

**INSTITUTE OF DEVELOPMENT AND
ECONOMIC ALTERNATIVES**

FOR THE YEAR ENDED JUNE 30, 2025

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, 2025, 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, 2025 and of the surplus, the 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 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 Director's 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.

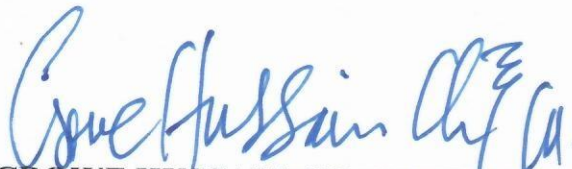
Report on Other Legal and Regulatory Requirements

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, expenditures 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 Zain ul Arfeen.

Lahore
Dated: October 07, 2025
UDIN: AR202510832JYIWNUo7E



CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

INSTITUTE OF DEVELOPMENT AND ECONOMIC ALTERNATIVES

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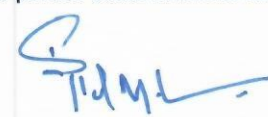
STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
Non Current Assets			
Operating fixed assets	4	761,137	1,436,287
Intangible assets	5	302,425	991,961
		1,063,562	2,428,248
Current Assets			
Trade deposits and prepayments	6	3,011,640	2,894,950
Other receivables	7	11,365,045	6,832,509
Advance income tax	8	3,738,112	3,185,377
Short term investments	9	397,270,300	423,639,546
Bank balances	10	3,167,379	54,611,339
		418,552,476	491,163,721
Total Assets		<u>419,616,038</u>	<u>493,591,969</u>
FUNDS AND LIABILITIES			
Endowment fund	11	329,287,519	362,704,816
Non Current Liabilities			
Unutilized grant	12	86,129,671	130,192,289
Current Liabilities			
Trade and other payables	13	4,198,848	694,864
Contingencies and commitments	14	-	-
TOTAL FUNDS AND LIABILITIES		<u>419,616,038</u>	<u>493,591,969</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)

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
INCOME			
Restricted income for funded projects	15	117,366,035	170,900,408
Unrestricted grant for institutional overheads	15	<u>30,529,468</u>	<u>87,601,506</u>
		147,895,503	258,501,914
EXPENDITURE			
Program expenses	16	<u>196,810,634</u>	<u>279,889,924</u>
Operating expenses	17	<u>19,480,768</u>	<u>16,847,116</u>
		<u>(216,291,402)</u>	<u>(296,737,040)</u>
Operating Deficit		(68,395,899)	(38,235,126)
Exchange gain / (loss)		8,135,650	(6,301,455)
Other income	18	<u>26,842,952</u>	<u>31,168,610</u>
Deficit for the Year before Transfer from Endowment Fund		(33,417,297)	(13,367,971)
Transferred from endowment fund	11	<u>33,417,297</u>	<u>13,367,971</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, 2025

	2025	2024
	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	<u>-</u>	<u>-</u>

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


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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, 2025

Particulars	Endowment fund
	Rupees
Balance as at June 30, 2023	376,072,787
Transferred to income and expenditure statement	<u>(13,367,971)</u>
Balance as at June 30, 2024	362,704,816
Transferred to income and expenditure statement	(33,417,297)
Balance as at June 30, 2025	<u><u>329,287,519</u></u>

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

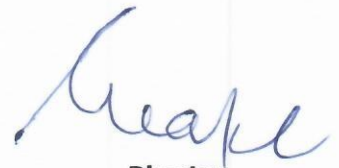
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Chief Executive Officer



