



# **The Institute of Chartered Accountants of Pakistan**

**CONDENSED INTERIM FINANCIAL INFORMATION**

**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

**(UN-AUDITED)**

## **REPORT OF THE COUNCIL FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

The Council is pleased to present the unaudited condensed interim financial statements of the Institute for the nine months' period ended March 31, 2021 and a brief review of the Institute's activities.

### **Financial Highlights**

The key financial results of the Institute for the nine months ended March 31, 2021 are as follows:

	Nine months ended March 31, 2021	Nine months ended March 31, 2020
	----- Rs. '000 -----	
Income	1,106,542	1,005,753
Expenditure	860,769	777,679
Excess of income over expenditure before Income from investments	245,773	228,074
Income from investments	61,580	102,985
<b>Total comprehensive income for the period</b>	<b>307,353</b>	<b>331,059</b>

During the period under review, Income (including income from investments) has increased by 5.4% and Expenditure increased by 10.7% from that of the corresponding period of the previous year, resulting in 7.2% decrease in the total comprehensive income.

### **Activities**

During the period, the activities of the Institute remained in line with its strategic plan. A brief of key activities is as under:

#### **1. Examination**

- AFC & CAF Examinations for Spring 2021 session were held under strict compliance with COVID-19 Standing Operating Procedures. For the first time, the examinees were allowed to appear in CAF Stage examination either through center based or remote proctoring arrangement.
- In line with the Council's vision to promote chartered accountancy in the province of Baluchistan, for the first time, CAF Examinations were conducted in Quetta.
- The Institute signed an MOU with Virtual University (VU) whereby ICAP will conduct its AFC examinations at VU campuses, with latest equipment, throughout Pakistan. This MOU has not only improved the quality of the labs, it would also reduce the Institute's cost in holding AFC examinations.

#### **2. Members' Convocation Ceremony**

The Institute of Chartered Accountants of Pakistan organized the "Members' Convocation Ceremony" on March 08, 2021 in Karachi, to honor the freshly qualified batch of chartered accountants. 130 newly



qualified Chartered Accountants of the Southern Region received their membership certificates. Hamza Naeem, Pir Muhammad, Kiran Shahid Khan, Ahmed and Muhammad Muzzammil Shiwani were awarded gold medals for outstanding performance in different subjects and 13 other students received merit certificates. For the first time, Fellow membership certificates were also distributed in the Convocation Ceremony.

President ICAP Mr. Iftikhar Taj congratulated the newly inducted members and their parents on their splendid success. He said, "the qualification of Chartered Accountancy is only the first milestone of a very long journey that lies ahead of you". He also acknowledged the contributions of the parents and teachers of the newly qualified members.

The program ended with vote of thanks by Mr. Mohammad Zulfikar Akhtar, Chairman Southern Regional Committee followed by dinner.

### 3. **ICAP-IBA Research Unit (IIRU) – Research Grant 2020 nominations**

The IIRU approved three proposals submitted against the Call for Research Grant 2020, namely,

- Dr. Khalid Mushtaq, Associate Professor, University of Agriculture, Faisalabad: A diagnostic analysis of role of middlemen in financing and marketing of agriculture business and its impact on the earnings of farmers and retail price: A Case Study of Potato Farmers,
- Dr. Abdur Rahman Aleemi, Assistant Professor, Institute of Business Management: Market Power of Banks in Pre and Post Digital Finance Era: Financial Inclusion and the Role of Fintech, and
- Dr. Omair Haroon, Assistant Professor and Member of ICAP, Lahore University of Management Sciences: Technological Innovations and Auditing Practice in Pakistan

### 4. **Loss of employment Takaful coverage for ICAP Members**

In order to secure ICAP members from involuntary and voluntary loss of employment, ICAP has been able to arrange a takaful coverage namely "Loss of Employment Takaful" exclusively for ICAP members.

Certain other value added services at discounted rates are also being provided to subscribers of this takaful coverage.

This offer is a first of its kind in Pakistan and is not currently being offered by any other Takaful or insurance company.

The scheme covers loss of employment arising from various situations including mass layoffs due to economic recession or employee's non-performance due to inability to pay its debts, insolvency or liquidation proceedings. This scheme also covers forced resignation situations.

### 5. **Possession of Lahore Development Authority (LDA) Plot**

The Institute has obtained possession of the land measuring 10 Kanal, 19 Marla and 17 Square ft. in Gulberg, Lahore on April 07, 2021 which was acquired through auction during the year 2017-18; after depositing stamp duty amounting to Rs. 22 million under protest and without prejudice with LDA as per Lahore High Court's order.

It is made clear in the Court's Order that the amount deposited by Institute to LDA will remain as security with LDA, and if as a result of determination, the total amount or any part thereof is not found to be due,



the LDA shall be liable to refund it to ICAP.

6. **CA Women's Day Celebration 2021**

The CA Women Committee ICAP celebrated Women's Day 2021 at ICAP in Karachi, Lahore, and Islamabad in person and through Zoom on the international Women's day theme #ChooseToChallenge. The event was attended by 150 participants, both physically and virtually.

President ICAP, Mr. Iftikhar Taj was the chief guest and gave away the three predefined categories of achievement awards, this year:

- Shagufta Shamsuddin Hassan, Chief Executive Officer, Outreach Health Network, Pakistan, at Aga Khan University Hospital, received '*Lifetime Achievement Award*';
- Hena Sadiq, Partner Audit and Assurance, Yousuf Adil & Co., received '*CA Woman of the Year Award*';
- Fizza Javed, a trainee at A.F. Ferguson & Co. received '*Student of the Year Award*';
- Three awards were also given to ICAP's longest serving female employees in their respective locations.

7. **Book Launch of "An Inspiring Journey of CA Women"**

The CA Women Committee published a journey book of CA Women to exhibit the progression of women in chartered accountancy in order to attract more women towards CA profession. The hybrid launch was held on 4th February 2021 in ICAP Karachi and virtually through Zoom.

"*An Inspiring Journey of CA Women*" is the title of the book which cascades women who have achieved the CA qualification and are now having a successful career, either in leadership roles or in their entrepreneurial ventures. This book documents numerous historical facts about the growth and diversity of women in Chartered Accountancy, over the decades.

8. **Relaunching of ICAP mentorship program**

ICAP mentorship program, initiated in 2017, provided guidance to ICAP members in their professional and personal development through experienced industry leaders from diverse backgrounds.

In March 2021, ICAP Professional Accountants in Business (PAIB) Committee relaunched Mentorship Program with additional features to facilitate mentors and enrich mentees' experience. A more user friendly dashboard has been introduced for both mentors and mentees where they can connect with each other, schedule meetings, check progress on set objectives and share feedback.

9. **Registration of a New TOoP**

The Institute has approved Gas & Oil Pakistan Limited as Training Organization outside Practice (TOoP) authorizing them to induct and train CA students.

10. **AML / CFT awareness and capacity building sessions for reporting firms**

In February 2021, the Institute actively participated in AML / CFT awareness and capacity building session for reporting firms which were organized by United Nations Office on Drugs and Crime (UNODC) in collaboration with ICAP and other relevant Government stakeholders. The session was held in Islamabad. This insightful session comprised of experienced speakers from Financial Monitoring Unit (FMU), Ministry of Foreign Affairs, National Counter Terrorism Authority (NACTA) and the Institute of Chartered Accountants of Pakistan.

