

PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Note	December 31, 2025 (Unaudited)	June 30, 2025 (Audited)
----- (Rupees) -----			
ASSETS			
Non-current assets			
Property and equipment	6	4,317,750	3,378,201
Intangible asset	7	1,087,239	1,230,237
Right of use assets	8	16,749,913	11,240,275
Security deposits	10	1,540,470	1,540,470
Total non-current assets		23,695,372	17,389,183
Current assets			
Receivables - Unsecured	11	10,683,968	2,348,833
Prepayments, advances and other receivable		2,870,986	2,370,046
Investments - short term	9	208,778,007	216,312,592
Tax refunds due from Government	12	41,537,551	42,181,553
Cash and bank balances	13	84,663,585	53,555,006
Total current assets		348,534,097	316,768,030
Total assets		372,229,469	334,157,213
FUND BALANCE AND LIABILITIES			
Fund balance			
Accumulated fund		297,672,566	270,304,926
Non-current liability			
Lease liability against right of use assets	14	12,909,406	9,667,620
Current liabilities			
Fees in advance	15	26,334,060	17,042,030
Current portion of lease liability against right of use assets	14	5,153,579	2,185,615
Other payables		22,993,524	21,253,355
Accrued expenses		7,166,334	13,703,667
Total current liabilities		61,647,497	54,184,667
Total liabilities		74,556,903	63,852,287
Total Fund Balance and Liabilities		372,229,469	334,157,213
CONTINGENCIES AND COMMITMENTS			
	16		

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.

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Chief Executive Officer


Director

**PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM INCOME AND EXPENDITURE STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**


	Note	December 31, 2025	December 31, 2024
----- (Rupees) -----			
INCOME			
Revenue from services	17	84,868,088	80,440,227
EXPENDITURE			
Cost of services	18	(51,576,888)	(64,439,393)
Administrative and selling expenses	19	(13,521,313)	(13,167,682)
Finance cost on lease liability against right of use assets		(1,335,338)	(1,171,880)
Provision for expected credit loss allowance		(1,255,890)	(2,430,167)
Total Expenditure		(67,689,428)	(81,209,122)
Operating surplus		17,178,660	(768,895)
Other income	20	11,847,019	21,218,739
Surplus for the period before taxation		29,025,679	20,449,844
Taxation		(1,658,039)	-
Surplus for the period after taxation		27,367,640	20,449,844

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.

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Chief Executive Officer



Director

**PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM STATEMENT OF CHANGES IN FUND BALANCE
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)**

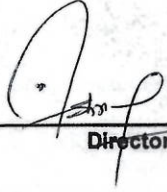
	Accumulated Fund
	--(Rupees)--
Balance as at July 01, 2024	221,089,774
Total comprehensive income for the period	20,449,844
Balance as at December 31, 2024	<u>241,539,618</u>
Total comprehensive income for the period	28,765,308
Balance as at June 30, 2025	<u>270,304,926</u>
Total comprehensive income for the period	27,367,640
Balance as at December 31, 2025	<u>297,672,566</u>

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.