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, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Defecit for the year before transfer from endowment fund		-	-
Adjustments for:			
- Depreciation	4	690,950	973,106
- Amortization	5	689,536	655,752
- Gain on disposal of operating fixed assets	18	(43,000)	(128,500)
- Liabilities written back	18	-	(177,191)
		1,337,486	1,323,167
Operating deficit before working capital changes		1,337,486	1,323,167
(Increase) / decrease in current assets:			
- Other receivables	7	(4,532,536)	2,943,097
- Trade deposits and prepayments	6	(116,690)	(198,115)
Increase / (decrease) in current liabilities:			
- Trade and other payables	13	3,503,984	(9,048,391)
		(1,145,242)	(6,303,409)
Cash generated from / (used in) operations		192,244	(4,980,242)
Unutilized grants-net	12	(77,479,915)	24,765,524
Income tax paid	8	(552,735)	(10,131)
Net Cash (Used in) / Generated from Operating Activities		(77,840,406)	19,775,151
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of operating fixed assets	4	(15,800)	(1,382,698)
Purchase of intangible assets	5	-	(304,500)
Proceeds of disposal of operating fixed assets	18	43,000	128,500
Short term investments - net	9	26,369,246	(5,665,915)
Net Cash Generated from / (Used in) Investing Activities		26,396,446	(7,224,613)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net (Decrease) / Increase in Cash and Cash Equivalents		(51,443,960)	12,550,538
Cash and cash equivalents at the beginning of the year	10	54,611,339	42,060,801
Cash and Cash Equivalents at the End of the Year		3,167,379	54,611,339

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

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Chief Executive Officer

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Chief Financial Officer

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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, 2025

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 Repealed Companies Ordinance, 1984 (Now, 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 approved accounting and reporting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Institute's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

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Note 2, Basis of Preparation - Continued

These estimates and related assumptions are reviewed on 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
- Estimation of contingent liabilities - Note 3.7
- Estimation of provisions - Note 3.5

However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

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

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Institute's operations or are not expected to have significant impact on the Institute'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, 2024
IAS 7 Amendments to IAS 7 "Statement of Cash Flows"	January 1, 2024
IFRS 7 Amendments to IFRS 7 "Financial Instruments Disclosures" -Supplier Finance Arrangements (Amendments)	January 1, 2024
IFRS 16 Amendments to IFRS 16 "Leases" - Clarification on how seller-lessee subsequently measures sale and lease back transaction	January 1, 2024

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 Institute'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
IFRS 7 & 9 Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 7 and IFRS 9	January 1, 2026
IFRS 7 & 9 Contracts referencing Nature-dependent Electricity	January 1, 2026

Note 3, Material Accounting Policy Information - Continued

IFRS 1, 7, Annual Improvements to IFRS Accounting Standards
9, 10
and IAS 7 January 1, 2026

IAS 21 Amendments to lack of exchangeability January 1, 2025

IFRS S1 General Requirements for Disclosure of Sustainability-related
Financial Information July 1, 2026

IFRS S2 Climate-Related Disclosures July 1, 2026

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 Institute, by Securities and Exchange Commission of Pakistan (SECP) as at the reporting date:

IFRS 1 First Time Adoption of IFRS

IFRS 18 Presentation and Disclosures in Financial statements

IFRS 19 Subsidiaries Without Public Accountability: Disclosures

The management believes that adoption of the new standards, amendments and interpretations, which are in issue but not yet effective, is not likely to have any material impact, on the recognition, measurement, presentation and disclosure of items in the financial statements for current and future periods and foreseeable future transactions.

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 Assets

Operating fixed assets 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 date on which asset is available for use up to the date on 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

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 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.

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Note 3, Material Accounting Policy Information - Continued

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

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on such assets are charged to the profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation / amortization charge is adjusted in future periods to allocate the asset's revised carrying amount over its remaining 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

A provision is recognized in the statement of financial position when the Institute has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.6 Trade and other payables

These amounts represent liabilities for goods and services provided to the Institute prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within short period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

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.

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Note 3, Material Accounting Policy Information - Continued

Deferred Tax

Deferred tax has not been recognized as the Institute 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 and at fair value through profit or loss. 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. The Institute has currently financial assets that are measured at amortized cost and fair value through profit or loss.

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.

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(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.

3.10 Foreign currency transactions

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the reporting date. Foreign exchange gains and losses on translation are recognised in the statement of profit or loss. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

3.11 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.

3.12 Fund

3.12.1 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.

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Note 3, Material Accounting Policy Information - Continued

3.12.2 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.

3.12.3 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.

3.13 Expenses

Expenses are recognized in income and expenditure statement when incurred.

3.14 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 respective purposes of the Institute with approval of Board of Directors.

