DURBEEN
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	Note	June 30, 2021	June 30, 2020
		---------- Rupees	----------
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	6	**65,433,756**	59,006,506
Intangible assets	7	**6,022,701**	8,030,268
		71,456,457	67,036,774
CURRENT ASSETS			
Short-term investment	8	**3,114,085**	-
Advances, deposits and prepayments	9	**2,395,622**	1,226,958
Tax deducted at source		**205,508**	136,544
Cash and bank balances	10	**12,156,777**	3,632,470
		17,871,992	4,995,972
TOTAL ASSETS		**89,328,449**	72,032,746
RESERVES AND LIABILITIES			
ACCUMULATED FUNDS			
Unrestricted fund		**5,047,417**	4,216,874
Restricted funds	11	**72,712,706**	53,792,389
		77,760,123	58,009,263
CURRENT LIABILITIES			
Accrued and other payables	12	**6,474,516**	12,023,483
Loan from related parties	13	**5,093,810**	2,000,000
		11,568,326	14,023,483
CONTINGENCIES AND COMMITMENTS	14		
TOTAL LIABILITIES AND RESERVES		**89,328,449**	72,032,746

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

Chief Executive Officer

Director

DURBEEN
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2021

		2021			2020		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Note	Rupees					
INCOME							
Donations	15	2,284,500	66,558,377	68,842,877	5,681,858	69,173,913	74,855,771
Other income	16	1,066,010	-	1,066,010	555,482	-	555,482
		3,350,510	66,558,377	69,908,887	6,237,340	69,173,913	75,411,253
EXPENDITURE							
Operational expenses	17	(2,343,858)	(38,211,253)	(40,555,111)	(4,960,202)	(45,406,557)	(50,366,759)
Administative expenses	18	(146,509)	(9,426,807)	(9,573,316)	(496,691)	(9,954,520)	(10,451,211)
Bank charges		(29,600)	-	(29,600)	(17,519)	(20,447)	(37,966)
		(2,519,967)	(47,638,060)	(50,158,027)	(5,474,412)	(55,381,524)	(60,855,936)
Taxation		-	-	-	-	-	-
SURPLUS FOR THE YEAR		830,543	18,920,317	19,750,860	762,928	13,792,389	14,555,317

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

Chief Executive Officer

Director

DURBEEN

(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2021

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Rupees					
Surplus for the year	830,543	18,920,317	19,750,860	762,928	13,792,389	14,555,317
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	**830,543**	**18,920,317**	**19,750,860**	762,928	13,792,389	14,555,317

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

Chief Executive Officer

Director

DURBEEN
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Unrestricted fund	Restricted funds	Grand Total
	--------	Rupees	--------
Balance as at June 30, 2019	3,453,946	40,000,000	43,453,946
Surplus for the year	762,928	13,792,389	14,555,317
Other comprehensive income	-	-	-
Total comprehensive income for the year	762,928	13,792,389	14,555,317
Balance as at June 30, 2020	**4,216,874**	**53,792,389**	**58,009,263**
Surplus for the year	**830,543**	**18,920,317**	**19,750,860**
Other comprehensive income	-	-	-
Total comprehensive income for the year	**830,543**	**18,920,317**	**19,750,860**
Balance as at June 30, 2021	**5,047,417**	**72,712,706**	**77,760,123**

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

Salma A. Alam
Chief Executive Officer

Director

DURBEEN
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		---------- Rupees ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		19,750,860	14,555,317
Adjustment for non cash and other items			
Depreciation	6.1	9,467,531	5,367,428
Amortisation	7.1	2,007,567	2,007,567
Loss on disposal of operating fixed assets		-	14,667
Finance cost		29,600	37,966
		11,504,698	7,427,628
Changes in working capital			
Increase in current assets			
Short-term investment		(3,114,085)	-
Advances, deposits and prepayments		(1,168,664)	(1,226,958)
Tax deducted at source		(68,964)	(62,873)
		(4,351,713)	(1,289,831)
Increase in current liabilities			
Accrued and other payables		(5,548,967)	10,746,457
		(5,548,967)	10,746,457
Cash generated from operations		21,354,878	31,439,571
Finance cost paid		(29,600)	(37,966)
Net cash generated from operating activities		21,325,278	31,401,605
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment		(15,894,781)	(49,480,626)
Net cash used in investing activities		(15,894,781)	(49,480,626)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from related parties		3,093,810	2,000,000
Net cash generated from financing activities		3,093,810	2,000,000
Net increase / (decrease) in cash and cash equivalents		8,524,307	(16,079,021)
Cash and cash equivalents as at the beginning of the year		3,632,470	19,711,491
Cash and cash equivalents as at the end of the year	10	12,156,777	3,632,470

