

**INSTITUTE OF DEVELOPMENT
AND ECONOMIC ALTERNATIVES**

FOR THE YEAR ENDED JUNE 30, 2023

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INSTITUTE OF DEVELOPMENT AND
ECONOMIC ALTERNATIVES
(A Company Licensed under Section 42 of the Companies Act, 2017)

Opinion

We have audited the annexed financial statements of **INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES** (the Institute), which comprise the statement of financial position as at June 30, 2023, and the statement of income and expenditure, statement of comprehensive income, the statement of changes in accumulated funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of income and expenditure, statement of comprehensive income, the statement of changes in accumulated funds and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Institute's affairs as at June 30, 2023 and of the surplus, the comprehensive income, the changes in accumulated funds and its cash flows for the year then ended.

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 Institute 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 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines 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, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Institute as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, statement of comprehensive income, the statement of changes in accumulated funds and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Institute's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mr. Amin Ali.

Lahore
Dated: September 28, 2023
UDIN: AR202310051DvJ1fORFq



Crowe Hussain Chizgo.
CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
A Company Licensed under Section 42 of the Companies Act, 2017

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
ASSETS			
Non Current Assets			
Property and equipment	4	1,026,695	1,220,396
Intangible assets	5	1,343,213	-
		2,369,908	1,220,396
Current Assets			
Trade deposits and prepayments	6	2,696,835	3,056,483
Other receivables	7	9,775,606	9,559,833
Advance income tax	8	3,175,246	2,163,446
Short term investments	9	417,973,631	-
Bank balances	10	42,060,801	330,138,576
		475,682,119	344,918,338
Total Assets		<u>478,052,027</u>	<u>346,138,734</u>
FUNDS AND LIABILITIES			
Endowment fund	11	376,072,787	305,395,205
Non Current Liabilities			
Unutilized grant	12	92,058,794	39,660,479
Current Liabilities			
Trade and other payables	13	9,920,446	1,083,050
TOTAL FUNDS AND LIABILITIES		<u>478,052,027</u>	<u>346,138,734</u>
Contingencies and commitments	14	-	-

The annexed notes from 1 to 24 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
A Company Licensed under Section 42 of the Companies Act, 2017
STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
INCOME			
Restricted income for funded projects	15	66,448,089	36,027,528
Un restricted grant for institutional overheads	15	38,771,311	41,481,174
		<u>105,219,400</u>	<u>77,508,702</u>
EXPENDITURE			
Program expenses	16	159,782,448	106,938,586
Operating expenses	17	12,976,796	11,190,430
		<u>(172,759,244)</u>	<u>(118,129,016)</u>
		(67,539,844)	(40,620,314)
Operating Deficit			
Exchange gain		121,651,837	76,202,089
Other income	18	16,565,589	1,206,586
		<u>70,677,582</u>	<u>36,788,361</u>
Surplus for the Year			
Transferred to Endowment Fund	11	(70,677,582)	(36,788,361)
		<u>-</u>	<u>-</u>
Surplus for the Year before Taxation			
Taxation	19	-	-
		<u>-</u>	<u>-</u>
Net Surplus for the Year			

The annexed notes from 1 to 24 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
 A Company Licensed under Section 42 of the Companies Act, 2017
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	Rupees	Rupees
Net Surplus for the year	-	-
Other comprehensive income for the year	-	-
Total Comprehensive Income for the Year	-	-

The annexed notes from 1 to 24 form an integral part of these financial statements.


 Chief Executive Officer


 Chief Financial Officer


 Director

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
 A Company Licensed under Section 42 of the Companies Act, 2017
STATEMENT OF CHANGES IN ACCUMULATED FUNDS

FOR THE YEAR ENDED JUNE 30, 2023

Particulars	Endowment fund
	Rupees
Balance as at June 30, 2021	268,606,844
Transferred to Statement of income and expenditure	<u>36,788,361</u>
Balance as at June 30, 2022	305,395,205
Transferred to Statement of income and expenditure	70,677,582
Balance as at June 30, 2023	<u><u>376,072,787</u></u>

The annexed notes from 1 to 24 form an integral part of these financial statements.


 Chief Executive Officer


 Chief Financial Officer


 Director

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
A Company Licensed under Section 42 of the Companies Act, 2017
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year before taxation	-	-
Adjustments for:		
- Depreciation	610,543	659,389
- Amortization	441,787	41,387
- Exchange (gain) / loss	(121,651,837)	(76,202,089)
- Transferred to Endowment Fund	70,677,582	36,788,361
- Gain on disposal of property and equipment	-	(41,500)
	<u>(49,921,925)</u>	<u>(38,754,452)</u>
Operating Deficit before Working Capital Changes	<u>(49,921,925)</u>	<u>(38,754,452)</u>
(Increase) / Decrease in current assets:		
- Other receivables	(215,773)	7,552,189
- Short Term Deposits	(417,973,631)	-
- Trade deposits and prepayments	359,648	(765,862)
Increase / (Decrease) in current liabilities:		
- Trade and other payables	8,837,396	(3,446,881)
	<u>(408,992,360)</u>	<u>3,339,446</u>
Cash Used in Operations	<u>(458,914,285)</u>	<u>(35,415,006)</u>
Income tax paid	(1,011,800)	(19,686)
Net Cash Used in Operating Activities	<u>(459,926,085)</u>	<u>(35,434,692)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital expenditure	(416,842)	(335,130)
Payments for acquired the intangible	(1,785,000)	-
Proceeds of disposal of assets	-	41,500
Net Cash Used in Investing Activities	<u>(2,201,842)</u>	<u>(293,630)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Unutilized grants	52,398,315	6,054,025
Net Cash Generated from Financing Activities	52,398,315	6,054,025
Net Decrease in Cash and Cash Equivalents	<u>(409,729,612)</u>	<u>(29,674,297)</u>
Cash and cash equivalents at the beginning of the year	330,138,576	283,610,784
Effect of exchange gain	121,651,837	76,202,089
Cash and Cash Equivalents at the End of the Year	<u>42,060,801</u>	<u>330,138,576</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
 A Company Licensed under Section 42 of the Companies Act, 2017
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