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Note 4

Operating Fixed Asset

Year Ended June 30, 2025

Particulars	Cost				Rate	Accumulated Depreciation				Book Value as at June 30, 2025
	As at July 01, 2024	Additions	Deletion	Total as at June 30, 2025		As at July 01, 2024	For the year	Deletion	Total as at June 30, 2025	
	Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees	Rupees
Furniture, fixtures and fittings	3,849,953	-	-	3,849,953	20	3,781,620	68,333	-	3,849,953	-
Office equipment	742,320	-	-	742,320	20 - 50	552,010	58,261	-	610,271	132,049
Computer equipment	2,554,389	15,800	(120,850)	2,449,339	33	1,438,248	508,686	(120,850)	1,826,084	623,255
Mobile phones	246,500	-	-	246,500	50	187,334	53,333	-	240,667	5,833
Air conditioner	972,287	-	-	972,287	20	972,287	-	-	972,287	-
Telephone and fax exchange	114,569	-	-	114,569	20	112,232	2,337	-	114,569	-
Vehicles	68,000	-	-	68,000	20	68,000	-	-	68,000	-
	<u>8,548,018</u>	<u>15,800</u>	<u>(120,850)</u>	<u>8,442,968</u>		<u>7,111,731</u>	<u>690,950</u>	<u>(120,850)</u>	<u>7,681,831</u>	<u>761,137</u>

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>

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. 6,578,702 (2024: Rs. 4,873,117).

Note 5

Intangible Assets

Particulars	Cost				Rate	Amortization				Book Value as at June 30, 2025
	As at July 01, 2024	Additions	Deletion	Total as at June 30, 2025		As at July 01, 2024	For the year	Deletion	Total as at June 30, 2025	
	Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees	Rupees
Website										
Total Rupees 2025	<u>2,572,500</u>	<u>-</u>	<u>-</u>	<u>2,572,500</u>	33	<u>1,580,539</u>	<u>689,536</u>	<u>-</u>	<u>2,270,075</u>	<u>302,425</u>
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>

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

5.2 Fully amortized assets as at the reporting date amounts to Rs. 483,000 (2024: Rs. 483,000).

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Note 6

Trade Deposits and Prepayments

	2025	2024
	Rupees	Rupees
Security deposit against rented premises	900,000	900,000
Prepayments:		
- Rent	1,768,340	1,607,582
- Insurance	206,706	273,177
- Domain hosting and maintenance	136,594	114,191
	<u>2,111,640</u>	<u>1,994,950</u>
	<u>3,011,640</u>	<u>2,894,950</u>

Note 7

Other Receivables

		2025	2024
	Note	Rupees	Rupees
Receivables from implementing partners	12	-	1,434,387
Other receivables	7.1	7,260,359	3,033,802
Accrued profit		4,104,686	2,364,320
		<u>11,365,045</u>	<u>6,832,509</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)	452,519	2,174,447	2,068,552	558,414
Alam Bibi Trust	312,274	1,461,624	1,572,259	201,639
City University of New York	601,600	1,363,577	1,965,177	-
New York University, Abu Dhabi (Admin Data)	675,105	457,000	1,132,105	-
Institute of Development Studies (T&G)	992,304	9,542,626	9,473,070	1,061,860
MetaKeta V	-	1,359,990	1,359,990	-
GDIs Endline	-	2,850,870	-	2,850,870
LUMS PPTR 2024	-	12,400,388	11,090,895	1,309,493
LUMS Land Reforms	-	1,278,083	-	1,278,083
	<u>3,033,802</u>	<u>32,888,605</u>	<u>28,662,048</u>	<u>7,260,359</u>

Note 8

Advance Income Tax

	2025	2024
	Rupees	Rupees
Cash withdrawals	105,471	105,471
Profits on banks	1,039,370	989,288
Grants	2,244,211	1,746,350
Others	340,860	336,068
Telephone	8,200	8,200
	<u>3,738,112</u>	<u>3,185,377</u>

Note 9

Short Term Investments

	Note	2025 Rupees	2024 Rupees
At Amortized Cost			
Term deposit certificate	9.1	<u>397,270,300</u>	<u>423,639,546</u>

9.1 This represents investment in term deposit certificates in USD 1,400,000 (2024: USD 1,500,000) which yield at 5.5% (2024: 7.5%) per annum .

