



The Institute of Chartered Accountants of Pakistan

CONDENSED INTERIM FINANCIAL INFORMATION OF ICAP

FOR THE NINE MONTHS ENDED MARCH 31, 2016

(UN-AUDITED)

REPORT OF THE COUNCIL FOR THE NINE MONTHS ENDED MARCH 31, 2016

The Council of the Institute of Chartered Accountants of Pakistan is pleased to present the interim financial statements for the nine months ended March 31, 2016.

Financial Review

The Institute achieved a surplus of Rs. 210.76 million for the period (2015: Rs. 152.42 million). Total revenue and other income rose by 13% from Rs. 603.46 million to Rs. 683.38 million mainly on account of increase in examination and membership fees. Expenditure increased by 5% from Rs. 451.05 million to Rs. 472.61 million in line with inflation.

Membership of the CA Worldwide

CA Worldwide was established by five major institutes of Chartered Accountants. The formation of CAW aims at shaping the future global CA profession distinguished from other qualifications of accountancy. The founder members of the CAW are Chartered Accountants Australia and New Zealand, the ICAEW, Chartered Accountants Ireland, the Institute of Chartered Accountants of Scotland and the South African Institute of Chartered Accountants.

Considering the benefits of membership of an international association solely for chartered accountants, ICAP has joined the CAW family. As an associate member, ICAP joins a group of globally recognised chartered accountancy bodies that are committed to enhancing the value of the brand and the profession. Its membership results in the recognition of the importance of the qualification in Pakistan and also demonstrates ICAP's commitment to the highest professional and ethical standards.

Budget Proposals 2016 - 17

The Institute of Chartered Accountants of Pakistan's Committee on Taxation has been constantly making efforts to identify areas where reforms are needed for broadening the tax base. The prime objective of these proposals is to assist the government in improving revenue collections, ensuring voluntary tax compliance and building tax payers' confidence leading towards tax compliant culture.

The budget proposals 2016-17 have been forwarded to FBR. These include administrative and structural reforms within tax department with emphasis on human resource and the audit function. The Committee has also developed comprehensive analysis of the provincial sales tax on services to identify the gaps and harmonization thereof.

Advocacy and Safeguarding Public Interest

At the second Public Financial Management (PFM) Conference, The Institute of Chartered Accountants of Pakistan highlighted the role of effective and efficient service delivery, in collaboration with CIPFA (the Chartered Institute of Public Finance & Accountancy) at Islamabad. The theme of the conference 'PFM for Service Delivery' brought together a wealth of expert speakers from Pakistan and internationally to debate and discuss the role of finance as strategic decision makers and business partners.

Committee on Oversight Board

The joint committee formed by the Council and SECP has deliberated the concept of audit oversight board and its implementation in Pakistan. In this regard the Joint Committee has finalised the report and draft legislation has been agreed to be incorporated in the SECP Act 1997.

The draft is now under active consideration of the Council. Accordingly, in order to get the feedback from all stakeholders, the Northern Regional Committee (NRC) and the Southern Regional Committee (SRC) of the Institute are organising consultative sessions in Karachi, Islamabad and Lahore.

The Council would like to extend its gratitude to all the stakeholders, including the contributions made by the Committees, and thank the management and staff for their dedication and hard work.

By Order of the Council

Feroz Rizvi

COO/ Secretary

Karachi, May 03, 2016

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2016

	Note	March 31, 2016 Un-audited ----- Rupees in '000 -----	June 30, 2015 Audited
NON-CURRENT ASSETS			
Property, plant and equipment	5	245,837	234,871
Intangible assets	6	11,475	10,769
Long term investments	7	532,774	425,768
Loans, advances and deposits		7,935	8,005
		798,021	679,413
CURRENT ASSETS			
Stock of study packs, publications and souvenirs	8	12,371	8,488
Short term investments	9	128,250	95,578
Loans, advances, prepayments and other receivables		30,625	38,280
Cash and bank balances		78,433	36,831
		249,679	179,177
CURRENT LIABILITIES			
Creditors, accrued expenses and other liabilities		62,448	31,419
Fee and charges received in advance		20,354	73,363
		82,802	104,782
NET CURRENT ASSETS		166,877	74,395
CONTINGENCIES AND COMMITMENTS	10		
NET ASSETS		964,898	753,808
REPRESENTED BY:			
General Fund		740,323	555,113
Specific Fund		4,749	4,578
Endowment Funds		88,005	70,566
Regional Committees		37,430	37,936
Benevolent Fund		94,391	85,615
		964,898	753,808

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

SECRETARY

PRESIDENT

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Note	Quarter ended		Nine months ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
		---- Rupees in '000 ----		---- Rupees in '000 ----	
INCOME					
Members' subscription		4,498	8,579	127,776	112,858
Examination and other fees		142,899	137,376	400,550	361,409
Education and training fees		18,686	14,053	88,987	69,364
Publications		1,564	1,674	5,075	4,090
Other income	11	5,773	8,776	9,547	8,204
		173,420	170,458	631,935	555,925
EXPENDITURE					
Salaries, allowances and other benefits		59,766	54,251	182,779	163,508
Examination charges		34,233	37,519	80,631	86,110
Depreciation		8,115	8,250	22,945	23,092
Traveling and related expenses		5,270	6,084	17,248	19,052
Study packs and other publications		6,050	5,390	24,699	26,759
Utilities		3,667	2,977	15,498	14,101
Postage and telephone		3,567	2,642	11,422	10,073
Repairs and maintenance		6,644	6,255	23,023	21,570
Printing and stationery		2,993	3,544	10,037	9,469
Rent, rates and taxes		3,552	3,126	10,730	9,134
Advertisement and exhibitions		4,271	4,330	12,930	10,065
Amortisation of intangible assets		1,800	1,750	5,428	5,328
Financial assistance to students		4,088	73	8,831	2,611
Financial assistance to members/families		4,086	3,217	11,726	9,526
Vehicles maintenance and running cost		1,500	1,708	4,781	6,190
Legal and professional charges		410	3,435	4,660	8,814
Others	12	8,669	5,404	25,246	25,644
		158,681	149,955	472,614	451,046
Excess of income over expenditure before finance income		14,739	20,503	159,321	104,879
Finance income		17,964	15,764	51,507	46,224
Excess of income over expenditure for the period		32,703	36,267	210,828	151,103
Other comprehensive income:					
Items that may subsequently be reclassified to income or expenditure					
(Deficit)/surplus on re-measurement of available for sale investments		(56)	471	(65)	1,313
Total comprehensive income for the period		32,647	36,738	210,763	152,416
ATTRIBUTABLE TO:					
General Fund		37,475	35,173	205,210	140,616
Specific Fund		63	(27)	171	64
Endowment Funds		(1,963)	1,394	(2,876)	2,266
Regional Committees		(1,405)	(72)	(506)	1,055
Benevolent Fund		(1,523)	270	8,764	8,415
		32,647	36,738	210,763	152,416

