



**Parker Russell-A.J.S.**  
CHARTERED ACCOUNTANTS

**PAKISTAN INSTITUTE OF PUBLIC  
FINANCE ACCOUNTANTS**

**REVIEW REPORT  
FOR THE PERIOD ENDED  
JULY 01, 2022 TO DECEMBER 31, 2022**



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## INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Pakistan Institute of Public Finance Accountants

Report On Review of Condensed Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS (the Institute)** as at December 31, 2022 and the related condensed interim statement of income and expenditure, condensed interim statement of comprehensive income, condensed interim statement of changes in funds, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

### Scope of the review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **Mr. Junaid Subhani - FCA.**

  
**CHARTERED ACCOUNTANTS**  
**FAISALABAD**

DATE: July 27, 2023

UDIN: RR202210478KUcWA5RED





PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS  
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2022

		Un-Audited Dec 31, 2022	Audited June 30, 2022
	Note	----- (Rupees) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment			
Operating fixed assets	4	23,417,873	23,764,862
Capital work-in-progress		6,250,973	-
Intangibles			
Software		8,037	9,644
Website		110,000	-
Investment property	5	-	876,231
Long term deposit		660,000	660,000
		30,446,883	25,310,737
<b>CURRENT ASSETS</b>			
Loans and advances		123,000	67,000
Deposits, prepayments and other receivables	6	11,847,739	14,151,724
Short term investments	7	20,000,000	8,000,000
Tax refund due from the Government		487,940	373,441
Bank balances		25,674,698	7,152,316
		58,133,377	29,744,481
<b>TOTAL ASSETS</b>		88,580,260	55,055,218
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Members' subscription		3,256,952	3,307,109
Deferred liability - staff retirement gratuity		8,991,420	8,336,249
		12,248,372	11,643,358
<b>CURRENT LIABILITIES</b>			
Current maturity of members' subscription		457,254	358,989
Accrued and other liabilities		3,642,472	1,038,873
		4,099,726	1,397,862
<b>CONTINGENCIES AND COMMITMENTS</b>	8	-	-
<b>TOTAL LIABILITIES</b>		16,348,098	13,041,220
<b>NET ASSETS</b>		72,232,162	42,013,998
<b>REPRESENTED BY:</b>			
General Fund		71,832,162	41,613,998
Endowment Fund		400,000	400,000
<b>TOTAL FUNDS</b>		72,232,162	42,013,998

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

*Shamsain,*  
MEMBER, BOARD OF GOVERNORS

*Latif*  
PRESIDENT

PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS  
CONDENSED INTERIM STATEMENT OF INCOME AND EXPENDITURE (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

		Half year ended	
		Dec 31, 2022	Dec 31, 2021
	Note	(Rupees)	
<b>Income</b>			
Students' registration and annual subscription fee		3,888,050	3,940,995
Examination and exemption fee		13,022,650	7,839,780
Members' registration and annual subscription fee		3,777,152	3,623,861
Coaching fee		17,489,022	10,012,324
Other income	9	28,171,626	16,584,424
		<u>66,348,500</u>	<u>42,001,384</u>
<b>Expenditure</b>			
Examination department		9,159,475	7,267,619
Members' department		1,341,500	1,088,231
Coaching department		15,929,290	10,408,804
Administrative	10	9,700,071	9,299,452
		<u>36,130,336</u>	<u>28,064,106</u>
Surplus transferred to General Fund		<u>30,218,164</u>	<u>13,937,278</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

*Chunsa*

MEMBER, BOARD OF GOVERNORS

*[Signature]*

PRESIDENT

PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended	
	Dec 31, 2022	Dec 31, 2021
	----- (Rupees) -----	
Surplus for the period	30,218,164	13,937,278
Other comprehensive income:	-	-
Total comprehensive income for the year	<u>30,218,164</u>	<u>13,937,278</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

*M. Usman*

MEMBER, BOARD OF GOVERNORS

*[Signature]*

PRESIDENT

PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS  
CONDENSED INTERIM STATEMENT OF CHANGES IN FUNDS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	General Fund	Endowment Fund	Total
	-----Rupees-----		
Balance as at July 01, 2021	22,951,941	400,000	23,351,941
Surplus for the period	13,937,278	-	13,937,278
Other comprehensive income	-	-	-
Balance as at December 31, 2021	<u>36,889,219</u>	<u>400,000</u>	<u>37,289,219</u>
Balance as at July 01, 2022	41,613,998	400,000	42,013,998
Surplus for the period	30,218,164	-	30,218,164
Other comprehensive income	-	-	-
Balance as at December 31, 2022	<u>71,832,162</u>	<u>400,000</u>	<u>72,232,162</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

