



2019

ANNUAL REPORT



INFRASTRUCTURE DEVELOPMENT
AUTHORITY OF THE PUNJAB

www.idap.pk



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CORPORATE PROFILE

Infrastructure Development Authority of the Punjab (IDAP) is an autonomous body established under the Infrastructure Development Authority of the Punjab Act 2016, for planning, designing, construction and maintenance of infrastructure in Punjab, in line with the best international practices, to cope with futuristic development needs. IDAP is a specialized organization whose purpose is to execute mega infrastructure projects efficiently, aesthetically and transparently, without compromising quality or entailing delays. We offer in-house, complete project management services including feasibility, design, contract management, execution, supervision, third-party evaluation and delivery to our clients.



VISION & MISSION

Vision

Our vision is to be one of the leading infrastructure design and build organizations in the world.

Mission

Our mission is to transform the Punjab Government's vision into reality by delivering state-of-the-art projects that fulfill public needs and improve quality of life.

Our team is our biggest asset. We work as a family and believe in mutual respect at all levels. We provide an enabling work culture where top quality professionals are empowered to achieve their maximum potential. As a team, we are focused on delivering infrastructure projects in the most efficient and cost-effective manner.

Our local and international partners such as consultants and contractors are the key to our success. We work with them in the most ethical, fair and transparent manner. We do everything that we can to support and facilitate their work in Pakistan.





CORE VALUES



Ethics

We are uncompromising in our integrity, honesty and fairness.



Safety & Health

We are relentless in keeping people safe and we provide a healthy work environment.



Quality

We are passionate about excellence and doing our work right the first time. Our reputation depends on our delivered value in the eyes of every client and community.



People

We inspire each other with purposeful work, challenging development opportunities and rewarding careers. We aspire to be the employer of choice in our industry.



Culture

We actively build a diverse, inclusive and collaborative work environment where all views are welcomed, openness is encouraged, and teamwork and merit are cornerstones. We are proud of what we do and how we do it.



Relationship

We build positive, long-term working relationships with our clients, joint-venture partners, subcontractors, suppliers and colleagues, based on trust, respect and collaboration.



Innovation

We develop and apply world-class technology. We listen, learn and seek out the best ideas in order to continually improve.



Result Oriented

We have a 'do-whatever-it-takes' attitude, empowered and entrepreneurial operations, within a common framework of values, strategies and key processes.



Sustainability

We improve the quality of life in communities where we work by respecting local cultures, engaging local people and protecting the environment.





MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

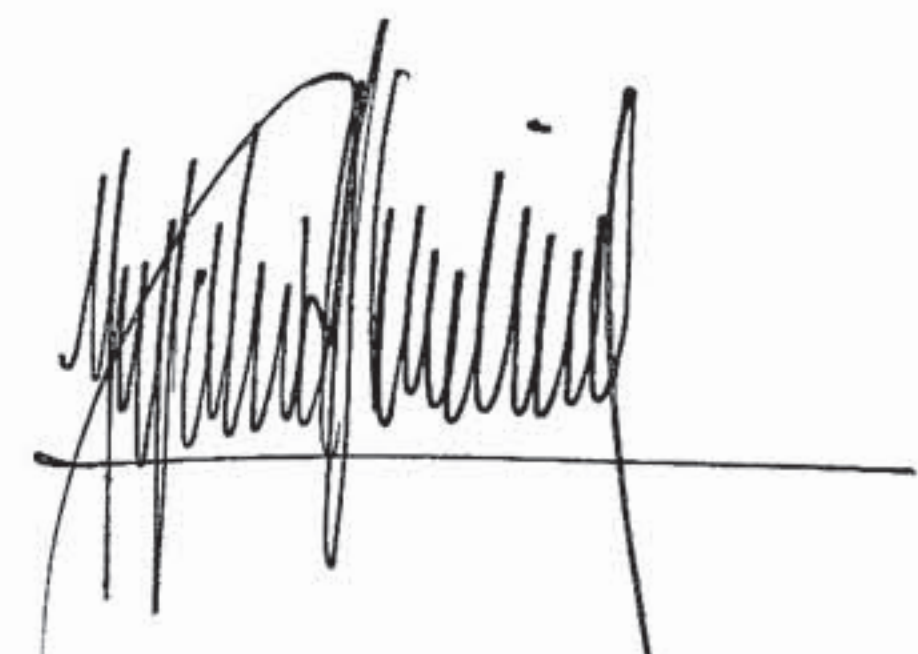
As the CEO of the Infrastructure Development Authority of Punjab (IDAP), I am pleased to announce that we have consistently led the infrastructure sector, setting elevated benchmarks in executing groundbreaking and sustainable projects. Our ongoing pursuit of delivering state-of-the-art projects is a testimony of our unwavering commitment to achieving high standards of technical advancement in our industry.