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

Salma A. Alam
Chief Executive Officer

Director

DURBEEN
(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal Status and Operations

Durbeen (the Company) is a not-profit Company incorporated in Pakistan on January 16, 2017 as Guarantee Limited Company under Section 42 of the repealed Companies Ordinance, 1984 [now Companies Act, 2017 (the Act)]. The Company was formed to reform teacher education and K-10 schools in the public sector. The registered office and geographical location of the Company is Government Elementary College of Education, Hussainabad, Federal B Area, Block 2, Karachi.

The Company submitted an unsolicited proposal to the School Education and Literacy Department, Government of Sindh in 2017 in relation to public-private partnership in the management and operation of a teachers' training institute, i.e. Government Elementary College of Education (GECE), Hussainabad in Karachi (the GECE project). This proposal was consequently vetted by the Government of Sindh and then approved by the Public-Private Partnership Board of GoS in March 2017. The Company then submitted a proposal for the implementation of the GECE project which was accepted by the Authority on 24 December 2018 and a Management Contract was signed by the two parties in March 2019, after which Durbeen formally took over the management of GECE Hussainabad. The GECE project's Installation (renovation) Period lasted until July 14, 2020 and the GECE project's Operations & Maintenance (O&M) Period formally started on July 15, 2020. The duration of the O&M Period is defined as 10 years in the Management Contract. Since the core building blocks were renovated by September 2019, the College's academic operations started in the same month with Durbeen's first cohort of B.Ed students. As of the reporting date, new admissions were underway for the third cohort of students. GECE Hussainabad offers a single degree program i.e. a 4-year Bachelor of Education degree for teachers at the Elementary level (Grades 1-8).

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, the Accounting Standard for Not for Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and provisions of and directives issued under the Companies Act, 2017, Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention. The financial statements presented in Pakistani Rupees, which is the functional currency of the Company.

3 NEW STANDARDS, AMENDMENTS, IMPROVEMENTS TO APPROVED ACCOUNTING STANDARDS AND THE FRAMEWORK FOR FINANCIAL REPORTING

3.1 Amendments to approved accounting standards and the framework for financial reporting that became effective during the current year

The Company has adopted the following amendments to International Financial Reporting Standards (IFRSs) and the framework for financial reporting which became effective for the current year:

Amendment and Conceptual Framework

IFRS 3 - Business Combinations - Definition of a Business (Amendments)
IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments)
IAS 1 / IAS 8 - Definition of Material (Amendments)
Conceptual Framework for Financial Reporting

The adoption of above amendments to the approved accounting standards and the conceptual framework for financial reporting did not have any material impact on the Company's financial statements.

3.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

The following amendments and improvements to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective amendment or improvements:

Amendment or Improvement		Effective date (annual periods beginning on or after)
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform - Phase 2 (Amendment)	01 January 2021
IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)	01 April 2021
IFRS 3	Reference to the Conceptual Framework (Amendments)	01 January 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)	01 January 2022
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)	01 January 2022
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	01 January 2023
IAS 1	Disclosure of Accounting Policies (Amendments)	01 January 2023
IAS 8	Definition of Accounting Estimates (Amendments)	01 January 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	01 January 2023
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

IFRS 9	Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	01 January 2022
IAS 41	Agriculture – Taxation in fair value measurements	01 January 2022
IFRS 16	Leases: Lease incentives	01 January 2022

The above amendments and improvements are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's financial statements in the period of initial application.