Note 10

Bank Balances

	Note	2025 Rupees	2024 Rupees
Balance at banks:			
Current accounts:			
- Local currency		1,685,981	14,598,226
- Foreign currency	10.1	260,239	11,117,818
Savings accounts:			
- Local currency	10.2	367,260	12,166,531
- Foreign currency	10.3	853,899	16,728,764
		<u>3,167,379</u>	<u>54,611,339</u>

10.1 This represents current account containing USD\$ 917.11 (2024: USD\$ 39,971).

10.2 These carry markup at the rate of 10% to 12% (2024: 20.5% to 20.6%).

10.3 This represents savings accounts containing USD\$ 3009.22 USD (2024: USD\$ 60,144.63) which yield profit 10% to 12%. (2024: 20.5% to 20.6%)

Note 11

Endowment Fund

	2025 Rupees	2024 Rupees
Opening balance	362,704,816	376,072,787
Less: Transfer to income and expenditure	<u>(33,417,297)</u>	<u>(13,367,971)</u>
	<u>329,287,519</u>	<u>362,704,816</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.

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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	573,791	-	573,791	-	-	-	-
- PPTR 23	-	676,792	-	464,419	-	-	212,373
- PPTR 24	-	-	30,637,049	16,432,407	10,234,821	-	3,969,821
- Land Reform	-	-	10,485,875	-	-	-	10,485,875
British Council	860,596	-	5,308,896	933,000	3,515,300	-	-
Stockholm School of Economics (SSE)	-	-	1,130,800	-	-	-	1,130,800
GDIS The Agency Fund	-	7,986,491	-	1,451,028	-	-	6,535,463
Institute of Development Studies (SUPWR)	-	8,715,443	3,236,947	8,526,709	519,243	-	2,906,438
Institute of Development Studies (T&G)	-	25,003,759	-	18,115,470	2,332,751	-	4,555,538
The Citizen Foundation (TCF USA)	-	57,744,338	-	33,091,502	-	-	24,652,836
Hitotsubashi University, Japan	-	504,476	-	446,160	58,316	-	-
International Growth Centre (IGC):							
- Air quality-22025	-	1,203,621	-	-	-	-	1,203,621
- Developing a Smog Alert System 24200	-	-	5,764,617	1,138,306	-	-	4,626,311
- Substantial variation in gender gaps-22214	-	2,097,395	-	555,000	584,255	-	958,140
Royal Historical Society	-	162,266	-	-	-	-	162,266
New York University, Abu Dhabi							
- Admin data	-	4,870,125	4,884,165	1,883,669	7,870,621	-	-
- Water data	-	2,782,500	2,783,000	-	-	-	5,565,500
Harvard University	-	2,089,070	-	-	-	-	2,089,070
University of California, Berkeley	-	10,118,053	12,803,358	20,509,983	2,411,428	-	-
PhD Candidate Engagement Program	-	995,300	-	-	-	-	995,300
City University of New York	-	5,242,660	-	2,239,927	3,002,733	-	-
University College London	-	-	9,276,052	7,112,165	-	-	2,163,887
OPM (Oxford Policy Management Pakistan (Private) Limited.	-	-	18,382,722	4,466,290	-	-	13,916,432
Total as at June 30,2025	1,434,387	130,192,289	105,267,272	117,366,035	30,529,468	-	86,129,671
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

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

	2025	2024
	Rupees	Rupees
Accrued liabilities	2,345,388	694,864
Withholding tax payable	1,853,460	-
	4,198,848	694,864

Note 14

Contingencies and commitments

14.1 Contingencies

14.1.1 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, the Commissioner Inland Revenue (Appeals) remanded the case back to the Assessing officer vide order dated October 16, 2024. The Institute has submitted its reply against the reassessment proceedings on July 17, 2025, which is pending adjudication.

14.1.2 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 on issue of exempt income. The Institute being aggrieved, 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.

14.2 Commitments

There are no material commitment to be disclosed as at the reporting date (2024: Nil).