Our journey in the construction industry is the story of our relentless efforts, dedication, innovation, and resolute commitment to achieve core values keeping in mind that every structure that we build, serves as evidence of our expertise, reliability, and commitment to excellence. Innovation has always remained our driving force as we navigate the ever-evolving landscape of the construction industry. The cutting-edge technologies and sustainable practices of minimizing environmental impact that we adopt in our designs lead us to deliver projects that exceed expectations.

The robust culture that we have over the years adopted at IDAP provides us with the strength that enables us to face new challenges in delivering upcoming projects within the approved budget estimates and contractual timelines while delivering the highest standard of quality work. Our commitment to adopting the latest international and national practices, codes, and standards has been the key element of our success, and we justifiably take immense pride in the accomplishments that we have achieved over the years.

We are confident that IDAP can remain at the top amongst its competitors in delivering infrastructure works of the highest quality in Punjab. IDAP's highly technical team coupled with a commitment to continuous learning and skill development ensures that our team stays at the forefront of the industry. Some important projects initiated by IDAP this year include Sardar Fateh Muhammad Khan Buzdar Institute of Cardiology in Dera Ghazi Khan, Tertiary Care Hospital Nishtar II in Multan, and Mother and Child hospitals in five districts comprising Mianwali, Bahawalnagar, Layyah, Attock and Rajanpur. These healthcare projects will not only guarantee equitable access to top-quality medical services for the public but will also contribute to the economic growth of the area and create employment opportunities.

Looking ahead, we remain committed to nurturing and strengthening our work culture. Together, we will continue to build not only exceptional structures but also an environment where every individual can thrive and contribute to our collective success.



Mujahid Sherdil
Chief Executive Officer

BOARD OF AUTHORITY

- Minister for Communication & Works,
Punjab – Chairperson
- Chairman, Planning and Development Board of the Government
– Vice Chairperson
- Three members of the Provincial Assembly of the Punjab including at least one female member of the Assembly
– Members
- At least two members from amongst the Mayors of the Metropolitan/Municipal Corporation,
Chairmen of Municipal Committees or District Councils – Members
- Secretary (Implementation & Coordination) to the Government,
Services and General Administration Department or his nominee not below the rank of an Additional Secretary
– Member
- Secretary to the Government,
Communication and Works Department or his nominee not below the rank of an Additional Secretary – Member
- Secretary to the Government,
Finance Department or his nominee not below the rank of an Additional Secretary – Member
- Secretary to the Government,
Housing, Urban Development and Public Health Engineering Department or his nominee not below the rank of an
Additional Secretary – Member
- Secretary to the Government,
Agriculture Department or his nominee not below the rank of an Additional Secretary – Member
- Secretary to the Government,
Irrigation Department or his nominee not below the rank of an Additional Secretary – Member
- Secretary to the Government,
Local Government and Community Development Department or his nominee not below the rank of an Additional
Secretary – Member
- Secretary to the Government,
Transport Department or his nominee not below the rank of an Additional Secretary – Member
- Two Divisional Commissioners – Members
- Four Technical Experts – Members
- Chief Executive Officer of the Authority – Member/Secretary

Bankers

Bank of Punjab

Auditors

BDO Ebrahim & Co.