Standard		IASB effective date (annual periods beginning on or after)
IFRS 1	First-time Adoption of International Financial Reporting Standards	01 January 2004
IFRS 17	Insurance Contracts	01 January 2023

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Property and equipment

4.1.1 Operating fixed assets

These are stated as cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to statement of income and expenditure using straight line method at the rates specified in note 6.1 to these financial statements. Depreciation on addition is charged from the day in which the asset is available for use, whereas no depreciation is charged on the day in which an asset is disposed off.

Maintenance and normal repairs are charged to statement of income and expenditure as and when incurred. Major renewals and improvements are capitalised, and asset so replaced are retired.

Gains or losses on disposals of property and equipment, if any, are recognised in statement of income and expenditure.

The assets residual value, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end.

The carrying amounts of Company's property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is determined and impairment loss is recognised in statement of income and expenditure.

4.1.2 Capital work-in-progress

These are stated at cost less impairment in value, if any. Capital work in progress consist of expenditure incurred and advance made in respect of operating fixed assets in the course of their construction and installation.

4.2 Intangible assets

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

Amortisation is charged to statement of income and expenditure applying the straight-line method at the rate disclosed in note 7.1 to these unconsolidated financial statements.

Amortisation on addition is charged from the month when asset is available for use and disposals up to the month the asset is in use.

Gains or losses on disposals of intangibles, if any, are recognized in statement of income and expenditure.

The assets residual value, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year-end.

The carrying amounts of Company's intangibles are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is determined and impairment loss is recognised in statement of income and expenditure .

4.3 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise of cash in hand and bank balances. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

4.4 Taxation

The Company has been approved as a not-profit organization under section 2(36)(c) of the Income Tax Ordinance, 2001. The Company is allowed tax credit equal to 100% of the tax payable including minimum tax and final taxes, under section 100C of the Income Tax Ordinance, 2001. The managment intends to avail a tax credit equal to 100% of the tax payable. Accordingly, no tax charge has been recorded in these financial statements.

4.5 Impairment of non-financial assets

Carrying values of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, assets are tested for impairment. Where the carrying values of assets exceed the estimated recoverable amount, these are written down to their recoverable amount and the resulting impairment is charged to statement of income or expenditure.

Impairment is reversed only if there has been a change in estimates used to determine recoverable amounts and only to the extent that the revised carrying value does not exceed the carrying value that would have existed, had no impairment been recognised.

4.6 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

The financial assets of the Company mainly include deposits, short-term investments and cash and bank balances

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt instrument or Fair Value through Profit or Loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of a debt instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in statement of comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price, determined under IFRS 15) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments). These are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortised cost includes trade receivables.

- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments).

- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

ii) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include accrued and other payables and loan from related parties.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the statement of income and expenditure. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as fair value through profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of income and expenditure. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of income and expenditure.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.7 Impairment / expected credit loss on financial assets

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to record an allowance for ECLs for all loans and other debt financial assets not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Company has applied the standard's simplified approach and calculated ECL based on life-time ECL on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The expected credit loss is recognised in the statement of income and expenditure.

4.8 Revenue recognition

Income from donations is recognized on receipt basis.

Return on deposit accounts and short-term investment are accounted for time-proportioned basis and other income, if any, is recorded on accrual basis.

4.9 Accumulated funds

4.9.1 Unrestricted fund

Funds received for ongoing activities, without any restrictions on utilisation, are classified as unrestricted funds. These funds are recognised as income when received. The expenses incurred against such funds are recognised in the statement of income and expenditure as and when incurred.

4.9.2 Restricted fund

Reflect contributions with donor-imposed restrictions that do not expire and that typically allow for the income earned thereon to be expended consistent with donor intent.

5 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires 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 historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The estimates and underlying assumptions are reviewed on an ongoing basis and disclosed in respective notes to these financial statements. Revisions to accounting estimates are recognised in the year in which the estimates are revised.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

- determining the method of depreciation, residual values and useful lives of operating fixed assets (note 6 & 4.1); and
- determining the method of amortisation, residual values and useful lives of intangible assets (note 7 &

Other areas where judgements, estimates and assumptions involved are disclosed in respective notes to these financial statement.

