



**Pakistan Institute of
Public Finance
Accountants**

Annual Report 2024

PIPFA

is a Full Member of



**International
Federation
of Accountants®**

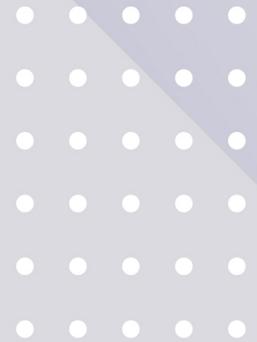


Pakistan Institute of Public Finance Accountants



Our Vision

"To be a premier professional body that develops distinguished public finance accountants for the corporate and public sectors."



Our Mission

"To contribute towards continuous development, enhancement and strengthening of the field of accountancy, public finance and audit to support economic growth in the country."



Our Core Values

- Professional Excellence
- Integrity
- Good governance
- Transparency
- Accountability
- Innovation
- Objectivity



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**Board of
Governors**



Board of Governors



Mr. Muhammad Ali Latif
President
(Nominee of ICAP)



Mr. Usman Ahsan
Vice President
(Elected Member)



Mr. Muhammad Kamran Khan
Secretary
(Nominee of AGP)



Mr. Muhammad Sharif
Treasurer
(Elected Member)



Mr. Shaham Ahmed
Joint Secretary
(Nominee of ICMA Pakistan)



Mr. Zia Ul Mustafa Awan
Member
(Nominee of ICMA Pakistan)



Mr. Awais Yasin
Member
(Nominee of ICMA Pakistan)



Ms. Khursheed Kotwal
Member
(Nominee of ICAP)



Mr. Sajid Hussain
Member
(Elected Member)



Mr. Shahab Qadir
Member
(Nominee of ICAP)



Mr. Nazar Muhammad Ranjha
Member
(Nominee of AGP)



Ms. Sameena Fayyaz
Member
(Nominee of AGP)

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**Past Office
Bearers**



Past Office Bearers

PERIOD	PRESIDENT	VICE PRESIDENT	SECRETARY	JOINT SECRETARY/ TREASURER
1995	Mr. Qaisar Mufti	Mr. Muhammad Yousaf Adil	Mr. Khalid Rafiq	Mr. Mohammad Maqbool Mr. Jamal Abbas Zaidi
1996	Mr. Mohammad Maqbool	Syed Mujahid Hussain	Mr. Ashraf Bawany	Mr. Jamal Abbas Zaidi Mr. Azhar Hussain
1997	Syed Mujahid Hussain	Mr. Ashraf Bawany	Mr. Faqir Hussain Khan	Mr. Azhar Hussain Mr. Zulfiqar Ali Kadri
1998	Mr. Ashraf Bawany	Mr. Fazal Mehmood	Syed Mujahid Hussain	Mr. Sajid Hussain Mr. U. A. Raza
1999	Mr. Fazal Mehmood	Mr. Faqir Hussain Khan	Mr. Muhammad Ashraf	Mr. Muhammad Sharif Mr. U. A. Raza
2000	Mr. Azhar Hussain	Mr. S. T. Rehman	Mr. Muhammad Ashraf	Mr. Muhammad Sharif Mr. Khaliq Ur Rehman
2001	Mr. Sohail Safdar	Mr. Badruddin Fakhri	Mr. Khaliq Ur Rehman	Mr. Muhammad Sharif Mr. Khaliq Ur Rehman
2002	Mr. Badruddin Fakhri	Mr. Khaliq Ur Rehman	Mr. Muhammad Sharif	Mr. Zahid Saeed Mr. Zulfiqar Ali Kadri
2003	Mr. Khaliq Ur Rehman	Mr. Muhammad Sharif	Mr. Abdus Sattar	Mr. Zulfiqar Ali Kadri
2004	Mr. Faqir Hussain Khan	Mr. Zulfiqar Ali Kadri	Mr. Abdul Rahim Suriya	Mr. Mehmood Ahmad Lodhi Mr. Zulfiqar Ali Kadri
2005	Mr. Zulfiqar Ali Kadri	Mr. Azam Khan Shad	Mr. Hidayat Ali Khan	Mr. Muhammad Sharif
2006	Mr. Azam Khan Shad	Mr. Hidayat Ali Khan	Mr. Muhammad Sharif	Mr. Khalid Ali Shah
2007	Mr. Arif Mansur	Mr. Muhammad Sharif	Mr. Muhammad Junaid	Mirza Munawar Hussain
2008	Mr. Muhammad Sharif	Mr. Sameen Ashgar	Mirza Munawar Hussain	Syed Shahid Hussain Jafri
2009	Mr. S. M. Awais Mr. Ejaz Ali Pirzda	Mirza Munawar Hussain	Mr. Rashid Rahman Mir	Mian Muhammad Shoaib
2010	Mirza Munawar Hussain	Mr. Rashid Rahman Mir	Mian Muhammad Shoaib	Dr. Syed Turab Hyder
2011	Mr. Rashid Rahman Mir	Mr. Sajid Hussain	Syed Intiaz Hussain Bukhari	Mr. Shahzad Ahmad Awan
2012	Mian Muhammad Shoaib Mr. Sajid Hussain	Dr. Syed Turab Hyder	Mr. Shahzad Ahmad Awan	Mr. Adnan Zaman
2013	Dr. Syed Turab Hyder Mr. Muhammad Ashraf Shaikh	Mr. Shahzad Ahmad Awan	Mr. Rafaqatullah Babar Mr. M. Sharif Tabani	Mian Muhammad Shoaib
2014	Mr. Shahzad Ahmad Awan	Mr. Mohammad Maqbool	Mr. Sajid Hussain	Mr. Shahzad Raza Syed
2015	Mr. Mohammad Maqbool	Mr. Muhammad Sharif	Mr. Shahzad Raza Syed Mr. Imran Iqbal	Syed Masood Akhtar Khawaja Ehrar-ul-Hassan
2016	Mr. Muhammad Sharif	Mr. Imran Iqbal	Mr. Raheel Asghar Ginai	Mr. Usman Ahsan Mr. Sarmad Ahmad Khan
2017	Mr. Hassan Saqlain Mr. Intisar Ahmad Khan	Sayyid Mansoob Hassan	Mr. Sarmad Ahmad Khan	Mr. Usman Ahsan Mr. Sajid Hussain
2018	Khawaja Ehrar-ul-Hassan Mr. Ghulam Mustafa Qazi	Mr. Muhammad Ali Latif	Mr. Usman Ahsan	Mr. Azhar Hameed Mr. Sajid Hussain
2019	Mr. Muhammad Ali Latif	Mr. Usman Ahsan	Mr. Fareed Mehmood Ch.	Mr. Muhammad Yasin Mr. Sajid Hussain
2020	Mr. Sajid Hussain	Mr. Fareed Mehmood Ch.	Mr. Muhammad Yasin	Mr. Usman Ahsan Mr. Sami Ullah Musa
2021	Mr. Muhammad Nasir Ali Ms. Namana Gulrukh Fareed	Mr. Muhammad Yasin Mr. Muhammad Ali Latif	Mr. Usman Ahsan	Mr. Muhammad Sharif
2022	Mr. Muhammad Yasin	Mr. Muhammad Ali Latif	Mr. Usman Ahsan	Mr. Muhammad Sharif Mr. Kamran Ali Hashmi
2023	Mr. Muhammad Ali Latif	Mr. Usman Ahsan	Mr. Muhammad Kamran Khan	Mr. Shaham Ahmed Mr. Muhammad Sharif

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Standing Committees



Standing Committees

Executive Committee	
Name	Designation
Mr. Muhammad Ali Latif	Chairman
Mr. Usman Ahsan	Member
Mr. Muhammad Kamran Khan	Member
Mr. Muhammad Sharif	Member
Mr. Shaham Ahmed	Member

Board of Studies	
Name	Designation
Mr. Sajid Hussain	Chairman
Ms. Sameena Fayyaz	Member
Ms. Khursheed Kotwal	Member
Mr. Usman Ahsan	Member
Mr. Zia UI Mustafa Awan	Member

Examination Committee	
Name	Designation
Mr. Usman Ahsan	Chairman
Mr. Sajid Hussain	Member
Mr. Muhammad Kamran Khan	Member
Mr. Shaham Ahmed	Member
Mr. Muhammad Sharif	Member
Mr. Shahab Qadir	Member

Regulatory & Disciplinary Committee	
Name	Designation
Mr. Nazar Muhammad Ranjha	Chairman
Mr. Muhammad Sharif	Member
Mr. Zia UI Mustafa Awan	Member
Mr. Shahab Qadir	Member
Mr. Samiullah	Member

CPD & Publication Committee	
Name	Designation
Mr. Usman Ahsan	Chairman
Mr. Awais Yasin	Member
Ms. Sameena Fayyaz	Member
Mr. Shahab Qadir	Member
Ms. Khursheed Kotwal	Member

Technical Committee	
Name	Designation
Mr. Sajid Hussain	Chairman
Mr. Zia UI Mustafa Awan	Member
Mr. Nazar Muhammad Ranjha	Member
Ms. Khursheed Kotwal	Member
Mr. Usman Ahsan	Member

Budget & Investment Committee	
Name	Designation
Ms. Khursheed Kotwal	Chairman
Mr. Muhammad Sharif	Member
Mr. Awais Yasin	Member
Mr. Nazar Muhammad Ranjha	Member

Audit Committee	
Name	Designation
Mr. Usman Ghani	Chairman
Mr. Saifullah	Member
Mr. Saifullah Sheikh	Member
Mr. Mohammad Amir Usman	Member

Ethics & Advisory Committee	
Name	Designation
Mr. Shahab Qadir	Chairman
Mr. Muhammad Sharif	Member
Ms. Sameena Fayyaz	Member
Mr. Awais Yasin	Member

Investigation Committee	
Name	Designation
Ms. Sameena Fayyaz	Chairman
Mr. Muhammad Sharif	Member
Mr. Shaham Ahmed	Member
Mr. Shahab Qadir	Member
Mr. Ahmed Ali Latif	Member



PIPFA

Branch Committees

2023 -2024

FAISALABAD

Name	Position
Mr. Abdus Salam (FPFA)	Convener
Mr. Umar Saeed (FPFA)	Member
Dr. Iqbal Mahmood (FPFA)	Member
Mr. Imran Munir (FPFA)	Member
Mr. Nasir Bashir (APFA)	Member

ISLAMABAD

Name	Position
Mr. Zahid Farooq (FPFA)	Convener
Mr. Muhammad Junaid Younas (APFA)	Member
Ms. Tameela Hussain (APFA)	Member
Mr. Waqar Bin Zulfiqar (APFA)	Member
Mr. Waqas Ali (APFA)	Member

KARACHI

Name	Position
Mr. Muhammad Aqib (FPFA)	Convener
Mr. Aaqib Jawed (APFA)	Member
Mr. Adnan Abdul Ghaffar (FPFA)	Member
Mr. Syed Faraz Ali Shah (FPFA)	Member
Mr. Sabeeh Uz Zaman (APFA)	Member