11. **Online event “Meeting the Consul General and ICAP Management” by the Canada Chapter of ICAP Members**

The Canada Chapter of ICAP Members organized an online meetup session for ICAP members residing in Canada on March 20, 2021. His Excellency Abdul Hameed, Consul General of Pakistan in Canada also graced the event with his presence and shared his thoughts. Vice President South, Mr. Ashfaq Yousuf Tola and Vice President North, Mr. Muhammad Ali Latif also attended the webinar and shared the developments that are taking place at the Institute.

12. **Webinar on “SBP initiatives to Financially connect Non-Resident Pakistanis with their Homeland Pakistan”**

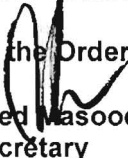
ICAP in collaboration with the State Bank of Pakistan (SBP) organized a webinar on the topic of “SBP Initiatives to Financially connect Non-Resident Pakistanis with their Homeland Pakistan” on January 16, 2021. Governor, State Bank of Pakistan (SBP), Dr. Reza Baqir was the chief guest. The speakers shared valuable insights related to the recent initiatives of SBP and Government of Pakistan for overseas Pakistanis.

13. **Webinar on “Thriving in the New Normal”**

The UAE Chapter of ICAP Members organized a webinar on the topic of “Thriving in the New Normal” on February 22, 2021. Mr. Ashfaq Yousuf Tola, Vice President ICAP was the guest speaker for the program. His Excellency Ahmed Amjad Ali, Consulate General of Pakistan in the UAE was the Chief Guest for the webinar.

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

By the Order of the Council



Syed Masood Akhtar  
Secretary  
Karachi, April 29, 2021

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2021**

		March 31, 2021	June 30, 2020
		Un-audited	Audited
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	5	840,443	748,044
Intangible assets	6	38,387	3,803
Long term investments	7	222,308	288,371
Loans, advances and deposits		14,667	11,540
		<u>1,115,805</u>	<u>1,051,758</u>
<b>CURRENT ASSETS</b>			
Stock of study packs, publications and souvenirs	8	20,276	22,193
Short term investments	9	881,893	767,122
Loans, advances, prepayments and other receivables	10	87,332	41,555
Accrued income on investments		6,357	7,855
Cash and bank balances	11	39,156	37,324
		<u>1,035,014</u>	<u>876,049</u>
<b>TOTAL ASSETS</b>		<u>2,150,819</u>	<u>1,927,807</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities against Right-of-use (RoU) assets	12	7,292	11,196
<b>CURRENT LIABILITIES</b>			
Creditors, accrued and other liabilities	13	143,543	91,847
Fee and charges received in advance		62,033	194,298
Current portion of lease liabilities against Right-of-use (RoU) assets		3,645	3,513
		<u>209,221</u>	<u>289,658</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	14		
<b>NET ASSETS</b>		<u>1,934,306</u>	<u>1,626,953</u>
<b>REPRESENTED BY:</b>			
<b>ACCUMULATED FUNDS</b>			
General Fund		1,516,086	1,219,003
Specific Fund		5,021	5,555
Endowment Funds		227,279	223,193
Regional Committees		33,961	32,591
Benevolent Fund		151,959	146,611
		<u>1,934,306</u>	<u>1,626,953</u>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

  
**CHIEF FINANCIAL OFFICER**

  
**SECRETARY**

  
**PRESIDENT**



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

		Quarter ended		Nine months ended	
	Note	March 31, 2021 ----- Rupees in '000 -----	March 31, 2020	March 31, 2021 ----- Rupees in '000 -----	March 31, 2020
<b>INCOME</b>					
Members' subscription and other fees		7,328	4,945	212,908	213,642
Examination and other fees		285,765	173,416	686,931	595,342
Education and training fees		71,196	30,021	188,379	180,873
Publications		2,845	2,878	7,633	9,456
Other income	15	3,810	2,314	10,691	6,440
		370,944	213,574	1,106,542	1,005,753
<b>SERVICE / OPERATIONAL EXPENDITURE</b>					
Salaries, allowances and other benefits		82,037	75,182	243,390	219,389
Examination charges		93,266	49,019	249,674	150,630
Depreciation		12,874	11,053	35,869	30,290
Traveling and related expenses		1,872	4,974	5,029	19,112
Study packs and other publications		11,857	11,130	35,913	45,374
Utilities		8,178	6,690	24,720	25,737
Network and communication		3,353	4,604	12,965	16,131
Repairs and maintenance		15,375	15,779	43,034	43,110
Printing and stationery		3,451	5,278	9,147	14,525
Rent, rates and taxes	16	5,116	4,758	15,762	13,106
Advertisement and marketing		2,483	2,910	7,910	9,353
Amortisation of intangible assets		1,193	803	3,354	2,368
Financial assistance to students		-	5,029	6,222	11,295
Financial assistance to members and/or members' families		7,816	6,684	23,418	20,377
Members induction ceremony		3,323	-	6,007	4,197
Edhi CA talent program		2,431	1,923	7,046	6,343
Vehicles maintenance and running cost		1,982	1,969	5,978	6,217
Legal charges		921	2,010	2,892	4,013
Professional charges		2,576	2,056	7,854	5,215
Interest expense on lease liabilities against RoU assets		442	568	1,446	1,795
Others	17	16,947	10,453	45,694	43,410
		277,493	222,872	793,324	691,987
<b>ADMINISTRATIVE / MANAGERIAL EXPENDITURE</b>					
Salaries, allowances and other benefits		23,829	25,896	65,303	82,098
Traveling and related expenses		-	417	-	978
Vehicles maintenance and running cost		714	684	2,142	2,616
		24,543	26,997	67,445	85,692
<b>Total Expenditures</b>		302,036	249,869	860,769	777,679
<b>Excess of income over expenditure before income from investments</b>		68,908	(36,295)	245,773	228,074
<b>Income from investments</b>		20,986	37,239	61,257	103,387
<b>Excess of income over expenditure for the period</b>		89,894	944	307,030	331,461
<b>Other comprehensive income</b>					
<i>Items that will not be subsequently reclassified to profit or loss</i>					
Surplus/(deficit) on re-measurement of financial assets at fair value through other comprehensive income		34	(1,225)	323	(402)
<b>Total comprehensive income/(loss) for the period</b>		89,928	(281)	307,353	331,059
<b>ATTRIBUTABLE TO:</b>					
General Fund		93,192	4,086	297,083	319,819
Specific Fund		(411)	151	(534)	(23)
Endowment Funds		3,603	(557)	4,086	1,352
Regional Committees		(2,009)	(1,250)	1,370	(3,667)
Benevolent Fund		(4,447)	(2,711)	5,348	13,578
		89,928	(281)	307,353	331,059

