 These expenses were incurred in respect of the projects of HELP-II and HELP-III to support the most vulnerable and deserving families affected by COVID-19 through cash grants (PKR 10,000/- per family). Under these projects, 3,180 families were assisted across Pakistan. Projects were implemented from January 2022 to May 2022. In this regard, PPI partnered with REEDS, SSEWA-PAK, SRD, OATH and Care River.

	Note	2022 Rupees	2021 Rupees
16 ADMINISTRATIVE EXPENSES			
Staff salary		8,222,861	6,712,863
Repairs and maintenance	16.1	2,482,302	1,215,209
Office rent		3,254,424	1,320,401
Staff travel cost		1,642,343	923,532
Partner networking		1,216,594	131,257
Wages		914,710	731,290
Entertainment		904,660	459,287
Monitoring		805,571	-
Utilities		763,341	451,451
Senior management time charge		600,000	578,000
Legal consultancy		498,814	603,922
Miscellaneous		409,822	432,638
Life insurance		405,794	455,114
Vehicle running cost		305,030	129,301
Printing and stationery		298,802	294,183
Travelling and conveyance		207,267	121,850
Auditor remuneration		150,000	130,000
Vehicle insurance		92,400	105,674
Postage and communication		66,430	91,591
Bank charges		54,499	64,427
Loss on sale of operating fixed assets		18,869	-
		<u>23,314,533</u>	<u>14,951,990</u>
Reimbursement	16.2	(1,106,769)	(442,188)
		<u>22,207,764</u>	<u>14,509,802</u>

- 16.1 These expenses include upgradation of domain, hosting and G suite renewal charges of gmail ID used by Pakistan Partnership Initiative. Further, it also includes renovation expenses incurred during the year for new office.
- 16.2 This mainly includes reimbursement against subletting of one portion of office building and other expense by CEO for the year ended June 30, 2022.

	Note	2022 Rupees	2021 Rupees
17 AMORTISATION OF DEFERRED CAPITAL GRANT			
Depreciation	4	1,469,704	1,834,841
Amortization	5	55,742	13,402
		<u>1,525,446</u>	<u>1,848,243</u>

18 TRANSACTION WITH RELATED PARTIES

There were no related party's transactions other than the remuneration of Executive Director as disclosed in note 19 to the financial statements. There are no transactions with key management personnel other than under their terms of employment.

19 REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits to the Chief Executive and Executives of the Society are as follows:

	2022		2021	
	Chief Executive Rupees	Executives Rupees	Chief Executive Rupees	Executives Rupees
Salaries and other benefits	<u>8,316,250</u>	<u>13,778,121</u>	<u>8,900,550</u>	<u>10,316,785</u>
Number of persons	1	6	1	6

- 19.1 CEO is using the portion of office building against which monthly rental of Rs. 43,000 is paid to the entity.

	2022	2021
	--No. of employees--	
20 NUMBER OF EMPLOYEES		
The number of employees as at year end	<u>17</u>	<u>13</u>
Average number of employees during the year	<u>16</u>	<u>13</u>

21 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, following significant reclassification has been made during the year.

Description	Reclassified from	Reclassified to	Amount Rupees
Staff salary	Programme Expenses - Direct Cost		6,712,863
Wages	Programme Expenses - Direct Cost		731,290
Staff travel cost	Programme Expenses - Direct Cost		923,532
Legal consultancy	Programme Expenses - Direct Cost		603,922
Life insurance	Programme Expenses - Direct Cost		455,114
Repairs and maintenance	Programme Expenses - Direct Cost		1,215,209
Office rent	Programme Expenses - Direct Cost		1,320,401
Senior management time charge	Programme Expenses - Direct Cost	Administrative Expenses	578,000
Entertainment	Programme Expenses - Direct Cost		459,287
Utilities	Programme Expenses - Direct Cost		451,451
Printing and stationery	Programme Expenses - Direct Cost		294,183
Partner networking	Programme Expenses - Direct Cost		131,257
Auditor remuneration	Programme Expenses - Direct Cost		130,000
Vehicle running cost	Programme Expenses - Direct Cost		129,301
Travelling and conveyance	Programme Expenses - Direct Cost		121,850
Vehicle insurance	Programme Expenses - Direct Cost		105,674

Balance

Description	Reclassified from	Reclassified to	Amount Rupees
Postage and communication	Programme Expenses - Direct Cost		91,591
Bank charges	Programme Expenses - Direct Cost	Administrative Expenses	64,427
Miscellaneous	Programme Expenses - Direct Cost		432,638
Reimbursement	Other income		(442,188)

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 31 AUG 2022.

23 GENERAL

Figures have been rounded off to the nearest Pak Rupee.


CHAIRMAN


TREASURER


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