LAHORE

Name	Position
Mr. Farhan Dilawar Sheikh (FPFA)	Convener
Mr. Ibn E Abbas Ashraf (FPFA)	Member
Mr. Shaukat Hussain (FPFA)	Member
Mr. Fahim Mukhtar (FPFA)	Member
Mr. Muhammad Aamir Iqbal (APFA)	Member

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**Management
of the
Institute**



Management of the Institute



Mr. Imdad Ali Shaikh
Executive Director



Ms. Rana Nazir Fatima
Director Examination



Mr. M. Naeem Akhtar
Director



Mr. Jamshaid Riaz
Joint Director Examinations



Mr. Atiq-ur-Rehman
Joint Director Education



Mr. Imran Ahmad
Deputy Director Technical and Members



Mr. Kashif Ullah
CFO



Kh. S. M. Tariq Zafar
Deputy Director IT



Mr. Haseeb A. Babar
Deputy Director Education



Ms. Sameen Azher
Assistant Director Examinations



Syed Mujtaba Ihsan
Assistant Director Marketing



Mr. Shakeel Butt
Assistant Director Education

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Notice of Annual General Meeting



Notice of 31st Annual General Meeting

Notice is hereby given that 31st Annual General Meeting of **Pakistan Institute of Public Finance Accountants** (PIPFA) will be held at PIPFA Office, No. 27 & 28, 3rd floor, Rahmat Centre, I-8 Markaz, Islamabad on **Thursday, 24th October, 2024** at **3:00 PM** to transact the following business;

Ordinary Business

1. To confirm the minutes of the 30th Annual General Meeting held on Saturday, 28th October, 2023 at 4:00 PM at PIPFA Branch Office, Lahore;
2. To consider and adopt the audited financial statements of the Institute for the year ended 30th June, 2024 together with the Report of the Auditor thereon and the report of the Board of Governors;
3. To appoint Auditors for the year ending 30th June, 2025 and fix their remuneration. The present Auditor M/s Parker Russell A.J.S. Chartered Accountants have offered themselves for re-appointment;
4. Any other business with the permission of the Chair.

By order of the Board

Muhammad Kamran Khan
Secretary

October 3, 2024

Notes:

- a) PIPFA Members admitted up to and not having any membership dues outstanding as on 30th September 2024 are eligible to attend and vote.
- b) A member entitled to attend this meeting may appoint any other eligible member as his/her proxy to attend the meeting and vote therein.
- c) The instrument appointing a proxy must be deposited at the Head Office, Karachi of the Institute at least 48 hours before the meeting time.
- d) The member who will be personally attending the meeting at Islamabad will be entitled to cast their vote personally and other members must cast their vote through Proxy Form (attached at the end of the report).
- e) Members are requested to notify any change in their address(s) and signature, immediately and always quote Membership Number in all communications with the Institute.

President's Review

It is by working together
with our members,
students, and stakeholders
that we can create value
for our beloved Pakistan!!



It is with great pleasure that I present the 31st Annual Report of the Pakistan Institute of Public Finance Accountants (PIPFA) for the year ended June 30, 2024. The achievements highlighted in this report reflect PIPFA's significant contributions to advancing the accountancy profession and enhancing the nation's economic stability. These accomplishments not only elevate the professional journey of our accountants but also reinforce their roles as key business advisors. Our members contribute to development of our country's economy through the skills that augment the capacity for businesses to progress. We must be proud of our members of PIPFA in contributing towards Government policy formulation and economic legislation.

Throughout the past year, PIPFA has continued to play a crucial role in the development and promotion of the accountancy profession. Our comprehensive training and development programs are central to our mission, aimed at enhancing the skills and knowledge of our students and members across both the public and corporate sectors. In today's rapidly evolving business environment, we recognize that continued professional development, is essential to maintain a competitive edge in our accounting profession. The overall impact PIPFA intends to create is to enhance public trust and confidence in our profession.

Notably, during the 2023-2024 year, PIPFA has successfully transitioned all educational activities to digital platforms. This shift facilitated remote Gateway Exams, PSTC, CCPT, and regular classes through online mediums, ensuring uninterrupted learning opportunities.

I wish to acknowledge the exceptional contributions of the PIPFA team members who exhibited exemplary performance, responsibility and dedication in executing the full spectrum of educational activities. PIPFA's marketing department has played a pivotal role in bolstering our global presence, actively conducting online education campaigns for admissions, exemptions, and gateway exams. Through diligent digital marketing efforts, the department has enhanced our brand visibility and garnered increased registrations.

We have remained steadfast in our commitment to excellence by delivering high-quality education. Our dedication to providing PIPFA qualifications has empowered our members to navigate the complexities of today's business landscape with greater confidence and success.



The commitment to upholding ethical standards and striving for excellence within our ranks continues to serve as a beacon for aspiring accountants. Looking ahead, we will continue to uphold our core values of professionalism, integrity, and accountability, while pursuing excellence across all segments.

A significant milestone this year is the recognition of the PIPFA qualification by the Saudi Organization for Certified Public Accountants (SOCPA). This achievement has notably increased employment opportunities for PIPFA qualified professionals in the Kingdom of Saudi Arabia. Our global outreach is further supported by various online webinars focused on the latest developments in accounting profession, thus enhancing the careers of professionals in the accounting and finance profession.

Continued Professional Development (CPD) remains a cornerstone of PIPFA's strategy. We are committed to offering advanced-level programs through our Branch Committees in Karachi, Lahore, Islamabad, and Faisalabad, providing essential training and development opportunities for our members.

Future Plans:

Looking to the future, we have several strategic goals, including:

- Attaining membership in regional professional accounting organizations such as CAPA.
- Expediting the legislative process of the PIPFA Act.
- Expanding our student intake from the public sector by engaging more government organizations.
- Offering capacity-building support and educational services to various public sector organizations.
- Expanding the network of Memorandum of Understanding (MOUs) with universities, institutes, and consultancy firms to expand the job market for PIPFA's member and students
- Continual refinement of professional syllabus and papers tailored for public sector entities.

As we shift our focus toward the upcoming year, I wish to extend heartfelt gratitude to the Board of Governors, branch committee members, employees, faculty, and students for their continued commitment and contributions to fortifying PIPFA's standing. I express deep appreciation to our sponsoring bodies, AGP, ICAP, and ICMAP, for their enduring trust and support.

Finally, as I am concluding my term, I found it an incredible year of my professional life. I am immensely proud of what we have achieved together and I have no doubt that the Institute will continue to flourish and I expect every member of our beloved Institute to voluntarily devote some time by becoming a part of various committees.

I would like to offer my sincere thanks to all our volunteers in committees and boards, who generously gave their time and expertise to support our activities and were instrumental in our success.

PIPFA Zindabad!!

M. Ali Latif, FCA
President

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**Report of
the Board of
Governors**



Report of the Board of Governors

The Board of Governors of the Pakistan Institute of Public Finance Accountants (PIPFA) is pleased to share the 2024 Annual Report along with the Audited Financial Statements for the fiscal year ending June 30th, 2024. PIPFA is a proud member of the International Federation of Accountants (IFAC) and is honored to maintain the highest professional finance education standards. Our main objective is to ensure that our curriculum meets the strict international standards established by IFAC.

This year, PIPFA has successfully hosted a number of valuable webinars and training sessions that have greatly helped our members in their professional development. Our dedication to excellence and ethical behavior is central to our mission. We are excited about the prospect of making further substantial contributions to the accounting profession in the years to come.

As part of our strategic initiatives, we are excited to announce the upcoming launch of the **Digital Board**, a cutting-edge platform designed to further support the professional growth of our members. This platform will soon be available, offering innovative tools and resources for continuous development and engagement.

PIPFA's commitment is based on principles of good governance and ongoing development. We are determined to improve our educational programs, reach more people and build a stronger professional network. Looking ahead, PIPFA with great devotion is looking forward to excel in the field of public sector finance and accounting.

FINANCIAL HIGHLIGHTS

The financial performance for the year 2023-24 as compared to 2022-23 is as follows:

	2023-24 (Rupees)	2022-23 (Rupees)
Revenues	89,854,340	100,566,447
Expenses	87,021,975	74,871,629
Profit for the year	<u>2,832,365</u>	<u>25,694,818</u>

The dedication of the Board has resulted in progress, as seen in the improved financial performance and profitability. This year, there is a surplus of Rs2.832 million which shows the success of disciplined budgeting, careful management, financial responsibility and a commitment to quality. Last year's income includes amount derived from sale proceeds of PIPFA property sold for Rs26.00 million. As such our actual increase from operations is 15.289 million, which is almost 21% increase. The Board's proactive approach to ensuring the financial sustainability of the institute has also played a key role. Revenue from Education Department and Exam Department has increased due to the implementation of innovative and modern assessment practices, such as online classes for CCPT and access to Gateway exam worldwide. Digital marketing tactics have played a significant role in building goodwill and brand image of the institute in Pakistan.

Even though due to occurrence of higher expenses and financial difficulties in all areas, the Board managed to minimize the costs by strategic planning. The Education department saw a drop in corporate registrations and public sector nominations, which affected revenue. However, both management and the Board are hopeful that things will get better in the coming years. This is because we are working harder to promote our qualifications through better planning.



THE BOARD COMMITTEES

The Board's decision-making is supported by detailed scrutiny carried out by its committees. The Board was supported by ten standing committees as listed below.

1. Executive Committee
2. Board of Studies
3. Examination Committee
4. Budget & Investment Committee
5. Audit Committee
6. Technical Committee
7. Continuous Professional Development (CPD) & Publication Committee
8. Ethics & Advisory Committee
9. Regulatory & Disciplinary Committee
10. Investigation Committee

The Board Committees decided to eliminate coaching costs through strategic collaboration. This will help predict better financial standing and revenue growth while cutting down on unnecessary expenses. We truly believe in the power of these strategies, which are supported by educational and marketing activities, IFAC membership, expanded CPD offerings and partnerships. With focused efforts and strategic partnerships, we are in a great position to achieve outstanding financial results that will make a big impact on both our performance and the accounting industry. Building on commitments from last year through successful negotiations, PIPFA has secured cooperation with essential entities and is now aiming to penetrate different markets.

GOOD GOVERNANCE INITIATIVES

The Institute really cares about making sure things are run well, which matches up with the Code of Corporate Governance (CCG) by SECP. Even though they don't have to, the Board wants to stick to these rules because it's the right thing to do and it helps them do their best work.

The Board made a special team called the Audit Committee to keep a close eye on things and make sure everything is fair. They brought in some experts who don't have any bias to help out. The Ethics and Advisory Committee was created to help members and students understand how to act professionally. These steps are meant to make sure everything is in order, the money is handled properly and everyone acts with honesty and integrity. Hence, the committee reflects how serious they are in implementing the procedures proactively.

The Board has approved the revised Memorandum and Articles of Association after a legal review, which will be submitted to SECP in the near future. A comprehensive Code of Conduct applies to Board Members and PIPFA Members, focusing on integrity, diligence, and confidentiality to prevent conflicts of interest and ensure ethical handling of sensitive information.

MEMBER STATISTICS

As of June 30, 2024, PIPFA is proud to announce that its membership has grown to an impressive 8829. This increase in members reflects the ongoing expansion of the Institute and its growing recognition within the industry. The rise in membership not only demonstrates the increasing prestige of PIPFA but also shows the confidence members have in the Institute's educational programs.