Note 1

Legal Status and Operations

Institute of Development and Economic Alternatives ("the Institute") is a company not for profit incorporated in Pakistan on June 06, 2012 under Section 42 of the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017).

The objectives of the Institute are to promote, assist, support, simulate, undertake and manage policy research and advocacy for the socio-economic development and economic alternatives and participate in local, regional and international research initiatives. Accordingly, the Institute intends to apply its profits and income towards the said objectives. The payment of dividend or any profit to its members is prohibited.

The Institute is domiciled in Pakistan and its registered office is situated at 19-A, FCC, Gulberg IV, Lahore.

Note 2

Basis of Preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs and Accounting Standards for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

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

2.3 Key judgments and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Institute's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of property and equipment – Note 4
- Estimation of contingent liabilities – Note 14
- Taxation

2.4 Functional and presentation currency

These financial statements are prepared and presented in Pakistan Rupee which is the Institute's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest Pakistani Rupee, unless otherwise stated.

2.5 Foreign currency translations

Transactions denominated in foreign currencies are translated to Pak Rupees at the foreign exchange rate (average rate) ruling at the last day of the preceding month. Monetary assets and liabilities in foreign currencies are re-translated into Pak Rupees at the foreign exchange rates prevailing at the reporting date and the resultant exchange gains and losses are charged to statement of income and expenditure in the year in which they arise.

Note 3

Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless stated otherwise.

3.1 Property and equipment

All items of property and equipment are initially recorded at cost. Items of property and equipment are measured at cost less accumulated depreciation and impairment loss (if any).

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method at rates specified in Note 4 to the financial statements. Depreciation on additions is charged from the month in which the asset is available for use and on disposal up to the month of disposal.

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as other income in the statement of income and expenditure.

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

3.2 Intangible assets

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the straight-line method at the rates specified in Note 5 to the financial statements. Full month amortization is charged in the month of purchase and no amortization is charged in the month of disposal.

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

3.3 Impairment of non-financial assets

The assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognized in the statement of income and expenditure.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. The Institute recognizes the reversal immediately in the statement of income and expenditure.

3.4 Project and other receivables

Receivables are recognized and carried at transaction price less an allowance for impairment. Project receivables are recognized when the Institute's right to receive is established and it is certain that the amount will be received.

A provision for impairment of receivables is established when there is objective evidence that the Institute will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognized in the statement of income and expenditure. Bad debts are written-off in the statement of income and expenditure on identification.

The allowance for doubtful receivables of the Institute is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each party.

3.5 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand and bank balances. Statement of cash flows is prepared using indirect amount.

Note 3, Significant Accounting Policies - Contd...

3.6 Impairment of financial assets other than project receivables

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss events had an impact on the estimated future cash flows of that asset that can be estimated reliably.

The impairment loss is recognized immediately in the statement of income and expenditure and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3.7 Leases

At its inception, a lease is classified as either a finance lease or an operating lease. Finance leases transfer substantially all the risks and rewards of ownership. All other leases are classified as operating leases.

Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is apportioned between the liability and finance charges using the effective interest method. Rental obligations, net of finance charges, are included in borrowings in the statement of financial position.

Rentals payable under operating leases are charged to income or expenditure on a straight-line basis over the term of the relevant lease.

3.8 Grants

Grants are recognized at the fair value of the asset received or receivable.

A grant without specified future performance conditions is recognized in income when the grant proceeds are receivable. A grant that imposes specified future performance conditions is recognized in income when all those conditions are met and there is a reasonable assurance that the grant will be received.

Grants are presented separately from the assets to which they relate. Grants received before the income recognition criteria are satisfied are presented as a separate liability in the statement of financial position.

3.9 Trade and other payables

Trade payables are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

3.10 Taxation

The tax liability of the Institute does not arise since it is entitled to tax credit equal to 100% of tax payable including minimum tax and final taxes payable under section 100C of the Income Tax Ordinance, 2001.

Deferred tax has not been recognized in these financial statements as the Institute's management believes that the temporary differences will not reverse in the foreseeable future due to the fact that the Institute is eligible for hundred percent (100%) tax credit on taxes payable by the Institute.

