

**INSTITUTE OF
DEVELOPMENT AND
ECONOMIC ALTERNATIVES**

FOR THE YEAR ENDED JUNE 30, 2024

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)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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, 2024, and the income and expenditure statement, the statement of comprehensive surplus, the statement of changes in accumulated funds, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information 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, the income and expenditure statement, the statement of comprehensive surplus, 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, 2024 and of the surplus, the other comprehensive surplus, 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 (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.

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.

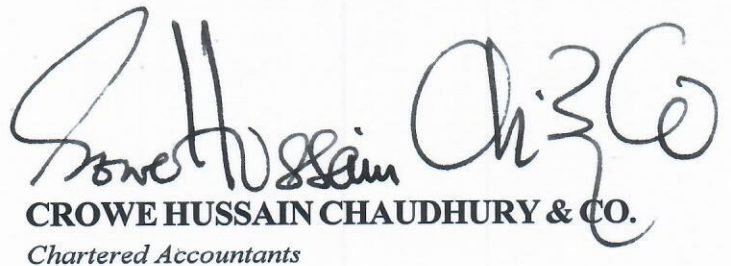
Report on Other Legal and Regulatory Requirements

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 income and expenditure statement, the statement of comprehensive surplus, 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 Amin Ali.

Lahore
Dated: October 09, 2024
UDIN: AR202410051neXEIkTUz



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, 2024

		2024	2023
	Note	Rupees	Rupees
ASSETS			
Non Current Assets			
Operating fixed assets	4	1,436,287	1,026,695
Intangible assets	5	991,961	1,343,213
		2,428,248	2,369,908
Current Assets			
Trade deposits and prepayments	6	2,894,950	2,696,835
Other receivables	7	6,832,509	9,775,606
Advance income tax	8	3,185,377	3,175,246
Short term investments	9	423,639,546	417,973,631
Bank balances	10	54,611,339	42,060,801
		491,163,721	475,682,119
Total Assets		493,591,969	478,052,027
FUNDS AND LIABILITIES			
Endowment fund	11	362,704,816	376,072,787
Non Current Liabilities			
Unutilized grant	12	130,192,289	92,058,794
Current Liabilities			
Trade and other payables	13	694,864	9,920,446
Contingencies and commitments	14	-	-
TOTAL FUNDS AND LIABILITIES		493,591,969	478,052,027

The annexed notes from 1 to 23 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)

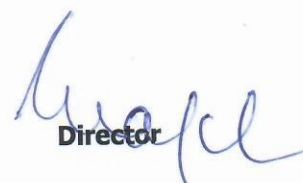
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
INCOME			
Restricted income for funded projects	15	170,900,408	66,448,089
Unrestricted grant for institutional overheads	15	<u>87,601,506</u>	<u>38,771,311</u>
		258,501,914	105,219,400
EXPENDITURE			
Program expenses	16	<u>279,889,924</u>	<u>159,782,448</u>
Operating expenses	17	<u>16,847,116</u>	<u>12,976,796</u>
		<u>(296,737,040)</u>	<u>(172,759,244)</u>
Operating Deficit		(38,235,126)	(67,539,844)
Exchange (loss) / gain		(6,301,455)	121,651,837
Other income	18	<u>31,168,610</u>	<u>16,565,589</u>
(Deficit) / Surplus for the year		(13,367,971)	70,677,582
Transferred from / (to) endowment fund	11	<u>13,367,971</u>	<u>(70,677,582)</u>
Surplus for the Year before Taxation		-	-
Taxation		-	-
Net Surplus for the Year		<u>-</u>	<u>-</u>

The annexed notes from 1 to 23 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 SURPLUS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	Rupees	Rupees
Net Surplus for the Year	-	-
Other comprehensive surplus for the year		
<i>Items that may be re-classified to income and expenditure statement</i>	-	-
<i>Items that will not be re-classified to income and expenditure statement</i>	-	-
Total Comprehensive Surplus for the Year	-	-

The annexed notes from 1 to 23 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

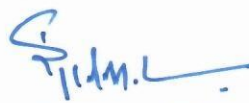
INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES
 (A Company Licensed under Section 42 of the Companies Act, 2017)
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Endowment fund
	Rupees
Balance as at June 30, 2022	305,395,205
Transferred from income and expenditure statement	<u>70,677,582</u>
Balance as at June 30, 2023	376,072,787
Transferred to income and expenditure statement	(13,367,971)
Balance as at June 30, 2024	<u><u>362,704,816</u></u>

The annexed notes from 1 to 23 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 FLOWS FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year before taxation		-	-
Adjustments for:			
- Depreciation	4	973,106	610,543
- Amortization	5	655,752	441,787
- Gain on disposal of operating fixed assets	18	(128,500)	-
- Liabilities written back	18	(177,191)	-
- Transferred from / (to) endowment fund	11	(13,367,971)	70,677,582
		(12,044,804)	71,729,912
Operating (deficit) / surplus before working capital changes		(12,044,804)	71,729,912
(Increase) / decrease in current assets:			
- Other receivables	7	2,943,097	(215,773)
- Trade deposits and prepayments	6	(198,115)	359,648
Increase / (decrease) in current liabilities:			
- Trade and other payables	13	(9,048,391)	8,837,396
		(6,303,409)	8,981,271
Cash (used in) / generated from in operations		(18,348,213)	80,711,183
Unutilized grants	12	38,133,495	52,398,315
Income tax paid	8	(10,131)	(1,011,800)
Net Cash Generated Operating Activities		19,775,151	132,097,698
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of operating fixed assets	4	(1,382,698)	(416,842)
Purchase of intangible assets	5	(304,500)	(1,785,000)
Proceeds of disposal of operating fixed assets	18	128,500	-
Short term investments - net	9	(5,665,915)	(417,973,631)
Net Cash Used in Investing Activities		(7,224,613)	(420,175,473)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Increase / (Decrease) in Cash and Cash Equivalents		12,550,538	(288,077,775)
Cash and cash equivalents at the beginning of the year	10	42,060,801	330,138,576
Cash and Cash Equivalents at the End of the Year		54,611,339	42,060,801

