



LETTER FROM THE PRESIDENT



Since 2013, Seed Out has come a long way. Despite fighting poverty at a much bigger level in 2019, Seed Out is still in a growing phase. Each day is a new learning experience and a challenge for myself and my team. It hasn't always been easy. We've had to adjust our processes and make hard decisions. However, the result of all that effort is undeniable.

Reflecting on the major organizational highlights and achievements of Seed Out, I am happy to share that Seed Out closed this year with a client base of **870** and has disbursed **PKR 68.5 million** in interest-free loans across its network of 4 branches. The highlight of the year was serving another city in Pakistan. We opened a branch in Bahawalnagar and in less than a year, we set up small businesses for more than **164 micro-entrepreneurs** and lifted them out of poverty. In collaboration with the Embassy of the Netherlands, we trained **250 female entrepreneurs** in business and financial skills that they need to successfully manage their businesses!

Our donor base significantly increased as generous donors from all around Pakistan and the world donated to our cause. We received more than 500 applications and successfully disbursed businesses.

Our fundraiser, Seed Out Sufi Night 2019, helped us to fully fund over a hundred projects. The impact Seed Out has had on the lives of low-income individuals visibly demonstrates the efficacy of our financial services to economically empower micro-entrepreneurs. An impact assessment has shown that Seed Out's beneficiaries were able to increase their monthly business income by 33%, while over 75% of female beneficiaries felt that their economic decision-making authority had increased substantially.

Where do we go from here?

Our journey has just begun and we have a long way to go! There are so many more out there who are still struggling for survival, so many more children to send to school, so many more women to empower, so many more disabled to enable and so many more marginalized to consider. Thus we must understand that the voyage is not over yet and we need you by our side to sail this ship further. Seed Out promises to reinforce your trust in us by working harder to give freedom to those who are still stuck in the clutches of poverty.

Let's join hands tonight to empower the less fortunate and alleviate poverty
When there are a million tomorrows to change why not start today?

Sincerely
Zain Ashraf
Founder and President Seed Out

A handwritten signature in blue ink, appearing to read 'Zain Ashraf', written over the typed name.



Vision

A society based on the principles of economic justice and equality aiming for zero poverty.

Mission

To leverage Seed Out's crowd-funding platform to end poverty by raising micro-entrepreneurs through interest-free micro-financing and creation of sustainable economic activity.

Values

Customer Centricity
Integrity
Innovation
Sustainability
Meritocracy

ABOUT SEED OUT

Seed Out is

Pakistan's first interest-free online crowdfunding platform

which is working towards alleviating poverty by establishing micro-entrepreneurs through interest-free micro financing and creation of sustainable economic activity.

It was established 2013 with the aim of helping the bottom of the pyramid households overcome extreme poverty. Seed Out helps deserving individuals establish or expand a small scale business that allows them to earn a decent livelihood and attain true financial independence.

Seed Out has successfully funded beneficiaries by connecting them to donors worldwide, in order to create opportunities that will transform

millions
of tomorrows
better than **yesterday.**





100% Interest Free in-kind loans

Seed Out aims to create sustainable businesses for its beneficiaries and has adopted an approach that is consistent with this objective. Seed Out's fund is utilized to help beneficiaries with asset based projects. An in kind loan, in the form of inventory and tangible assets that are required for starting or expanding a business, is provided to the beneficiaries, in accordance with their needs and requirements. We have eliminated cash transfer during the process, ensuring that the donated amount is solely utilized for the intended purpose of income generation.

The average loan size disbursed is a sizeable amount of **PKR 70,000** which ensures that borrowers are made self-sufficient and do not feel the need to return for additional borrowing. If borrowers do return, it is usually in the case of business scale up. Our loan size ranges from **PKR 30,000** to **PKR 200,000**. Seed Out provides 100% waiver in case of death or any unforeseen circumstance.



WHAT WE DO?

Capacity Building

Seed Out wants its entrepreneurs to succeed and hence invests significantly in building the capacity of each and every entrepreneur so they can better use the capital that they access and impact is maximized. Training, skills development and capacity building workshops are regularly conducted so that the entrepreneurs can successfully execute their respective businesses. These workshops also allow the entrepreneurs to network with others.



Promoting education and health

Seed Out believes in holistic human development and strives to achieve more than poverty alleviation alone. We encourage every entrepreneur to send their children to school.

