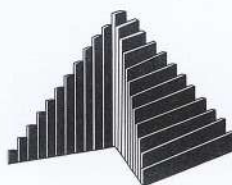


**INSTITUTE OF MANAGEMENT SCIENCES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

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دنا &
ماسوم
کو**

**RAFAQAT MANSHA
MOHSIN DOSSANI
MASOOM & CO.**
Chartered Accountants



INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of *Institute of Management Sciences (the institute)*, which comprise the statement of financial position as at June 30, 2015, and the statement of comprehensive income and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation⁴ of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the financial statements present fairly, in all material respects the financial position of the institute as at June 30, 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PESHAWAR

CHARTERED ACCOUNTANTS
Engagement Partner: Saifullah, FCA

INSTITUTE OF MANAGEMENT SCIENCES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2015

	NOTES	2015 RUPEES	2014 RUPEES
Non-Current Assets			
Operating fixed assets	5	351,875,915	385,316,712
Long term deposits	6	1,864,600	1,864,600
		<u>353,740,515</u>	<u>387,181,312</u>
Current Assets			
Short term investments	7	346,165,000	239,665,000
Advances, prepayments and other receivables	8	22,461,953	14,351,679
Cash & bank balances	9	177,716,777	157,048,342
		546,343,730	411,065,021
Current Liabilities			
Scholarships	10	-	2,520,810
Employee Benefits	11	62,848,645	97,990,792
Library security refundable	12	9,973,025	9,003,025
Accrued & other liabilities	13	62,764,959	25,779,468
		135,586,629	135,294,095
Net Current Assets		410,757,101	275,770,926
Contingencies and commitments	14	-	-
Net Assets		<u><u>764,497,616</u></u>	<u><u>662,952,238</u></u>
Financed by:			
General fund	15	492,326,753	456,057,469
Restricted grants (Deferred income)	16	272,170,863	206,894,769
		<u>764,497,616</u>	<u>662,952,238</u>

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

PESHAWAR

R. Khan
DIRECTOR

INSTITUTE OF MANAGEMENT SCIENCES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2015

	NOTES	2015 RUPEES	2014 RUPEES
Income	17	207,032,975	189,671,013
Expenditure			
Operational	18	295,243,192	295,681,217
Administrative	19	100,394,214	100,660,480
		395,637,406	396,341,697
Deficit from operations		(188,604,431)	(206,670,684)
Other income	20	29,255,615	19,297,758
		(159,348,816)	(187,372,926)
Recurring grant	21	195,618,100	165,202,036
Surplus/(Deficit) for the year		36,269,284	(22,170,890)
Human resource development	22	-	-
Other comprehensive income		-	-
Total comprehensive surplus/(deficit) - <i>Transferred to general fund</i>		<u>36,269,284</u>	<u>→ (22,170,890)</u>

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

PESHAWAR

M. Khan

DIRECTOR

INSTITUTE OF MANAGEMENT SCIENCES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2015

	2015 RUPEES	2014 RUPEES
Cash flows from operating activities		
Surplus/(Deficit) for the year	36,269,284	(22,170,890)
Adjustments for:		
Depreciation on operating fixed assets	26,120,031	27,548,712
Provision for employees gratuity	14,857,853	42,005,444
Restricted grant for DIMS	86,192,559	(16,199,648)
(Gain)/Loss on disposal	(615,875)	1,081,227
Other income	(28,639,739)	(20,378,985)
	97,914,829	34,056,750
Operating Profit before working capital changes	134,184,113	11,885,860
(Increase) / decrease in current assets		
Advances, prepayments and other receivables	(8,110,274)	(1,230,703)
	(8,110,274)	(1,230,703)
Increase / (decrease) in current liabilities		
Accrued & other liabilities	36,985,491	3,348,946
Scholarships	(2,520,810)	144,654
Library Security	970,000	962,000
	35,434,681	4,455,600
Net cash generated from operations	161,508,520	15,110,757
Gratuity Paid	(50,000,000)	(961,785)
Net cash flows from Operating activities	111,508,520	14,148,972
Cash flows from investing activities		
Addition in Operating fixed assets	(9,856,483)	(17,104,793)
Addition in capital work in progress	(3,901,119)	-
(Increase)/decrease in long term deposits	-	555,000
Increase in short term investments	(106,500,000)	(95,416,640)
Other income - Profit on investments & bank deposit	28,639,739	20,378,985
Cash received on disposal	777,778	-
Net cash flows used in Investing activities	(90,840,085)	(91,587,448)
Cash flows from financing activities		
Grant received	-	58,000,000
Net cash flow from financing activities	-	58,000,000
Net increase in cash and cash equivalents	20,668,435	(19,438,476)
Cash and cash equivalents - at the beginning of the year	157,048,342	176,486,818
Cash and cash equivalents - at the end of the year	177,716,777	157,048,342

