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**INSTITUTE OF MANAGEMENT SCIENCES
PESHAWAR
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

SHAHID WAHEED YOUNUS JAMIL
CHARTERED ACCOUNTANTS

Auditors' Report

Introduction

We have audited the accompanying financial statements of the Institute of Management Sciences Peshawar (The Institute) which comprise the balance sheet as at June 30, 2012 and the related statements of comprehensive income and statement of cash flows together with the notes forming part thereof for the year then ended, we state that we have obtained all the information & explanations which to the best of our knowledge & belief; were necessary for the purpose of our audit..

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting standards as applicable in Pakistan and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as applicable in Pakistan which require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that;

a) In our opinion:

- i) the Balance sheet and the related statements of comprehensive income and statement of cash flows, together with notes forming part thereof for the year then ended are in agreement with the books of account and are further in accordance with accounting policies consistently applied ;

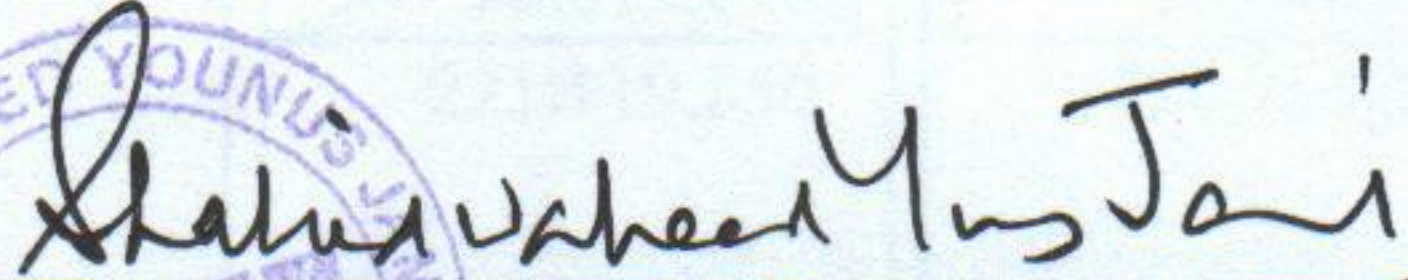
SHAHID WAHEED YOUNUS JAMIL
CHARTERED ACCOUNTANTS

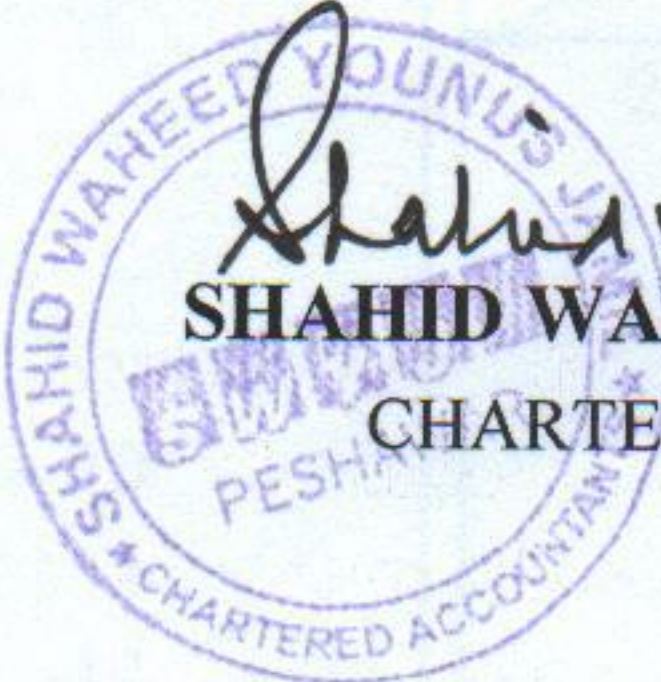
- ii) the expenditure incurred during the year was for the purposes of Institute's business; and
- iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Institute.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, the related Statement of Comprehensive Income and cash flow statement together with notes forming part thereof for the year then ended, conform with the approved accounting standards as applicable in Pakistan and respectively give a true and fair view of the state of the Institute's affairs as at June 30, 2012 and of its profit, and its cash flows for the year then ended.

Peshawar
December 31, 2012


SHAHID WAHEED YOUNUS JAMIL
CHARTERED ACCOUNTANTS



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Balance Sheet

As At June 30, 2012

	Note	2012 ----- Rupees -----	2011
Non-Current Assets			
Property, Plant and equipment	5	472,658,089	467,849,687
Long term deposits	6	2,426,600	1,279,600
		<u>475,084,689</u>	<u>469,129,287</u>
Current Assets			
Short term investments	7	126,071,201	157,000,000
Advances, Prepayments and receivables	8	17,034,751	12,319,059
Cash & bank balances	9	78,013,898	51,446,286
		221,119,850	220,765,345
Current Liabilities			
Scholarships	10	2,520,990	4,862,242
Library security	11	8,002,025	7,015,025
Accruals & other payables	12	18,632,668	28,510,913
		29,155,683	40,388,180
Net Current Assets		191,964,167	180,377,165
Contingencies and commitments	13	-	-
Net Assets		<u>667,048,856</u>	<u>649,506,452</u>
Financed by:			
General Fund	14	667,048,856	649,506,452
		<u>667,048,856</u>	<u>649,506,452</u>

The annexed notes form an integral part of these financial statements.

Auditors' report is annexed.


 DIRECTOR

Statement of Comprehensive Income

For the year ended June 30, 2012

	Note	2012 ----- Rupees -----	2011
Income	15	170,986,500	178,412,346
Expenditure			
Operational	16	221,346,687	181,610,812
Administrative	17	70,382,034	60,008,614
		<u>291,728,721</u>	<u>241,619,426</u>
Deficit from operations		(120,742,221)	(63,207,080)
Human resource Development	19	(44,526,735)	(43,916,821)
Other income	20	18,147,160	5,447,310
		<u>(26,379,575)</u>	<u>(38,469,511)</u>
		(147,121,796)	(101,676,591)
Recurring grant	18	86,999,200	95,300,303
Deficit for the year		(60,122,596)	(6,376,288)
Other Comprehensive Income		-	-
Transferred to General Fund	14	<u>(60,122,596)</u>	<u>(6,376,288)</u>

The annexed notes form an integral part of these financial statements.
 Auditors' report is annexed.