At the heart of PIPFA's mission is a strong commitment to supporting the professional growth of its members. This dedication has solidified PIPFA as a highly desirable qualification and membership option, especially for those looking to enter the mid-tier job market. Being part of the PIPFA community, members are offered valuable networking opportunities and a chance to compare their performance with others.



The Institute's platform acts as a central hub, allowing members to connect and collaborate with accountants from various accounting bodies. This collaborative environment promotes networking and provides a shared space for professional growth and advancement. The increase in membership numbers is also due to the Institute's growing recognition on a global scale, such as with accounting bodies like SOCPA (Saudi Organization of Certified Professional Accountants), which will bring additional benefits to our members.

CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD) ACTIVITIES

PIPFA is dedicated to supporting its members in their ongoing learning, personal growth, and professional development. This dedication is demonstrated through high-quality Continuing Professional Development (CPD) activities designed specifically for members. Our annual CPD events, such as seminars, webinars, and training sessions, play a crucial role in helping members stay up-to-date in their rapidly changing fields. By taking this dynamic approach, members are empowered to enhance their skills continuously and adapt to new requirements, ensuring they maintain a competitive edge.

The PIPFA Journal is a valuable resource that offers insights into various issues and serves as a platform for members to share knowledge. This publication highlights our commitment to promoting continuous learning and collaborative knowledge exchange within the professional community.

STUDENTS ENROLMENT

PIPFA supports students from the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan) through the Gateway Scheme. This program helps students gain global recognition. PIPFA has also signed a Memorandum of Understanding (MOU) with the Chartered Institute of Public Finance and Accountancy (CIPFA) in the United Kingdom. This partnership allows PIPFA Affiliates and Members in the Public and Corporate Sectors to become CIPFA Affiliates or continue their education with an international professional body.

Additionally, PIPFA has introduced a Public Financial Management (PFM) stream specifically for the Public Sector. This initiative creates a path for direct membership with CIPFA (UK), enhancing the Institute's international reputation. Despite these accomplishments, new student enrollments as of June 30th, 2024, have decreased compared to the previous year. This decline is due to fewer nominations from the Government and Corporate Sectors, as well as changes in educational trends, economic conditions and shifting priorities within the sectors served by PIPFA.

MARKETING

The Institute is dedicated to developing and implementing a strong modern Digital Marketing strategy. Our main objective is to increase our student enrollment, especially within the Corporate Sector, by taking a proactive approach. We have utilized various social media platforms such as Facebook, Twitter, LinkedIn, YouTube and Instagram to expand our reach significantly.

PIPFA's tremendous efforts by Marketing Department have greatly enhanced its reputation within the accounting community, attracting new students and organizations. Our social media campaigns effectively introduce our qualification to the right audience, ensuring its proper recognition. We actively engage with educational institutions, providing important information and addressing inquiries regarding admissions, exemptions, exams, registration and membership. This proactive efforts by Marketing Department has led PIPFA the next level leading increase in number of students and members.

Our upcoming **Digital Board** initiative is yet another step in this direction, designed to revolutionize member engagement and professional development. This platform will empower members to stay at the forefront of industry advancements, ensuring they remain competitive and well-prepared for future challenges.



WAY FORWARD

- PIPFA will establish Collaborative Agreements (MOUs) with public and private universities to create opportunities for PIPFA students and members. This will improve their education and encourage more students to consider a career as professional accountants.
- By broadening the range of public sector training to cover unexplored areas, we can address the urgent need to improve the skills of government employees. This will involve providing specialized training for District Accounts Officers (DAOs).
- Implementing the revised PIPFA's Memorandum of Association and Articles of Association to comply with the Companies Act, 2017. The approval process for various forums is currently underway.
- Ensuring the smooth progress of the drafted PIPFA Act by completing all legal and procedural requirements. The aim is to finalize discussions with stakeholders and sponsoring bodies to present the Act for consideration in the National Assembly as soon as possible.
- Seeking membership opportunities with reputable Professional Accountancy bodies such as SAFA (South Asian Federation of Accountants) and CAPA (Confederation of Asian and Pacific Accountants).
- Introducing standardized syllabi and papers for adoption by all Public Sector organizations to promote consistency and coherence in education and training within the sector.
- Identifying additional Government organizations that align with PIPFA's scope to increase student enrollment from the Public sector.
- v Providing strong capacity-building support and educational services to various Public Sector organizations to enhance their skills and capabilities in line with the highest professional standards.

ACKNOWLEDGEMENT

We want to express our deep appreciation for the hard work and dedication of our PIPFA employees at the Secretariat and all our Centers. Their commitment and effort are truly commendable and are the foundation of our success.

We also want to thank the members of PIPFA branch committees in Karachi, Lahore, Islamabad, and Faisalabad. Their unwavering dedication in organizing CPD activities and marketing initiatives has been crucial in driving our achievements.

We are grateful to the independent members of the Audit Committee for their valuable contributions in improving our accounting practices and internal controls. Their insights have been essential in raising our standards.

Lastly, we want to thank our members, students, and stakeholders for their trust and support. Their dedication has been key to the progress of PIPFA. We are committed to delivering excellence and look forward to continuing this journey of growth and success together.

On behalf of the Board Governors

MEMBER, BOARD OF GOVERNORS

PRESIDENT

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Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS (PIPFA)

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS (PIPFA) (the Institute)**, which comprise the statement of financial position as at **JUNE 30, 2024** and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in 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, total comprehensive loss, the changes in 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 Auditors' 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 auditors' 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 respect.

Responsibilities of Management and Board of Governors 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 governors are responsible for overseeing the Institute's financial reporting process.

Auditors' Responsibilities for the Audit of 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 auditors' 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 misstatements 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 controls.
- 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 auditors' 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 auditors' 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 governors 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.

We also provide the board of governors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Institute as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in 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 auditors' report is **Mr. Junaid Subhani – FCA**.

**CHARTERED ACCOUNTANTS
FAISALABAD**

DATE: SEPTEMBER 30, 2024

UDIN: AR202410478ScibKHjyr

Annual Report 2024

Financial Statements



**STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024**

ASSETS	NOTE	2024 RUPEES	2023 RUPEES
NON-CURRENT ASSETS			
Property and equipment	4	33,063,368	29,490,846
Investment property	5	-	-
Intangible assets	6	157,074	235,599
Long term deposit		660,000	660,000
		33,880,442	30,386,445
CURRENT ASSETS			
Advances	7	495,100	190,880
Deposits, prepayments and other receivables	8	12,570,630	8,488,993
Short-term investments	9	37,278,247	40,880,000
Tax refund due from the Government	10	952,298	536,504
Bank balances	11	4,166,413	6,452,324
		55,462,688	56,548,701
TOTAL ASSETS		89,343,130	86,935,146
LIABILITIES			
NON-CURRENT LIABILITIES			
Members' subscription	12	3,790,255	3,569,555
Staff retirement gratuity	13	17,004,247	10,855,336
		20,794,502	14,424,891
CURRENT LIABILITIES			
Current maturity of members' subscription	12	384,306	362,004
Accrued and other liabilities	14	1,311,514	4,990,895
		1,695,820	5,352,899
Contingencies and commitments	15	-	-
TOTAL LIABILITIES		22,490,322	19,777,790
NET ASSETS		66,852,808	67,157,356
REPRESENTED BY:			
General Fund		66,452,808	66,757,356
Endowment Fund		400,000	400,000
TOTAL FUNDS		66,852,808	67,157,356

The annexed notes from, 1 to 31, form an integral part of these financial statements.

MEMBER, BOARD OF GOVERNORS

PRESIDENT



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

	NOTE	2024 RUPEES	2,023 RUPEES
INCOME			
Students' registration and annual subscription fee	16	7,114,430	6,527,200
Examination and exemption fee	17	28,963,700	26,173,550
Members' registration and annual subscription fee	18	6,461,457	6,414,799
Coaching fee	19	35,521,234	29,269,159
Other income	20	11,793,519	32,181,739
		89,854,340	100,566,447
SERVICE / OPERATIONAL EXPENDITURE			
Examination department expenses	21	25,781,005	21,159,135
Members' department expenses	22	4,976,319	3,825,310
Coaching department expenses	23	40,398,967	36,337,230
		71,156,291	61,321,675
ADMINISTRATIVE EXPENDITURE			
Staff salaries' and benefits		8,585,226	7,477,609
Staff retirement gratuity	13.3	110,319	110,521
Wages		104,000	116,000
Rent		472,173	435,079
Fees and subscription		1,618,219	1,364,612
Printing and stationery		531,868	514,014
Depreciation- property and equipment	4.2	185,365	133,361
Depreciation- investment property		-	10,953
Amortization	6.1	7,852	4,904
Utilities		581,908	554,197
Repairs and maintenance		685,997	471,423
Legal and professional		867,290	321,300
Entertainment		385,276	382,496
Meetings		62,723	84,899
Postage		200,006	181,338
Auditor's remuneration	24	150,000	125,000
Internet charges		125,990	162,799
Vehicle insurance		16,655	28,891
Travelling and conveyance		362,740	338,299
Supplies		199,367	147,120
Advertisement		52,809	91,661
Bank charges		99,029	52,490
Insurance		246,090	194,126
Property tax		62,928	242,240
Others		151,854	4,622
		15,865,684	13,549,954
Total Expenditures		87,021,975	74,871,629
Surplus before taxation		2,832,365	25,694,818
Taxation		-	-
Surplus for the year		2,832,365	25,694,818

The annexed notes from, 1 to 31, form an integral part of these financial statements.

MEMBER, BOARD OF GOVERNORS

PRESIDENT



**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024**

	NOTE	2024 RUPEES	2023 RUPEES
Surplus for the year		2,832,365	25,694,818
Other comprehensive income:			
Items that will not be reclassified to income and expenditure			
Remeasurement of net defined benefit liability	13.4	(3,136,913)	(551,460)
Items that may be reclassified to income and expenditure		-	-
Total comprehensive (loss) / income for the year		<u>(304,548)</u>	<u>25,143,358</u>

The annexed notes from, 1 to 31, form an integral part of these financial statements.

MEMBER, BOARD OF GOVERNORS

PRESIDENT



**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Endowment Fund	Total
	-----Rupees-----		
Balance as at July 01, 2022	41,613,998	400,000	42,013,998
Surplus for the year	25,694,818	-	25,694,818
Other comprehensive loss	(551,460)	-	(551,460)
<i>Total comprehensive income for the year</i>	25,143,358	-	25,143,358
Balance as at June 30, 2023	66,757,356	400,000	67,157,356
Balance as at July 01, 2023	66,757,356	400,000	67,157,356
Surplus for the year	2,832,365	-	2,832,365
Other comprehensive loss	(3,136,913)	-	(3,136,913)
<i>Total comprehensive loss for the year</i>	(304,548)	-	(304,548)
Balance as at June 30, 2024	66,452,808	400,000	66,852,808

The annexed notes from, 1 to 31, form an integral part of these financial statements.