Seed Out's beneficiaries are provided with a 24/7 tele-health facility, which allows beneficiaries to connect with a medical professional to seek prompt advice conveniently. They are also provided with health cards which allow them access to free of cost healthcare services at our partner hospitals.

Moreover, beneficiaries are required to maintain good domestic hygiene which reduces the risk of contracting infectious diseases, hence lowering medical costs.

WHAT WE DO?



Performance in 2018-19

In 2018-19, Seed Out pushed for success in bringing as many people out of poverty as possible. We assembled the right team with an attitude of sharing a common goal. Our operations team gathered and selected the most deserving and needy people. The team was driven with discipline and applied the right resources and techniques. Our consultants focused on building and developing the right strategies and our IT team used the right set of innovative skills and digitization to shape and present a multi-dimensional platform which attracted and facilitated donors from all around the world. Seed Out's passion-driven team allowed Seed Out to harness its energy and helped us build a long-term plan.



IN REVIEW



2018-19 in NUMBERS

534 + 4 =

Entrepreneurs Raised

Cities

3000 Lives
Changed

70,000

Average Loan Size

38M

Amount Disbursed

97%

Recovery Rate

100%

Funds Revolved

HIGHLIGHTS 2018-19

Seed Out opens its doors in Bahawalnagr



Seed Out achieved a milestone in 2018 by opening up a branch in Bahawalnagar. We opened our doors for the poor people of Bahawalnagar and helped them to start and expand the diverse businesses that they were doing. We economically empowered the women of Bahawalnagar, our priority applicants being widowed, divorced or single mothers. Female-led businesses which included beauty parlors and clothing business were amongst our most disbursed projects. We also facilitated differently abled people on a priority basis and handed them businesses such as custom-built auto-rickshaws and clothing.

Opening doors for the people of Bahawalnagar was nothing but Happiness! We disbursed a total of **164 projects** and impacted **820 lives**, for which we feel immense gratification and satisfaction. We pay immense gratitude to all our donors who made the Bahawalnagar branch a success story.



I had opened up a small grocery store but it didn't have enough stock. At any cost, I had to make my store a success because through this income, I had to support my wife, daughter, my old parents and younger brother. My biggest worry was not being able to pay for my father's medical expenses. Seed Out helped me expand my grocery store and thanks to God, my sales have shown a significant increase. Father's medical bills are being paid and I am immensely proud to support the higher education of my younger brother. Circumstances didn't allow me to study much but my brother will now fulfill my dreams!" - Muhammad Irfan

Seed Out Sufi Night 2019

Seed Out held its biggest fundraiser in March 2019, with an aim to inspire people to donate to the cause of poverty alleviation in a manner that is sustainable for the beneficiary and the society. The memorable event, 'Seed Out Sufi Night 2019' was hosted at the prestigious Governor House Lahore and was attended by a more than a 1000 people. The event was hosted by actor Ahsan Khan and Ayesha Sana and was attended by businesspersons, civil servants, politicians, artists, musicians and celebrities. Mr. Zain Ashraf, Founder and President of Seed Out, spoke to the audience about Seed Out's goals and urged them to donate to the cause of eliminating poverty.



Parveen Sarwar, wife of Chaudhry Sarwar, Governor of Punjab, attended the night as the Chief Guest. Sufi dance performers showcased an elegant performance in their black flowy robes adorned with colorful patchwork. The highlight of the fundraiser was a soulful performance by the Queen of Sufi music, Abida Parveen. The audience was mesmerized as Abida Parveen performed her renditions of Sufi Kalam. Mr. Ashraf celebrated Seed Out's success in raising 600 micro-entrepreneurs and creating a transformative impact in their lives. The event helped Seed Out pull hundreds of underprivileged Pakistanis out of poverty by establishing small businesses for them.

PROJECT HIGHLIGHTS

Paving the way for women empowerment with *Nestle Pakistan*

In April 2018, Seed Out, in collaboration with Nestle Pakistan, helped aspiring female micro-entrepreneurs set up fully stocked general stores, under the auspices of its flagship women empowerment project, “My Income, My Freedom”. The initiative was led by Seed Out and Nestle to empower the underprivileged women to become financially independent and make greater contributions towards their family’s wellbeing. It was a step to break the stereotype of “men run general stores”, as it goes in our society. The determined women are breaking norms as they attend the store for most part of the day and equally well-manage the household. Nestlé’s support in the project was vital and opened doors for many female micro-entrepreneurs to rise above the status quo.



