



The Institute of Chartered Accountants of Pakistan

CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED DECEMBER 31, 2020

(UN-AUDITED)

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN

REPORT OF THE COUNCIL FOR THE HALF YEAR ENDED DECEMBER 31, 2020

The Council is pleased to present the unaudited condensed interim financial statements of the Institute for the half year ended December 31, 2020 and a brief review of the Institute's activities.

Financial Highlights

The key financial results of the Institute for the half year ended December 31, 2020 are as follows:

	Half year ended December 31, 2020	Half year ended December 31, 2019
	----- Rs. '000 -----	
Income	735,884	792,179
Expenditure	559,019	527,809
Excess of income over expenditure before income from investments	176,865	264,370
Income from investments	40,560	66,971
Total comprehensive income for the period	217,425	331,341

During the period under review, Income has decreased by 7.1% as compared to the corresponding period of the previous year, mainly due to discount allowed in membership and examination fee. Expenditure has increased by 5.9% mainly because more examination halls had to be hired in order to comply with COVID SOPs. Income from investments declined by 39.4% mainly due to decrease in rate of return on investments. As a result, total comprehensive income decreased by 34.4%.

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. Virtual Launch of ICAP Dubai Office

To celebrate receiving of the license to establish ICAP's first international office, in UAE, as "The Institute of Chartered Accountants of Pakistan (DMCC Branch)", ICAP in collaboration with the UAE Chapter of ICAP Members organized a virtual launch ceremony of ICAP's Dubai office on October 31, 2020. The virtual launch ceremony was attended by the then President ICAP, Mr. Khalilullah Shaikh; Chairman OCC, Mr. Ashfaq Yousuf Tola; the Managing Committee members of the UAE Chapter of ICAP Members and by the general membership based in UAE.

2. Amendment in ICAP AML / CFT Regulations

The Institute issued revised AML / CFT Regulations "Anti – Money Laundering and Combating Financing of Terrorism Regulations for Chartered Accountants Reporting Firms" on December 28, 2020. The Amendment in the Regulations was approved by the Council by adding sub-clause (d) in section 27 which inter-alia deals with the requirements of implementing Internal Controls by the Reporting Firms.

The Amended Regulations were applicable with immediate effect.

3. AML / CFT Guidelines for Accountants

In order to facilitate the members and to create awareness regarding the compliance requirements under AML / CFT Regime, a comprehensive guideline was issued by the Institute on January 13, 2021. The guidelines have been developed in consultation with the Consultants appointed by the Government of Pakistan.

4. AML / CFT awareness and Capacity Building Sessions for Reporting Firms

In the month of December 2020, United Nations Office on Drugs and Crime (UNODC) in collaboration with ICAP and other relevant Government stakeholders, organized in person capacity building sessions on AML / CFT awareness for Private Sector Reporting Firms. The sessions were held in all four provincial capitals of the country (i.e. Karachi, Lahore, Peshawar and Quetta).

These insightful sessions 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.

5. National Finance Olympiad 2020

ICAP Professional Accountants in Business (PAIB) Committee, in collaboration with Unilever Pakistan, organized National Finance Olympiad from December 15 to 22, 2020.

National Finance Olympiad 2020 (NFO 2020) started with registrations of 36 teams represented by 108 chartered accountants and finance professionals from renowned organizations across Pakistan. This year for the first time, the first two rounds of the competition were held online while the Finale was held at a local hotel in Karachi.

The Champions Debate in the Grand Finale was judged by a panel of three distinguished judges; Mr. Asad Ali Shah, Chief Executive, Asad Ali Shah Associates, Mr. Veqar-ul-Islam, Director and Chief Executive, Jaffer Business Systems and Ms. Asma Shaikh, CHRO National Bank of Pakistan.

Unilever Pakistan Foods Limited claimed victory while Al-Karam Studios and Account Ants became the 1st and 2nd Runner Ups respectively. The winning team was awarded a majestic Champions Trophy. Microsoft Surface Pro and Shields were also presented to each of the three team members. The Best Individual Performance Award was presented to Syed Yousuf Ali, ACA.

The entire testing material was developed by the technical partners; BDO and KPMG.

6. Establishment of New ICAP City Library, Karachi

The Institute has acquired a new building for its Karachi City Library. This premises will be purpose-built and contain a tech enabled library, equipped with WiFi, study rooms, digital library, recreation room, cafeteria and much more.

7. Lahore Development Authority (LDA) Plot Update

In order to take possession of the LDA Plot No.84-A, measuring 10-K, 19-M, 75-sq. ft. situated in Block-B-III, Gulberg-III, Scheme Lahore, the Institute has paid Rs. 22,011,100/- representing stamp duty, vide Lahore High Court order dated January 28, 2021 to LDA under protest and without prejudice to the final decision of the case.

The Hon'ble Court also directed LDA to immediately transfer the effective possession of the plot and the formalities in this regard are being complied with.

8. Trainees' Induction Portal

The Institute has initiated a "Trainees' Induction Portal". All CAF passed students who are looking for training can prepare their profiles and upload their CVs through their secured login area. The Training Organizations have been provided access to view all these profiles and select their preferred CAF students from the pool of candidates.

