

## INDEPENDENT AUDITOR'S REPORT

To the Management Committee

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **RURAL COMMUNITY DEVELOPMENT SOCIETY ('the Society')**, which comprise the statement of financial position as at June 30, 2020, and the statement of income and expenditure, statement of changes in funds and statement of cashflows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements gives true and fair view of the financial position of the Society as at June 30, 2020, and of its Surplus, its cash flows and statement of changes in funds for the year then ended in accordance with approved accounting and reporting as applicable in Pakistan.

### Basis for Opinion

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

### Responsibilities of Management and Board of Directors for the Financial Statements

Responsibilities of Management and Those Charged with Governance for the Financial Statements The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal controls the Management Committee 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 Committee 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 financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not 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.

A member firm of



**RAFAQAT MANSHA  
MOHSIN DOSSANI  
MASOOM & CO.**  
Chartered Accountants

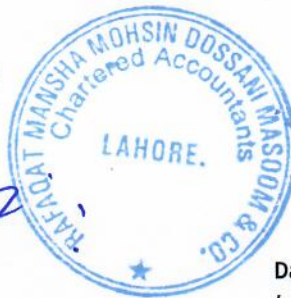
As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Engagement Partner: **Mohsin Nadeem, (FCA)**

Rafaqat Mansha Mohsin Dossani Masoom & CO.  
Chartered Accountants



Date: September 26, 2020  
Lahore, Pakistan


**RURAL COMMUNITY DEVELOPMENT SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2020**

	Note	2020 Rupees	2019 Rupees
<b>FUNDS AND LIABILITIES</b>			
General Funds		142,188,444	162,339,950
		<u>142,188,444</u>	<u>162,339,950</u>
<b>NON CURRENT LIABILITIES</b>			
Deferred Income	4	3,500,311	4,298,160
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	12,377,271	3,456,093
		<u>158,066,026</u>	<u>170,094,202</u>
<b>ASSETS</b>			
Property, plant and equipment	6	76,671,346	58,569,573
Capital work in progress		-	13,356,406
Long Term Investment	7	22,378	65,022,378
<b>CURRENT ASSETS</b>			
Advances, prepayments and other receivables	8	6,302,910	7,719,606
Grant Receivable	9	17,211,913	-
Current Portion of Long Term Investment	10	30,000,000	
Advance income tax		24,018,549	23,606,548
Cash and bank balances	11	3,838,930	1,819,691
		<u>158,066,026</u>	<u>170,094,202</u>

The annexed notes (1-21) form an integral part of these financial statements.

  
**CHAIRMAN**

MMC

  
**MANAGING DIRECTOR**

**RURAL COMMUNITY DEVELOPMENT SOCIETY  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED JUNE 30, 2020**

	Note	2020 Rupees	2019 Rupees
<b>Revenue</b>			
Profit on bank deposits		427,106	1,026,574
Other Income	12	6,203,564	8,533,528
Defferred grants amortized	13	57,866,779	22,887,961
		64,497,449	32,448,063
Operating expenses	14	84,648,954	27,379,994
Net (deficit) / Surplus for the year		(20,151,506)	5,068,068
Discontinued operations			
Surplus from discontinued operations			
Net (deficit) / Surplus for the year		(20,151,506)	5,068,068

The annexed notes (1-21) form an integral part of these financial statements.

*MMC*

  
CHAIRMAN

  
MANAGING DIRECTOR

**RURAL COMMUNITY DEVELOPMENT SOCIETY  
STATEMENT OF CHANGES IN FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	Endowment Funds	General Funds	Total Funds
	Rupees	Rupees	Rupees
Total as at June 30, 2018	-	157,271,881	157,271,881
Net Surplus for the year ended	-	5,068,068	5,068,068
Total as at June 30, 2019	-	162,339,950	162,339,950
Net Surplus for the year ended	-	(20,151,506)	(20,151,506)
Total as at June 30, 2020	-	142,188,444	142,188,444

The annexed notes (1-21) form an integral part of these financial statements.