The annexed notes from 1 to 23 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 AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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 Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Accounting Standards for Not for Profit Organizations (Accounting Standards for NPOs) issued by the Institute of Chartered Accountants of Pakistan 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 Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.5 Use of estimates and judgments

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 Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience including expectations of future events that are believed to be reasonable for the circumstances.

Note 2, Basis of Preparation - Continued

These estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the year in which such revisions are made. Significant management estimates in these financial statements relate primarily to:

- Useful lives, residual values and depreciation method of operating fixed assets Note 3.1 & 4
- Useful lives, residual values and amortization method of intangible assets Note 3.2 & 5
- Estimation of contingent liabilities - Note 3.7
- Current income tax expense and provision for current tax - 3.8
- Estimation of provisions - Note 3.5

The basis and associated assumptions underlying the accounting estimates used in the preparation of annual financial statements of the Institute for the year ended June 30, 2024 have been consistent with previous year unless otherwise stated.

2.6 Changes in accounting standards, interpretations and pronouncements

2.6.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

Certain standards, amendments and interpretations to IFRS are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures;

Standard or Interpretation	Effective Date - Annual Periods
	Beginning on or After
IAS 1 Presentation of Financial Statements (Amendments)	January 1, 2023
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - (Amendments)	January 1, 2023
IAS 12 Income Taxes (Amendments)	January 1, 2023
IAS 12 Deferred tax related to assets and liabilities arising from a single transaction - (Amendments)	January 1, 2023

2.6.2 'Standards, interpretation and amendments to approved accounting standards that are not yet effective

'The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard or Interpretation	Effective Date - Annual Periods
	Beginning on or After
IAS 1 Classification of liabilities as current or non-current and non-liabilities with covenants — (Amendments)	January 1, 2024
IAS 7 Statement of Cash Flows and IFRS 7 Financial instruments Supplier Finance Arrangements (Amendments)	January 1, 2024
IAS 21 Lack of exchangeability - (Amendments)	January 1, 2025
IFRS 16 Lease liability in sale and leaseback - (Amendments)	January 1, 2024
IFRS 7 Financial instruments and IFRS 9 Financial instruments - Classification and measurement of financial instruments-	January 1, 2026

Note 2, Basis of Preparation - Continued

Other than the aforementioned standards, interpretations, and amendments, IASB has also issued the following standards, which have not been notified locally, in relation to the Company, by Securities and Exchange Commission of Pakistan (SECP) as at January 31, 2024:

IFRS 1 First Time Adoption of IFRS

IFRS 18 Presentation and Disclosures in Financial statements

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S2 Climate-Related Disclosures

Note 3

Material Accounting Policy Information

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented unless stated otherwise.

3.1 Operating Fixed Asset

Owned

Operating Fixed Asset are stated at cost less accumulated depreciation and identified impairment losses, if any. Cost of operating fixed assets comprise historical cost, borrowing cost pertaining to the construction and erection period and directly attributable cost of bringing assets to their working condition.

Depreciation is provided for using the straight line method. Depreciation on additions is charged from the days in which the asset is available for use up to the month in which the asset is disposed off.

Residual values and the useful lives of the assets are reviewed at least at each reporting date and adjusted if impact on depreciation is significant.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in income and expenditure statement in the year the asset is derecognized.

Normal repairs and maintenance are charged to income and expenditure statement as and when incurred except major renewals and improvements that are capitalized. Gain or loss, if any, on disposal of operating fixed asset is included in income and expenditure statement.

3.2 Intangible assets

Measurement

An intangible asset is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the Institute and the cost of such asset can be measured reliably.

Intangible assets acquired separately are initially recognised at cost. After initial recognition, these are measured at cost less accumulated amortization and accumulated impairment losses, if any. Costs that are directly associated with identifiable website and have probable economic benefits beyond one year, are recognised as an intangible asset. However, costs associated with the maintenance of website are recognised as an expense when incurred.

Amortization

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.

Note 3, Material Accounting Policy Information - Continued

Judgment and estimates

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 Institute assesses at each reporting date whether there is any indication that non-financial assets are impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying amounts exceed the respective recoverable amount, assets are written down to their recoverable amount and the resulting impairment loss is recognised in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognised, the depreciation / amortization charge is adjusted in future periods to allocate the asset's revised carrying amount over its estimated useful life.

3.4 Cash and cash equivalents

Cash and cash equivalents include there is no cash in hand and deposits with banks which are free from encumbrances.

3.5 Provisions

Recognition and measurement

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.

3.6 Trade and other payables

Trade and other liabilities are initially recognized at fair value which is the consideration to be paid or given in future for goods and services received or to be delivered or for any other amount, whether or not billed to the Institute. Other liabilities are subsequently recognized at amortized cost using effective interest rate method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added or deducted to the carrying amount of the respective liabilities.