Manshan
 DIRECTOR

Statement of Cash Flows

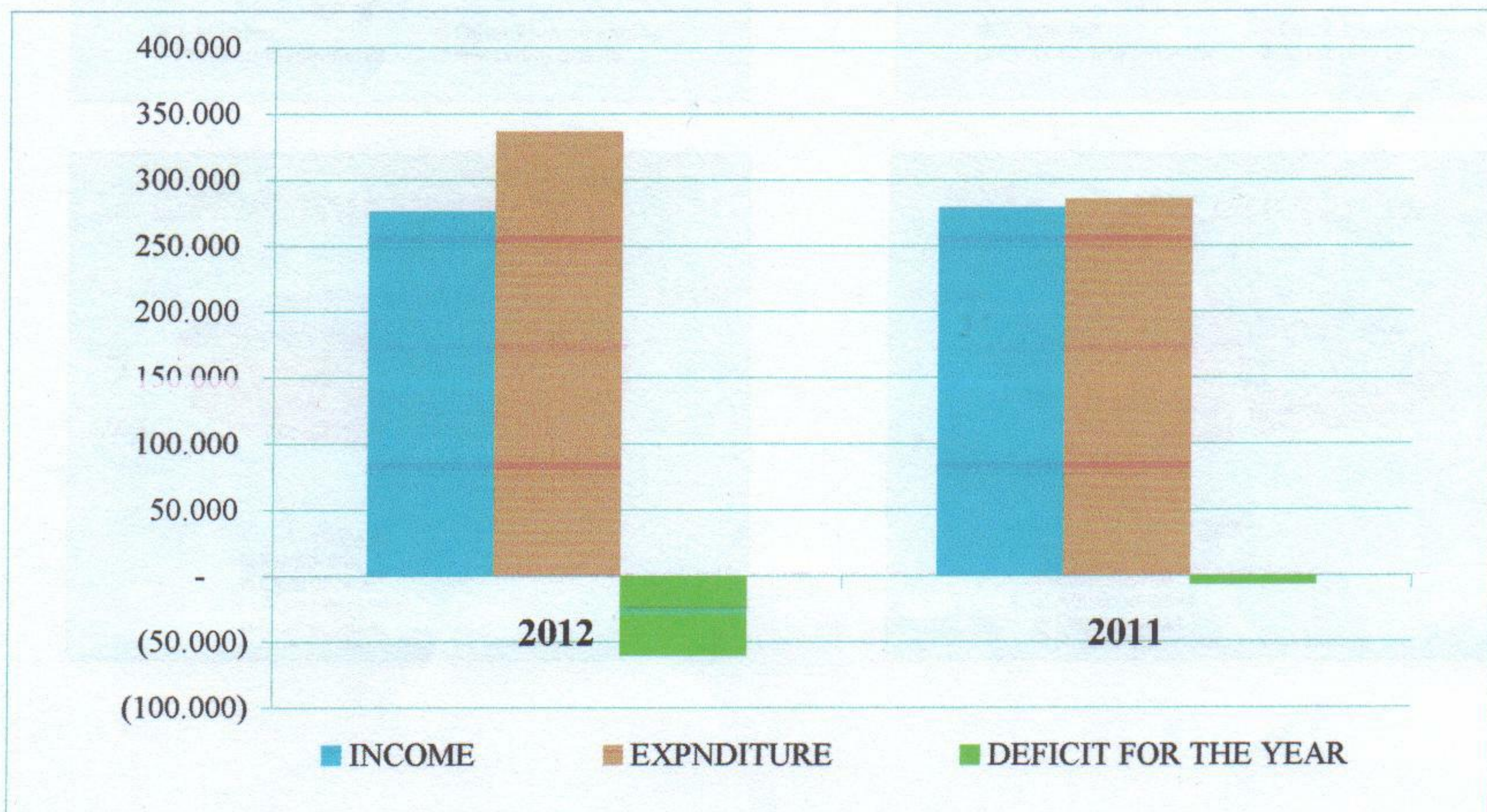
For the year ended June 30, 2012

	2012	2011
	----- Rupees -----	
Cash flows from operating activities		
Surplus / (deficit) for the year	(60,122,596)	(6,376,288)
Adjustments for:		
Depreciation on property, plant & equipment	24,927,859	22,008,554
Financial Charges	22,856	21,657
Prior year adjustment	-	591,330
Other income/(loss)	(18,147,160)	(5,447,310)
	6,803,555	17,174,231
Operating Profit before working capital changes	(53,319,040)	10,797,943
(Increase) / decrease in current assets		
Advances, Deposits & Prepayments	(4,715,692)	1,242,811
	(4,715,692)	1,242,811
Increase / (decrease) in current liabilities		
Creditor, Provision & Accrued Charges	(9,878,245)	2,678,172
Scholarships	(2,341,252)	(4,489,312)
Library Security	987,000	965,000
	(11,232,497)	(846,140)
Net cash generated from operations	(69,267,229)	11,194,614
Payment against financial charges	(22,856)	(21,657)
Net cash flows from Operating activities	(69,290,085)	11,172,957
Cash flows from investing activities		
Addition in Operating fixed assets	(28,665,253)	(39,675,442)
Addition in capital work in progress	(1,071,009)	(49,449,756)
Increase in long term deposits	(1,147,000)	(178,840)
Proceed from sale of books	-	-
Increase in short term investments	30,928,799	(27,000,000)
Other income - Profit on investments & bank deposit	18,147,160	5,447,310
Net cash flows used in Investing activities	18,192,697	(110,856,728)
Cash flows from financing activities		
Grant received	77,665,000	90,000,000
Repayment of IMSciences Trust Loan	-	-
Net cash flow from financing activities	77,665,000	90,000,000
Net increase in cash and cash equivalents	26,567,612	(9,683,770)
Cash and cash equivalents - at the beginning of the year	51,446,286	61,130,057
Cash and cash equivalents - at the end of the year	78,013,898	51,446,286