“As a widow and a mother of 6 children, I don’t think words can explain the difficulties I have faced in my life and the struggle I had to do to put food on the table for my children. To meet the expenses, I had opened up a small grocery store near Gujranwala Railway Station. Sales were low due to a perpetual shortage of stock. Seed Out and Nestle helped me to stock up my store and I also received training regarding financial management. My shop now receives more customers and increased sales have definitely brought improvement in my financial situation. My life is more at ease now! - **Surraiya Bibi**

Raising awareness on crowdfunding with the *Australian High Commission*

In May 2018, Seed Out, in collaboration with the Australian High Commission, organized the first ever series of workshops in Pakistan aimed towards raising awareness on the concept of crowdfunding in Pakistan by bringing it into mainstream discussion. 2 workshops were organized for this purpose, held in Nishat Hotel, Lahore and Serena Hotel, Islamabad. They were attended by 135 members from 70 organizations from various sectors including the **Punjab Government, UKAID, NGOs, NPOs, Micro-finance and For-profits**. The Chief Guest for the Lahore and Islamabad sessions were Mr. Brek Batley, the Deputy High Commissioner of the **Australian High Commission** and **Mr. Hugh Boylan, Chair of the Direct Aid Program of the Australian High Commission**, respectively. The agenda of both the workshops was as follows: The first session, “Fundraising Issues in Pakistan’s Development Sector” was delivered by **Dr. Moshin Bashir of the Lahore University of Management Sciences**. The purpose of this session was to interact with the audience and identify the pain points which development sector organizations face when trying to raise funds through the brick and mortar fundraising approach.

The second session, “**Crowdfunding for Organizations – Opportunities and Challenges**” was delivered by Dr. Shehryar Shahid of the Lahore University of Management Sciences. The purpose of this interactive session was to introduce the new concept of crowdfunding based on facts and opportunities. It also explained, compared and contrasted the different types of crowdfunding platforms. The first two sessions were sequential and paved way for the third session which was the introduction\demo of the Seed Out crowdfunding model. The session highlighted the motivation behind founding Seed Out and Value Proposition of the Seed Out crowdfunding model.



Training on entrepreneurship goes digital with **UNDP Pakistan**

In June 2019, Seed Out collaborated with UNDP Pakistan, by virtue of which UNDP shared its video based training curriculum for the business and financial training of micro entrepreneurs with Seed Out. The app, “Kamayab Karobar”, includes 13 modules consisting of videos based on a storyline, an interactive game, and quizzes to engage users in



entrepreneurship content. Developing the app was part of UNDP’s aim to innovate in the delivery of complimentary and mutually-reinforcing entrepreneurship trainings via various technology media. Seed Out is thankful to UNDP for sharing this valuable resource with us as it will allow our beneficiaries to access engaging training content whenever and wherever they want.

Digitize to Equalize - Loan Recovery made easier with **Telenor Easy Paisa**

In December 2019, Seed Out and Telenor Easy Paisa entered into an agreement which makes it even easier for its beneficiaries to repay their installments online. Below: Mr. Zain Ashraf, President and Founder of Seed Out, and Mr. Khurram Malik, Head of EasyPaisa, sign an MoU which will provide Seed Out’s beneficiaries with a seamless and cashless loan recovery process.



Uplifting marginalized communities with the *Punjab Skills Development Fund*

In December 2019, Seed and Punjab Skills Development Fund (PSDF) came together to empower vulnerable communities most susceptible to social and economic exclusion. Transgender, minorities and the differently-abled, who have been trained in vocational skills by PSDF, the largest skills development fund in Pakistan, will be provided financial assistance by Seed Out so they can start their own businesses and determine their own life path.

In early 2020, Seed Out will financially assist a cohort of transgender, who have received rigorous training in beautician services by the International Fashion Academy Pakistan, to set up their own beauty salons, enabling them to earn a dignified living.



Freedom for Donkeys - A step for Animal Welfare with JBF Scotland

In partnership with JBF Scotland, a UK charity supporting animal welfare projects in India and Pakistan, Seed Out helped free 6 donkeys from hard labor as it disbursed loader rickshaws to 6 donkey cart owners.