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016**

	March 31, 2016	March 31, 2015
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received:		
Membership	102,284	90,571
Examinations	369,930	348,485
Training	88,986	69,364
Publications	4,877	3,654
Facilities and miscellaneous	12,743	7,458
	578,820	519,532
Cash paid:		
Employees	184,181	164,890
Professional bodies	3,135	2,334
Property tax	874	875
Suppliers and vendors	233,833	246,417
	422,023	414,516
Net cash generated from operating activities	156,797	105,016
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments - net	(181,993)	(193,993)
Fixed capital expenditure	(37,115)	(41,553)
Purchase of intangible assets	(6,134)	-
Proceeds from sale of operating fixed assets	3,592	1,970
Income received from investments	71,993	56,647
Loans, advances and deposits - net	70	322
Net cash used in investing activities	(149,587)	(176,607)
Net increase/(decrease) in cash and cash equivalents	7,210	(71,591)
Cash and cash equivalents at the beginning of the period	95,966	200,186
Cash and cash equivalents at the end of the period	103,176	128,595
13		

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM STATEMENT OF CHANGES IN FUNDS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	General Fund			Specific Fund	Endowment Funds			Funds of Regional Committees				Benevolent Fund			Total
	General Fund	Overseas Committee	Sub Total		Students' Endowment Fund	Libraries Development Fund	Sub Total	Southern		Northern	Sub Total	Accumulated Fund	Special Reserve Fund	Sub Total	
								Accumulated Fund	H.J. Irani Memorial Fund	Accumulated Fund					
-----Rupees in '000-----															
Balance as at July 1, 2014	452,199	-	452,199	3,520	64,414	6,632	71,046	23,171	137	12,586	35,894	76,183	839	77,022	639,681
Transferred to Benevolent Fund	(1,000)	-	(1,000)	-	-	-	-	-	-	-	-	1,000	-	1,000	-
Total comprehensive income for the nine months ended March 31, 2015															
Contribution for Ebrahim Dahodwala gold medals	-	-	-	900	-	-	-	-	-	-	-	-	-	-	900
Excess of income over expenditure for the nine months ended	140,616	-	140,616	64	1,912	354	2,266	222	6	827	1,055	7,102	-	7,102	151,103
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	1,313	-	1,313	1,313
	140,616	-	140,616	64	1,912	354	2,266	222	6	827	1,055	8,415	-	8,415	152,416
Balance as at March 31, 2015	591,815	-	591,815	4,484	66,326	6,986	73,312	23,393	143	13,413	36,949	85,598	839	86,437	792,997
Balance as at July 1, 2015	555,113	-	555,113	4,578	63,469	7,097	70,566	25,599	147	12,190	37,936	84,776	839	85,615	753,808
Transfer to Students' Endowment Fund	(20,000)	-	(20,000)	-	20,000	-	20,000	-	-	-	-	-	-	-	-
Transfer to Overseas Member Fund	(3,000)	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the nine months ended March 31, 2016															
Donations received during the period	-	-	-	-	315	-	315	-	-	-	-	12	-	12	327
Excess/(deficit) of income over expenditure for the nine months ended	205,210	-	205,210	171	(3,355)	479	(2,876)	(1,256)	7	743	(506)	8,829	-	8,829	210,828
Other comprehensive loss	-	-	-	-	-	-	-	-	-	-	-	(65)	-	(65)	(65)
	205,303	(93)	205,210	171	(3,355)	479	(2,876)	(1,256)	7	743	(506)	8,764	-	8,764	210,763
Balance as at March 31, 2016	737,416	2,907	740,323	4,749	80,429	7,576	88,005	24,343	154	12,933	37,430	93,552	839	94,391	964,898

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

SECRETARY

PRESIDENT

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016**

1 THE INSTITUTE AND ITS OPERATIONS

The Institute of Chartered Accountants of Pakistan (the Institute) is a statutory body, established under the Chartered Accountants Ordinance, 1961 (X of 1961) for the regulation of the profession of accountants in the country. The Institute is an approved non-profit organisation, under sub section (36) of section 2 of the Income Tax Ordinance, 2001.

Regional Committees

The Council of the Institute has two regional committees (i.e. Southern Regional Committee and Northern Regional Committee) to carry-out the functions as laid down in Bye-law 90 of the Chartered Accountants Bye-laws, 1983.

Endowment Funds

The Institute operates Students' Endowment and Libraries Development Funds to provide financial assistance to the deserving students and for development of ICAP libraries respectively. These Funds are governed by the rules approved by the Council. The contributions to the Funds include transfers by the Institute from its surplus as well as amounts received from other organisations.