Mushtaq
DIRECTOR

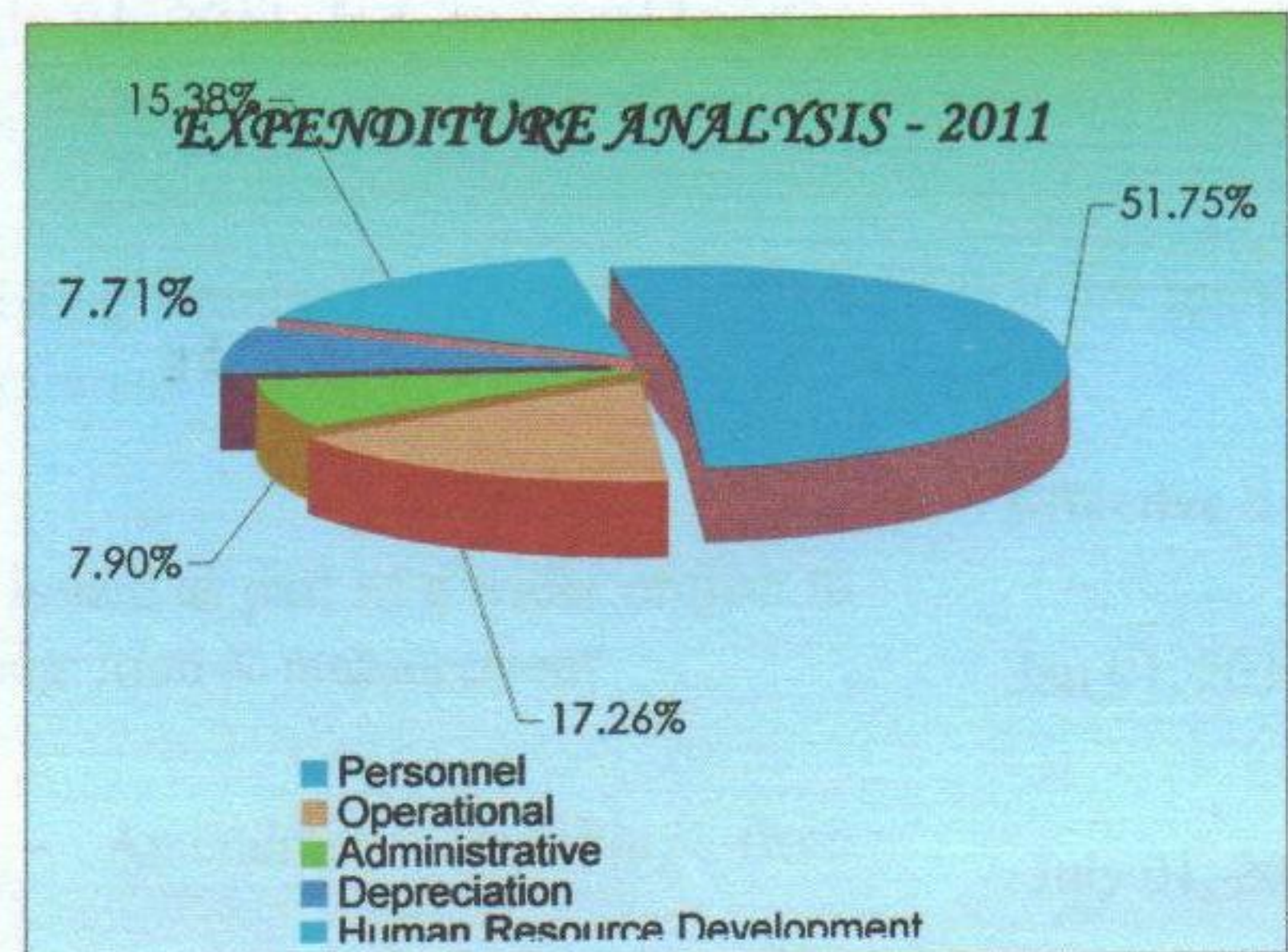
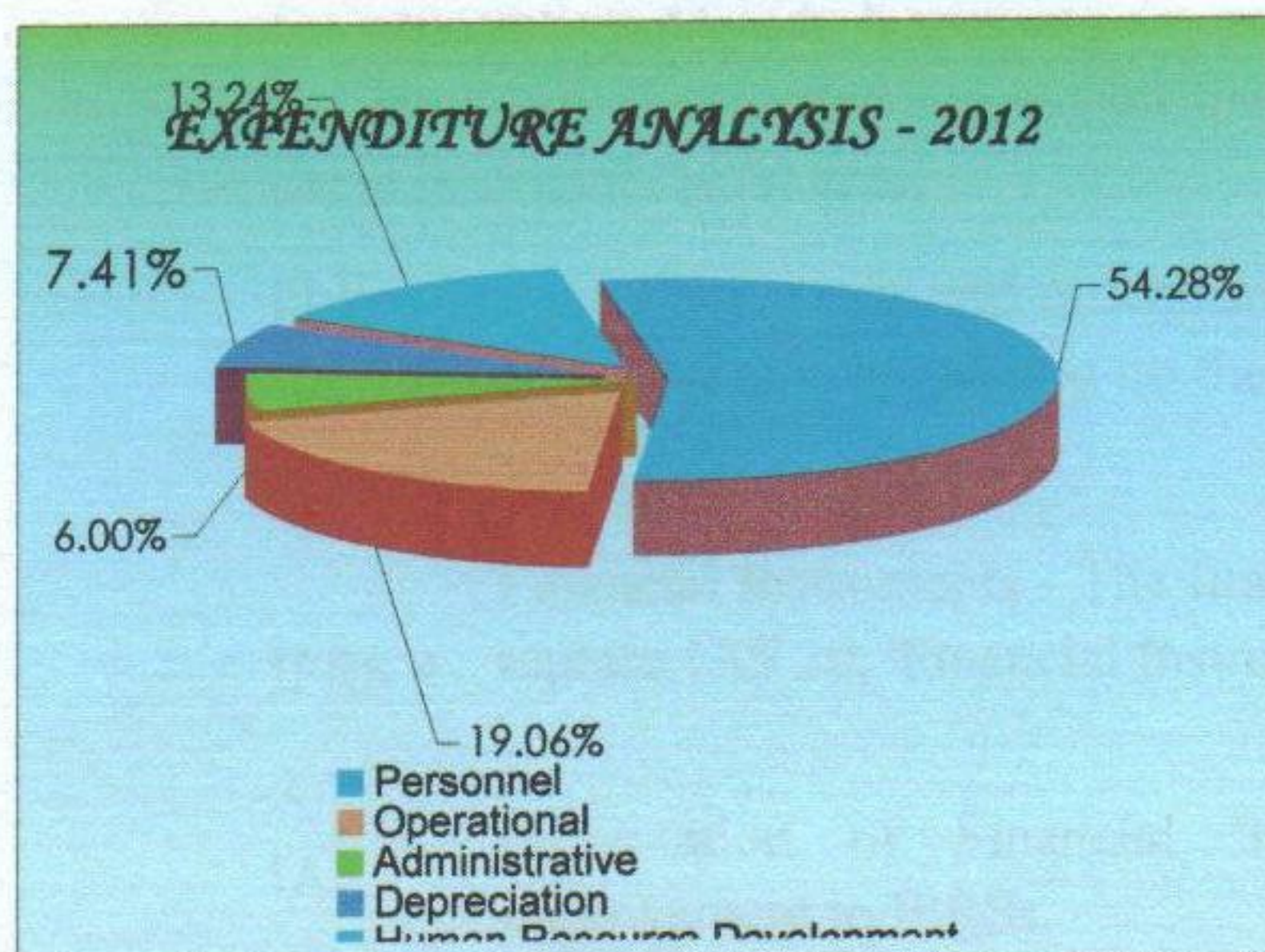
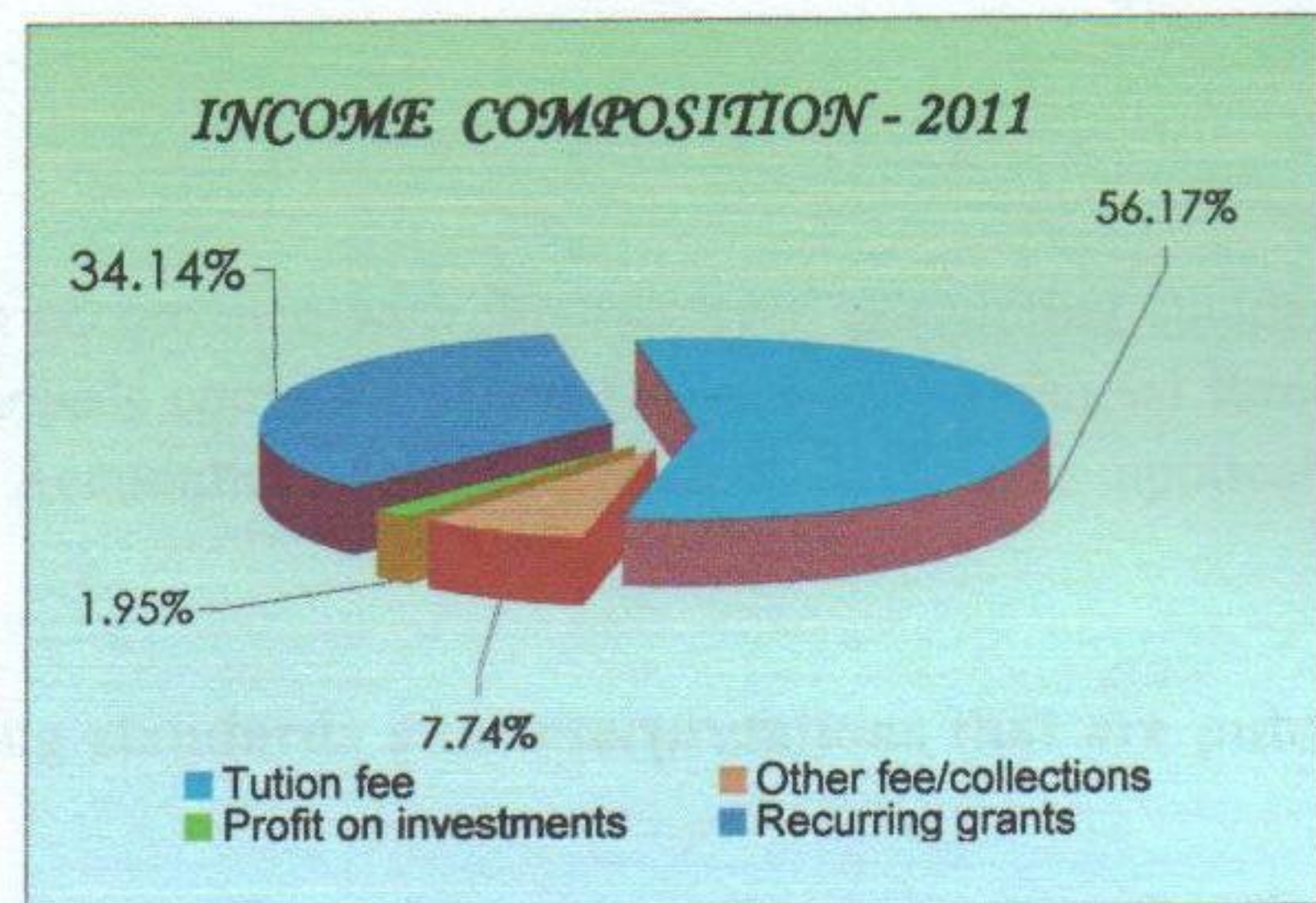
