

**INSTITUTE OF MANAGEMENT SCIENCES  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2018**

Now, for tomorrow



**INSTITUTE OF MANAGEMENT SCIENCES  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2018**

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## **AUDITORS' REPORT TO THE GOVERNING BOARD**

### ***Opinion***

We have audited the accompanying financial statements of **INSTITUTE OF MANAGEMENT SCIENCES (*Institute*)** which comprises of statement of financial position as at June 30, 2018 and statement of comprehensive income, cash flow statement and statement of changes in funds for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **INSTITUTE OF MANAGEMENT SCIENCES (*Institute*)** as at June 30 2018, and of its financial performance, its cash flow and its fund for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

### ***Basis of Opinion***

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further disclosed in Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We were independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the relevant institute (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the management determine is necessary to enable

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the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the institute's ability to continue as going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the institute or cease operations, or has no realistic alternative but to do so.

Board of Governance is responsible for overseeing the institute's financial reporting process.

### *Auditor's Responsibility for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes an opinion. Reasonable assurance is a high level of assurance, but is not guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

*B.T.*

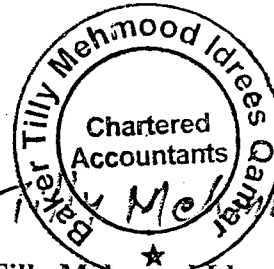
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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw our attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence up to the dates of our auditor's report. However, future events or conditions may cause the institute to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentations.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



*Baker Tilly Mehmood Idrees Qamar*

**Baker Tilly Mehmood Idrees Qamar**  
**Chartered Accountants**

Engagement Partner:  
Mr. Muhammad Abdur Rub Khan

*BRK*

Date: May 24, 2019  
Place: Peshawar

ADVISORY • ASSURANCE • TAX

**INSTITUTE OF MANAGEMENT SCIENCES**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2018**

	NOTES	2018 RUPEES	2017 RUPEES
<b>Non-Current Assets</b>			
Operating fixed assets	5	791,743,389	357,080,661
Work in Progress	6	-	369,284,110
Intangible assets	7	3,235,360	-
Long term deposits	8	2,588,600	1,854,600
		<b>797,567,349</b>	<b>728,219,371</b>
<b>Current Assets</b>			
Short term investments	9	296,030,500	235,665,000
Advances, prepayments and other receivables	10	31,511,637	45,995,759
Cash & bank balances	11	271,580,255	298,105,250
		<b>599,122,392</b>	<b>579,766,009</b>
<b>Current Liabilities</b>			
Scholarships	12	96,469,712	22,568,988
Employee benefits	13	91,604,556	101,993,145
Library security refundable	14	12,995,404	12,429,025
Accrued & other liabilities	15	86,741,206	115,910,572
		<b>287,810,879</b>	<b>252,901,730</b>
<b>Net Current Assets</b>		<b>311,311,513</b>	<b>326,864,279</b>
<b>Contingencies and Commitments</b>	16	-	-
<b>Net Assets</b>		<b>1,108,878,862</b>	<b>1,055,083,650</b>
<b>Financed by:</b>			
General fund		532,912,678	451,258,579
Restricted grants (Deferred income)	17	575,966,184	603,825,071
		<b>1,108,878,862</b>	<b>1,055,083,650</b>

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



**CONTROLLER FINANCE**

Controller Finance  
 Institute of Management Sciences  
 Peshawar



**DIRECTOR**

**DIRECTOR**  
 IMSciences Peshawar

**INSTITUTE OF MANAGEMENT SCIENCES**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	NOTES	2018 RUPEES	2017 RUPEES
<b>Income</b>	18	335,986,775	283,480,839
<b>Expenditure</b>			
Operational	19	401,122,091	411,232,426
Administrative	20	172,931,356	166,014,628
		574,053,447	577,247,054
<b>Deficit from operations</b>		<b>(238,066,672)</b>	<b>(293,766,215)</b>
<b>Other income</b>	21	42,497,947	21,674,310
		<b>(195,568,725)</b>	<b>(272,091,905)</b>
<b>Recurring grant</b>	22	277,222,824	243,265,715
<b>Surplus/(Deficit) for the year</b>		<b>81,654,099</b>	<b>(28,826,190)</b>
<b>Human resource development</b>	23	-	-
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive surplus/(deficit)</b>		<b>81,654,099</b>	<b>(28,826,190)</b>