3.11 Provisions

Provisions are recognized when the Institute has a present obligation (legal or constructive) as a result of a past event, it is probable that the Institute will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.12 Contingent liabilities

A contingent liability is disclosed when the Institute has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Institute; or the Institute has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Note 3, Significant Accounting Policies - Contd.,

3.13 Financial Instruments

The Institute accounts for its financial instruments as per International Financial Reporting Standard (IFRS) for Small and Medium-sized Entities (SMEs) issued by the International Accounting Standards Board (IASB). The management determines the classification of its financial instruments at the time of initial recognition and classifies its financial assets as basic financial instruments initially measured at transaction price. Subsequently, these financial instruments are measured at undiscounted transaction price less any impairment. Financial assets are derecognized when rights to cash flows from financial assets are settled or expired and financial liabilities are derecognized when these are extinguished.

Financial assets and financial liabilities are recognized when the Institute becomes a party to the contractual provisions of the instrument. These are derecognized when the Institute ceases to be party to contractual provisions of the instrument. All financial assets and financial liabilities are initially measured at fair value. These financial assets and financial liabilities are subsequently measured at amortized cost.

3.14 Off-setting of financial assets and liabilities

Financial assets and financial liabilities are off-set and the net amount is reported in the statement of financial position if the Institute has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.15 Revenue recognition

The Institute accounts for its revenue as under:

3.15.1 Restricted grants

Restricted grants are accounted for as income when the Institute complies with the conditions attached thereon and the amount is receivable.

3.15.2 Unrestricted grants

Unrestricted grants and consultancy income are recognized when they are received.

3.15.3 Interest

Interest income on bank accounts and investments is recognized on a time proportionate basis that takes into account the effective yield on the respective bank balances and investments.

3.16 Expenses

Expenses are recognized in the statement of income and expenditure when incurred.

3.17 Endowment fund

Endowment Fund is held for the benefit of the organization as a capital fund. The income earned from such funds should be utilized for restricted purposes of the organization with approval of Board of Directors. Expenses incurred related to the endowment fund will be charged to statement of income and expenditure and equal portion from the fund shall be charged to statement of income and expenditure. Any surplus amount will be accumulated to the Endowment Fund.

3.18 Related party transactions

Transactions with related parties are entered into and recorded on an arm's length basis at fair value.

3.19 Financial expense and financial income

Financial expenses comprise foreign currency losses and markup/interest expense on borrowings. Markup / interest expense on borrowings is recognized as it accrues in the statement of income and expenditure, using the effective interest rate method.

Financial income comprises interest income on funds invested. Markup / interest income is recognized as it accrues in statement of income and expenditure, using the effective interest rate method.

Note 4
Property and Equipment

Year Ended June 30, 2023

Particulars	Cost				Rate %	Accumulated Depreciation				Book Value as at June 30, 2023
	As at July 01, 2022	Additions	Deletion	Total as at June 30, 2023		As at July 01, 2022	For the year	Deletion	Total as at June 30, 2023	
	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees	
Furniture, fixtures and fittings	3,849,953	-	-	3,849,953	20	3,160,764	310,428	-	3,471,192	378,761
Office equipment	530,820	211,500	-	742,320	20 - 50	421,213	57,116	-	478,329	261,991
Computer equipment	1,412,900	145,342	-	1,558,242	33	1,193,013	129,538	-	1,322,551	235,691
Mobile phones	186,500	60,000	(60,000)	186,500	50	173,166	20,001	(60,000)	133,167	53,333
Air conditioner	972,287	-	-	972,287	20	814,261	79,452	-	893,713	78,574
Telephone and fax exchange	114,569	-	-	114,569	20	84,216	14,008	-	98,224	16,345
Vehicles	68,000	-	-	68,000	20	68,000	-	-	68,000	-
	<u>7,135,029</u>	<u>416,842</u>	<u>(60,000)</u>	<u>7,491,871</u>		<u>5,914,633</u>	<u>610,543</u>	<u>(60,000)</u>	<u>6,465,176</u>	<u>1,025,695</u>

Year Ended June 30, 2022

Particulars	Cost				Rate %	Accumulated Depreciation				Book Value as at June 30, 2022
	As at July 01, 2021	Additions	Deletion	Total as at June 30, 2022		As at July 01, 2021	For the year	Deletion	Total as at June 30, 2022	
	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees	
Furniture, fixtures and fittings	3,849,953	-	-	3,849,953	20	2,850,336	310,428	-	3,160,764	689,189
Office equipment	411,690	119,130	-	530,820	20 - 50	388,054	33,159	-	421,213	109,607
Computer equipment	1,401,700	216,000	(204,800)	1,412,900	33	1,215,471	182,342	(204,800)	1,193,013	219,887
Mobile phones	186,500	-	-	186,500	50	133,166	40,000	-	173,166	13,334
Air conditioner	972,287	-	-	972,287	20	734,809	79,452	-	814,261	158,026
Telephone and fax exchange	114,569	-	-	114,569	20	70,208	14,008	-	84,216	30,353
Vehicles	68,000	-	-	68,000	20	68,000	-	-	68,000	-
	<u>7,004,699</u>	<u>335,130</u>	<u>(204,800)</u>	<u>7,135,029</u>		<u>5,460,644</u>	<u>659,389</u>	<u>(204,800)</u>	<u>5,914,633</u>	<u>1,220,396</u>