3.7 Contingent liabilities

A contingent liability is disclosed when there is a possible obligation that arises from past events and 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.

A contingent liability is also disclosed when there is present 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.

3.8 Taxation

Current Tax

The Institute is approved as a non-profit organization under section 2(36) of the Income Tax Ordinance, 2001 and, its income is subject to 100% tax credit upon compliance with terms of section 100C of the Income Tax Ordinance, 2001.

Note 3, Material Accounting Policy Information - Continued

Deferred Tax

Deferred tax has not been recognized as the Company expects that no income tax shall be payable in the near future.

3.9 Financial instruments

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

3.9.1 Financial assets

All financial assets are recognised at the time when the Institute becomes a party to the contractual provisions of the instrument.

Classification

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income at fair value through profit or loss. Currently, the Institute classifies its financial assets at amortized cost. This classification is based on the Institute's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

Initial recognition and measurement

All financial assets are initially measured at fair value plus transaction costs that are directly attributable to its acquisition except for trade receivable. Trade receivables are initially measured at the transaction price.

Subsequent measurement

Financial assets measured at amortized cost are subsequently measured using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in income and expenditure statement .

Derecognition

Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired. The difference between the carrying amount and the consideration received is recognised in income and expenditure statement.

Impairment of financial assets

The Institute directly reduces the gross carrying amount of a financial asset when the Institute has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Institute recognises a loss allowance for expected credit losses on a financial asset measured at amortized cost.

The Institute measures, at each reporting date, the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. Where the credit risk on a financial instrument has not increased significantly since the initial recognition, the Institute measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

(A Company Licensed under Section 42 of the Companies Act, 2017)

Notes to and Forming Part of the Financial Statements

Note 3, Material Accounting Policy Information - Continued

The Institute recognises the amount of expected credit losses (or reversal), that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, in profit or loss.

3.9.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are initially classified at amortized cost. Such liabilities are recognised at the time when the Institute becomes a party to the contractual provisions of the instrument and primarily include trade and other payables etc.

Subsequent measurement

The Institute measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in income and expenditure statement. Difference between carrying amount and consideration paid is recognised in income and expenditure statement when liabilities are derecognised.

3.9.3 Off-setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Institute has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.9.4 Foreign currency transactions and translation

Transactions denominated in foreign currencies are initially recorded at Rupees by applying the foreign exchange rate ruling on the date of transaction. All monetary assets and liabilities in foreign currencies are translated into Rupees at exchange rate prevailing at the reporting date. Exchange differences are included in income and expenditure statement currently.

3.10 Related party transactions

Transactions with related parties are based on the transfer pricing policy that all transactions between the Institute and the related party are at arm's length prices determined as per the Institute policy except in circumstances where it is not in the interest of the Institute to do so.

3.11 Fund

3.11.1 Restricted grant

Funds which are received on account of a specific project, prior to incurring the relevant costs are credited to unutilized grant. Subsequently, these sums are then transferred to the income and expenditure statement as and when the relevant expenses are incurred against the projects. On the conclusion of the project any balances lying in the restricted fund account are transferred to an unrestricted fund subject to the instructions of the donor.

Note 3, Material Accounting Policy Information - Continued

3.11.2 Unrestricted grant

Funds which are received from donors are transferred to overhead income as a percentage of expenses when the relevant expenses are incurred against the projects.

3.11.3 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.

3.12 Expenses

Expenses are recognized in income and expenditure statement when incurred.

3.13 Endowment fund

Endowment Fund is held for the benefit of the Institute as a capital fund. The income earned from such funds is utilized for restricted purposes of the Institute with approval of Board of Directors.

Note 4

Operating Fixed Asset

Year Ended June 30, 2024

Particulars	Cost				Rate	Accumulated Depreciation				Book Value as at June 30, 2024
	As at July 01, 2023	Additions	Deletion	Total as at June 30, 2024		As at July 01, 2023	For the year	Deletion	Total as at June 30, 2024	
	Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees	Rupees
Furniture, fixtures and fittings	3,849,953	-	-	3,849,953	20	3,471,192	310,428	-	3,781,620	68,333
Office equipment	742,320	-	-	742,320	20 - 50	478,329	73,681	-	552,010	190,310
Computer equipment	1,558,242	1,322,698	(326,551)	2,554,389	33	1,322,551	442,248	(326,551)	1,438,248	1,116,141
Mobile phones	186,500	60,000	-	246,500	50	133,167	54,167	-	187,334	59,166
Air conditioner	972,287	-	-	972,287	20	893,713	78,574	-	972,287	-
Telephone and fax exchange	114,569	-	-	114,569	20	98,224	14,008	-	112,232	2,337
Vehicles	68,000	-	-	68,000	20	68,000	-	-	68,000	-
	<u>7,491,871</u>	<u>1,382,698</u>	<u>(326,551)</u>	<u>8,548,018</u>		<u>6,465,176</u>	<u>973,106</u>	<u>(326,551)</u>	<u>7,111,731</u>	<u>1,436,287</u>

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	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	263,991
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>1,026,695</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. 4,873,117 (2023: Rs. 4,740,211).