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

  
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Controller Finance  
 Institute of Management Sciences  
 Peshawar

  
**DIRECTOR**

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**INSTITUTE OF MANAGEMENT SCIENCES**  
**STATEMENT OF CHANGES IN GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2018**


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	<u>GENERAL FUND</u>
BALANCE AS ON 30 JUNE 2016	480,084,769
Total comprehensive deficit for the year	(28,826,190)
BALANCE AS ON 30 JUNE 2017	<u>451,258,579</u>
Total comprehensive surplus for the year	81,654,099
BALANCE AS ON 30 JUNE 2018	<u>532,912,678</u>

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

  
CONTROLLER FINANCE

Controller Finance  
Institute of Management Sciences  
Peshawar

  
DIRECTOR

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IMSciences Peshawar



**INSTITUTE OF MANAGEMENT SCIENCES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	2018 RUPEES	2017 RUPEES
<b>Cash flows from operating activities</b>		
Surplus / (Deficit) for the year	81,654,099	(28,826,190)
<b>Adjustments for:</b>		
Depreciation on operating fixed assets	17,880,930	26,104,135
Amortization on intangible assets	1,386,583	-
Provision for employees gratuity	29,936,422	32,352,008
	49,203,935	58,456,343
<b>Operating Profit before working capital changes</b>	<b>130,858,034</b>	<b>29,630,153</b>
<b>(Increase) / decrease in current assets</b>		
Advances, prepayments and other receivables	14,484,122	612,400
	14,484,122	612,400
<b>Increase / (decrease) in current liabilities</b>		
Accrued & other liabilities	(29,169,366)	9,623,516
Scholarships	73,900,724	(24,287,209)
Library security	566,379	1,353,000
	45,297,737	(13,310,693)
<b>Net cash generated from operations</b>	<b>190,639,893</b>	<b>16,931,860</b>
Gratuity paid	(40,325,011)	(2,264,442)
<b>Net cash flows from Operating activities</b>	<b>150,314,882</b>	<b>14,667,418</b>
<b>Cash flows from investing activities</b>		
Addition in operating fixed assets	(40,057,207)	(84,934,315)
Addition in capital work in progress	(76,422,084)	(229,263,561)
Addition in intangible assets	(4,621,943)	-
Increase in long term deposits	(734,000)	10,000
Increase in short term investments	(60,365,500)	115,000,000
<b>Net cash flows used in Investing activities</b>	<b>(182,200,734)</b>	<b>(199,187,876)</b>
<b>Cash flows from financing activities</b>		
Grant received for EIMS	5,360,857	47,581,843
Grant received for FATA Scholarship	-	27,335,000
<b>Net cash flow from financing activities</b>	<b>5,360,857</b>	<b>74,916,843</b>
Net increase in cash and cash equivalents	(26,524,994)	(109,603,615)
Cash and cash equivalents - at the beginning of the year	298,105,250	407,708,865
<b>Cash and cash equivalents - at the end of the year</b>	<b>271,580,256</b>	<b>298,105,250</b>

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



CONTROLLER FINANCE

Controller Finance  
institute of Management Sciences  
Peshawar



DIRECTOR

DIRECTOR  
IMSciences Peshawar

**INSTITUTE OF MANAGEMENT SCIENCES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018**

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**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 generally accepted accounting principles as applicable in Pakistan.

**2.2 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.

**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.
- (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**

**4.8.1 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.

**4.8.2 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.

**4.9 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.

**4.10 Foreign currencies translation**

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

**4.11 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.

**4.12 Appropriation of General Funds**

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

**4.13 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 are recognized as "expense".

(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.

**INSTITUTE OF MANAGEMENT SCIENCES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018**

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**4.14 Prior year adjustment**

The prior year adjustment relates to IMSciences share in EIMS project for the year 2016-17 amounting Rs. 33,605,949. The amount was not deduct during consolidation of both trails for which adjustment is now provided.

