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M. Usman Akram & Co.
Chartered Accountants

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Independent Auditor's Report to the Board Members

Opinion

We have audited the financial statements of Sustainable Social Development Organization (“SSDO”), which comprises the statement of financial position as at June 30, 2020, the statement of income and expenditure and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Sustainable Social Development Organization (“SSDO”) as at June 30, 2020 and its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Board Members 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 Board Members are responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Board Members determine 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, Board Members are responsible for assessing the Organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's 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.

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:



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- 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 organization'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.

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Chartered Accountants & Co.,
Islamabad.

Date: 23-12-2020

Engagement Partner: Muhammad Usman Akram

SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020


	NOTE	<u>2020</u> Rupees	<u>2019</u> Rupees
Non - Current Assets			
Property and equipment	5	1,685,678	1,599,159
Current Assets			
Advances, deposits and receivables	6	838,417	614,675
Cash and bank	7	109,143	72,645
		<u>947,560</u>	<u>687,320</u>
TOTAL ASSETS		<u>2,633,238</u>	<u>2,286,479</u>
Current Liabilities			
Restricted grants	8	4,911,322	1,056,688
Accrued and other liabilities	9	2,470,063	2,721,152
		<u>7,381,385</u>	<u>3,777,840</u>
TOTAL LIABILITIES		<u>7,381,385</u>	<u>3,777,840</u>
NET ASSETS		<u>(4,748,147)</u>	<u>(1,491,361)</u>
REPRESENTED BY			
General fund	10	<u>(4,748,147)</u>	<u>(1,491,361)</u>
CONTINGENCIES AND COMMITMENTS	11	-	-

The annexed notes 1 to 18 form an integral part of these financial statements.

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Executive Director

M. U. A. C.



Finance Secretary

**SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2020**

	NOTE	<u>2020</u> Rupees	<u>2019</u> Rupees
INCOME			
Grants - Restricted	12	41,271,865	21,923,444
Grants - Unrestricted		1,505,000	295,000
Other income	13	6,523,077	1,072,761
		49,299,942	23,291,205
EXPENDITURE			
Project expenses	14	(31,239,234)	(19,793,995)
General and administration expenses	15	(11,284,865)	(2,383,345)
		(42,524,099)	(22,177,340)
SUPLUS / (DEFICIT) FOR THE YEAR		6,775,843	1,113,865
Transferred from restricted grants	8	(10,032,631)	(2,129,449)
Transferred to SSDO fund		(3,256,788)	(1,015,584)

The annexed notes 1 to 18 form an integral part of these financial statements.

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Executive Director

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Finance Secretary

SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(Deficit) for the year	(3,256,788)	(1,015,584)
Adjustment for non cash items:		
Depreciation	447,719	465,908
Loss on asset disposal	-	55,088
	447,719	520,996
	(2,809,069)	(494,588)
Changes in Working Capital		
<i>(Increase) / Decrease in Current Assets</i>		
Advances, deposits and receivables	(223,742)	657,663
<i>Increase / (Decrease) in Current Liabilities</i>		
Accrued and other liabilities	3,603,545	1,515,196
	3,379,803	2,172,859
	570,734	1,678,271
Net cash (outflow) / inflow from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
<i>(Increase) / Decrease in Property and equipment</i>		
Additions in property and equipment	(534,237)	(1,725,207)
	(534,237)	(1,725,207)
Net cash (outflow) / inflow from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash (outflow) / inflow from financing activities		
	-	-
Net increase / (decrease) in cash and cash equivalents	36,497	(46,936)
Cash and cash equivalent at the beginning of the year	72,645	119,582
Cash and cash equivalent at the end of the year	109,143	72,645

The annexed notes 1 to 18 form an integral part of these financial statements.

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Executive Director

M. U. G. S.

Finance Secretary

SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1 LEGAL STATUS AND OBJECTS

Sustainable Social Development Organization (SSDO) was registered on March 13, 2015 as non-profit organization under "Societies Registration Act 1860". The registered office of the organization is situated in Rawalpindi.