6 PROPERTY AND EQUIPMENT

	Note	June 30, 2021	June 30, 2020
		---------- Rupees ----------	
Operating fixed assets	6.1	60,889,581	55,726,978
Capital work in progress (CWIP) - structural improvements	6.2	4,544,175	3,279,528
		65,433,756	59,006,506

6.1 Operating fixed assets

June 30, 2021

	Cost					Accumulated Depreciation				Net book value	Depreciation rate
	As at July 01, 2020	Additions	Disposals	Transfers from CWIP (note 6.2)	As at June 30, 2021	As at July 01, 2020	Charge for the year (note 17)	Disposals	As at June 30, 2021	As at June 30, 2021	%
	----------	----------	----------	----------	----------	Rupees	----------	----------	----------	----------	
Restricted - GECE project											
Structural improvements	47,837,793	-	-	9,077,674	56,915,467	3,083,769	5,055,163	-	8,138,932	48,776,535	10
Office equipment	6,856,339	4,263,354	-	-	11,119,693	1,481,057	3,289,997	-	4,771,054	6,348,639	33
Furniture and fixtures	5,248,019	1,289,106	-	-	6,537,125	566,016	894,097	-	1,460,113	5,077,012	14
	59,942,151	5,552,460	-	9,077,674	74,572,285	5,130,842	9,239,257	-	14,370,099	60,202,186	
Unrestricted											
Office equipment	296,783	-	-	-	296,783	159,149	97,938	-	257,087	39,696	33
Furniture and fixtures	912,715	-	-	-	912,715	134,680	130,336	-	265,016	647,699	14
	1,209,498	-	-	-	1,209,498	293,829	228,274	-	522,103	687,395	
	61,151,649	5,552,460	-	9,077,674	75,781,783	5,424,671	9,467,531	-	14,892,202	60,889,581	

June 30, 2020

	Cost					Accumulated Depreciation				Net book value	Depreciation rate
	As at July 01, 2019	Additions	Disposals	Transfers from CWIP (note 6.2)	As at June 30, 2020	As at July 01, 2019	Charge for the year (note 17)	Disposals	As at June 30, 2020	As at June 30, 2020	%
	----------	----------	----------	----------	----------	Rupees	----------	----------	----------	----------	
Restricted - GECE project											
Structural improvements	-	19,084,313	-	28,753,480	47,837,793	-	3,083,769	-	3,083,769	44,754,024	10
Office equipment	-	6,856,339	-	-	6,856,339	-	1,481,057	-	1,481,057	5,375,282	33
Furniture and fixtures	-	5,248,019	-	-	5,248,019	-	566,016	-	566,016	4,682,003	14
	-	31,188,671	-	28,753,480	59,942,151	-	5,130,842	-	5,130,842	54,811,309	
Unrestricted											
Office equipment	318,783	-	(22,000)	-	296,783	60,232	106,250	(7,333)	159,149	137,634	33
Furniture and fixtures	912,715	-	-	-	912,715	4,344	130,336	-	134,680	778,035	14
	1,231,498	-	(22,000)	-	1,209,498	64,576	236,586	(7,333)	293,829	915,669	
	1,231,498	31,188,671	(22,000)	28,753,480	61,151,649	64,576	5,367,428	(7,333)	5,424,671	55,726,978	

6.2 Capital work in progress (CWIP) - structural improvements	Note	June 30, 2021	June 30, 2020
		---------- Rupees ----------	
Restricted - GECE project			
As at July 01		**3,279,528**	13,741,053
Capital expenditure incurred / advances made during the year	6.2.1	**10,342,321**	18,291,955
Transfer to operating fixed assets during the year		**(9,077,674)**	(28,753,480)
As at June 30		**4,544,175**	3,279,528

6.2.1 Represents expenditure incurred on the renovation of the GECE building.

7 INTANGIBLE ASSETS

	Note		
Restricted - GECE project			
Intangible assets	7.1	**6,022,701**	8,030,268

7.1 Intangible assets:

June 30, 2021	Cost			Accumulated Amortisation			Net book value	
	As at July 01	Transfers (7.1.2)	As at June 30	As at July 01	Charge for the year (note 17)	As at June 30	As at June 30	Amortisation rate %
	---------- Rupees ----------							
Curriculum development costs (note 7.1.1)	10,037,835	-	10,037,835	2,007,567	2,007,567	4,015,134	6,022,701	20
2021	10,037,835	-	10,037,835	2,007,567	2,007,567	4,015,134	6,022,701	
2020	-	10,037,835	10,037,835	-	2,007,567	2,007,567	8,030,268	20