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Chief Executive Officer



Director

PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

Note	December 31, 2025	December 31, 2024
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the period before tax	29,025,879	20,449,844
Adjustment for non-cash and other items:		
Return on bank balances and investments	20 (11,847,019)	(18,323,739)
Depreciation on right of use assets	8 2,823,846	2,594,472
Depreciation on property and equipment	6.1 704,138	721,877
Amortisation of intangible assets	7 142,998	47,407
Finance cost on lease liability against right of use assets	14 1,335,338	1,171,880
Provision for expected credit loss allowance	(1,255,890)	(2,430,167)
Deferred income	20 -	(2,895,000)
Surplus before working capital changes	20,929,090	1,336,574
(Increase) / decrease in current assets		
Receivables - Unsecured	(8,335,135)	(2,206,697)
Prepayments, advances and other receivable	(500,940)	(3,101)
	(8,836,075)	(2,209,798)
Increase / (decrease) in current liabilities		
Fees in advance	9,292,030	12,513,796
Accrued expenses	(8,537,333)	(8,449,551)
Other payables	1,740,169	5,456,559
	4,494,866	11,520,804
Cash generated from operations	16,587,881	10,647,580
Withholding tax deducted - net	644,002	(5,965,183)
Profit on savings account	1,838,244	4,548,418
Net cash generated from operating activities	19,070,127	9,230,815
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(204,826,071)	(114,719,166)
Purchase of property and equipment	6 (1,643,687)	(315,750)
Purchase of intangible assets	-	(1,418,310)
Proceeds from disposal of investments	219,741,104	134,819,166
Return on investments received	2,226,178	10,101,856
Net cash generated from investing activities	15,497,524	28,467,796
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of markup of lease liability against right-of-use assets	14 (1,335,338)	(1,171,880)
Payment of principal of lease liability against right-of-use assets	(2,123,734)	(3,169,502)
Net cash used in financing activities	(3,459,072)	(4,341,382)
Net increase in cash and cash equivalents	31,108,579	33,357,229
Cash and cash equivalents at the beginning of the period	53,555,006	20,258,082
Cash and cash equivalents at the end of the period	84,663,585	53,615,311

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.

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Chief Executive Officer


Director

**PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

1 THE INSTITUTE AND ITS OPERATIONS

1.1 Pakistan Institute of Corporate Governance (the Institute) was incorporated in Pakistan as a company limited by guarantee without share capital on December 01, 2004 under section 42 of the repealed Companies Ordinance, 1984 (now section 42 of the Companies Act, 2017). Its members include 103 (June 30, 2025: 102) corporate, 41 (June 30, 2025: 35) individual and the following founding members:

- Securities and Exchange Commission of Pakistan
- The State Bank of Pakistan
- The Pakistan Stock Exchange Limited
- Institute of Business Administration
- Lahore University of Management Sciences
- Institute of Chartered Accountants of Pakistan
- Institute of Corporate Secretaries of Pakistan
- Institute of Cost and Management Accountants of Pakistan
- Overseas Investors Chamber of Commerce and Industry
- Federation of Pakistan Chambers of Commerce and Industry
- Insurance Association of Pakistan
- Mutual Funds Association of Pakistan
- Pakistan Banks Association

1.2 The main objective of the Institute is to promote awareness of corporate governance and encourage compliance with good corporate governance practices by corporate bodies and professionals. In this regard, the Institute also conducts directors' training program based on a standard curriculum for which the Institute has arrangements with foreign organisations.

1.3 The registered office of the Institute is situated at office suite 316, "The Forum", Clifton, Karachi, Pakistan.

2 BASIS OF PRESENTATION

2.1 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Act; and
- provisions of, directives and notifications issued under the Act.

Where provisions of, directives and notifications issued under the Act differ with the requirements of IAS 34 or IFAS, the provisions of, directives and notifications issued under the Act have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the audited annual financial statements of the Institute for the year ended June 30, 2025.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the external auditors.

3 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention except for the following:

- Right of use assets and their related lease liability are carried at present value of future lease rentals adjusted for any lease payments made at or before the commencement date of the lease;
- certain investments classified as FVPL are carried at fair value in accordance with the requirements of IFRS-9.

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4.1 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are applicable to the Institute's annual accounting period beginning on July 01, 2025. However, these do not have any material impact on the Institute's condensed interim financial statements and therefore have not been detailed in the condensed interim financial statements.

4.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective in the current period

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Institute for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Institute's condensed interim financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when applicable shall impact the presentation of 'Income and Expenditure Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the condensed interim financial statements of the Institute.

5.1 MATERIAL ACCOUNTING POLICY INFORMATION AND ACCOUNTING ESTIMATES AND JUDGMENTS

5.2 The material accounting policies applied in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Institute's annual audited financial statements for the year ended June 30, 2025.

