

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

		March 31, 2025 (Unaudited)	June 30, 2024 (Audited)
		----- (Rupees) -----	
ASSETS	Note		
Non-current assets			
Property and equipment	4	3,719,343	4,459,194
Intangible asset		1,300,959	-
Right of use assets	5	12,537,511	16,429,219
Investments - long term	6	-	22,574,977
Security deposits	7	1,540,470	1,540,470
		<u>19,098,283</u>	<u>45,003,860</u>
Current assets			
Receivables - Unsecured	8	4,350,850	4,507,892
Prepayments, advances and other receivable		2,973,955	3,132,499
Investments - short term	6	212,834,562	191,547,160
Tax refunds due from Government	9	41,108,692	28,516,955
Cash and bank balances	10	45,799,693	20,258,082
		<u>307,067,752</u>	<u>247,962,588</u>
Total assets		<u><u>326,166,035</u></u>	<u><u>292,966,448</u></u>
FUND BALANCE AND LIABILITIES			
Fund balance			
Accumulated fund		252,954,119	221,089,774
Non-current liability			
Lease liability against right of use assets	11	11,246,047	12,859,219
Current liabilities			
Fees in advance		31,616,023	15,452,795
Deferred grant income	12	404,748	3,299,748
Current portion of lease liability against right of use assets	11	2,744,202	4,589,641
Other payables		21,950,674	23,380,443
Accrued expenses		5,250,222	12,294,828
		<u>61,965,869</u>	<u>59,017,455</u>
Total liabilities		<u>73,211,916</u>	<u>71,876,674</u>
Total Fund Balance and Liabilities		<u><u>326,166,035</u></u>	<u><u>292,966,448</u></u>

CONTINGENCIES AND COMMITMENTS

13

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director

PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM STATEMENT OF INCOME AND EXPENDITURE
AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

FOR THE NINE MONTHS ENDED MARCH 31, 2025					
	Note	Quarter Ended March 31, 2025	Quarter Ended March 31, 2024	Nine Months Ended March 31, 2025	Nine Months Ended March 31, 2024
				—————(Rupees)—————	
INCOME					
Revenue from services	14	37,819,083	35,684,576	118,259,310	92,935,776
EXPENDITURE					
Cost of services	15	(13,638,970)	(14,688,412)	(83,788,187)	(68,569,411)
Administrative and selling expenses	16	(15,590,982)	(18,785,874)	(23,970,719)	(22,007,044)
Provision for expected credit loss allowance		(250,000)	(700,000)	(2,680,167)	(2,100,000)
		(29,479,952)	(34,174,286)	(110,439,073)	(92,676,455)
Operating profit		8,339,131	1,510,290	7,820,237	259,321
Other income	17	3,123,355	8,852,559	24,044,108	25,439,287
Surplus for the period		11,462,486	10,362,849	31,864,345	25,698,608
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		11,462,486	10,362,849	31,864,345	25,698,608

The annexed notes 1 to 21 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 NINE MONTHS ENDED MARCH 31, 2025**

	Note	March 31, 2025	March 31, 2024
		----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the period		31,864,345	25,698,609
Adjustment for:			
Return on bank balances and investments	17	(24,044,108)	(25,593,238)
Depreciation on right of use assets	5	3,891,708	2,663,497
Depreciation on property and equipment		1,055,602	1,047,447
Amortisation of intangible assets		117,351	-
Finance cost on lease liability against right of use assets	11	1,619,483	679,170
Provision for expected credit loss allowance		2,680,167	2,100,000
Surplus before working capital changes		17,184,548	6,595,485
(Increase) in current assets			
Receivables - Unsecured		(2,523,125)	10,525,401
Prepayments, advances and other receivable		158,544	(1,584,413)
		(2,364,581)	8,940,988
Increase in current liabilities			
Fees in advance		16,163,228	11,297,968
Advance against services		-	(1,476,919)
Accrued expenses		(7,044,606)	(12,028,912)
Other payables		(1,429,769)	6,130,166
		7,688,853	3,922,304
Cash generated from operations		22,508,820	19,458,777
Withholding tax deducted		(12,591,737)	(8,425,098)
Deferred income		(2,895,000)	-
Net cash generated from operating activities		7,022,083	11,033,679
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	4	(315,751)	(1,830,398)
Purchase of intangible assets		(1,418,310)	-
Proceeds from disposal of property and equipment		-	-
Proceeds from disposal/(purchase) of investments		134,819,166	46,720,070
Purchase of financial assets		(114,719,166)	(79,928,593)
Return on bank balances and investments received		5,231,683	17,303,195
Net cash generated from investing activities		23,597,622	(17,735,726)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability	11	(5,078,094)	(5,747,847)
Net cash used in financing activities		(5,078,094)	(5,747,847)
Net increase in cash and cash equivalents		25,541,611	(12,449,894)
Cash and cash equivalents at the beginning of the period		20,258,082	52,498,314
Cash and cash equivalents at the end of the period	18	45,799,693	40,048,419