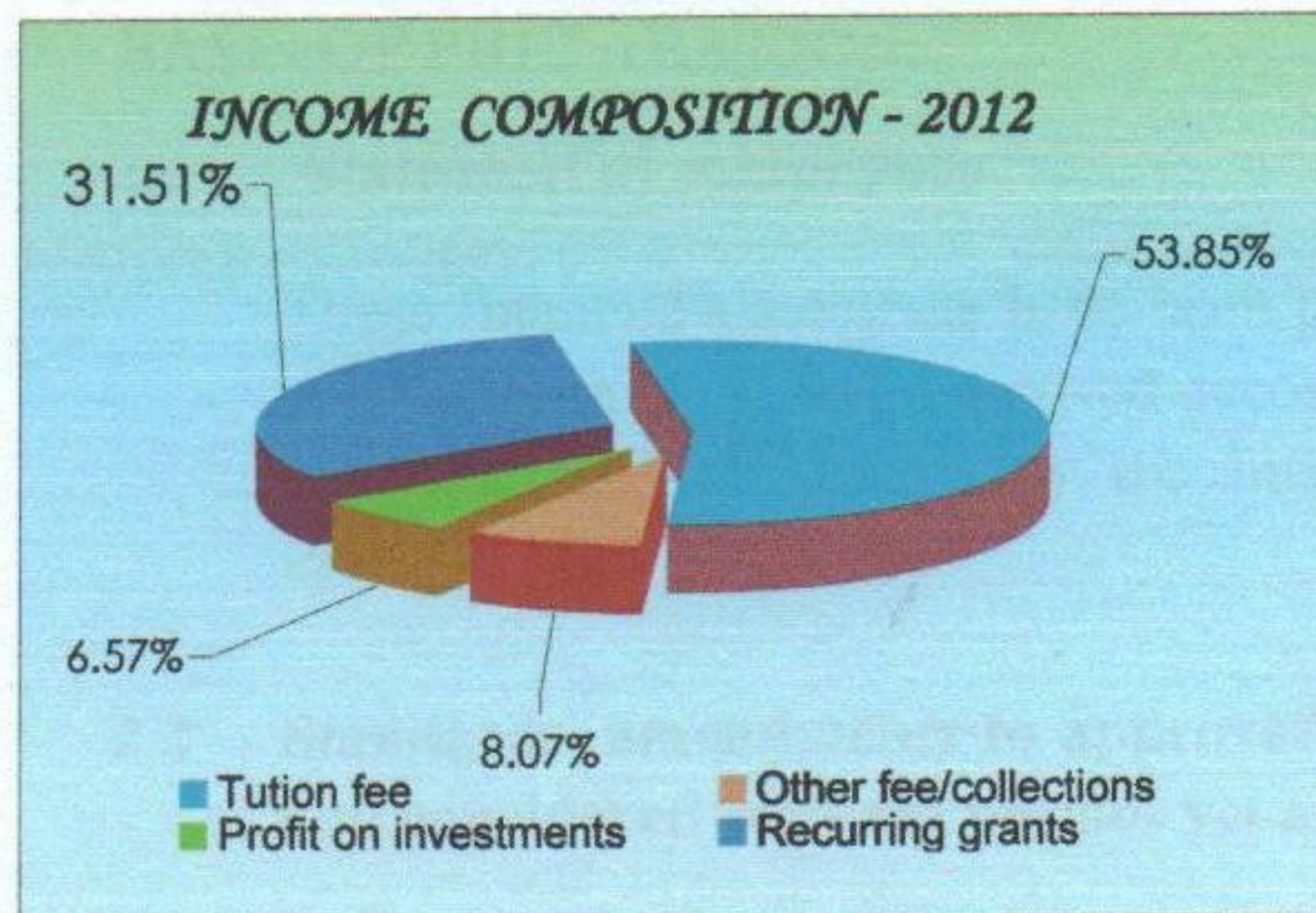
INSTITUTE OF MANAGEMENT SCIENCES, PESHAWAR
Graphical Analysis of Income & Expenditure

