

Half Yearly
Financial Statements
December 31, 2009 (Un-audited)



PAKISTAN POVERTY ALLEVIATION FUND

Title Picture:

Basic Health Unit, Kathai, (Mansehra) reconstructed by PPAF in the earthquake affected areas of NWFP: funded by Committee Encouraging Corporate Philanthropy, USA.

**Half Yearly
Financial Statements
December 31, 2009 (Un-audited)**



PAKISTAN POVERTY ALLEVIATION FUND

Contents

1. Company Information	2
2. Management Review	3
3. Condensed Interim Financial Statements	7
Condensed Interim Balance Sheet	8
Condensed Interim Income & Expenditure Account.....	9
Condensed Interim Cash Flow Statement.....	10
Condensed Interim Statement of Changes in Fund and Reserves	11
Notes to the Condensed Interim Financial Statements	12

Pakistan Poverty Alleviation Fund Company Information

Board Of Directors

Hussain Dawood
Chairman
Nuzhat Ahmad
Rafiud Deen Ahmad
Shahid Ahmad
Rana Assad Amin
Naved Hamid
Rajab Ali Memon
Aisha Ghaus Pasha
Asif Qadir
Zubyr Soomro
Kamal Hyat
Chief Executive/Managing Director

Board Compensation Committee

Hussain Dawood
Chairman
Zubyr Soomro
Shahid Ahmad
Rajab Ali Memon
Aisha Ghaus Pasha

Audit Committee

Rafiud Deen Ahmad
Chairman
Rana Assad Amin
Nuzhat Ahmad
Naved Hamid
Asif Qadir

Company Secretary:

Iltilaf Rasul Khan

Auditors:

A. F. Ferguson & Company, Chartered Accountants

Legal Advisors:

Azam Chaudhry Law Associates

Tax Advisors:

A. F. Ferguson & Company, Chartered Accountants

Bankers:

Allied Bank of Pakistan, Askari Commercial Bank Limited, Bank Al-Falah Limited, Citibank, Faysal Bank Limited, Habib Bank Limited, Hong Kong and Shanghai Banking Corporation Limited, National Bank of Pakistan, NDLC-IFIC Bank Limited, Royal Bank of Scotland, Silk Bank Limited, Standard Chartered Bank Limited

Registered Office:

House No. 1, Street No. 20, Sector F-7/2, Islamabad, Pakistan.
UAN: (+92-51) 111-000-102, Ph: 265 3304-05, 265 3597
Fax: (+92-51) 265 2246, Email: info@ppaf.org.pk
Website: www.pfaf.org.pk



Management Review

The Management is pleased to present a brief overview of the operational and financial performance of the Company for the half year ended December 31, 2009.

Despite continuing national challenges of growth and development, the positive trend in the Company's performance established over the past several years has been sustained during the period under review. The results obtained have not only added strength to the financial position of PPAF, but its interventions have made a difference in the lives of vulnerable people across Pakistan. The needs of the poor were served by following an integrated approach focusing on credit, infrastructure, health, education, social mobilization and skill development that helped in addressing the many facets of poverty and worked towards reducing vulnerability, especially for women. The benefits of PPAF interventions have been observed to be well distributed across all regions of the country. PPAF has endeavored to mainstream marginalized communities to enable better access, improved income, quality of life and sustainable livelihood opportunities at the grassroots, and simultaneously, catalyzed the enhanced absorption capacities of partner organizations.

By the end of December 31, 2009, PPAF funding had been disbursed in urban and rural areas of 126 districts of the country (about 178,000 community organizations/groups) through 82 partner organizations of which 12 were focusing exclusively or predominantly on women. On cumulative basis, PPAF has financed over 3.2 million microcredit loans. More than 19,500 infrastructure, health and education projects were initiated and 360,000 staff and community members were trained. In earthquake affected areas, PPAF provided financing to 120,000 households to construct earthquake resistant homes and also build capacities in seismic construction and related skills, across the board.

PPAF financial and non-financial services are estimated to have, on a cumulative basis, benefited (directly or indirectly) over nineteen million individuals from its microfinance programme and over twelve million individuals from infrastructure, health, education and capacity building interventions, across the country.

Operational and Financial Results:

In a difficult economic environment, the overall operational and financial results during the period under review continue to remain satisfactory. Total disbursements for core operations during the period were Rs 5,314 million compared to Rs. 4,410 million in the corresponding period last year, indicating an increase of 20%. Loan (microcredit and enterprise development facilities) disbursements were Rs 3,560 million as compared to Rs 3,766 million. The slow expansion in lending operations was due to cautious approach adopted by PPAF in view of an economic downturn that negatively impacted national macroeconomic fundamentals. Water and infrastructure disbursements of Rs 292 million were at the same level of corresponding period last year; capacity building disbursements were Rs 230 million against Rs 126 million; disbursements for education and health were Rs 18 million as against Rs 31 million; and disbursements for social mobilization were Rs 1,214 million as against Rs 195 million, during the corresponding period last year. In addition, disbursement for rehabilitation and reconstruction operations in earthquake affected areas was Rs 149 million as

against Rs 2,459 million in the preceding period, as PPAF completed its activities in earthquake affected areas.

By the end of December 2009, cumulative disbursements for core operations were Rs 48,204 million. Credit and enterprise development, the largest component of the PPAF, accounted for 75% of total disbursements followed by community physical infrastructure (15%); capacity building/social mobilization assistance (9%); and health & education (1%). In addition, cumulative disbursements for relief, rehabilitation and reconstruction activities in earthquake affected areas were Rs 19,184 million.

PPAF interventions are being carried out in all parts of the country. Provincial distribution of funding under the mainstream programmes remained consistent with previous allocations: 57% of the resources deployed in Punjab, 25% in Sindh, 7% in NWFP, 6% in Balochistan and 5% in Northern Areas/AJK.

The Company is primarily meeting its lending obligations through its own reserves built up from repayments received from partner organizations. As of December 31, 2009, out of total disbursement of Rs 36,116 million, an amount of Rs 23,135 million was disbursed from PPAF own reserves.

Total equity and reserves were Rs 5,456 million as at December 31, 2009 as against Rs 4,785 million as at June 30, 2009. Total assets of the Company on December 31, 2009 stood at Rs 22,559 million against Rs 18,509 million as at June 30, 2009. The amount of loans receivable from partner organizations crossed Rs 10 billion mark and was Rs 10,043 million on December 31, 2009 as against Rs 9,696 million as at June 30, 2009. PPAF continued to maintain 100% recovery rate in respect of its lending operations.