MEMBER, BOARD OF GOVERNORS

PRESIDENT



**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	NOTE	2024 RUPEES	2023 RUPEES
A) CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		2,832,365	25,694,818
Adjustment for non-cash items/ non operating items			
Depreciation on Property and Equipment	4.2	1,235,770	900,027
Amortization on intangible assets	6.1	78,525	49,045
Gain on Disposal of Investment Property	20	-	(25,585,918)
Staff retirement gratuity	13.1	3,102,664	2,235,456
		<u>4,416,959</u>	<u>(22,401,390)</u>
Surplus before working capital changes		7,249,324	3,293,428
(Increase) / decrease in current assets			
Advances		(304,220)	(123,880)
Deposits, prepayments and other receivables		(4,081,637)	5,662,731
		<u>(4,385,857)</u>	<u>5,538,851</u>
(Decrease) / increase in current liabilities			
Accrued and other liabilities		(3,679,381)	3,952,022
Members' subscription - advance		243,002	265,461
Cash (used in) / generated from operating activities		(572,912)	13,049,762
Income tax paid		(415,794)	(163,063)
Staff retirement gratuity paid		(90,666)	(267,829)
Net cash (used in) / generated from operating activities		(1,079,372)	12,618,870
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property and equipment		(4,808,292)	(6,615,058)
Payment for purchase of intangible assets		-	(275,000)
Proceeds from sale of Investment property		-	26,451,196
Payment / proceeds for / from short-term investments		3,601,753	(32,880,000)
Net cash used in investing activities		(1,206,539)	(13,318,862)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Net decrease in cash and cash equivalents (A+B)		(2,285,911)	(699,992)
Cash and cash equivalents at the beginning of the year		6,452,324	7,152,316
Cash and cash equivalents at the end of the year	11	<u>4,166,413</u>	<u>6,452,324</u>

The annexed notes from, 1 to 31, form an integral part of these financial statements.

MEMBER, BOARD OF GOVERNORS

PRESIDENT



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1 INSTITUTE AND GENERAL INFORMATION

1.1 Legal status and operation

Pakistan Institute of Public Finance Accountants (PIPFA) was incorporated on 25th of August, 1993 as a public company limited by guarantee under section 42 of the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). PIPFA was established jointly by the Institute of Chartered Accountants of Pakistan (ICAP), Institute of Cost and Management Accountants of Pakistan (ICMAP) and Department of Auditor General of Pakistan (AGP). At inception, the name of the institute was 'The Association of Accounting Technicians of Pakistan' (AAT) which was changed to the present name on August 19th, 2000. PIPFA is a non-profit organization wholly committed to providing accounting education and development.

Geographical location and address of office are as under:

Geographical location

M1 & M2, Mezzanine Floor, Park Avenue, 24-A, Block-6,
P.E.C.H.S., Shahr-e-Faisal, Karachi

Ajmal Center-1, Second floor, 289-1, Batala Colony, Faisalabad.

Office No. 27 & 28, 3rd Floor, Rehmat Centre, Plot No. 07, I-8
Markaz, Islamabad.

6-Atta Turk Block, New Garden Town, Lahore.

Purpose

Registered office/ Head office

Coaching, Examination, Members Affair
and Accounts and Admin

Coaching, Examination, Members Affair
and Accounts and Admin

Coaching, Examination, Members Affair
and Accounts and Admin

1.2 Endowment Fund

The Board of Governors in its 123rd meeting held on September 29, 2018, established an Endowment Fund to provide financial assistance to the deserving students. Balance of fund includes transfer from general fund and contribution made by members during the year. These funds are restricted.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standard for Not for Profit Organizations (Accounting Standard 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 for SMEs or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention following accrual basis of accounting except for income as disclosed in the relevant notes of these financial statements and statement of cash flows.

2.3 Functional and presentation currency

Items included in the financial statements of the Institute are measured using the currency of the primary economic environment in which the Institute operates (the functional currency). These financial statements are presented in Pakistani Rupee (Rs.), which is the Institute's functional and presentation currency.



2.4 Significant accounting estimates and judgments

The preparation of financial statements in conformity with accounting and reporting standards 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 judgement are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Institute's accounting policies, the management has made the following estimates and judgments which are significant to the financial statements:

	Note
Impairment, useful life, depreciation method of;	
> Fixed assets, Intangibles, Investment property, Investments	3.1, 3.3, 3.4, 3.5 4, 5 & 6
> Provision for Staff retirement gratuity	3.9, 13
> Income recognition	3.15, 16 to 20
> Impairment, derecognition of financial assets & financial liabilities	3.7
> Provisions	3.8

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below and have been consistently applied to all years presented.

3.1 Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land.

Subsequent costs, if reliably measurable, are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the cost will flow to the Institute.

Maintenance and normal repairs are charged to the statement of income and expenditure as and when incurred. Major renewals and improvements are capitalized.

Assets useful lives and residual values that are significant in relation to the total cost of the assets are reviewed, and adjusted if appropriate on a prospective basis, at each reporting date.

Depreciation is charged by applying the reducing balance method after taking into account residual value, if any, at the rates mentioned in the note 4 to these financial statements. Depreciation is charged from the date the asset is available for use and up to the date, preceding the disposal.

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

3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any, and consist of expenditure incurred in the course of construction and installation of property and equipment. These are transferred to specific assets as and when these are available for intended use.

3.3 Intangible Assets

This represents computer software which is stated cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged so as to allocate the cost of computer software over its estimated useful live, using the reducing balance method at the rates specified in note 6 to the financial statements.

3.4 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, including property under construction for such purposes, is measured initially at its cost, including transaction costs.



Subsequent to initial recognition, investment property is valued using cost model i.e. at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes cost of materials and direct labour, any other costs directly attributable to bringing the investment property to its working condition for their intended use and capitalized borrowing costs.

Depreciation is charged using reducing balance method so as to allocate the depreciable amount of the investment property over its estimated useful life. Depreciation on additions is charged from the date in which the investment property is acquired or capitalized up to the date, preceding the disposal.

The useful life, residual value and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis. Further, determining adjustments for any differences in nature, location and condition of the investment property involves significant judgment.

The Institute assesses at each reporting date whether there is any indication that the investment property may be impaired. If such indication exists, the carrying amount of such assets are written down to their recoverable amount and the resulting impairment loss is recognized in the statement of income and expenditure. The recoverable amount is the higher of the assets fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future period to allocate the assets' revised carrying amount over its estimated useful life.

Gains and losses on disposal of investment property is charged to the statement of income and expenditure.

3.5 Investments

Held to maturity

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an Institute has the positive intention and ability to hold till maturity.

Investments classified as held to maturity are recognized initially at fair value, plus attributable transaction cost. Subsequent to initial recognition, these are stated at amortized cost with any difference between cost and redemption value being recognized in the statement of income and expenditure over the period of the investments on an effective yield method.

3.6 Taxation

The Institute is a Not for Profit Organization under section 2 (36) the Income Tax Ordinance 2001, and is eligible to claim 100% tax credit against tax payable. The incomes are exempt subject to 100% tax payable u/s 100C of income tax ordinance, 2001 subject to the fulfilment of conditions as laid down in sub-section 1 of the above mentioned section.

3.7 Financial assets and Financial liabilities

All financial assets and liabilities are recognized at the time when the Institute becomes a party to contractual provisions of the instrument. Any gain and loss on derecognition of the financial assets and liabilities is taken to the statement of income and expenditure.

Financial assets are derecognized at the time when the Institute loses control of the contractual rights associated with the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and liabilities is taken to the statement of income and expenditure.

3.8 Provisions

Provisions are recognized in the statement of financial position when the Institute has a legal or constructive obligation as a result of past events and it is probable that out flow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.



3.9 Staff retirement gratuity

The Institute operates defined benefit plan comprising an unfunded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme.

The Institute's net liability in respect of this defined benefit plan is calculated by estimating the amount of future benefit that employee have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit liability is performed annually by a qualified actuary using the projected unit credit method (PUC).

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income. The Institute determines the net interest expense on the net defined benefit liability for the year by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the year as a result of contribution and benefit payments. Net interest expense and other expense related to defined benefit plans recognized in statement of income and expenditure.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of income and expenditure. The Institute recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Actuarial gains and losses are recognized in the other comprehensive income in the period in which they occur. The latest actuarial valuation of the plan was carried out as at June 30, 2024.

3.10 Accrued and other liabilities

Liabilities for creditors and for other amounts payable are stated at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Institute.

3.11 Contingent liabilities

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

3.12 Off-setting of financial assets and liabilities

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

3.13 Impairment of non-financial assets

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

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

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

3.14 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of statement of cash flows, the cash and cash equivalents comprise of balances with banks in current and saving accounts.



3.15 Income recognition

Income is recognized to the extent the Institute has rendered services under an agreement, the amount of income can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Institute. Income is measured at the fair value of the consideration received or receivable, exclusive of discounts (if any).

Students' registration and annual subscription fee

This includes registration fee, annual subscription fee, restoration fee, identity card charges and career plan charges. Registration fee represents fee paid by the student for admission to the Institute. Annual subscription fee represents annual fee paid by the students which becomes due on July 1 each year. Registration fee is recognized in the period in which student is registered while annual subscription fee is recognized on receipt basis or when right to receive is established.

Examination and exemption fee

Examination fee is recognized in period in which examination are conducted whereas, exemption fee is recognized on receipt basis.

Members' registration and annual subscription fee

This represents registration fee paid in respect of obtaining membership of the Institute. Annual membership fee represents annual fee paid by members which becomes due on July 1 each year. Registration fee is recognized in the period in which member is registered while annual subscription fee is recognized on receipt basis or when right to receive is established.

In case of other arrangements, the members are allowed to make lump sum payment against membership for 10 to 20 years. In such cases, the amount paid is amortized and charged to the statement of income and expenditure over the period of such arrangement.

Coaching fee

This represents consideration received against coaching services provided by the Institute. This fee is recognized on receipt basis or when right to receive is established.

Mark-up and other income

Mark-up on interest bearing investments and saving accounts with banks, and other income is recognized as other income on an accrual basis using the effective interest rate method.

3.16 General funds

These represents funds that are not supposed to any restrictions.

3.17 Foreign currency transactions and translations

Transactions in foreign currencies are recorded at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pakistan Rupees at the rate of exchange ruling on the reporting date and exchange differences, if any, are charged to the statement of income and expenditure.

3.18 Related party transactions

All the transaction involving related parties arising in the normal course of business are conducted on arms length at the same terms and conditions as third parties transaction.