Johnny Krause, associated with JBF, is an animal lover who, on his first trip to Pakistan, was moved by the plight of donkeys overburdened beyond their capacity. He immediately wanted to free these donkeys and provide a means of transportation to their owners which was faster, comfortable and more efficient. Johnny thus approached Seed Out to disburse loader rickshaws which were funded by JBF Scotland. From the loan recovery, Seed Out will help JBF Scotland to free more donkeys and make life easier for their owners.

Seed Out is proud to take a step for Animal Rights!



Helping 250 Female Entrepreneurs develop “Business and Financial Management Skills” with the Embassy of the Netherlands in Pakistan

Under the auspices of “My Income, My Freedom”, Seed Out’s flagship women empowerment program, we partnered with Embassy of the Netherlands to conduct capacity enhancement workshops for more than 250 female entrepreneurs in the cities of Lahore, Faisalabad, Gujranwala and Bahawalnagar. The training sessions were conducted with an aim to augment the business and financial skills of Seed Out’s female beneficiaries. As the targeted female audience had limited exposure to running businesses, the learning curve for the micro-entrepreneurs was steep as they were introduced to various business management skills.

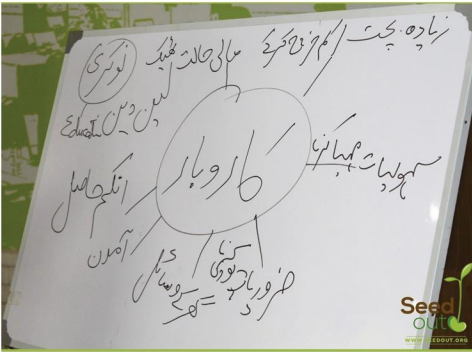
The sessions, held in September-October 2019, started with Seed Out’s in depth introduction from a borrower’s point of view, followed by motivational documentaries of Seed Out’s leading female micro-entrepreneurs who remained committed to the growth of their business and were able to turn their life around after obtaining an interest-free business loan. Training started once the audience had been motivated to obtain the maximum out of the training sessions. Ms. Amina Khalid and Ms. Humeira Aslam, both having extensive experience in imparting business enhancement skills, engaged the audience on the various business management skills including marketing, business expansion, product diversification, book keeping, budgeting and financial negotiation.

The participants showed a lot of vigor and enthusiasm for learning as the instructors kept the sessions very interactive and activity based. After each activity, women who produced the output were called to the stage to present their working to their colleagues. The integration also enabled the women to build social capital, one of the cardinal resources for doing business.

The participants were highly pleased and agreed the workshops enhanced their capacity for understanding financial transactions and business growth.



“
I make ladies and children’s garments from my home and sell them to make ends meet. The training session taught me important skills that I now use to record and monitor my revenue, costs and profits, which come very handy in planning and budgeting. The lessons on product costing and marketing were very new for me. I’m extremely glad that better financial management and marketing has increased my profits and I’m able to sell an additional 10 suits monthly. I’ve furthered this knowledge amongst my friends too and we feel that women can greatly benefit from learning more about business management.
”



AWARDS AND ACCOLADES

Commonwealth Youth Award 2018

In 2018, Mr. Zain Ashraf's work as the Founder and President of Seed Out was internationally recognized as he became the first Pakistani to receive the prestigious Commonwealth Youth Award for Excellence in Development work in London at the Commonwealth Heads of Government Meeting 2018. He was part of the round-table meeting on sustainable development with Prince William, Duke of Cambridge, Prince Harry, Duke of Sussex and Ms. Meghan Markle, Duchess of Sussex. They were impressed with Seed Out's work in achieving Sustainable Development Goal # 10 "Reduced Inequalities" - highlighted by the United Nations as one of the most important sustainable development goals for member countries across the world. The recognition brought the hard work of Seed Out's team in the spotlight on a global scale.