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

CHIEF FINANCIAL OFFICER

SECRETARY

PRESIDENT

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN  
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	March 31, 2021	March 31, 2020
Note	----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash received against:</b>		
Members' subscription and other fees	212,183	186,984
Examination and other fees	555,543	657,766
Education and training fees	189,764	180,873
Sale of publications	8,319	9,731
Facilities and miscellaneous	10,343	9,292
	976,152	1,044,646
<b>Cash paid against:</b>		
Salaries, allowances and other benefits	308,902	298,264
Fees to professional bodies	4,791	8,180
Property tax	1,313	1,313
Examination charges	213,666	139,722
Short term leases	10,153	9,018
Supplies and services	274,492	309,020
	813,317	765,517
<b>Net cash generated from operating activities</b>	162,835	279,129
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investments made - net	(118,415)	(701,203)
Fixed capital expenditure	(137,159)	(63,867)
Purchase of intangible assets	(37,939)	(700)
Proceeds from sale of property and equipment	4,955	4,577
Income received from investments	62,754	107,351
<b>Net cash used in investing activities</b>	(225,804)	(653,842)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash paid against:		
- lease liabilities against RoU assets	(3,179)	(3,298)
- finance cost on lease liabilities against RoU assets	(2,039)	(1,446)
<b>Net cash used in financing activities</b>	(5,218)	(4,744)
<b>Net (decrease) / increase in cash and cash equivalents</b>	(68,187)	(379,457)
Investment realisable within three months	718,893	494,311
Cash and cash equivalents - at the beginning of the period	107,348	456,693
<b>Cash and cash equivalents - at the end of the period</b>	758,054	571,547

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The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

  
**CHIEF FINANCIAL OFFICER**

  
**SECRETARY**

  
**PRESIDENT**



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN  
CONDENSED INTERIM STATEMENT OF CHANGES IN FUNDS (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	General Fund	Specific Fund	Endowment Funds			Regional Committees			Benevolent Fund	Total
			Students' Fund	Libraries Development Fund	Sub total	Southern	Northern	Sub total		
----- Rs. in '000 -----										
Balance as at July 01, 2019	1,073,899	5,436	172,357	9,022	181,379	28,273	9,109	37,382	132,785	1,430,881
Total comprehensive income for the period ended March 31, 2020										
Excess / (deficit) of income over expenditure for the period	319,819	(23)	1,056	296	1,352	(3,017)	(650)	(3,667)	13,980	331,461
Other comprehensive income	-	-	-	-	-	-	-	-	(402)	(402)
	319,819	(23)	1,056	296	1,352	(3,017)	(650)	(3,667)	13,578	331,059
Balance as at March 31, 2020	1,393,718	5,413	173,413	9,318	182,731	25,256	8,459	33,715	146,363	1,761,940
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Balance as at July 01, 2020	1,219,003	5,555	213,620	9,573	223,193	24,560	8,031	32,591	146,611	1,626,953
Total comprehensive income for the period ended March 31, 2021										
Excess / (deficit) of income over expenditure for the period	297,083	(534)	3,696	390	4,086	1,343	27	1,370	5,025	307,030
Other comprehensive income	-	-	-	-	-	-	-	-	323	323
	297,083	(534)	3,696	390	4,086	1,343	27	1,370	5,348	307,353
Balance as at March 31, 2021	1,516,086	5,021	217,316	9,963	227,279	25,903	8,058	33,961	151,959	1,934,306

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



CHIEF FINANCIAL OFFICER



SECRETARY



PRESIDENT

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN  
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

**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 organization, under sub section (36) of section 2 of the Income Tax Ordinance, 2001.

**Regional Committees**

The Council of the Institute has established 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' and Libraries Development Endowment 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 organizations.

**Benevolent Fund**

Benevolent Fund was established by the Council of the Institute to provide relief to deserving individuals who are or have been members of the Institute including their spouse, children and dependents. The Fund is governed by the rules approved by the Council. Major source of the Fund is the contribution by the members in the form of annual subscription.

**Discount in Membership and Examination fees**

COVID-19 has been declared pandemic by World Health Organization (WHO) and has affected all the businesses around the world in one way or the other. The Council of the Institute is closely monitoring the situation and its impact on the Institute's operations. Due to COVID-19 our AFC Spring 2020 and AFC & CFAP/MSA Summer 2020 examinations were cancelled. The cancellation of CFAP/MSA Summer 2020 examinations have impacted timing and numbers of new members joining the Institute in 2020-21. Further the Institute has given discount in membership and practice license fees of 2020-21 @ 50% to those members who became unemployed due to COVID19 and also to those who started practice on or after January 1, 2018. The Institute has also given 15% discount in examination fee of September and December 2020 sessions. The discount provided in the membership fee is of Rs. 5.5 million and in the examination fee is of Rs. 59.36 million up to March 31, 2021.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information of the Institute for the nine months ended March 31, 2021 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting'.

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 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, 2020.

The comparative statement of financial position 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, 2020, 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 of the Institute for the nine months ended March 31, 2020.

## 2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for certain financial assets and liabilities which are carried at amortised cost or at fair value through other comprehensive income.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

## 2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees which is the functional currency of the Institute and figures are rounded off to the nearest thousand of rupees unless otherwise specified.

## 3. ACCOUNTING POLICIES

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 of the Institute for the year ended June 30, 2020.

## 4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information is 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 of the Institute for the year ended June 30, 2020.

5. PROPERTY AND EQUIPMENT	Note	March 31, 2021 Un-audited	June 30, 2020 Audited
		----- Rupees in '000 -----	
Land	5.1	440,220	440,220
Operating fixed assets	5.2	364,665	298,142
Capital work in progress		35,558	9,682
		<u>840,443</u>	<u>748,044</u>



## 5.1 Land

- (a) This includes Rs. 440.202 million paid to Lahore Development Authority (LDA) in respect of piece of land, measuring 10 Kanal, 19 Marla and 17 Square ft. in Gulberg, Lahore, acquired through auction during the year 2017-18. The Lahore Development Authority (LDA) demanded CVT of Rs. 8.8 million vide its letter DEM-I/LDA/1802511 dated July 28, 2018. The management is of the view that the CVT has been abolished effective July 1, 2017 and since the transaction date falls after July 1, 2017 the CVT is not payable on this transaction.

The management has challenged this demand in the Honorable Lahore High Court (LHC) and is confident that the said levy is not payable by the Institute. On an application by the Institute on July 19, 2019, LHC had issued a restraining order whereby LDA cannot transfer the said property to any third person.

Subsequently, as per the LHC Order dated January 28, 2021, the Institute submitted in the LHC that it is willing to deposit the requisite fee of Rs. 8,804,040/-, under protest and without prejudice to its case on merit, and that the property should be transferred to the Institute with a view to put it to intended use in accordance with law. However, LDA in response submitted in court that as per their stance/calculation the amount due against property is Rs. 22,011,100/- as stamp duty @ 5% of the full consideration paid to LDA along with an additional stamp duty of Rs. 1000/- is liable to be paid. Accordingly, based on the Institute's submission to the Court that Institute is willing to, under protest and without prejudice, deposit the amount now demanded by the LDA for immediate transfer of possession for its use, LHC vide its aforesaid Order dated January 28, 2021 allowed the Institute to deposit the amount of Rs. 22,011,100/- with LDA, without prejudice and under protest, and subject to final decision of the case, and on doing so LDA shall immediately transfer effective possession of the property to the ICAP, subject to, of course, to final determination of the controversy by the Court. It is made clear in the LHC Order that the amount being deposited by Institute to LDA shall remain as security with LDA, and in case as a result of determination, the total amount or any part thereof is not found to be due, the LDA shall be liable to refund it to ICAP. The Institute has deposited the said amount and after completing all the formalities, possession of the plot has been transferred to the Institute on April 7, 2021.