9. Approval of three RDAIs

The following three universities were recognized as Relevant Degree Awarding Institute by ICAP as per the Directive 1.04:

- a) University of Central Punjab
- b) University of Lahore
- c) University of Management and Technology

10. President Connect

President has initiated a new series of sessions to connect with the members and students of ICAP which were held on a hybrid basis whereby participants were allowed to appear in person as well as online. So far, President Connect Sessions have been held with the following:

- a) Female Members
- b) Female Trainee Students
- c) Professional Accounting Affiliates
- d) Practicing Members of QCR Rated Firms
- e) RAETs
- f) Practicing Members of non QCR Rated Firms
- g) Scholarship holders
- h) CAF Students
- i) Practicing members of non TOs
- j) Recently Qualified Members of Lahore
- k) ICAP CA Brand Ambassadors

11. Examination Through Remote Proctoring

In view of the challenge posed by COVID 19, the Examination Committee under the chairmanship of Mr. Ashfaq Yousuf Tola, decided to offer all students residing in Pakistan, the option to choose between center based examination (in person) and online remote proctored examinations (computer based). Examinees residing outside Pakistan were allowed to appear in the examination through remote proctoring only. This was the first time that the Institute offered proctoring based examinations for essay type papers. The examinations were successfully held.

12. Endowment Fund Application & Management System (EFAMS)

The process of Endowment Fund Management has been fully automated. This EFAMS will now receive online applications from the interested candidates through web-portal. It will help scrutinize the cases digitally and process the cases of disbursement electronically in coordination with the Finance & Examination Departments.

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, March 16, 2021**

Muhammad Shabbir Kasbati
Chartered Accountant
901, Q.M. House,
Ellender Road, Karachi – Pakistan.

Syed Aftab Hameed
Chartered Accountant
Amin Building, 65 The Mall,
Lahore – Pakistan.

To the members of the Institute of Chartered Accountants of Pakistan **Report on Review of Condensed Interim Financial Information**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **The Institute of Chartered Accountants of Pakistan** (“the Institute”) as at December 31, 2020, and the related condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in funds and notes to the condensed interim financial information for the half year then ended (here-in-after referred to as the “interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review


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

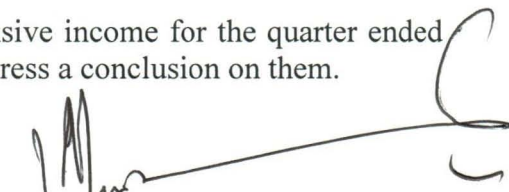
Conclusion

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

Other matter

The figures of the condensed interim statement of comprehensive income for the quarter ended December 31, 2020 have not been reviewed and we do not express a conclusion on them.


Muhammad Shabbir Kasbati
(Chartered Accountant)
Karachi


Syed Aftab Hameed
(Chartered Accountant)
Lahore

04 MAR 2021

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

		December 31, 2020 Un-audited	June 30, 2020 Audited
	Note	----- Rupees in '000 -----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	834,319	748,044
Intangible assets	6	35,013	3,803
Long term investments	7	286,376	288,371
Loans, advances and deposits		14,496	11,540
		1,170,204	1,051,758
CURRENT ASSETS			
Stock of study packs, publications and souvenirs	8	22,296	22,193
Short term investments	9	782,595	767,122
Loans, advances, prepayments and other receivables		56,327	41,555
Accrued income on investments		9,296	7,855
Cash and bank balances	10	46,700	37,324
		917,214	876,049
TOTAL ASSETS		2,087,418	1,927,807
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities against Right-of-use (RoU) assets	11	9,577	11,196
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	12	157,989	91,847
Fee and charges received in advance		71,961	194,298
Current portion of lease liabilities against Right-of-use (RoU) assets		3,513	3,513
		233,463	289,658
CONTINGENCIES AND COMMITMENTS	13		
NET ASSETS		1,844,378	1,626,953
REPRESENTED BY:			
ACCUMULATED FUNDS			
General Fund		1,422,895	1,219,003
Specific Fund		5,432	5,555
Endowment Funds		223,676	223,193
Regional Committees		35,970	32,591
Benevolent Fund		156,405	146,611
		1,844,378	1,626,953