  
CHAIRMAN

*mmc*   
MANAGING DIRECTOR

**RURAL COMMUNITY DEVELOPMENT SOCIETY**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED JUNE 2020**

	2020 Rupees	2019 Rupees
<b>CASH GENERATED FROM OPERATIONS</b>		
Excess / (Shortfall) of income over expenditure	(20,151,506)	5,068,068
Surplus from discontinued operations		
<b>Adjustment for non cash items and other charges</b>		
Depreciation on property, plant and equipment	4,377,122	2,696,098
Defferred Income Ammortize	(57,866,779)	(22,887,961)
Gain on sale of fixed assets	-	(3,026,237)
	<u>(53,489,657)</u>	<u>(23,218,100)</u>
Net cash flows before working capital changes	(73,641,163)	(18,150,032)
<b>Profit before working capital changes</b>	(73,641,163)	(18,150,032)
<b>Working capital changes</b>		
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	8,921,178	1,419,616
Decrease in finance cost payable		
Advances, prepayments and other receivables	1,004,695	3,441,060
	<u>9,925,873</u>	<u>4,860,676</u>
<b>Net cash (used in) operating activities</b>	(63,715,290)	(13,289,356)
<b>Cash flow from investing activities</b>		
Additions in fixed assets	(10,025,943)	(15,783,576)
Sale proceed of fixed assets	903,453	4,190,786
Capitall work in progress	-	(13,356,406)
Long term loan extended to RCDP	35,000,000	-
Sale proceeds through transfer of assets to RCDP		
Net cash generated from investing activities	25,877,510	(24,949,196)
<b>Cash flow from financing activities</b>		
Deferred income	39,857,017	16,217,206
Net cash generated from financing activities	<u>39,857,017</u>	<u>16,217,206</u>
<b>Net increase in cash and cash equivalents</b>	2,019,238	(22,021,346)
Cash and cash equivalents at the beginning of the year	1,819,691	23,841,036
Cash and cash equivalents at the end of the year	<u><u>3,838,929</u></u>	<u><u>1,819,691</u></u>

The annexed notes (1-21) form an integral part of these financial statements.

  
**CHAIRMAN**

MMC   
**MANAGING DIRECTOR**

**RURAL COMMUNITY DEVELOPMENT SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

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**1. LEGAL STATUS AND NATURE OF BUSINESS**

RURAL COMMUNITY DEVELOPMENT SOCIETY was registered under the Societies Registration Act, 1860. It shall be a non-religious, non political and non-governmental organization working for the empowerment and capacity building of the youth by promoting peace, tolerance, mutual understanding and non-violence amongst nations and religious. The registered office of the Trust is situated at D-4, Phase 2, Al-Rehman Garden, Sharaqpur Sharif Road, Lahore, Pakistan.

**2 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 Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB).
- Provisions of and directives issued under ICAP.

Where provisions of and directives issued under ICAP differ from the \*IFRS for SMEs or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Basis of preparation**

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective policies and notes given hereunder.

**3.2 Significant Accounting Estimates and Judgments**

The preparation of financial statements in conformity with the Financial reporting guidelines for NGOs/ NPOs engaged in microfinance issued by the Institute Chartered Accountants of Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets and provisions for doubtful receivables. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amount of assets and liabilities in the next year.

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### 3.3 Revenue

Revenue is recognized to the extent that the economic benefits will flow to the entity and revenue can be reliably measured. Revenue from different sources is recognized on the following basis:

### 3.4 Borrowings

Loans and borrowings are recorded on the cash basis. In subsequent periods, borrowings are stated at amortized cost using the effective yield method. Financial charges are accounted for on accrual basis and are included in current liabilities to the extent of amount remaining unpaid, if any.

### 3.5 Taxation

The income of the organization is exempt from the levy of tax under clause (c) of sub-section 36 of section 2 of the Income Tax Ordinance, 2001. Accordingly, no provisions for taxation has been made in the financial statements.

### 3.6 Property, plant and equipment

Property, plant and equipment are initially recognized at acquisition cost including any 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.

Subsequently, property, plant and equipment are stated at cost less accumulated depreciation and any identifiable impairment loss. Subsequent costs are included in the asset's carrying amount or recognized as a separate cost, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organization and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to income statement during the year in which they are incurred.