**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
MS Development Studies	Masters of Science in Development Studies
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
PhD Islamic Banking & Finance	Doctor of Islamic Banking and Finance

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
<b>COST:</b>								
Balance as at July 01, 2016	418,134,887	85,999,211	5,594,577	36,105,198	29,117,529	22,436,097	16,169,126	613,556,625
Additions during the year	-	35,404,036	509,366	8,462,679	20,580,947	9,419,500	10,557,787	84,934,315
Deletion during the year	-	-	-	-	-	-	-	-
Balance as at June 30, 2017	418,134,887	121,403,247	6,103,943	44,567,877	49,698,476	31,855,597	26,726,913	698,490,940
Balance as at July 01, 2017	418,134,887	121,403,247	6,103,943	44,567,877	49,698,476	31,855,597	26,726,913	698,490,940
Additions during the year	445,706,194	5,313,245	220,475	9,240,427	22,131,276	2,824,500	327,284	485,763,401
Deletion during the year	-	-	-	-	-	-	-	-
Balance as at June 30, 2018	863,841,081	126,716,492	6,324,418	53,808,304	71,829,752	34,680,097	27,054,197	1,184,254,341
<b>ACCUMULATED DEPRECIATION:</b>								
Balance as at July 01, 2016	164,929,786	69,799,016	3,215,381	20,082,828	16,561,063	17,297,077	7,413,143	299,298,293
Charge for the year	25,320,510	8,690,253	378,432	2,613,196	2,800,745	1,074,552	1,371,475	42,111,985
Balance as at June 30, 2017	190,250,296	78,437,092	3,593,813	22,641,024	19,361,808	18,371,628	8,754,618	341,410,278
Balance as at July 01, 2017	190,250,296	78,437,092	3,593,813	22,641,024	19,361,808	18,371,628	8,754,618	341,410,278
Charge for the year	22,788,459	12,965,537	389,559	3,768,368	5,754,595	2,699,889	2,734,266	51,100,674
Balance as at June 30, 2018	213,038,755	91,402,629	3,983,372	26,409,392	25,116,403	21,071,517	11,488,884	392,510,952
<b>W.D.V:</b>								
As at June 30, 2018	650,802,326	35,313,863	2,341,046	27,398,912	46,713,349	13,608,580	15,565,313	791,743,389
As at June 30, 2017	227,884,591	42,913,977	2,510,130	21,871,853	30,336,667	13,483,969	17,942,295	357,080,661
Annual rate of depreciation (%)								
2018	10%	30%	15%	15%	15%	20%	15%	
2017	10%	30%	15%	15%	15%	20%	15%	

Depreciation is allocated as follows:

	2018	2017
Charged to IMS Operating expenses	17,880,930	25,001,770
Charged to EIMS & DIMS project	33,219,744	16,007,850
	<u>51,100,674</u>	<u>41,009,620</u>

EIMS & DIMS portion comprises of following

	2018	2017
IMS -EIMS (building)	-	-
IMS - DIMS (building)	13,119,226	14,576,918
IMS -EIMS (equipment)	19,098,866	-
IT equipment	1,001,653	1,430,932
	<u>33,219,744</u>	<u>16,007,850</u>

NOTES	2018	2017
	RUPEES	RUPEES
<b>6 CAPITAL WORK IN PROGRESS - Civil Works</b>		
Balance as on July 01	369,284,110	173,626,498
Add: Additions during the period	76,422,084	229,263,561
	445,706,194	402,890,059
Less:		
Transferred to fixed assets	(445,706,194)	-
Prior year adjustment	-	33,605,949
<b>Balance as on June 30</b>	<b>-</b>	<b>369,284,110</b>

6.1 The University transfers the completed assets from CWIP to Fixed Assets on the basis of availability of use in line with IAS - 16 'Property, Plant and Equipment.

**7 INTANGIBLE ASSETS**

Particulars	Amount in Rupees							
	Cost			Rate %	Amortization			
	As on July 01	Additions/ (deletions)/ transfers	As on June 30		As on July 01	For the year	As on June 30	W.D.V As on June 30
Firewall Software	-	3,296,943	3,296,943	30%	-	989,083	989,083	2,307,860
Campus Management Softwares	-	1,325,000	1,325,000	30%	-	397,500	397,500	927,500
<b>Total</b>	<b>-</b>	<b>4,621,943</b>	<b>4,621,943</b>		<b>-</b>	<b>1,386,583</b>	<b>1,386,583</b>	<b>3,235,360</b>

7.1 Intangible assets include Firewall software, KIOSK machine software, RFID software, Bus attendance software and Library management software.