Note 5

Intangible Assets

Particulars	Cost				Rate	Amortization				Book Value as at June 30, 2024
	As at July 01, 2023	Additions	Deletion	Total as at June 30, 2024		As at July 01, 2023	For the year	Deletion	Total as at June 30, 2024	
	Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees	Rupees
Website										
Total Rupees 2024	<u>2,268,000</u>	<u>304,500</u>	<u>-</u>	<u>2,572,500</u>	33	<u>924,787</u>	<u>655,752</u>	<u>-</u>	<u>1,580,539</u>	<u>991,961</u>
Total Rupees 2023	<u>483,000</u>	<u>1,785,000</u>	<u>-</u>	<u>2,268,000</u>	33	<u>483,000</u>	<u>441,787</u>	<u>-</u>	<u>924,787</u>	<u>1,343,213</u>

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

Note 6

Trade Deposits and Prepayments

	2024	2023
	Rupees	Rupees
Security deposit against rented premises	900,000	900,000
Prepayments:		
- Rent	1,607,582	1,461,438
- Insurance	273,177	254,363
- Domain hosting and maintenance	114,191	81,034
	<u>1,994,950</u>	<u>1,796,835</u>
	<u>2,894,950</u>	<u>2,696,835</u>

Note 7

Other Receivables

		2024	2023
	Note	Rupees	Rupees
Receivables from implementing partners	12	1,434,387	3,989,094
Other receivables	7.1	3,033,802	5,611,178
Receivable from bank	7.2	2,364,320	-
Receivable from employees		-	175,334
		<u>6,832,509</u>	<u>9,775,606</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
Consortium for Development Policy Research (CDPR)	734,845	3,617,563	3,899,889	452,519
Alam Bibi Trust	-	835,958	523,684	312,274
CAN-PAK	13,887	-	13,887	-
New York University, Abu Dhabi (Admin Data)	-	675,105	-	675,105
City University of New York	-	601,600	-	601,600
IDS T & G	-	992,304	-	992,304
- The political economy of progressive tax reform (PPTR)	1,961,897	522,872	2,484,769	-
- Air quality spin-off	2,612,464	673,650	3,286,114	-
Hitotsubashi University, Japan	284,885	1,614,113	1,898,998	-
New York University, Abu Dhabi	3,200	1,097,570	1,100,770	-
	<u>5,611,178</u>	<u>10,630,735</u>	<u>13,208,111</u>	<u>3,033,802</u>

7.2 This represents advance income tax withheld by bank on bank profits, which has been subsequently reversed.

Note 8

Advance Income Tax

	2024	2023
	Rupees	Rupees
Cash withdrawals	105,471	105,471
Profits on banks	989,288	989,288
Grants	1,746,350	1,746,350
Others	336,068	325,937
Telephone	8,200	8,200
	<u>3,185,377</u>	<u>3,175,246</u>

Note 9

Short Term Investments

	Note	2024 Rupees	2023 Rupees
At Amortized Cost			
Term deposit certificate	9.1 & 9.2	<u>423,639,546</u>	<u>417,973,631</u>

9.1 This represents investment in term deposit certificates in USD 1,500,000 (2023: USD 1,415,000) which yield at 7.5% (2023: 5%) per annum .

9.2 This includes interest receivable of Rs. 6,429,606 (2023: Rs. 12,707,823).

Note 10

Bank Balances

	Note	2024 Rupees	2023 Rupees
Balance at banks:			
Current accounts:			
- Local currency		14,598,226	18,832,094
- Foreign currency	10.1	11,117,818	14,328,299
Savings accounts:			
- Local currency	10.2	12,166,531	3,299,817
- Foreign currency	10.3	16,728,764	5,600,591
		<u>54,611,339</u>	<u>42,060,801</u>

10.1 This represents current account containing USD\$ 39,971 (2023: USD\$ 50,067).

10.2 These carry markup at the rate of 20.5% to 20.6% (2023: 12.5% to 19.5%).

10.3 This represents savings accounts containing USD\$ 60,144.63 USD (2023: USD\$ 19,570.31) which yield profit 20.5% to 20.6%.

Note 11

Endowment Fund

	2024 Rupees	2023 Rupees
Opening balance	376,072,787	305,395,205
Less: Transfer (to) / from income and expenditure	(13,367,971)	70,677,582
	<u>362,704,816</u>	<u>376,072,787</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
Lahore University of Management Sciences (LUMS):							
- Air quality	-	4,177,250	5,535,578	3,286,113	7,000,506	573,791	-
- PPTR	-	634,350	6,479,000	3,640,492	2,796,066	-	676,792
- Job quality	1,499,900	-	1,499,900	-	-	-	-
British Council	-	393,898	7,963,344	8,853,776	364,062	860,596	-
OPM DARE A3107	-	-	3,248,060	2,613,015	635,045	-	-
British Asian Trust	-	-	5,108,300	4,088,932	1,019,368	-	-
GDIS The Agency Fund	-	21,682,610	-	7,019,067	6,677,052	-	7,986,491
Institute of Development Studies (SUPWR)	-	3,415,809	11,356,272	5,553,226	503,412	-	8,715,443
Institute of Development Studies (T&G)	-	13,500,573	12,866,015	1,230,818	132,011	-	25,003,759
The Citizen Foundation (TCF USA)	-	1,719,416	102,650,876	37,604,756	9,021,198	-	57,744,338
University of Edinburgh (NTG)	-	3,084,974	22,111,099	16,571,794	8,624,279	-	-
Hitotsubashi University, Japan	-	5,618,594	-	2,332,821	2,781,297	-	504,476
International Growth Centre (IGC):							
- Air quality	-	2,266,268	-	1,062,647	-	-	1,203,621
- Improving COVID-19 vaccine uptake	1,557,103	-	1,557,103	-	-	-	-
- Substantial variation in gender gaps	-	3,349,115	2,088,312	3,340,032	-	-	2,097,395
Royal Historical Society	-	-	321,034	158,768	-	-	162,266
New York University, Abu Dhabi							
- Education ID	-	4,392,031	-	1,363,270	3,028,761	-	-
- Clean Air	-	-	51,405,087	30,720,374	20,684,713	-	-
- Admin data	-	-	4,870,125	-	-	-	4,870,125
- Water data	-	-	2,782,500	-	-	-	2,782,500
LASSA	-	-	-	-	296,100	-	-
Harvard University	-	2,089,070	-	-	-	-	2,089,070
International Centre for Integrated Mountain Development (ICIMD)	183,147	-	183,147	-	-	-	-
University of California, Berkley	-	24,739,536	57,593,196	41,460,508	30,754,171	-	10,118,053
PhD Candidate Engagement Program	-	995,300	-	-	-	-	995,300
DeliverED Oxford	748,944	-	748,944	-	-	-	-
City University of New York	-	-	5,242,660	-	-	-	5,242,660
Total as at June 30, 2024	3,989,094	92,058,794	305,610,552	170,900,409	94,318,041	1,434,387	130,192,289
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