	2012	2011
	<i>Rupees in '000'</i>	
INCOME		
Tuition fee	148.690	156.792
Profit on investments	18.147	5.447
Recurring grants	86.999	95.300
Other collections	22.297	21.620
	276.133	279.159
EXPNDITURE		
Personnel	182.532	147.771
Operational	64.096	49.289
Administrative	20.173	22.550
Depreciation	24.928	22.008
Human Resource Development	44.527	43.917
	336.256	285.535
DEFICIT FOR THE YEAR	(60.123)	(6.376)



INSTITUTE OF MANAGEMENT SCIENCES, PESHAWAR

INCOME	2012	2012	2011	2011
	Rs. in M	%AGE	Rs. in M	%AGE
Tuition fee	148.690	53.85	156.792	56.17
Other fee/collections	22.297	8.07	21.620	7.74
Profit on investments	18.147	6.57	5.447	1.95
Recurring grants	86.999	31.51	95.300	34.14
	276.13	100.00	279.16	100.00
EXPENDITURE				
Personnel	182.532	54.28	147.771	51.75
Operational	64.096	19.06	49.289	17.26
Administrative	20.173	6.00	22.550	7.90
Depreciation	24.928	7.41	22.008	7.71
Human Resource Development	44.527	13.24	43.917	15.38
	336.26	100.00	285.54	100.00



Notes to the Financial Statements

For the year ended June 30, 2012

1. LEGAL STATUS & OPERATIONS:

The Institute of Management Sciences (the Institute) is an autonomous body formed under a notification of the Government of N.W.F.P vide /SO(UE)1-47/98 dated June 12, 1999. Later on the institute was granted the status as a statutory entity through promulgation of the Institute of Management Sciences Ordinance, 2002 by the Governor of the N.W.F.P on October 02, 2002.

The Institute has launched a number of degree and post degree programs with the mission to be a centre for the transmission, diffusion and extension of knowledge and management studies and allied disciplines, catering to the High level professional and technical man power requirements both from the private and public sector segments of the country.

2. SIGNIFICANT ACCOUNTING POLICIES:

BASIS OF PREPARATION:

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standard Board (IASB) as applicable in Pakistan.

2.2 Standards, amendments to approved accounting standards and interpretations that are published and considered relevant but not yet effective

New standards, amendments to approved accounting standards and interpretations which are mandatory for accounting periods beginning on or before July 01, 2011, but are considered not to be relevant or did not have any significant impact on the Institute's financial statements and are, therefore, not detailed in these financial statements.

Following new standards and amendments to existing standards have been published that are mandatory for accounting periods beginning on the dates mentioned below:

Standards or interpretation	Effective date
IFRS 9 Financial Instruments - The first standard issued as part of a wider project to replace IAS 39, 'Financial Instruments: recognition & measurement'	Jan 01, 2015
IAS 1 Presentation of Financial Statements - Amendments resulting from improvement to IFRSs	July 01, 2012

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is also the Institute's functional currency. All the financial information presented in Pak rupee has been rounded-off to the nearest rupee.

Notes to the Financial Statements

For the year ended June 30, 2012

3. BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under the historical cost convention except as otherwise stated.

3.2 The preparation of the financial statements in conformity with the approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are viewed on an ongoing basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised.

Significant areas requiring the use of management estimates in these financial statements related to the useful life of depreciable assets and provision for doubtful receivables. However, assumptions and judgments made by management in the application of the accounting policies that have significant effect on the financial statements are not expected to result in material adjustments to the carrying amounts of assets and liabilities in the next year.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

The significant accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

4.1 Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and impairment, if any, except freehold land which are stated at cost. Depreciation is charged on reducing balance method at the rate stated in note 5.1 Depreciation on addition is charged from the day on which the asset is put to use and on disposals, up to the day the asset has been in use.

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each financial year ended. The effect of any adjustment to residual values and useful lives is recognized prospectively as a change of accounting estimate.

Disposal of assets is recognized when significant risks and rewards incidental to the ownership has been transferred to buyers. Gains and losses on disposal are determined by comparing the proceeds with the carrying amounts and are recognized in the statement of comprehensive income.

Subsequent costs are included in the assets' carrying amount and recognized as a separate asset as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. all other repairs and maintenance are charged to the statement of comprehensive income as and when incurred.

Notes to the Financial Statements

For the year ended June 30, 2012

4.2 Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss, if any and consists of expenditure incurred and advances made in the course of construction and installation. These are transferred to specific assets as and when the assets are available for use.

4.3 Impairment in financial assets

A financial assets is impaired when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets and that loss event has an impact on the estimated future cash flows of financial assets that can be reliably estimated.

4.4 Other receivables

These are stated at their nominal values net off any allowance for uncollectable amount (if any). Other receivables are recognized at nominal amount which is fair value of the consideration to be received in future.

4.5 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at nominal amount. For the purpose of the statement of cash flows, cash and cash equivalent comprise of cash in hand, balance with banks.

4.6 Creditors, accrued and other liabilities

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

4.7 Provisions

Provisions are recognized in the balance sheet when the Institute has a legal and constructive obligation as a result of past events and it is probable the outflow of economic benefits will be required to settle the obligation and their reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.8 Investments

Surplus funds are subjected to term investments in accordance with investment policy of the Institute. These are stated at cost. All purchases and sales of investments are recognized using settled date accounting, settlement date is the date on which investments are delivered to or by the Institute. All investments are derecognized when right to receive economic benefits from the investments has expired or has been transferred and the Institute has transferred substantially all the risks and rewards of ownership.

Notes to the Financial Statements

For the year ended June 30, 2012

4.9 Staff retirement benefits

4.8.1 Contributory provident fund

The institute operates contributory provident fund scheme for permanent employees monthly contributions are made to the fund at 10% of basic salary both by the Institute and employees. The Institute's contribution is charged to the income and expenditure account.

4.8.2 Gratuity fund

A gratuity scheme for permanent employees has also been approved by the Board of Governors effectives from July 01, 2010. The employees completing five (5) years continuous service with the Institute will be eligible for the payment of gratuity in accordance with the Employees Gratuity Fund Rules.

4.9 Revenue recognition

- Income from students' fee is recognized as revenue on receipt basis and over the period of instruction.
- Income from examination fee, seminars and conferences are recognized as revenue when the examinations, seminars and conferences are held.
- Return on investments and saving accounts is recognized on actual receipt basis.

4.10 Foreign currencies translation

Transaction in foreign currencies are translated into Pak Rupee using the exchange rate prevailing at the dates of the transaction.

4.11 Cost of stationery

These are charged to income as and when recognized.