Benevolent Fund

Benevolent Fund was established by the Council of the Institute to provide relief to deserving persons who are or have been members of the Institute and spouse, children and dependants of such members. The Fund is governed by the rules approved by the Council. Major source of the Fund is contributed by the members in the form of annual subscription.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the Institute for the nine months ended March 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and the requirements of the Chartered Accountants Ordinance, 1961 and the Chartered Accountants Bye-Laws, 1983. In case where requirements differ, the requirements of the Chartered Accountants Ordinance, 1961 and the Chartered Accountants Bye-Laws, 1983 have been followed.

This condensed interim financial information is un-audited. The disclosures made in this condensed interim financial information have been limited in accordance with the requirements of the IAS 34. This does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the audited annual financial statements of the Institute for the year ended June 30, 2015.

The comparative balance sheet presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Institute for the year ended June 30, 2015, whereas the comparative condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in funds are extracted from the unaudited condensed interim financial information for the nine months ended March 31, 2015.

2.2 Functional and presentation currency

This condensed interim financial information has been presented in Pakistani rupees which is the functional currency of the Institute and figures are rounded off to the nearest thousands of rupees unless otherwise specified.

2.3 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the recognition of certain investments at fair values.

3 ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of audited annual financial statements for the year ended June 30, 2015.

3.2 The Institute has adopted all the new standards and amendments to standards, including any consequential amendments to other standards which are applicable for the financial year beginning on July 1, 2015. The adoption of these new and amended standards did not have any effect on this condensed interim financial information.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Institute's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

During the preparation of this condensed interim financial information, the significant judgements made by the management in applying the Institute's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2015.

		March 31, 2016 Un-audited	June 30, 2015 Audited
	Note	----- Rupees in '000 -----	
5 PROPERTY, PLANT AND EQUIPMENT			
Leasehold land - Preedy Street, Karachi		18	18
Operating fixed assets	5.1	238,358	234,662
Capital work in progress		7,461	191
		<u>245,837</u>	<u>234,871</u>

	Note	March 31, 2016 Un-audited	June 30, 2015 Audited
----- Rupees in '000 -----			
5.1 Operating fixed assets			
Net book value at beginning of the period / year		234,662	203,371
Additions during the period/year	5.1.1	29,654	68,634
		264,316	272,005
Less:			
Disposals costing Rs. 6.98 million (June 30, 2015: Rs. 17.63 million) at book value	5.1.2	3,013	5,698
Depreciation charge for the period / year		22,945	31,645
		25,958	37,343
Net book value at end of the period / year		238,358	234,662
5.1.1 Additions during the period / year :			
Building on leasehold land		1,634	4,640
Building on freehold land		310	4,938
Generators		915	2,918
Electric fittings and appliances		3,835	7,160
Furniture and fixtures		1,080	14,163
Vehicles		9,357	19,285
Office equipment		12,404	15,450
Library books		119	80
		29,654	68,634
5.1.2 Disposals during the period / year :			
Building on freehold land		-	59
Generator		-	32
Electric fittings, air conditioners and appliances		-	1,293
Furniture and fixtures		-	276
Vehicles		2,958	3,626
Office equipment		55	412
		3,013	5,698
6 INTANGIBLE ASSETS			
Net book value at the beginning of the period / year		10,769	17,805
Additions during the period / year	6.1	6,134	92
		16,903	17,897
Amortisation charged during the period / year		(5,428)	(7,128)
Net book value at the end of the period / year		11,475	10,769
6.1			
This represents cost incurred on development of new study materials in cooperation with an International Publishing House.			

		March 31, 2016 Un-audited	June 30, 2015 Audited
	Note	----- Rupees in '000 -----	
7 LONG TERM INVESTMENTS			
Held to maturity			
General Fund	7.1	389,015	347,221
Specific Fund: Prize Fund	7.2	1,488	1,492
Endowment Funds	7.3	54,863	60,604
Southern Regional Committee	7.4	18,802	12,800
Benevolent Fund	7.5	68,606	3,651
		<u>532,774</u>	<u>425,768</u>

7.1 General Fund

Certificates of Islamic Investment	7.1.1	75,000	65,000
Pakistan Investment Bonds	7.1.2	298,835	282,221
Certificates of Investment	7.1.3	15,180	-
		<u>389,015</u>	<u>347,221</u>

7.1.1 This represents Certificates of Islamic Investment of a bank amounting to Rs. 75 million (June 30, 2015: Rs. 65 million). These certificates carry mark-up at rates ranging from 6.23% to 8.04% (June 30, 2015: 8.03% and 8.75%) per annum and are maturing on various dates upto December 28, 2022.

7.1.2 This represents investment in Pakistan Investment Bonds (PIBs) having aggregate face value of Rs. 299.65 million (June 30, 2015: Rs. 286.82 million). Profit is receivable on half yearly basis with yield at rates ranging from 7.90% to 12.47% (June 30, 2015: 11.75% to 12.47%) per annum. These PIBs have term of three to five years and are maturing on various dates upto March 26, 2020.

7.1.3 This represents Certificate of Investment of a financial institution amounting to Rs. 15 million (June 30, 2015: Nil). This certificate carry mark-up at rate of 10.42% (June 30, 2015: Nil) per annum and is maturing on February 18, 2021. Accrued mark-up aggregating to Rs. 0.18 million (June 30, 2015: Nil) is included in the carrying value.

		March 31, 2016 Un-audited	June 30, 2015 Audited
	Note	----- Rupees in '000 -----	
7.2 Specific Fund: Prize Fund			
Certificate of Islamic Investment	7.2.1	1,000	1,000
Pakistan Investment Bonds	7.2.2	488	492
		<u>1,488</u>	<u>1,492</u>

7.2.1 This represents Certificate of Islamic Investment of a bank amounting to Rs. 1 million (June 30, 2015: Rs. 1 million). This certificate carries mark-up at rates ranging from 6.23% to 8.04% (June 30, 2015: 8.03% and 8.75%) per annum and are maturing on February 13, 2022.