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2020

Note	Quarter ended		Half year ended	
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
	---- Rupees in '000 ----		---- Rupees in '000 ----	
INCOME				
	12,746	7,493	205,580	208,697
Members' subscription and other fees				
Examination and other fees	225,849	195,520	401,166	421,926
Education and training fees	80,958	78,595	117,183	150,852
Publications	2,628	3,629	4,788	6,578
Other income	3,617	2,513	7,167	4,126
14	325,798	287,750	735,884	792,179
SERVICE / OPERATIONAL EXPENDITURE				
	82,594	74,875	161,353	147,877
Salaries, allowances and other benefits	87,356	51,645	156,408	101,611
Examination charges	11,929	11,272	22,995	19,237
Depreciation	2,482	6,695	3,157	14,159
Traveling and related expenses	14,437	17,974	24,056	34,244
Study packs and other publications	8,681	7,902	16,542	19,047
Utilities	5,768	6,359	9,612	11,527
Network and communication	15,121	14,348	27,659	27,331
Repairs and maintenance	3,383	5,627	5,696	9,247
Printing and stationery	5,598	3,054	10,646	8,348
Rent, rates and taxes	4,455	2,768	5,427	6,443
Advertisement and marketing	1,096	812	2,161	1,565
Amortisation of intangible assets	3,222	3,266	6,222	6,266
Financial assistance to students	7,969	6,817	15,602	13,693
Financial assistance to members and/or members' families	2,684	-	2,684	4,173
Members induction ceremony	2,185	2,167	4,615	4,420
Edhi CA talent program	2,046	2,162	3,995	4,249
Vehicles maintenance and running cost	1,545	657	1,971	2,003
Legal charges	2,946	1,530	5,278	3,159
Professional charges	493	1,227	1,004	1,227
Interest expense on lease liabilities against RoU assets	17,981	18,189	29,033	32,980
Others	283,971	239,346	516,116	472,806
15				
ADMINISTRATIVE / MANAGERIAL EXPENDITURE				
	17,224	28,210	41,474	52,532
Salaries, allowances and other benefits	-	540	-	540
Traveling and related expenses	833	1,070	1,429	1,931
Vehicles maintenance and running cost	18,057	29,820	42,903	55,003
	302,028	269,166	559,019	527,809
Total Expenditures				
Excess of income over expenditure before income from investments	23,770	18,584	176,865	264,370
Income from investments	20,421	35,539	40,271	66,148
Excess of income over expenditure for the period	44,191	54,123	217,136	330,518
Other comprehensive income				
<i>Items that will not be subsequently reclassified to profit or loss</i>				
Surplus on re-measurement of financial assets at fair value through other comprehensive income	45	1,113	289	823
Total comprehensive income for the period	44,236	55,236	217,425	331,341
ATTRIBUTABLE TO:				
General Fund	50,003	60,363	203,892	315,733
Specific Fund	(209)	146	(123)	(174)
Endowment Funds	452	1,362	483	1,909
Regional Committees	(1,518)	(6,163)	3,379	(2,417)
Benevolent Fund	(4,492)	(472)	9,794	16,290
	44,236	55,236	217,425	331,341

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2020**

	December 31, 2020	December 31, 2019
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received against:		
Members' subscription and other fees	204,672	180,113
Examination and other fees	282,036	479,783
Education and training fees	117,183	150,852
Sale of publications	5,097	6,927
Facilities and miscellaneous	1,566	2,784
	610,554	820,459
Cash paid against:		
Salaries, allowances and other benefits	203,824	198,569
Fees to professional bodies	4,791	8,180
Property tax	1,313	1,313
Examination charges	132,391	100,636
Short term leases	6,704	6,884
Supplies and services	123,789	211,031
	472,812	526,613
Net cash generated from operating activities	137,742	293,846
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments made - net	(83,502)	(716,188)
Fixed capital expenditure	(119,975)	(49,701)
Purchase of intangible assets	(33,372)	(700)
Proceeds from sale of property and equipment	2,011	3,670
Income received from investments	38,830	66,320
Net cash used in investing activities	(196,008)	(696,599)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid against:		
- lease liabilities against RoU assets	(1,320)	(2,096)
- finance cost on lease liabilities against RoU assets	(1,062)	(289)
Net cash used in financing activities	(2,382)	(2,385)
Net (decrease) / increase in cash and cash equivalents	(60,648)	(405,138)
Investment realisable within three months	251,657	295,862
Cash and cash equivalents - at the beginning of the period	107,348	456,693
Cash and cash equivalents - at the end of the period	298,357	347,417

The annexed notes from 1 to 23 form an integral part of this condensed interim financial information.


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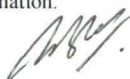
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN
CONDENSED INTERIM STATEMENT OF CHANGES IN FUNDS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

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 December 31, 2019										
Excess / (deficit) of income over expenditure for the period	315,733	(174)	1,694	215	1,909	(2,175)	(242)	(2,417)	15,467	330,518
Other comprehensive income	-	-	-	-	-	-	-	-	823	823
Balance as at December 31, 2019	<u>1,389,632</u>	<u>5,262</u>	<u>174,051</u>	<u>9,237</u>	<u>183,288</u>	<u>26,098</u>	<u>8,867</u>	<u>34,965</u>	<u>149,075</u>	<u>1,762,222</u>
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 December 31, 2020										
Excess / (deficit) of income over expenditure for the period	203,892	(123)	221	262	483	2,031	1,348	3,379	9,505	217,136
Other comprehensive income	-	-	-	-	-	-	-	-	289	289
Balance as at December 31, 2020	<u>1,422,895</u>	<u>5,432</u>	<u>213,841</u>	<u>9,835</u>	<u>223,676</u>	<u>26,591</u>	<u>9,379</u>	<u>35,970</u>	<u>156,405</u>	<u>1,844,378</u>

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2020**

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 December 31, 2020.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the Institute for the half year ended December 31, 2020 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 half year ended December 31, 2019.

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	December 31,	June 30,
		2020	2020
		Un-audited	Audited
		----- Rupees in '000 -----	
Land	5.1	440,220	440,220
Operating fixed assets	5.2	355,093	298,142
Capital work in progress		39,006	9,682
		<u>834,319</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. The title of the land has not been transferred in the name of the Institute due to the pendency of the CVT issue.

Subsequent to the period end, as per the LHC Order dated 28.1.2021, 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 28.01.2021 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 is in the process of depositing the above amount.