4 PROPERTY AND EQUIPMENT

	Note	June 30, 2024	June 30, 2023
		Rupees)	
Operating fixed assets	4.1	33,063,368	23,239,873
Capital work in progress		—	6,250,973
		<u>33,063,368</u>	<u>29,490,846</u>

4.1 Operating fixed assets

Reconciliations of carrying amounts of operating fixed assets at the beginning and at the end of the year are as follows:

Description	Freehold land	Office on freehold land	Electrical equipment	Office equipment	Furniture and fixtures	Vehicles	Library books	Total
Cost as at June 30, 2022	15,732,078	6,199,902	2,910,813	5,110,986	3,714,167	1,536,570	49,524	35,254,040
Additions	—	—	29,500	334,585	—	—	—	364,085
Accumulated Depreciation	—	(2,078,806)	(2,455,320)	(4,585,008)	(2,382,699)	(826,895)	(49,524)	(12,378,252)
Net book value as at June 30, 2023	15,732,078	4,121,096	484,993	860,563	1,331,468	709,675	—	23,239,873
Net book value as at June 30, 2022	15,732,078	4,337,996	575,919	804,548	1,479,409	834,912	—	23,764,862
Additions	—	—	29,500	334,585	—	—	—	364,085
Depreciation for the year	—	(216,900)	(120,426)	(278,570)	(147,941)	(125,237)	—	(889,074)
Net book value as at June 30, 2023	15,732,078	4,121,096	484,993	860,563	1,331,468	709,675	—	23,239,873
Net book value as at June 30, 2023	15,732,078	4,121,096	484,993	860,563	1,331,468	709,675	—	23,239,873
Additions	—	8,067,598	756,000	1,307,998	906,069	21,600	—	11,059,265
Depreciation for the year	—	(371,828)	(124,753)	(460,401)	(170,383)	(108,405)	—	(1,235,770)
Net book value as at June 30, 2024	15,732,078	11,816,866	1,116,240	1,708,160	2,067,154	622,870	—	33,063,368
Cost as at June 30, 2023	15,732,078	6,199,902	2,940,313	5,445,571	3,714,167	1,536,570	49,524	35,618,125
Additions	—	8,067,598	756,000	1,307,998	906,069	21,600	—	11,059,265
Accumulated depreciation	—	(2,450,634)	(2,580,073)	(5,045,409)	(2,553,082)	(935,300)	(49,524)	(13,614,022)
Net book value as at June 30, 2024	15,732,078	11,816,866	1,116,240	1,708,160	2,067,154	622,870	—	33,063,368
Depreciation rate per annum	—	5%	20%	30%	10%	15%	20%	

4.2 Depreciation for the year

Depreciation for the year has been allocated as under:

	Note	June 30, 2024	June 30, 2023
		Rupees)	
Examination department expenses	21	247,154	177,815
Members' department expenses	22	61,789	44,454
Coaching department expenses	23	741,462	533,444
Administrative expenses		185,366	133,361
		<u>1,235,770</u>	<u>889,074</u>

4.3 Previously, the institute was charging depreciation from the month the asset was available for use up to the month preceding the disposal. However, it is decided by the management of the institute to charge the depreciation from the date asset is available for use up to the date of disposal. The amount of change due change in accounting estimate in current and future years is Rs. 17,519/- and Rs. 30,520/- respectively.

4.4 Capital work in progress

Opening balance as at July 01,	6,250,973	—
Addition during the year	3,424,694	6,250,973
Transfer to operating fixed assets	<u>(9,675,667)</u>	—
Closing balance as at June 30,	<u>—</u>	<u>6,250,973</u>



	NOTE	2024 RUPEES	2023 RUPEES
5 INVESTMENT PROPERTY			
Opening net book value		-	876,231
Depreciation charge for the year	5.4	-	(10,953)
Carrying value of disposal as at Oct 13, 2022		-	(865,278)
Net book value at end of the year		<u>-</u>	<u>-</u>
Gross carrying value			
Opening as at July 01,		-	2,572,901
Accumulated depreciation		-	(1,707,623)
Deletion		-	(2,572,901)
Accumulated depreciation on disposal		-	1,707,623
Net book value at end of the year		<u>-</u>	<u>-</u>
Depreciation rate (% per annum)		<u>-</u>	<u>5%</u>
5.1			
This represents office premises bearing Plot No. 1005, 10th Floor, Park Avenue, Plot 24/A, Block-6, P.E.C.H.S, Karachi. The premises was not occupied by the Institute and is held for rental purposes. The executive director stated that Executive committee in its 35th meeting held on 29-02-2022 unanimously approved the sale of above PIPFA property to the highest bidder M/s Ayaz Latif at the price of Rs. 26.7 million.			
5.2 Depreciation on this property was calculated using reducing balance method to allocate the cost less its residual value over its estimated useful life of 20 years (i.e. 5%).			
5.3 The fair value of investment property was assessed at Rs. 19.72 million while forced sale value of the investment property was assessed at Rs. 15.77 million as on September 17, 2021 by Arif Evaluators, an approved professional valuer, on the panel of Pakistan Bank's Association (PBA).			
5.4 Depreciation for the year has been allocated as follows:			
Administrative expenses		<u>-</u>	<u>10,953</u>
6 INTANGIBLE ASSETS			
Opening net book value		235,599	9,644
Addition		-	275,000
Amortization for the year	6.1	(78,525)	(49,045)
Net book value at end of the year		<u>157,074</u>	<u>235,599</u>
Gross carrying value			
Opening cost		1,197,064	922,064
Addition		-	275,000
Accumulated amortization		(1,039,990)	(961,465)
Net book value at end of the year		<u>157,074</u>	<u>235,599</u>
Amortization rate (% per annum)		<u>33.33</u>	<u>33.33</u>
6.1 Amortization for the year			
Amortization for the year has been allocated as under:			
Examination department expenses	21	27,484	17,166
Members' department expenses	22	15,705	9,809
Coaching department expenses	23	27,484	17,166
Administrative expenses		7,852	4,904
		<u>78,525</u>	<u>49,045</u>



	NOTE	2024 RUPEES	2023 RUPEES
7 ADVANCES			
Advances to staff			
Against salary	7.1	433,000	70,000
Against expenses - unsecured		62,100	120,880
		<u>495,100</u>	<u>190,880</u>
7.1 This represents advance to employees against personal expenses and is secured against gratuity.			
8 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Deposits			
Security deposits against rent		590,000	590,000
Prepayments			
Insurance		51,635	10,757
Fee and subscription		1,433,610	703,028
		1,485,245	713,785
Other receivables - considered good un-secured			
Due from related parties			
Auditor General Pakistan (AGP)	8.2	229,100	677,575
Other than related parties			
Pakistan Military Accountant General (PMAG)		15,750	15,750
Controller General of Accounts (CGA)		-	76,250
Government of Punjab (GoP)		27,000	257,100
Azaad Jamu and Kashmir (AJ&K)		73,200	21,000
Government of Khyber Pakhtun Khuwa (KPK)		779,400	159,000
Government of Sindh (GOS)		1,997,771	148,200
Capital Development Authority (CDA), Islamabad		81,000	-
PMAD Students		1,640,599	1,596,559
Corporate Students (Online)		642,800	697,300
Accrued Profit		4,989,263	3,532,599
Others		19,502	3,875
		10,495,385	7,185,208
		<u>12,570,630</u>	<u>8,488,993</u>
8.1 The maximum outstanding balance from the Auditor General of Pakistan (AGP) during the year was:		<u>1,218,325</u>	<u>1,078,675</u>
8.2 The aging of the other receivable due from related party is as			
Past due 1-30 days		-	-
Past due 31-90 days		-	344,550
Above 90 days		229,100	333,025
		<u>229,100</u>	<u>677,575</u>
9 SHORT TERM INVESTMENTS			
At amortized cost			
Term deposit receipts (TDRs)		37,278,247	40,880,000
9.1 This represents investment made in Term Deposit Receipts for one year amounting to Rs. 37,278,247 (2023: 40,880,000). The rate of profit on these investments ranging from 14.5% to 21.5% per annum (2023: 11% to 17.1% per annum).			



	NOTE	2024 RUPEES	2023 RUPEES
10 TAX REFUND DUE FROM THE GOVERNMENT			
Income tax		<u>952,298</u>	<u>536,504</u>
10.1 It includes advance income tax paid on electricity, Pakistan Telecommunication Authority (PTCL) and others.			
11 BANK BALANCES			
Current Accounts		<u>2,191,345</u>	3,201,454
Saving Accounts	11.1	<u>1,975,068</u>	<u>3,250,870</u>
		<u>4,166,413</u>	<u>6,452,324</u>
1.1 Saving accounts carries profit at the rate ranging from 14.5% to 21.5% (2023: 17% to 19%) per annum.			
12 MEMBERS' SUBSCRIPTION			
Secured			
Members' subscription - advance		<u>4,174,561</u>	3,931,559
Current maturity		<u>(384,306)</u>	<u>(362,004)</u>
		<u>3,790,255</u>	<u>3,569,555</u>
13 STAFF RETIREMENT GRATUITY			
Present value of defined benefit liability	13.1	<u>16,857,278</u>	10,727,034
Plus payables		<u>146,969</u>	<u>128,302</u>
		<u>17,004,247</u>	<u>10,855,336</u>
Institute operated an unfunded gratuity scheme for its employees detail of which are as follows:			
3.1 Movement in net defined benefit liability - gratuity			
Balance at July 01,		<u>10,727,034</u>	8,208,614
Included in statement of profit or loss		<u>3,102,664</u>	2,235,456
Benefits due but not paid		<u>(42,667)</u>	<u>(24,000)</u>
Benefits paid		<u>(66,666)</u>	<u>(244,496)</u>
Included in other comprehensive income		<u>3,136,913</u>	551,460
Present value of defined benefit liability		<u>16,857,278</u>	<u>10,727,034</u>
3.2 Included in statement of profit or loss			
Current service cost		<u>1,421,766</u>	1,145,417
Interest cost		<u>1,680,898</u>	<u>1,090,039</u>
		<u>3,102,664</u>	<u>2,235,456</u>
3.3 Expense is recognized in the following line items in statement of profit or loss			
Examination department expenses	21	<u>1,050,364</u>	771,750
Members' department expenses	22	<u>215,289</u>	118,194
Coaching department expenses	23	<u>1,726,692</u>	1,234,991
Administrative expenses		<u>110,319</u>	110,521
		<u>3,102,664</u>	<u>2,235,456</u>



	NOTE	2024 RUPEES	2023 RUPEES
13.4 Included in statement of comprehensive income			
Actuarial gains from changes in financial assumptions		1,564,615	(405,186)
Experience adjustments on defined benefit liability		1,572,298	956,646
		<u>3,136,913</u>	<u>551,460</u>

13.5 Key actuarial assumption

The latest actuarial valuation was carried out on 30 June 2024 using projected unit credit method with the following assumptions:

Actuarial assumption

Discount rate used for interest cost in I&E charge		15.75%	13.50%
Discount rate used for end obligation		14.00%	15.75%
Salary increase used for year end obligation			
Salary increase FY 2024		N/A	10.00%
Salary increase FY 2025		14.00%	14.75%
Salary increase FY 2026		14.00%	14.75%
Salary increase FY 2027		14.00%	14.75%
Salary increase FY 2028		14.00%	14.75%
Salary increase FY 2029		14.00%	14.75%
Salary increase FY 2030 onward		14.00%	14.75%
Next salary is increased at		1-Jul-24	1-Jul-23
Mortality rate		SLIC 2001- 2005 Setback 1 year	SLIC 2001 - 2005 Setback 1 year
Withdrawal rates		Age based	Age based
Retirement Assumption		Age 60	Age 60

Assumption regarding future mortality has been based on State Life Corporation (SLIC 2001-2005), ultimate mortality rate with 1 year setback as per recommendation of Pakistan Society of Actuaries (PSOA).