7.1.1 This represents cost incurred on development and designing of curriculum in cooperation with University of Helsinki, Finland (the University). The University will review the design of the existing B. Ed. (Honours) Elementary curriculum, in collaboration with the existing faculty of GECE faculty, make recommendations for its enrichment and build the capacity of the GECE faculty. The development work has been completed and cost aggregating to Rs. 10,037,835/- are being amortised over a period of five years, commencing from July, 2019.

7.1.2 Represents transfers from intangible under development.

8 SHORT-TERM INVESTMENT	Note	June 30, 2021	June 30, 2020
		---------- Rupees ----------	
Term deposit receipt	8.1	**3,100,000**	-
Accrued profit thereon		**14,085**	-
		3,114,085	-

8.1 Represents term deposit receipt with commercial bank under conventional banking relationship carrying profit rate of 5.35% (2020: nil) per annum and having maturity by August 12, 2021.

9 ADVANCES, DEPOSITS AND PREPAYMENTS	Note	June 30, 2021	June 30, 2020
		---------- Rupees ----------	
Advances			
- to suppliers	9.1	**2,323,086**	1,161,543
- to employees		-	10,150
		2,323,086	1,171,693
Deposits		**23,000**	18,000
Prepayments		**49,536**	37,265
		2,395,622	1,226,958

9.1 Represents advance given to Aga Khan University Institute for Educational Development to conduct an impact study of the enriched B. Ed. (Honours) Elementary curriculum of the GECE graduate teachers' learning experiences and outcomes. The negotiated amount of this contract is Rs. 11,615,431 out of which Rs. 2,323,086 (2020: Rs. 1,161,543) has been paid as of the reporting date.

10	CASH AND BANK BALANCES	Note	June 30, 2021	June 30, 2020
			--------- Rupees ---------	
	Cash in hand		**16,502**	89
	Cash at bank			
	Deposit accounts	10.1	**10,111,034**	1,360,410
	Current accounts		**2,029,241**	2,271,971
			12,140,275	3,632,381
			12,156,777	3,632,470

10.1 These carry profit rates ranging from 5.5% to 6.5% (2020: 5.5% to 11.28%) per annum.

11	RESTRICTED FUNDS	GECE project	Impact study and advocacy campaign project	Total
		--------- Rupees ---------		
	Balance as at June 30, 2019	40,000,000	-	40,000,000
	Donations received during the year	67,000,000	2,173,913	69,173,913
	Expenditure made during the year	(55,381,524)	-	(55,381,524)
	Balance as at June 30, 2020	**51,618,476**	**2,173,913**	**53,792,389**
	Donations received during the year	**64,444,034**	**2,114,343**	**66,558,377**
	Expenditure made during the year	**(44,685,944)**	**(2,952,116)**	**(47,638,060)**
	Balance as at June 30, 2021	**71,376,566**	**1,336,140**	**72,712,706**

12	ACCRUED AND OTHER PAYABLES	Note	June 30, 2021	June 30, 2020
			--------- Rupees ---------	
	Accounts payable	12.1	**3,479,794**	9,655,675
	Salaries payable		**2,459,892**	1,727,137
	Withholding tax payable		**191,692**	541,970
	EOBI payable		**25,039**	31,201
	Audit fee payable		**96,213**	67,500
	Other payables		**221,886**	-
			6,474,516	12,023,483

12.1 This includes Rs. 35,770 (2020: Rs. 44,623) due to the Chief Executive Officer of the Company on account of expenses incurred on behalf of the Company.

13	LOAN FROM RELATED PARTIES	Note	June 30, 2021	June 30, 2020
			--------- Rupees ---------	
	Loan from a Director	13.1	**2,000,000**	2,000,000
	Loan from Getz Pharma (Pvt.) Ltd		**3,093,810**	-
			5,093,810	2,000,000

13.1 Represents unsecured and interest free loan obtained from a Director of the Company for the purpose of working capital requirements. The loan is repayable on demand

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

As of reporting date, the Company does not have any contingencies that are required to be disclosed in these financial statements.