Depreciation is charged to the Income and Expenditure account on reducing balance method by applying the depreciation rates as disclosed in **Note 6** so as to write off the depreciable amount of assets over their estimated useful lives. Depreciation on additions is charged from the month the asset is available for use, while no depreciation is charged in the month in which the asset is disposed off.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of assets (calculated as the difference between the net disposal proceed and carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

The assets' residual values and estimated useful lives are reviewed at least at each balance sheet date and impact on depreciation is adjusted, if significant.

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### 3.7 Recognition of grants

Grants received for capital expenditure are presented in the balance sheet as "Deferred Income" that is recognized as income in line with depreciation charged on respective assets over the useful life of the assets.

Grants received for revenue expenditure are recognized as grant income as per terms of agreement with donors.

### 3.8 Trade and other payables

Trade and other payables are stated at cost which is the fair value of consideration to be paid in the future for goods and services.

### 3.9 Advances, prepayments and other receivables

These are stated at their nominal values net of any allowance for uncollectable amounts. Other receivables are recognized at nominal amount which is fair value of the consideration to be received in future.

### 3.10 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For purpose of cash flow statement, cash and cash equivalents include cash in hand, demand deposits, other short term highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

### 3.11 Provisions

Provisions are recognized when, and only when, the Company has a present obligation (legal or constructive) as a result of a past event 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 the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflected the current best estimate.

### 3.12 Use of Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are below:

- Operating fixed assets - Tangible and intangible
- Micro credit loan portfolio
- Advances, prepayments and other receivables
- Creditors, accrued and other liabilities

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	Note	2020 RUPEES	2019 RUPEES
<b>4. DEFERRED INCOME</b>			
Opening Balance		4,298,160	10,968,915
Add: Cash received from donors		39,857,017	16,217,206
Less: Amortization of grants		(57,866,779)	(22,887,961)
Add: Grant Receivable		17,211,913	
		<u>3,500,311</u>	<u>4,298,160</u>
<b>5. TRADE AND OTHER PAYABLES</b>			
Withholding tax payable		8,727	5,527
Staff saving payables		1,863,587	900,468
Accrued expenses		8,848,467	1,188,445
Payable to RCDP		1,345,696	1,232,561
Other payables		310,794	129,092
		<u>12,377,271</u>	<u>3,456,093</u>
<b>7. LONG TERM INVESTMENT</b>			
Loan to RCDP-related party		30,000,000	65,000,000
Less: current Portion of Loan to RCDP		(30,000,000)	-
		-	65,000,000
Investment in EFU saving plans		22,378	22,378
		<u>22,378</u>	<u>65,022,378</u>
<b>8. ADVANCES, DEPOSITS AND OTHER RECEIVABLES</b>			
Advance to staff against salaries		215,000	227,000
Advance to staff against expenses		-	9,697
Advance against the purchase of Land		-	-
Advance against the purchase of Agri Machinery		2,000,000	2,000,000
Unadjustable advance		257,000	157,000
Security to Statelife against health card program		2,432,277	3,665,022
Receivable from Rural Community Development Pro		1,104,196	672,882
Other Receivables		294,437	988,005
		<u>6,302,910</u>	<u>7,719,606</u>
<b>9. GRANT RECEIVABLE</b>			
PSDF		11,282,994	-
Statelife		5,928,919	-
		<u>17,211,913</u>	<u>-</u>
<b>10. CURRENT PORTION OF LONG TERM INVESTMENT</b>			
Current Portion of Loan Term Investment		30,000,000	-
		<u>30,000,000</u>	<u>-</u>

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6 RURAL COMMUNITY DEVELOPMENT SOCIETY  
WORKING OF DEPRECIATION FOR THE YEAR - 2020  
Operating fixed assets