The main objects of the organization are to ensure citizens rights by fostering purposeful and responsive legislation, law enactment, stakeholders empowerment, good governance and service delivery.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of the Accounting Standards for Not for Profit Organizations issued by Institute of Chartered Accountants of Pakistan (ICAP).

3 BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention.

4 PRINCIPAL ACCOUNTING POLICIES.

4.1 Fixed capital expenditure

Fixed Assets are stated at cost less accumulated depreciation. Depreciation on all fixed assets is charged on reducing balance method at the rate specified in note 5.1. Depreciation on additions to be charged from the month in which an asset is available for use while no depreciation to be charged for the month in which an asset is disposed off.

Maintenance and normal repair are charged to statement of income & expenditure as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gains and losses on deletion of assets are included in current year's income or expense.

4.2 Receivables

Receivables are recognized at nominal amount, which is the fair value of the consideration to be received in future. Balances considered bad and irrecoverable are written off when identified.

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SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1 LEGAL STATUS AND OBJECTS

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4.3 Payables

These are initially carried at their fair value, subsequent to initial recognition, these are stated at their amortized cost.

4.4 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost.

4.5 Income recognition

Donations/ Restricted grants relating to income are recognized on receipt basis and unrestricted are recognized on accrual basics.

4.6 Functional and presentation currency

These financial statements are presented in Pak Rupee, which is the organization's functional and presentation currency.

	<u>2020</u>	<u>2019</u>
Note	Rupees	Rupees
5 Property and equipment	<u>5.1</u> <u>1,685,678</u>	<u>1,599,159</u>

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**SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

5.1 Schedule of Property and equipment

Description	COST				Rate	DEPRECIATION				WDV as at June 30, 2020
	As at July 01, 2019	Additions	(Deletions)	As at June 30, 2020		As at July 01, 2019	For the year	Deletion / Adjustment	As at June 30, 2020	
Furniture and fixtures	1,294,042	73,000	(37,700)	1,329,342	20%	365,799	200,249	(7,540)	558,508	770,834
Office equipment	546,070	-	-	546,070	20%	38,302	101,554		139,856	406,214
Computer & IT Equipment	308,350	498,937	-	807,287	33%	145,201	153,456		298,657	508,630
2020	2,148,462	571,937	(37,700)	2,682,699		549,302	455,259	(7,540)	997,021	1,685,678
2019	485,214	1,725,207	(61,959)	2,148,462		90,266	465,909	(6,872)	549,303	1,599,159

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SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	<u>2020</u>	<u>2019</u>
		Rupees	Rupees
6 Advances, deposits and receivables			
Advance tax		551,917	383,675
Advances, deposits and prepayments		<u>286,500</u>	<u>231,000</u>
		<u>838,417</u>	<u>614,675</u>
7 Cash and bank			
Cash at bank		103,620	61,609
Cash in hand		<u>5,523</u>	<u>11,036</u>
		<u>109,143</u>	<u>72,645</u>

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**SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