Forbes 30 Under 30

The year 2019 turned out to be one of the biggest for Seed Out. The Founder and President of Seed Out, Mr. Zain Ashraf, won the prestigious award, Forbes 30 Under 30 for Social Entrepreneurship. Forbes expressed its selection of Zain Ashraf in the following words,

“Zain Ashraf is the founder of Seed Out, Pakistan’s first crowd funding platform that works to end poverty by establishing entrepreneurs with interest-free micro financing. Donors can choose to donate or lend to projects listed on the nonprofit #1 website and can track progress along the way. When repayment is made, the organization helps to reinvest the sum into other projects. According to the company, Seed Out has a 97% repayment rate and has helped 538 locals raise funding. In 2018, Ashraf won the Commonwealth Youth Award for his efforts in development work.”

Seed Out’s founder, Zain Ashraf, was pleased to receive the award and expressed his views,

“I am honored to have been named and for Seed Out’s work to have achieved this global recognition. I am proud to have put my country on the map for work and a narrative that is positive and progressive. Accolades such as this help me further the vision and goals I have for my work, which is to eradicate poverty in Pakistan by cultivating an enabling environment for entrepreneurs to succeed with sustainability. Every life and the quality of each life matters and we should create equal playing fields for everyone.”

DISBURSEMENT CEREMONY

In the year 2018-19, Seed Out disbursed a large number of projects to its borrowers. Poverty hinders the growth of communities. Each time we disburse new projects to a cohort of borrowers, we arrange an intimate and celebratory “Project Disbursement Ceremony” to welcome the borrowers as they enter a new and life-changing phase of their lives.



LAHORE
PROJECTS DISBURSED (2018-19): 94
PROJECTS DISBURSED TILL DATE: 194



FAISALABAD
PROJECTS DISBURSED(2018-19): 75
PROJECTS DISBURSED TILL DATE: 75



BAHAWALNAGAR
PROJECTS DISBURSED (2018-19): 164
PROJECTS DISBURSED TILL DATE: 164



GUJRANWALA
PROJECTS DISBURSED (2018-19): 201
PROJECTS DISBURSED TILL DATE: 437

LIFTING COMMUNITIES

Women

The basis for Seed Out's emphasis on women's economic empowerment is the belief that when women and girls are given access to the tools that they need, and the environment necessary to exercise their agency and claim their rights, whole communities are lifted out of poverty.



We help develop the capacities and capabilities of women micro-entrepreneurs in order to lift them socially and economically. We assist them overcome both financial and non-financial challenges via our capacity enhancement programs.

Realizing the importance of making women financially independent to help break the poverty trap, we have consistently focused our community mobilization efforts to identify marginalized women and bring them on board with us, resulting in **35% female** constitution of the beneficiary portfolio. Widowed and divorced women are provided financial assistance on a priority basis. Seed Out is proud to enable **39 widowed** and **15 divorced women** to become financially independent!



With only **1%** of female entrepreneurs, Pakistan has the lowest rate of female entrepreneurship in the world



ONLY 24%
OF WOMEN ARE WORKING



48.74%
MAKE UP THE FEMALE
POPULATION

Differently abled



Our differently abled beneficiaries never fail to impress us with their enthusiasm and determination. In fact, some of them are not only earning well for themselves, but also financially supporting their siblings and motivating them to utilize their skills and intellect to attain zenith. A witness of their journey of grit, Seed Out is enthusiastic about supporting the differently abled on a priority basis. By empowering them, we hope to make their disability a sign of their strength. The businesses that we have helped establish for them include general stores, customized auto-rickshaw and clothing businesses.

Differently abled constitute 4% of our portfolio. At the moment, 35 differently abled individuals are leading highly productive lives as they remain highly engaged with their work.



A traffic accident had brought my life completely to a standstill and had reduced my self-belief. After 6 unsuccessful operations, my leg got amputated. Each day that passed, my dependability on others increased and my wife deserted me as well.

Seed Out became the guiding light in my life: they provided me with a customized auto-rickshaw (3 wheeled transport service) keeping in mind my amputated leg.

I was earning nothing but now I can earn up to Rs. 25,000 per month as well as do savings. My family is eating better meals, I can manage my medical expenditures and everyone feels proud of my determination.

Now I am more than a traffic accident victim and I have a tag I am extremely proud of: ENTREPRENEUR.
- Sultan Ahmad

Minorities

Seed Out does not distinguish on the basis of religion, cast or creed. We welcome individuals belonging to minority communities. We have established 34 businesses for people of different faiths and resolve to keep welcoming them and contribute towards building an equitable and inclusive society.