13.6 Sensitivity analysis

For a change of 100 basis points, present value of defined benefit obligation at reporting date would have been as

Discount rate +100 bps	15,238,728	9,724,418
Discount rate - 100 bps	18,674,876	-
Salary increase rate +100 bps	18,679,785	-
Salary increase rate - 100 bps	15,205,971	11,911,819

Although the analysis does not take into account full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The Institute's expected charge for the defined benefit liability - gratuity for the next year is Rs. 4,094,858/-.

The above sensitivity analyses are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (Projected Unit Credit Method) has been applied as for calculating the liability of staff retirement gratuity.



13.7 Risk associated with defined benefit plan

Final Salary Risk- (linked to inflation risk)

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Demographic risks

Mortality Risk- The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

Withdrawal Risk- The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

Investment Risk

The risk of The investment underperforming and being not sufficient to meet the liabilities.

13.8 Expected benefit payments for the next 10 years and beyond;

Years	RUPEES
FY 2025	2,756,570
FY 2026	714,522
FY 2027	773,475
FY 2028	829,929
FY 2029	903,321
FY 2030	997,862
FY 2031	1,120,006
FY 2032	1,233,344
FY 2033	4,320,059
FY 2034	1,501,402
FY 2035 onwards	386,266,890
The average duration of the benefit obligation is:	10.2 Years

14 ACCRUED AND OTHER LIABILITIES

	NOTE	2024 RUPEES	2023 RUPEES
Accrued expenses		620,972	4,120,311
Others		690,542	870,584
		<u>1,311,514</u>	<u>4,990,895</u>

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There are no material contingencies existing as at June 30, 2024 (2023: Nil)

15.2 Commitments

There were no commitments as at June 30, 2024 (2023: Nil).



	NOTE	2024 RUPEES	2023 RUPEES
16 STUDENTS' REGISTRATION AND ANNUAL SUBSCRIPTION FEE			
Subscription fee		3,335,080	3,624,950
Registration fee		2,166,250	1,660,500
Restoration fee		772,200	591,750
Identity card charges		471,150	310,400
Career plan charges		369,750	339,600
		<u>7,114,430</u>	<u>6,527,200</u>
17 EXAMINATION AND EXEMPTION FEE			
Examination fee		18,681,950	16,644,175
Exemption fee		7,325,250	6,073,875
Computer based examination fee		1,728,900	2,174,400
Re-checking / duplicate certificate charges / Re- registration Fee		1,227,600	1,281,100
		<u>28,963,700</u>	<u>26,173,550</u>
18 MEMBERS' REGISTRATION AND ANNUAL SUBSCRIPTION FEE			
Subscription fee		4,078,928	4,033,239
Registration fee		1,267,229	1,446,760
Restoration fee		1,115,300	934,800
		<u>6,461,457</u>	<u>6,414,799</u>
19 COACHING FEE			
Karachi		7,234,760	7,668,570
Lahore		14,339,714	10,670,864
Faisalabad		1,118,500	913,000
Islamabad		12,828,260	10,016,725
		<u>35,521,234</u>	<u>29,269,159</u>
20 OTHER INCOME			
From financial asset			
Interest income		9,189,159	5,446,828
Others	20.1	2,604,360	30,000
		11,793,519	5,476,828
From non-financial assets			
Gain on disposal of investment property		-	25,585,918
Others		-	1,118,993
		-	26,704,911
		<u>11,793,519</u>	<u>32,181,739</u>



	NOTE	2024 RUPEES	2023 RUPEES
20.1 Others			
Coaching center renewal fee		170,000	30,000
Sindh government finance department training		1,990,000	-
Student affiliation from approved centre		334,200	-
CBE center renewal fee		40,000	-
Election nomination fee		20,000	-
Advance/excess amount		14,720	-
Scrap income		14,040	-
Courier collection amount		11,000	-
Other income		10,400	-
		<u>2,604,360</u>	<u>30,000</u>
21 EXAMINATION DEPARTMENT EXPENSES			
Staff salaries' and benefits		13,211,381	10,138,866
Examination		5,796,151	5,164,987
Staff retirement gratuity	13.3	1,050,364	771,750
Computer based examination		1,145,800	1,203,710
Printing and stationery		647,124	564,950
Depreciation	4.2	247,154	177,815
Postage		153,619	139,281
Utilities		230,175	219,214
Meetings		833,023	707,021
Entertainment		99,479	82,147
Repairs and maintenance		262,180	117,628
Amortization	6.1	27,484	17,166
Insurance		246,091	211,105
Internet charges		178,376	116,696
Rent		1,652,604	1,522,775
Others		-	4,024
		<u>25,781,005</u>	<u>21,159,135</u>



	NOTE	2024 RUPEES	2023 RUPEES
22 MEMBERS' DEPARTMENT EXPENSES			
Staff salaries' and benefits		2,939,575	2,042,903
Staff retirement gratuity	13.3	215,289	118,194
Printing and stationery		356,035	344,350
Postage		273,033	247,059
Utilities		222,195	211,614
Depreciation	4.2	61,789	44,454
Amortization	6.1	15,705	9,809
Meetings		-	9,490
Insurance		246,090	211,104
Repairs and maintenance		30,034	25,180
Conveyance		8,845	8,459
Internet charges		105,696	115,876
Supplies		29,860	1,740
Rent		472,173	435,078
		<u>4,976,319</u>	<u>3,825,310</u>
23 COACHING DEPARTMENT EXPENSES			
Staff salaries' and benefits		16,228,003	14,440,583
Staff retirement gratuity	13.3	1,726,692	1,234,991
Faculty costs		9,740,935	8,545,299
Rent		5,564,577	5,661,948
Advertisement		444,290	969,048
Utilities		2,947,966	1,494,428
Depreciation	4.2	741,462	533,444
Amortization	6.1	27,484	17,166
Repairs and maintenance		648,198	233,776
Printing and stationery		379,238	689,057
Postage		307,534	276,463
Entertainment		226,862	175,888
Meetings		46,934	34,545
Supplies		109,290	67,267
Conveyance		158,881	170,251
Seminar and exhibition		15,353	-
Insurance		246,091	211,107
Internet charges		288,819	393,848
Convocation charges		-	1,124,306
Expo Expenses		535,500	20,145
Others		14,858	43,670
		<u>40,398,967</u>	<u>36,337,230</u>
24 Auditors' remuneration			
Audit fee		110,000	100,000
Out of pocket expenses		15,000	-
Half yearly review fee		25,000	25,000
		<u>150,000</u>	<u>125,000</u>
25 REMUNERATION OF BOARD OF GOVERNORS, SECRETARY AND EXECUTIVES			
Remuneration		22,633,887	15,144,368
Allowances		751,867	517,916
Bonus		2,316,264	2,333,199
Gratuity		-	-
		<u>25,702,018</u>	<u>17,995,483</u>
No of persons		<u>10</u>	<u>8</u>

25.1 No remuneration is being paid to Board of Governors and Secretary. Also the Executive Director is being provided with company maintained car which has an estimated fair market value of Rs. 2,400,000/- (2023: 2,300,000/-)



26 FINANCIAL INSTRUMENTS	2024 RUPEES	2023 RUPEES
Particulars		
Financial assets		
At amortized cost		
Long term deposits	660,000	660,000
Deposits and other receivables	11,085,385	7,775,208
Short term investments	37,278,247	40,880,000
Bank balances	4,166,413	6,452,324
	<u>53,190,045</u>	<u>55,767,532</u>
Financial liabilities		
At amortized cost		
Accrued and other liabilities	1,311,514	4,990,895
	<u>1,311,514</u>	<u>4,990,895</u>

27 Financial risk management objectives and policies

27.1 Financial risk management

The Institute has exposure to the following risks from the use of its financial instruments:

- Credit risk
- Market risk
 - Interest rate risk
 - Foreign exchange rate risk
- Liquidity risk

27.2 Credit risk and concentration of credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted. Credit risk mainly arises from long term deposits and short term investments, advances, other receivables and bank balances. Total financial assets aggregating Rs. 53,190,045/- million (June 30, 2023: Rs. 55,958,412/- million) as detailed in note-26 are subject to credit risk.

The Institute is expected to credit risk from its operating activities (primary balances with banks, fee receivables and advances) and from its investing activities, including deposits with banks. The credit risk on liquid funds (bank balances) is limited because the counter parties are banks with reasonably high credit rating.

Concentration of credit risk exists when changes in economic and industry factors similarly affect the group of counter parties whose aggregated credit exposure is significant in relation to the Institute's total credit exposure. The financial assets of the Institute are broadly diversified and transactions are entered into with diverse credit worthy parties thereby mitigating any significant concentration risk. The Institute believes that it is not exposed to major concentration of credit risk.

27.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in the market interest rates.

The Institute has investment in TDRs Rs. 37.28 million (June 30, 2023: Rs. 40.88 million) carried at fixed rate of interest as disclosed in Note 9, so Institute is not materially exposed to the interest rate risk.

27.4 Foreign exchange risk management

Foreign exchange risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Institute is not materially exposed to foreign currency risk on assets and liabilities.



27.5 Liquidity risk

Liquidity risk reflects the Institute's inability in raising funds to meet commitments. The Institute manages liquidity risk by maintaining sufficient balances with banks and adequate Statement of Financial Position liquidity & solvency ratios. As at June 30, 2024 there is no maturity mismatch between financial assets and liabilities that exposes the Institute to liquidity risk.

28 TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related party if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The details of related party relationship and related parties with whom the Institute has entered into transactions with or has arrangements/agreements in place during the year are as follows:

Name of related party	Basis of relationship
Institute of Chartered Accountants of Pakistan (ICAP)	Sponsoring body
Institute of Cost and Management Accountants of Pakistan (ICMAP)	Sponsoring body
Auditor General of Pakistan (AGP)	Sponsoring body
SKANS School of Accountancy	Common key management personnel
Mr. Muhammad Ali Latif	Member, Board of Governors
Mr. Usman Ahsan	Member, Board of Governors
Mr. Muhammad Kamran Khan	Member, Board of Governors
Mr. Muhammad Sharif	Member, Board of Governors
Mr. Shaham Ahmed	Member, Board of Governors
Mr. Shahab Qadir	Member, Board of Governors
Mr. Zia-ul Mustafa Awan	Member, Board of Governors
Mr. Awais Yasin	Member, Board of Governors
Ms. Khursheed Kotwal	Member, Board of Governors
Mr. Nazar Muhammad Ranjha	Member, Board of Governors
Mr. Sajid Hussain	Member, Board of Governors
Ms. Sameena Fayyaz	Member, Board of Governors
Mr. Imdad Ali Shaikh	Key management personnel
Ms. Rana Nazir Fatima	Key management personnel
Mr. Abdul Hafeez Shaikh	Key management personnel
Mr. M. Naeem Akhtar	Key management personnel
Mr. Jamshaid Riaz	Key management personnel
Mr. Atiq-ur-Rehman	Key management personnel
Mr. Kashif Ullah	Key management personnel
Mr. Imran Ahmed	Key management personnel
Mr. Khawaja Syed Muhammad Tariq Zafar	Key management personnel
Mr. Haseeb Babar	Key management personnel

Name of related party	Basis of relationship	Nature of transaction	2024	2023
			'RUPEES	'RUPEES
SKANS School of Accountancy	Common key management personnel	Share of fees paid to CBE centers	599,000	738,000
Auditor General of Pakistan (AGP)	Sponsoring body	Services rendered	1,602,900	1,934,250
Institute of Cost and Management Accountants of Pakistan	Sponsoring body	Services received	612,645	781,234
Institute of Chartered Accountants of Pakistan	Sponsoring body	Services received	260,590	-
Executive Director, Chief Financial Officer and others	Key management personnel	Management compensat	25,702,018	17,995,483
		Loan Given	180,000	-
		Advance for expenses	36,000	-



29 NUMBER OF EMPLOYEES

The number of employees as at June 30, 2024 were 35 (2023: 33) and average number of employees during the year were 30 (2023: 30)

30 AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 30th September, 2024 by the board of governors of the Institute.