Head Office

50 B-3, Gulberg-III, Lahore - 54660, Pakistan

Ph: +92 42 99332631-42

Fax: +92 42 99332645-46





IDAP COMMITTEES

Technical Committee

The Technical Committee of IDAP Board/Authority comprises:

1. Member (Infrastructure Development), P&D Board, as representative of Vice Chairperson IDAP Authority/Chairman P&D Board (Convener)
2. Secretary, Local Government & Community Development or his nominee not below the rank of an Additional Secretary
3. Secretary, Housing, Urban Development & Public Health Engineering or his nominee not below the rank of an Additional Secretary
4. Secretary, Finance Department or his nominee not below the rank of an Additional Secretary
5. Chief Executive Officer, IDAP
6. Any co-opted member as Technical Expert

Finance & Audit Committee

The list of members of the Finance & Audit Committee as of June 30, 2019 are as follows:

1. Secretary, Finance Department, Government of the Punjab (Convener)
2. Secretary Agriculture Department, Government of the Punjab
3. Secretary Irrigation Department, Government of the Punjab
4. One Member of the Board from the Provincial Assembly
5. One Technical Member of the Board
6. Chief Executive Officer, IDAP (Secretary)
7. Chief Financial Officer

Procurement Committee

The list of members of the Procurement Committee as of June 30, 2019 are as follows:

1. Chief Executive Officer, IDAP (Chairman)
2. Chief Financial Officer
3. Chief Legal Officer or in his absence Manager Legal, IDAP
4. General Manager, Procurement & Contracts (Secretary)
5. General Manager, Administration
6. General Manager, Planning & Design
7. General Manager, Project Management
8. Chief Engineer

HR Committee I

The list of members of the HR Committee I as of June 30, 2019 are as follows:

1. Chairman, Planning & Development (Convener)
2. Secretary, Implementation & Coordination (Co-convener)
3. Secretary, Communication & Works
4. Chief Executive Officer, IDAP (Secretary)
5. One Technical Member of the Board

HR Committee II

The list of members of the HR Committee II as of June 30, 2019 are as follows:

1. Chief Executive Officer, IDAP (Chairman)
2. Chief Operating Officer
3. Chief Financial Officer
4. General Manager, Project Management
5. General Manager, Planning & Design
6. General Manager, Human Resource (Secretary)

HR Committee III

Composition of HRC III as of June 30, 2019:

1. General Manager, Human Resource (Chairman)
2. Concerned General Manager
3. Manager Legal
4. Manager HR (Secretary)
5. Any Co-opted General Manager