- (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	December 31,	June 30,
		2020	2020
		Un-audited	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
		<u>298,142</u>	<u>255,988</u>
Additions during the period / year	5.2.1	83,843	90,277
Less:			
Disposals at book value: [having cost Rs. 14.837 million (June 30, 2020: Rs. 16.506 million)]	5.2.2	3,897	5,743
Depreciation charge for the period / year		20,835	38,060
Depreciation charge on RoU assets for the period / year		2,160	4,320
		<u>26,892</u>	<u>48,123</u>
Net book value at end of the period / year	5.2.3	<u>355,093</u>	<u>298,142</u>

		December 31, 2020 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
5.2.1 Additions during the period / year at cost			
Leasehold land		45,000	-
Building on leasehold land		7,769	1,821
Building on freehold land		372	2,611
Electric fittings and appliances		61	13,253
Furniture and fixtures		3,610	16,007
Vehicles		13,013	20,890
Office equipment		14,018	35,695
		<u>83,843</u>	<u>90,277</u>
5.2.2 Disposals during the period / year at book value			
Electric fittings and appliances		271	99
Furniture and fixtures		859	-
Vehicles		2,380	5,420
Office equipment		387	224
		<u>3,897</u>	<u>5,743</u>
5.2.3	This includes WDV of Rs. 11.18 million related to RoU assets.		
6. INTANGIBLE ASSETS			
Intangible assets - Net book value	6.1	5,566	3,803
Cost of software development in progress		29,447	-
		<u>35,013</u>	<u>3,803</u>
6.1	Net book value at the beginning of the period / year		
		3,803	6,798
	Additions during the period / year		
		3,924	-
	Fully amortized assets written-off:		
Cost	6.1.1	7,144	1,868
Accumulated amortisation		(7,144)	(1,868)
		-	-
		(2,161)	(2,995)
		<u>5,566</u>	<u>3,803</u>
6.1.1	This represents cost of fully amortized assets which were no longer in use by the Institute, has been written-off during the period / year.		
7. LONG TERM INVESTMENTS		December 31, 2020 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
At amortised cost			
General Fund	7.1	175,243	176,357
Specific Fund	7.2	1,873	1,889
Endowment Funds	7.3	104,426	105,580
		281,542	283,826
At fair value through other comprehensive income			
Benevolent Fund	7.4	4,834	4,545
		<u>286,376</u>	<u>288,371</u>

7.1	General Fund	Note	December 31,	June 30,
			2020	2020
			Un-audited	Audited
			----- Rupees in '000 -----	
At amortized cost				
	Certificates of Islamic Investment	7.1.1	115,000	115,000
	Pakistan Investment Bonds	7.1.2	93,306	94,526
	Less: Maturing within one year, classified under short term investments	9.1	(33,063)	(33,169)
			60,243	61,357
	Certificates of Deposit		-	21,826
	Less: Maturing within one year, classified under short term investments		-	(21,826)
			-	-
			<u>175,243</u>	<u>176,357</u>

7.1.1 This represents investment in Sharia Compliant Term Deposit Certificates with a bank aggregating to Rs. 115 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.

7.2	Specific Fund	Note	December 31,	June 30,
			2020	2020
			Un-audited	Audited
			----- Rupees in '000 -----	
At amortized cost				
	Certificate of Islamic Investment	7.2.1	1,000	1,000
	Pakistan Investment Bond	7.2.2	873	889
			<u>1,873</u>	<u>1,889</u>

7.2.1 This represents investment in Sharia Compliant Term Deposit Certificate with a bank amounting to Rs. 1 million (June 30, 2020: Rs. 1 million). This certificate 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 is maturing on February 13, 2022.

7.2.2 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.

		December 31, 2020 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
7.3 Endowment Funds			
At amortised cost			
Students' Fund			
Certificates of Islamic Investment	7.3.1	42,000	42,000
Pakistan Investment Bonds	7.3.2	57,188	58,245
		99,188	100,245
Libraries Development Fund			
Pakistan Investment Bonds	7.3.3	5,238	5,335
		104,426	105,580

7.3.1 This represents investment in Sharia Compliant Term Deposit Certificates with a bank aggregating to Rs. 42 million (June 30, 2020: Rs. 42 million). There 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 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.

		December 31, 2020 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
7.4 Benevolent Fund			
At fair value through other comprehensive income			
Investments in equity shares			
The Hub Power Company Limited			
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)		306	(281)
		3,557	3,251
Fauji Fertilizer Company Limited			
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)		(17)	269
		1,277	1,294
		4,834	4,545

	Note	December 31, 2020 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
8. STOCK OF STUDY PACKS, PUBLICATIONS AND SOUVENIRS			
Stock of study packs		11,800	14,603
Stock of publications and souvenirs		13,369	8,297
		<u>25,169</u>	<u>22,900</u>
Less: Provision for obsolete stock		(2,873)	(707)
		<u>22,296</u>	<u>22,193</u>

9. SHORT TERM INVESTMENTS

At amortised cost

General Fund	9.1	509,660	532,139
Specific Fund	9.2	3,274	3,170
Endowment Funds	9.3	105,657	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>782,595</u>	<u>767,122</u>
9.1 General Fund			
Certificates of Islamic Investment	9.1.1	453,983	477,144
Pakistan Investment Bonds	7.1.2	33,063	33,169
Certificate of Deposit	9.1.2	22,614	21,826
		<u>509,660</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. 447.85 million (June 30, 2020: Rs. 465.36 million). These certificates carried profit at the rates ranging from 5.79% to 7.00% (June 30, 2020: 6.25% to 13.5%) per annum receivable on maturity/monthly basis and are maturing on various dates upto September 28, 2021. Accrued profit aggregating Rs. 6.13 million (June 30, 2020: Rs. 11.79 million) is included in the carrying value.