7.2.2 This represents investment in a Pakistan Investment Bond (PIB) having face value of Rs. 0.47 million (June 30, 2015: Rs. 0.49 million). Profit is receivable on half yearly basis with yield at the rate of 8.02% (June 30, 2015: 11.85%) per annum. This PIB has a term of five years and is maturing on March 26, 2020.

7.3	Endowment Funds	Note	March 31,	June 30,
			2016	2015
			Un-audited	Audited
			----- Rupees in '000 -----	
Students' Endowment Fund				
	Certificates of Islamic Investment	7.3.1	42,000	22,000
	Pakistan Investment Bonds	7.3.2	8,904	33,680
			50,904	55,680
Libraries Development Fund				
	Pakistan Investment Bonds	7.3.3	3,959	4,924
			54,863	60,604

7.3.1 This represents Certificates of Islamic Investment of a bank amounting to Rs. 42 million (June 30, 2015: Rs. 22 million). These certificates carry mark-up at rates ranging between 6.23% to 8.04% (June 30, 2015: 8.03% to 8.75%) per annum and are maturing on various dates upto June 30, 2022.

7.3.2 This represents investment in Pakistan Investment Bonds (PIBs) having aggregate face value of Rs. 8.97 million (June 30, 2015: Rs. 34.00 million). Profit is receivable on half yearly basis with yield at rates ranging between 8.02% and 12.42% (June 30, 2015: 11.85% and 12.42%) per annum. These PIBs have term of three to five years and are maturing on various dates upto March 26, 2020.

7.3.3 This represents investment in Pakistan Investment Bonds (PIBs) having aggregate face value of Rs. 3.91 million (June 30, 2015: Rs. 4.98 million). Profit is receivable on half yearly basis with yield at rates ranging between 8.02% and 12.42% (June 30, 2015: 11.85% and 12.42%) per annum. These PIBs have term of three to five years and are maturing on various dates upto March 26, 2020.

7.4	Southern Regional Committee	Note	March 31,	June 30,
			2016	2015
			Un-audited	Audited
			----- Rupees in '000 -----	
Certificate of Islamic Investments				
	Accumulated Fund	7.4.1	18,651	12,800
	H.J. Irani Memorial Fund	7.4.2	151	-
			18,802	12,800

7.4.1 This represents placements in Certificates of Islamic Investments of a bank costing Rs. 18.37 million (June 30, 2015: Rs. 12.61 million). These certificates carry mark-up at rates ranging between 5.49% and 7.88% (June 30, 2015: 6.88% and 9.07%) per annum and are maturing on various dates latest by October 31, 2020. Accrued mark-up aggregating to Rs. 0.31 million (June 30, 2015: Rs. 0.19 million) is included in the carrying value.

7.4.2 This represent Certificate of Islamic Investment, issued by a bank costing Rs. 0.15 million (June 30, 2015: Nil). This certificate carries mark-up at the rate of 6.96% (June 30, 2015: Nil) per annum and will mature on October 30, 2018. Accrued mark-up aggregating to Rs. 0.004 million (June 30, 2015: Nil) is included in the carrying value.

		March 31, 2016 Un-audited	June 30, 2015 Audited
		----- Rupees in '000 -----	
7.5 Benevolent Fund	Note		
Defence Saving Certificates	7.5.1	3,982	3,651
Special Saving Certificates	7.5.2	64,624	-
		68,606	3,651

7.5.1 This represents investment in Defence Savings Certificates, having aggregate face value of Rs. 2 million (June 30, 2015: Rs. 2 million). These certificates have been placed for a term of 10 years, maturing on April 7, 2020. These carry mark-up at the rate of 12.10% (June 30, 2015: 12.10%) per annum. Accrued mark-up aggregating to Rs. 1.98 million (June 30, 2015: Rs. 1.65 million) is included in the carrying value.

7.5.2 This represents investment in Special Saving Certificates, having aggregate face value of Rs. 62 million (June 30, 2015: Rs. Nil). These certificates have been placed for a term of three years and are maturing on September 28, 2018. These carry effective mark-up at rate of 7.78% (June 30, 2015: Nil) per annum. Accrued mark-up aggregating Rs. 2.62 million (June 30, 2015: Nil) is included in the carrying value.

		March 31, 2016 Un-audited	June 30, 2015 Audited
		----- Rupees in '000 -----	
8 STOCK OF STUDY PACKS, PUBLICATIONS AND SOUVENIRS	Note		
Stock of study packs		8,219	4,410
Stock of publications and souvenirs		4,419	4,078
		12,638	8,488
Less: Provision for obsolete stock		(267)	-
		12,371	8,488

9 SHORT TERM INVESTMENTS

Held to maturity

General Fund	9.1	58,292	-
Specific Fund : Prize Fund	9.2	3,293	2,724
Endowment Funds	9.3	28,773	-
Southern Regional Committee	9.4	3,200	6,087
Northern Regional Committee	9.5	9,477	9,126
Benevolent Fund	9.6	19,779	72,140

Available for sale

Benevolent Fund	9.6	5,436	5,501
		128,250	95,578

9.1 General Fund

Pakistan Investment Bond	9.1.1	58,292	-
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9.1.1 This represents investment in Pakistan Investment Bonds (PIBs) having aggregate face value of Rs. 58.38 million (June 30, 2015: Nil). Profit is receivable on half yearly basis with yield at rates ranging from 11.75% to 12.03% (June 30, 2015: Nil) per annum. These PIBs have term of three years and are maturing on July 18, 2016.

	Note	March 31, 2016 Un-audited	June 30, 2015 Audited
----- Rupees in '000 -----			
9.2 Specific Fund : Prize Fund			
Pakistan Investment Bond	9.2.1	494	-
Term Deposit Receipts	9.2.2	2,799	2,724
		<u>3,293</u>	<u>2,724</u>

9.2.1 This represents investment in a Pakistan Investment Bond (PIB) having face value of Rs. 0.49 million (June 30, 2015: Nil). Profit is receivable on half yearly basis with yield at the rate of 11.85% (June 30, 2015: Nil) per annum. This PIB has a term of three years and is maturing on July 18, 2016.