**INSTITUTE OF MANAGEMENT SCIENCES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT JUNE 30, 2018**

	NOTES	2018 RUPEES	2017 RUPEES
<b>8 LONG TERM DEPOSITS</b>			
<b>These include securities deposited as follows :</b>			
Landlords of the rented premises	8.1	300,000	300,000
SNGPL - for gas connection		1,881,000	1,147,000
PESCO - for electric connection		407,600	407,600
		<b>2,588,600</b>	<b>1,854,600</b>

<b>8.1 Landlords of the rented premises</b>			
Haji Umer Khan-for institute premises		300,000	300,000
		<b>300,000</b>	<b>300,000</b>

**9 SHORT TERM INVESTMENTS - at amortized cost**

**Term Deposit Receipts:**

National Bank of Pakistan		95,000,000	135,000,000
Zaria Taraqiati Bank Limited		30,000,000	-
Bank of Khyber		20,000,000	20,000,000
<b>National Saving Certificates</b>		151,030,500	80,665,000
		<b>296,030,500</b>	<b>235,665,000</b>

**9.1 Date of maturity and markup on TDRs & National Saving Certificates**

Name of Institution	Amount	Date of Maturity	Interest rate
National Bank of Pakistan	15,000,000	10-Dec-18	5.95%
National Bank of Pakistan	30,000,000	30-Jun-19	6.65%
National Bank of Pakistan	20,000,000	02-Nov-19	5.95%
National Bank of Pakistan (FATA Grant)	30,000,000	10-Dec-18	5.95%
Zarai Taraqiati Bank Ltd	30,000,000	01-Oct-18	6.25%
Bank of Khyber	20,000,000	27-Feb-19	6.10%
National Saving Certificates (FATA Grant)	59,157,500	18-Dec-20	6.09%
National Saving Certificates (FATA Endowment Fund)	91,873,000	29-Oct-20	6.50%

**296,030,500**



**INSTITUTE OF MANAGEMENT SCIENCES**  
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	NOTES	2018 RUPEES	2017 RUPEES
<b>10 ADVANCES, PREPAYMENTS &amp; RECEIVABLES</b>			
<b>Advances (Considered Good)</b>			
Advances to staff for expenses		13,302,017	6,975,954
Advances to Supplier		-	7,050,000
CMF center		-	678,000
		<u>13,302,017</u>	<u>14,703,954</u>
<b>Prepayments :</b>			
Vehicles insurance		446,676	364,555
<b>Receivables :</b>			
IMS Trust		-	1,657,000
Travel grant from HEC & others		1,893,319	1,653,214
Inter projects accounts receivable	10.1	5,930,022	19,346,321
Accounts receivable - <i>Others</i>		9,412,829	3,682,221
Receivable from students		522,794	4,588,494
Receivable from Askari General Insurance Company		3,980	-
		<u>17,762,944</u>	<u>30,927,250</u>
		<u>31,511,637</u>	<u>45,995,759</u>
<b>10.1 Inter project accounts receivable</b>			
Human Resource Development Center		4,871,704	4,871,704
DGPSM Project		21,871	21,871
US Access English Teaching Programme		435,453	435,453
Diploma in Public Sector Management		15,000	15,000
Centre for Public Policy and Research		23,012	11,902,293
Receivable from Project Account		562,982	-
Higher Education Institute		-	2,100,000
		<u>5,930,022</u>	<u>19,346,321</u>
This amount represents dues receivable from the Institute's projects.			
<b>11 CASH &amp; BANK BALANCES</b>			
Cash in hand		-	160,000
<b>With banks:</b>			
<i>Local Currency:</i>			
Current accounts		63,273,999	85,995,711
Savings accounts		208,012,174	211,655,457
		271,286,173	297,651,168
<i>Foreign Currency:</i>			
Current accounts		294,082	294,082
		<u>271,580,255</u>	<u>298,105,250</u>