4.1 Depreciation has been charged to operating expenses (refer to Note 17).

4.2 Fully depreciated assets as at the reporting date amounts to Rs. 4,740,211 (2022: Rs. 4,483,660)

Note 5
Intangible Assets

Particulars	Cost				Rate %	Amortization				Book Value as at June 30, 2023
	As at July 01, 2022	Additions	Deletion	Total as at June 30, 2023		As at July 01, 2022	For the year	Deletion	Total as at June 30, 2023	
	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees	Rupees	
Website										
Total Rupees 2023	<u>483,000</u>	<u>1,785,000</u>	<u>-</u>	<u>2,268,000</u>	<u>33</u>	<u>483,000</u>	<u>441,787</u>	<u>-</u>	<u>924,787</u>	<u>1,343,213</u>
Total Rupees 2022	<u>483,000</u>	<u>-</u>	<u>-</u>	<u>483,000</u>	<u>33</u>	<u>441,613</u>	<u>41,387</u>	<u>-</u>	<u>483,000</u>	<u>-</u>

5.1 Amortization has been charged to operating expenses (refer to Note 17).

5.2 This pertains to website updation which was capitalized

Note 6

Trade Deposits and Prepayments

	2023	2022
	Rupees	Rupees
Security deposit against rented premises	900,000	900,000
Prepayments:		
- Rent	1,461,438	1,328,580
- Insurance	254,363	208,143
- Domain hosting and maintenance	81,034	593,322
- Generator rental	-	26,438
	<u>1,796,835</u>	<u>2,156,483</u>
	<u>2,696,835</u>	<u>3,056,483</u>

Note 7

Other Receivables

	Note	2023	2022
		Rupees	Rupees
Receivables from implementing partners	12	3,989,094	8,045,067
Other receivables	7.1	5,611,178	1,514,766
Receivables from employees		175,334	-
		<u>9,775,606</u>	<u>9,559,833</u>

7.1 It represents project receivable from various parties as mentioned below:

Particulars	Opening balance	Expenses incurred for implementing partners	Grant received from implementing partners / Adjustment	Closing balance
	Rupees A	Rupees B	Rupees C	Rupees D=A+B-C
Intracative Research and Development (IRD) Consortium for Development Policy Research (CDPR)	221,220	-	221,220	-
Institute of Development Studies (IDS) Lahore University of Management Sciences (LUMS):	428,937	3,692,070	3,386,162	734,845
- SUPPER ABBU	185,000	376,287	561,287	-
- Property mapping	162,750	69,225	231,975	-
- The political economy of progressive tax reform (PPTR)	338,898	94,107	433,005	-
- Air quality spin-off	-	1,961,897	-	1,961,897
Jubilee Life Insurance Company Limited	8,791	-	8,791	-
Aero Globe (Private) Limited	169,170	-	169,170	-
Hitotsubashi University, Japan	-	284,885	-	284,885
CAN-PAK	-	476,958	463,071	13,887
New York University, Abu Dhabi	-	3,200	-	3,200
	<u>1,514,766</u>	<u>9,571,093</u>	<u>5,474,681</u>	<u>5,611,178</u>

Note 8

Advance Income Tax

	2023	2022
	Rupees	Rupees
Cash withdrawals	105,471	105,471
Profits on banks	989,288	888,509
Grants	1,746,350	853,666
Others	325,937	307,600
Telephone	8,200	8,200
	<u>3,175,246</u>	<u>2,163,446</u>

Note 9

Short Term Investments

	Note	2023 Rupees	2022 Rupees
Term deposit certificate	9.1	<u>417,973,631</u>	<u>-</u>

9.1 This represented investment in term deposit certificates carrying mark-up at 5% to 7.5% per annum.

Note 10

Bank Balances

	Note	2023 Rupees	2022 Rupees
Balance at banks:			
Current Accounts:			
- Local currency		18,832,094	-
- Foreign currency	10.1	14,328,299	-
Savings accounts:			
- Local currency	10.2	3,299,817	18,858,187
- Foreign currency	10.3	5,600,591	311,280,389
		<u>42,060,801</u>	<u>330,138,576</u>

10.1 This represents current account containing USD\$ 50,067 @ PKR 286.18/USD (2022: Nil)

10.2 These carry markup at the rate of 8% to 12% (2022: 8% to 9%).

10.3 This represents savings accounts containing USD\$ 19,570.31 @ PKR 286.18/ USD (2022: USD\$ 1,519,577 @ PKR 204.85/ USD)

Note 11

Endowment Fund

	2023 Rupees	2022 Rupees
Opening balance	305,395,205	268,606,844
Less: Transfer from income and expenditure	<u>70,677,582</u>	<u>36,788,361</u>
	<u>376,072,787</u>	<u>305,395,205</u>

11.1 It is established with the aim to make the Institute self-sustainable and give it greater financial autonomy. The Fund's mission is to build a substantial asset base for future, the income from which will ensure seamless running of the Institute's affairs for achieving its stated goals.

