

**PAK7 INTERNATIONAL CIO
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

PAK7 INTERNATIONAL CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

U Ashiq
A Sumera
Dr J Benita DIn
Y Naseer
Father A Charles
A Mahand
Rev C Young
I Gill
Bishop M Nazir-Ali
Dr M Kamil
G Bell
Rev Z Sadiq
A Sandhu
Dr F Nazir
A Mall
T Waris
N Khan
Bishop A Marshall

Charity number

1192770

Independent examiner

Azets Audit Services
Gladstone House
77-79 High Street
Egham
Surrey
TW20 9HY
United Kingdom

Chief Executive

A Hart

Principal address

Marlborough House
2 Chanwood Street
DERBY
DE1 2GT

PAK7 INTERNATIONAL CIO

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PAK7 INTERNATIONAL CIO

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2021

The Trustees present their first report and accounts of the charity for the period ended 31 December 2021.

Structure, governance and management

The charity was established as a Charitable Incorporated Organisation on 14 December 2020.

The trustees who served during the period were:

U Ashiq	(Appointed 14 December 2020)
A Sumera	(Appointed 14 December 2020)
Dr J Benita Dln	(Appointed 14 December 2020)
Y Naseer	(Appointed 14 December 2020)
Father A Charles	(Appointed 14 December 2020)
A Mahand	(Appointed 14 December 2020)
Rev C Young	(Appointed 14 December 2020)
I Gill	(Appointed 14 December 2020)
Bishop M Nazir-Ali	(Appointed 14 December 2020)
Dr M Kamil	(Appointed 14 December 2020)
G Bell	(Appointed 14 December 2020)
Rev Z Sadiq	(Appointed 14 December 2020)
A Sandhu	(Appointed 14 December 2020)
C Hine	(Appointed 14 December 2020 and resigned 5 November 2021)
Dr F Nazir	(Appointed 14 December 2020)
A Mall	(Appointed 14 December 2020)
T Waris	(Appointed 5 November 2021)
N Khan	(Appointed 5 November 2021)
Bishop A Marshall	(Appointed 5 November 2021)

Management is delegated on a daily basis to the Chief Executive Officer.

Objectives and activities

The objects of the CIO are, for the public benefit, to advance the Christian religion throughout the United Kingdom and Pakistan in accordance with the statement of faith.

To this end PAK7 International works with partners in Pakistan in 4 key areas:

1. Programs for National TV: that change attitudes to Christians and the Gospel.
2. Programs for Christian TV: where we strengthen the church and invest in the next generation.
3. Social Media: where videos lead to online chat about issues of life and faith.
4. Capacity Building: by investing in media training and equipment.

Public benefit statement

Section 4 of the Charities Act 2011 require charity trustees to comply with their duty to have due regard to public benefit guidance published by the Charity Commission in exercising their power and duties.

The trustees have referred to the guidance regarding our aims and objectives and when planning future activities. We have also considered how our planned activities will contribute to the aims and objectives we have set.

PAK7 INTERNATIONAL CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

Achievements and performance

PAK7 International was granted CIO status by the UK Charities Commission on the 14th December 2020.

The global Covid-19 pandemic continued to restrict some activities during the period, in particular where international travel was required. However, in Pakistan we were able to do the vast majority of what we had planned by carefully adhering to local guidance.

Programs for National Television

- PAK7 and partners produced a reality TV programme called Video Star for National television in Pakistan. This shows young people competing for a place at a 10-week media school and highlights the lives of the ordinary Christians who took part.
- PAK7 also partnered with a Christian Hospital in Pakistan to renovate their Children's ward and televise the process. This TV programme also enabled the hospital to show how it was serving people of all faiths in the community.

Programs for Christian Television

- PAK7 and its partners created a number of TV programmes with the intention of launching a television channel in 2022.
- These programs included two puppet shows that share Bible stories: Bedtime Stories and Kahani Kamp. Our partners in Pakistan also made a show called Little Detectives, where young people learn about caring for the world we live in.
- The children's animation, Deditos, that tells stories from the Old Testament through finger puppets was dubbed into Urdu.
- Two documentaries about how Christians in Pakistan celebrate Christmas and Easter were produced.