In order to safeguard against major default and provide sufficient capital adequacy, with effect from July 01, 2009, an amount equivalent to 20% of total loan receivable from partner organizations are held in investments. 35% of the surplus funds of the Company, in excess of these investments, are being held for lending activities (micro credit and enterprise development facility) and the balance 65% are held in investments, the income of which would be used for grant based health, education, infrastructure, emergency and any other activity that falls within the overall strategic framework of PPAF objectives.

Total income generated during the period under review was Rs 1,045 million compared to Rs 778 million during the corresponding period last year – an increase of 34%. Service charges on loan to partner organizations increased by 31% due to high volume of amount of credit outstanding and introduction of market based rates for large partner organizations. Overall income on investments and saving accounts increased by 15% due to improved profit rates. During the period under review, income of Rs 70 million was generated on investments specific to grant based activities. Capacity building grant increased by 158% due to the availability of financing from Government of Pakistan and donor agencies for PPAF operational support.

The general and administrative expenses during the period under review were Rs 172 million as against Rs 125 million during the corresponding period last year, representing 19% and 16% of total income, respectively. The main increases were in salaries/benefits and traveling expenses. The salaries, wages and other benefits increased due to annual increments to existing employees to

provide relief against higher cost of living as well as hiring of additional staff for managing expansion in core operations and new activities under different projects. Travel cost increased due to extensive appraisal and monitoring visits. During the period under review, an amount of Rs 2 million was spent by the Company from its own resources on the relief activities for Internally Displaced Persons. Total seminar, workshops and training expenses included Rs 1.44 million spent on the workshop to launch third PPAF project and Rs 15.84 million incurred on the event to mark ten years of PPAF operations. Total consultancy charges included Rs 77 million in respect of poverty scorecard survey that has been made mandatory by the World Bank for 29 of the poorest districts of the country. The financial charges are made up of commitment and service charges on long term loan and bank charges.

PPAF entered into collaborative arrangements with Engro Foundation; Tetra Pak Pakistan Limited and Shakarganj Food Products Limited with the aim to work jointly for establishing corporate-social sector linkages to fighting poverty in the country. By involving the business and corporate sector, PPAF plans to augment its poverty alleviation activities through their corporate social responsibility and social welfare funding.

During the period under review, PPAF management held extensive discussions with representatives of Government of Pakistan and bilateral to finalize agreements for “KfW Livelihood Programme (EUR 32 million)”; and “Italian Government Poverty Reduction Programme (EUR 40 million)”. The legal and financing agreements for the projects are expected to be executed shortly.

PPAF commemorated ten years of its operations in August 2009. The Chief Guest on the occasion, Mr. Shaukat Tarin, Minister of Finance, Revenue, Economic Affairs and Statistics, lauded the role of PPAF in poverty alleviation and paid rich tributes to its work. The Chairman and Members of PPAF General Body and Board of Directors as well as delegates from multilateral, bilateral and private institutions; partner organizations; and representatives from leading civil society organizations, corporate and public sectors attended the events. The high points of the ceremony were the cultural exhibition and a thought provoking theatrical performance by representatives of community organizations highlighting the dynamics of poverty and social change.

The event was followed by the workshop to launch the third PPAF Project. Mr. Humayun Aziz Kurd, Minister for Livestock and Dairy Development inaugurated the workshop. The project involves total World Bank funding of US\$ 250 million (loan US\$ 33 million and grant US\$ 217 million) over a period of five years. The objective of the proposed project is to empower the poor with increased incomes, improved productive capacity and access to services to achieve sustainable livelihood.

PPAF will continue to be a responsive and agile institution fully aligned with the changing dynamics of poverty alleviation. We will endeavor to ensure that this growth momentum is sustained and expanded in the years ahead.



Kamal Hyat
Chief Executive/Managing Director

January 20, 2010

**Condensed Interim
Financial Statements
Pakistan Poverty Alleviation Fund**

**Pakistan Poverty Alleviation Fund
Condensed Interim Balance Sheet
as at December 31, 2009**

Note	Un-audited Dec 31, 2009	Audited Jun 30, 2009
	(Rupees)	
NON CURRENT ASSETS		
FIXED ASSETS - TANGIBLE		
	50,815,938	54,380,063
INTANGIBLE ASSETS		
	7,687,838	10,167,986
LONG TERM INVESTMENTS		
4	1,000,000,000	1,000,000,000
LONG TERM LOANS TO PARTNER ORGANIZATIONS		
5	326,811,517	1,721,037,948
CURRENT ASSETS		
	9,143,971,468	7,419,925,938
5		7,419,925,938
	668,000,000	530,000,000
6		530,000,000
	1,545,378,970	-
7		-
	4,032,420,272	5,224,642,173
8		5,224,642,173
	81,527,308	91,288,563
	556,460,671	451,863,074
	5,105,195,372	1,959,485,918
9		1,959,485,918
	40,843,936	46,324,747
10		46,324,747
	21,173,797,998	15,723,530,413
	<u>22,559,113,291</u>	<u>18,509,116,410</u>
REPRESENTED BY:		
FUND AND RESERVES		
	1,000,000,000	1,000,000,000
11		1,000,000,000
	1,615,265,788	-
	2,840,713,030	3,785,356,163
	<u>5,455,978,818</u>	<u>4,785,356,163</u>
LONG TERM LOANS		
12	11,653,241,373	11,030,865,907
CURRENT LIABILITIES		
	5,377,980,929	2,451,222,148
13		2,451,222,148
	(97,496,558)	60,915,780
	109,617,378	109,617,378
	51,478,893	62,496,823
	8,312,458	8,642,211
	<u>5,449,893,100</u>	<u>2,692,894,340</u>
	<u>22,559,113,291</u>	<u>18,509,116,410</u>

The annexed notes form 1 to 20 form an integral part of these financial statements.