PESHAWAR

M. Khan
DIRECTOR

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 wide /SO(UE)1-47/98 dated June 12, 1999. Later on the Institute was granted the status as a statutory entity through the 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 sectors segments of the country.

2. 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 INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR AN INTERPRETATION TO EXISTING STANDARDS:

The following amendments to existing standards have been published that are applicable to the Institute's financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Amendments to published standards effective in current year:

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2014 but are considered not to be relevant or to have any significant effect on the Institute's operations and are, therefore, not detailed in these financial statements.

2.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the companies having accounting periods beginning on or after July 01, 2015 but are considered not to be relevant or to have any significant effect on the Institute's operations and are, therefore,

Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Institute of Chartered Accountants of Pakistan:

- IFRS 1 First-time adoption of International Financial Reporting standards
- IFRS 9 Financial instruments
- IFRS 14 Regulatory Deferral Accounts
- IFRS 15 Revenue from Contracts from Customers

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.

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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. Actual results may differ from these estimates. Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets.

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. Depreciation is charged on reducing balance method at the rates stated in note 5.1 Depreciation on additions 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 end. 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 costs are charged to the statement of comprehensive income as and when incurred.

4.2 Long term deposits

Other receivables are recognized at nominal amount which is fair value of the consideration to be received in future.

4.3 Advances, prepayments and 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.

4.4 Investments

(i) Investments at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

(ii) Investments measured at amortized cost:

The financial assets are initially classified on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.

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- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Available-for-sale investments

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Gains or losses from changes in fair values are taken to equity until disposal at which time these are recycled to profit and loss account.

(iv) Loans and receivables

Investments are classified as loans and receivables which have fixed or determinable payments and are not quoted in an active market. These investments are measured at amortised cost using the effective interest method, less any impairment losses.

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 and 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 that 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 Staff retirement benefits

4.9.1 Contributory provident fund

The Institute operates contributory provident fund scheme for regular 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.

4.9.2 Gratuity fund

The Institute also operates a gratuity scheme for its employees effective 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.

4.10 Revenue recognition

Income from students' fee is recognized as revenue 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 accrual basis with the assumption that investments will be realized on the respective maturity dates.

4.11 Foreign currencies translation

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

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4.12 Taxation

The Institute being established solely for educational purposes and not for profit, has availed approval under sub section 36 of section 2 of Income Tax Ordinance 2001 for non profit organization. Section 100(C) "Tax credit for certain persons" of Income Tax Ordinance 2001 allows 100% tax credit on tax payable by non profit organization and hence income of the institute is not taxable.

4.13 Appropriation of General Funds

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

4.14 Grants

(i) Recurring grants received from donors

These are presented as a credit in the income statement for the year.

(ii) Restricted grants received from Government

- (a) Grants related to assets are presented in the financial statements as "Deferred Income" and are recognized in the income statement on a systematic basis over the period in which the related costs
- (b) Grants other than for assets are credited in the income statement of the year as "other income" to match the expenses covered against the grants.

(iii) Restricted grants received from donors

Grants received from donors are to be used in accordance with the stipulations attached therewith.