“

Before Seed Out came in our lives, we lived in terrible circumstances. My family suffered starvation, I was unable to send my kids to school or afford the basic necessities of life for my children. When Seed Out gave me an auto-rickshaw, I swear I felt like I started a new life. I don't have words to thank Seed Out. I can now provide for my children and wife. - Victor John

”



Seed Out shares happiness as it celebrates Christmas and Quaid Day with Seed Out's Christian beneficiaries at Youhanabad, Lahore.

SUCCESS STORIES

2018-19

Tasneem from Bahawalnagar

Tasneem Akhtar is the epitome of a strong-willed mother who works more than 16 hours a day to provide for her family financially as well as take care of her household needs. Tasneem is a mother of 5 kids. She stitches clothes and sells them in the local market. Her husband, Riaz, helps her in the business by doing overlocking of the clothes.

Due to limited production, the couple used to earn a limited income and at the end of the month, there were days where they had to borrow to financially survive. Determined to grow her clothing business, Tasneem obtained a loan of Rs. 60,000 from Seed Out. By purchasing more fabric, embellishments and other material required for production, Tasneem is now supplying an average of 13 additional clothes per week and is able to save as well.

“My business was in dire need of a financial injection. I was determined to apply for a sizeable loan that was also interest-free. There was no option better than Seed Out. After getting the much-needed stock, I have increased production and this given quite a boost to my business. My eldest daughter is committed to getting a higher education, and it makes me so much easier to pay for her fee. My husband, Akhtar, and I are of a progressive nature and even though we could not study much, we are determined to get both our sons and daughters the education that they deserve. Small things matter, it even gives me immense pleasure to even see my kids eating better and more frequent meals”, says Tasneem getting emotional.



Muhammad Asif from Faisalabad

Greater age brings greater responsibilities, with Muhammad Asif, however, responsibilities came too soon. Muhammad Asif is a young, twenty-year-old boy who has a lot on his plate to manage. After losing his father, Asif began working as a laborer but quit after 2 years as this hardly made any income. Muhammad Asif later got married and had a child who is now 8 months old. His wife doesn't work so he's the only one who has to make sure that his daughter is fed well. Muhammad Asif wasn't earning anything when he approached Seed Out. He obtained a loan of Rs. 130,000 from Seed Out for a loader rickshaw. Now, he is able to make Rs. 25,000 to Rs. 30,000 a month and this has brought much ease for him and his family.

"I want to thank all the generous donors who made this possible that I was given a brand new loader rickshaw by Seed Out. I had lost all hopes when my father passed away. We had no source of income, I have struggled a lot but now things are better. My mother and sister are doing well. My widowed mother, who is a domestic worker, took care of my family from her small income when I was earning nothing but now I have a permanent source of income and I'm so happy to take the burden off her shoulders", says Muhammad Asif feeling blessed.



Abdul Wahab from Gujranwala

Abdul Wahab is the father of three adorable daughters. He belongs to the segment where education is not considered a priority, and this compelled Abdul Wahab to leave his studies in middle school. Abdul Wahab is a progressive father who believes in empowering his daughters in a male dominated world. Wahab has back and joint problems which have affected his mobility. He lost his job but did not lose hope and opened up a general store.

Due to a small investment, his sales were low and Wahab did not have money for the most basic household expenses. This is when he approached Seed Out. With a loan of Rs. 50,000 Wahab stocked up his store according to his customers' demands. His sales have boosted and by re-investing his profit, Wahab has been running his store quite remarkably.

"I am grateful to the generous donors and Seed Out who helped me stand on my feet. When I got funded and expanded my general store, I was extremely delighted. My business is doing well and my wife and daughters can clearly see how my worries have gone away. They are getting better meals and are very happy" says Abdul Wahab with a smile.



Kashifa Saleem from Gujranwala

Kashifa Saleem is a mother of 5 who has lived an impoverished life. Kashifa and her kids were dependent on her husband's small salary. After she got help from Seed Out, she is earning well from her grocery store. All her kids go to school. They have amazing plans for Eid as they bought new clothes and gifts. We are proud to empower a women entrepreneur like Kashifa and make a long-lasting impact on her family.