Chairman


Chief Executive/Managing Director

Pakistan Poverty Alleviation Fund
Condensed Interim Income and Expenditure Account (Un-audited)
for the half year ended December 31, 2009

Note	For the quarter ended		For the half year ended	
	Dec 31, 2009	Dec 31, 2008	Dec 31, 2009	Dec 31, 2008
	(Rupees)		(Rupees)	
INCOME				
	209,525,548	189,195,345	464,555,492	355,138,089
Service charges on loans to Partner Organizations				
Amortization of deferred income - grant fund	97,617,400	29,885,759	169,527,358	66,395,095
Income on investments and saving accounts	14 176,664,502	170,751,591	339,772,332	354,830,554
Income on reserve for grant based activities	15 34,103,701	-	69,886,818	-
Other income	122,353	1,270,398	176,737	1,976,710
	<u>483,929,803</u>	<u>391,103,093</u>	<u>1,043,918,737</u>	<u>778,340,448</u>
EXPENDITURE				
General and administrative expenses	16 78,765,394	64,327,160	172,227,612	124,849,640
Relief for Internally Displaced Persons	178,663	-	2,000,178	-
Seminars, workshops and trainings	17 30,351,682	2,152,443	47,102,560	5,141,470
Consultance charges	18 43,624,337	5,762,530	102,799,645	11,369,027
Loan loss provision	10,677,483	11,398,825	17,358,900	11,398,825
Financial charges	19 10,398,700	31,960,246	31,807,187	59,464,391
	<u>173,996,259</u>	<u>115,601,204</u>	<u>373,296,082</u>	<u>212,223,353</u>
SURPLUS FOR THE PERIOD	<u>309,933,544</u>	<u>275,501,889</u>	<u>670,622,655</u>	<u>566,117,095</u>

The annexed notes form 1 to 20 form an integral part of these financial statements.


Chairman


Chief Executive/Managing Director

Pakistan Poverty Alleviation Fund
Condensed Interim Cash Flow Statement (Un-audited)
for the half year ended December 31, 2009

Note	December 31, 2009	December 31, 2008
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from / (used in) operations		
Surplus for the half year	670,622,655	566,117,095
Adjustment for non cash items:		
Depreciation	15,574,777	12,328,010
Amortization of intangible assets	2,480,148	2,154,769
Amortization of deferred income	(169,527,358)	(66,395,095)
Loan loss provision	17,358,900	11,398,825
Financial charges	31,807,187	59,464,391
	(102,306,346)	18,950,900
	568,316,309	585,067,995
Working capital changes		
(Increase) / decrease in current assets:		
Advances, deposits, prepayments and other receivables	9,761,255	(38,990,741)
Profit/service charges receivables	(104,597,597)	(272,450,893)
Increase / (decrease) in current liabilities:		
Accrued and other liabilities	(329,753)	570,348
	(95,166,095)	(310,871,286)
Cash generated from operations	473,150,214	274,196,709
Recoveries of loans from partner organizations	3,212,963,501	3,386,426,845
Disbursements to partner organizations:		
Loans	(3,560,141,500)	(3,766,387,692)
Grants	(1,903,000,084)	(3,102,665,143)
Financial charges paid	(42,825,117)	(38,195,626)
	(2,293,003,200)	(3,520,821,616)
Net cash (used in) operating activities	(1,819,852,986)	(3,246,624,907)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(491,157,070)	154,369,242
Capital expenditure incurred	(12,364,652)	(7,512,167)
Proceeds from disposal of fixed assets	354,000	-
Net cash generated from (used in) investing activities	(503,167,722)	146,857,075
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term loans	(54,808,689)	(54,808,689)
Long term loans - receipts	677,184,155	269,976,524
Deferred liabilities - grant fund receipts	4,829,758,865	2,515,792,127
Deferred income - grant fund receipts	11,115,020	64,833,947
Net cash generated from financing activities	5,463,249,351	2,795,793,909
NET DECREASE IN CASH AND CASH EQUIVALENTS	3,140,228,643	(303,973,923)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE HALF YEAR	2,005,810,665	3,054,444,195
CASH AND CASH EQUIVALENTS AT END OF THE HALF YEAR	9 &10 5,146,039,308	2,750,470,272

The annexed notes form 1 to 20 form an integral part of these financial statements.


Chairman


Chief Executive/Managing Director

Pakistan Poverty Alleviation Fund
Condensed Interim Statement of Changes in Fund and Reserves (Un-audited)
for the half year ended December 31, 2009

	Endowment Fund	Reserve for Grant Based Activities	Accumulated Surplus on Reserve for Grant Based Activities (Rupees)	Accumulated Surplus	Total
Balance as at June 30, 2008	1,000,000,000	-	-	2,755,078,994	3,755,078,994
Net surplus for the half year ended on December 31, 2008	-	-	-	566,117,095	566,117,095
Balance as at December 31, 2008	1,000,000,000	-	-	3,321,196,089	4,321,196,089
Net surplus for the half year ended on June 30, 2009	-	-	-	464,160,074	464,160,074
Balance as at June 30, 2009	1,000,000,000	-	-	3,785,356,163	4,785,356,163
Amounts transferred from accumulated surplus from last years	-	1,200,033,816	-	(1,200,033,816)	-
Net surplus for the half year ended on December 31, 2009	-	-	69,886,818	600,735,837	670,622,655
Transferred from surplus for the half year	-	345,345,154	-	(345,345,154)	-
Balance as at December 31, 2009	1,000,000,000	1,545,378,970	69,886,818	2,840,713,030	5,455,978,818

The annexed notes form 1 to 20 form an integral part of these financial statements.


Chairman


Chief Executive/Managing Director

Pakistan Poverty Alleviation Fund
Notes to the Condensed Interim Financial Statements (Un-audited)
for the half year ended December 31, 2009

1. Pakistan Poverty Alleviation Fund was registered in Pakistan on February 6, 1997 as a public company with liability limited by guarantee, under Section 42 of the Companies Ordinance, 1984. The primary object of the Company is to help poor, the landless and the asset-less in order to enable them to gain access to the resources for their productive self employment and to encourage them to undertake activities of income generation, poverty alleviation and for enhancing quality of life.
2. These financial statements are presented in condensed form in accordance with the requirements of International Accounting Standard (IAS) 34: Interim Financial Reporting and revised IAS 1: Presentation of Financial Statements.
3. Accounting policies adopted for preparation of these financial statements are the same as those applied in preparation of the annual financial statements for the year ended June 30, 2009. In addition, effect of new investment policy (given in Note 3.1) is reflected in these Financial Statements.
- 3.1 In order to safeguard against major default and provide sufficient capital adequacy, with effect from July 01, 2009, an amount of 20% of total loan receivable from partner organizations are held in investments. 35% of the surplus funds of the Company, in excess of above investments, are employed for lending activities (micro credit and enterprise development facility) and the balance 65% are held in investments, the income of which will be used for grant based health, education, infrastructure, emergency and any other activity that falls within the overall strategic framework of PPAF objectives.

Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
	(Rupees)	

4. LONG TERM INVESTMENTS - held to maturity

Pakistan Investment Bonds (PIBs)	4.1	1,000,000,000	1,000,000,000
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4.1 Represents investments in PIBs as follows:

Principal (Rupees)	Issue Date	Maturity Date	Profit rate % per annum	Payment terms
200 million	30-12-2000	30-12-2010	14.00	Semi annually
200 million	22-08-2001	22-08-2011	13.00	Semi annually
100 million	29-04-2004	28-04-2014	8.00	Semi annually
300 million	29-04-2004	28-04-2014	8.00	Semi annually
200 million	19-05-2006	19-05-2011	9.30	Semi annually

Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
	(Rupees)	
5. LOANS TO PARTNER ORGANIZATIONS - secured, considered good		
National Rural Support Programme	3,876,409,917	3,562,630,808
Punjab Rural Support Programme	227,913,980	253,913,980
Kashf Foundation	2,183,399,999	2,514,249,999
Sarhad Rural Support Programme	33,333,333	85,333,333
Thardeep Rural Development Programme	408,500,000	463,500,000
Development Action for Mobilization and Emancipation	531,708,978	473,700,325
Sindh Agricultural & Forestry Workers Coordinating Organization	193,171,724	222,618,832
Sindh Rural Support Programme	200,000	475,000
Jinnah Welfare Society	184,858,750	139,336,230
Centre for Women Cooperative Development	255,361,796	258,284,020
Rural Community Development Society	200,052,161	181,802,469
Young Pioneers Society	8,250,000	10,250,000
Women Social Organisation	8,187,000	4,520,000
Anjuman-e- Falah-o-Behbood	-	352,500
Community Support Concern	256,324,160	284,152,581
Poverty Eradication Network	2,807,000	2,800,000
Baanhn Beli	-	1,200,000
Bunyard Literacy Community Council	12,722,000	3,590,000
Indus Resource Centre	9,018,431	12,885,697
Network Leasing Corporation Limited	73,125,000	85,625,000
Organization for Participatory Development	63,830,000	74,512,500
Swabi Women Welfare Society	6,249,998	11,749,998
Orangi Charitable Trust	238,147,917	180,575,000
Community Development Concern	-	245,000
Karwan Community Development Organization	7,705,000	4,510,000
Kiran Welfare Organization	4,400,001	6,025,001
Narowal Rural Development Programme	20,580,000	18,833,333
Soon Valley Development Programme	7,820,000	6,110,000
Asasah	219,901,863	258,784,818
Baidarie	3,458,000	2,206,045
Orix Leasing Pakistan Limited	195,362,147	181,883,631
Save The Poor	14,833,333	9,747,466
Marvi Rural Development Organization	9,038,458	10,521,153
Sindh Rural Support Organization	124,556,499	85,617,225
BRAC Pakistan	624,862,950	259,863,000
Khajji Cooperative Society	6,350,000	1,576,168
Al Mehran Rural Development and Welfare Organization	9,375,000	-
Farmers Friend Organization	6,414,063	9,862,847
Mojaz Foundation	4,720,000	3,980,000
Balochistan Rural Development & Research Society	1,240,000	427,500
Badbaan Enterprise Development Forum	690,000	500,000
Buksh Foundation	5,600,000	7,000,000
Villagers Development Organization	1,000,000	-
SAATH Development Society	1,200,000	-
5.1	10,042,929,458	9,695,751,459
Less: Loan loss provision	(572,146,473)	(554,787,573)
	9,470,782,985	9,140,963,886
Less: Current maturity	(9,143,971,468)	(7,419,925,938)
	326,811,517	1,721,037,948

- 5.1 The Company disbursed Micro-credit loans and Enterprise Development Facility (EDF) to POs under respective Financing Agreements at a service charge of six percent per annum (6% p.a.) and eight percent per annum (8% p.a.). The later rate is effective on all the financing agreements executed after March 31, 2006. These loans are secured through letter of hypothecation on receivables of POs created out of financing obtained from the Company. Further, the Company maintains a first charge on all assets / capital items created out of financing provided for capacity building and under the exclusive lien of the Company until full repayment of the principal, service charges and other outstanding amounts payable to the Company. These loans are repayable on half yearly basis within two years under the respective financing agreements signed between the Company and the POs.

With effect from January 01, 2008, the Partner Organisations, in respect of all lending facilities (credit), defined as large (POs which are approved annual credit disbursements by PPAF of Rs. 500 million and above or POs having PPAF credit outstanding of Rs. 500 million and above, at any given point in time) will be charged annual markup rate (service charge) equal to 10% or KIBOR (Karachi Interbank Offered Rate) prevailing on first working day of January (applicable on Financing Agreements executed between January 01, to June 30) and first working day of July (applicable on Financing Agreements executed between July 01 to December 31) each year, the KIBOR of one year will be applicable. The proposed markup rate (service charge) will be applicable to all lending facilities contracted on or after January 01, 2008. However, after May 06, 2009 all lending facilities (credit) will be charged annual markup rate (service charge) upto 2% below the relevant KIBOR prevailing on last working day prior to the date of execution of Financing Agreements. The KIBOR will correspond with agreement period i.e. for one year Financing Agreement, KIBOR of one year will be applicable. Repayment of principal amount will commence after the grace period of 12 months and shall continue over a period not exceeding 15 months. Payment of mark up (service charges) will be on quarterly basis.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
(Rupees)			
6. SHORT TERM INVESTMENTS-SPECIFIC TO PROJECTS			
Term deposit receipts - USDA	6.1	168,000,000	530,000,000
Term deposit receipts - PRISM	6.2	500,000,000	-
		<u>668,000,000</u>	<u>530,000,000</u>

- 6.1 Represents investments in respect of United States Department of Agriculture (USDA) project activities, maturing within one year from the date of investment at annual markup rates ranging from 10.00% p.a. to 11.30% p.a. (June 2009: 10.00% p.a. to 11.00% p.a.)

- 6.2 Represents investments in respect of Programme For Increasing Sustainable Microfinance (PRISM) activities, maturing within one year from the date of investment at annual markup rate of 11.50% p.a. (June 2009: Nil)

7. SHORT TERM INVESTMENTS-SPECIFIC TO GRANT BASED ACTIVITIES

These investments include term deposit receipts of various commercial banks and investment banks respectively, maturing within one year from the date of investment at annual markup rates ranging from 11.00% p.a. to 12.75% p.a.