4.15 List of acronyms

BBA,BBA IT	Bachelor of Business Administration, Information Technology
BBS Banking & Finance	Banking and Business Solutions and Finance
BBS Evening	Banking and Business Solutions Evening
BBS Morning	Banking and Business Solutions Morning
BCS	Bachelor of Computer Science
B.Sc Economics	Bachelor of Science Economics
B.Sc Political Science	Bachelors in Political Science
B.Sc Social Science	Bachelors of Social Sciences
DIMS	Development of Institute of Management Sciences
IMS	Institute of Management Sciences
MBA (Eve)	Master of Business Administration (Evening)
MBA Islamic Banking & Takaful	Masters in Business Administration (Islamic Banking & Takaful)
MBA (M)	Master of Business Administration (Morning)
M.Sc Applied Economics	Master of Science Applied Economics
Ms Computer Science	Master of Computer Science
M.Sc Computer Science	Master of Computer Science
M.Sc Development Study	Master of Science Development Study
MS Economics	Master of Science Economics
M.Sc Finance	Master of Science Finance
MS IT	Master of Science Information Technology
MS Management	Master of Science Management
MS / MPhil English	Masters of Science in English
MS Project Management	Master of Science in Management
MPA	Master of Public Administration
MPH	Master of Public Health
PhD Computer Science	Doctor of Philosophy in Computer Science
PhD Economics	Doctor of Philosophy in Economics
PhD Management	Doctor of Philosophy in Management

5. OPERATING FIXED ASSETS - at cost less accumulated depreciation

PARTICULARS	Building	IT Equipment	Library Books	Furniture & Fixture	Office equipment	Vehicles	General	TOTAL
	RS	RS	RS	RS	RS	RS	RS	RS
COST:								
Balance as at July 01, 2013	414,161,489	65,906,530	4,884,367	33,654,885	44,702,825	20,618,292	2,087,775	586,016,163
Additions during the year	176,601	9,267,291	196,886	2,297,185	4,938,500	-	228,330	17,104,793
Addition due to reclassification	3,796,797	57,103,050	-	-	-	-	10,598,884	71,498,731
Deletion due to reclassification	-	(44,604,723)	-	(3,189,675)	(23,353,042)	-	(351,291)	(71,498,731)
Deletion during the year	-	(4,541,455)	-	(652,771)	(1,105,746)	(30,000)	(293,552)	(6,623,524)
Balance as at June 30, 2014	418,134,887	83,130,693	5,081,253	32,109,624	25,182,537	20,588,292	12,270,146	596,497,432
Balance as at July 01, 2014	418,134,887	83,130,693	5,081,253	32,109,624	25,182,537	20,588,292	12,270,146	596,497,432
Additions during the year	-	1,360,057	187,806	1,636,377	3,432,492	3,113,001	126,750	9,856,483
Deletion during the year	-	-	-	-	-	(1,265,196)	-	(1,265,196)
Balance as at June 30, 2015	418,134,887	84,490,750	5,269,059	33,746,001	28,615,029	22,436,097	12,396,896	605,088,719
ACCUMULATED DEPRECIATION:								
Balance as at July 01, 2013	69,295,863	46,920,802	1,955,212	13,107,548	17,806,256	15,229,913	707,478	165,023,071
Addition due to reclassification	1,356,232	34,539,454	-	-	-	-	4,683,122	40,578,808
Deletion due to reclassification	-	(29,945,405)	-	(1,071,269)	(9,393,294)	-	(168,840)	(40,578,808)
Deletion during the year	-	(4,086,076)	-	(480,015)	(800,691)	(23,709)	(151,806)	(5,542,297)
Charge for the year	34,883,902	7,293,542	450,905	3,281,028	4,492,237	1,071,676	226,656	51,699,946
Balance as at June 30, 2014	105,535,997	54,722,317	2,406,117	14,837,292	12,104,508	16,277,880	5,296,610	211,180,720
Balance as at July 01, 2014	105,535,997	54,722,317	2,406,117	14,837,292	12,104,508	16,277,880	5,296,610	211,180,720
Charge for the year	31,259,889	8,572,380	411,436	2,642,377	2,258,541	837,735	1,054,137	47,036,496
Assets sold	-	-	-	-	-	(1,103,293)	-	(1,103,293)
Balance as at June 30, 2015	136,795,886	63,294,696	2,817,553	17,479,669	14,363,049	16,012,322	6,350,747	257,113,923
W.D.V:								
As at June 30, 2015	281,339,001	21,196,054	2,451,506	16,266,332	14,251,980	6,423,775	6,046,149	347,974,796
As at June 30, 2014	312,598,890	28,408,376	2,675,136	17,272,332	13,078,029	4,310,412	6,973,536	385,316,712
Annual rate of depreciation (%)								
2015	10%	30%	15%	15%	15%	20%	15%	
2014	10%	30%	15%	15%	15%	20%	15%	