4.12 Taxation

The Institute being established solely for educational purposes and not for profit, is exempt from taxation under clause 92 of part I of the second schedule of the Income Tax Ordinance, 2001 and hence, the Institute's income is not taxable.

Notes to the Financial Statements

For the year ended June 30, 2012

4.13 Appropriation of General Funds

Appropriations of General Funds are recognized in the financial statements in the period in which these are approved.

	Note	2012 ----- Rupees -----	2011
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	228,479,460	224,742,067
Capital work-in-progress	5.2	244,178,629	243,107,620
		472,658,089	467,849,687
5.2 Capital work in progress			
Development of IMS (DIMS) - Building & external area	(A)	233,531,465	233,072,575
Development of external area - Through FATA Grant	(B)	10,647,164	10,035,045
		244,178,629	243,107,620

Capital cost of Rs. 446.53 Million and Rs. 90 Million have been sanctioned as per PC-I for A and B respectively.

5.1 OPERATING FIXED ASSETS - at cost less accumulated depreciation

PARTICULARS	Visiting Faculty Hostel		Students Hostel		SIMS	IMS	Computer & Printer	Network Setup	Library Books	Furniture & Fixture	Air Conditioner	Projectors	Telephone Installation	Machinery & Equipments	DL/D/Electr onic Lab	Electric Installation	Generator	Vehicles	Bicycles	Sports & Equipme nts	Security Arms	Others	TOTAL
	RS	RS	RS	RS																			

COST:

Balance as at July 01, 2010	16,757,305	82,390,070	43,649,270	23,398,600	22,429,175	14,715,630	4,097,317	20,432,926	4,535,788	5,496,600	534,101	6,686,352	345,685	1,870,046	2,018,220	18,365,202	6,650	101,525	238,835	506,467	268,575,764	
Additions during the year	-	-	-	142,105	293,014	10,961,444	55,028	7,637,755	-	993,600	76,800	13,358,129	-	1,263,714	3,919,200	212,090	-	19,534	482,020	261,008	39,675,442	
Deletion during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance as at June 30, 2011	16,757,305	82,390,070	43,649,270	23,540,705	22,722,189	25,677,074	4,152,345	28,070,681	4,535,788	6,490,200	610,901	20,044,481	345,685	3,133,760	5,937,420	18,577,292	6,650	121,059	720,855	767,475	308,251,206	
Balance as at July 01, 2011	16,757,305	82,390,070	43,649,270	23,540,705	22,722,189	25,677,074	4,152,345	28,070,681	4,535,788	6,490,200	610,901	20,044,481	345,685	3,133,760	5,937,420	18,577,292	6,650	121,059	720,855	767,475	308,251,206	
Additions during the year	-	-	-	3,376,400	286,673	16,725,745	347,851	4,190,937	-	-	26,500	3,710,147	-	-	-	-	-	-	-	-	1,000	28,665,253
Deletion during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2012	16,757,305	82,390,070	43,649,270	26,917,105	23,008,862	42,402,819	4,500,196	32,261,618	4,535,788	6,490,200	637,401	23,754,628	345,685	3,133,760	5,937,420	18,577,292	6,650	121,059	720,855	768,475	336,916,459	

ACCUMULATED DEPRECIATION:

Balance as at July 01, 2010	1,633,837	8,033,031	4,255,803	2,244,363	11,953,341	9,762,386	1,125,824	4,766,343	1,528,166	1,541,828	180,586	1,509,145	112,257	720,906	697,076	11,242,176	4,021	19,284	35,485	134,727	61,500,585
Adjustment during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	756,173	3,717,852	1,969,673	1,064,817	2,153,770	4,774,406	151,326	2,330,434	300,762	494,837	43,032	1,853,534	23,343	241,285	524,034	1,467,023	263	10,178	68,537	63,275	22,008,554
Balance as at June 30, 2011	2,390,010	11,750,883	6,225,476	3,309,180	14,107,111	14,536,792	1,277,150	7,096,777	1,828,928	2,036,665	223,618	3,362,679	135,600	962,191	1,221,110	12,709,199	4,284	29,462	104,022	198,002	83,509,139
Balance as at July 01, 2011	2,390,010	11,750,883	6,225,476	3,309,180	14,107,111	14,536,792	1,277,150	7,096,777	1,828,928	2,036,665	223,618	3,362,679	135,600	962,191	1,221,110	12,709,199	4,284	29,462	104,022	198,002	83,509,139
Charge for the year	718,365	3,531,959	1,871,190	1,180,396	1,780,350	8,359,808	161,152	2,516,484	270,686	445,553	41,378	2,039,195	21,009	217,157	471,631	1,173,619	237	9,160	61,683	57,047	24,927,859
Balance as at June 30, 2012	3,108,375	15,282,842	8,096,666	4,489,576	15,887,461	22,896,600	1,438,302	9,613,261	2,099,614	2,482,019	264,996	5,401,874	156,608	1,179,348	1,692,741	13,882,818	4,521	38,621	165,705	255,049	108,436,999

W.D.V.:

As at June 30, 2012	13,648,930	67,107,228	35,552,604	22,427,529	7,121,401	19,506,219	3,061,894	22,648,357	2,436,174	4,008,181	372,405	18,352,754	189,077	1,954,412	4,244,679	4,694,474	2,129	82,438	555,150	513,426	228,479,460
As at June 30, 2011	14,367,295	76,639,187	37,423,793	20,231,525	8,615,078	11,140,282	2,875,195	20,973,905	2,706,860	4,453,535	387,284	16,681,802	210,085	2,171,568	4,716,310	5,868,093	2,366	91,598	616,833	569,474	224,742,067

Annual rate of depreciation (%)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%

Notes to the Financial Statements

For the year ended June 30, 2012

	Note	2012 ----- Rupees -----	2011
6. LONG TERM DEPOSITS			
These include securities deposited as follows :			
Landlords of the rented premises	6.1	317,000	317,000
PESCO - for electric connection		407,600	407,600
SNGPL - for gas connection		1,702,000	555,000
		2,426,600	1,279,600
6.1 Landlords of the rented premises			
Haji Umer Khan - for Institute premises	13.3	300,000	300,000
Mr. Mehr Rehman - for Jamrud road male hostel		10,000	10,000
Mr. Abdul Rauf - for Bilal Market male hostel		7,000	7,000
		317,000	317,000
7. SHORT TERM INVESTMENTS			
National Bank of Pakistan		106,071,201	137,000,000
Bank of Khyber		20,000,000	20,000,000
		126,071,201	157,000,000
8. ADVANCES, PREPAYMENTS & RECEIVABLES			
Advances :			
Staff		1,018,660	834,640
Others		1,503,000	1,563,000
Salary		10,130	50,000
		2,531,790	2,447,640
Prepayments :			
Insurance		791,904	407,334
Rent		472,900	472,900
		1,264,804	880,234
Receivables :			
IMS Trust		2,049,000	905,000
Travel grant from HEC & others		2,395,083	2,416,372
Inter projects accounts	8.1	5,529,480	4,331,871
Student loan scholarship		931,500	552,000
Laptop recovery		2,081,840	
Income receivable		-	-
Accounts receivable		251,254	785,942
		13,238,157	8,991,185
		17,034,751	12,319,059