14.2 Commitments

14.2.1 The Company has entered into a contract with Allied Construction Company during the year for the renovation work of GECE women library Hussainabad Karachi. The negotiated amount of this contract is Rs. 12,538,335/- out of which Rs. 3,761,500/- has been paid as an advance and the remaining have been accrued as of the reporting date.

15	DONATIONS	Note	June 30, 2021 Unrestricted	June 30, 2021 Restricted GECE project (note 15.1)	June 30, 2021 Restricted Impact study and advocacy campaign project (note 15.2)	June 30, 2021 Restricted Total	June 30, 2021 Grand total	June 30, 2020 Unrestricted	June 30, 2020 Restricted GECE project (note 15.1)	June 30, 2020 Restricted Impact study and advocacy campaign project (note 15.2)	June 30, 2020 Restricted Total	June 30, 2020 Grand total
			Rupees									
	Donations received		2,284,500	64,444,034	2,114,343	66,558,377	68,842,877	5,681,858	67,000,000	2,173,913	69,173,913	74,855,771
			2,284,500	64,444,034	2,114,343	66,558,377	68,842,877	5,681,858	67,000,000	2,173,913	69,173,913	74,855,771

15.1 Represents donations received during the year, restricted for the GECE project. For further details, refer note 1 to these financial statements.

15.2 Represents donation received during the year, restricted for a project impact study and advocacy campaign for the teaching profession.

16	OTHER INCOME	June 30, 2021 Unrestricted	June 30, 2021 Restricted GECE project	June 30, 2021 Restricted Impact study and advocacy campaign project	June 30, 2021 Restricted Total	June 30, 2021 Grand total	June 30, 2020 Unrestricted	June 30, 2020 Restricted GECE project	June 30, 2020 Restricted Impact study and advocacy campaign project	June 30, 2020 Restricted Total	June 30, 2020 Grand total
		Rupees									
	Income from financial assets										
	Profit on:										
	- short-term investments - term deposit receipt	42,257	-	-	-	42,257	-	-	-	-	-
	- deposit accounts	261,263	-	-	-	261,263	553,882	-	-	-	553,882
		303,520	-	-	-	303,520	553,882	-	-	-	553,882
	Income from non-financial assets										
	Reversal of academic bill previously booked as liability	381,381	-	-	-	381,381	-	-	-	-	-
	Discount received on running bills	131,316	-	-	-	131,316	1,600	-	-	-	1,600
	Miscellaneous income	249,793	-	-	-	249,793	-	-	-	-	-
		762,490	-	-	-	762,490	1,600	-	-	-	1,600
		1,066,010	-	-	-	1,066,010	555,482	-	-	-	555,482

17	OPERATIONAL EXPENSES	Note	June 30, 2021 Unrestricted	June 30, 2021 Restricted GECE project	June 30, 2021 Restricted Impact study and advocacy campaign project	June 30, 2021 Restricted Total	June 30, 2021 Grand total	June 30, 2020 Unrestricted	June 30, 2020 Restricted GECE project	June 30, 2020 Restricted Impact study and advocacy campaign project	June 30, 2020 Restricted Total	June 30, 2020 Grand total
			Rupees									
	Salaries and other benefits		-	20,108,536	-	20,108,536	20,108,536	2,191,650	13,995,727	-	13,995,727	16,187,377
	Depreciation	6.1	228,274	9,239,257	-	9,239,257	9,467,531	236,586	5,130,842	-	5,130,842	5,367,428
	Amortisation	7.1	-	2,007,567	-	2,007,567	2,007,567	-	2,007,567	-	2,007,567	2,007,567
	Curriculum consultancy charges	17.1	-	257,054	-	257,054	257,054	-	21,942,935	-	21,942,935	21,942,935
	Printing and stationery		-	143,968	-	143,968	143,968	-	160,128	-	160,128	160,128
	Website development		11,218	-	-	-	11,218	102,320	-	-	-	102,320
	Supplies and consumables		-	445,702	-	445,702	445,702	-	435,938	-	435,938	435,938
	Marketing and promotional expenses		-	41,568	2,952,116	2,993,684	2,993,684	-	45,150	-	45,150	45,150
	Information technonology & communication charges		-	1,849,086	-	1,849,086	1,849,086	1,122,447	53,142	-	53,142	1,175,589
	Repair and maintenance		-	353,688	-	353,688	353,688	89,597	951,740	-	951,740	1,041,337
	Travelling and conveyance		-	64,886	-	64,886	64,886	-	49,269	-	49,269	49,269
	Utitlities		-	115,872	-	115,872	115,872	-	115,698	-	115,698	115,698
	Books and periodicals		-	50,879	-	50,879	50,879	-	107,543	-	107,543	107,543
	Fee and subscription		2,046,773	-	-	-	2,046,773	1,195,052	-	-	-	1,195,052
	Insurance		-	217,448	-	217,448	217,448	-	193,789	-	193,789	193,789
	Others		57,593	363,626	-	363,626	421,219	22,550	217,089	-	217,089	239,639
			2,343,858	35,259,137	2,952,116	38,211,253	40,555,111	4,960,202	45,406,557	-	45,406,557	50,366,759