**INSTITUTE OF MANAGEMENT SCIENCES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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	NOTES	2018 RUPEES	2017 RUPEES
<b>12 SCHOLARSHIPS</b>			
Tribal and other scholarships		853,560	729,860
Frontier education foundation scholarship		217,272	217,272
Dr Hidayat Ullah need based scholarship		3,714,592	2,993,242
Prime minister scholarship		81,006,977	7,030,952
Students advancement scholarship (SAFE)		3,155,120	3,155,120
SAS memorial need based merit scholarship		117,344	70,506
Worker welfare board scholarship		210,517	127,257
Ihsan trust merit scholarship		599,995	599,995
French need based scholarship		1,592,513	2,192,513
NTS need based scholarship		93,970	851,000
Chief minister scholarship		301,770	301,770
BOK scholarship		339,150	339,150
HEC USAID scholarship		2,235,622	2,850,920
Mareena Khan scholarship		8,525	-
Ms. Shandana Shoaib-IMS faculty scholarship		119,900	49,250
HEC indigenous scholarship		1,902,885	1,060,181
		<b>96,469,712</b>	<b>22,568,988</b>
<b>13 EMPLOYEE BENEFITS - PROVISION FOR GRATUITY</b>			
Present value of defined benefit obligation	13.1	174,255,058	150,470,238
Fair value of plan assets	13.2	(82,650,502)	(48,477,093)
		<b>91,604,556</b>	<b>101,993,145</b>
<b>13.1 Changes in the present value of defined benefit obligation:</b>			
Present value of obligation as at beginning of the year		150,470,238	126,982,639
Expenses for the year		29,936,422	32,352,208
Benefits paid		(6,151,602)	(8,864,609)
Present value of obligation as at end of the year		<b>174,255,058</b>	<b>150,470,238</b>
<b>13.2 Changes in fair value of plan assets:</b>			
Present value of obligation as at beginning of the year		48,477,093	55,077,260
Contribution during the year		40,325,011	2,264,442
Benefits paid		(6,151,602)	(8,864,609)
Present value of obligation as at end of the year		<b>82,650,502</b>	<b>48,477,093</b>

**INSTITUTE OF MANAGEMENT SCIENCES**  
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	NOTES	2018 RUPEES	2017 RUPEES
<b>14 LIBRARY SECURITY REFUNDABLE</b>			
Balance as at July 01,		12,429,025	11,076,025
Add: Received during the year		1,952,000	2,570,000
		14,381,025	13,646,025
Less: Paid during the year		1,385,621	1,217,000
Balance as at June 30,		<b>12,995,404</b>	<b>12,429,025</b>
<b>15 ACCRUED AND OTHER LIABILITIES</b>			
Accrued and other payables	<b>15.1</b>	22,436,739	28,825,713
Project payables	<b>15.2</b>	28,816,459	63,576,633
ACE Arts (Pvt) Ltd.		889,211	889,211
Retention money <i>-refundable to contractors</i>	<b>15.3</b>	34,598,797	22,619,015
		<b>86,741,206</b>	<b>115,910,572</b>

**INSTITUTE OF MANAGEMENT SCIENCES**  
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	NOTES	2018 RUPEES	2017 RUPEES
<b>15.1 Accrued and other payables:</b>			
Salaries payable		1,921,156	1,938,525
Other account payable		16,515,768	8,092,547
Rent payable to IMS Trust (hostel fee)		105,650	14,337,350
Income tax payable		759,625	2,667,341
Professional tax payable		211,200	-
Payable to students		1,409,130	753,260
NBP student loan		96,000	48,000
Sale tax payable		262,166	428,341
KPPRA tax payable		24,000	24,000
Stamp duty payable		772,044	386,349
Audit fee payable		360,000	150,000
		<b>22,436,739</b>	<b>28,825,713</b>
<b>15.2 Project payables</b>			
Knowledge Exchange Project Payables		-	1,781,589
Afghan Project Students Stipend		25,187,500	-
Other Project Payables		129,000	2,966,345
Afghan Project Students Scholarships		1,397,082	502,082
US Access English		1,015,000	1,015,000
Office of Research Innovation and Commercialisation		107,496	-
Career Development Centre		48,000	-
Centre for Public Policy and Research		-	56,881,617
Journal of Business & Economics Review		932,381	430,000
		<b>28,816,459</b>	<b>63,576,633</b>
<b>15.3 Retention money - refundable to contractors</b>			
Security refundable to suppliers		188,675	188,675
Juma Raz Khan & Sons		-	388,423
Ghulam Habib & Co (Pvt) Limited		148,596	148,596
<b>EIMS-Retention Money</b>			
Khawaja Brothers		-	346,405
Silicon Technologies		-	509,184
Vital International		-	199,490
Ajmal Furniture		-	822,787
Haier Pakistan		-	1,799,787
NS Developers		-	503,476
J S Laino Traders		-	60,374
Gaggan Catering Services		300,000	-
Zain Ul Abideen Contractor		1,092,455	-
Nasrullah Jan Contractor		424,704	-
Jamal Khail Contractor		5,830,406	-
Jalat Khan Contractor		8,633,974	5,388,317
Ihsan Ullah Construction		10,139,263	9,079,433
Riaz & Sons		1,410,000	-
Allied Engineering Payable		1,090,000	-
Izhar & Brothers Enterprises		109,005	-
Zain ul Abideen & Sons		5,231,719	3,184,068
		<b>34,598,797</b>	<b>22,619,015</b>