9.1.2 This represents investment in Certificates of Deposit of a Non-Banking Finance Company (NBFC) aggregating to Rs. 15 million (June 30, 2020: Rs. 15 million). These certificates carry mark-up at the rate of 10.42% (June 30, 2020: 10.42%) per annum receivable on maturity and are maturing on February 19, 2021. Accrued mark-up aggregating to Rs. 7.61 million (June 30, 2020: Rs. 6.83 million) is included in the carrying value.

	Note	December 31, 2020 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
9.2 Specific Fund			
Certificate of Islamic Investment	9.2.1	<u>3,274</u>	<u>3,170</u>

9.2.1 This represents investment in Sharia Compliant Term Deposit Certificate with a bank, having face value of Rs. 3.169 million (June 30, 2020: 3.169 million). This certificate carried profit at the rate of 6.50% (June 30, 2020: 6.5% to 13.5%) per annum receivable on maturity and is maturing on June 29, 2021. Accrued profit amounting to Rs. 0.105 million (June 30, 2020: Rs. 0.001 million) is included in the carrying value.

		December 31, 2020 Un-audited	June 30, 2020 Audited
		----- Rupees in '000 -----	
9.3	Endowment Funds	Note	
	Students' Fund		
	Certificate of Islamic Investment	9.3.1	103,718
	Libraries Development Fund		
	Certificate of Islamic Investment	9.3.2	1,939
		<u>105,657</u>	<u>67,178</u>

9.3.1 This represents investment in Sharia Compliant Term Deposit Certificates with banks having face value aggregating to Rs. 101.85 million (June 30, 2020: Rs. 64.84 million). These certificates carried profit at the rates ranging from 5.79% to 7.00% (June 30, 2020: 6.5% to 13.5%) per annum receivable on maturity/monthly basis and are maturing on various dates upto September 28, 2021. Accrued profit amounting to Rs. 1.87 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. 1.877 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. 0.062 million (June 30, 2020: Nil) is included in the carrying value.

		December 31, 2020 Un-audited	June 30, 2020 Audited
		----- Rupees in '000 -----	
9.4	Southern Regional Committee	Note	
	Certificates of Islamic Investment	9.4.1	21,004
		<u>21,004</u>	<u>21,635</u>

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 March 30, 2021. Accrued profit amounting to Rs. 0.004 million (June 30, 2020: Rs. 1.14 million) is included in the carrying value.

		December 31, 2020 Un-audited	June 30, 2020 Audited
		----- Rupees in '000 -----	
9.5	Northern Regional Committee	Note	
	Certificates of Islamic Investment	9.5.1	5,000
		<u>5,000</u>	<u>5,000</u>

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.

		December 31, 2020 Un-audited	June 30, 2020 Audited
		----- Rupees in '000 -----	
9.6	Benevolent Fund	Note	
	Certificate of Islamic Investment	9.6.1	138,000
		<u>138,000</u>	<u>138,000</u>

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. CASH AND BANK BALANCES	Note	December 31,	June 30,
		2020	2020
		Un-audited	Audited
		----- Rupees in '000 -----	
Cash in hand			
Local currency		448	360
Cash at bank			
Current accounts			
Local currency		4,661	3,430
Foreign currency		160	168
		4,821	3,598
PLS accounts			
Local currency	10.1	39,827	31,707
Foreign currency	10.2	1,604	1,659
		41,431	33,366
		46,700	37,324

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

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

11. LEASE LIABILITIES AGAINST RIGHT-OF-USE (RoU) ASSETS	December 31,	June 30,	
	2020	2020	
		Un-audited	Audited
		----- Rupees in '000 -----	
Lease liabilities against RoU assets		13,090	14,709
Less: Current portion		(3,513)	(3,513)
		9,577	11,196

11.1 As at December 31, 2020, Lease liabilities against right-of-use-assets aggregating to Rs. 13.090 million (June 30, 2020: Rs. 14.709). The maturity analysis of the lease liabilities is as under:

	Note	December 31,	June 30,
		2020	2020
		Un-audited	Audited
		----- Rupees in '000 -----	
Within one year		3,513	3,513
Over one year up to three years		9,577	8,384
Over three years up to five years		-	2,812
Over five years		-	-
		13,090	14,709

		December 31, 2020 Un-audited ----- Rupees in '000 -----	June 30, 2020 Audited
12. CREDITORS, ACCRUED AND OTHER LIABILITIES			
Creditors		55,074	24,077
Accrued liabilities	12.1	83,304	58,633
Other liabilities:			
Endowment to students		6,222	-
Retention money		3,707	1,596
IFRS Foundation royalty		454	144
Others		9,228	7,397
		<u>19,611</u>	<u>9,137</u>
		<u>157,989</u>	<u>91,847</u>

12.1 These include Rs. 46.13 million (June 30, 2020: Rs. 44.55 million) of provision against accumulated compensated absences.

13. CONTINGENCIES AND COMMITMENTS

13.1 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:

13.1.1 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.