CORE TEAM



Mr. Mujahid Sherdil
Chief Executive Officer



Mr. Azmat Nawaz
Chief Operating Officer



Mr. Zubair Arshad
Chief Internal Auditor



Mr. Ahsan Shamim
Chief Financial Officer



Mr. Kashif N. Malik
Chief Technology Officer



Mr. Fiaz Ahmad Mohal
General Manager,
Administration



Mr. Adil Iftikhar
General Manager,
Human Resource



Ms. Myra Ali
General Manager,
Planning & Design



Dr. Fawad Muzaffar
General Manager,
Engineering & Planning



Mr. Raheel Sultan
General Manager,
Healthcare Projects II



Mr. Amer Mirza
General Manager,
Procurement and Contracts



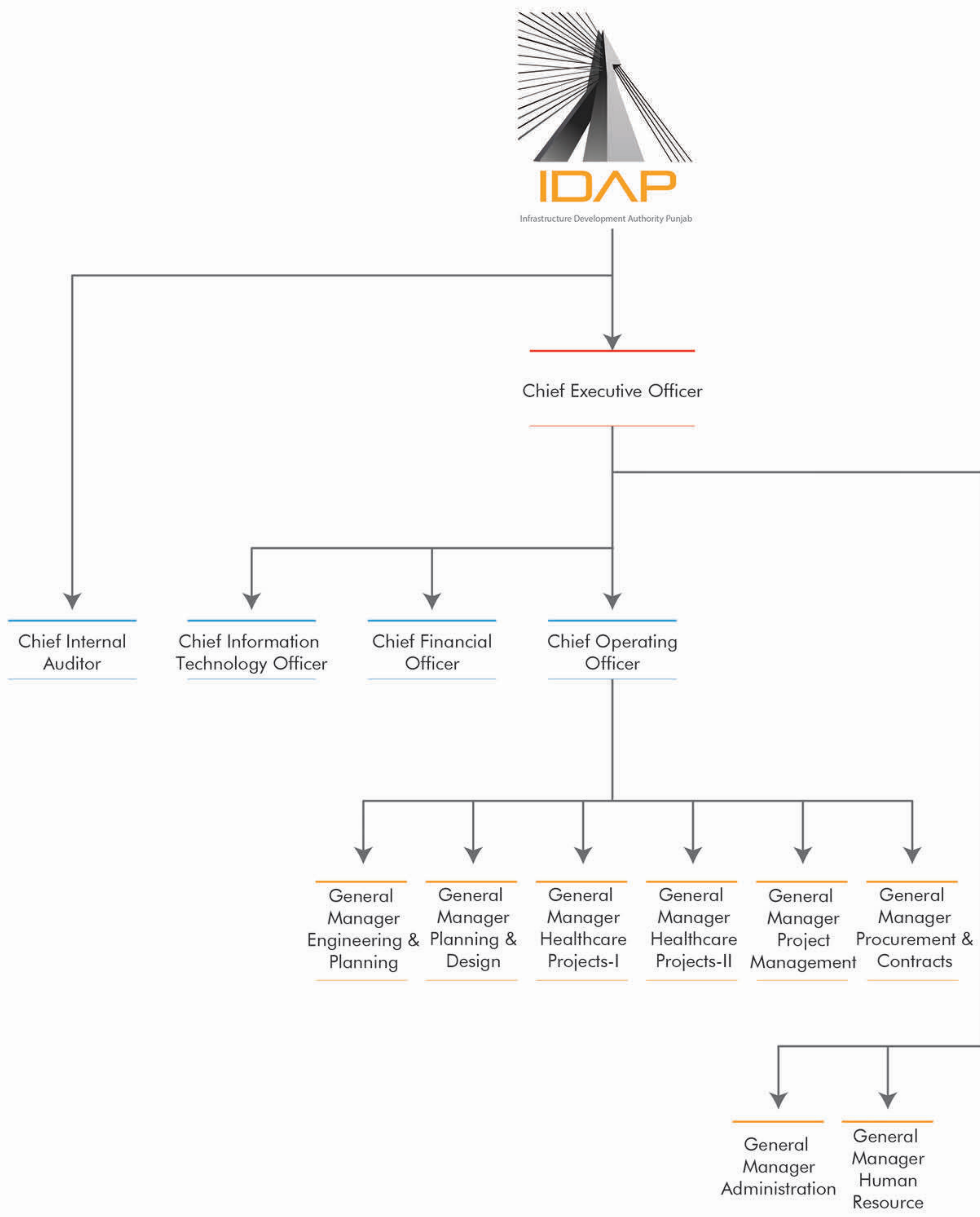
Mr. Hassan Hameed
General Manager,
Project Management



Mr. Shehzad Nazir Leghari
General Manager,
Healthcare Projects I



ORGANOGRAM





SERVICES

Project Management

IDAP provides project management services that improve program planning, implementation and control. Services provided by IDAP range from program scheduling and budgeting to value engineering and risk management.

IDAP is committed to providing project management services with latest effective tools that improve the ability to plan, implement and control its activities thus utilizing its professional and other resources efficiently and cost-effectively.