*Shurani*  
MEMBER, BOARD OF GOVERNORS

*Shurani*  
PRESIDENT



PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS  
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

		Half year ended	
		Dec 31, 2022	Dec 31, 2021
Note		(Rupees)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
		30,218,164	13,937,278
		48,108	87,639
		</	

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

*Chusain*  
MEMBER, BOARD OF GOVERNORS

*Chairman*  
PRESIDENT

**PAKISTAN INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

**1. INSTITUTE AND GENERAL INFORMATION**

**1.1 Legal status and operation**

Pakistan Institute of Public Finance Accountants (the Institute) was incorporated on 28th of October, 1993 as a public company limited by guarantee under section 42 of the Companies Ordinance, 1984 (Repealed with the enactment of Companies Act, 2017 on May 30, 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 in August 2000. PIPFA is a non-profit organization wholly committed to providing accounting education and development.

The head office and registered office of the Institute is situated at M1 & M2, Park Avenue, Mezzanine Floor, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi while its regional offices are situated as follows:

- i) Ajmal Center-1, Second floor, 289-1, Batala Colony, Faisalabad.
- ii) Office No. 27 & 28, 3rd Floor, Rehmat Centre, Plot No. 07, I-8 Markaz, Islamabad.
- iii) 6-Atta Turk Block, New Garden Town, Lahore.

**1.2 Endowment Fund**

The Board of Governance 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.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim financial statements of the Institute for the half year ended December 31, 2022 have been prepared in accordance with the accounting and reporting standards applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Where the provisions of and directives issued under the Companies Act, 2017.

Where the provisions of or directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Institute's annual audited financial statements for the year ended June 30, 2022.

**2.2 Accounting convention**

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



## 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 Pakistan Rupee (Rs.), which is the Institute's functional and presentation currency.

## 2.4 Significant accounting estimates and judgments

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the annual audited financial statements of the Company for the year ended June 30, 2022.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2022 except those which are disclosed in these financial statements.

### 3.1 Related party transactions

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 parties with whom the Institute has entered into transactions with or has arrangements/agreements in place during the year are as follows:

<b>Name of related party</b>	<b>Basis of relationship</b>
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
<b>Name of related party</b>	<b>Basis of relationship</b>
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. Aamir Ijaz Khan	Member, Board of Governors
Mr. Shahab Qadir	Member, Board of Governors
Ms. Namana Gulrukh Fareed	Member, Board of Governors
Mr. Sajid Hussain	Member, Board of Governors
Mr. Muhammad Yasin	Member, Board of Governors
Mr. Ather Saleem Ch.	Member, Board of Governors
Ms. Khursheed Kotwal	Member, Board of Governors
Ms. Bisma Farrukh Khan	Member, Board of Governors
Mr. Imdad Ali Shaikh	Key management personnel
Ms. Rana Nazir Fatima	Key management personnel
Mr. Imran Ahmed	Key management personnel
Mr. Kashfi Ullah	Key management personnel
Mr. M. Naeem Akhtar	Key management personnel
Mr. Atiq-ur-Rehman	Key management personnel
Mr. Jamshaid Riaz	Key management personnel
Mr. Khuwaja Syed Muhammad Tariq Zafar	Key management personnel

		Un-Audited Dec 31, 2022	Audited June 30, 2022
	NOTE	(Rupees)	
<b>4 PROPERTY AND EQUIPMENT</b>			
Operating fixed assets	4.1	23,417,873	23,764,862
<b>4.1 Operating fixed asset</b>			
Net book value at the beginning of period / year		23,764,862	24,284,162
Additions during the period / year	4.1.1	83,350	446,225
		23,848,212	24,730,387
Depreciation charged for the period / year	4.1.2	(430,339)	(965,525)
Net book value at the end of the period / year		23,417,873	23,764,862
<b>4.1.1 Additions during the period / year</b>			
Electrical equipment		25,200	63,875
Office equipment		58,150	322,350
Furniture and fixtures		-	60,000
		83,350	446,225
<b>4.1.2 Depreciation for the year has been allocated as under:</b>			
Coaching department expenses		223,289	496,853
Administrative expenses		207,049	468,672
		430,339	965,525
<b>5 INVESTMENT PROPERTY</b>			
<b>At cost model</b>			
<b>Net book value</b>			
Opening as at July 01,		876,231	922,348
Depreciation charge for the period / year	5.2	(10,953)	(46,117)
Deletion		(876,231)	-
Accumulated depreciation on disposal		10,953	-
Net book value as at December 31,		-	876,231
<b>Gross carrying value</b>			
Opening as at July 01,		2,572,901	2,572,901
Accumulated depreciation		(1,707,623)	(1,696,670)
Deletion		(2,572,901)	-
Accumulated depreciation on disposal		1,707,623	-
Net book value as at December 31,		-	876,231
Depreciation rate (% per annum)		5%	5%
<b>5.1</b>	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 is 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.		
<b>5.2</b>	Depreciation on this property is calculated using reducing balance method to allocate the cost less its residual value over its estimated useful life of 20 years (i.e. 5%).		
<b>5.3</b>	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	10	10,953	46,117
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6 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Deposits