P A R T I C U L A R S	C O S T			D E P R E C I A T I O N			Written down value as at 30.06.2020				
	As at 01.07.2019	Addition	Disposal	As at 30.06.2020	Rate %	As at 01.07.2019		For the period	Disposal	As at 30.06.2020	Written down value as at 30.06.2020
	A	B	C	(A+B+C+D=E)	F	G		M	H	(G+M+H=N)	(E=N-O)
Land - freehold	26,837,919	-	-	26,837,919	-	-	-	-	-	26,837,919	
Buildings on freehold land	10,643,411	18,211,155	-	28,854,566	5	1,819,682	987,811	-	2,807,493	26,047,073	
Furniture and fixture	1,312,327	4,704,471	(735,298)	5,281,500	10	504,369	291,696	(432,949)	363,116	4,918,384	
Other Equipments	278,975	-	(278,975)	-	10	159,978	-	(159,978)	0	(0)	
Vehicles	17,957,929	-	(400,999)	17,556,930	20	9,574,540	1,663,497	(335,097)	10,902,940	6,653,990	
Office Equipments	2,241,652	466,723	(1,788,711)	919,664	30	1,945,296	118,039	(1,620,458)	442,877	476,787	
Agri Equipments	16,048,783	-	(540,600)	16,048,783	30	3,049,268	1,299,951	(356,143)	4,349,220	11,699,563	
Health equipments	2,779,600	-	(232,900)	2,239,000	10	2,541,385	16,128	(169,405)	2,201,369	37,631	
Water testing equipments	232,900	-	(3,977,483)	-	10	169,405	-	(169,405)	0	(0)	
<b>Rupees 2020</b>	<b>78,333,496</b>	<b>23,382,349</b>	<b>(3,977,483)</b>	<b>97,738,362</b>		<b>19,763,923</b>	<b>4,377,122</b>	<b>(3,074,030)</b>	<b>21,067,016</b>	<b>76,671,346</b>	

P A R T I C U L A R S	C O S T			D E P R E C I A T I O N			Written down value as at 30.06.2019				
	As at 01.07.2018	Addition	Disposal	As at 30.06.2019	Rate %	As at 01.07.2018		For the period	Disposal	As at 30.06.2019	Written down value as at 30.06.2019
	A	B	C	(A+B+C+D=E)	F	G		M	H	(G+M+H=N)	(E=N-O)
Land - freehold	16,541,272	10,296,647	-	26,837,919	-	-	-	-	-	26,837,919	
Buildings on freehold land	10,643,411	-	-	10,643,411	5	1,355,275	464,407	-	1,819,682	8,823,729	
Furniture and fixture	938,505	373,822	-	1,312,327	10	428,441	75,928	-	504,369	807,958	
Other Equipments	278,975	-	-	278,975	10	146,756	13,222	-	159,978	118,997	
Vehicles	19,215,859	4,805,070	(6,063,000)	17,957,929	20	13,966,603	504,389	(4,898,451)	9,574,540	8,383,389	
Office Equipments	2,160,186	81,466	-	2,241,652	30	1,832,834	112,462	-	1,945,296	296,356	
Agri Equipments	16,048,783	-	-	16,048,783	30	1,604,878	1,444,390	-	3,049,268	12,999,515	
Health equipments	2,553,029	226,571	-	2,779,600	30	2,467,139	74,246	-	2,541,385	238,215	
Water testing equipments	232,900	-	-	232,900	10	162,350	7,055	-	169,405	63,495	
<b>Rupees 2019</b>	<b>68,612,920</b>	<b>15,783,576</b>	<b>(6,063,000)</b>	<b>78,333,496</b>		<b>21,966,276</b>	<b>2,696,098</b>	<b>(4,898,451)</b>	<b>19,763,923</b>	<b>58,569,573</b>	