Social Media

- PAK7 and its partners produced a number of videos to be shown on Facebook and other online platforms, that addressed felt-needs like: loneliness, anger, forgiveness, etc.
- Audiences who responded to these videos were able to contact our support team and talk about their challenges and experiences.
- In 2021 our videos were watched over 21 million times and over 7,500 people contacted us for help.

Capacity Building

- Through our partners we ran a residential Media Training course for 22 young Pakistani Christians to help them grow in their faith and to learn how to communicate that faith through video. The course covered storytelling, pre-production, camera skills, audio, lighting, editing.
- At the end of the course we invited all of the graduating students to join a 12 month internship program where they could continue to practise their skills.
- PAK7 also ran three week-long video skills courses in different cities across Pakistan.

Following our Media School, we were, in October, able to establish three small offices capable of producing quality video content. This has laid a good foundation for us to grow production capacity which will in time enable us to launch the television channel we have in plan. Although that channel does not yet exist we were able to promote our content to a limited audience via Facebook and YouTube during 2021.

Risks and uncertainties

As a relatively new charity, PAK7 International's challenges are frequently resource based.

- Firstly, finding sufficient numbers of staff with good media skills is a challenge. It is partly for this reason that PAK7 ran a comprehensive set of training courses and internships.
- Secondly, building reliable income streams takes time, and although PAK7 met its income budget, cashflows were at times under pressure. We therefore invested in better supporter communications, and sought to make our organisation known to foundations that share our objectives and values.

PAK7 INTERNATIONAL CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

Financial review

PAK7 International was the beneficiary of a number of grants from its sister charity PAK7 US, a registered 501(c)3 in the USA, which accounted for much of the income. PAK7 US raises funds in the name of PAK7, and is fully aligned with the aims and objectives of PAK7 International.

A small number of UK donors provided a monthly income to support the work, although fundraising in the UK has been hampered by our inability to secure a UK bank account. This was in part due to banks closing to new applications from charities as a result of the pandemic, but also due to perceived risks of sending funds to Pakistan (which at the time of writing is still on the FATF grey list). Overall PAK7 International raised sufficient funds to meet its obligations during the period.

PAK7 International has a reserves policy to hold 3 months of planned expenditure of reserves to ensure continued financial security and to provide for contingencies. However, thus far insufficient funds have been raised to enable this policy to be applied. Note, that these reserves may be held by PAK7 sister charities around the world.

Plans for the future

PAK7 International intends to launch a Satellite television channel, with coverage of Pakistan in 2022. This channel will include programmes for all people, but especially children, young people and women.

PAK7 International also intends, in 2022, to establish a for-profit subsidiary of the CIO in the UK, which will enable the generation of income through the provision of media services to partners who are making programmes for our work.

Other activities will continue as before in the four key strategic areas of programming for national television, Christian television, Social Media and Capacity Building.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

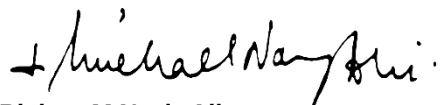
The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PAK7 INTERNATIONAL CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

On behalf of the board of trustees

A handwritten signature in black ink, appearing to read 'Bishop M Nazir-Ali'.

Bishop M Nazir-Ali

Trustee

28 October 2022

PAK7 INTERNATIONAL CIO

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PAK7 INTERNATIONAL CIO

I report on the accounts of the charity for the period ended 31 December 2021, which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Paul Creasey FCA
Azets Audit Services
Gladstone House
77-79 High Street
Egham
Surrey
TW20 9HY
United Kingdom