- (b) This also includes leasehold land at Preedy Street, Karachi, of Rs. 0.018 million, occupied by squatters. The members in its 51st Annual General Meeting held on September 20, 2012, has authorised the Council to proceed for the sale of the Preedy Street land at best available price.

5.2 Operating fixed assets	Note	March 31, 2021 Un-audited	June 30, 2020 Audited
		----- Rupees in '000 -----	
Net book value at beginning of the period / year		298,142	238,332
Recognition of RoU assets on initial application of IFRS 16		-	17,656
		298,142	255,988
Additions during the period / year	5.2.1	107,853	90,277
Less:			
Disposals at book value: [ having cost Rs. 21.908 million (June 30, 2020: Rs. 16.506 million)]	5.2.2	5,461	5,743
Depreciation charge for the period / year		32,629	38,060
Depreciation charge on RoU assets for the period / year		3,240	4,320
		41,330	48,123
Net book value at end of the period / year	5.2.3	364,665	298,142

		March 31, 2021 Un-audited	June 30, 2020 Audited
	Note	----- Rupees in '000 -----	
<b>5.2.1 Additions during the period / year at cost</b>			
Leasehold land		45,000	-
Building on leasehold land		9,472	1,821
Building on freehold land		372	2,611
Electric fittings and appliances		3,905	13,253
Furniture and fixtures		15,252	16,007
Vehicles		13,018	20,890
Office equipment		20,834	35,695
		<u>107,853</u>	<u>90,277</u>
<b>5.2.2 Disposals during the period / year at book value</b>			
Electric fittings and appliances		313	99
Furniture and fixtures		1,857	-
Vehicles		2,727	5,420
Office equipment		564	224
		<u>5,461</u>	<u>5,743</u>
<b>5.2.3</b>	This includes WDV of Rs. 10.09 million related to RoU assets.		
<b>6. INTANGIBLE ASSETS</b>			
Intangible assets - Net book value	6.1	6,331	3,803
Cost of software development in progress		32,056	-
		<u>38,387</u>	<u>3,803</u>
<b>6.1</b>	Net book value at the beginning of the period / year		
		3,803	6,798
	Additions during the period / year		
		5,882	-
	Fully amortized assets written-off:		
Cost	6.1.1	7,144	1,868
Accumulated amortisation		(7,144)	(1,868)
		-	-
	Amortisation during the period / year		
		(3,354)	(2,995)
	Net book value at the end of the period / year		
		<u>6,331</u>	<u>3,803</u>
<b>6.1.1</b>	This represents cost of fully amortized assets which were no longer in use by the Institute, has been written-off during the period / year.		
		March 31, 2021 Un-audited	June 30, 2020 Audited
		----- Rupees in '000 -----	
<b>7. LONG TERM INVESTMENTS</b>	Note		
<b>At amortised cost</b>			
General Fund	7.1	134,706	176,357
Specific Fund	7.2	865	1,889
Endowment Funds	7.3	81,869	105,580
		217,440	283,826
<b>At fair value through other comprehensive income</b>			
Benevolent Fund	7.4	4,868	4,545
		<u>222,308</u>	<u>288,371</u>

		March 31, 2020 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
<b>7.1 General Fund</b>	<b>Note</b>		
<b>At amortized cost</b>			
Certificates of Islamic Investment	7.1.1	115,000	115,000
Less: Maturing within one year, classified under short term investments	9.1	(40,000) 75,000	- 115,000
Pakistan Investment Bonds	7.1.2	92,717	94,526
Less: Maturing within one year, classified under short term investments	9.1	(33,011) 59,706	(33,169) 61,357
Certificates of Deposit		-	21,826
Less: Maturing within one year, classified under short term investments		-	(21,826)
		134,706	176,357

**7.1.1** This represents investment in Sharia Compliant Term Deposit Certificates with a bank aggregating to Rs. 75 million (June 30, 2020: Rs. 115 million). These certificates carried profit at the rates ranging from 6.90% to 7.16% (June 30, 2020: 7.48% to 12.59%) per annum receivable on monthly basis and are maturing on various dates upto February 16, 2024.

**7.1.2** This represents investment in Pakistan Investment Bonds (PIBs) having aggregate face value of Rs. 89.955 million (June 30, 2020: Rs. 89.955 million). Profit is receivable on half yearly basis, with yield at the rates ranging from 6.99% to 7.20% (June 30, 2020: 6.99% to 7.20%) per annum. These PIBs have term of five years and are maturing on various dates upto July 19, 2022.

		March 31, 2021 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
<b>7.2 Specific Fund</b>	<b>Note</b>		
<b>At amortized cost</b>			
Certificate of Islamic Investment		1,000	1,000
Less: Maturing within one year, classified under short term investments	9.2	(1,000) -	- 1,000
Pakistan Investment Bond	7.2.1	865	889
		865	1,889

**7.2.1** This represents investment in Pakistan Investment Bonds (PIBs) having face value of Rs. 0.825 million (June 30, 2020: Rs. 0.825 million). Profit is receivable on half yearly basis, with yield at the rate of 7.20% (June 30, 2020: 7.20%) per annum. These PIBs have a term of five years and are maturing on July 19, 2022.



		March 31, 2021 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
<b>7.3</b>	<b>Endowment Funds</b>		
	<b>At amortised cost</b>		
	<b>Students' Fund</b>		
	Certificates of Islamic Investment	7.3.1 42,000	42,000
	Less: Maturing within one year, classified under short term investments	9.3 (22,000) 20,000	- 42,000
	Pakistan Investment Bonds	7.3.2 56,677	58,245
		76,677	100,245
	<b>Libraries Development Fund</b>		
	Pakistan Investment Bonds	7.3.3 5,192	5,335
		81,869	105,580

**7.3.1** This represents investment in Sharia Compliant Term Deposit Certificates with a bank having aggregate face value amounting to Rs. 20 million (June 30, 2020: Rs. 42 million). These certificates carried profit at the rates ranging from 6.90% to 7.16% (June 30, 2020: 7.48% to 12.59%) per annum receivable on monthly basis and are maturing on June 30, 2022.

**7.3.2** This represents investment in Pakistan Investment Bonds (PIBs) having face value of Rs. 54.07 million (June 30, 2020: Rs. 54.07 million). Profit is receivable on half yearly basis, with yield at the rate of 7.20% (June 30, 2020: 7.20%) per annum. These PIBs have a term of five years and are maturing on July 19, 2022.

**7.3.3** This represents investment in Pakistan Investment Bonds (PIBs) having face value of Rs. 4.95 million (June 30, 2020: Rs. 4.95 million). Profit is receivable on half yearly basis, with yield at the rate of 7.20% (June 30, 2020: 7.20%) per annum. These PIBs have a term of five years and are maturing on July 19, 2022.