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director

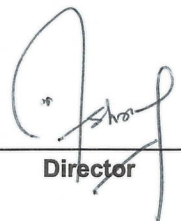
**PAKISTAN INSTITUTE OF CORPORATE GOVERNANCE
CONDENSED INTERIM STATEMENT OF CHANGES IN FUND BALANCE
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Accumulated Fund
	—(Rupees)—
Balance as at July 01, 2023 (audited)	178,831,066
Total comprehensive income for the period	42,258,708
Balance as at June 30, 2024 (audited)	<u>221,089,774</u>
Total comprehensive income for the period	31,864,345
Balance as at March 31, 2025 (unaudited)	<u>252,954,119</u>

The annexed notes 1 to 21 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 NINE MONTHS ENDED MARCH 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). It's members include 103 (June 30, 2024: 99) Corporate, 35 (June 30, 2024: 34) 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 STATEMENT OF COMPLIANCE

2.1 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, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 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, 2024.

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

2.2 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.

2.3 Amendments and interpretations to accounting and reporting standards that are effective in the current period

There are certain new amendments and interpretations to the accounting and reporting standards which are mandatory for the Institute during the current period. However, these do not have any significant impact on the Institute's financial statements and therefore are not disclosed in these condensed interim financial statements.

2.4 Standards, amendments and interpretations to accounting and reporting standards that are not yet effective

- There are certain new and amended standards and interpretations that are mandatory for the Institute's accounting periods beginning on or after July 1, 2025 but are considered not to be relevant or will not have any significant effect on the Institute's operations and therefore are not disclosed in these condensed interim financial statements except for the following:
- 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 adopted and applicable shall impact the presentation of 'Statement of Profit or Loss' with certain additional disclosures in the financial statements;
- The new standards - IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' (IFRS S1) (published in June 2023) and IFRS S2 'Climate-related Disclosures' (IFRS S2) (published in June 2023) with applicability dates of July 1, 2025 by the Securities and Exchange Commission of Pakistan have been introduced. IFRS S1 and IFRS S2 when adopted and applicable shall require disclosure of information about sustainability-related risks and opportunities and climate-related risks and opportunities, respectively; 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. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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, 2024.

3.1 ACCOUNTING ESTIMATES AND JUDGMENTS

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 financial statements for the year ended June 30, 2024.

The Institute's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended June 30, 2024.

- 4 This includes addition of Rs. 315,750 (June 30, 2024: Rs. 4,352,002) pertaining to purchase of air conditioner for the Office Suite 316.

5	RIGHT OF USE ASSETS	Note	March 31, 2025 (Unaudited)	June 30, 2024 (Audited)
			----- (Rupees) -----	
	Cost			
	Opening balance		38,492,660	24,074,337
	Re-assessment during the period / year		-	14,418,323
	Closing balance		38,492,660	38,492,660
	Accumulated depreciation			
	Opening balance		22,063,441	17,184,718
	Charge for the period / year		3,891,708	4,878,723
	Closing balance		25,955,149	22,063,441
	Net carrying amount		12,537,511	16,429,219
	Useful life (in years)		5	5
			March 31, 2025 (Unaudited)	June 30, 2024 (Audited)
			----- (Rupees) -----	
6	INVESTMENTS			
	Investments - long term			
	At amortised cost			
	- At amortised cost			
	GOP Ijarah sukuks	6.1	-	22,574,977
			-	22,574,977
	Investments - short term			
	- At amortised cost			
	Pakistan Investment Bonds		-	70,908,158
	GOP Ijarah sukuks	6.1	20,802,016	32,196,052
			20,802,016	103,104,210
	- At fair value through profit or loss			
	Units of open-ended mutual funds		192,032,546	88,442,950
			192,032,546	88,442,950
			212,834,562	191,547,160
			212,834,562	214,122,137

6.1 These carry yield within a range of 18.93% - 20.91% per annum (June 30, 2024: 15.48% - 23.71% per annum) payable at six month interval and are carried at amortised cost maturing on July 29, 2025 (2024: August 7, 2024 and July 29, 2025)

7 SECURITY DEPOSITS

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

	Note	March 31, 2025 (Unaudited)	June 30, 2024 (Audited)
		----- (Rupees) -----	
8	RECEIVABLES - UNSECURED		
Annual subscription		2,037,250	761,079
Directors' training program		1,454,250	4,393,824
Fee from specialised workshops and others		390,600	1,353,454
Receivable against board evaluation		718,750	1,846,674
		<u>4,600,850</u>	<u>8,355,031</u>
Less: Provision for expected credit losses		-	-
Less: Provision for expected credit loss allowance		(250,000)	(3,847,139)
		<u><u>4,350,850</u></u>	<u><u>4,507,892</u></u>
9	TAX REFUNDS DUE FROM GOVERNMENT		
Tax deducted at source	9.1	<u>41,108,692</u>	<u>28,516,955</u>
9.1	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.		
10	CASH AND BANK BALANCES		
Cash in hand		50,000	50,000
Cash at bank :			
- current account		-	-
- savings accounts		45,749,693	20,208,082
		<u>45,799,693</u>	<u>20,258,082</u>
10.1	These represent savings accounts with a commercial bank carrying interest at the rate of 9% per annum (2024: 18.5% per annum).		