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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

Note 15
Income

Particulars	2025																Total	June 30, 2024	
	GDIS - The Agency Fund	MKV 2022	IDS SuPWR	TCF	LUMS PPTR-24	Hitosubashi University of Japan	IGC PAK 24200	IGC PAK 22214	DARE 2025	LUMS-PPTR 23	British Council	UCL 2025	CUNY 2023	IDS T & G	NYUAD-Admin Data	Rupees			Rupees
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees			Rupees
Restricted income for funded projects	1,451,028	20,509,983	8,526,709	33,091,502	16,432,407	446,160	1,138,306	555,000	4,466,290	464,419	933,000	7,112,165	2,239,927	18,115,470	1,883,669		117,366,035	170,900,408	
Unrestricted grant for institutional overheads (Note 15.1)	-	2,411,428	519,243	-	10,234,821	58,316	-	584,255	-	-	3,515,300	-	3,002,733	2,332,751	7,870,621		30,529,468	87,601,506	
	1,451,028	22,921,411	9,045,952	33,091,502	26,667,228	504,476	1,138,306	1,139,255	4,466,290	464,419	4,448,300	7,112,165	5,242,660	20,448,221	9,754,290		147,895,503	258,501,914	

15.1 The grant utilized against restricted expenses are detailed below:

Particulars	2025																Total Project Expenses	Total 2025		
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees			Rupees	Rupees
Institutional overheads:-																				
-Overhead income	-	663,648	519,243	-	-	58,316	-	584,255	-	-	3,515,300	-	-	-	-	-	-	-	5,340,762	19,769,852
-Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,547,304
-Survey income	-	1,747,780	-	-	10,234,821	-	-	-	-	-	-	-	3,002,733	2,332,751	7,870,621	-	-	-	25,188,706	61,284,350
	-	2,411,428	519,243	-	10,234,821	58,316	-	584,255	-	-	3,515,300	-	3,002,733	2,332,751	7,870,621	-	-	-	30,529,468	87,601,506

Note 16
Program Expenses

PARTICULARS	Unrestricted - Research	Restricted - 2025														Total Project Expenses	Total 2025			
		GDIS - The Agency Fund	MKV 2022	IDS SuPWR	TCF	LUMS PPTR-24	Hitosubashi University of Japan	IGC PAK 24200	IGC PAK 22214	DARE 2025	LUMS-PPTR 23	British Council	UCL 2025	CUNY 2023	IDS T & G			NYUAD-Admin Data	Rupees	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	16.5	16.10	16.11	16.12	16.13	16.14				
Conference expense	2,236,768	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,236,768	
Consultancy charges	-	-	11,377,472	-	17,632,881	-	-	-	-	-	-	-	2,995,238	-	-	-	-	-	32,005,591	
Computer expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Disbursement expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,407,303	
Event expenses	175,944	-	18,900	2,388,403	-	-	-	-	-	-	-	-	-	865,777	4,694,790	615,105	-	-	12,732,627	
Field expenses	-	124,340	458,430	-	-	5,974,185	-	-	-	-	-	-	-	-	-	-	-	-	2,053,450	
Insurance expense	425,490	-	-	-	-	-	-	-	-	2,053,450	-	-	-	-	-	-	-	-	65,570	
Meals and entertainment	1,770,112	-	-	-	-	-	-	-	-	-	-	-	65,570	-	-	-	-	-	-	
Postage and courier charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Printing and stationery charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Professional fees	404,750	-	-	953,177	-	-	-	232,500	-	-	410,000	-	-	-	-	-	-	-	1,595,677	
Rent, rates and taxes	7,791,541	-	-	-	-	-	-	-	-	919,136	-	-	-	-	-	-	-	-	919,136	
Salaries and other benefits - Staff	62,372,435	1,313,326	2,061,189	5,180,129	14,611,229	-	-	905,806	555,000	1,435,690	-	933,000	1,066,452	601,600	-	-	-	-	28,663,421	
Salaries - Field staff	-	-	937,560	5,000	-	3,392,905	446,160	-	-	-	-	-	-	497,800	4,021,726	517,000	-	-	9,818,151	
Salaries - Survey	-	-	5,560,000	-	-	7,065,317	-	-	-	-	-	-	-	274,750	9,398,954	751,564	-	-	23,050,585	
Website expenses	1,693,204	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	386,734	
Subscription	351,906	13,362	91,990	-	281,382	-	-	-	-	-	-	-	-	-	-	-	-	-	3,667,790	
Travelling and conveyance	346,577	-	4,442	-	566,010	-	-	-	-	58,014	54,419	-	2,984,905	-	-	-	-	-	1,875,872	
Utilities	1,875,872	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	79,444,599	1,451,028	20,509,983	8,526,709	33,091,502	16,432,407	446,160	1,138,306	555,000	4,466,290	464,419	933,000	7,112,165	2,239,927	18,115,470	1,883,669	117,366,035	196,810,634		

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Note 15 & 16 - Continued..