12.1 This represents amount received from donors and will be converted into restricted and unrestricted income based on the terms of agreements with donors.

Note 13

Trade and Other Payables

	2024	2023
	Rupees	Rupees
Accrued liabilities	694,864	7,510,732
Withholding tax payable	-	2,409,714
	<u>694,864</u>	<u>9,920,446</u>

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.
- 14.1.3** Income Tax Return for the tax year 2018 was e-filed on December 30, 2018. 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. 706,210 dated August 23, 2023. The taxpayer being aggrieved with the said order filed an appeal before the Commissioner Inland Revenue (Appeals) dated July 3, 2024 which is pending for hearing.

14.2 Commitments

There are no material commitment to be disclosed as at the reporting date (2023: Nil).

Note 15
Income

Particulars	2024																			
	GDIS - The Agency Fund	MKV 2022	IDS SuPWR	TCF	UOE NTG	Hitosubashi University of Japan	IGC PAK 22025- Air quality	IGC PAK 22214-	LUMS :Air Quality	LUMS :PPTR	British Council	OPM DARE A3107	Royal Hs-2023	IDS T & G	NYUAD Education ID	NYUAD Clean Air	British Asian Trust	LASSA	Total	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Restricted income for funded projects	7,019,067	41,460,508	5,553,226	37,604,756	16,571,793	2,332,821	1,062,647	3,340,032	3,286,113	3,640,492	8,853,776	2,613,015	158,768	1,230,818	1,363,270	30,720,374	4,088,932	-	-	170,900,408
Unrestricted grant for institutional overheads (Note 15.1)	6,677,052	30,754,171	503,412	9,021,198	1,907,744	2,781,297	-	-	7,000,506	2,796,066	364,062	635,045	-	132,011	3,028,761	20,684,713	1,019,368	296,100	-	87,601,506
	13,696,119	72,214,679	6,056,638	46,625,954	18,479,537	5,114,118	1,062,647	3,340,032	10,286,619	6,436,558	9,217,838	3,248,060	158,768	1,362,829	4,392,031	51,405,087	5,108,300	296,100	-	258,501,914

15.1 The grant utilized against restricted expenses are detailed below:

Particulars	2024																				
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Institutional overheads:-																					
-Overhead income	2,920,359	4,893,217	503,412	7,170,346	1,907,744	588,350	-	-	-	-	-	635,045	-	132,011	-	-	1,019,368	-	-	19,769,852	
-Other income	-	4,400,352	-	1,850,852	-	-	-	-	-	-	-	-	-	-	-	-	-	296,100	-	-	6,547,304
-Survey income	3,756,693	21,460,602	-	-	-	2,192,947	-	-	7,000,506	2,796,066	364,062	-	-	-	3,028,761	20,684,713	-	-	-	61,284,350	
	6,677,052	30,754,171	503,412	9,021,198	1,907,744	2,781,297	-	-	7,000,506	2,796,066	364,062	635,045	-	132,011	3,028,761	20,684,713	1,019,368	296,100	-	87,601,506	