COMPANY INFORMATION



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Tel: +92-42-37233557

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Chartered Accountants

HF House

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COMPANY INFORMATION

Seed Out is a non for profit organization registered under the Societies Registration Act, 1860

ADVISORY BOARD



AYESHA HAMID

Ayesha Hamid is the chairperson for American School for International Academics in Pakistan. She's also a president at OPEN (Lahore) and a general secretary at All Pakistan Business Forum. Ayesha Hamid is an accomplished and talented woman and Seed Out is honored to have her as an integral part of their advisory board. She is a constant source of support in terms of issues related to education and literacy rate



USMAN ASHRAF

Usman Ashraf is a graduate in International Business and Global Economic System from Harvard Business School. He is also an owner of Hardees (Pakistan) and holds a directorial position at Super Asia Pakistan. It is an absolute pleasure to have him close to Seed Out and provide us the opportunity to share his knowledge and experience.



SYED HARIS ALI

Syed Haris Ali is a well known Philanthropist who has contributed to organizations like Hijaz hospital and Shaukat Khanum. He is also the co-founder at AZ Engineers. We are grateful to have him on the advisory board of Seed Out and to be able to share his vast knowledge and wisdom with us.



RAHEEL ANWAR

Raheel Anwar established Scavolini Kitchens in Pakistan, a trading company for wardrobes and kitchens. He has been monumental for Seed Out's journey and has been providing constant support and expertise to help us reach our developmental goals.

ADVISORY BOARD



SAJJAD MUGHAL

Sajjad Mughal has been in the development sector for quite some time and the last project he handled was as a senior advisor to USAID. He previously managed a portfolio of 350 million USD that stretched across a couple of sectors such as social, economic and energy. He has hands on experience and knowledge on issues related to health, education, agriculture, SME and power plants. Moreover, his family is extremely invested in philanthropy and they have financed 750 children so that they can go to school. It is an honor for Seed Out to have a brilliant, experienced individual like him in their board of directors.



FIZA FARHAN

Fiza Farhan is a Pakistani social entrepreneur, activist and development expert. She is the co-founder of Buksh Foundation and currently works as a Global Strategic Development advisor. Fiza Farhan represents Pakistan on the United Nation's Secretary General's first ever High Level Panel on Women Economic Empowerment. She advises Government of Punjab as Chairperson to Chief Minister Punjab's (Ex) Task Force on Women Empowerment. Previously, Fiza was the CEO of Buksh Foundation and Director of Buksh Energy Private Limited. Fiza has been featured in the US magazine Forbes 30Under30. Ms. Farhan is known for creating awareness on energy conservation and female empowerment in Pakistan.



MUHAMMAD AWAIS

Muhammad Awais is a business graduate and having over 20 years of work experience in economic development sector. He headed several projects of Government of Pakistan and led USAID's sector development projects. He is experienced in "liaison & working with federal government & its departments for work plans preparation and approval of funds/disbursement of funds with time line/performance evaluation. He established linkages with embassies & their commercial sections for the trade/business development and partnerships. As consultant he executed project to design and implement wide range of program activities i.e. sector development studies, grant management, policies and strategies, Institution building, procurement systems, contracts, human resource management, budgeting and resource management. In vocational training and commercial training sector, he performed development activities in collaboration with PSDF, TEVTA, USAID/IBA/IFC/PMA/NPO/JICA etc.



HASSAN FAROOQ & COMPANY
Chartered Accountants

SEED OUT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
June 30, 2019

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HASSAN FAROOQ & COMPANY

Chartered Accountants

AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of **SEED OUT** (the trust), which comprise the statement of financial position as at **30 June 2019**, and the related statement of income and expenditure account for the year then ended, statement of changes in accumulated fund for the year ended, statement of cash flows for the year ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements presents fairly, in all material respects, financial position of the **SEED OUT** (the trust) as at **June 30, 2019** and of its financial performance for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal controls the trustees determine, is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Trustees either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Trust's financial reporting process.