Depreciation is allocated as follows:

	2015	2014
Charged to IMS Operating expenses	26,120,031	27,548,712
Charged to DIMS project	20,916,465	24,151,234
	47,036,496	51,699,946

DIMS portion comprises of following

	2015	2014
IMS - DIMS (building)	17,996,195	19,995,772
IT equipment	2,920,270	4,155,462
	20,916,465	24,151,234

5.1 Work in Progress

	2015	2014
Building	3,901,119	-
	3,901,119	-

5.2 Disposal of Operating Fixed assets

	Cost	Accumulated depreciation	Book value	Sale Proceeds	Gain/(Loss)	Mode of disposal	Particulars of purchaser
Vehicles	1,265,196	1,103,293	161,903	777,778	615,875	Auction	Muhammad Saddique

INSTITUTE OF MANAGEMENT SCIENCES
NOTES TO THE FINANCIAL STATEMENTS
AS AT JUNE 30, 2015

	NOTES	2015 RUPEES	2014 RUPEES
6. LONG TERM DEPOSITS			
These include securities deposited as follows :			
Landlords of the rented premises	6.1	310,000	310,000
PESCO - for electric connection		407,600	407,600
SNGPL - for gas connection		1,147,000	1,147,000
		1,864,600	1,864,600
6.1 Landlords of the rented premises			
Haji Umer Khan - for Institute premises	13.2	300,000	300,000
Mr. Mehr Rehman - for Jamrud road male hostel		10,000	10,000
		310,000	310,000
7. SHORT TERM INVESTMENTS - at amortized cost			
Term Deposit Receipts:			
National Bank of Pakistan		260,500,000	219,665,000
Bank of Khyber		20,000,000	20,000,000
National Saving Certificates		65,665,000	-
		346,165,000	239,665,000
7.1 Date of maturity and markup on TDRs & National Saving Certificates			

Name of Institution	Amount Rs.	Date of maturity	Interest rate
IMS Investments:			
National Bank of Pakistan	10,000,000	13-Aug-14	9.95%
National Bank of Pakistan	15,000,000	17-Aug-15	9.95%
National Bank of Pakistan	20,000,000	31-Oct-14	9.95%
National Bank of Pakistan	20,000,000	23-Sep-15	9.90%
National Bank of Pakistan	20,000,000	20-Sep-15	9.90%
National Bank of Pakistan	30,000,000	30-Sep-15	6.50%
National Bank of Pakistan	50,000,000	27-Nov-15	9.80%
National Bank of Pakistan	45,000,000	10-Dec-15	9.45%
National Bank of Pakistan	10,000,000	19-Mar-16	8.00%
National Bank of Pakistan	10,500,000	19-Jun-16	6.75%
National Bank of Pakistan	30,000,000	29-Jun-16	6.75%
Bank of Khyber	20,000,000	27-Feb-16	7.50%
	280,500,000		
IMS FATA Endowment Fund investments:			
National Saving Certificates	58,000,000	25-Aug-17	11.50%
National Saving Certificates	7,665,000	29-Oct-17	11.50%
	65,665,000		
	346,165,000		

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8. ADVANCES, PREPAYMENTS & RECEIVABLES

Advances :

Advances to staff for expenses	8,606,357	4,240,429
CMF centre	678,000	678,000
Withholding tax	1,571,641	-
	<u>10,855,998</u>	<u>4,918,429</u>

Prepayments :

Insurance	2,217,031	314,614
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Receivables :

IMS Trust	-	1,984,000
Travel grant from HEC & others	2,020,082	1,910,296
Inter projects accounts receivable	4,096,209	4,503,959
Laptop recovery	-	324,064
HEC Project-HEI staff training	2,612,088	-
Accounts receivable - <i>Others</i>	660,545	396,317
	<u>9,388,924</u>	<u>9,118,636</u>
	<u>22,461,953</u>	<u>14,351,679</u>

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8.1 Inter project accounts receivable

HRDC Project	3,571,704	2,071,704
DGPSM Project	21,871	21,871
HRDC (DPSM) Project	15,000	15,000
US Access (ETP)	435,453	435,453
HEC BC Inspire	-	1,907,750
CPPR	52,181	52,181
	<u>4,096,209</u>	<u>4,503,959</u>

This amount represents dues receivable from the Institute's projects.