31 GENERAL

31.1 Corresponding figures have been re-arranged, re-classified, where necessary, for better presentation. However, no significant re-arrangements/re-classifications have been made

31.2 Figures in these financial statements have been rounded off to the nearest rupee.

MEMBER, BOARD OF GOVERNORS

PRESIDENT

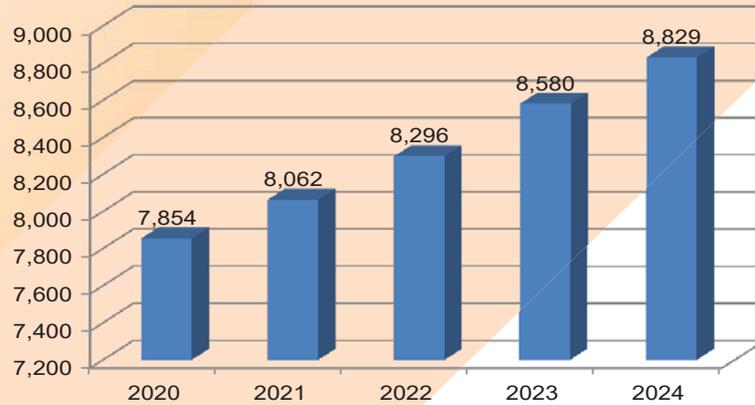


Financial Highlights

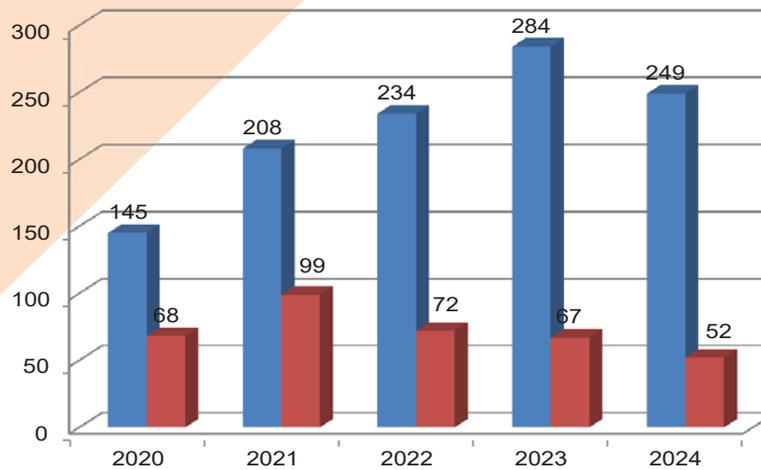
	2020	2021	2022	2023	2024
Operating Results					
Revenue (in rupees)	54,882,988	51,129,286	77,172,260	100,566,477	89,854,340
Surplus/(Deficit) (in rupees)	(4,259,818)	(176,498)	19,114,108	25,694,818	2,832,365
Financial Position					
Net Assets (in rupees)	23,025,451	23,351,941	42,013,998	67,157,356	66,852,808
Members (in numbers)	7,854	8,062	8,296	8,580	8,829
Students (in numbers)	34,540	34,972	35,942	36,621	37,503