5.3 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan for interim financial reporting requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Institute's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Institute's annual audited financial statements for the year ended June 30, 2025.

The Institute's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2025.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
----- (In Rupees) -----			
6	PROPERTY AND EQUIPMENT		
	Operating fixed assets	6.2	<u>4,317,750</u> <u>3,378,201</u>
6.2	Operating fixed assets		
	Book value at the beginning of the period / year		3,378,201 4,459,194
	Additions during the period / year	6.3	1,643,687 315,750
	Depreciation charge during the period / year	18 & 19	<u>(704,138)</u> <u>(1,396,743)</u>
	Book value at the end of the period / year		<u>4,317,750</u> <u>3,378,201</u>

6.3 The following additions and disposals were made in the operating fixed assets during the period:

	Additions at cost Six months period ended December 31,	
	2025	2024
(Un-audited)		
----- (In Rupees) -----		
Office equipment	1,195,290	315,750
Furniture & fixtures	448,397	-
	<u>1,643,687</u>	<u>315,750</u>

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7	INTANGIBLE ASSETS	Note	December 31,	June 30,
			2025 (Un-audited)	2025 (Audited)
			------(Rupees)-----	
Cost:				
	Opening		1,418,310	-
	Addition during the period / year		-	1,418,310
	Closing		<u>1,418,310</u>	<u>1,418,310</u>
Accumulated amortisation:				
	Opening		188,073	-
	Amortisation charge for the period / year	19	142,998	188,073
	Closing		<u>331,071</u>	<u>188,073</u>
Net book value at period / year end			<u>1,087,239</u>	<u>1,230,237</u>
Amortisation rate (% per annum)			<u>33%</u>	<u>33%</u>
8	RIGHT OF USE ASSETS			
Cost				
	Opening balance		31,535,412	38,492,660
	Addition during the period / year		8,333,484	-
	Termination during the period / year		-	(6,957,248)
	Closing balance		<u>39,868,896</u>	<u>31,535,412</u>
Accumulated depreciation				
	Opening balance		20,295,137	22,063,441
	Termination during the period / year		-	(6,957,248)
	Charge for the period / year	18 & 19	2,823,846	5,188,944
	Closing balance		<u>23,118,983</u>	<u>20,295,137</u>
Net carrying amount			<u>16,749,913</u>	<u>11,240,275</u>
Lease terms (in months)			<u>36-60</u>	<u>36-60</u>
9	INVESTMENTS			
Investments - short term				
- At amortised cost				
	GOP Ijarah sukuks	9.1	-	21,789,596
			-	21,789,596
- At fair value through profit or loss				
	Units of open-ended mutual funds	9.2	208,778,007	194,522,996
			<u>208,778,007</u>	<u>216,312,592</u>
			<u>208,778,007</u>	<u>216,312,592</u>

9.1 The market value of securities classified at amortised cost as at December 31, 2025 amounted to Rs. Nil (June 30, 2025: Rs. 20.80 million).

9.2 Units of open-ended mutual funds

Particulars	As at July 1, 2025	Purchased during the period	Sold during the period	As at December 31, 2025	As at June December 31, 2025		
					Carrying value	Market value	Unrealised appreciation
				------(Rupees)-----			
Faysal Islamic Cash Fund	1,940,805	112,126	1,887,442	165,489	16,703,308	17,338,275	634,967
Faysal Islamic Sovereign Plan - I	-	18,349	18,349	-	-	-	-
Meezan Rozana Amdani Fund	-	3,828,797	-	3,828,797	191,439,732	191,439,732	-
As at December 31, 2025					<u>208,143,040</u>	<u>208,778,007</u>	<u>634,967</u>
As at June 30, 2025					<u>194,151,332</u>	<u>194,522,996</u>	<u>371,664</u>

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10 SECURITY DEPOSITS

These represent security deposits paid to "The Forum" in accordance with the Rental agreements for office suites 315 and 316.