9.2.2 This represents placement in Term Deposit Receipts (TDRs) of financial institutions, having aggregate face value of Rs. 2.70 million (June 30, 2015: Rs 2.70 million). These carry mark-up at rates ranging between 6.00% and 7.60% (June 30, 2015: 7.60% and 9.00%) per annum and are maturing on various dates upto November 2016. Accrued mark-up aggregating to Rs. 0.099 million (June 30, 2015: Rs. 0.024 million) is included in the carrying value.

	Note	March 31, 2016 Un-audited	June 30, 2015 Audited
----- Rupees in '000 -----			
9.3 Endowment Funds			
Students' Endowment Fund			
Pakistan Investment Bond	9.3.1	25,828	-
Libraries Development Fund			
Pakistan Investment Bond	9.3.2	2,945	-
		<u>28,773</u>	<u>-</u>

9.3.1 This represents investment in Pakistan Investment Bonds (PIBs) having aggregate face value of Rs. 25.87 million (June 30, 2015: Nil). Profit is receivable on half yearly basis with yield at rates ranging from 11.85% to 12.03% (June 30, 2015: Nil) per annum. These PIBs have term of three years and are maturing on July 18, 2016.

9.3.2 This represents investment in Pakistan Investment Bonds (PIBs) having aggregate face value of Rs. 2.95 million (June 30, 2015: Nil). Profit is receivable on half yearly basis with yield at rates ranging from 11.85% to 12.03% (June 30, 2015: Nil) per annum. These PIBs have term of three years and are maturing on July 18, 2016.

		March 31, 2016 Un-audited	June 30, 2015 Audited
	Note	----- Rupees in '000 -----	
9.4 Southern Regional Committee			
Certificates of Islamic Investment			
Accumulated Fund	9.4.1	3,200	5,940
H.J. Irani Memorial Fund		-	147
		<u>3,200</u>	<u>6,087</u>
9.4.1	This represent Certificates of Islamic Investment, issued by a bank costing Rs. 1.7 million (June 30, 2015: Rs. 5.92 million). These certificates carry mark-up at rates ranging between 5.06% and 7.63% (June 30, 2015: 5.96% and 7.56%) per annum and will mature on various dates upto June 30, 2016.		
		March 31, 2016 Un-audited	June 30, 2015 Audited
9.5 Northern Regional Committee	Note	----- Rupees in '000 -----	
Certificate of Islamic Investments	9.3.1	<u>9,477</u>	<u>9,126</u>
9.3.1	This represents investment in Islamic Certificates aggregating Rs. 9.00 million (June 30, 2015: Rs. 9.00 million). These certificates carry mark-up at rate ranging from 4.59% to 6.48% (June 30, 2015: 8.27%) per annum and will mature on April 23, 2016.		
		March 31, 2016 Un-audited	June 30, 2015 Audited
9.6 Benevolent Fund	Note	----- Rupees in '000 -----	
Held to maturity			
Treasury Bills	9.6.1	11,779	38,684
Certificate of Investment	9.6.2	8,000	-
Special Saving Certificates		-	33,456
		<u>19,779</u>	<u>72,140</u>
Available for sale			
Investments in equity shares	9.6.3	<u>5,436</u>	<u>5,501</u>
		<u>25,215</u>	<u>77,641</u>
9.6.1	This represents investment in Treasury Bills, issued by the State Bank of Pakistan costing Rs. 11.64 million (June 30, 2015: Rs. 38.31 million). These bills carry mark-up at rates ranging between 6.20% and 6.37% (June 30, 2015: 6.75% to 9.10%) per annum maturing on various dates upto September 15, 2016. Accrued mark-up aggregating Rs. 0.14 million (June 30, 2015: Rs.0.37 million) is included in the carrying value.		
9.6.2	This represents Certificate of Investment aggregating Rs. 8.00 million (June 30, 2015: Nil). These certificates carry mark-up at rates ranging from 6.25% to 6.40% (June 30, 2015: Nil) per annum and will mature on various dates by June 29, 2016. Accrued mark-up aggregating Rs. 0.001 million (June 30, 2015: Nil) is included in the carrying value.		

	March 31, 2016 Un-audited	June 30, 2015 Audited
	----- Rupees in '000 -----	
9.6.3 Investments in equity shares		
The Hub Power Company Limited		
As on July 1	3,743	2,350
Surplus on re-measurement	439	1,394
Market value of 40,000 ordinary shares	4,182	3,744
Fauji Fertilizer Company Limited		
As on July 1	1,758	1,320
(Deficit) / surplus on re-measurement	(504)	437
Market value of 11,767 shares	1,254	1,757
	5,436	5,501

10 CONTINGENCIES AND COMMITMENTS

10.1 There has been no significant change in the status of contingencies as reported in note 15 to the annual audited financial statements of the Institute for the year ended June 30, 2015.

10.2 Commitments in respect of capital expenditure as at reporting date aggregated to Rs. 10.56 million (June 30, 2015: Rs. 6.43 million).