Note 12
Unutilized Grant

Particulars	Opening		Received during the year	Utilized during the Year		Closing	
	Receivable	Unutilized		Restricted	Unrestricted	Receivable	Unutilized
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
British Council	-	393,898	-	-	-	-	393,898
Harvard University	-	2,089,070	-	-	-	-	2,089,070
Institute of Development Studies (SUPWR)	-	3,661,418	6,958,783	7,019,831	184,561	-	3,415,809
Institute of Development Studies (TB&G)	-	15,752,335	-	1,177,878	1,073,884	-	13,500,573
Lahore University of Management and Sciences (LUMS):							
- PakWheels	1,100,815	-	1,100,815	-	-	-	-
- Property mapping	-	315,945	1,217,391	433,005	1,100,331	-	-
- PPTR	-	-	634,350	-	-	-	634,350
- SUPPER ABBU	-	927,756	-	231,975	695,781	-	-
- Job quality	-	-	-	421,748	1,078,152	1,499,900	-
- Air quality	-	-	4,177,250	-	-	-	4,177,250
International Growth Centre (IGC):							
- Air quality	-	2,559,156	1,886,873	2,179,761	-	-	2,266,268
- Improving COVID-19 vaccine uptake	-	2,360,599	1,257,640	1,633,525	3,541,817	1,557,103	-
- Substantial variation in gender gaps	-	-	3,349,115	-	-	-	3,349,115
The Citizen Foundation (TCF Pakistan)	312,000	-	312,000	-	-	-	-
The Citizen Foundation (TCF USA)	-	-	12,794,969	8,033,791	3,041,762	-	1,719,416
University of Edinburgh (NTG)	5,468,365	-	27,540,601	15,395,037	3,592,225	-	3,084,974
International Centre for Integrated Mountain Development (ICIMD)	-	1,538,250	-	1,721,397	-	183,147	-
University of California, Berkeley	119,888	-	34,888,598	8,847,315	1,181,859	-	24,739,536
New York University, Abu Dhabi	1,043,998	-	5,436,031	-	-	-	4,392,031
PhD Candidate Engagement Program	-	995,300	-	-	-	-	995,300
GDIS Agency Fund	-	-	34,354,273	8,250,956	4,420,707	-	21,682,610
The Asia Foundation	-	-	3,892,521	2,099,600	1,792,921	-	-
DeliverED Oxford	-	9,066,752	6,630,106	5,860,668	10,585,135	748,944	-
University of Albany	-	-	3,393,443	1,121,315	2,272,128	-	-
Hitotsubashi University, Japan	-	-	5,618,594	-	-	-	5,618,594
Society for the Advancement of Education	-	-	3,380,952	1,224,786	2,156,166	-	-
University of Essex	-	-	2,849,382	795,500	2,053,882	-	-
Total as at June 30, 2023	8,045,066	39,660,479	161,673,687	66,448,088	38,771,311	3,989,094	92,058,794
Total as at June 30, 2022	15,921,657	33,606,454	91,439,317	36,027,528	41,481,174	8,045,066	39,660,479

Note 13
Trade and Other Payables

	2023	2022
	Rupees	Rupees
Accrued liabilities	7,510,732	502,788
Withholding tax payable	2,409,714	580,262
	9,920,446	1,083,050

Note 14
Contingencies and commitments

14.1 Contingencies

14.1.1 Assistant / Deputy Commissioner Inland Revenue raised demand amounting to Rs. 2.66 million against the Institute u/s 122(1) read with section 122(5) of the Income Tax Ordinance, 2001 pertaining to tax year 2014. The Institute being aggrieved filed an appeal before Commissioner Inland Revenue (Appeals) who vide order dated March 2, 2020 allowed partial relief pertaining to certain expenses; and remanded back the case for certain expenses and remanding the case on issue of exempt income. The Institute being aggrieved by partial relief on certain expenses filed an appeal before Appellate Tribunal Inland Revenue on October 9, 2020 which is pending adjudication. The Institute is hopeful for favourable decision, therefore, no provision has been made in these financial statements.

14.1.2 Income Tax Return for the tax year 2017 was e-filed on December 29, 2017. The learned Assistant / Deputy Commissioner Inland Revenue, Unit-09, Range III, Zone-I CTO (Lahore) passed the order u/s 161(1) by creating the demand amounting of Rs. 1,364,928 and default surcharge amounting to Rs. 1,057,240 dated June 26, 2023. The taxpayer being aggrieved with the said order filed an appeal before the Commissioner Inland Revenue (Appeals) dated July 25, 2023 which is pending for hearing.

14.2 Commitments

There are no material commitment to be disclosed as at the reporting date (2022: Nil).

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
A Company Limited under Section 42 of The Companies Act, 2017
Note 15 and forming part of the Financial Statements

Note 15
Income

Particulars	2022																		Total
	GD&E - The Agency Fund	MEY 2022	The Ash Foundation	Deliverd Oxford	DSG TB&G	DSG SUPWR	TCF	UOE NTG	Survey: Albany	ICM400	SDC PAK 22009 - Covid-19	SDC PAK 22025 - Air quality	Survey: LUMS SUPPER ABBU	Survey: LUMS Property Mapping	Survey: LUMS Job Quality	Survey: SAHE BISP	Survey: Essex	Total	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Restricted income for funded projects	8,250,956	8,841,315	2,099,600	5,846,648	1,171,879	7,029,831	8,031,791	15,395,007	1,121,315	1,711,397	1,633,525	2,178,761	210,875	431,905	421,748	1,224,786	795,500	66,448,089	
Unrestricted grant for institutional overheads (Note 15.1)	4,429,707	3,361,839	1,792,921	10,595,135	1,071,864	184,561	3,041,792	3,591,120	2,372,120	-	3,541,817	-	605,781	1,008,331	1,078,152	2,196,166	2,063,882	38,771,311	
	12,679,663	12,629,174	3,892,521	16,441,783	2,243,743	7,214,392	11,073,583	18,986,127	3,503,435	1,721,397	3,175,342	2,178,761	817,756	1,510,236	1,499,900	3,420,952	2,859,382	105,219,400	