Note 15
Income

Particulars	2024																		Total Rupees
	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	
	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	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
institutional overheads (Note 15.2)	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

15.2 The grant utilized against restricted expenses are detailed below:

Particulars	2024																		Total Rupees
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees		
Institutional overheads:-																			19,769,852
-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	-	6,547,304
-Other income	-	4,400,352	-	1,850,852	-	-	-	-	-	-	-	-	-	-	-	-	-	296,100	61,284,350
-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	-	-	87,501,506
	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	-

Note 16
Program Expenses

PARTICULARS	Unrestricted - Research Rupees	Restricted - 2024																		Total Project Expense Rupees	Total Rupees
		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			
																				3,605,947	3,605,947
Conference expense	3,605,947	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,635,952	35,635,952
Consultancy charges	-	2,156,180	23,969,113	-	7,069,097	2,441,562	-	-	-	-	-	-	-	-	-	-	-	-	-	601,000	601,000
Computer expense	-	-	-	-	601,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disbursement expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	902,698	1,173,043
Event expenses	270,345	-	-	25,754	-	815,712	-	-	-	-	-	-	-	61,232	-	-	-	-	-	35,351,521	35,351,521
Field expenses	-	978,931	1,598,072	-	73,076	31,386	1,309,235	-	1,557,364	650,001	3,064,888	-	-	-	-	407,870	25,680,698	-	-	-	457,143
Insurance expense	457,143	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,685,922
Meals and entertainment	1,685,922	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	660
Postage and courier charges	660	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,384,795
Printing and stationery charges	-	-	1,384,795	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,996,423	2,420,547
Professional fees	424,124	-	273,000	-	-	-	-	-	-	1,723,423	-	-	-	-	-	-	-	-	-	-	7,158,626
Rent, rates and taxes	7,158,626	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52,532,504
Rent, rates and taxes	7,158,626	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121,284,732
Rent, rates and taxes	7,158,626	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,665,080
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	-	26,665,080	26,665,080	
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	-	-	3,518,691	24,788,691	
Salaries - Survey	21,270,000	358,500	1,344,130	-	-	-	-	171,873	-	453,125	254,688	117,000	-	-	-	819,375	-	-	-	-	
Survey expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Survey expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Website expenses	1,133,413	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	947,827	1,244,986
Subscription	297,159	10,292	56,663	-	323,388	451,560	-	-	-	-	63,205	-	-	-	42,719	-	-	-	-	11,363,917	13,223,652
Travelling and conveyance	1,859,735	325,324	349,142	-	7,504,389	1,507,063	433,823	787,867	50,732	-	-	119,638	81,062	77,536	-	-	-	-	-	-	2,074,214
Utilities	2,074,214	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Utilities	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	

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Note 16, Program expenses, Continued...

- 16.1** This represents grant received from GDIS-the agency fund on research: Community Health Workers (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 grant received from LUMS the Political Economy of Progressive Property Tax Reform.
- 16.6** This represents grants received from Hitosubashi University of Japan to 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 developing a Smog Alert System in Lahore to enhance Public Response and Policy Decisions. (PAK 24200).
- 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 represent grant received from OPM (Oxford Policy Management Pakistan (Pvt.) Ltd. for the "Data and Research in Education-Research Consortium (DARE-RC).
- 16.10** This represent grant received from British Council on Monitoring and Evaluation Consultancy for English and Digital for Girls' Education (EDGE) with UNICEF 2023-24.
- 16.11** This represent grant received from University College London (UCL) for Climate Emergencies and Early Childhood Development: A Qualitative Research Project.
- 16.12** This represent grant received from City University of New York to conduct the survey on "Socio-Economic Inequality".
- 16.13** This represent grant received from Institute of Development studies on Inequality and Governance in Unstable Democracies: The Mediating Role of Trust.
- 16.14** This represents grant received from the New York University of Abu Dhabi on data collection of school admin data. The project is focused on collecting administrative data from schools to evaluate the effectiveness of various programs implemented by the school's head office, including an intervention involving air purifiers. This includes data collection from 130 schools.