	Quarter ended		Nine months ended	
	March 31, 2016 Un-audited	March 31, 2015 Un-audited	March 31, 2016 Un-audited	March 31, 2015 Un-audited
	---- Rupees in '000 ----		---- Rupees in '000 ----	
11 OTHER INCOME				
Income derived from utilisation of facilities	1,280	1,173	3,468	3,018
Gain on sale of fixed assets - net	124	-	694	-
Net income from Seminars & conferences	4,293	3,585	-	629
Surplus on Directors' Training Programs	-	1,564	4,855	1,844
Miscellaneous income	76	2,454	530	2,713
	5,773	8,776	9,547	8,204

	Quarter ended		Nine months ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Un-audited	Un-audited	Un-audited	Un-audited
	---- Rupees in '000 ----		---- Rupees in '000 ----	
12 OTHERS				
Fees to professional bodies	1,354	820	3,135	2,334
Auditors' remuneration	100	152	493	483
Meetings and related expenses	316	294	1,206	1,264
Books and publications	223	107	455	341
Conveyance	62	50	208	240
Entertainment / meeting expenses	693	603	1,840	1,843
Bank charges	743	694	3,723	3,406
Insurance	722	728	2,103	1,891
Provision for obsolete stock	-	(2,093)	267	3,982
Provision against advance income tax	-	-	240	-
Provision for doubtful students' loan	-	-	606	-
Gold medals and award ceremony	100	194	1,092	1,104
Training expenses	253	950	1,291	1,457
Train the trainers	25	-	25	-
Online Education and Research Facility	428	561	1,268	1,664
Chartered Accountants talent program	1,971	1,386	2,801	1,874
Loss on sale of operating fixed assets	-	-	-	31
Honoraria to article writers	219	134	364	309
Sports and recreation	207	61	513	363
Bad debts	-	-	-	153
Net deficit from Directors' Training Program	257	-	-	-
Net deficit from seminars and conferences	-	-	2,058	-
Sundry expenses	996	763	1,558	2,905
	8,669	5,404	25,246	25,644

12.1 This includes expenditure incurred in respect of meetings of the Council, Committees and Annual General Meeting.

13 CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise of following:

	March 31, 2016	March 31, 2015
	Un-audited	Un-audited
	----- Rupees in '000 -----	
Cash and bank balances	78,433	74,344
Short term investments realizable within three months	24,743	54,251
	103,176	128,595

14 **TRANSACTIONS WITH RELATED PARTIES**

14.1 **Significant transactions with related parties are as follows:**

Relationship with the Institute	Nature of transactions	March 31, 2016 Un-audited	March 31, 2015 Un-audited
		----- Rupees in '000 -----	
Staff retirement benefit plan	Contribution paid to Provident Fund	8,647	7,738
Key management personnel			
- Secretary / COO, Directors and other executives	- Managerial remuneration	79,027	74,667
	- Reimbursement of expenses	3,246	5,581
- Members of the Council	- Membership fee received	577	514
	- Reimbursement of expenses	3,004	4,460

14.2 **Period / year end balances:**

Relationship with the Institute	Nature of balances	March 31, 2016 Un-audited	June 30, 2015 Audited
		----- Rupees in '000 -----	
Key management personnel			
- Secretary/COO, Directors and other executives	Loans, advances and deposits	754	1,261
	Loans, advances, prepayments and other receivables	649	206
	Creditors, accrued expenses and other liabilities	333	131
- Members of the Council	Loans, advances, prepayments and other receivables	430	-
	Creditors, accrued expenses and other liabilities	-	362

15 **FINANCIAL RISK MANAGEMENT**

The Institute activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest rate risk).

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Institute's audited annual financial statements for the year ended June 30, 2015.

There have been no significant changes in the risk management policies since the year end.

16 **SEGMENT INFORMATION**

Management has determined the operating segments based on the information that is presented to the Council of the Institute for allocation of resources and assessment of performance. The Institute is organized into the following operating segments:

(a) Service segments:

The institute has following four reportable segments on the basis of services characteristics:

(i) Examination (ii) Education (iii) Membership (iv) General services.

(b) Geographical segments:

The Institute has determined following geographical segments representing 10% or more of the total income:

(i) Karachi (ii) Lahore (iii) Islamabad and Rawalpindi (iv) Others including overseas

This information is also presented in South (includes provinces namely Sindh and Balochistan) and North (includes provinces namely Punjab, Khyber Pakhtunkhaw and Gilgit Biltistan) regions.

16.1 Service segments

16.1.1 Basis of allocation:

Service provided/renderers directly to students are allocated to examination and education departments whereas member related income and expenditure are allocated directly to membership department. Remaining income and expenditure are allocated to general services.

16.1.2 Segment revenue and results

Income

- from members

- from students

- others

Total income

Expenditure - note 16.1.3

Finance Income and Surplus on re-measurement of available for sale investments

Excess of income over expenditure

----- Un-audited -----									
For the nine months ended March 31, 2016					For the nine months ended March 31, 2015				
Examination	Education	Membership	General Services	Total	Examination	Education	Membership	General Services	Total
----- Rs. in '000 -----									
-	-	127,776	-	127,776	-	-	112,858	-	112,858
400,550	88,987	-	-	489,537	361,409	69,364	-	-	430,773
-	-	-	14,622	14,622	-	-	-	12,294	12,294
400,550	88,987	127,776	14,622	631,935	361,409	69,364	112,858	12,294	555,925
164,957	79,727	91,900	136,030	472,614	165,493	72,068	87,495	125,990	451,046
				159,321					104,879
				51,442					47,537
				<u>210,763</u>					<u>152,416</u>