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	Note	2020 RUPEES	2019 RUPEES
<b>11. CASH AND BANK BALANCES</b>			
Cash in hand		158,766	56,136
Cash at bank			
-Current account		231,247	179,161
-Saving Account		3,448,917	1,584,394
		<u>3,838,930</u>	<u>1,819,691</u>
<b>12. OPERATING INCOME</b>			
Profit on sale of vehicle		-	3,026,237
Rental Income		5,963,130	5,447,205
School Fee income		240,410	-
Cash received against fee based clients		-	-
RCDP Contribution		-	-
Exchange Gain		-	52,086
Other Income		24	8,000
		<u>6,203,564</u>	<u>8,533,528</u>
<b>13. DEFERRED GRANTS AMORTIZED</b>			
Less: Amortization of grants	4	57,866,779	22,887,961
		<u>57,866,779</u>	<u>22,887,961</u>
<b>14. OPERATING EXPENSES</b>			
Managing director's salary and benefits		2,814,960	2,390,000
Salaries and other benefits		33,487,066	9,032,694
Project and Allied Expenses		623,857	4,765,000
Training Expenses		3,097,176	1,996,432
Office Rent		14,332,874	781,947
Printing and stationary		15,253,523	1,752,073
Petrol and Maintenance		1,791,107	936,826
Utilities		87,579	366,365
Communication and Courier		1,104,051	281,103
Depreciation	6	4,377,122	2,696,098
Office Supplies		4,230,232	1,034,450
Audit Fee		120,000	108,889
Legal aid Expenses		-	2,800
Travelling Expenses		65,730	58,207
Registration Expenses		43,448	66,485
Bank Charges		374,942	21,000
Consultancy		1,891,200	741,564
Donation		10,000	298,736
Loss on sale of vehicles		839,864	-
Others		104,223	49,325
		<u>84,648,954</u>	<u>27,379,994</u>

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**15. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES**

15.1 The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the full time working directors and executives/managing director (appointed by the directors) of the Company is as follows:

2020			
	Chairman	Chief Executive	Managing Director (Employee)
Maneagerial remuneration	-	-	2,428,800
Allowances and other benefits	-	-	386,160
	-	-	<u>2,814,960</u>
Number of persons	-	-	<u>1</u>
2019			
	Chairman	Chief Executive	Managing Director (Employee)
Maneagerial remuneration	-	-	2,390,000
Allowances and other benefits	-	-	-
	-	-	<u>2,390,000</u>
Number of persons	-	-	<u>1</u>

**16. NUMBER OF EMPLOYEES**

The number of employees of the company including parmanent and contractual as at June 30, 2020 were 38 (2019: 31).

**17. RELATED PARTY TRANSACTIONS**

The related parties comprise subsidiaries, associated under takings, post employment benefit plans, other related companies, and key management personnel. The company in the normal course of business carries out transactions with various related parties. Amounts due from and due to related parties are shown under receivables and payable respectively. Other significant transactions with related parties are as follows:-

Name of related party	Nature of transaction	2020	2019
-----RUPEES-----			
Rural Community Development Prog	Loan provided	30,000,000	65,000,000
	Rental Income	5,963,130	5,447,205

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## 18. IMPACT OF COVID-19 ON THE FINANCIAL STATEMENTS

A novel strain of Coronavirus (COVID-19) that first surfaced in China was classified as a pandemic by the World Health Organization on 11 March 2020, impacting countries globally including Pakistan. Government of Pakistan has taken certain measures to reduce the spread of COVID-19 including lockdown of businesses, suspension of flight operations, intercity movements, cancellation of major events etc. These measures have resulted in overall economic slowdown, disruptions to various business and significant volatility in Pakistan Stock Exchange (PSX). However, currently, the potential impacts from COVID-19 remain uncertain, including, among other things, on economic conditions, businesses and consumers. The extent of these impacts on the Company are unclear. The Company is conducting business with some modifications to employee working and cancellation of certain events, among other modifications while following all necessary Standard Operating Procedures (SOPs). The Company will continue to actively monitor the situation and may take further actions that alter its business operations as may be required by federal, provincial or local authorities or that are in the best interests of our employees, customers, partners, suppliers and stakeholder. However, the management based on its assessment considered that there would be no significant impact that will adversely affect its businesses, results of operations and financial condition in future period.

## 18. DATE OF AUTHORIZATION FOR ISSUE

These Financial Statements have been authorised for issue by Board of Trustees' on September 26, 2020

## 19. EVENTS AFTER THE BALANCE SHEET DATE

There are no reportable subsequent events occurring after the balance sheet date.

## 20. GENERAL

- Corresponding figures have been reclassified wherever necessary for the purpose of better comparison, however no material reclassification has been done.

-Figures in these financial statements have been rounded off to the nearest rupee.

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CHAIRMAN



MANAGING DIRECTOR