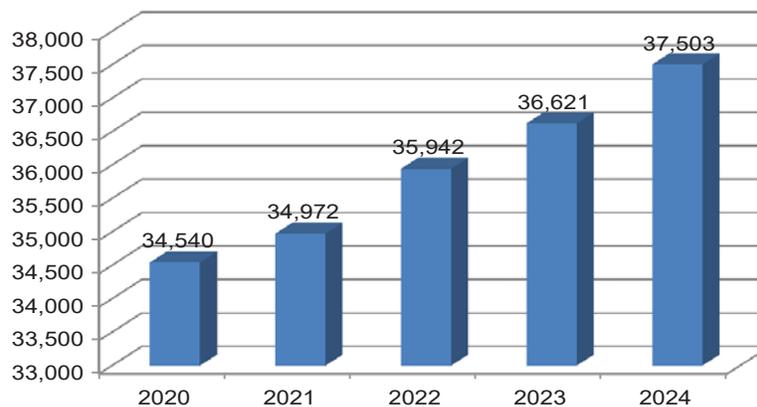
Total Members In Nummbers



New Members In Nummbers

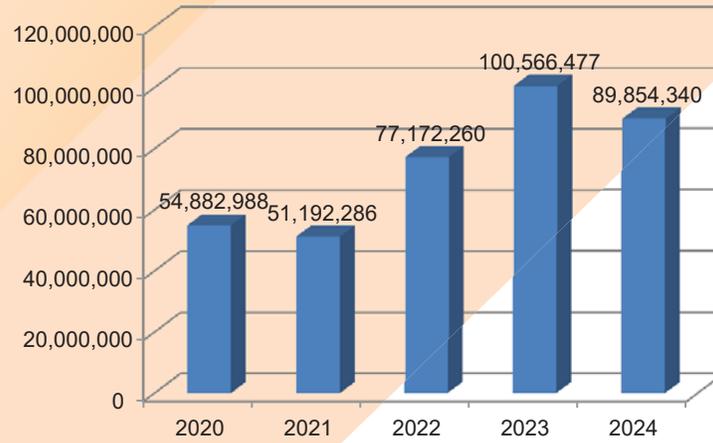


Total Students In Nummbers

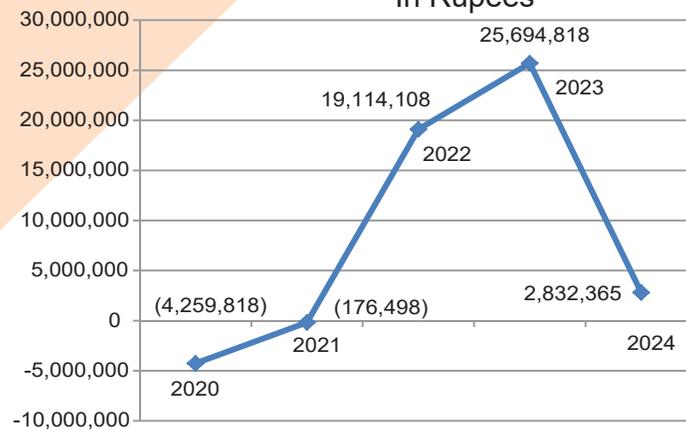




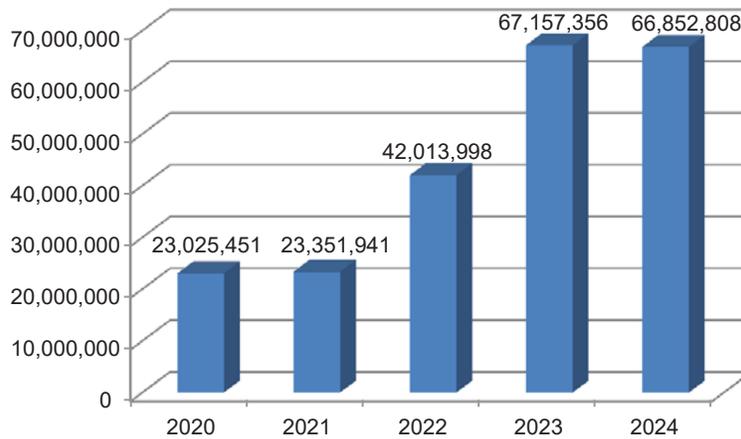
Total Revenue In Rupees



Surplus/(Deficit) In Rupees

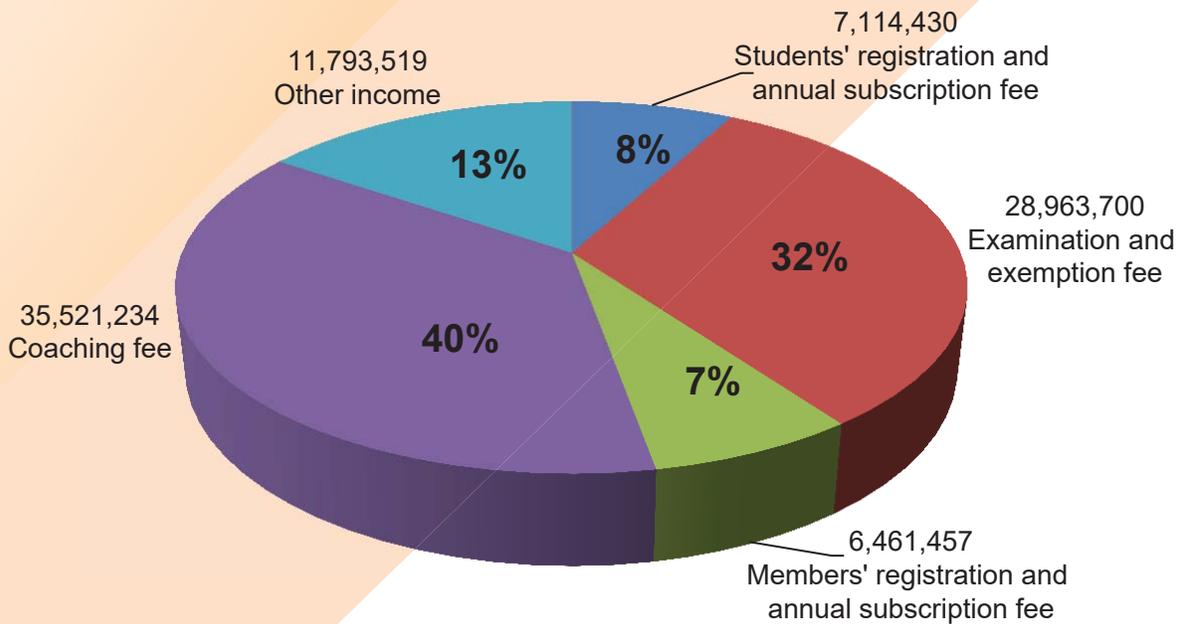


Net Assets In Rupees

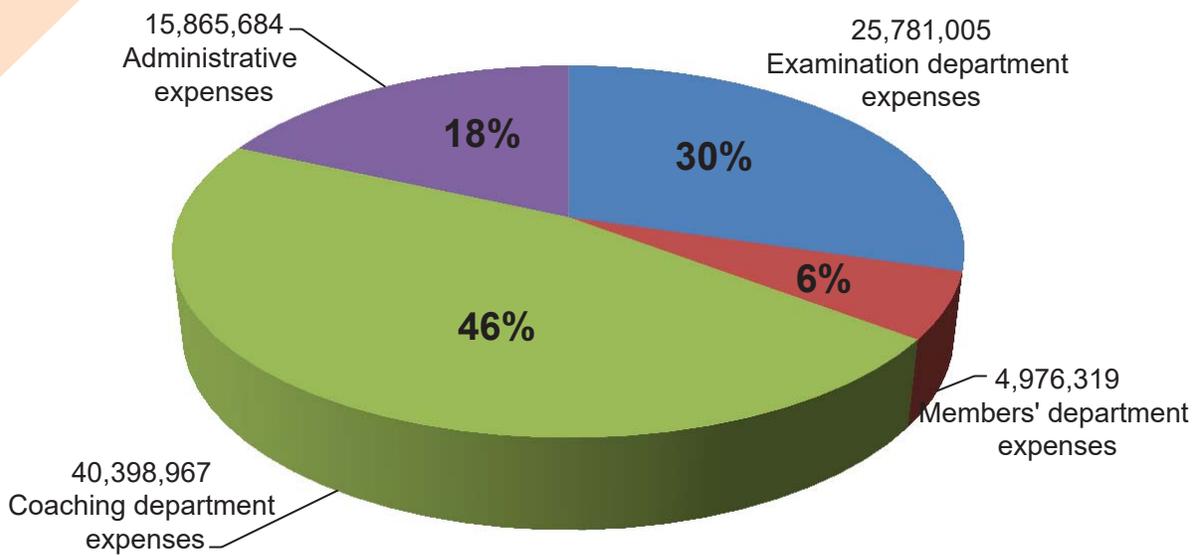




Revenue Analysis 2024



Expenditure Analysis 2024





Board of Governors, Standing Committees and Other Committees' Meeting Attendance

Board of Governors

Meetings Held 06 | Physical Meetings 06 | Video Link Meetings 06

Sr. No.	Name	Title	Meeting Attended
1.	Mr. Muhammad Ali Latif	President	5
2.	Mr. Usman Ahsan	Vice President	6
3.	Mr. Muhammad Kamran Khan	Secretary	1
4.	Mr. Muhammad Sharif	Treasurer	6
5.	Mr. Shaham Ahmed Joint	Secretary	2
6.	Mr. Zia Ul Mustafa Awan	Member	4
7.	Mr. Awais Yasin	Member	3
8.	Ms. Khursheed Kotwal	Member	2
9.	Mr. Sajid Hussain	Member	5
10.	Mr. Shahab Qadir	Member	1
11.	Mr. Nazar Muhammad Ranjha	Member	4
12.	Ms. Namana Gulrukh Fareed	Member	2
13.	Ms. Sameena Fayyaz	Member	3
14.	Mr. Tariq Bashir	Member	1

Executive Committee

Meetings Held 01 | Physical Meetings 00 | Video Link Meetings 01

Sr. No.	Name	Title	Meeting Attended
1.	Mr. Muhammad Ali Latif	Chairman	1
2.	Mr. Usman Ahsan	Member	1
3.	Mr. Muhammad Kamran Khan	Member	0
4.	Mr. Muhammad Sharif	Member	1
5.	Mr. Shaham Ahmed	Member	0

Board of Studies

Meetings Held 01 | Physical Meetings 00 | Video Link Meetings 01

Sr. No.	Name	Title	Meeting Attended
1.	Mr. Sajid Hussain	Chairman	1
2.	Mr. Usman Ahsan	Member	1
3.	Mr. Zia Ul Mustafa Awan	Member	0
4.	Ms. Sameena Fayyaz	Member	1
5.	Ms. Khursheed Kotwal	Member	1

Examination Committee

Meetings Held 04 | Physical Meetings 04 | Video Link Meetings 00

Sr. No.	Name	Title	Meeting Attended
1.	Mr. Usman Ahsan	Chairman	02
2.	Mr. Sajid Hussain	Member	04
3.	Mr. Muhammad Kamran Khan	Member	00
4.	Mr. Muhammad Sharif	Member	04
5.	Mr. Shaham Ahmed	Member	00
6.	Mr. Shahab Qadir	Member	00

Investigation Committee

Meetings Held 00 | Physical Meetings 00 | Video Link Meetings 00

Sr. No.	Name	Title	Meeting Attended
1.	Ms. Sameena Fayyaz	Chairman	00
2.	Mr. Muhammad Sharif	Member	00
3.	Mr. Shaham Ahmed	Member	00
4.	Mr. Shahab Qadir	Member	00
5.	Mr. Ahmed Ali Latif	Member	00

Audit Committee

Meetings Held 02 | Physical Meetings 00 | Video Link Meetings 02

Sr. No.	Name	Title	Meeting Attended
1.	Mr. Usman Ghani	Chairman	02
2.	Mr. Saifullah	Member	02
3.	Mr. Saifullah Sheikh	Member	02

CPD & Publication Committee

Meetings Held 01 | Physical Meetings 00 | Video Link Meetings 01

Sr. No.	Name	Title	Meeting Attended
1.	Mr. Usman Ahsan	Chairman	01
2.	Ms. Khursheed Kotwal	Member	01
3.	Mr. Shahab Qadir	Member	00
4.	Ms. Namana Gulrukh Fareed	Member	00
5.	Mr. Awais Yasin	Member	00

Technical Committee

Meetings Held 01 | Physical Meetings 00 | Video Link Meetings 01

Sr. No.	Name	Title	Meeting Attended
1.	Mr. Sajid Hussain	Chairman	01
2.	Mr. Usman Ahsan	Member	01
3.	Mr. Nazar Muhammad Ranjha	Member	00
4.	Ms. Khursheed Kotwal	Member	00
5.	Mr. Zia Ul Mustafa Awan	Member	00

Budget & Investment Committee

Meetings Held 00 | Physical Meetings 00 | Video Link Meetings 00

Sr. No.	Name	Title	Meeting Attended
1.	Ms. Khursheed Kotwal	Chairman	00
2.	Mr. Muhammad Sharif	Member	00
3.	Mr. Awais Yasin	Member	00
4.	Mr. Nazar Muhammad Ranjha	Member	00



FORM OF PROXY

I, _____ s/o, d/o, w/o _____ being member of PIPFA having Membership Number FPFA/APFA _____ admitted before 30th September, 2024 and having no membership outstanding dues as on 30th September, 2024 hereby nominate Mr./Mrs. _____ s/o, d/o, w/o _____ having Membership Number FPFA/APFA _____ and qualified (as per clause (a) of notice of AGM) to attend the meeting as my proxy to vote for me and on my behalf at the 31st Annual General Meeting of the Institute to be held on .Thursday 24th October, 2024 at 3:00 p.m. and at any adjournment thereof.

Signed this ____ day of _____ 2024

Rupees 5
Revenue
Stamp

Signature _____

(Signature should agree with the latest signature available on Member's record with PIPFA)

Witness No.1

Witness No.2

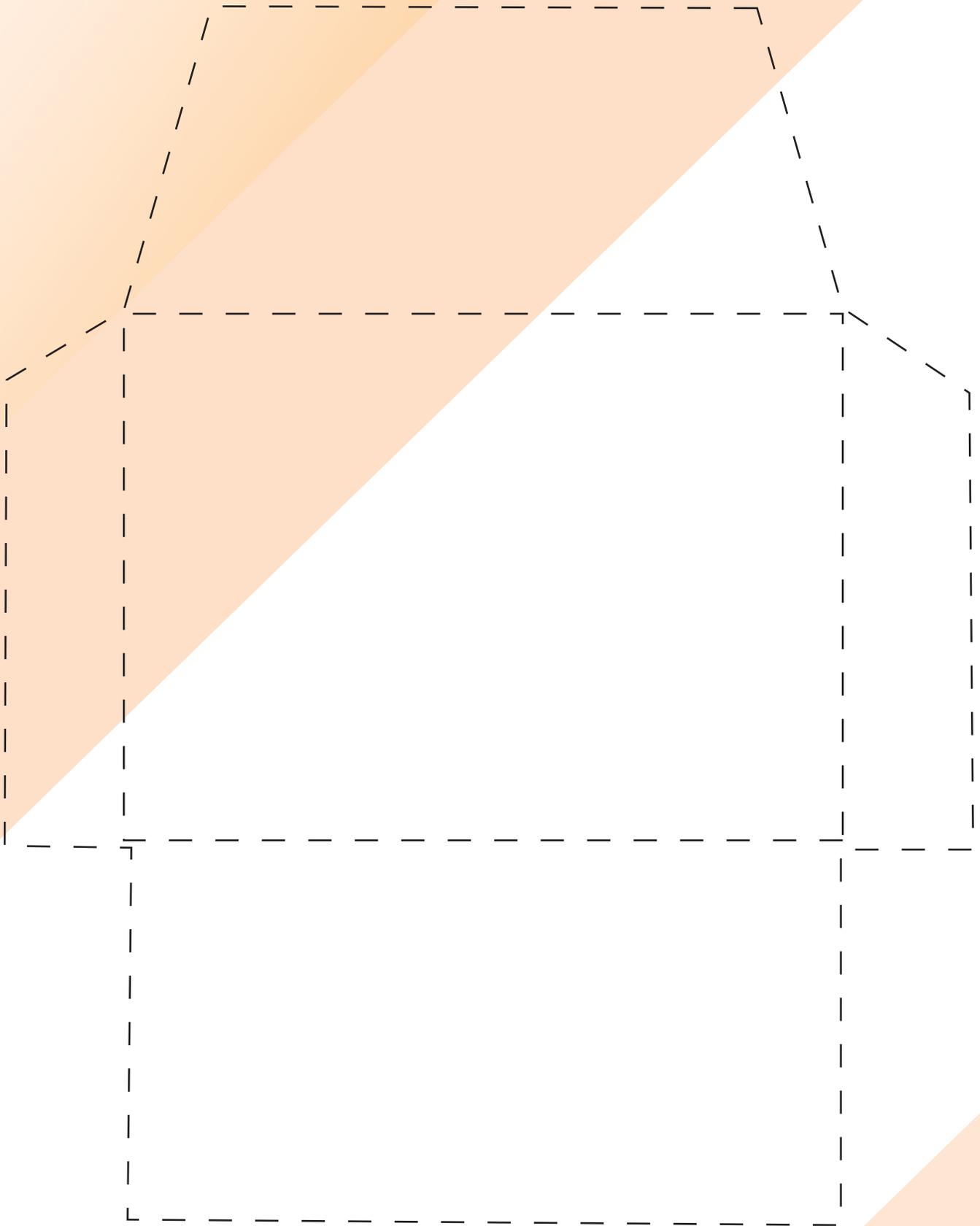
Name _____ Name _____

CNIC No. _____ CNIC No. _____

Address _____ Address _____

Contact No. _____ Contact No. _____

Note: The proxy instrument must be complete in all respect and in order to be effective should be deposited at the Head Office of the Institute at least 48 hours before timing of the holding of the meeting.







Pakistan Institute of Public Finance Accountants

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 www.pipfa.org.pk