

PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Note	March 31, 2026 (Unaudited)	June 30, 2025 (Audited)
ASSETS			
Non-current assets			
Property and equipment	6	4,055,800	3,378,201
Intangible asset	7	1,014,963	1,230,237
Right of use assets	8	15,337,990	11,240,275
Security deposits		1,540,470	1,540,470
Total non-current assets		21,949,223	17,389,183
Current assets			
Receivables - Unsecured	10	24,679,724	2,348,833
Prepayments, advances and other receivable		4,782,031	2,370,046
Investments - short term	9	268,967,645	216,312,592
Tax refunds due from Government	11	46,332,875	42,181,553
Cash and bank balances	12	41,546,179	53,555,006
Total current assets		386,308,454	316,768,030
Total assets		408,257,677	334,157,213
FUND BALANCE AND LIABILITIES			
Fund balance			
Accumulated fund		310,511,962	270,304,926
Non-current liability			
Lease liability against right of use assets	13	12,909,406	9,667,620
Current liabilities			
Fees in advance	14	47,634,408	17,042,030
Current portion of lease liability against right of use assets	13	5,002,515	2,185,615
Other payables		26,104,740	21,253,355
Accrued expenses		6,094,646	13,703,667
Total current liabilities		84,836,309	54,184,667
Total liabilities		97,745,715	63,852,287
Total fund balance and liabilities		408,257,677	334,157,213
CONTINGENCIES AND COMMITMENTS			
	15		

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director


**PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM INCOME AND EXPENDITURE STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2026**

	Note	Quarter ended		Nine months period ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
INCOME					
Revenue from services	16	41,221,177	37,819,083	126,089,265	118,259,310
EXPENDITURE					
Cost of services	17	(25,467,307)	(22,062,627)	(76,476,343)	(86,628,549)
Administrative and selling expenses	18	(7,106,352)	(6,641,629)	(21,164,715)	(19,432,781)
Finance cost on lease liability against right of use assets		(622,486)	(525,696)	(1,957,824)	(1,697,576)
Provision for expected credit loss allowance		-	(250,000)	(1,286,690)	(2,680,167)
Total Expenditure		(33,196,145)	(29,479,952)	(100,885,572)	(110,439,073)
Operating surplus		8,025,032	8,339,131	25,203,693	7,820,237
Other income		4,814,361	3,123,355	16,661,380	24,044,108
Surplus for the period before taxation		12,839,393	11,462,486	41,865,073	31,864,345
Taxation		-	-	(1,658,039)	-
Surplus for the period after taxation		12,839,393	11,462,486	40,207,034	31,864,345

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director

**PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM STATEMENT OF CHANGES IN FUND BALANCE
FOR THE QUARTER ENDED MARCH 31, 2026**

	Accumulated Fund --(Rupees)--
Balance as at July 01, 2024	221,089,774
Total comprehensive income for the year	49,215,152
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>
Total comprehensive income for the period	12,839,396
Balance as at March 31, 2026	<u>310,511,962</u>

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director

PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2026

	Note	Nine months period ended	
		March 31, 2026	March 31, 2025
(Rupees)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the period before tax		41,865,073	31,864,345
Adjustment for non-cash and other items:			
Return on bank balances and investments	19	(16,661,380)	(24,044,108)
Depreciation on right of use assets	8	4,235,769	3,891,708
Depreciation on property and equipment	6	1,166,088	1,055,602
Amortisation of intangible assets	7	215,274	117,351
Finance cost on lease liability against right of use assets	13	1,957,824	1,619,483
Provision for expected credit loss allowance		1,286,690	2,680,167
Deferred income	19	-	(2,895,000)
Surplus before working capital changes		34,065,338	14,289,548
(Increase) / decrease in current assets			
Receivables - Unsecured		(23,617,581)	(2,523,125)
Prepayments, advances and other receivable		(2,411,985)	158,544
		(26,029,566)	(2,364,581)
Increase / (decrease) in current liabilities			
Fees in advance		30,592,378	16,163,228
Accrued expenses		(7,609,021)	(7,044,606)
Other payables		4,851,385	(1,429,769)
		27,834,742	7,688,853
Cash generated from operations		35,870,514	19,613,820
Withholding tax deducted - net		(5,809,359)	(12,591,738)
Net cash generated from operating activities		30,061,155	7,022,082
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments - net		(52,655,053)	20,100,000
Purchase of property and equipment	6	(1,843,687)	(315,750)
Purchase of intangible assets		-	(1,418,310)
Return on investments received		16,661,380	5,231,683
Net cash generated from investing activities		(37,837,360)	23,597,623
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets	13	(4,232,622)	(5,078,094)
Net cash used in financing activities		(4,232,622)	(5,078,094)
Net increase in cash and cash equivalents		(12,008,827)	25,541,611
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	19	41,546,179	45,799,693

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director

**PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2026**

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). It's 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.