9. CASH & BANK BALANCES

Cash in hand	115,000	62,355
With banks:		
<i>Local Currency:</i>		
Current accounts	145,416,808	69,170,407
Saving accounts	31,685,834	87,815,580
	<u>177,102,642</u>	<u>156,985,987</u>
<i>Foreign Currency:</i>		
Current accounts	499,135	
	<u>177,716,777</u>	<u>157,048,342</u>

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	NOTES	2015 RUPEES	2014 RUPEES
10. SCHOLARSHIPS			
Khushali Bank scholarships	10.1	-	2,520,810
10.1 KHUSHALI BANK SCHOLARSHIPS			
Balance as at July 01,		2,520,810	2,376,156
Add : Received during the year		-	-
		2,520,810	2,376,156
Less:			
Paid during the year		-	-
Bank charges & commission		880	16,073
		880	16,073
		2,519,930	2,360,083
Add: Profit on bank deposits		6,778	160,727
Transferred to Student advancement Fund account		(2,526,708)	
Balance as at June 30,		-	2,520,810
11 EMPLOYEE BENEFITS - PROVISION FOR GRATUITY			
Balance as at July 01		97,990,792	56,947,133
Expense for the year		14,857,853	42,005,444
Payments during the year		(50,000,000)	(961,785)
Balance as at June 30		62,848,645	97,990,792
12 LIBRARY SECURITY REFUNDABLE			
Balance as at July 01,		9,003,025	8,041,025
Add: Received during the year		2,272,000	2,198,000
		11,275,025	10,239,025
Less: Paid during the year		(1,302,000)	(1,236,000)
Balance as at June 30,		9,973,025	9,003,025
13 ACCRUED AND OTHER LIABILITIES			
Accrued and other payables	13.1	5,859,963	13,517,916
Scholarships	13.2	49,839,450	8,886,447
Project payables	13.3	5,838,251	2,047,810
Payable to ACE Arts (Pvt) Ltd.		889,211	889,211
Securities refundable to suppliers		188,675	188,675
Retention money <i>-refundable to contractors</i>	13.4	149,409	249,409
		62,764,959	25,779,468

13.1 Accrued and other payables:

Accrued expenses		1,954,491	701,681
Other account payable		3,533,950	2,778,631
Institute of Management Studies - (UOP)	14.1	120,471	120,471
Unadjusted excessive cost recovered from Project DIMS		45,610	45,610
Rent payable to IMS Trust (hostel fee)		-	9,729,551
Income tax payable		55,441	21,972
Audit fee		150,000	120,000
		5,859,963	13,517,916

13.2 Scholarships

Frontier Education Foundation - scholarships		217,272	241,272
Tribal scholarships		1,183,008	1,050,287
HEC Indigenous		1,413,052	862,885
Student loan		-	94,100
Payable to Student		203,280	84,660
Outstanding Cheques / Payorders Payable		2,912,796	829,796
Research grant - sandee project		62,852	62,852
French need based scholarship grant		1,137,113	2,141,613
Prime Minister Scholarship Payable		33,605,092	2,031,750
Students Advancement Scholarship Payable (SAFE)		3,155,120	1,098,962
HEC Usaid scholarship payable		2,564,420	388,270
NTS need based scholarship payable		1,118,300	-
Workers Welfare Board Scholarship payable		125,328	-
Mr. Hidayat Ullah scholarship payable		2,044,042	-
Ehsan trust scholarship		97,775	-
		49,839,450	8,886,447

13.3 Project payables

ASP-LUMS Project		813,205	741,766
PCNA FATA Secretariat Project		1,516,027	654,000
CPPR Project		49,169	652,044
HEC-Univ Faculty Startup Research Program Payables		325,000	-
ORIC-HEC Social Integration Project Payables		475,000	-
Knowledge Exchange Project Payables		1,367,350	-
US access payable		1,292,500	-
		5,838,251	2,047,810

13.4 Retention money -refundable to contractors

Ghulam Habib & Co (Pvt) Limited		148,596	248,596
Banuri Construction Company		813	813
		149,409	249,409

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14. CONTINGENCIES & COMMITMENTS

14.1 Contingencies

14.1.1 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 11.1 which may, however, vary as no settlement has been reached so far in this respect.