**INSTITUTE OF MANAGEMENT SCIENCES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT JUNE 30, 2018**

**16 CONTINGENCIES & COMMITMENTS**

16.1 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 Million for availing facilities and services of teaching staff of UOP during that period, which was reduced to Rs. 7.60 Million through negotiations and a sum of Rs. 1.40 Million was paid subsequently. However, the matter is still not settled since the Institute has also filed a counter claim of Rs. 4.80 Million, comprising non payment of recurring grant of Rs. 3.98 Million and excess charges for facilities of Rs. 0.82 Million by UOP. No provision has been made in these financial statements.

16.2 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	2018 RUPEES	2017 RUPEES
<b>17 RESTRICTED GRANTS (Deferred Income)</b>			
Balance as at July 01		603,825,071	578,522,027
Receipts during the year:			
HEC Grant for Enhancement Infrastructure Project		-	40,435,000
EIMS-Other payable (Net profit on bank)		5,360,857	7,146,843
FATA scholarship grant		-	27,335,000
		5,360,857	74,916,843
Less: Transferred to		609,185,928	653,438,870
Prior year adjustment		-	33,605,949
Depreciation reserve	5	33,219,744	16,007,850
		33,219,744	49,613,799
Balance as at June 30		<u>575,966,184</u>	<u>603,825,071</u>

**18 INCOME**

Tuition fee	18.1	294,914,300	235,232,947
Sale of prospectus		3,164,000	3,008,100
Hostel fee		14,446,300	14,337,350
Transportation fee		5,439,000	5,114,800
Miscellaneous		7,060,698	4,719,071
Income from projects	18.2	10,962,477	21,068,571
		<u>335,986,775</u>	<u>283,480,839</u>

**INSTITUTE OF MANAGEMENT SCIENCES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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NOTES	2018 RUPEES	2017 RUPEES
<b>18.1 Tuition fee</b>		
BBA,BBA IT	68,405,447	65,297,006
BCS	14,940,900	16,952,540
BSc Economics	11,677,640	13,427,010
Bachelor of Software Engineering	31,462,620	26,562,170
BSc Social Science	13,538,780	11,964,040
MSc Applied Economics	320,580	389,540
MSc Computer Science	2,084,400	749,730
MSc Development Study	465,400	402,300
Ms Computer Science	2,891,760	3,685,070
MSc Finance	2,985,460	1,897,050
BBS Banking & Finance	431,050	537,700
BBS Morning	27,470,900	12,505,010
MBA 25 Years	10,920,770	3,273,080
BBS Evening	2,904,030	1,475,800
MBA 3 Semesters	35,647,920	33,024,132
MPH	4,872,960	902,930
MPA	7,010,780	2,254,800
MBA ( Eve )	8,500	30,500
MBA Islamic Banking & Takaful	3,778,070	2,363,550
BS Accounting & Finance	20,620,495	11,472,890
MS Project Management	3,236,290	2,915,560
MS Management	5,028,310	4,452,830
MS Economics	4,247,840	4,556,530
MS / MPhil English	185,400	-
MS Development Studies	3,064,240	1,361,820
PhD Economics	180,630	255,914
PhD Management	1,314,573	827,560
PhD Computer Science	300,530	419,330
PhD Islamic Banking & Finance	144,015	342,520
Degree Fee	1,449,000	924,400
Make-up / Course Repeat	16,476,000	12,461,700
MS Thesis Fee	20,000	-
	<u>298,085,290</u>	<u>237,685,012</u>
Less: Admission cancelled/ or refunded	3,170,990	2,452,065
	<u><b>294,914,300</b></u>	<u><b>235,232,947</b></u>
<b>18.2 Income from projects</b>		
Other projects	-	867,501
Human Resource Development Centre (HRDC)	141,397	1,315,333
Income From DBAMP	-	136,080
US Access English Teaching Project (ETP)	1,035,000	-
FATA Institutional Strengthening Project	-	18,000
Karakorum University Staff Training Project	-	571,840
Office of Research Innovation and Commercialization (ORIC)	137,879	-
Income From HEI Project	377,561	280,242
Income from project account	9,270,640	17,879,575
	<u><b>10,962,477</b></u>	<u><b>21,068,571</b></u>