Note 16
Program Expenses

PARTICULARS	Unrestricted-Research	Restricted - 2024																	Total Project Expenses	Total	
		GDIS - The Agency Fund	MKV 2022	IDS SuPWR	TCF	UOE NTG	Hitosubashi University of Japan	IGC PAK 22025- Air quality	IGC PAK 22214-	LUMS :Air Quality	LUMS: PPTR	British Council	OPM DARE A3107	Royal Hs-2023	IDS T & G	NYUAD Education ID	NYUAD Clean Air	British Asian Trust			
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees			Rupees
Note		16.1	16.2	16.3	16.4	16.5	16.6	16.7	16.8	16.9	16.10	16.11	16.12	16.13	16.14	16.15	16.16	16.17			
Conference expense	3,605,947	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,605,947
Consultancy charges	-	2,156,180	23,969,113	-	7,069,097	2,441,562	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,635,952
Computer expense	-	-	-	-	601,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	601,000
Disbursement expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Event expenses	270,345	-	-	25,754	-	815,712	-	-	-	-	-	-	-	61,232	-	-	-	-	-	-	902,698
Field expenses	-	978,931	89,046	-	73,076	15,386	1,309,235	-	-	-	650,001	2,140,452	-	-	-	407,870	25,680,698	-	-	-	31,344,695
Insurance expense	457,143	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	457,143
Meals and entertainment	1,685,922	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,685,922
Postage and courier charges	660	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	660
Printing and stationery charges	-	-	1,384,795	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,384,795
Professional fees	424,124	-	273,000	-	-	-	-	-	-	-	1,723,423	-	-	-	-	-	-	-	-	-	1,996,423
Rent, rates and taxes	7,158,626	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,158,626
Salaries and other benefits - Staff	68,752,228	1,857,569	4,482,000	5,491,472	15,665,997	11,324,490	-	248,113	3,289,300	-	-	1,779,000	2,531,953	20,000	1,188,099	692,900	-	3,961,611	-	-	52,532,504
Salaries - Field staff	-	1,332,271	8,003,593	36,000	6,367,809	-	417,890	26,667	-	1,275,625	949,175	3,773,250	-	-	-	262,500	4,220,300	-	-	-	26,665,080
Salaries - Survey	21,270,000	358,500	1,344,130	-	-	-	171,873	-	-	453,125	254,688	117,000	-	-	-	-	819,375	-	-	-	3,518,691
Survey expenses	-	-	1,509,026	-	-	16,000	-	-	-	1,557,364	-	924,436	-	-	-	-	-	-	-	-	4,006,826
Website expenses	1,133,413	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,133,413
Subscription	297,159	10,292	56,663	-	323,388	451,560	-	-	-	-	63,205	-	-	-	42,719	-	-	-	-	-	947,827
Travelling and conveyance	1,859,735	325,324	349,142	-	7,504,389	1,507,083	433,823	787,867	50,732	-	-	119,638	81,062	77,536	-	-	-	127,321	-	-	11,363,917
Utilities	2,074,214	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,074,214
Total	108,989,516	7,019,067	41,460,508	5,553,226	37,604,756	16,571,793	2,332,821	1,062,647	3,340,032	3,286,114	3,640,492	8,853,776	2,613,015	158,768	1,230,818	1,363,270	30,720,373	4,088,932	-	170,900,408	279,889,924

Note 15 & 16 - Continued..

Note 15
Income

Particulars	2023																	Total
	GDIS - The Agency Fund	MKV 2022	The Asia Foundation	DeliverEd Oxford	IDS T&G	IDS SuPWR	TCF	UOE NTG	Survey: Albany	ICIMOD	IGC PAK 22069 - Covid-19	IGC PAK 22025 - Air quality	Survey: LUMS SUPPER ABBU	Survey: LUMS Property Mapping	Survey: LUMS Job Quality	Survey: SAHE BISP	Survey: Essex	
	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	8,847,315	2,099,600	5,860,668	1,177,879	7,019,831	8,033,791	15,395,037	1,121,315	1,721,397	1,633,525	2,179,761	231,975	433,005	421,748	1,224,786	795,500	66,448,089
Unrestricted grant for institutional overheads (Note 15.2)	4,420,707	1,181,859	1,792,921	10,585,135	1,073,884	184,561	3,041,762	3,592,225	2,272,128	-	3,541,817	-	695,781	1,100,331	1,078,152	2,156,166	2,053,882	38,771,311
	12,671,663	10,029,174	3,892,521	16,445,803	2,251,763	7,204,392	11,075,553	18,987,262	3,393,443	1,721,397	5,175,342	2,179,761	927,756	1,533,336	1,499,900	3,380,952	2,849,382	105,219,400

15.2 The grant utilized against restricted expenses are detailed below:

Particulars	2023																	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Institutional overheads:-																		
-Overhead income	939,469	1,181,859	1,792,921	9,361,271	1,073,884	184,561	3,041,762	3,592,225	-	-	-	-	-	-	-	-	-	21,167,952
-Other income																		
-Survey income	3,481,238	-	-	1,223,864	-	-	-	-	2,272,128	-	3,541,817	-	695,781	1,100,331	1,078,152	2,156,166	2,053,882	17,603,359
	4,420,707	1,181,859	1,792,921	10,585,135	1,073,884	184,561	3,041,762	3,592,225	2,272,128	-	3,541,817	-	695,781	1,100,331	1,078,152	2,156,166	-	38,771,311