8 Restricted Grants

Particulars	Balance as at July 01, 2019	Donation for the year	Institutional Support transferred to SSDO	Income for the year	Expenses for the year	Balance after Expenses	Balance transferred to SSDO	Balance as at June 30, 2020
	A	B	C	D = B - C	E	F = D - E	G	H = A + F - G
Strengthening Legislative Oversight for building Peace in Pakistan - DAI	756,605	4,406,059	480,000	3,926,059	2,762,292	1,163,767	1,920,372	-
Citizen Voice Project - TDEA	-	7,927,002	120,000	7,807,002	8,271,515	(464,513)	(464,513)	-
Qualitative Research on Child marriage Legislation - OXFAM	-	1,093,200	-	1,093,200	1,307,722	(214,522)	(214,522)	-
ILM Possible -TDEA	300,083	196,662	-	196,662	-	196,662	496,745	-
Alif Elan - Taleem Do	-	-	-	-	-	-	-	-
Strengthening Legislative Oversight for building Peace and Sustainable Development in Sindh - KCD 073-DAI	-	18,379,294	210,000	18,169,294	13,729,379	4,439,915	4,439,915	-
Strengthening Local Governments role for building Peace and Sustainable Development in Sindh - KCD-103-DAI	-	7,867,500	200,000	7,667,500	2,817,525	4,849,975	-	4,849,975
Strengthening Legislative Oversight for building Peace in Pakistan - PCD-098	-	1,509,646	315,000	1,194,646	1,013,301	181,345	-	181,345
Digitization of Federal Information Commission - UNESCO-RTI	-	1,030,976	-	1,030,976	760,000	270,976	-	270,976
TDEA - We are Leaders - WRL	-	366,526	180,000	186,526	577,500	(390,974)	-	(390,974)
Total	1,056,688	42,776,865	1,505,000	41,271,865	31,239,234	10,032,631	6,177,997	4,911,322

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SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	<u>2020</u>	<u>2019</u>
		Rupees	Rupees
9 Accrued and other liabilities	-		
Program salaries payable		1,183,330	1,020,582
Payable to staff against expenses		294,794	994,794
Stipend and consultancy fee payable		279,035	174,367
Accrued expenses		67,073	142,073
Withholding tax payable		445,831	258,113
Audit fee payable		200,000	131,223
		<u>2,470,063</u>	<u>2,721,152</u>
10 General fund			
Opening balance		(1,491,360)	(475,776)
Surplus/(Deficit) for the year		<u>(3,256,788)</u>	<u>(1,015,584)</u>
Closing balance		<u>(4,748,148)</u>	<u>(1,491,360)</u>
11 Contingencies and commitments			
There are no contingencies and commitments as at the date of statement of financial position.			
12 Grants - Restricted	Note	<u>2020</u>	<u>2019</u>
		Rupees	Rupees
Strengthening Legislative Oversight for building Peace in Pakistan - DAI		3,926,059	9,677,925
Citizen Voice Project - TDEA		7,807,002	8,186,720
Qualitative Research on Child marriage Legislation - OXFAM		1,093,200	2,696,500
ILM Possible -TDEA		196,662	727,483
Alif Elan - Taleem Do		-	634,816
Strengthening Legislative Oversight for building Peace and Sustainable Development in Sindh - KCD 073-DAI		18,169,294	-
Strengthening Local Governments role for building Peace and Sustainable Development in Sindh - KCD-103-DAI		7,667,500	-
Strengthening Legislative Oversight for building Peace in Pakistan - PCD-098		1,194,646	-
Digitization of Federal Information Commission - UNESCO-RTI		1,030,976	-
TDEA - We are Leaders - WRL		186,526	-
		<u>41,271,865</u>	<u>21,923,444</u>
13 Other income			
Balance of closed projects transferred to SSDO		6,177,997	1,072,761
Reimbursement of expenses		345,080	-
		<u>6,523,077</u>	<u>1,072,761</u>

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SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

14 Project expenses	-	Note	2020 Rupees	2019 Rupees
Strengthening Legislative Oversight for building Peace in Pakistan - DAI		14.1	2,762,292	8,921,320
Citizen Voice Project -TDEA		14.1	8,271,515	7,328,067
Qualitative Research on Child marriage Legislation - OXFAM		14.1	1,307,722	2,515,208
Strengthening Legislative Oversight for building Peace and Sustainable Development in Sindh - KCD 073-DAI		14.1	13,729,379	602,000
Strengthening Local Governments role for building Peace and Sustainable Development in Sindh - KCD-103-DAI		14.1	2,817,525	427,400
Strengthening Legislative Oversight for building Peace in Pakistan - PCD-098		14.1	1,013,301	-
Digitization of Federal Information Commission - UNESCO-RTI		14.1	760,000	-
TDEA - We are Leaders - WRL		14.1	577,500	-
			<u>31,239,234</u>	<u>19,793,995</u>