13.1.2 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.

13.2 Commitments in respect of the capital expenditure as at reporting date aggregated to Rs. 37.49 million (June 30, 2020: Rs. 30.80 million).

14. OTHER INCOME

Note	Quarter ended		Half year ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Un-audited ---- Rupees in '000 ----	Un-audited ---- Rupees in '000 ----	Un-audited ---- Rupees in '000 ----	Un-audited ---- Rupees in '000 ----
	100	1,630	100	2,104
	286	21	286	23
	3,029	724	3,029	724
	-	-	125	991
	-	-	3,358	-
	202	138	269	284
	<u>3,617</u>	<u>2,513</u>	<u>7,167</u>	<u>4,126</u>

- 14.1 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.

15. **RENT, RATES AND TAXES**

This includes rentals amounting to Rs. 9.04 million related to short term property leases.

16. **OTHERS**

	Quarter ended		Half year ended	
	December 31, 2020 Un-audited ----- Rupees in '000 -----	December 31, 2019 Un-audited ----- Rupees in '000 -----	December 31, 2020 Un-audited ----- Rupees in '000 -----	December 31, 2019 Un-audited ----- Rupees in '000 -----
Fees to professional bodies	2,362	2,054	4,723	4,113
Auditors' remuneration	254	276	261	238
Meetings and related expenses	2,759	2,192	3,727	3,537
Books and publications	228	176	355	411
Bank charges	1,628	2,298	6,340	5,903
Insurance	1,211	929	2,450	1,839
Provision for obsolete stock of study packs, publications and souvenirs	2,153	689	2,166	689
Provision against advance income tax	3	-	5	285
Training expenses	2,681	875	2,770	1,446
Sports and recreation	8	21	326	1,357
Net deficit from Continuing Professional Development (CPD) and other events	3,294	7,333	2,393	10,881
Incubation center expenses	82	-	394	-
Dubai branch office expenses	125	-	497	-
Sundry expenses	1,193	1,346	2,626	2,281
	<u>17,981</u>	<u>18,189</u>	<u>29,033</u>	<u>32,980</u>

17. **CASH AND CASH EQUIVALENTS**

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

	December 31, 2020 Un-audited ----- Rupees in '000 -----	December 31, 2019 Audited ----- Rupees in '000 -----
Cash and bank balances	46,700	51,555
Short term investments realisable within three months	251,657	295,862
	<u>298,357</u>	<u>347,417</u>

(Handwritten signature)

18. TRANSACTIONS WITH RELATED PARTIES

18.1 Transactions with related parties are as follows:

Relationship with the Institute	Nature of transactions	December 31,	December 31,
		2020	2019
		Un-Audited	Un-Audited
		----- Rupees in '000 -----	----- Rupees in '000 -----
Staff retirement benefit plans	Contribution paid to Provident Fund	10,291	9,642
Key management personnel: Secretary, Directors and Senior Managers	Managerial remuneration	97,741	88,729
Members of the Council	- Membership fee received	732	756
	- RAET annual renewal fee received	295	107

18.2 Period / year end balances:

Relationship with the Institute	Nature of balances	December 31,	June 30,
		2020	2020
		Un-audited	Audited
		----- Rupees in '000 -----	----- Rupees in '000 -----
Key management personnel Secretary, Directors and Senior Managers	Loans and advances Other liabilities	1,673 742	2,252 742

19. 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.

20. 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).

20.1 Service segment

20.1.1 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.

20.1.2 Segment revenue and results

Income

	Un-audited					Un-audited				
	For the half year ended December 31, 2020					For the half year ended December 31, 2019				
	Examination	Education	Membership	General Services	Total	Examination	Education	Membership	General Services	Total
	Rs. in '000									
from members	-	-	205,580	-	205,580	-	-	208,697	-	208,697
from students	401,166	117,183	-	-	518,349	421,926	150,852	-	-	572,778
others	-	-	-	11,955	11,955	-	-	-	10,704	10,704
Total income	401,166	117,183	205,580	11,955	735,884	421,926	150,852	208,697	10,704	792,179
Expenditure (Note 20.1.3)	(229,454)	(83,478)	(111,942)	(134,145)	(559,019)	(173,860)	(91,755)	(120,186)	(142,008)	(527,809)
	171,712	33,705	93,638	(122,190)	176,865	248,066	59,097	88,511	(131,304)	264,370
Income from investments and surplus on										
through other comprehensive income					40,560					66,971
Excess of income over expenditure					<u>217,425</u>					<u>331,341</u>