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 MATERIAL ACCOUNTING POLICY INFORMATION AND ACCOUNTING ESTIMATES AND JUDGMENTS

5.1 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.

5.2 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

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.

		March 31, 2026	June 30, 2025
	Note	(Un-audited)	(Audited)
		----- (In Rupees) -----	
6	PROPERTY AND EQUIPMENT		
	Operating fixed assets	4,055,800	3,378,201
6.1	Operating fixed assets		
	Book value at the beginning of the period / year	3,378,201	4,459,194
	Additions during the period / year	1,843,687	315,750
	Disposals during the period / year - net book value	-	-
	Depreciation charge during the period / year	(1,166,088)	(1,396,743)
	Book value at the end of the period / year	<u>4,055,800</u>	<u>3,378,201</u>

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

		Additions at cost	
		Nine months period ended March 31, 2026 (Un-audited)	Year ended June 30, 2025 (Audited)
		----- (in Rupees) -----	
	Office equipment	1,395,290	315,750
	Furniture & fixtures	448,397	-
		<u>1,843,687</u>	<u>315,750</u>
		March 31, 2026 (Un-audited)	June 30, 2025 (Audited)
		----- (Rupees) -----	
7	INTANGIBLE ASSETS	Note	
	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	215,274	188,073
	Closing	403,347	188,073
	Net book value at period / year end	<u>1,014,963</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
	Re-assessment during the period / year	-	-
	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	4,235,769	5,188,944
	Closing balance	24,530,906	20,295,137
	Net carrying amount	<u>15,337,990</u>	<u>11,240,275</u>
	Lease terms (in months)	<u>36-60</u>	<u>36-60</u>
9	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		194,522,996
			268,967,645
			<u>216,312,592</u>
			<u>268,967,645</u>
			<u>216,312,592</u>

9.1 These carried profit/ yield within a range of Nil (June 30, 2025: 9.88% to 11.16% per annum) payable at six month interval and are carried at amortised cost which matured on July 29, 2025.

	Note	March 31, 2026 (Unaudited)	June 30, 2025 (Audited)
(Rupees)			
10 RECEIVABLES - UNSECURED			
Receivable against:			
Annual subscription		7,410,000	600,000
Directors' training program		283,250	1,889,122
Advisory fee		575,000	-
Fee from specialised workshops and Summit		14,278,103	150,450
Board evaluation		3,795,000	115,000
		<u>26,341,353</u>	<u>2,754,572</u>
Less: Provision for expected credit loss allowance		(1,661,629)	(405,739)
		<u>24,679,724</u>	<u>2,348,833</u>
11 TAX REFUNDS DUE FROM GOVERNMENT			
Tax deducted at source	11.1	<u>46,332,875</u>	<u>42,181,553</u>
11.1 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	March 31, 2026 (Unaudited)	June 30, 2025 (Audited)
(Rupees)			
12 CASH AND BANK BALANCES			
Cash in hand		50,000	50,000
Cash at bank :			
- savings accounts	12.1	<u>41,496,179</u>	<u>53,505,006</u>
		<u>41,546,179</u>	<u>53,555,006</u>
12.1 These carry profit at the rate of 7.08% per annum (June 30, 2025: 7.00% to 9.50% per annum).			
		March 31, 2026 (Unaudited)	June 30, 2025 (Audited)
(Rupees)			
13 LEASE LIABILITY AGAINST RIGHT OF USE ASSETS			
Opening balance		11,853,235	17,448,860
Re-assessment during the period / year		-	-
Addition during the period / year		8,333,484	-
Finance cost for the period / year		1,957,824	2,131,153
Payments for the period / year		(4,232,622)	(7,726,778)
Reclassified to rent payable		-	-
Closing balance		<u>17,911,921</u>	<u>11,853,235</u>
Non-current portion of lease liability		12,909,406	9,667,620
Current portion of lease liability		<u>5,002,515</u>	<u>2,185,615</u>
		<u>17,911,921</u>	<u>11,853,235</u>
14 FEES IN ADVANCE			
Entrance fee		-	250,000
Advance fee for board evaluation		26,944,270	8,139,000
Advance fee for ESG executive track program		2,810,890	142,890
Advance fee for directors' training program		10,009,685	7,481,320
Advance fee for advisory services		1,850,000	-
Advance fee for specialised workshops		6,019,563	1,028,820
		<u>47,634,408</u>	<u>17,042,030</u>
15 CONTINGENCIES AND COMMITMENTS			
There were no contingencies and commitments outstanding as at March 31, 2026 and June 30, 2025.			