17.1 Represents amount paid during the year to the University in respect of workshop and training of existing faculty to equip them with the newly developed and designed curriculum.

18	ADMINISTRATIVE EXPENSES	Note	June 30, 2021 Unrestricted	June 30, 2021 Restricted GECE project	June 30, 2021 Restricted Impact study and advocacy campaign project	June 30, 2021 Restricted Total	June 30, 2021 Grand total	June 30, 2020 Unrestricted	June 30, 2020 Restricted GECE project	June 30, 2020 Restricted Impact study and advocacy campaign project	June 30, 2020 Restricted Total	June 30, 2020 Grand total
			Rupees									
	Salaries and other benefits		-	6,062,570	-	6,062,570	6,062,570	225,397	7,635,689	-	7,635,689	7,861,086
	Legal and professional charges		50,296	712,129	-	712,129	762,425	134,805	-	-	-	134,805
	Auditors' remuneration	18.1	96,213	-	-	-	96,213	136,489	-	-	-	136,489
	Security charges		-	1,007,334	-	1,007,334	1,007,334	-	960,200	-	960,200	960,200
	Janitorial expenses		-	1,644,774	-	1,644,774	1,644,774	-	1,358,631	-	1,358,631	1,358,631
			146,509	9,426,807	-	9,426,807	9,573,316	496,691	9,954,520	-	9,954,520	10,451,211

		June 30, 2021	June 30, 2020
18.1	**Auditors' remuneration - unrestricted**	--------- Rupees ---------	
	Statutory audit fee	**85,000**	75,000
	Others	**-**	56,407
	Out of pocket expenses	**11,213**	5,082
		96,213	136,489

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Company's financial instruments are market risks, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rate and foreign exchange rates which are discussed below:

(i) Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to the changes in market interest rates. The Company is exposed to interest rate risk in respect of bank deposits and term deposit receipts. Management of the Company estimates that 1% increase in the market interest rate, with all other factor remaining constant, would decrease the Company's profits for the year by Rs. 132,251 (2020: Rs. 13,604) and a 1% decrease would result in the increase in the Company's profits for the year by the same amount. However, in practice, the actual result may differ from the sensitivity analysis.

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currency. As at reporting date, the Company does not have any financial assets or financial liabilities which are denominated in foreign currencies.

19.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is exposed to credit risk mainly on short-term investment, short-term deposits, and bank balances. The Company seeks to minimise the credit risk exposure through having exposure only to parties considered credit worthy and obtaining securities where applicable.

The table below provides the analysis of the credit quality of financial assets on the basis of external credit rating or the historical information about counter party default rates.

	Note	June 30, 2021	June 30, 2020
		--------- Rupees ---------	
The maximum exposure to credit risk at reporting date is as follows:			
Short-term investment	8	**3,114,085**	-
Deposits	9	**23,000**	18,000
Bank balances	10	**12,140,275**	3,632,381
		15,277,360	3,650,381

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The table below provides the analysis of the credit quality of financial assets on the basis of external credit rating or the historical information about counter party default rates.