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14.1 Breakup of Project expenses

Project Names	Salaries and Wages	Consultant Fee	Travel and Fuel	Supplies and Stationery	Repair and Maintenance	Communication Costs	Office Rent	Training Arrangments	Boarding and Lodging	Meals and Entertainment	Event & Training	Printing, Publication & Display	Website & Software	Utilities Expenses	Professional Services	Total
Strengthening Legislative Oversight for building Peace in Pakistan - DAI	820,455	-	265,875	123,088	6,000	27,817	147,000	535,492	550,809	56,656	180,000	-	-	49,100	-	2,762,292
Citizen Voice Project -TDEA	1,260,000	910,000	945,000	296,120	-	28,619	120,000	852,600	3,829,176	-	-	-	-	30,000	-	8,271,515
Qualitative Research on Child marriage Legislation - OXFAM	-	1,069,180	-	-	-	-	-	238,542	-	-	-	-	-	-	-	1,307,722
Strengthening Legislative Oversight for building Peace and Sustainable Development in Sindh - KCD 073-DAI	1,980,000	660,000	1,965,555	2,417,263	-	37,497	294,000	2,936,547	2,163,377	970,242	173,000	53,012	-	78,886	-	13,729,379
Strengthening Local Governments role for building Peace and Sustainable Development in Sindh - KCD-103-DAI	1,527,500	260,000	261,866	16,550	-	4,320	195,700	453,517	98,072	-	-	-	-	-	-	2,817,525
Strengthening Legislative Oversight for building Peace in Pakistan - PCD-098	768,636	-	59,741	47,710	-	27,537	80,000	-	23,359	-	-	-	-	6,318	-	1,013,301
Digitization of Federal Information Commission - UNESCO-RTI	240,000	-	-	-	-	-	-	-	-	-	-	-	280,000	-	240,000	760,000
TDEA - We are Leaders - WRL	577,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	577,500
Total	7,174,091	2,899,180	3,498,037	2,900,731	6,000	125,790	836,700	5,016,698	6,664,793	1,026,898	353,000	53,012	280,000	164,304	240,000	31,239,234

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SUSTAINABLE SOCIAL DEVELOPMENT ORGANIZATION (SSDO)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

15 General and administration expenses	Note	2020	2019
		Rupees	Rupees
Salaries and Wages		4,290,003	159,583
Supplies and Stationary		3,223,490	229,757
Training Arrangments		660,861	-
Meals and Entertainment		572,818	14,902
Office Rent		517,000	150,000
Depreciation	5.1	455,259	465,908
Travelling & Fuel		292,334	148,550
Consultancy		282,000	266,000
Audit Fee		200,000	131,223
Repair and Maintenance		211,263	85,425
Website and Software		122,225	33,308
Boarding and Lodging		118,623	91,838
Event & Training Coverage		89,500	-
Communication		41,720	20,720
Fee and Subscriptions		39,200	47,642
Utilities		36,936	35,836
Postage and Courier		36,500	16,263
Loss on Asset Disposal		30,160	41,220
Bank charges		25,133	23,009
Stipends		19,130	123,000
Venue rentals		17,000	159,373
Newspapers		3,710	7,660
Taxes		-	118,260
Donation		-	13,868
		11,284,865	2,383,345

16 Taxation

Commissioner Inland Revenue has granted an approval to SSDO under rule 212 of Income Tax Rules 2002 in terms of section 2 (36) of Income Tax Ordinance 2001 on August 31, 2018. Therefore provision for current taxation has not been provided for in these financial statements.

17 Date of Authorization for issue

These financial statements were authorized for issue on 13-12-2020 by the Board Members of Sustainable Social Development Organization (SSDO).

18 General

- Figures have been rounded off to the nearest rupee.
- Figures of the previous year have been rearranged, wherever necessary, for the purpose of comparison

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Executive Director

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Finance Secretary