14.1.2 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 favor of the Institute. A petition has been filed by the Institute for performance of decree issued in favor 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.

	NOTES	2015 RUPEES	2014 RUPEES
15. GENERAL FUND			
Balance as at July 01,		456,057,469	420,228,359
Transferred to restricted grants		-	-
		<u>456,057,469</u>	<u>420,228,359</u>
Income / (Deficit) for the year			
Grants received	15.1	36,269,284	(22,170,890)
		-	58,000,000
Balance as at June 30		<u><u>492,326,753</u></u>	<u><u>456,057,469</u></u>
15.1 Grants received			
FATA Scholarship Grant		-	58,000,000
		-	58,000,000
16 RESTRICTED GRANTS (Deferred Income)			
Balance as at July 01		206,894,769	247,245,651
Receipts during the year:			
HEC grant for Enhancement Infrastructure Project		90,000,000	-
		<u>296,894,769</u>	<u>247,245,651</u>
Less: Transferred to			
Restricted grant for DIMS	22	3,807,441	16,199,648
Depreciation reserve	5	20,916,465	24,151,234
		<u>24,723,906</u>	<u>40,350,882</u>
Balance as at June 30		<u><u>272,170,863</u></u>	<u><u>206,894,769</u></u>

	NOTES	2015 RUPEES	2014 RUPEES
17. INCOME			
Tuition fee	17.1	183,993,645	164,082,694
Sale of prospectus		2,401,900	2,282,400
Hostel fee		9,093,664	9,729,551
Transportation fee		5,155,700	4,357,700
Convocation Fee		-	2,203,000
Miscellaneous		4,969,165	6,605,660
Income from projects	17.2	1,418,901	410,008
		207,032,975	189,671,013
17.1 Tuition fee			
BBA,BBA IT		51,882,000	45,365,440
BCS		12,205,300	11,241,930
B.Sc Economics		11,140,700	9,202,690
MBA (M)		1,790,725	16,506,200
MBA (Eve)		395,400	17,510,720
M.Sc Applied Economics		1,345,000	1,731,400
MS IT		222,500	143,300
MPA		3,282,800	3,898,500
MPH		1,954,100	1,186,100
MS Management		4,140,550	5,315,600
M.Sc Computer Science		2,446,200	2,594,660
M.Sc Development Study		3,918,900	4,266,800
Ms Computer Science		3,146,950	2,915,234
Make-up / Course Repeat		2,837,330	2,108,800
M.Sc Finance		2,954,900	2,454,700
MS Economics		2,570,550	3,999,060
PhD Computer Science		409,700	827,800
B.Sc Social Science		8,460,040	5,741,510
Degree Fee		752,500	835,500
PhD Management		1,314,600	1,459,400
BBS Banking & Finance		1,053,900	1,128,400
BBS Evening		2,759,200	2,536,750
BBS Morning		11,627,650	14,112,200
MS Project Management		2,624,200	1,683,000
PhD Economics		176,600	244,800
Bachelor of Software Engineering		14,864,600	5,285,000
MS / MPhil English		527,800	729,300
MBA Islamic Banking & Takaful		803,600	504,900
B.Sc Political Science		-	33,600
MBA 2.5 years		3,162,400	-
MBA 3 semesters		27,416,250	-
BS Accounting & Finance		3,927,300	-
		186,114,245	165,563,294
Less: Admission cancelled/ or refunded		2,120,600	1,480,600
		183,993,645	164,082,694

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17.2 Income from projects

Human Resource Development Center (HRDC)	419,355	410,008
US Access English Teaching Project (ETP)	375,000	-
FATA Institutional Strengthening Project	554,052	-
Other projects	70,494	-
	1,418,901	410,008