		March 31, 2021 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
<b>7.4</b>	<b>Benevolent Fund</b>		
	<b>At fair value through other comprehensive income</b>		
	<b>Investments in equity shares</b>		
	<b>The Hub Power Company Limited</b>		
	As on 01-July	3,251	3,532
	Surplus / (Deficit) on re-measurement based on the market value of 44,839 ordinary shares (June 30, 2020: 44,839 ordinary shares)	387 3,638	(281) 3,251
	<b>Fauji Fertilizer Company Limited</b>		
	As on 01-July	1,294	1,025
	(Deficit) / Surplus on re-measurement based on the Market value of 11,767 ordinary shares (June 30, 2020: 11,767 ordinary shares)	(64) 1,230	269 1,294
		4,868	4,545

		March 31, 2021 Un-audited	June 30, 2020 Audited
	Note	----- Rupees in '000 -----	
<b>8. STOCK OF STUDY PACKS, PUBLICATIONS AND SOUVENIRS</b>			
Stock of study packs		11,715	14,603
Stock of publications and souvenirs		11,963	8,297
		<u>23,678</u>	<u>22,900</u>
Less: Provision for obsolete stock		(3,402)	(707)
		<u>20,276</u>	<u>22,193</u>

**9. SHORT TERM INVESTMENTS**

**At amortised cost**

General Fund	9.1	584,966	532,139
Specific Fund	9.2	4,324	3,170
Endowment Funds	9.3	128,599	67,178
Southern Regional Committee	9.4	21,004	21,635
Northern Regional Committee	9.5	5,000	5,000
Benevolent Fund	9.6	138,000	138,000
		<u>881,893</u>	<u>767,122</u>

**9.1 General Fund**

Certificates of Islamic Investment	9.1.1	511,955	477,144
Maturing within one year, transferred from long term investments	7.1	40,000	-
		<u>551,955</u>	<u>477,144</u>
Pakistan Investment Bonds	7.1	33,011	33,169
Certificate of Deposit		-	21,826
		<u>584,966</u>	<u>532,139</u>

- 9.1.1** This represents investment in Sharia Compliant Term Deposit Certificates with banks having aggregate face value of Rs. 542.856 million (June 30, 2020: Rs. 465.36 million). These certificates carried profit at the rates ranging from 5.79% to 7.16% (June 30, 2020: 6.25% to 13.5%) per annum receivable on maturity/monthly basis and are maturing on various dates upto February 13, 2022. Accrued profit aggregating Rs. 9.099 million (June 30, 2020: Rs. 11.79 million) is included in the carrying value.

		March 31, 2021 Un-audited	June 30, 2020 Audited
	Note	- Rupees in '000 -	
<b>9.2 Specific Fund</b>			
Certificate of Islamic Investment	9.2.1	3,324	3,170
Maturing within one year, transferred from long term investments	7.2	1,000	-
		<u>4,324</u>	<u>3,170</u>

- 9.2.1** This represents investment in Sharia Compliant Term Deposit Certificates with banks having aggregate face value amounting to Rs. 4.169 million (June 30, 2020: 3.169 million). These certificates carried profit at the rates ranging from 6.50% to 7.16% (June 30, 2020: 6.5% to 13.5%) per annum receivable on maturity/monthly basis and are maturing on various dates up to February 13, 2022. Accrued profit amounting to Rs. 0.155 million (June 30, 2020: Rs. 0.001 million) is included in the carrying value.

		March 31, 2021 Un-audited	June 30, 2020 Audited	
9.3	Endowment Funds	Note	----- Rupees in '000 -----	
	Students' Fund			
	Certificate of Islamic Investment	9.3.1	104,630	65,301
	Maturing within one year, transferred			
	from long term investments	7.3	22,000	-
			126,630	65,301
	Libraries Development Fund			
	Certificate of Islamic Investment	9.3.2	1,969	1,877
			128,599	67,178

**9.3.1** This represents investment in Sharia Compliant Term Deposit Certificates with banks having aggregate face value amounting to Rs. 123.85 million (June 30, 2020: Rs. 64.84 million). These certificates carried profit at the rates ranging from 5.79% to 7.16% (June 30, 2020: 6.5% to 13.5%) per annum receivable on maturity/monthly basis and are maturing on various dates upto February 13, 2022. Accrued profit amounting to Rs. 2.78 million (June 30, 2020: Rs. 0.46 million) is included in the carrying value.

**9.3.2** This represents investment in Sharia Compliant Term Deposit Certificate with a bank having face value of Rs. 1.88 million (June 30, 2020: Rs. 1.88 million). This certificate carried profit at the rate of 6.50% (June 30, 2020: 6.50%) per annum receivable on maturity and is maturing on June 29, 2021. Accrued profit amounting to Rs. 0.09 million (June 30, 2020: Nil) is included in the carrying value.

			March 31, 2021 Un-audited	June 30, 2020 Audited
9.4	Southern Regional Committee	Note	----- Rupees in '000 -----	
	Certificates of Islamic Investment	9.4.1	21,004	21,635

**9.4.1** This represents investment in Sharia Compliant Term Deposit Certificate with a bank having face value of Rs. 21 million (June 30, 2020: Rs. 20.5 million). This certificate carried profit at the rates ranging from 5.79% to 6.88% (June 30, 2020: 7% to 13.5%) per annum receivable on maturity and is maturing on June 29, 2021. Accrued profit amounting to Rs. 0.004 million (June 30, 2020: Rs. 1.14 million) is included in the carrying value.

			March 31, 2021 Un-audited	June 30, 2020 Audited
9.5	Northern Regional Committee	Note	----- Rupees in '000 -----	
	Certificates of Islamic Investment	9.5.1	5,000	5,000

**9.5.1** This represents investment in Sharia Compliant Term Deposit Certificate with a bank having face value of Rs. 5.00 million (June 30, 2020: Rs. 5.00 million). This certificate carried profit at the rates ranging from 6.94% to 7.00% (June 30, 2020: 6.5% to 12.5%) per annum receivable on monthly basis and is maturing on June 28, 2021.

			March 31, 2021 Un-audited	June 30, 2020 Audited
9.6	Benevolent Fund	Note	----- Rupees in '000 -----	
	Certificate of Islamic Investment	9.6.1	138,000	138,000



9.6.1 This represents investment in Sharia Compliant Term Deposit Certificates with a bank having face value aggregating to Rs. 138 million (June 30, 2020: Rs. 138 million). These certificates carried profit at the rates ranging from 6.94% to 7.00% (June 30, 2020: 6.5% to 13.5%) per annum receivable on monthly basis and are maturing on June 28, 2021.

10. It includes an amount of Rs. 22 million, deposited with LDA without prejudice and under protest as per the court order dated January 28, 2021, as explained under Note 5.1 (a) of these financial statements.