16	REVENUE FROM SERVICES	Three months period ended		Nine months period ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
		(Unaudited)		(Unaudited)	
		(Rupees)			
	Entrance fee from members	-	-	740,000	605,000
	Annual subscription	3,997,500	3,995,000	12,207,500	11,842,500
	Fee from director's training program	20,673,010	23,230,583	77,390,318	55,949,923
	Fee from specialised workshops	6,420,000	1,834,089	12,065,704	14,090,000
	ESG executive track program	1,165,667	2,152,910	2,448,917	5,721,910
	Fee from board evaluations	8,965,000	6,606,501	21,236,826	20,359,000
	Sponsorship income	-	-	-	9,690,977
		<u>41,221,177</u>	<u>37,819,083</u>	<u>126,089,265</u>	<u>118,259,310</u>

17	COST OF SERVICES	Three months period ended		Nine months period ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
		(Unaudited)		(Unaudited)	
		(Rupees)			
	Training programs	6,680,625	8,402,327	25,048,137	28,937,543
	Board evaluations	1,709,000	1,483,317	4,320,000	4,956,000
	Sponsorship event	-	-	-	8,549,737
	ESG executive track program	620,625	2,338,490	962,101	4,303,880
	Salaries, allowances and benefits	14,894,112	8,540,302	41,510,274	35,580,915
	Depreciation on property and equipment	267,113	201,835	583,044	527,801
	Depreciation on right of use assets	705,962	648,618	2,117,885	1,945,854
	Utilities	228,025	184,162	427,094	380,104
	Insurance	92,791	93,868	263,790	278,625
	IT expenses	269,054	169,708	1,244,018	1,168,090
		<u>25,467,307</u>	<u>22,062,627</u>	<u>76,476,343</u>	<u>86,628,549</u>

18	ADMINISTRATIVE AND SELLING EXPENSES	Three months period ended		Nine months period ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
		(Unaudited)		(Unaudited)	
		(Rupees)			
	Salaries, allowances and benefits	3,723,530	3,158,742	9,736,977	8,346,140
	Professional expenses	740,570	1,059,673	3,207,434	3,492,742
	Travelling and conveyance	-	-	753,164	187,610
	Depreciation on right of use asset	705,962	648,618	2,117,885	1,945,854
	Depreciation on property and equipment	267,113	201,835	583,044	527,801
	Amortisation of intangible assets	72,276	69,944	215,274	117,351
	Utilities	228,025	184,162	427,094	380,104
	Printing and stationery	103,004	83,732	258,462	351,219
	Insurance expense	92,791	93,868	263,790	278,625
	Repair and maintenance	489,518	555,794	1,548,334	1,440,722
	Other expenditure	616,300	542,835	1,742,253	2,072,591
	IT expenses	67,263	42,426	311,004	292,022
		<u>7,106,352</u>	<u>6,641,629</u>	<u>21,164,715</u>	<u>19,432,781</u>

19	CASH AND CASH EQUIVALENTS	March 31,	
		2026	2025
		(Unaudited)	
		(Rupees)	
	Cash and bank balances	<u>41,546,179</u>	<u>45,799,693</u>

20 TRANSACTIONS WITH RELATED PARTY

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

	Nine months period ended	
	March 31, 2026	March 31, 2025
		(Unaudited)
		(Rupees)
Key management personnel remuneration	<u>28,152,318</u>	<u>19,476,718</u>
	<u>28,152,318</u>	<u>19,476,718</u>

21 FAIR VALUE OF FINANCIAL INSTRUMENTS

21.1 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.

21.2 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 March 31, 2026 (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	-	268,967,645	-	268,967,645
	-	268,967,645	-	268,967,645

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

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

22 DATE OF AUTHORISATION FOR ISSUE


These condensed interim financial statements were approved and authorised for issue on May 11, 2026 by the Board of Directors of the Institute.

23 GENERAL

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



Chief Executive Officer



Director