16.1.3 Expenditure

Salary, allowance, and other benefits

Examination charges

Depreciation

Traveling and related expenses

Study packs and other publications

Utilities

Postage and telephone

Repair and maintenance

Printing and stationery

Rent, rates and taxes

Advertisement and exhibitions

Amortisation of intangible assets

Financial assistance to students

Financial assistance to members/families

Vehicle maintenance and running cost

Legal and professional charges

Others

Total Expenditures

----- Un-audited -----									
For the nine months ended March 31, 2016					For the nine months ended March 31, 2015				
Examination	Education	Membership	General Services	Total	Examination	Education	Membership	General Services	Total
----- Rs. in '000 -----									
52,368	25,265	43,019	62,127	182,779	47,264	21,274	40,645	54,325	163,508
80,631	-	-	-	80,631	86,110	-	-	-	86,110
5,966	2,753	3,442	10,784	22,945	5,773	2,539	3,228	11,552	23,092
3,557	405	11,960	1,326	17,248	3,917	611	13,459	1,065	19,052
-	17,254	518	6,927	24,699	-	21,007	634	5,118	26,759
4,029	1,860	2,325	7,284	15,498	3,525	1,551	1,974	7,051	14,101
2,970	1,371	1,713	5,368	11,422	2,518	1,107	1,407	5,041	10,073
5,986	2,763	3,453	10,821	23,023	5,392	2,372	3,017	10,789	21,570
2,429	1,684	954	4,970	10,037	2,628	1,546	1,681	3,614	9,469
12	7	16	10,695	10,730	16	5	30	9,083	9,134
62	10,862	557	1,449	12,930	-	8,631	679	755	10,065
1,411	651	814	2,552	5,428	1,332	585	743	2,668	5,328
-	8,831	-	-	8,831	-	2,611	-	-	2,611
-	-	11,726	-	11,726	-	-	9,526	-	9,526
1,285	804	1,387	1,305	4,781	1,667	994	1,996	1,533	6,190
11	-	2,961	1,688	4,660	45	-	4,172	4,597	8,814
4,240	5,217	7,055	8,734	25,246	5,306	7,235	4,304	8,799	25,644
164,957	79,727	91,900	136,030	472,614	165,493	72,068	87,495	125,990	451,046

16.1.4 Other Information

Segments assets employed

Unallocated assets

Total assets

Segments liabilities employed

----- Un-audited -----					----- Audited -----				
Aa at March 31, 2016					As at June 30, 2015				
Examination	Education	Membership	General Services	Total	Examination	Education	Membership	General Services	Total
----- Rs. in '000 -----									
44,176	27,732	22,718	202,142	296,768	33,572	24,935	20,371	210,766	289,644
				<u>750,932</u>					<u>568,946</u>
				<u>1,047,700</u>					<u>858,590</u>
32,323	7,308	10,955	32,216	<u>82,802</u>	50,710	3,917	29,494	20,661	<u>104,782</u>

Segment assets primarily consist of property, plant and equipment, loans, advances, receivables and stock of study packs, publications and souvenirs. Segment liabilities comprise of creditors, accrued expenses and other liabilities.

16.2 Geographical segments:

16.2.1 Basis of allocation

Service provided/rendered directly to students are allocated on the basis of number of students whereas services to members are allocated on the basis of numbers of members at each

16.2.2 Segment revenue and results

Income

- from members
- from students
- other general services - unallocated

Allocated expenditure - Members and Students

Unallocated expenditure - General Services

Total expenditure (16.2.3)

Finance Income and Surplus on re-measurement of available for sale investments

Excess of income over expenditure

----- Un-audited -----									
For the nine months ended March 31, 2016					For the nine months ended March 31, 2015				
Karachi	Lahore	Islamabad and Rawalpindi	Others	Total	Karachi	Lahore	Islamabad and Rawalpindi	Others	Total
----- Rs. in '000 -----									
53,465	25,270	12,550	36,491	127,776	47,711	21,663	10,840	32,644	112,858
153,099	173,965	85,780	76,693	489,537	134,969	150,542	76,086	69,176	430,773
-	-	-	-	14,622	-	-	-	-	12,294
206,564	199,235	98,330	113,184	631,935	182,680	172,205	86,926	101,820	555,925
114,976	105,128	51,902	64,578	336,584	111,421	99,815	50,364	63,456	325,056
-	-	-	-	136,030	-	-	-	-	125,990
				472,614					451,046
				159,321					104,879
				51,442					47,537
				210,763					152,416

16.2.3 Expenditure

Salaries, allowances and other benefits
Examination charges
Depreciation
Traveling and related expenses
Study packs and other publications
Utilities
Postage and telephone
Repairs and maintenance
Printing and stationery
Rent, rates and taxes
Advertisement and exhibitions
Amortisation of intangible assets
Financial assistance to students
Financial assistance to members/families
Vehicles maintenance and running cost
Legal and professional charges
Others

Expenditure - as and where incurred

Inter-segment allocation / transfer to unallocated

Allocated expenditure - Members and Students

Unallocated expenditure - General Services

Total expenditure

----- Un-audited -----									
For the nine months ended March 31, 2016					For the nine months ended March 31, 2015				
Karachi	Lahore	Islamabad and Rawalpindi	Others	Total	Karachi	Lahore	Islamabad and Rawalpindi	Others	Total
----- Rs. in '000 -----									
148,312	23,111	6,494	4,862	182,779	134,853	18,401	6,501	3,753	163,508
43,629	17,663	9,057	10,282	80,631	42,298	21,699	9,819	12,294	86,110
15,570	4,095	1,328	1,952	22,945	16,096	3,903	1,426	1,667	23,092
9,192	5,777	1,430	849	17,248	10,575	6,215	1,614	648	19,052
11,989	7,055	3,124	2,531	24,699	11,266	8,417	4,278	2,798	26,759
8,442	3,316	1,656	2,084	15,498	7,280	3,440	1,819	1,562	14,101
7,699	1,771	868	1,084	11,422	6,244	1,745	989	1,095	10,073
7,422	5,506	4,539	5,556	23,023	8,054	6,624	4,363	2,529	21,570
8,879	890	138	130	10,037	8,371	789	170	139	9,469
2,869	1,754	278	5,829	10,730	2,734	1,691	357	4,352	9,134
4,255	4,696	1,388	2,591	12,930	2,768	5,692	954	651	10,065
5,428	-	-	-	5,428	5,328	-	-	-	5,328
4,687	2,442	937	765	8,831	717	1,328	289	277	2,611
6,009	4,322	1,103	292	11,726	4,401	3,760	1,365	-	9,526
3,873	765	124	19	4,781	5,085	857	242	6	6,190
4,455	25	180	-	4,660	8,329	470	-	15	8,814
19,910	2,837	1,752	747	25,246	20,297	2,450	1,813	1,084	25,644
312,620	86,025	34,396	39,573	472,614	294,696	87,481	35,999	32,870	451,046
(197,644)	19,103	17,506	25,005	(136,030)	(183,275)	12,334	14,365	30,586	(125,990)
114,976	105,128	51,902	64,578	336,584	111,421	99,815	50,364	63,456	325,056
				136,030					125,990
				472,614					451,046