		March 31, 2021 Un-audited	June 30, 2020 Audited
11. CASH AND BANK BALANCES	Note	----- Rupees in '000 -----	
<b>Cash in hand</b>			
Local currency		499	360
<b>Cash at bank</b>			
Current accounts			
Local currency		7,873	3,430
Foreign currency		153	168
		8,026	3,598
PLS accounts			
Local currency	11.1	29,097	31,707
Foreign currency	11.2	1,534	1,659
		30,631	33,366
		39,156	37,324

11.1 These carry profit rates up to 6.6% per annum (June 30, 2020: 12.43% per annum).

11.2 These carry profit rates up to 0.051% per annum (June 30, 2020: 0.11% per annum).

		March 31, 2021 Un-audited	June 30, 2020 Audited
12. LEASE LIABILITIES AGAINST RIGHT-OF-USE (RoU) ASSETS		----- Rupees in '000 -----	
Lease liabilities against RoU assets		10,937	14,709
Less: Current portion		(3,645)	(3,513)
		7,292	11,196

12.1 As at March 31, 2021, Lease liabilities against right-of-use-assets aggregating to Rs. 10.937 million (June 30, 2020: Rs. 14.709). The maturity analysis of the lease liabilities is as under:

	Note	March 31, 2021 Un-audited	June 30, 2020 Audited
		----- Rupees in '000 -----	
Within one year		3,645	3,513
Over one year up to three years		7,292	8,384
Over three years up to five years		-	2,812
Over five years		-	-
		10,937	14,709

		March 31, 2021 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
<b>13. CREDITORS, ACCRUED AND OTHER LIABILITIES</b>	<b>Note</b>		
Creditors		28,027	24,077
Accrued liabilities	13.1	94,740	58,633
Other liabilities:			
Endowment to students		2,924	-
Retention money		5,102	1,596
IFRS Foundation royalty		830	144
Others		11,920	7,397
		20,776	9,137
		143,543	91,847

**13.1** These include Rs. 45.40 million (June 30, 2020: Rs. 44.55 million) of provision against accumulated compensated absences.

#### **14. CONTINGENCIES AND COMMITMENTS**

**14.1** There is no significant change in the status of contingencies as reported in note 17 to the annual audited financial statements of the Institute for the year ended June 30, 2020, except the following:

**14.1.1** The Honorable Lahore High court has disposed-off the writ petition filed by the Institute on February 23, 2013 against the order of the Competition Commission of Pakistan (CCP) of January 10, 2013 and has given its ruling only on the law points. Further, the court has decided that the merits of the case will be decided by the Appellate Tribunal of the CCP. The above judgement of the Honorable Lahore High Court has been assailed by both the Institute and the CCP by filing Civil Petitions for Leave to Appeals (CPLAs) before the Honorable Supreme Court of Pakistan.

**14.1.2** The Institute has received a Show Cause Notice dated September 27, 2019 from the CCP alleging that Directive 4.23 issued by the Institute to its members fixing/recommending minimum fee scale for the auditors is in violation of the section 4 of the Competition Act, 2010. The Institute has filed a case challenging the vires of the notice and for injunction which is pending adjudication before the Honorable Sindh High Court. The matter is at initial stage and no order against the Institute has been passed by the CCP up till now, imposing any financial or other obligations.

**14.2** Commitments in respect of the capital expenditure as at reporting date aggregated to Rs. 39.21 million (June 30, 2020: Rs. 30.80 million).

#### **15. OTHER INCOME**

		Quarter ended		Nine months ended	
		March 31, 2021 Un-audited ----- Rupees in '000 -----	March 31, 2020 Un-audited	March 31, 2021 Un-audited ----- Rupees in '000 -----	March 31, 2020 Un-audited
Income derived from utilization of facilities		252	1,176	352	3,280
Gain on sale of Property and equipment - net		-	-	-	23
Net surplus on Directors' Training Programs		963	847	3,992	1,571
Donation received		2,250	84	2,375	1,075
Reversal of provision against income tax refundable	15.1	-	-	3,358	-
Miscellaneous		345	207	614	491
		3,810	2,314	10,691	6,440

- 15.1 During the period income tax refundable amounting to Rs. 3.358 million has been received which was provided in the previous years. Accordingly, provision against income tax refundable amounting to Rs. 3.358 million has been reversed in the current period.

## 16. RENT, RATES AND TAXES

This includes rentals amounting to Rs. 14.37 million related to short term property leases.

## 17. OTHERS

	Quarter ended		Nine months ended	
	March 31, 2021 Un-audited — Rupees in '000 —	March 31, 2020 Un-audited — Rupees in '000 —	March 31, 2021 Un-audited — Rupees in '000 —	March 31, 2020 Un-audited — Rupees in '000 —
Fees to professional bodies	2,402	2,322	7,125	6,435
Auditors' remuneration	-	-	261	241
Meetings and related expenses	2,558	1,753	6,285	5,291
Books and publications	108	289	463	700
Bank charges	3,232	1,094	9,572	6,997
Insurance	1,301	1,031	3,751	2,870
Provision for obsolete stock of study packs, publications and souvenirs	529	12	2,695	701
Provision against advance income tax	2,236	13	2,241	298
Training expenses	158	844	2,928	2,290
Sports and recreation	26	-	352	1,362
Loss on sale of property and equipment - net	793	-	507	-
Net deficit from Continuing Professional Development (CPD) and other events	1,593	2,089	3,986	12,970
Incubation center expenses	75	-	469	-
Dubai branch office expenses	-	-	497	-
Sundry expenses	1,936	1,006	4,562	3,255
	<u>16,947</u>	<u>10,453</u>	<u>45,694</u>	<u>43,410</u>

## 18. CASH AND CASH EQUIVALENTS

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

	March 31, 2021 Un-audited ----- Rupees in '000 -----	March 31, 2020 Audited
Cash and bank balances	39,161	77,236
Short term investments realisable within three months	718,893	494,311
	<u>758,054</u>	<u>571,547</u>



## 19. TRANSACTIONS WITH RELATED PARTIES

### 19.1 Transactions with related parties are as follows:

Relationship with the Institute	Nature of transactions	March 31, 2021 Un-Audited ----- Rupees in '000 -----	March 31, 2020 Un-Audited ----- Rupees in '000 -----
Staff retirement benefit plans	Contribution paid to Provident Fund	15,420	14,489
Key management personnel: Secretary, Directors and Senior Managers	Managerial remuneration	145,944	139,087
Members of the Council	- Membership fee received	732	756
	- RAET annual renewal fee received	621	504

### 19.2 Period / year end balances:

Relationship with the Institute	Nature of balances	March 31, 2021 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited ----- Rupees in '000 -----
Key management personnel Secretary, Directors and Senior Managers	Loans and advances	1,828	2,252
	Other liabilities	742	742

## 20. FINANCIAL RISK MANAGEMENT

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

This 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, 2020.

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

## 21. 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 organised into 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) Administrative/General Services

### (b) Geographical segments:

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

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

This information is also presented under two regions:

(i) South (includes provinces, namely, Sindh and Balochistan) and

(ii) North (includes provinces, namely, Punjab, Khyber Pakhtunkhwa, Gilgit Baltistan and Azad Kashmir).

## 21.1 Service segment

### 21.1.1 Basis of allocation

Income and expenditures related to service provided/rendered directly to students are allocated to Examination and Education whereas members related income and expenditure are allocated directly to Membership. Remaining income and expenditure are allocated to Administrative/General Services.