**INSTITUTE OF MANAGEMENT SCIENCES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT JUNE 30, 2018**

	NOTES	2018 RUPEES	2017 RUPEES
<b>19 OPERATIONAL</b>			
Salaries, honoraria & allowances		267,282,127	252,838,870
Staff gratuity		16,949,401	21,784,890
Occupancy cost		14,446,300	14,337,350
Utilities		21,117,982	20,153,455
Meeting, seminars & conferences		5,430,680	3,438,139
Student extra curricular activities		2,018,575	3,145,929
Cost of entry test		852,062	1,077,382
Supervision of thesis report		3,242,826	2,603,736
Gender based merit scholarship B.Sc Economics		1,431,900	2,144,600
Paper setting & checking		770,650	1,003,450
FATA scholarship expense		6,444,790	9,659,900
HEC need based scholarship expenses		742,800	3,829,500
DMC / degree verification charges		333,280	75,370
Other scholarships		21,784,535	25,003,320
IMS scholarship expenses		565,599	257,450
Computer accessories		148,240	128,261
Examination charges (Internal examiner)		451,862	584,915
Entertainment		255,029	667,879
Research & survey		2,684,150	1,508,856
Transport running expense		4,911,634	4,044,932
Contingency		66,726	266,610
Industrial trip / Exhibitions		140,150	318,200
Strengthening of QEC-IMSciences		1,002,298	106,665
ORIC expenses		360,000	618,375
Afghan student project expenses		7,677,392	14,287,256
Printing of prospectus		743,590	1,243,000
Amortization		1,386,583	-
Depreciation		17,880,930	26,104,136
		<b>401,122,091</b>	<b>411,232,426</b>
<b>20 ADMINISTRATIVE EXPENSES</b>			
Salaries, wages & benefits		136,658,922	123,834,638
Staff group insurance		419,520	385,106
Staff gratuity		10,662,010	8,302,876
Communication		5,600,263	8,003,978
Printing & stationery		3,030,220	2,504,533
Repair & maintenance		9,227,119	8,690,903
Insurance		461,098	446,008
Traveling & conveyance		214,020	66,180
Newspaper & periodicals		581,307	471,329
Legal & professional		45,000	1,673,780
Uniform & protective clothing		100,879	725,036
Audit fee		150,000	150,000
Advertisement & publicity		2,679,253	1,697,903
Miscellaneous		2,739,714	8,743,361
Bank charges & commission		362,031	318,998
		<b>172,931,356</b>	<b>166,014,628</b>

**INSTITUTE OF MANAGEMENT SCIENCES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT JUNE 30, 2018**

	NOTES	2018 RUPEES	2017 RUPEES
<b>21 OTHER INCOME</b>			
Profit on investments-NBP		10,027,201	16,612,500
Profit on investments-BOK		26,208,381	1,200,000
Profit on bank accounts		4,297,992	3,760,911
		<u>40,533,574</u>	<u>21,573,410</u>
Other receipts		1,964,373	100,900
		<u>42,497,947</u>	<u>21,674,310</u>
<b>22 RECURRING GRANT</b>			
HEC recurring grant		214,617,000	199,733,000
HEC supplementary recurring grant		4,664,000	-
HEC tenure track grant		57,941,824	43,532,715
		<u>277,222,824</u>	<u>243,265,715</u>
<b>23 HUMAN RESOURCE DEVELOPMENT</b>			
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. Shabi-ul-Hassan		-	6,795,040
Mrs. Saroosh Shabi		-	6,795,041
			13,590,081
Less: Charged to restricted grants	17	-	(13,590,081)
		<u>-</u>	<u>-</u>


**24 AUTHORIZATION OF FINANCIAL STATEMENTS**

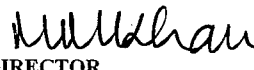
These financial statements have been authorized for issue by the Director of the Institute on .....

**25 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.

  
**CONTROLLER FINANCE**  
 Controller Finance  
 Institute of Management Sciences  
 Peshawar

  
**DIRECTOR**  
 DIRECTOR  
 IMSciences Peshawar