20.1.3 Expenditure

Salaries, allowances, and other benefits	44,795	29,523	58,135	70,374	202,827	43,653	30,137	55,392	71,227	200,409
Examination charges	156,408	-	-	-	156,408	101,611	-	-	-	101,611
Depreciation	4,829	3,219	4,369	10,578	22,995	4,233	2,693	3,270	9,041	19,237
Traveling and related expenses	28	110	2,656	363	3,157	339	115	13,595	650	14,699
Study packs and other publications	-	21,159	-	2,897	24,056	-	28,538	554	5,152	34,244
Utilities	3,474	2,316	3,143	7,609	16,542	4,190	2,667	3,238	8,952	19,047
Network and communication	2,018	1,346	1,826	4,422	9,612	2,258	1,436	1,744	6,089	11,527
Repairs and maintenance	5,809	3,872	5,255	12,723	27,659	6,013	3,826	4,646	12,846	27,331
Printing and stationery	1,018	746	1,722	2,210	5,696	1,488	2,928	1,876	2,955	9,247
Rent, rates and taxes	19	10	34	10,583	10,646	16	7	21	8,304	8,348
Advertisement and marketing	-	4,492	20	915	5,427	-	4,423	-	2,020	6,443
Amortisation of intangible assets	453	303	411	994	2,161	344	219	266	736	1,565
Financial assistance to students	-	6,222	-	-	6,222	-	6,266	-	-	6,266
Financial assistance to members / members' families	-	-	15,602	-	15,602	-	-	13,693	-	13,693
Members induction ceremony	2,684	-	-	-	2,684	4,173	-	-	-	4,173
Edhi CA talent program	-	4,615	-	-	4,615	-	4,420	-	-	4,420
Vehicles maintenance and running cost	1,468	701	1,630	1,625	5,424	1,551	757	1,734	2,138	6,180
Legal charges	-	-	1,971	-	1,971	-	-	2,003	-	2,003
Professional charges	1,108	739	1,003	2,428	5,278	695	442	537	1,485	3,159
Interest expense on lease liabilities against RoU assets	-	-	-	1,004	1,004	-	-	-	1,227	1,227
Others (Note 16)	5,343	4,105	14,165	5,420	29,033	3,296	2,881	17,617	9,186	32,980
Total expenditures	229,454	83,478	111,942	134,145	559,019	173,860	91,755	120,186	142,008	527,809

Un-audited					Audited				
As at December 31, 2020					As at June 30, 2020				
Examination	Education	Membership	General Services	Total	Examination	Education	Membership	General Services	Total
Rs. in '000									

20.1.4 Other Information

Segments assets employed	65,218	34,296	29,221	787,527	916,262	62,787	30,633	29,976	686,600	809,996
Unallocated assets					1,171,156					1,171,811
Total assets					<u>2,087,418</u>					<u>1,927,807</u>
Segments liabilities employed	103,127	12,540	29,385	84,898	229,950	188,573	10,499	25,039	62,034	286,145
Unallocated liabilities					13,090					14,709
					<u>243,040</u>					<u>300,854</u>

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

20.2 Geographical segments:

20.2.1 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.

Un-audited									
For the half year ended December 31, 2020					For the half year ended December 31, 2019				
Karachi	Lahore	Islamabad and Rawalpindi	Others	Total	Karachi	Lahore	Islamabad and Rawalpindi	Others	Total

20.2.2 (a) Segment revenue and results

Rs. in '000										
Income										
from members	83,908	42,419	20,965	58,288	205,580	85,946	41,403	21,258	60,090	208,697
from students	105,532	186,846	100,138	125,833	518,349	141,436	222,893	106,128	102,321	572,778
other general services - unallocated	-	-	-	-	11,955	-	-	-	-	10,704
					735,884					792,179
Allocated expenditure - Members and students (Note: 20.2.3 (a))	(109,397)	(135,900)	(71,871)	(107,706)	(424,874)	(115,085)	(127,206)	(61,455)	(82,055)	(385,801)
Unallocated expenditure - General services					(134,145)					(142,008)
					(559,019)					(527,809)
Income from investments and surplus on re-measurement of financial assets at fair value through other comprehensive income					40,560					66,971
Excess of income over expenditure					217,425					331,341

20.2.3 (a) Expenditure

Salaries, allowances and other benefits	159,965	25,894	9,745	7,223	202,827	160,298	23,476	10,173	6,462	200,409
Examination charges	31,843	56,380	30,216	37,969	156,408	25,091	39,541	18,827	18,152	101,611
Depreciation	14,367	5,036	1,896	1,696	22,995	13,673	2,956	1,425	1,183	19,237
Traveling and related expenses	1,462	1,183	103	409	3,157	6,199	6,123	1,629	748	14,699
Study packs and other publications	10,764	3,646	5,475	4,171	24,056	14,841	9,707	4,820	4,876	34,244
Utilities	9,833	3,139	1,259	2,311	16,542	9,931	4,860	1,390	2,866	19,047
Network and communication	7,078	1,247	603	684	9,612	8,885	1,321	572	749	11,527
Repairs and maintenance	12,181	6,594	3,613	5,271	27,659	13,126	7,081	2,345	4,779	27,331
Printing and stationery	4,623	867	94	112	5,696	7,823	1,142	96	186	9,247
Rent, rates and taxes	1,875	1,135	1,267	6,369	10,646	2,355	29	192	5,772	8,348
Advertisement and marketing	1,411	1,725	912	1,379	5,427	3,854	1,338	95	1,156	6,443
Amortisation of intangible assets	1,591	280	136	154	2,161	1,162	202	87	114	1,565
Financial assistance to students	323	2,953	944	2,002	6,222	249	4,187	761	1,069	6,266
Financial assistance to members / members' families	7,512	4,392	3,068	630	15,602	6,761	3,908	2,451	573	13,693
Members induction ceremony	2,684	-	-	-	2,684	2,653	1,520	-	-	4,173
Edhi CA talent program	1,807	1,549	399	860	4,615	1,409	1,148	447	1,416	4,420
Vehicles maintenance and running cost	4,449	727	98	150	5,424	4,984	901	109	186	6,180
Legal charges	1,971	-	-	-	1,971	2,003	-	-	-	2,003
Professional charges	3,887	685	331	375	5,278	2,346	407	176	230	3,159
Interest expense on lease liabilities against RoU assets	-	970	-	34	1,004	-	1,125	-	102	1,227
Others (Note 16)	16,700	5,477	2,875	3,981	29,033	25,256	6,261	870	593	32,980
Expenditure - as and where incurred	296,326	123,879	63,034	75,780	559,019	312,899	117,233	46,465	51,212	527,809
Inter-segment allocation / transfer to unallocated	(186,929)	12,021	8,837	31,926	(134,145)	(197,814)	9,973	14,990	30,843	(142,008)
Allocated expenditure - Members and students	109,397	135,900	71,871	107,706	424,874	115,085	127,206	61,455	82,055	385,801
Unallocated expenditure - General services					134,145					142,008
Total expenditure					559,019					527,809