Notes to the Financial Statements

For the year ended June 30, 2012

	Note	2012 ----- Rupees -----	2011
10.3 JAPANESE NEED BASED SCHOLARSHIPS			
Balance as at July 01,		41,000	-
Add: Received during the year		-	897,600
		<u>41,000</u>	<u>897,600</u>
Less: Paid during the year		(41,000)	(856,600)
Balance as at June 30,		<u>-</u>	<u>41,000</u>
11. LIBRARY SECURITY			
Balance as at July 01,		7,015,025	6,050,025
Add: Received during the year - (net)		2,055,000	2,097,000
		<u>9,070,025</u>	<u>8,147,025</u>
Less: Paid during the year		(1,068,000)	(1,132,000)
Balance as at June 30,		<u>8,002,025</u>	<u>7,015,025</u>
12. ACCRUED & OTHER LIABILITIES			
Accrued and other payables	12.1	12,728,692	9,825,931
Scholarships	12.2	2,504,296	4,755,247
Payable to ACE Arts (Pvt) Ltd.		802,811	-
Project CPPR payable		1,152,044	1,152,044
Securities refundable to suppliers		384,928	409,942
Retention money -refundable to contractors	12.3	1,059,897	12,367,749
		<u>18,632,668</u>	<u>28,510,913</u>
12.1 Accrued and other payables:			
Accrued expenses		835,618	596,000
Other account payable		49,803	1,048,036
Institute of Management Studies - (UOP)	13.1	120,471	120,471
Unadjusted excessive cost recovered from Project DIMS		45,610	45,610
Rent payable to IMS Trust based on hostel fee	15	10,456,765	7,718,475
Income tax payable		1,083,932	172,970
Audit fee		80,000	80,000
Sales tax payable		56,493	44,369
		<u>12,728,692</u>	<u>9,825,931</u>
12.2 Scholarships			
Frontier Education Foundation - scholarships		162,000	414,000
Tribal scholarships		214,965	91,665
HEC Indigenous		937,218	213,382
Earthquake affectees student scholarships		396,150	497,350
Student loan		278,300	94,100
Internship fee - IBP		290,000	790,000
USAID		225,663	2,654,750
		<u>2,504,296</u>	<u>4,755,247</u>

Notes to the Financial Statements

For the year ended June 30, 2012

	Note	2012 ----- Rupees -----	2011
8.1 Inter project accounts			
HRDC Project		4,020,000	3,215,000
DGPSM Project		21,871	21,871
HRDC (DPSM) Project		15,000	15,000
US Access (ETP)		1,265,000	1,065,000
Mega project (DIMS)		192,609	-
CPPR (BHCP)		15,000	15,000
		<u>5,529,480</u>	<u>4,331,871</u>
This amount represents dues receivable from the Institute's projects.			
9. CASH & BANK BALANCES			
In hand		75,000	50,000
With banks:			
National Bank of Pakistan		75,417,908	45,572,936
NIB Bank Limited		2,520,990	5,823,350
		<u>77,938,898</u>	<u>51,396,286</u>
		<u>78,013,898</u>	<u>51,446,286</u>
10. SCHOLARSHIPS			
HEC - US AID scholarships	10.1	-	147,693
Khushali Bank scholarships	10.2	2,520,990	4,673,549
Japanese Need Based scholarships	10.3	-	41,000
		<u>2,520,990</u>	<u>4,862,242</u>
10.1 HEC-US AID SCHOLARSHIP			
Balance as at July 01,		147,693	2,113,861
Add: Received during the year		5,370,542	1,554,000
		<u>5,518,235</u>	<u>3,667,861</u>
Less: Paid during the year		(5,525,027)	(3,561,250)
Add: Profit on bank deposits		6,792	41,082
Balance as at June 30,		<u>-</u>	<u>147,693</u>
10.2 KHUSHALI BANK SCHOLARSHIPS			
Balance as at July 01,		4,673,549	7,237,693
Add : Received during the year		156,740	-
		<u>4,830,289</u>	<u>7,237,693</u>
Less:			
Paid during the year		(2,309,299)	(2,910,850)
Bank charges & commission		-	(41,281)
		<u>(2,309,299)</u>	<u>(2,952,131)</u>
		<u>2,520,990</u>	<u>4,285,562</u>
Add: Profit on bank deposits		-	387,987
Balance as at June 30,		<u>2,520,990</u>	<u>4,673,549</u>

Notes to the Financial Statements

For the year ended June 30, 2012

	Note	2012	2011
		----- Rupees -----	
12.3 Retention money -refundable to contractors			
Ghulam Habib & Co (Pvt) Limited	13.2	248,596	8,985,994
Gul Muhammad & Sons		-	914,471
Insiyabi Pakistan (Pvt) Limited		724,901	1,090,978
Other petty contractors		86,400	1,376,306
		1,059,897	12,367,749

13. CONTINGENCIES & COMMITMENTS

- 13.1 The Institute was established in June 1999 and launched its operations at the University of Peshawar (UOP) staying there for eighteen (18) months before shifting to its rented Campus in year 2001. The Institute was initially charged a sum of Rs. 15.94 M for availing facilities and services of teaching staff of UOP during that period, which was reduced to Rs. 7.60 M through negotiations and a sum of Rs. 1.40 M was paid subsequently. However, the matter is still not settled since the Institute has also filed a counter claim of Rs. 4.80 M, comprising non payment of recurring grant of Rs. 3.98 M and excess charges for facilities of Rs. 0.82 M by UOP. Though a liability of Rs. 0.12 M has duly been provided in the financial statements under note 12.1 which may, however, vary as no settlement has been reached so far in this respect.
- 13.2 M/s Ghulam Habib & Co (Pvt) Limited, being contractor for construction of academic block and three hostels (the Project) of the Institute, have filed a writ petition before the Peshawar High Court for appointment of an Arbitrator to settle their claim for escalation in cost of construction of the project, amounting to Rs. 18.65 M plus interest, which was not covered in the agreement of construction and as such not accepted by the Institute. The decision of the case is pending.
- 13.3 A case was filed in the court of Senior Civil Judge, Peshawar by the Institute for the recovery of security deposit of Rs. 300,000/- for the premises vacated by the Institute during October 2001. However the landlord has not refunded the security deposit despite decision of case in favour of the Institute. A petition has been filed by the Institute for performance of decree issued in favour of the Institute and the court's decision is awaited. No provision has been made in these financial statements against the doubtful recovery of deposit.