Security deposits against rent		590,000	590,000
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Prepayments

Insurance		23,662	223,120
Fee and subscription		-	548,545
		23,662	771,665

Other receivables - considered good

Un-secured

Due from related parties:

Auditor General Pakistan (AGP) - related party	6.1	333,025	347,425
Other than related parties		10,901,052	12,442,634
		11,234,077	12,790,059
		11,847,739	14,151,724

6.1 The maximum outstanding balance from Auditor General of Pakistan (AGP) during the year was:

1,374,175	0	1,570,437
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6.2 The aging of other receivables is as follows:

	Related party		Others	
	Dec 31, 2022	June 30, 2022	Dec 31, 2022	June 30, 2022
	-----Rupees-----			
Past due 1-30 days	-	14,400	-	45,000
Past due 31-60 days	-	-	-	128,550
Above 60 days	333,025	333,025	9,490,347	11,844,237
	333,025	347,425	9,490,347	12,017,787

7 SHORT TERM INVESTMENTS

At amortized cost

Term deposits receipts	7.1	20,000,000	8,000,000
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7.1 This includes investment made in Term Deposit Receipts amounting to Rs. 20,000,000 million (June 30, 2022: 8,000,000) during the year. The rate of profit on these investment is ranging from 12% to 14.5% (June 30, 2022: 11%).

8 CONTINGENCIES AND COMMITMENTS

8.1 There were no contingencies or commitments as at December 31, 2022 (June 30, 2022: Nil).

9 OTHER INCOME

From financial assets

Interest income from saving accounts		1,990,316	195,874
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From non - financial assets

Rental income		-	402,027
CCPT, coaching and other fee		183,200	375,250
Gain on disposal on property		25,585,918	15,471,681
CPD seminar income		-	16,100
Others		412,192	123,492
		28,171,626	16,584,424



Half year ended	
Un-Audited	
Dec 31, 2022	Dec 31, 2021
Rupees	

# 10 ADMINISTRATIVE EXPENSES

Staff salaries' and benefits	3,337,671	1,756,576
Staff retirement benefit - gratuity	24,750	24,853
Wages	50,000	117,700
Rent	2,096,325	2,521,307
Fees and subscription	562,545	474,655
Printing and stationery	336,009	314,851
Depreciation	218,002	251,030
Utilities	1,058,032	1,345,580
Repairs and maintenance	289,256	255,898
Legal and professional	420,612	639,285
Entertainment	188,858	147,635
Postage	497,630	584,483
Auditor's remuneration	25,000	68,950
Internet charges	80,334	197,975
Vehicle insurance	15,985	21,740
Conveyance and travelling	174,948	154,807
Supplies	48,571	64,852
Advertisement	34,666	111,380
Meetings	8,457	14,228
Bank charges	7,763	50,929
Boarding and lodging	56,976	-
Insurance	98,207	52,433
Others	69,474	128,305
	<u>9,700,071</u>	<u>9,299,452</u>

# 11 TRANSACTIONS WITH RELATED PARTIES

Details of transaction with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of related party	Nature of transaction	Dec 31, 2022	Dec 31, 2021
Rupees			
SKANS School of Accountancy	Share of fees paid to CBE centers	444,600	576,600
Auditor General of Pakistan (AGP)	Services rendered	1,026,750	946,000
Institute of Cost and Management Accountants of Pakistan	Services rendered	466,430	585,062
Key management personnel	Management compensation	8,294,300	5,171,892

# 12 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 27/07/2023 by the Board of Governors of the Institute.

# 13 GENERAL

Figures have been rounded off the nearest of Pakistan Rupee (PKR / Rupees).

*Almussain*  
MEMBER, BOARD OF GOVERNORS

*[Signature]*  
PRESIDENT