### 21.1.2 Segment revenue and results

----- Un-audited -----										
For the nine months ended March 31, 2021					For the nine months ended March 31, 2020					
Examination	Education	Membership	General Services	Total	Examination	Education	Membership	General Services	Total	
----- Rs. in '000 -----										
Income										
from members	-	-	212,908	-	212,908	-	-	213,642	-	213,642
from students	686,931	188,379	-	-	875,310	595,342	180,873	-	-	776,215
others	-	-	-	18,324	18,324	-	-	-	15,896	15,896
Total income	686,931	188,379	212,908	18,324	1,106,542	595,342	180,873	213,642	15,896	1,005,753
Expenditure (Note 21.1.3)	(366,271)	(141,084)	(175,426)	(177,988)	(860,769)	(254,171)	(139,189)	(177,642)	(206,677)	(777,679)
	320,660	47,295	37,482	(159,664)	245,773	341,171	41,684	36,000	(190,781)	228,074
Income from investments and surplus on										
through other comprehensive income					61,580					102,985
Excess of income over expenditure					307,353					331,059

### 21.1.3 Expenditure

Salaries, allowances, and other benefits	70,696	59,952	96,456	81,589	308,693	64,320	47,482	84,714	104,971	301,487
Examination charges	249,674	-	-	-	249,674	150,630	-	-	-	150,630
Depreciation	7,532	5,022	6,815	16,500	35,869	6,361	4,544	5,452	13,933	30,290
Traveling and related expenses	78	210	4,370	371	5,029	469	466	18,088	1,067	20,090
Study packs and other publications	-	35,560	-	353	35,913	-	38,198	606	6,570	45,374
Utilities	5,191	3,461	4,697	11,371	24,720	5,404	3,861	4,633	11,839	25,737
Network and communication	2,723	1,815	2,463	5,964	12,965	2,988	4,036	2,561	6,546	16,131
Repairs and maintenance	9,037	6,025	8,176	19,796	43,034	9,052	6,467	7,760	19,831	43,110
Printing and stationery	1,863	1,171	2,630	3,483	9,147	2,316	5,877	2,286	4,046	14,525
Rent, rates and taxes	15	9	32	15,706	15,762	20	7	22	13,057	13,106
Advertisement and marketing	-	6,007	20	1,883	7,910	34	6,500	-	2,819	9,353
Amortisation of intangible assets	704	470	637	1,543	3,354	498	355	426	1,089	2,368
Financial assistance to students	-	6,222	-	-	6,222	-	11,295	-	-	11,295
Financial assistance to members / members' families	-	-	23,418	-	23,418	-	-	20,377	-	20,377
Members induction ceremony	6,007	-	-	-	6,007	4,197	-	-	-	4,197
Edhi CA talent program	-	7,046	-	-	7,046	-	6,343	-	-	6,343
Vehicles maintenance and running cost	2,282	1,072	2,279	2,487	8,120	2,376	1,081	2,496	2,880	8,833
Legal charges	-	-	2,882	10	2,892	-	-	4,013	-	4,013
Professional charges	1,649	1,100	1,492	3,613	7,854	1,095	782	939	2,399	5,215
Interest expense on lease liabilities against RoU assets	-	-	-	1,446	1,446	-	-	-	1,795	1,795
Others (Note 17)	8,820	5,942	19,059	11,873	45,694	4,411	1,895	23,269	13,835	43,410
Total expenditures	366,271	141,084	175,426	177,988	860,769	254,171	139,189	177,642	206,677	777,679
----- Un-audited -----										
As at March 31, 2021					----- Audited -----					
					As at June 30, 2020					
Examination	Education	Membership	General Services	Total	Examination	Education	Membership	General Services	Total	
----- Rs. in '000 -----										

### 21.1.4 Other Information

Segments assets employed	65,217	32,276	29,221	825,908	952,622	62,787	30,633	29,976	686,600	809,996
Unallocated assets					1,198,197					1,117,811
<b>Total assets</b>					<b>2,150,819</b>					<b>1,927,807</b>
Segments liabilities employed	90,868	12,540	32,245	69,923	205,576	188,573	10,499	25,039	62,034	286,145
Unallocated liabilities					10,937					14,709
					<b>216,513</b>					<b>300,854</b>

Segments assets employed consist of property and equipment, loans, advances, deposits, prepayments and other receivables and stock of study packs, publications and souvenirs. Unallocated assets consist of intangible assets, short and long term investments, accrued income on investments and cash and bank balances.

Segments liabilities employed consist of creditors, accrued and other liabilities and fees received in advance with respect to examination and membership. Unallocated liabilities consist of liabilities against right of use assets.

## 21.2 Geographical segments:

### 21.2.1 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 number of members at each geographical segment.

### 21.2.2 (a) Segment revenue and results

	----- Un-audited -----					----- Audited -----				
	For the nine months ended March 31, 2021					For the nine months ended March 31, 2020				
	Karachi	Lahore	Islamabad and Rawalpindi	Others	Total	Karachi	Lahore	Islamabad and Rawalpindi	Others	Total
----- Rs. in '000 -----										
Income										
from members	86,919	43,920	21,706	60,363	212,908	87,982	42,384	21,761	61,515	213,642
from students	182,566	326,000	169,903	196,842	875,310	175,033	304,364	144,706	152,112	776,215
other general services - unallocated	-	-	-	-	18,324	-	-	-	-	15,896
					1,106,542					1,005,753
Allocated expenditure - Members and students (Note: 21.2.3 (a))	(177,439)	(225,147)	(116,363)	(163,832)	(682,781)	(161,857)	(189,484)	(91,427)	(128,234)	(571,002)
Unallocated expenditure - General services					(177,988)					(206,677)
					(860,769)					(777,679)
Income from investments and surplus on re-measurement of financial assets at fair value through other comprehensive income					61,580					102,985
Excess of income over expenditure					307,353					331,059

### 21.2.3 (a) Expenditure

Salaries, allowances and other benefits	245,615	35,582	16,508	10,988	308,693	242,039	33,679	15,267	10,502	301,487
Examination charges	50,832	89,999	48,233	60,610	249,674	34,443	59,064	28,081	29,042	150,630
Depreciation	22,934	7,526	2,938	2,471	35,869	21,366	4,731	2,308	1,885	30,290
Traveling and related expenses	2,157	2,138	140	594	5,029	9,435	7,788	1,816	1,051	20,090
Study packs and other publications	13,807	9,217	6,961	5,928	35,913	20,682	12,637	6,208	5,847	45,374
Utilities	14,001	5,191	2,142	3,386	24,720	13,438	6,448	1,975	3,876	25,737
Network and communication	9,349	1,963	775	878	12,965	12,424	1,794	897	1,016	16,131
Repairs and maintenance	19,924	8,986	6,410	7,714	43,034	20,144	11,496	3,721	7,749	43,110
Printing and stationery	7,573	1,155	206	213	9,147	12,502	1,542	185	296	14,525
Rent, rates and taxes	4,134	63	1,932	9,633	15,762	3,515	29	850	8,712	13,106
Advertisement and marketing	1,848	2,781	1,444	1,837	7,910	5,659	1,896	321	1,477	9,353
Amortisation of intangible assets	2,419	508	200	227	3,354	1,752	298	149	169	2,368
Financial assistance to students	323	2,953	944	2,002	6,222	488	7,021	1,477	2,309	11,295
Financial assistance to members / members' families	11,096	6,525	4,852	945	23,418	9,895	5,850	3,772	860	20,377
Members induction ceremony	6,007	-	-	-	6,007	2,602	1,595	-	-	4,197
Edhi CA talent program	3,509	1,894	486	1,157	7,046	2,620	1,504	541	1,678	6,343
Vehicles maintenance and running cost	6,564	1,206	143	207	8,120	7,090	1,324	161	258	8,833
Legal charges	2,892	-	-	-	2,892	4,013	-	-	-	4,013
Professional charges	5,664	1,189	469	532	7,854	3,856	657	329	373	5,215
Interest expense on lease liabilities against RoU assets	-	1,393	-	53	1,446	-	1,688	-	107	1,795
Others (Note 17)	23,622	11,191	5,058	5,823	45,694	33,298	8,010	1,305	797	43,410
<b>Expenditure - as and where incurred</b>	454,270	191,460	99,841	115,198	860,769	461,261	169,051	69,363	78,004	777,679
Inter-segment allocation / transfer to unallocated	(276,831)	33,687	16,522	48,634	(177,988)	(299,404)	20,433	22,064	50,230	(206,677)
Allocated expenditure - Members and students	177,439	225,147	116,363	163,832	682,781	161,857	189,484	91,427	128,234	571,002
Unallocated expenditure - General services					177,988					206,677
<b>Total expenditure</b>					860,769					777,679