	Note	March 31, 2025 (Unaudited)	June 30, 2024 (Audited)
		----- (Rupees) -----	
11	LEASE LIABILITY AGAINST RIGHT OF USE ASSETS		
Opening balance		17,448,860	8,530,925
Re-assessment during the period / year		-	14,418,323
Finance cost for the period / year		1,619,483	795,140
Payments for the period / year		(5,078,094)	(6,295,528)
Closing balance		<u>13,990,249</u>	<u>17,448,860</u>
Non-current portion of lease liability		11,246,047	12,859,219
Current portion of lease liability		<u>2,744,202</u>	<u>4,589,641</u>
		<u>13,990,249</u>	<u>17,448,860</u>
12	DEFERRED GRANT INCOME		
Balance at the beginning of the year		3,299,748	5,000,000
Less: grant income recognised during the year	17	<u>2,895,000</u>	<u>1,700,252</u>
Balance at the end of the year		<u>404,748</u>	<u>3,299,748</u>
12.1	In 2023, Pakistan Institute of Corporate Governance (PICG) and Faysal Bank Limited (FABL) embarked on a strategic partnership to enhance the Environmental, Social, and Governance (ESG) ecosystem in Pakistan. Under this collaboration, Faysal Bank Limited provided a grant of Rs. 5 million to PICG. The grant is allocated to provide strategic support for ESG development, including capacity building, research, training, and advisory services at critical stages of corporate ESG adoption.		
	This grant was initially classified as 'Deferred grant income' in the statement of financial position and is being recognised in the statement of income and expenditure in alignment with the fulfilment of agreed-upon milestones.		
13	CONTINGENCIES AND COMMITMENTS		
	There were no contingencies and commitments outstanding as at March 31, 2025 and June 30, 2024.		
		March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
		----- (Rupees) -----	
14	REVENUE FROM SERVICES		
Entrance fee from members		605,000	-
Annual subscription		11,842,500	12,000,000
Fee from director's training program		58,102,833	54,578,526
Fee from specialized workshops		14,090,000	13,263,500
ESG Executive Track		3,569,000	-
Advisory fee for board evaluations		20,359,000	12,593,750
Sponsorship income		<u>9,690,977</u>	<u>500,000</u>
		<u>118,259,310</u>	<u>92,935,776</u>

Note

15 COST OF SERVICES

Training program	33,241,423	26,458,155
Board evaluation	4,956,000	3,544,000
Sponsorship event	8,549,737	-
Salaries, allowances and benefits	35,580,915	37,341,981
IT Expenses	1,460,112	1,225,275
	<u>83,788,187</u>	<u>68,569,411</u>

16 ADMINISTRATIVE AND SELLING EXPENSES

Salaries, allowances and benefits	8,346,140	8,759,230
Professional expenses	3,492,742	3,206,282
Travelling and conveyance	187,610	887,830
Depreciation on right of use asset	3,891,708	2,663,497
Depreciation on property and equipment	1,055,602	1,047,447
Amortisation of intangible assets	117,351	-
Finance cost on lease liability against right of use assets	1,619,483	525,220
Communication and utilities	760,208	1,258,847
Printing and stationery	351,219	236,476
Insurance expense	557,250	390,589
Repair and maintenance	1,440,722	949,061
Other expenditure	1,696,857	1,104,162
Marketing and advertisement	453,827	978,403
	<u>23,970,719</u>	<u>22,007,044</u>

16.1 PROFESSIONAL EXPENSES

Finance outsourcing	2,347,200	2,073,600
Human resource outsourcing	322,013	283,737
Out of pocket expenses	147,350	62,800
Internal audit fee	135,880	163,080
Others	540,299	623,065
	<u>3,492,742</u>	<u>3,206,282</u>

17	OTHER INCOME	Note	March 31, 2025	March 31, 2024
			(Unaudited)	(Unaudited)
			------(Rupees)-----	
	Return / profit on:			
	- Savings accounts		6,047,597	13,327,565
	- GOP Ijarah sukuks		4,959,738	10,634,803
	- Pakistan Investment Bonds		2,349,201	-
	Unrealised appreciation on units of open-ended mutual funds		7,288,722	-
	Capital gain on disposal of units of open-ended mutual funds		1,637,330	-
	Grant income		2,895,000	1,476,919
	Less: Income credited to provident fund balance		(1,133,480)	-
			<u>24,044,108</u>	<u>25,439,287</u>

18 CASH AND CASH EQUIVALENTS

Cash and bank balances	<u>45,799,693</u>	<u>20,258,082</u>
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19 TRANSACTIONS WITH RELATED PARTY

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

	March 31, 2025	June 30, 2024
	(Unaudited)	(Audited)
	------(Rupees)-----	
Key management employees' compensation	<u>19,476,718</u>	<u>33,448,173</u>
	<u>19,476,718</u>	<u>33,448,173</u>

20 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved and authorised for issue on 26/4/25 by the Board of Directors of the Institute.

21 GENERAL

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


Chief Executive Officer


Director