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Note 17

Operating Expenses

	Note	2025 Rupees	2024 Rupees
Salaries and other benefits		13,459,864	10,952,946
Rent, rates and taxes		865,727	795,403
Legal and professional fees		626,250	778,375
Security expenses		553,040	528,482
Utilities		223,029	242,800
Auditor's remuneration		350,000	220,000
Insurance expense		94,154	114,906
Communication charges		105,250	98,605
Repairs and maintenance charges		323,501	691,398
Printing and stationery charges		63,212	79,088
Meals and entertainment		96,994	66,489
Subscription		26,580	131,047
Travelling and conveyance		926,707	285,199
Postage and courier charges		5,150	6,030
Other charges		170,740	106,036
Bank charges		210,084	121,454
Depreciation charge	4	690,950	973,106
Amortization expense	5	689,536	655,752
		<u>19,480,768</u>	<u>16,847,116</u>

Note 18

Other income

	2025 Rupees	2024 Rupees
Sale of scrap	1,900	-
Gain on disposal of property and equipment	43,000	128,500
Liabilities written back	-	177,191
Profit on bank deposits	26,798,052	30,862,919
	<u>26,842,952</u>	<u>31,168,610</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 Institute are as follows:

	2025		2024	
	Chief Executive Officer Rupees	Executives Rupees	Chief Executive Officer Rupees	Executives Rupees
Managerial remuneration	24,818,400	63,841,234	17,970,600	81,009,300
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.

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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, 2025, 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. 3.98 million (2024: Rs. 4.51 million), mainly as a result of foreign exchange losses / gains on translation of US dollar-dominated financial assets.

	2025	2024
	Rupees	Rupees
Short term investments	397,270,300	423,639,546
Bank balances	1,114,138	27,846,582
	<u>398,384,438</u>	<u>451,486,128</u>

The following exchange rates were applied during the year:

	2025	2024
	Rupees	Rupees
Average rate - Rupees per US Dollar	280.95	283.16
Reporting date rate - Rupees per US Dollar	283.76	278.14

(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>1,221,159</u>	<u>28,895,295</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. 12,212 (2024: Rs. 288,953) 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.

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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	2025 Rupees	2024 Rupees
Other receivables	7	11,365,045	6,832,509
Short term investments	9	397,270,300	423,639,546
Bank balances	10	3,167,379	54,611,339
		<u>411,802,724</u>	<u>485,083,394</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	2025	2024
	Short term	Long term		Rupees	Rupees
Bank Alfalah Limited	A1+	AAA	PACRA	1,946,220	25,716,044
Bank Al Habib Limited	A1+	AAA	PACRA	148,183	26,514,665
MCB Bank Limited	A1+	AAA	PACRA	412,962	867,567
Standard Chartered Bank	A1+	AAA	PACRA	660,014	1,513,063
				<u>3,167,379</u>	<u>54,611,339</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. 3,167,000 (2024: Rs. 54,611,000) 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, 2025

Accrued liabilities	<u>2,345,388</u>	<u>2,345,388</u>	<u>2,345,388</u>	-	-
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Contractual maturities of financial liabilities as at June 30, 2024

Accrued liabilities	<u>694,864</u>	<u>694,864</u>	<u>694,864</u>	-	-
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(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.

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Note 20, Financial Risk Management - Continued

20.2 Financial instruments by categories

Financial assets as at June 30, 2025

	Amortized cost	At fair value through OCI	At fair value through profit or loss	Total
	Rupees	Rupees	Rupees	Rupees
Other receivables	11,365,045	-	-	11,365,045
Short term investments	397,270,300	-	-	397,270,300
Bank balances	3,167,379	-	-	3,167,379
	<u>411,802,724</u>	<u>-</u>	<u>-</u>	<u>411,802,724</u>

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
Short term investments	423,639,546	-	-	423,639,546
Bank balances	54,611,339	-	-	54,611,339
	<u>485,083,394</u>	<u>-</u>	<u>-</u>	<u>485,083,394</u>

Financial liabilities - at amortized cost

	2025	2024
	Rupees	Rupees
Accrued liabilities	<u>2,345,388</u>	<u>694,864</u>

Note 21

Number of Employees

	2025	2024
Number of employees as at the reporting date	<u>33</u>	<u>44</u>
Average number of employees during the year	<u>36</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 _____.

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