### 21.2.4 (a) Other Information

	----- Un-audited -----					----- Audited -----				
	As at March 31, 2021					As at June 30, 2020				
	Karachi	Lahore	Islamabad and Rawalpindi	Other locations	Total	Karachi	Lahore	Islamabad and Rawalpindi	Other locations	Total
----- Rs. in '000 -----										
Segments assets employed	374,847	512,788	44,177	20,810	952,622	250,022	503,889	35,275	20,810	809,996
Unallocated assets					1,198,197					1,117,811
<b>Total assets</b>					2,150,819					1,927,807
Segments liabilities employed	104,899	19,321	15,703	3,620	143,543	78,722	6,562	2,943	3,620	91,847
Unallocated liabilities					72,970					209,007
<b>Total liabilities</b>					216,513					300,854

Segments assets employed consist of property and equipment, loans, advances, deposits, prepayments and other receivables and stock of study packs, publications and souvenirs. Unallocated assets consist of intangible assets, short and long term investments, accrued income on investments and cash and bank balances.

Segments liabilities employed consist of creditors, accrued and other liabilities. Unallocated liabilities consist of liabilities against right of use assets and fees received in advance with respect to examination and membership.

----- Un-audited -----					
For the nine months ended March 31, 2021			For the nine months ended March 31, 2020		
South	North	Total	South	North	Total
----- Rs. 000 -----					

#### 21.2.2 (b) Segment revenue and results

Income						
from members	117,113	95,795	212,908	118,537	95,105	213,642
from students	200,011	675,299	875,310	189,677	586,538	776,215
other general services - unallocated			18,324			15,896
			1,106,542			1,005,753
Allocated expenditure - Members and students (Note: 21.2.3 (b))	(212,428)	(470,353)	(682,781)	(194,686)	(376,316)	(571,002)
Unallocated expenditure - General services			(177,988)			(206,677)
			(860,769)			(777,679)
Income from investments and surplus on re-measurement of financial assets at fair value through other comprehensive income			61,580			102,985
Excess of income over expenditure			307,353			331,059

#### 21.2.3 (b)

Salaries, allowances and other benefits	248,333	60,360	308,693	244,624	56,863	301,487
Examination charges	52,222	197,452	249,674	36,808	113,822	150,630
Depreciation	23,849	12,020	35,869	21,507	8,783	30,290
Traveling and related expenses	2,479	2,550	5,029	10,058	10,032	20,090
Study packs and other publications	14,208	21,705	35,913	21,346	24,028	45,374
Utilities	14,210	10,510	24,720	13,802	11,935	25,737
Network and communication	9,608	3,357	12,965	12,723	3,408	16,131
Repairs and maintenance	21,018	22,016	43,034	21,160	21,950	43,110
Printing and stationery	7,592	1,555	9,147	12,527	1,998	14,525
Rent, rates and taxes	4,726	11,036	15,762	4,056	9,050	13,106
Advertisement and marketing	2,126	5,784	7,910	5,812	3,541	9,353
Amortisation of intangible assets	2,485	869	3,354	1,801	567	2,368
Financial assistance to students	549	5,673	6,222	611	10,684	11,295
Financial assistance to members / members' families	11,096	12,322	23,418	9,895	10,482	20,377
Members induction ceremony	6,007	-	6,007	2,602	1,595	4,197
Edhi CA talent program	3,531	3,515	7,046	2,624	3,719	6,343
Vehicles maintenance and running cost	6,564	1,556	8,120	7,118	1,715	8,833
Legal charges	2,892	-	2,892	4,013	-	4,013
Professional charges	5,820	2,034	7,854	3,966	1,249	5,215
Interest expense on lease liabilities against RoU assets	53	1,393	1,446	107	1,688	1,795
Others (Note 17)	22,384	23,310	45,694	33,455	9,955	43,410
<b>Expenditure - as and where incurred</b>	461,752	399,017	860,769	470,615	307,064	777,679
Inter-segment allocation / transfer to unallocated	(249,324)	71,336	(177,988)	(275,929)	69,252	(206,677)
Allocated expenditure - Members and students	212,428	470,353	682,781	194,686	376,316	571,002
Unallocated expenditure - General services			177,988			206,677
<b>Total expenditure</b>			860,769			777,679

----- Un-audited -----			----- Audited -----		
As at March 31, 2021			As at June 30, 2020		
South	North	Total	South	North	Total
----- Rs. 000 -----					

#### 21.2.4 (b) Other Information

Segments assets employed	376,063	576,559	952,622	251,238	558,758	809,996
Unallocated assets			1,198,197			1,117,811
<b>Total assets</b>			2,150,819			1,927,807
Segments liabilities employed	105,844	37,699	143,543	79,667	12,180	91,847
Unallocated liabilities			72,970			209,007
<b>Total liabilities</b>			216,513			300,854

Segments assets employeeed consist of property and equipment, loans, advances, deposits, prepayments and other receivables and stock of study packs, publications and souvenirs. Unallocated assets consist of intangible assets, short and long term investments, accrued income on investments and cash and bank balances.

Segments liabilities employeeed consist of creditors, accrued and other liabilities. Unallocated liabilities consist of liabilities against right of use assets and fees received in advance with respect to examination and membership.

## 22. SEASONALITY

The Institutes' 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.

## 23. CORRESPONDING FIGURE

Corresponding figures have been re-arranged and / or re-classified for the purpose of better presentation. Expenditure have been classified under the two categories: "Service / Operational Expenditure" and "Administrative / Managerial Expenditure" to reflect more appropriately the functional attributes of the expenses. Following major re-classifications have been made during the period:

S. No.	From	To	Amount Rs. '000
1.	Online education and research facility (Classified as Service/Operational expenditure in others)	Network and communication (Classified as Service/Operational expenditure)	1,901

## 24. AUTHORISATION FOR ISSUE

The Council of the Institute authorised this condensed interim financial information for issue on April 29, 2021.



CHIEF FINANCIAL OFFICER



SECRETARY



PRESIDENT