	Note	December 31, 2025 (Unaudited)	June 30, 2025 (Audited)
(Rupees)			

11 RECEIVABLES - UNSECURED

Receivable against:

Annual subscription		10,150,000	600,000
Directors' training program		816,547	1,889,122
Advisory fee		575,000	-
Fee from specialised workshops and others		401,550	150,450
Board evaluation		402,500	115,000
		<u>12,345,597</u>	<u>2,754,572</u>
Less: Provision for expected credit loss allowance		<u>(1,661,629)</u>	<u>(405,739)</u>
		<u>10,683,968</u>	<u>2,348,833</u>

12 TAX REFUNDS DUE FROM GOVERNMENT

Tax deducted at source	12.1	<u>41,537,552</u>	<u>42,181,553</u>
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12.1 This represents withholding tax deducted from payments made to the Institute. The Institute is in the process of recovering the said balance from the authorities.

	Note	December 31, 2025 (Unaudited)	June 30, 2025 (Audited)
(Rupees)			

13 CASH AND BANK BALANCES

Cash in hand		50,000	50,000
Cash at bank :			
- savings accounts	13.1	<u>84,613,585</u>	<u>53,505,006</u>
		<u>84,663,585</u>	<u>53,555,006</u>

13.1 These carry profit at the rate of 7.08% per annum (June 30, 2025: 7.00% to 9.50% per annum).

		December 31, 2025 (Unaudited)	June 30, 2025 (Audited)
(Rupees)			

14 LEASE LIABILITY AGAINST RIGHT OF USE ASSETS

Opening balance		11,853,235	17,448,860
Addition during the period / year		8,333,484	-
Finance cost for the period / year		1,335,338	2,131,153
Payments for the period / year		<u>(3,459,072)</u>	<u>(7,726,778)</u>
Closing balance		<u>18,062,985</u>	<u>11,853,235</u>
Non-current portion of lease liability		12,909,406	9,667,620
Current portion of lease liability		<u>5,153,579</u>	<u>2,185,615</u>
		<u>18,062,985</u>	<u>11,853,235</u>

15 FEES IN ADVANCE

Entrance fee		-	250,000
Annual subscription fee		8,210,000	-
Advance fee for board evaluation		8,638,455	8,139,000
Advance fee for ESG executive track program		822,890	142,890
Advance fee for directors' training program		4,738,895	7,481,320
Advance fee for advisory services		1,700,000	-
Advance fee for specialised workshops		<u>2,223,820</u>	<u>1,028,820</u>
		<u>26,334,060</u>	<u>17,042,030</u>

16 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2025 and June 30, 2025.