Note 16
Program Expenses

PARTICULARS	Unrestricted Research	Restricted - 2023																	Total	
		GDIS - The Agency Fund	MKV 2022	The Asia Foundation	DeliverEd Oxford	IDS T&G	IDS SuPWR	TCF	UOE NTG	Survey: Albany	ICIMOD	IGC PAK 22069 - COVID-19	IGC 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
Conference expense	1,880,641	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,880,641	
Consultancy charges	100,000	2,174,250	5,188,128	-	-	-	-	2,318,118	24,000	-	-	218,000	1,020,000	-	-	-	-	-	10,942,496	
Disbursement expense	-	228,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	228,200	
Event expenses	-	-	-	-	2,671,301	-	5,395,225	-	-	-	-	-	-	-	-	-	-	-	8,066,526	
Field expenses	-	102,260	-	-	-	-	-	231,284	45,090	-	-	-	-	-	-	-	-	-	378,634	
Insurance expense	355,961	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	355,961	
Meals and entertainment	1,352,564	-	-	-	-	-	-	-	-	397	-	-	-	-	-	-	-	-	1,352,961	
Postage and courier charges	1,410	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,410	
Printing and stationery charges	36,126	-	1,200	-	-	-	-	-	9,800	-	-	-	-	-	-	-	-	-	11,000	
Professional fees	3,013,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,013,250	
Rent, rates and taxes	6,169,925	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,169,925	
Salaries and other benefits - Staff	60,787,645	1,641,014	3,527,300	2,099,600	2,299,006	1,117,597	1,621,041	2,599,342	14,842,478	-	1,250,000	278,014	684,833	-	-	-	-	-	31,960,225	
Salaries - Field staff	-	1,432,910	57,585	-	458,000	-	-	1,571,787	-	699,500	471,000	668,360	-	162,750	283,425	304,000	777,200	523,750	7,410,267	
Salaries and other benefits - Survey	15,451,065	285,306	-	-	133,500	-	-	-	-	185,300	-	285,306	-	69,225	94,107	106,058	208,712	198,100	1,565,614	
Survey expenses	-	1,746,000	-	-	298,861	60,282	-	-	34,160	236,514	-	119,574	-	-	55,473	11,690	238,874	73,650	2,875,078	
Subscription	193,980	104,776	-	-	-	-	-	163,057	-	-	-	63,800	-	-	-	-	-	-	331,633	
Travelling and conveyance	937,265	536,240	73,102	-	-	-	3,565	1,150,204	439,509	-	-	471	474,928	-	-	-	-	-	2,678,019	
Utilities	3,054,527	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,054,527	
Total	93,334,359	8,250,956	8,847,315	2,099,600	5,860,668	1,177,879	7,019,831	8,033,792	15,395,037	1,121,314	1,721,397	1,633,525	2,179,761	231,975	433,005	421,748	1,224,786	795,500	66,448,089	

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 Institute of Development Studies (IDS) for research: Sustaning Powers: Women's struggles against contemporary backlash in South Asia.
- 16.4** 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.
- 16.5** 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.
- 16.6** This represents grants received from Hitosubashi University of Japan for conduct the monitoring of RCT interventions under GroMoTo-II. Compile a database of monitoring results and prepare a summary report of the monitoring work.
- 16.7** This represents grant received from International Growth Centre (IGC) on research: Monitoring and Information Provision on Air Quality in Punjab (PAK 22025).
- 16.8** This represents grant received from International Growth Centre (IGC) on research: Subnational Variation in Gender Gaps in Voter Turnout (PAK 22214).
- 16.9** This represents grant received from LUMS on Air Quality Spin Off survey for piloting surveys and collecting data from surveys in Lahore. It involves planning, recruiting and training field staff, managing surveys, presenting data, handling respondent payouts, and managing SMS communication for four months.
- 16.10** This represents grant received from LUMS the Political Economy of Progressive Property Tax Reform.
- 16.11** This represent grant received from British Council on Monitoring and Evaluation Consultancy for English and Digital for Girls' Education (EDGE) with UNICEF 2023-24.
- 16.12** This Represent grant received from OPM-2023 (Oxford Policy Management Pakistan (Pvt.) Holding meetings and surveys to get input from members of the Women's Action Committee (WAC). Forming WAC. And managing Community Funds.
- 16.13** This represent grant received from Royal historical Society to conduct the workshop titled "Collective Reflections on Oral Histories of Pakistan's Women Constitution-Makers".
- 16.14** This Represent grant received from Institute of Development studies on Inequality and Governance in Unstable Democracies: The Mediating Role of Trust.
- 16.15** This Represents grant received from the New York University of Abu Dhabi on data collection regarding the Impact of traditional versus non-traditional educational identity on economic and non-economic outcomes. This includes data collection from 1000 university Students.
- 16.16** This Represent grant received from New York University of Abu Dhabi for survey on Class room Air Quality and for data collection inside and outside schools, Gather information and conduct FGDs with school administration, collect administrative data from teachers regarding student behavior.
- 16.17** This represents grand received from British Asian Trust, where BAT leads the validation study, with the Consultant providing inputs and supporting feedback and finalization.

Note 17

Operating Expenses

	Note	2024 Rupees	2023 Rupees
Salaries and other benefits		10,952,946	8,189,095
Rent, rates and taxes		795,403	552,691
Legal and professional fees		778,375	830,250
Security expenses		528,482	577,695
Utilities		242,800	171,736
Auditor's remuneration		220,000	210,000
Insurance expense		114,906	105,317
Communication charges		98,605	96,000
Repairs and maintenance charges		691,398	372,866
Printing and stationery charges		79,088	182,901
Meals and Entertainment		66,489	20,817
Subscription		131,047	103,417
Travelling and conveyance		285,199	90,722
Postage and courier charges		6,030	10,570
Other charges		106,036	193,942
Bank charges		121,454	216,447
Depreciation charge	4	973,106	610,543
Amortization expense	5	655,752	441,787
		<u>16,847,116</u>	<u>12,976,796</u>

Note 18

Other income

	2024 Rupees	2023 Rupees
Sale of scrap	-	1,800
Gain on disposal of property and equipment	128,500	-
Liabilities written back	177,191	-
Profit on bank deposits	30,862,919	16,563,789
	<u>31,168,610</u>	<u>16,565,589</u>

Note 19

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. There are no transaction with related party except for as disclosed in Note 19.1.