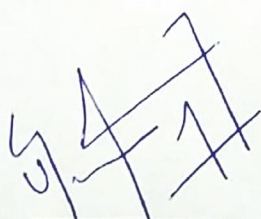
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

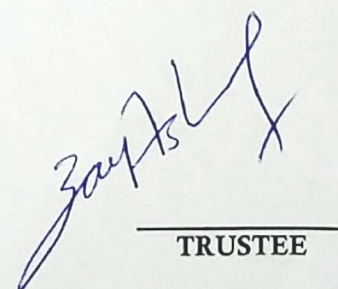
**SEED OUT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

	June 30, 2019 Rupees	June 30, 2018 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus of income over expenditure before tax	744,936	1,305,337
Adjustments for non-cash charges and other items		
Depreciation	330,561	334,170
Amortization	-	34,715
Financial charges	15,911	7,190
	346,472	376,075
EXCESS OF INCOME OVER EXPENDITURE BEFORE CASH FLOW FROM WORKING CAPITAL	1,091,408	1,681,412
Increase/(Decrease) in current assets		
Advances and prepayments	(2,447,640)	(3,847,275)
Increase/(Decrease) in current Liabilities		
Accrued and other liabilities	597,996	(312,293)
NET CASH (USED IN) WORKING CAPITAL CHANGES	(1,849,644)	(4,159,568)
	(758,236)	(2,478,156)
NET CASH (USED IN) OPERATIONS		
Tax paid	(105,199)	(185,138)
Financial charges paid	(15,911)	(7,190)
	(121,110)	(192,328)
NET CASH (USED IN) OPERATING ACTIVITIES	(879,346)	(2,670,484)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on operating fixed assets	(618,577)	(1,123,223)
Intangible assets	(1,152,943)	(640,288)
NET CASH (USED IN) INVESTING ACTIVITIES	(1,771,520)	(1,763,511)
CASH FLOW FROM FINANCING ACTIVITIES		
Endowment fund	5,950,924	11,646,882
NET CASH GENERATED FROM FINANCING ACTIVITIES	5,950,924	11,646,882
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,300,058	7,212,887
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	9,991,138	2,778,251
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	13,291,196	9,991,138

The annexed notes 1 to 17 form an integral part of these financial statements.



TRUSTEE



TRUSTEE

SEED OUT
STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED JUNE 30, 2019

Trust Fund	Excess / (Short) of Income over Expenditure	Total
-----Rupees-----		
Balance as on July 01, 2017	552,501	- 552,501
Excess of Income over Expenditure	-	1,174,847 1,174,847
Transfer to Trust Fund	1,174,847	(1,174,847) -
Balance as on June 30, 2018	<u>1,727,348</u>	<u>- 1,727,348</u>
Excess of Income over Expenditure	-	723,765 723,765
Transfer to Accumulated Trust Fund	723,765	(723,765) -
Balance as on June 30, 2019	<u><u>2,451,113</u></u>	<u><u>- 2,451,113</u></u>

dk The annexed notes 1 to 17 form an integral part of these financial statements.



TRUSTEE




TRUSTEE

SEED OUT
STATEMENT OF INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019

	NOTE	June 30, 2019 <u>Rupees</u>	June 30, 2018 <u>Rupees</u>
Income	12	14,302,907	10,439,193
Expenditures	13	(13,542,060)	(9,126,666)
Financial charges	14	(15,911)	(7,190)
		<u>(13,557,971)</u>	<u>(9,133,856)</u>
Surplus before taxation		744,936	1,305,337
Provision for taxation	15	(21,171)	(130,490)
Surplus of income over expenditure		<u>723,765</u>	<u>1,174,847</u>

de The annexed notes 1 to 17 form an integral part of these financial statements.



TRUSTEE



TRUSTEE

HOW CAN YOU DONATE?

1. Online Payment Options



2. Door To Door Collection Service



3. Donation Boxes At Collection Points



We accept Zakat, Sadqa and Charity.
Seed Out is tax exempted under section 2(36)(c).

If you wish to help Seed Out,
PLEASE DONATE AT

DONATE TO: REVOLVING FUND



(For raising beneficiaries)

Bank: **MCB**
Account Title: **Seed Out**
Account Number: **1074852381000126**
IBAN: **PK13MUCB1074852381000126**
Swift Code: **MUCBPKKAXXX**
Branch Code: **8038**
Branch: **DHA Block-Z Phase 3 Lahore.**

DONATE TO: OPERATIONAL COST









Bank: **Allied Bank**
Account Title: **Seed Out**
Account Number: **0010028779120016**
IBAN: **PK81ABPA0010028779120016**
Swift Code: **ABPAPKKA**
Branch Code: **0140175**
Branch: **Ladies Branch, 21 - Z - Block,
DHA, Lahore Cantt.**



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