8. SHORT TERM INVESTMENTS

These represent investments (equivalent to 20% of the loan receivable from partner organizations) of Rs. 2,008,585,892 to safeguard against major default and to provide capital adequacy and funds available for lending activities (Rs. 2,023,834,380). These funds are invested in term deposit receipts of various commercial banks, maturing within one year from the date of investment at annual markup rates ranging from 11% p.a. to 14.50% p.a. (June 2009: 11.00% p.a. to 15.40% p.a.)

Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
	(Rupees)	
9. CASH AND BANK BALANCES-SPECIFIC TO PROJECTS		
Cash at banks - current accounts		
specific to IDA-PPAF II	2,798,443,051	1,400,003,901
specific to IDA-PPAF III	1,729,384,862	-
specific to IDA-Disability Project	175,775,424	212,312,453
specific to IFAD-MIOP	142,852,845	2,577,628
specific to IFAD-REACH	12,170,804	99,540,804
specific to IFAD-PRISM	6,741,501	133,561,734
specific to CECP grant	94,390,180	105,379,479
specific to Kfw-RnR	-	3,508,935
	<u>4,959,758,668</u>	<u>1,956,884,934</u>
Cash at banks - deposit accounts		
specific to USDA grant	145,415,036	2,580,373
specific to CECP	21,668	20,611
	<u>145,436,704</u>	<u>2,600,984</u>
	<u>5,105,195,372</u>	<u>1,959,485,918</u>

The balances in deposit account carry average markup of 5% p.a. (June 2009: 5% p.a.).

Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
	(Rupees)	
10. CASH AND BANK BALANCES		
Cash in hand		
in head office	58,480	40,237
in centers	-	100,000
in field coordination offices	90,000	113,110
	<u>148,480</u>	<u>253,347</u>
Cash at banks - current accounts	12,168,743	14,947,783
Cash at banks - deposit accounts	28,526,713	31,123,617
	<u>40,695,456</u>	<u>46,071,400</u>
	<u>40,843,936</u>	<u>46,324,747</u>

The balances in deposit account carry average markup of 9% p.a. (June 2009: 5% p.a.).

Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
	(Rupees)	
11. ENDOWMENT FUND		
PPAF - I	500,000,000	500,000,000
PPAF - II	500,000,000	500,000,000
11.1	<u>1,000,000,000</u>	<u>1,000,000,000</u>

11.1 This represent the amounts paid by GOP for endowment fund under the Subsidiary Financing Agreements (SFAs) as detailed in note 12.1 and 12.2. Under the SFA, the fund is to be invested in the government schemes / bonds and income generated therefrom shall be utilized for revenue and capital expenditure of the company.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
12. LONG TERM LOANS - Unsecured			
Government of Pakistan - PPAF - I (IDA financing)	12.1	2,288,975,277	2,343,783,966
Government of Pakistan- PPAF - II (IDA financing)	12.2	8,321,429,227	8,321,429,227
Government of Pakistan - (IFAD financing-MIOP)	12.3	666,611,961	281,910,990
Government of Pakistan - (IFAD financing-PRISM)	12.4	313,757,708	83,741,724
Government of Pakistan- PPAF - III (IDA financing)	12.5	62,467,200	-
		<u>11,653,241,373</u>	<u>11,030,865,907</u>
12.1 Government of Pakistan - PPAF - I (IDA financing)			
Opening balance		2,453,401,344	2,563,018,722
Amount paid		(54,808,689)	(109,617,378)
		<u>2,398,592,655</u>	<u>2,453,401,344</u>
Current portion of long term loan		(109,617,378)	(109,617,378)
		<u>2,288,975,277</u>	<u>2,343,783,966</u>

A Development Credit Agreement (DCA) was signed between International Development Association (IDA) and the Government of Pakistan (GOP) on July 7, 1999. IDA made available to GOP a sum of Special Drawing Rights (SDR) of 66.5 million over a period of five years to be utilized by GOP through the Company.

Under Subsidiary Financing Agreement (SFA) dated August 18, 1999 executed between GOP and the Company, 50% of the amount was disbursed as loan to the Company and the balance as grant on non reimbursable basis. The principal loan amount of the project is repayable in Pak Rupees over a period of twenty three years, including a grace period of eight years, in thirty semi-annual installments payable on each May 15, and November 15 commencing from November 15, 2007 and ending on May 15, 2022. Each installment upto and including the installment payable on May 15, 2013 shall be equal to two point zero eight three percent (2.083%) of such principal amounts and each installment thereafter shall be equal to four point one six seven percent (4.167%) of such principal amount.

Under the SFA the company has committed to pay a service charge of 0.75 % per annum on the principal amount of loan withdrawn and outstanding from time to time and the commitment charge at the rate set by the IDA on the principal amount of the loan not withdrawn from time to time. The service and commitment charges are payable on May 15 and November 15 each year.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
12.2 Government of Pakistan- PPAF - II (IDA financing)			
Opening balance		8,321,429,227	8,197,837,189
Amount received		-	123,592,038
		<u>8,321,429,227</u>	<u>8,321,429,227</u>

Second DCA was signed between IDA and the GOP on January 20, 2004, in respect of PPAF II. As per agreement IDA shall make available to GOP a sum of Special Drawing Rights (SDR) of 168.1 million over a period of four years to be utilized by GOP through the Company.

Under SFA dated March 24, 2004 executed between GOP and the Company, the GOP agreed to provide 56% of the amount as loan to the Company and the balance as grant on non reimbursable basis. The principal loan amount of the project is repayable in Pak Rupees over a period of twenty three years, including a grace period of eight years, in thirty semi-annual installments, payable on each Feb 01, and August 01 commencing from February 01, 2012 and

ending on August 01, 2026. Each installment upto and including the installment payable on August 01, 2017 shall be equal to two point zero eight three percent (2.083%) of such principal amounts and each installment thereafter shall be equal to four point one six seven percent (4.167%) of such principal amount.

Under the SFA the company has committed to pay a service charge of 0.75 % per annum on the principal amount of loan withdrawn and outstanding from time to time and the commitment charge at the rate set by the IDA on the principal amount of the loan not withdrawn from time to time. The service and commitment charges are payable on February 01 and August 01 each year.