14. GENERAL FUND

Balance as at July 01,		649,506,452	565,291,410
Add/(less):			
Deficit for the year		(60,122,596)	(6,376,288)
Prior year adjustment	14.1	-	591,330
Grants received	14.2	77,665,000	90,000,000
		17,542,404	84,215,042
		667,048,856	649,506,452
14.1 Prior Year Adjustment			
Write back of salary of PD-DIM no longer payable		-	756,000
Expenses of GMS Project (UNDP) for year 2006-07 not recorded earlier		-	(164,670)
		-	591,330

Notes to the Financial Statements

For the year ended June 30, 2012

	Note	2012	2011
		----- Rupees -----	
14.2 Grants received			
For development of IMS (DIMS)		70,000,000	90,000,000
FATA - Scholarship grant		7,665,000	-
		<u>77,665,000</u>	<u>90,000,000</u>
15. INCOME			
Tuition fee	15.1	148,689,800	156,792,474
Sale of prospectus		1,985,000	2,006,200
Hostel fee		10,456,765	7,718,475
Transportation fee		3,577,881	2,936,505
Miscellaneous		4,520,726	3,758,347
Income from projects	15.2	1,756,328	5,200,345
		<u>170,986,500</u>	<u>178,412,346</u>
15.1 Tuition fee			
PhD Computer science		182,500	832,000
PhD Management		1,447,500	-
MS Management		5,038,900	4,042,554
MS IT		1,511,700	3,030,600
MS Computer Sciences		2,182,800	2,052,200
M.P.A.		5,027,950	7,326,260
M.Sc Economics		2,250,130	2,268,550
M.Sc Finance		1,247,040	954,700
MS Economics		1,453,250	-
M.Sc Computer Sciences		2,606,700	1,590,810
M.Sc Development Study		3,216,300	3,051,890
Health Courses (MPH)		1,152,700	5,179,100
Course repeat		2,925,460	2,052,980
M.B.A			
Morning		30,599,220	39,635,730
Evening		16,976,870	13,847,470
Honors			
B.B.A.		49,865,080	53,067,680
BCS & BSc		20,993,150	19,898,600
BS English		64,750	-
BS Political science		64,750	-
BSc social science		2,174,600	-
		<u>150,981,350</u>	<u>158,831,124</u>
Less: Admission cancelled/ or refunded		<u>(2,291,550)</u>	<u>(2,038,650)</u>
		<u>148,689,800</u>	<u>156,792,474</u>

Notes to the Financial Statements

For the year ended June 30, 2012

	2012	2011
	----- Rupees -----	
15.2 Income from projects		
Human Resource Development Center (HRDC)	190,919	1,028,070
US Access English Teaching Project (ETP)	100,000	200,000
Center for Public Policy Research (CPPR)	5,000	712,645
Dynamic Behavioral Attestation Mobile Project	377,079	-
Extended Android Security Through Intent Policies	1,027,360	-
PMP Project	55,970	59,630
Diploma in Public Sector Management (DPSM)	-	3,200,000
	1,756,328	5,200,345
 16. OPERATIONAL		
Salaries, honoraria & allowances	132,322,576	110,313,059
MPH Kabul Honoraria	772,500	2,214,000
Occupancy cost	10,456,765	7,718,475
Hostel security	63,000	42,000
Utilities	20,709,790	12,819,787
Meeting, seminars & conferences	898,009	1,072,648
Student extra curricular activities	1,298,530	2,044,526
Cost of entry test	1,432,498	1,088,241
Supervision of thesis report	565,500	417,500
Gender based merit scholarship B.Sc Economics	862,000	-
HEC Need based scholarship	-	414,000
Paper setting & checking	888,900	816,300
Scholarships	13,328,700	12,409,900
Computer accessories	353,603	248,404
I.T Skill development	22,736	-
Examination charges (Internal examiner)	885,500	659,000
Entertainment	644,705	181,780
Research & survey	5,561,196	2,471,025
Alumni association	-	25,850
Transport running expense	5,009,884	4,087,215
Contingency	42,435	558,548
Strengthening of QEC-IMSciences	300,000	-
Depreciation	24,927,859	22,008,554
	221,346,687	181,610,812

Notes to the Financial Statements

For the year ended June 30, 2012

2012 2011
----- Rupees -----

17. ADMINISTRATIVE EXPENSES

Salaries, wages & benefits	50,209,854	37,457,652
Staff group Insurance	65,876	-
Communication	7,574,995	3,338,924
Printing & stationery	3,502,664	4,663,961
Repair & maintenance	4,928,651	4,832,047
Insurance	211,294	416,283
Traveling & conveyance	74,908	153,139
Newspaper & periodicals	173,904	429,754
Legal & professional	252,000	73,000
Uniform & protective clothing	226,448	296,460
Audit fee	80,000	80,000
Advertisement & publicity	1,618,354	1,806,321
Miscellaneous	1,440,230	6,439,416
Bank charges & commission	22,856	21,657
	<u>70,382,034</u>	<u>60,008,614</u>

18. RECURRING GRANT

HEC recurring grant	58,491,500	58,347,000
HEC grant for additional finance	27,593,700	35,729,303
HEC grant for QEC	914,000	1,224,000
	<u>86,999,200</u>	<u>95,300,303</u>

Notes to the Financial Statements

For the year ended June 30, 2012

2012 2011
----- Rupees -----

19 HUMAN RESOURCE DEVELOPMENT

This is a Component of Mega (DIMS) Project of about USD 3.124 M approved by Higher Education

Mr. Amer Taj	474,360	✓ 1,231,884
Mr. Sohail Younas	731,940	1,634,878
Mr. M. Nauman	-	903,482
Mr. Shabi-ul-Hassan	2,641,706	1,963,072
Mrs. Saroosh Shabi	2,641,706	2,141,524
Mr. Saleem Gul	217,680	691,299
Mr. Shakir Ullah	1,317,412	2,451,124
Mr. Nafees ur Rehman	1,317,410	1,231,884
Mr. Adnan Yousaf	1,317,410	1,231,884
Mr. Nawaz	2,961,258	2,751,916
Mr. Shafiullah Jan	1,894,765	2,811,354
Mr. Imran Ahmad	3,183,463	2,954,864
Ms. Tayyaba Azim	3,183,463	2,954,864
Mr. Sadique	2,855,573	2,695,175
Mr. Atique	1,650,814	1,939,840
Mr. Salman Ahmad	1,317,412	967,660
Mr. Furqan Aziz	2,928,642	2,244,789
Mr. Rafiq Ullah Jan	2,564,068	2,161,842
Ms. Shandana Shoaib	2,144,094	✓ 1,273,363
Mr. Muhammad Nauman	1,749,334	806,124
Mr. Gohar Saleem	2,961,258	2,317,550
Ms. Salma	2,705,502	2,114,133
Mr. Kareemullah	1,767,465	2,442,316
	44,526,735	43,916,821

20 OTHER INCOME

Profit on investments	10,433,844	5,070,622
Profit on bank accounts	7,713,316	376,688
	18,147,160	5,447,310

M. Nauman
DIRECTOR