16.2.4 Other Information

Segments assets employed

Unallocated assets

Total assets

Segments liabilities employed

Unallocated liabilities

Total liabilities

----- Un-audited -----					----- Audited -----				
Aa at March 31, 2016					As at June 30, 2015				
Karachi	Lahore	Islamabad and Rawalpindi	Others	Total	Karachi	Lahore	Islamabad and Rawalpindi	Others	Total
----- Rs. in '000 -----									
198,676	53,769	20,805	23,518	296,768	190,700	56,201	20,797	21,946	289,644
				750,932					568,946
				1,047,700					858,590
38,574	12,776	10,451	647	62,448	29,647	433	20	1,319	31,419
				20,354					73,363
				82,802					104,782

Segment assets primarily consist of property, plant and equipment, loans, advances, receivables and stock of study packs, publications and souvenirs. Segment liabilities comprise of creditors, accrued expenses and other liabilities.

16.2.5 **Segment revenue and results**

Income

- from members
- from students
- other general services - unallocated

Allocated expenditure - Members and Students

Unallocated expenditure - General Services

Total expenditure (16.2.6)

Finance Income and Surplus on re-measurement of available for sale investments

Excess of income over expenditure

----- Un-audited -----					
For the nine months ended March 31, 2016			For the nine months ended March 31, 2015		
South	North	Total	South	North	Total
----- Rs. 000 -----					
73,628	54,148	127,776	65,919	46,939	112,858
164,110	325,427	489,537	146,549	284,224	430,773
-	-	14,622	-	-	12,294
237,738	379,575	<u>631,935</u>	212,468	331,163	<u>555,925</u>
134,982	201,602	336,584	131,923	193,133	325,056
-	-	<u>136,030</u>	-	-	<u>125,990</u>
		<u>472,614</u>			<u>451,046</u>
		<u>159,321</u>			<u>104,879</u>
		51,442			47,537
		<u>210,763</u>			<u>152,416</u>

16.2.6 **Expenditure**

Salaries, allowances and other benefits

Examination charges

Depreciation

Traveling and related expenses

Study packs and other publications

Utilities

Postage and telephone

Repairs and maintenance

Printing and stationery

Rent, rates and taxes

Advertisement and exhibitions

Amortisation of intangible assets

Financial assistance to students

Financial assistance to members/families

Vehicles maintenance and running cost

Legal and professional charges

Others

Expenditure - as and where incurred

Inter-segment allocation / transfer to unallocated

Allocated expenditure - Members and Students

Unallocated expenditure - General Services

Total expenditure

----- Un-audited -----					
For the nine months ended March 31, 2016			For the nine months ended March 31, 2015		
South	North	Total	South	North	Total
----- Rs. 000 -----					
149,239	33,540	182,779	135,344	28,164	163,508
45,397	35,234	80,631	44,417	41,693	86,110
15,652	7,293	22,945	16,139	6,953	23,092
9,892	7,356	17,248	10,823	8,229	19,052
12,070	12,629	24,699	11,266	15,493	26,759
8,609	6,889	15,498	7,352	6,749	14,101
7,751	3,671	11,422	6,265	3,808	10,073
7,609	15,414	23,023	8,229	13,341	21,570
8,913	1,124	10,037	8,390	1,079	9,469
3,231	7,499	10,730	2,896	6,238	9,134
4,749	8,181	12,930	3,131	6,934	10,065
5,428	-	5,428	5,328	-	5,328
4,687	4,144	8,831	717	1,894	2,611
6,009	5,717	11,726	4,401	5,125	9,526
3,873	908	4,781	5,085	1,105	6,190
4,455	205	4,660	8,329	485	8,814
19,976	5,270	25,246	20,363	5,281	25,644
317,540	155,074	472,614	298,475	152,571	451,046
(182,558)	46,528	(136,030)	(166,552)	40,562	(125,990)
134,982	201,602	336,584	131,923	193,133	325,056
		<u>136,030</u>			<u>125,990</u>
		<u>472,614</u>			<u>451,046</u>

16.2.7 **Other Information**

Segments assets employed

Unallocated assets

Total assets

Segments liabilities employed

Unallocated liabilities

Total liabilities

----- Un-audited -----			----- Audited -----		
For the nine months ended March 31, 2016			As at June 30, 2015		
South	North	Total	South	North	Total
----- Rs. 000 -----					
199,472	97,296	296,768	191,372	98,272	289,644
		750,932			568,946
		<u>1,047,700</u>			<u>858,590</u>
38,574	23,874	62,448	29,647	1,772	31,419
		20,354			73,363
		<u>82,802</u>			<u>104,782</u>

Segment assets primarily consist of property, plant and equipment, loans, advances, receivables and stock of study packs, publications and souvenirs. Segment liabilities comprise of creditors, accrued expenses and other liabilities.

17 **SEASONALITY**

The Institute's surplus is subject to periodical fluctuation due to the fact that most of the membership subscription is received in the early part of the financial year.

18 **CORRESPONDING FIGURE**

Corresponding figures have been re-arranged and / or re-classified for the purpose of better presentation the effect of which is not material.

19 **DATE OF AUTHORISATION FOR ISSUE**

The Council of the Institute authorized these condensed interim financial statements for issue on May 03, 2016 .

SECRETARY

PRESIDENT