Programme Loan Agreement was signed between International Fund for Agricultural Development (IFAD) and GOP on January 18, 2006, in respect of Microfinance Innovation and Outreach Programme (MIOP). As per agreement IFAD shall make available to GOP a sum of SDR of 18.30 million over a period of five years to be utilized by GOP through the Company.

Under Subsidiary Loan and Grant Agreement (SLGA) dated April 18, 2006 executed between GOP and the Company, the GOP agreed to provide 50% of the amount as loan to the Company and the balance as grant on non reimbursable basis on account of capacity building. The principal loan amount of the project is repayable in Pak Rupees over a period of twenty three years, including a grace period of eight years, in thirty equal semi-annual installments commencing from June 01, 2014 and ending on December 01, 2028.

Under the SLGA, the Company has committed to pay a service charge of 0.75 % per annum on the principal amount of loan withdrawn and outstanding from time to time. The service charge is payable on June 01 and December 01 each year.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
	(Rupees)		
12.3 Government of Pakistan - (IFAD financing-MIOP)			
Opening balance		281,910,990	118,656,330
Amount received		384,700,971	163,254,660
		<u>666,611,961</u>	<u>281,910,990</u>

Programme Loan Agreement was signed between International Fund for Agricultural Development (IFAD) and GOP on November 22, 2007, in respect of Programme for Increasing Sustainable Microfinance (PRISM). As per agreement IFAD shall make available to GOP a sum of SDR of 22.85 million over a period of five years to be utilized by GOP through the Company.

Under Subsidiary Loan and Grant Agreement (SLGA) dated January 12, 2008 executed between GOP and the Company, the GOP agreed to provide 65% of the amount as loan to the Company and the balance as grant on non reimbursable basis on account of capacity building. The principal loan amount of the project is repayable in Pak Rupees over a period of twenty three years, including a grace period of eight years, in thirty equal semi-annual installments commencing from December 01, 2015 and ending on June 01, 2030.

Under the SLGA, the Company has committed to pay a service charge of 0.75 % per annum on the principal amount of loan withdrawn and outstanding from time to time. The service charge is payable on June 01 and December 01 each year.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
	(Rupees)		
12.4 Government of Pakistan - (IFAD financing-PRISM)			
Opening balance		83,741,724	-
Amount received		230,015,984	83,741,724
		<u>313,757,708</u>	<u>83,741,724</u>

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
12.5	Government of Pakistan- PPAF - III (IDA financing)		
	Amount received	62,467,200	-
		<u>62,467,200</u>	<u>-</u>

The Financing Agreement was signed between IDA and the GOP on June 9, 2009, in respect of PPAF III. As per agreement IDA shall make available to GOP a sum of Special Drawing Rights (SDR) of 167.2 million over a period of five years to be utilized by GOP through the Company.

Under Subsidiary Loan Agreement (SLA) dated June 15, 2009 executed between GOP and the Company, the GOP agreed to provide 13% of the amount as loan to the Company and the balance as grant on non reimbursable basis. The principal loan amount of the project is repayable in Pak Rupees over a period of twenty three years, including a grace period of eight years, in thirty semi-annual installments, payable on each June 15, and December 15 commencing from June 15, 2017 and ending on December 15, 2031. Each installment upto and including the installment payable on December 15, 2022 shall be equal to two point zero eight three percent (2.083%) of such principal amounts and each installment thereafter shall be equal to four point one six seven percent (4.167%) of such principal amount.

Under the SLA the company has committed to pay a service charge of 0.75 % per annum on the principal amount of loan withdrawn and outstanding from time to time and the commitment charge on the principal amount of loan not withdrawn from time to time at a rate to be set by the IDA as of June 30 of each year, but not to exceed the rate of 0.50% per annum. The service and commitment charges are payable on June 15 and December 15 each year.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.	DEFERRED LIABILITIES - GRANT FUND		
	Government of Pakistan - IDA	2,968,706,240	1,539,410,346
	US Agency for International Development/Pakistan	115,984,115	115,984,115
	Government of Pakistan - USDA	364,266,553	552,702,419
	Government of Pakistan - KfW	-	3,508,935
	Government of Pakistan - IFAD (MIOP)	16,773,027	(14,986,003)
	Government of Pakistan - IFAD (REACH)	12,170,804	99,540,804
	Government of Pakistan - IFAD (PRISM)	134,076,478	45,444,080
	Committee Encouraging Corporate Philanthropy	98,629,210	109,617,452
	Government of Pakistan - IDA III	<u>1,667,374,502</u>	<u>-</u>
		<u>5,377,980,929</u>	<u>2,451,222,148</u>

Deferred liabilities grant fund represents amounts (receivable from donors)/payable to POs on non-reimbursable basis under respective financing agreements.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.1	Grants from Government of Pakistan - IDA		
	Community physical infrastructure	172,702,050	238,987,442
	Social sector development	(5,315,704)	12,781,616
	Capacity building - POs	203,003,974	340,038,783
	Emergency relief	-	3,386,315
	Rehabilitation & Reconstruction	(299,884,674)	(299,884,674)
	Grants for Social Mobilization	2,733,210,786	1,032,124,235
	Grants for Disability Project	<u>164,989,808</u>	<u>211,976,629</u>
		<u>2,968,706,240</u>	<u>1,539,410,346</u>

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.1.1 Community physical infrastructure			
Opening balance		238,987,442	(181,749,155)
Amount received		-	790,757,491
		238,987,442	609,008,336
Less: Disbursements		66,285,392	370,020,894
		172,702,050	238,987,442
13.1.2 Social sector development			
Opening balance		12,781,616	(49,840,581)
Amount received		-	135,505,936
		12,781,616	85,665,355
Less: Disbursements		18,097,320	72,883,739
		(5,315,704)	12,781,616
13.1.3 Capacity building - POs			
Opening balance		340,038,783	(221,898,926)
Amount received		-	881,918,696
		340,038,783	660,019,770
Less: Disbursements		137,034,809	319,980,987
		203,003,974	340,038,783
13.1.4 Emergency relief			
Opening balance		3,386,315	(1,888,594)
Amount received/(transferred)		(3,386,315)	39,584,909
		-	37,696,315
Less: Disbursements		-	34,310,000
		-	3,386,315
13.1.5 Rehabilitation & Reconstruction			
Housing reconstruction and community buildings	13.1.5.1	(948,795,913)	(967,066,358)
Revitalization of affected communities / rehabilitation of CPI schemes	13.1.5.2	648,911,239	667,181,684
		(299,884,674)	(299,884,674)
13.1.5.1 Housing reconstruction and community buildings			
Opening balance		(967,066,358)	1,644,628,596
Amount received/(transferred)		-	(84,254,431)
		(967,066,358)	1,560,374,165
Less: Disbursements		(18,270,445)	2,527,440,523
		(948,795,913)	(967,066,358)
13.1.5.2 Revitalization of communities / rehabilitation of CPI schemes			
Opening balance		667,181,684	4,478,024
Amount received		-	880,993,009
		667,181,684	885,471,033
Less: Disbursements			
revitalization of affected communities		18,270,445	159,066,335
rehabilitation of CPI schemes		-	59,223,014
		18,270,445	218,289,349
		648,911,239	667,181,684