19.1 Remuneration of Chief Executive Officer, Directors and Executives

The aggregate amounts charged in the financial statements for the year as remuneration and benefits to chief executive, directors and executives of the Hospital are as follows:

	2024		2023	
	Chief Executive Officer Rupees	Executives Rupees	Chief Executive Officer Rupees	Executives Rupees
Managerial remuneration	17,970,600	81,009,300	11,999,326	69,081,032
Number of persons	1	10	1	10

19.2 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.

19.3 No remuneration has been paid to any director during the year.

Note 20

Financial Risk Management

20.1 Financial risk factors

The Institute's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Institute's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to members.

Risk management is carried out by the Institute's finance department under policies approved by the senior management.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. This exists because of Institute's foreign currency grants and investments in foreign currency.

At June 30, 2024, if Pakistani Rupee had weakened / strengthen by 1% against US dollars with all other variables held constant, pre-tax income for the year would have been lower / higher by Rs. 4.51 million (2023: Rs. 4.38 million), mainly as a result of foreign exchange losses / gains on translation of US dollar-dominated financial assets.

	2024	2023
	Rupees	Rupees
Short term investments	423,639,546	417,973,631
Bank balances	27,846,582	19,928,890
	<u>451,486,128</u>	<u>437,902,521</u>

The following exchange rates were applied during the year:

	2024	2023
	Rupees	Rupees
Rupees per foreign currency rate		
Average rate - Rupees per US Dollar	<u>283.16</u>	<u>296.35</u>
Reporting date rate - Rupees per US Dollar	<u>278.14</u>	<u>286.18</u>

(ii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As at reporting date, the interest rate profile of the Institute's interest bearing financial instruments was:

Financial assets

Cash at bank - saving account	<u>28,895,295</u>	<u>8,900,408</u>
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Cash flow sensitivity analysis for variable rate instruments

If interest rates at the reporting date, fluctuate by 1% higher / lower with all other variables held constant, income and expenditure for the year would have been Rs. 288,953 (2023: Rs. 89,004) higher / lower, mainly as a result of interest income on floating rates. This analysis is prepared assuming that amounts of assets as at the reporting dates were outstanding for the entire year.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Institute is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

Note 20, Financial Risk Management - Continued

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	2024	2023
		Rupees	Rupees
Other receivables	7	6,832,509	9,775,606
Short term investments	9	423,639,546	417,973,631
Cash and cash equivalents	10	54,611,339	42,060,801
		<u>485,083,394</u>	<u>469,810,038</u>

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates. Risk rating of the bank in which the company has kept balance it deposits is as under:

	Rating		Rating Agency	2024	2023
	Short term	Long term		Rupees	Rupees
Bank Alfalah Limited	A1+	AAA	PACRA	25,716,044	32,662,741
Bank Al Habib Limited	A1+	AAA	PACRA	26,514,665	3,360,049
MCB Bank Limited	A1+	AAA	PACRA	867,567	2,718,756
Standard Chartered Bank	A1+	AAA	PACRA	1,513,063	3,319,255
				<u>54,611,339</u>	<u>42,060,801</u>

(c) Liquidity risk

Liquidity risk is the risk that the Institute shall encounter difficulty in meeting obligations associated with financial liabilities. The Institute manages liquidity risk by maintaining sufficient cash and bank balance. As at the reporting date, the Institute had Rs. 54,611 thousands (2023: Rs. 42,060 thousands) cash and bank balances. Following are the contractual maturities of financial liabilities:

Description	Carrying Amount	Contractual cash flows	Within 1 year	2-5 Years	Above 5 years
			----- Rupees -----		
Contractual maturities of financial liabilities as at June 30, 2024					
Accrued liabilities	<u>694,864</u>	-	<u>694,864</u>	-	-
Contractual maturities of financial liabilities as at June 30, 2023					
Accrued liabilities	<u>9,920,446</u>	-	<u>9,920,446</u>	-	-

(d) Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. Fair value is determined on the basis of objective evidence at each reporting date. The management believes that the fair values of financial assets and financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

Note 20, Financial Risk Management - Continued

20.2 Financial instruments by categories

Financial assets as at June 30, 2024

	Amortized cost	At fair value through OCI	At fair value through profit or loss	Total
	Rupees	Rupees	Rupees	Rupees
Other receivables	6,832,509	-	-	6,832,509
Cash and cash equivalents	54,611,339	-	-	54,611,339
Short term investments	423,639,546	-	-	423,639,546
	<u>485,083,394</u>	<u>-</u>	<u>-</u>	<u>485,083,394</u>

Financial assets as at June 30, 2023

	Amortized cost	At fair value through OCI	At fair value through profit or loss	Total
	Rupees	Rupees	Rupees	Rupees
Other receivables	9,775,606	-	-	9,775,606
Cash and cash equivalents	42,060,801	-	-	42,060,801
Short term investments	417,973,631	-	-	417,973,631
	<u>469,810,038</u>	<u>-</u>	<u>-</u>	<u>469,810,038</u>

Financial liabilities - at amortized cost

	2024	2023
	Rupees	Rupees
Accrued liabilities	<u>694,864</u>	<u>9,920,446</u>

Note 21

Number of Employees

	2024	2023
Number of employees as at the reporting date	<u>44</u>	<u>46</u>
Average number of employees during the year	<u>46</u>	<u>46</u>

Note 22

Authorization of Financial Statements

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

09 OCT 2024

Note 23

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