	June 30, 2021	June 30, 2020
	--------- Rupees ---------	
Bank balances		
Ratings		
A1+	**12,140,275**	3,632,381
	12,140,275	3,632,381
Short-term investment		
Ratings		
A1+	**3,114,085**	-
	3,114,085	-

19.3 Liquidity risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss The Company's attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continuously assessing the creditworthiness

The management forecasts the liquidity of the Company on the basis of expected cashflow considering the level of liquid assets necessary to mitigate the liquidity risk.

2021	On demand	Less than 12 months	More than 12 months	Total
	---------- Rupees		----------	
Accrued and other payables	-	**6,257,785**	-	**6,257,785**
Loan from related parties	**5,093,810**	-	-	**5,093,810**
	5,093,810	**6,257,785**	-	**11,351,595**

2020	On demand	Less than 12 months	More than 12 months	Total
	---------- Rupees		----------	
Accrued and other payables	-	11,450,312	-	11,450,312
Loan from related parties	2,000,000	-	-	2,000,000
	2,000,000	11,450,312	-	13,450,312

19.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. As of the statement of financial position date, the carrying value of all financial assets and liabilities reflected in these financial statements approximate to their fair values.

19.5 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can maintain a strong capital base to support the sustained development of its businesses. As of the reporting date, the Company does not have long-term financing.

20 TRANSACTIONS WITH RELATED PARTIES

20.1 Related parties of the Company comprise the companies with common directorship, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Company. Detail of transactions with related parties during the year, other than disclosed elsewhere in these financial statements, are as follows:

Name of related party and relationship with the Company	Nature of Transactions	June 30, 2021	June 30, 2020
		-------- Rupees --------	
Associated companies (Common directorship)			
Getz Pharma (Private) Limited	Donation received	**5,716,874**	2,500,000
	Loan received	**3,093,810**	-
Infaq Foundation	Donation received	-	2,000,000
Zindagi Trust	Donation collected on behalf of Company	**3,804,772**	4,326,858
Alucan (Pvt.) Limited	Donation received	**2,500,000**	-
Directors			
Mr. Khalid Mahmood	Loan received	-	2,000,000
Key Management Personnel			
	Remuneration and other benefits	**4,838,900**	5,148,800
	Expenses incurred on behalf of the company by Chief Executive	**138,619**	44,623

20.2 The outstanding balance with related parties as at reporting date have been disclosed in the respective notes to these financial statements.

20.3 Details of compensation to the key management personnel have been disclosed in the note 21 to these financial statements.

21 REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

21.1 Aggregate amounts charged in the financial statements in relation to Chief Executive and other Executives are as follows:

	CHIEF EXECUTIVE		OTHER EXECUTIVES	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	---------- Rupees ----------			
Gross salary	**2,414,475**	2,646,000	**5,282,000**	4,631,000
Other allowance / benefits	**584,325**	352,800	**1,655,350**	975,000
	2,998,800	2,998,800	**6,937,350**	5,606,000
Number	**1**	1	**4**	3

21.2 No remuneration was paid / payable to any director of the Company.

22 NUMBER OF EMPLOYEES

The number of employees as at year end was 25 (2020: 21) and the average number of employees during the year was 23 (2020: 21).

23 IMPACT OF COVID-19 ON THE FINANCIAL STATEMENTS

The outbreak of Novel Coronavirus (COVID-19) pandemic followed by a lockdown imposed by the Government, disrupted the commercial and economic activities in the Country. All educational institutions in Pakistan, both schools and universities, were closed in February 2020 in response to Covid-19. It was earlier announced by the Government that educational institutions would reopen in July and the in-between period was to be treated as a summer break. Accordingly, classes at GECE, Hussainabad remained suspended for March and April. In May, the College started its preparation to restart online classes from June 01, 2020. Accordingly, the management held trainings for both the faculty and student body on the use of Microsoft Office 365 for online learning. The Company did witness a slow-down in donations and certain planned initiatives, the impact of which remained marginal. However, there is no significant accounting and financial impact of the effects of COVID-19 on these financial statements.

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 22 OCT 2021 by the Board of Directors of the Company.

25 GENERAL

25.1 Figures have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive Officer

Director