13.1.5.3 Agreements amending the DCA was signed between IDA and GOP on December 06, 2005, in respect of Grants for Emergency Relief and Rehabilitation & Reconstruction. As per the agreement, IDA agreed to reallocate a sum of SDR 3.53 million for activities responding to the Emergency by the earthquake as disclosed in note 10.1.4 to these financial statements, and to make available to GOP an additional sum of SDR of 68.90 million under Phase II to GOP.

Second agreements amending the DCA was signed between IDA and GOP on May 02, 2007, in respect of Grants for Rehabilitation & Reconstruction. As per agreement IDA agreed to make available to GOP an additional sum of SDR of 91.80 million under Phase II to GOP.

The GOP will utilize these amounts through the Company to support the relief, reconstruction and rehabilitation of communities affected by the earthquake which occurred on October 8, 2005.

Under agreements amending the SFAs dated May 03, 2006 and June 22, 2007 executed between GOP and the Company, the GOP agreed to provide SDR 68.90 million and SDR 91.80 million respectively to the Company as grants on non reimbursable basis.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.1.6 Grant for Social Mobilization			
Opening balance		1,032,124,235	958,260,000
Amount received		2,914,668,815	785,776,100
		<u>3,946,793,050</u>	<u>1,744,036,100</u>
Less: Disbursements for			
Social Mobilization		288,374,516	711,911,865
Capacity Building		9,360,372	-
Community Physical Infrastructure		372,677,634	-
Social Sector Development		543,169,742	-
	13.1.6.1	<u>1,213,582,264</u>	<u>711,911,865</u>
		<u>2,733,210,786</u>	<u>1,032,124,235</u>
13.1.6.1 Disbursements by components			
Trainings		55,432,966	99,668,337
Capital costs		168,284,000	236,207,700
Operating costs		187,099,490	376,035,828
Project cost		802,765,808	-
		<u>1,213,582,264</u>	<u>711,911,865</u>

13.1.6.2 On December 07, 2007 GOP signed a financing agreement with International Development Association - IDA (the Association) under which the association agreed to extend an amount equivalent to Forty Nine Million Special Drawing Rights (Equivalent US Dollars: 75 million) as additional financing for the second poverty alleviation fund project to support participatory development through social mobilization.

The project Includes mobilization of about one million rural poor house holds into more than fifty thousand multi functional and sustainable community organizations in rural areas of poorest districts in Pakistan, mobilization of existing community organizations to form federations at Union council level and to form local support organizations and provision of training to approximately two hundred and fifty thousand people on management of community organizations and federations to achieve long term sustainability.

On January 04, 2008 GOP signed subsidiary financing agreement with PPAF under which GOP agreed to extend an amount equivalent to Forty Nine Million Special Drawing Rights (Equivalent US Dollars: 75 million) to PPAF as grant on non reimburseable basis.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.1.7 Grant for Disability Project			
Opening balance		211,976,629	-
Amount received		-	303,110,148
		<u>211,976,629</u>	<u>303,110,148</u>
Less: Disbursements		46,986,821	91,133,519
		<u>164,989,808</u>	<u>211,976,629</u>

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.2			
Grants from USAID/Pakistan			
Capacity building - POs	13.2.1	-	-
Enterprise development loans	13.2.2	115,984,115	115,984,115
		<u>115,984,115</u>	<u>115,984,115</u>
13.2.1			
Capacity building - POs			
Opening balance		-	(1,479,621)
Amount received		-	1,479,621
		<u>-</u>	<u>-</u>
13.2.2			
Enterprise Development loans			
Opening balance		115,984,115	127,585,729
Amount received/(transferred)		-	(11,656,477)
		<u>115,984,115</u>	<u>115,929,252</u>
Service charges earned		-	54,863
		<u>115,984,115</u>	<u>115,984,115</u>

13.2.2.1 The closing balance of the USAID grant represents amounts for disbursement to POs for EDF and service charges earned on outstanding loan. These funds cannot be used by PPAF for its operational and capital expenses till the expiry of the term of the agreement. During the nine months, Rs. 5.70 million have been disbursed to POs. Total disbursements for EDF under USAID aggregates to Rs. 346.216 million.

13.2.2.2 PPAF signed a cooperative agreement with the U.S. Agency for International Development Mission to Pakistan (USAID/Pakistan). The period of this agreement was of four years, starting from the date of award i.e. September 30, 2003 through September 30, 2007. The total programme size is US\$ 7,098,621 of which USAID/Pakistan will contribute US\$ 6,320,000 and PPAF share will be US\$ 778,621. The funds committed under this agreement will be disbursed as loans to POs under EDF and as capacity building grant for PPAF and for POs. EDF will be given to the POs in order to enable them to give loans of larger amounts (from Rs. 30,000 to Rs. 100,000) to their borrowers who have successfully completed two loan cycles. According to the agreement, PPAF will create a revolving fund from the repayments and service charges earned on EDF loans and bank account.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.3			
Grants from Government of Pakistan - USDA			
Opening balance		552,702,419	1,117,938,769
Amount received/(transferred)		-	(19,145,427)
Profit on project bank account		37,564,656	63,382,172
		<u>590,267,075</u>	<u>1,162,175,514</u>
Less: Disbursements		<u>226,000,522</u>	<u>609,473,095</u>
		<u>364,266,553</u>	<u>552,702,419</u>