15.1 The grant utilized against unrestricted expenses are detailed below:

Institutional overheads:	2022	2021
	Rupees	Rupees
- GD&E The Agency Fund	976,469	-
- Edinburgh-NTG	-	1,474,904
- Massachusetts Institute of Technology (CIV)	-	4,505,488
- Massachusetts Institute of Technology (MIT DS 1474)	-	60,157
- MEY 2022	1,181,859	-
- Institute of Development studies (IZ WVP)	-	408,062
- The Ash Foundation	1,792,921	-
- Deliverd Oxford	9,361,271	2,518,330
- DSG TB&G	1,873,884	1,812,373
- DSG SUPWR	184,561	-
- TCF	3,040,762	-
- Clay Smith	-	84,328
- UOE NTG	3,592,225	-
- Survey: Albany	2,272,128	-
- Survey: GD&E The Agency Fund	3,461,238	-
- Survey: SDC PAK 22009	3,540,817	-
- Survey: Massachusetts Institute of Technology (MIT CIV 1474)	-	312,888
- Survey: Deliverd Oxford	1,221,864	-
- Survey: LUMS SUPPER ABBU	695,781	-
- Survey: LUMS Property Mapping	1,138,315	2,116,613
- Survey: LUMS Job Quality	1,078,152	4,491,498
- Survey: Institute of Development studies (IZ WVP)	-	21,577,398
- Survey: Massachusetts Institute of Technology (CIV (DVA 2)	-	1,463,247
- Survey: Massachusetts Institute of Technology (CIV (FO4))	-	1,098,858
- Survey: LUMS Pak Week 1	-	779,432
- Survey: SAHE BISP	2,196,166	-
- Survey: Essex	2,063,882	-
	38,771,311	41,461,178

Note 16

Program Expenses

PARTICULARS	Unrestricted Research	Restricted																		Total	Total for the year ended June 30, 2023
		GD&E - The Agency Fund	MEY 2022	The Ash Foundation	Deliverd Oxford	DSG TB&G	DSG SUPWR	TCF	UOE NTG	Survey: Albany	ICM400	SDC PAK 22009 - COVID-19	SDC PAK 22025 - Air quality	Survey: LUMS SUPPER ABBU	Survey: LUMS Property Mapping	Survey: LUMS Job Quality	Survey: SAHE BISP	Survey: Essex	Total		
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees		
Mar		18.1	18.2	18.3	18.4	18.5	18.6	18.7	18.8	18.9	19.0	19.1	19.2	19.3	19.4	19.5	19.6	19.7	19.8	19.9	
Conference income	1,861,041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,861,041
Consultancy charges	100,000	2,174,252	5,188,128	-	-	-	-	2,318,128	24,000	-	-	218,000	1,020,000	-	-	-	-	-	-	-	11,942,498
Deportment expense	-	328,208	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	328,208
Fuel expense	-	-	-	-	2,071,391	-	5,891,225	-	-	-	-	-	-	-	-	-	-	-	-	-	8,962,616
Travel expense	-	633,368	-	-	-	-	-	231,281	45,080	-	-	-	-	-	-	-	-	-	-	-	379,629
Arrears expense	265,961	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	265,961
Health and entertainment	1,302,564	-	-	-	-	-	-	-	-	-	387	-	-	-	-	-	-	-	-	-	1,302,951
Printing and course charges	1,430	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,430
Printing and stationary charges	36,126	-	1,280	-	-	-	-	-	8,800	-	-	-	-	-	-	-	-	-	-	-	11,006
Professional fees	2,812,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,812,250
Rent, rates and fees	6,189,925	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,189,925
Salaries and other benefits - Staff	60,787,245	1,661,814	3,527,580	2,099,600	2,294,008	1,117,002	1,641,090	2,389,261	14,842,438	-	1,253,080	278,014	684,831	-	-	-	-	-	-	-	82,242,899
Salaries - Field staff	-	1,432,912	57,585	-	498,000	-	-	-	1,821,287	-	698,508	471,080	668,360	-	252,760	381,425	304,000	777,180	523,750	-	7,410,267
Salaries and other benefits - Survey	15,491,063	285,306	-	-	131,500	-	-	-	-	180,300	-	285,196	-	68,225	94,137	108,058	298,711	298,180	1,569,814	-	17,016,699
Survey expense	-	1,746,000	-	-	298,865	80,282	-	-	34,180	238,314	-	119,274	-	28,473	11,690	238,834	71,610	1,878,078	-	-	2,853,038
Subscription	103,980	204,778	-	-	-	-	-	143,057	-	-	-	63,880	-	-	-	-	-	-	-	-	315,695
Traveling and conveyance	912,181	136,240	75,181	-	-	-	3,840	1,150,284	438,380	-	-	-	-	-	-	-	-	-	-	-	2,538,314
Utilities	1,894,517	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,894,517
Total	83,334,154	8,290,858	8,847,318	2,099,600	5,846,648	1,177,879	7,029,831	8,031,792	15,395,017	1,121,314	1,721,387	1,633,525	2,178,761	231,615	433,905	421,748	1,224,786	795,500	66,448,089	199,782,448	

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
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Note 15 & 16, Continued...