18. OPERATIONAL

Salaries, honoraria & allowances	168,903,523	143,728,389
Staff gratuity	10,386,107	31,290,399
Occupancy cost	9,093,664	9,729,551
Hostel security	63,000	81,000
Utilities	25,212,781	18,870,366
Meeting, seminars & conferences	2,219,447	2,847,724
Student extra curricular activities	1,776,980	1,922,031
Cost of entry test	1,052,669	1,577,838
Supervision of thesis report	2,729,569	1,862,000
Convocation Expenses	-	3,326,933
Gender based merit scholarship B.Sc Economics	3,017,600	1,840,000
Paper setting & checking	769,720	630,100
Scholarships	16,092,450	17,341,651
FATA Scholarship Expense	6,574,300	4,212,750
HEC Need Based Scholarship Expenses	9,345,500	18,353,200
DMC / Degree Verification Charges	244,775	387,375
FEF Scholarship Expenses	7,380	69,040
IMS Scholarship Expenses	373,700	683,100
Computer accessories	47,870	209,406
Examination charges (Internal examiner)	327,500	456,000
Entertainment	523,280	890,931
Research & survey	600,213	703,114
HEC British council inspire scholarship	3,521,908	1,896,870
Transport running expense	4,529,459	4,916,004
Contingency	712,974	193,815
Industrial trip	22,250	-
Strengthening of QEC-IMSciences	71,009	112,918
Alumni Association	872,009	-
ORIC expenses	31,524	-
Depreciation	26,120,031	27,548,712
	295,243,192	295,681,217

19. ADMINISTRATIVE EXPENSES

Salaries, wages & benefits	72,721,541	66,066,480
Staff group Insurance	99,906	298,178
Staff Gratuity	4,471,746	10,715,045
Communication	4,933,753	5,304,867
Printing & stationery	2,524,615	3,695,559
Repair & maintenance	9,119,814	9,276,273
Insurance	384,654	632,333
Traveling & conveyance	107,180	185,563
Newspaper & periodicals	210,375	622,602
Legal & professional	35,000	65,000
Uniform & protective clothing	394,392	319,256
Audit fee	150,000	120,000
Advertisement & publicity	2,829,751	2,296,637
Miscellaneous	2,287,778	1,047,309
Bank charges & commission	123,709	15,378
	100,394,214	100,660,480

20. OTHER INCOME

Profit on investments	22,543,484	13,356,685
Profit on bank accounts	6,096,255	7,022,300
	<u>28,639,739</u>	<u>20,378,985</u>
Gain/(Loss) on disposal of fixed assets	615,876	(1,081,227)
	<u><u>29,255,615</u></u>	<u><u>19,297,758</u></u>

21. RECURRING GRANT

HEC recurring grant	161,812,000	142,193,000
HEC supplementary recurring grant	19,118,000	21,533,400
HEC Tenure Track grant	14,688,100	-
Research Grant _ Sandee Project	-	103,094
IMSciences Student Advancement Endowment Fund	-	1,372,542
	<u><u>195,618,100</u></u>	<u><u>165,202,036</u></u>

22. HUMAN RESOURCE DEVELOPMENT

This is a Component of Mega (DIMS) Project of about USD 3.124 M approved by Higher Education Commission (HEC), whereby the scholars will be sent abroad for PhD studies. It represents payment of tuition fee and expenses to the following faculty members.

Mr. Sohail Younas	-	52,600
Mr. M. Nauman	921,673	242,320
Mr. Shabi-ul-Hassan	-	441,732
Mrs. Saroosh Shabi	-	441,732
Mr. Saleem Gul	-	47,850
Mr. Nawaz	-	57,364
Mr. Shafiullah Jan	-	123,073
Mr. Imran Ahmad	-	1,354,109
Ms. Tayyaba Azim	65,000	811,762
Mr. Sadique	65,000	504,239
Mr. Atique	-	378,720
Mr. Salman Ahmad	237,012	1,115,408
Mr. Furqan Aziz	-	2,947,999
Mr. Rafiq Ullah Jan	1,802,225	2,655,028
Ms. Shandana Shoaib	542,211	1,148,581
Mr. Muhammad Khan	-	1,073,520
Mr. Gohar Saleem	174,320	1,115,408
Ms. Salma	-	759,600
Mr. Kareemullah	-	927,703
	<u>3,807,441</u>	<u>16,198,748</u>
Less: Charged to restricted grants	15 (3,807,441)	(16,198,748)
	<u><u>-</u></u>	<u><u>-</u></u>

23. AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Governors on

24. GENERAL

- Figure have been rounded off to the nearest Rupees
- Figures of the previous year have been re-arranged and re-grouped wherever necessary for the purpose of comparison.

M. Nauman

PESHAWAR

DIRECTOR