28 October 2022

PAK7 INTERNATIONAL CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2021

		2021
	Notes	
<u>Incoming resources from generated funds</u>		
Donations and legacies	2	<u>232,253</u>
<u>Resources expended</u>	3	
Charitable activities		
Activities undertaken and support costs		<u>216,945</u>
Governance costs		<u>3,960</u>
Total resources expended		<u>220,905</u>
Net income for the year/ Net movement in funds		11,348
Fund balances at 14 December 2020		<u>-</u>
Fund balances at 31 December 2021		<u>11,348</u>

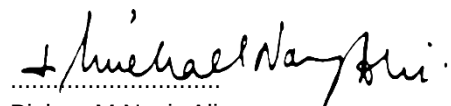
PAK7 INTERNATIONAL CIO

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£
Current assets			
Debtors	8	15,308	
Creditors: amounts falling due within one year	9	<u>(3,960)</u>	
Total assets less current liabilities			<u>11,348</u>
Income funds			
Unrestricted funds			<u>11,348</u>
			<u>11,348</u>

The accounts were approved by the Trustees on 28 October 2022



Bishop M Nazir-Ali
Trustee

PAK7 INTERNATIONAL CIO

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2021

1 Accounting policies

1.1 Basis of preparation

PAK7 International CIO is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The office address is Marlborough House, 2 Charnwood Street, Derby, Derbyshire, DE1 2GT.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" ("The Charities SORP FRS 102"), effective 1 January 2019 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future being for a period of at least 12 months from the approval of these financial statements and believe that it remains appropriate to prepare the financial statements on a going concern basis.

1.2 Incoming resources

Donations are recognised when the company has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably.

Donated services and facilities

Donated services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.3 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities

Expenditure on charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs includes those costs associated with the constitutional and statutory requirements of the charity and include the independent examiner's fees and costs linked to the strategic management of the charity.

1.4 Trade and other payables

Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

PAK7 INTERNATIONAL CIO

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

1 Accounting policies

1.5 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work or for specific artistic projects being undertaken by the Trust.

2 Donations and legacies

2021

Donations and gifts

232,253

3 Total resources expended

2021

£

Charitable activities

Activities undertaken and support costs

216,945

Governance costs

3,960

220,905

PAK7 INTERNATIONAL CIO

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

4 Activities undertaken and support costs

	2021 £
Staff costs	33,236
Rent	2,101
Insurance	2,363
Postage and stationery	34
Telephone and fax	128
Subsistence	636
Travelling expenses	25,561
Legal and professional fees	3,974
Marketing	6,511
Sundry expenses	4,792
Subscriptions	375
Software	3,237
Education and training	49,406
Bank charges	4,322
Office supplies	189
Production costs	80,080
	<u>216,945</u>

5 Governance costs

	2021 £
Independent examination fees	3,960
	<u>3,960</u>

6 Trustees

The only transactions with the trustees relate to the reimbursement of reasonable travel costs to attend meetings held by the charity of £359.

No remuneration was paid to the Trustees in the period.

PAK7 INTERNATIONAL CIO

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

7 Employees

Number of employees

The average monthly number of employees during the period was:

	2021 Number
Employees	<u>2</u>

There were no employees whose annual remuneration was £60,000 or more.

8 Debtors

	2021 £
Other debtors	<u>15,308</u>

9 Creditors: amounts falling due within one year

	2021 £
Accruals	<u>3,960</u>

10 Unrestricted funds

	Balance at 14 December 2020	Movement in funds		Balance at 31 December 2021
	£	Income	Expenditure	£
Unrestricted funds	<u>-</u>	<u>232,253</u>	<u>(220,905)</u>	<u>11,348</u>
	<u>-</u>	<u>232,253</u>	<u>(220,905)</u>	<u>(11,348)</u>

PAK7 INTERNATIONAL CIO

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

11 Related parties

Costs totalling £217,323 were paid in the period and subsequently donated to the charity as a gift in kind by PAK7 US, a related not for profit entity with trustees and objectives in common.

The Chief Executive is remunerated for his services by PAK7 US and the associated costs are not recognised in these financial statements.

During the period marketing and communications services amounting to £4,675 were paid to Mr A Hart's wife, Mrs E Hart.