13.3.1 On August 30, 2002, the Government of United States of America and GOP signed an agreement under which U.S. Department of Agriculture (USDA) through its Commodity Credit Corporation has agreed to provide 37,800 metric tons of soybean oil to GOP. The GOP has authorized Trading Corporation of Pakistan to receive and monetize the commodity. The plan of operation of this Agreement is to use the sale proceeds to finance PPAF on non reimbursable basis. The total programme size is Rs.1,518 million, out of which Rs 400 million have been received during the year 2004-05, Rs 240 million during the year 2005-06 and Rs 878 million during 2006-07.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.6.1 Housing reconstruction and community buildings			
Opening balance		108,438,552	456,088,552
Less: Disbursements:		-	347,650,000
		<u>108,438,552</u>	<u>108,438,552</u>
13.6.2 Revitalization of affected communities / livestock			
Opening balance		(8,897,748)	489,574
Less: Disbursements:		87,370,000	9,387,322
		<u>(96,267,748)</u>	<u>(8,897,748)</u>

13.6.3 On June 14, 2006 the Government of Pakistan and International Fund for Agricultural Development (IFAD) signed a Project Loan Agreement under which IFAD has extended a financial contribution of Special Drawing Rights (SDRs) 18.350 million (equivalent to US\$ 27 million) under the project "Restoration of Earthquake Affected Communities and Households". The allocated amount will cover the grants to affected communities for (a) reconstruction of housing (b) rehabilitation of community infrastructure (c) grants for livestock (d) costs of trainings for the affected communities and staff of the POs (e) operating costs and cost of equipments to POs engaged in these activities. The period of this agreement is of three years from the effective date i.e. August 01, 2006.

Under SFA dated September 19, 2006 executed between GoP and PPAF, GOP agreed to provide SDR 18.35 million to the company as grant on non reimbursable basis.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.7 Grants from Government of Pakistan - IFAD (PRISM)			
Opening balance		45,444,080	-
Amount received		88,632,398	45,444,080
		<u>134,076,478</u>	<u>45,444,080</u>
13.8 Grants from CECP			
Opening balance		109,617,452	281,745,494
Amount received		-	193,355,114
Foreign exchange translation differences - Net		1,057	12,574,431
		<u>109,618,509</u>	<u>487,675,039</u>
Less: Disbursements:		10,989,299	378,057,587
		<u>98,629,210</u>	<u>109,617,452</u>

13.8.1 On August 15, 2006 the PPAF and Committee Encouraging Corporate Philanthropy (CECP) signed a programme agreement under which CECP has agreed to make available an amount of US Dollars 12 million over a period of three years commencing from October 1, 2006 to September 30, 2009 to the Company as grant on non reimbursable basis for design, reconstruction and refurbishment of regional health centers, clinics, primary schools and secondary schools affected by the earthquake.

	Note	Un-audited Dec. 31, 2009	Audited Jun 30, 2009
		(Rupees)	
13.9 Grants from Government of Pakistan - IDA III			
Amount received		1,667,374,502	-
		<u>1,667,374,502</u>	<u>-</u>

	Note	For the quarter ended		For the half year ended	
		Dec 31, 2009	Dec 31, 2008	Dec 31, 2009	Dec 31, 2008
14. INCOME ON INVESTMENTS AND SAVING ACCOUNTS					
Profit on long term investments		48,262,603	48,016,573	74,412,603	74,381,505
Profit on term deposit receipts/saving accounts		128,401,899	122,735,018	265,359,729	280,449,049
		<u>176,664,502</u>	<u>170,751,591</u>	<u>339,772,332</u>	<u>354,830,554</u>
15. INCOME ON RESERVE FOR GRANT BASED ACTIVITIES					
Income earned during the period		34,103,701	-	69,886,818	-
Less: Disbursements:		-	-	-	-
		<u>34,103,701</u>	<u>-</u>	<u>69,886,818</u>	<u>-</u>
16. GENERAL AND ADMINISTRATIVE EXPENSES					
Salaries, wages and other benefits		39,720,218	31,259,885	91,408,120	61,367,143
Rent		6,837,248	4,949,186	13,843,126	9,698,440
Repairs and maintenance		3,343,401	1,658,324	5,446,809	3,123,519
Traveling, lodging and conveyance		10,636,218	9,691,077	23,778,779	17,057,912
Communication		826,909	694,376	1,726,057	1,326,814
Printing and stationery		1,189,582	1,089,491	2,833,966	2,420,636
Insurance		1,080,940	1,465,187	3,953,686	3,289,401
Vehicles running and maintenance		2,428,152	1,977,596	4,823,681	4,571,036
Utilities		723,192	578,849	1,492,521	1,190,722
Legal and professional charges		450,500	509,100	987,000	1,293,600
Auditors remuneration		-	1,009,100	-	1,009,100
Advertisement		516,870	892,530	971,300	1,656,080
Media projection		125,917	22,960	163,567	149,316
Newspapers, books and periodicals		123,568	92,323	222,392	162,252
Depreciation		8,146,994	6,200,190	15,574,777	12,328,010
Amortization		1,280,764	1,221,246	2,480,148	2,154,769
Security services		479,400	372,900	942,858	950,200
Others		855,521	642,840	1,578,825	1,100,690
		<u>78,765,394</u>	<u>64,327,160</u>	<u>172,227,612</u>	<u>124,849,640</u>
17. SEMINARS, WORKSHOPS AND TRAININGS					
Training		5,965,892	949,266	7,313,657	3,622,187
Seminar and workshops		21,090,407	1,203,177	23,949,491	1,519,283
PPAF ten years events		3,295,383	-	15,839,412	-
		<u>30,351,682</u>	<u>2,152,443</u>	<u>47,102,560</u>	<u>5,141,470</u>
18. CONSULTANCY CHARGES					
Social mobilization		29,778,548	5,762,530	77,402,154	5,762,530
Earthquake reconstruction & rehabilitation		1,201,604	-	2,722,241	1,601,357
General		12,644,185	-	22,675,250	4,005,140
		<u>43,624,337</u>	<u>5,762,530</u>	<u>102,799,645</u>	<u>11,369,027</u>
19. FINANCIAL CHARGES					
On micro credit loans		10,172,388	31,782,507	31,400,590	59,146,408
Bank charges		226,312	177,739	406,597	317,983
		<u>10,398,700</u>	<u>31,960,246</u>	<u>31,807,187</u>	<u>59,464,391</u>
20. COMPARATIVE FIGURES					

Comparative figures have ben rearrangd and reclassified, wherever necessary, for better presentation.



Chairman



Chief Executive/Managing Director



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