Note 15
Income

Particulars	2022														Total Restricted	June 30, 2022 Consolidated
	Unrestricted Research	Restricted														
		Massachusetts Institute of Technology (CVI)	The University of Oxford (Delivered)	Institute of Development Studies (P2 WVP)	Institute of Development Studies (SUPWR)	Institute of Development Studies (T&G)	Massachusetts Institute of Technology (MIT CVI 14241)	LUMS family planning survey	The Citizen Foundation (TCF)	Corry Smith	University of California (MKV 2022)	LUMS Pak Wheels	New York University Abu Dhabi	Edinburgh-NTG		
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Income recognized during the year	41,481,174	1,509,707	6,716,812	5,730,205	1,056,888	3,667,661	350,270	565,500	1,248,000	100,258	119,808	688,321	3,527,343	10,755,675	36,027,528	77,908,202

Note 16
Program Expenses

PARTICULARS	2022														Total for the year ended June 30, 2022	
	Unrestricted Research	Restricted														
		Massachusetts Institute of Technology (CVI)	The University of Oxford (Delivered)	Institute of Development Studies (P2 WVP)	Institute of Development Studies (SUPWR)	Institute of Development Studies (T&G)	Massachusetts Institute of Technology (MIT CVI 14241)	LUMS family planning survey	The Citizen Foundation (TCF)	Corry Smith	University of California (MKV 2022)	LUMS Pak Wheels	New York University Abu Dhabi	Edinburgh-NTG		
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Communication charges	113,963	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113,963
Boarding and lodging charges	-	-	-	-	104,403	-	-	-	-	-	-	-	-	-	-	104,403
Consultancy charges	-	-	-	2,480,544	-	-	-	-	-	-	-	-	-	-	-	2,480,544
Event expense	-	-	-	-	71,202	-	-	-	-	-	-	-	405,140	-	-	476,342
Field /Survey expenses	-	-	-	464,272	-	-	34,870	-	-	-	-	-	-	2,600	-	501,742
Insurance expense	244,698	-	-	-	-	-	-	-	-	-	-	-	-	-	-	244,698
Other charges	259,856	-	-	-	-	-	-	-	-	15,629	-	-	-	-	-	275,485
Postage and courier charges	-	230	3,150	-	-	-	-	-	-	-	-	-	-	-	-	3,380
Website maintenance	319,908	-	-	-	-	-	-	-	-	-	-	-	-	-	-	319,908
Professional fees	1,395,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,395,000
Rent, rates and taxes	5,500,321	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,500,321
Salaries and other benefits-Staff	48,805,567	279,284	6,553,901	671,857	771,758	3,637,857	-	1,248,000	-	-	-	-	9,924,130	23,086,007	71,891,574	
Salaries-Field Staff	-	240,990	-	1,036,740	-	-	315,400	-	100,258	-	484,400	2,047,690	-	4,225,438	4,225,438	
Salaries and other benefits-Survey	12,357,333	261,713	-	908,865	-	-	-	-	-	-	77,348	705,283	-	1,951,209	14,308,532	
Survey expenses	-	817,827	-	-	-	-	565,500	-	-	-	126,573	371,200	-	1,681,130	1,681,130	
Subscription	-	14,892	137,809	-	20,804	-	-	-	-	-	-	-	-	182,535	182,535	
Travelling and conveyance	109,627	85,811	21,502	168,727	109,525	-	-	-	-	104,259	-	-	-	828,945	1,427,816	
Utilities	1,805,795	-	-	-	-	-	-	-	-	-	-	-	-	-	1,805,795	
Total	70,911,058	1,509,707	6,716,812	5,730,205	1,056,888	3,667,661	350,270	565,500	1,248,000	100,258	119,808	688,321	3,527,343	10,755,675	36,027,528	108,938,586

Note 16, Program expenses, Continued...

- 16.1** This represents grant received from GDIS-the agency fund on research: CHWs vs phonecasts for child growth in Pakistan.
- 16.2** This represents grant received from University of California, Berkeley, on research: MetaKeta V - Motivating Women's Political Participation In Hybrid Regimes In developing countries like Pakistan".
- 16.3** This represents grants received from The Asia Foundation for the research: Political Economic Analysis on South Asia Public Debt.
- 16.4** This represents grants received from The University of Oxford on: How to Deliver Education Reforms (DeliverEd).
- 16.5** This represents grants received from Institute of Development Studies (IDS) for Research: Inequality and Governance in Unstable Democracies: The Mediating Role of Trust (T&G)
- 16.6** This represents grants received from Institute of Development Studies (IDS) for research: Sustaning Powers: Women's struggles against contemporary backlash in South Asia
- 16.7** This represents grants received from The Citizen Foundation, USA. The goal of this grant is to generate rigorous and objective evidence on what works to improve access and quality of services for low-income communities.
- 16.8** This represents grants received from The University of Edinburgh on research: navigating the grid in the "world-class city": poverty, gender, and access to services in India, Pakistan and Sri Lanka.
- 16.9** This represents grant received from Albany University for the Purpose of Survey: "Misinformation and Vigilantism: An Experiment in Pakistan".
- 16.10** This represents grant received from ICIMOD related for research: Can low-cost demand-augmenting and waste buying services help reduce spoilage for street-vendors selling fresh produce.
- 16.11** This represents grants received from International Growth Centre (IGC) on research: Improving COVID-19 vaccine uptake in Pakistan (PAK 22069)
- 16.12** This represents grant received from International Growth Centre (IGC) on research: Monitoring and Information Provision on Air Quality in Punjab (PAK 22025)
- 16.13** This represents grant received from LUMS on Air Quality Spin Off survey.
- 16.14** This represents grant received from LUMS on Property Mapping survey.
- 16.15** This represents grant received from LUMS for survey on Job Quality Study for Karandaaz.
- 16.17** This represents grant received from Society for Advancement of Education (SAHE) for survey on BISP House holds in Pakistan.
- 16.18** This represents grant received from The University of Essex for the survey on minoritization, community and attitudes toward Immunization.