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	Note	December 31, 2025	December 31, 2024
		(Unaudited)	
		----- (Rupees) -----	
17 REVENUE FROM SERVICES			
Entrance fee from members		740,000	500,000
Annual subscription		8,210,000	7,965,000
Fee from director's training program		56,439,262	37,447,250
Fee from specialised workshops		6,595,000	9,252,000
ESG executive track program		1,462,000	1,660,000
Fee from board evaluations		11,421,826	13,925,000
Sponsorship income		-	9,690,977
		<u>84,868,088</u>	<u>80,440,227</u>
18 COST OF SERVICES			
Training programs		16,339,440	18,176,275
Board evaluations		2,611,000	3,125,000
Sponsorship event		-	8,549,737
ESG executive track program		951,053	3,243,880
Salaries, allowances and benefits		26,115,373	27,378,997
Depreciation on property and equipment		528,103	541,408
Depreciation on right of use assets		1,388,916	1,276,098
Travelling and conveyance		1,340,824	187,610
Utilities		314,950	293,296
Insurance		342,001	373,914
IT expenses		1,645,228	1,293,178
		<u>51,576,888</u>	<u>64,439,393</u>
19 ADMINISTRATIVE AND SELLING EXPENSES			
Salaries, allowances and benefits		6,514,238	6,228,224
Professional expenses	19.1	2,566,161	2,518,234
Depreciation on right of use asset		1,434,930	1,318,374
Depreciation on property and equipment		176,035	180,469
Amortisation of intangible assets		142,998	47,407
Utilities		314,950	312,284
Printing and stationery		155,458	267,487
Insurance expense		-	85,059
Repair and maintenance		1,058,816	884,928
Canteen expenses		235,822	-
Other expenditure	19.2	921,905	1,325,216
		<u>13,521,313</u>	<u>13,167,682</u>
19.1 PROFESSIONAL EXPENSES			
Finance outsourcing		1,935,764	1,555,200
Human resource outsourcing		202,977	212,206
Out of pocket expenses		107,200	133,050
Subscription fee		-	507,198
Internal audit fee		43,000	92,880
Others		277,220	17,700
		<u>2,566,161</u>	<u>2,518,234</u>
19.2 OTHER EXPENDITURE			
Marketing and advertisement		506,506	282,497
Others	19.3	415,399	1,042,719
		<u>921,905</u>	<u>1,325,216</u>
19.3	This mainly includes expenses pertaining to cleaning, entertainment and bank charges.		

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20	OTHER INCOME	Note	December 31, 2025	December 31, 2024
			(Unaudited)	
			----- (Rupees) -----	
	Return / profit on:			
	- Savings accounts		1,863,614	5,226,344
	- GOP Ijarah sukuks		158,290	2,657,636
	- Pakistan Investment Bonds		-	2,349,201
	Unrealised appreciation on units of open-ended mutual funds		634,967	7,586,708
	Capital gain on disposal of units of open-ended mutual funds		6,822,260	1,637,330
	Dividend Income		1,365,263	-
	Other income		1,596,157	-
	Grant income		-	2,895,000
	Less: Income credited to provident fund balance		(593,532)	(1,133,480)
			<u>11,847,019</u>	<u>21,218,739</u>

21 CASH AND CASH EQUIVALENTS

Cash and bank balances	<u>84,663,585</u>	<u>53,615,311</u>
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22 TRANSACTIONS WITH RELATED PARTY

Transactions with key management personnel are carried out as per their terms of employment and their details are as follows:

	December 31, 2025	December 31, 2024
	(Unaudited)	
----- (Rupees) -----		
Chief executive officer	9,619,208	8,817,498
Other key management personnel	<u>9,616,429</u>	<u>6,408,160</u>
	<u>19,235,637</u>	<u>15,225,658</u>

23 FAIR VALUE OF FINANCIAL INSTRUMENTS

23.1 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Institute is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

23.2 International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Institute to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3: inputs for the asset or liability that are not based on observable market data.

The Institute held the following financial instruments measured at fair value:

Assets	As at December 31, 2025 (Unaudited)			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets - fair value through profit or loss:				
Units of open-ended mutual funds	-	208,778,007	-	208,778,007
	<u>-</u>	<u>208,778,007</u>	<u>-</u>	<u>208,778,007</u>

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Assets	As at June 30, 2025 (Audited)			Total
	Level 1	Level 2	Level 3	

----- (Rupees in '000) -----

Financial assets - fair value through profit or loss:

Units of open-ended mutual funds	-	194,522,996	-	194,522,996
	-	194,522,996	-	194,522,996

Item	Valuation technique
Units of open-ended mutual funds	The valuation has been determined based on net asset values (NAVs) declared by respective funds.

The fair values of financial assets which are not measured at fair value have been disclosed in note 9.2 of these condensed interim financial statements using level 2 basis.

There were no transfers between levels during the period / year.

24 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved and authorised for issue on 13 Apr 26 by the Board of Directors of the Institute.


25 GENERAL

25.1 Figures have been rounded off to the nearest Rupee, unless otherwise stated.

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Chief Executive Officer



Director