20.2.4 (a) Other Information

Un-audited					Audited				
As at December 31, 2020					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	338,487	512,788	44,177	20,810	916,262	250,022	503,889	35,275	20,810	809,996
Unallocated assets					1,171,156					1,117,811
Total assets					2,087,418					1,927,807
Segments liabilities employed	119,345	19,321	15,703	3,620	157,989	78,722	6,562	2,943	3,620	91,847
Unallocated liabilities					85,051					209,007
Total liabilities					243,040					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 half year ended December 31, 2020			For the half year ended December 31, 2019		
South	North	Total	South	North	Total
----- Rs. 000 -----					

20.2.2 (b) Segment revenue and results

Income						
from members	113,738	91,842	205,580	115,989	92,708	208,697
from students	116,813	401,536	518,349	139,704	433,074	572,778
other general services - unallocated			11,955			10,704
			<u>735,884</u>			<u>792,179</u>
Allocated expenditure - Members and students (Note: 20.2.3 (b))	(132,453)	(292,421)	(424,874)	(131,582)	(254,219)	(385,801)
Unallocated expenditure - General services			(134,145)			(142,008)
			<u>(559,019)</u>			<u>(527,809)</u>
Income from investments and surplus on re-measurement of financial assets at fair value through other comprehensive income			40,560			66,971
Excess of income over expenditure			<u>217,425</u>			<u>331,341</u>

20.2.3 (b)

Salaries, allowances and other benefits	161,780	41,047	202,827	162,025	38,384	200,409
Examination charges	32,715	123,693	156,408	26,507	75,104	101,611
Depreciation	14,859	8,136	22,995	13,958	5,279	19,237
Traveling and related expenses	1,685	1,472	3,157	6,671	8,028	14,699
Study packs and other publications	11,056	13,000	24,056	15,375	18,869	34,244
Utilities	9,952	6,590	16,542	10,156	8,891	19,047
Network and communication	7,279	2,333	9,612	9,105	2,422	11,527
Repairs and maintenance	12,945	14,714	27,659	13,821	13,510	27,331
Printing and stationery	4,638	1,058	5,696	7,843	1,404	9,247
Rent, rates and taxes	2,259	8,387	10,646	2,706	5,642	8,348
Advertisement and marketing	1,714	3,713	5,427	3,930	2,513	6,443
Amortisation of intangible assets	1,637	524	2,161	1,196	369	1,565
Financial assistance to students	549	5,673	6,222	299	5,967	6,266
Financial assistance to members / members' families	7,512	8,090	15,602	6,761	6,932	13,693
Members induction ceremony	2,684	-	2,684	2,653	1,520	4,173
Edhi CA talent program	1,818	2,797	4,615	1,411	3,009	4,420
Vehicles maintenance and running cost	4,466	958	5,424	5,003	1,177	6,180
Legal charges	1,971	-	1,971	2,003	-	2,003
Professional charges	3,997	1,281	5,278	2,413	746	3,159
Interest expense on lease liabilities against RoU assets	34	970	1,004	102	1,125	1,227
Others (Note 16)	17,536	11,497	29,033	25,387	7,593	32,980
Expenditure - as and where incurred	303,086	255,933	559,019	319,325	208,484	527,809
Inter-segment allocation / transfer to unallocated	(170,633)	36,488	(134,145)	(187,743)	45,735	(142,008)
Allocated expenditure - Members and students	<u>132,453</u>	<u>292,421</u>	<u>424,874</u>	<u>131,582</u>	<u>254,219</u>	<u>385,801</u>
Unallocated expenditure - General services			134,145			142,008
Total expenditure			<u>559,019</u>			<u>527,809</u>

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

20.2.4 (b) Other Information

Segments assets employed	339,703	576,559	916,262	251,238	558,758	809,996
Unallocated assets			1,171,156			1,117,811
Total assets			<u>2,087,418</u>			<u>1,927,807</u>
Segments liabilities employed	120,290	37,699	157,989	79,667	12,180	91,847
Unallocated liabilities			85,051			209,007
Total liabilities			<u>243,040</u>			<u>300,854</u>

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.

21. 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.

22. 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)	1,267

23. AUTHORISATION FOR ISSUE

The Council of the Institute authorised this condensed interim financial information for issue on March 03, 2021.



CHIEF FINANCIAL OFFICER



SECRETARY



PRESIDENT