Note 17

Operating Expenses

	Note	2023 Rupees	2022 Rupees
Salaries and other benefits		8,189,095	6,836,794
Rent, rates and taxes		552,691	611,147
Legal and professional fees		830,250	1,427,600
Security expenses		577,695	461,100
Utilities		171,736	185,724
Auditor's remuneration		210,000	202,125
Insurance expense		105,317	104,738
Boarding and lodging charges		-	17,152
Communication charges		96,000	32,546
Repairs and maintenance charges		372,866	152,843
Printing and stationery charges		182,901	144,320
Meals and Entertainment		20,817	-
Office supplies		-	66,102
Subscription		103,417	-
Travelling and conveyance		90,722	168,866
Postage and courier charges		10,570	8,820
Other charges		410,389	69,777
Depreciation charge	4	610,543	659,389
Amortization expense	5	441,787	41,387
		<u>12,976,796</u>	<u>11,190,430</u>

Note 18

Other Income

	2023 Rupees	2022 Rupees
Sale of scrap	1,800	-
Gain on disposal of property and equipment	-	41,500
Profit on bank deposits	16,563,789	1,165,086
	<u>16,565,589</u>	<u>1,206,586</u>

Note 19

Taxation

19.1 As per sub-section 2 of section 100C, non-profit organizations, trust or welfare organization shall be allowed a tax credit equal to one hundred percent of the tax payable, including minimum and final tax payable under any of the provision of Income Tax Ordinance, 2001, subject to the following conditions, namely:

- return has been filed;
- tax required to be deducted or collected has been deducted or collected and paid; and
- withholding tax statements for the immediately preceding tax year have been filed.
- the administrative and management expenditure does not exceed 15% of the total receipt.

The operations for the Institute fall within the purview of clause (a) & (e) of sub-section 2 of Section 100C of the Income Tax Ordinance, 2001 and the Institute intends to comply with the above-mentioned requirements, hence the Institute will be eligible to claim tax credit equal to one hundred percent of the tax payable on donations and interest income on investments by the Institute. Tax credit of one hundred percent is allowed under Section 100C of Income Tax Ordinance, 2001 in respect of tax payable including final taxes payable and consequently no charge has been recognized in these financial statements.

19.2 No provision for taxation has been created as the Institute is eligible for hundred percent (100%) tax credit on taxes payable on donation and interest income on investments by the Institute on donations under clause (a) & (e) of sub-section 2 of section 100C of Income Tax Ordinance, 2001.

Note 20

Related Party Relationships and Transactions

The related parties comprise of directors, key management personnel and entities over the which the directors are able to exercise influence. Remuneration of chief executive officer, directors and executives are also disclosed separately in the Note 20.1.

20.1 Remuneration to chief executive officer, directors and executives

The aggregate amount charged in the accounts for remuneration including all benefits to chief executive officer, directors and executives of the Institute are as follows:

	June 30, 2023		June 30, 2022	
	Chief Executive Officer	Executives	Chief Executive Officer	Executives
	(Rupees)			
Managerial remuneration	11,999,326	69,081,032	9,600,000	51,111,600
Number of persons	1	10	1	10

An executive is defined as an employee, other than the Chief Executive Officer and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

Note 21

Basic Financial Instruments by Categories

	Note	Amortized cost	Fair value through income and expenditure	Total
		Rupees	Rupees	Rupees
Financial Assets as at June 30, 2023				
- Other receivables	7	9,775,606	-	9,775,606
- Short term investments	9	417,973,631	-	417,973,631
- Cash and bank balances	10	42,060,801	-	42,060,801
		469,810,038	-	469,810,038
Financial Assets as at June 30, 2022				
- Other receivables	7	9,559,833	-	9,559,833
- Cash and bank balances	10	330,138,576	-	330,138,576
		339,698,409	-	339,698,409
Financial Liabilities as at June 30,				
		2023	2022	
		Rupees	Rupees	
At amortized cost				
- Trade and other payables		7,510,732	502,788	

Note 22

Number of Employees

	<u>2023</u>	<u>2022</u>
	Numbers	Numbers
Number of employees as at June 30,	<u>46</u>	<u>37</u>
Average number of employees during the year	<u>42</u>	<u>37</u>

Note 23

Authorization of Financial Statements

These financial statements have been approved and authorized by the Board of Directors of the Institute for issuance on

20 SEP 2023

Note 24

General

Comparative figures have been re-arranged / reclassified, wherever necessary, to facilitate comparison. No material re-arrangements / reclassifications have been made in these financial statements.


Chief Executive Officer


Chief Financial Officer


Director