IDAP's project management services include:

- Program Planning Oversight and Control
- Master Schedule Development/Updating
- Master Budget Development/Tracking
- Design Management
- Bid Support/RFQ-RFP Development
- Alternate Project Delivery Approaches
- Contract Management
- Cost Estimation
- Value Engineering
- Project Controls and Supervision
- Claim Management/Mitigation
- Dispute Resolution/Adjudication/Arbitration
- Maintenance Plan/Management
- Risk Management

Technical Advisory Services

Technical Advisory Services (TAS) is a strategic arm of IDAP that serves as a seasoned confederate in the quest for superior policy objectives by providing technical guidance and assistance specifically related to planning, execution, structuring and validation of public sector's development programs.

IDAP is committed to improving public sector access to high-quality management consultancy services by providing assistance, help and support to various Punjab government departments, in realizing high impact and vital developmental goals in the province, through TAS.

IDAP provide technical support to Planning & Development Department, Government of Punjab, by extending technical and financial expertise, whenever desired, with respect to high priority developmental projects / initiatives of the Punjab Government.



Urban Planning

IDAP provides expertise in the field of urban and town planning. We create urban designs that are functional, site-specific, sustainable and environment friendly, using the space available in the most efficient way.

IDAP perceives planning as a vital part of the built landscape, a process that begins with the development of a hierarchical organization of spatial relationships between buildings and the surroundings. Our goal is to enhance the character of where we live, learn, work, socialize, relax, shop, vacation, congregate, dine and play.

IDAP aims to impart a distinct sense of community and place while establishing a framework for current and future decisions. We aim to create designs that are functional, efficient, site-specific, sustainable and environment friendly.

IDAP has considerable expertise in urban and town planning. We have the skills to design the most efficient use of available space. IDAP uses creativity and imagination, balanced by real world practicality and solid analytical reasoning, which are important for urban development.



Architectural Design

IDAP provides clients with latest design solutions and techniques which are practical, efficient and suitable for an ever-changing environment. Buildings are planned, designed and constructed from conception to completion.

We at IDAP believe that good architectural planning and design not only caters to the requirements of our clients but also improves the overall aesthetics and functional working of its surroundings. Each individual building should be designed not only keeping in mind the current requirements of the end user but also the future requirements and the impact it will have on the environment.

IDAP's mission is to provide clients with design solutions which are highly functional and sensitive to an ever-changing environment in both context and scale. Our goal is not only to construct buildings in isolation but also to design environments that reflect a successful balance of all variables.

We design and manage projects from conception to completion. IDAP has the expertise to take projects from scratch and make masterpieces by delivering state-of-the-art buildings as end products.



Quality Assurance

IDAP implements and maintains procedures designed to achieve a high standard of efficiency and workmanship. IDAP adopts a policy of actively pursuing ventures which will enhance its reputation for outstanding performance, quality of product and fulfilment of client needs.

IDAP's objectives are to:

- Maintain an effective quality management system
- Provide products and services which satisfy our clients' requirements through conformance with contractual and regulatory obligations
- Encourage quality awareness and personal initiative in employees
- Document and measure quality objectives and targets through internal audit and management reviews

Together with these quality objectives, we are committed to delivering each product and service in a competitive and cost effective manner, on time and using the appropriate resources, including human resource with relevant experience and training.



Biomedical Equipment Planning

At IDAP, we have extensive experience within the healthcare field and in the delivery of healthcare services through a planning process yielding innovative solutions. This experience includes backgrounds in healthcare administration, medical equipment planning and architectural design of healthcare facilities. It is about simplifying complexity by integrating the products, machines, manufacturers, medical specialties and engineering services in a well-integrated facility under one roof.

Provision for biomedical equipment is designed by keeping future road-maps in mind and by initiating their selection and procurement on determined schedules after start of construction and/or at appropriate time when the latest technology is procured which fits in well.

Our medical equipment planners work with the industry to stay up-to-date on the ever-changing technology of medical and diagnostic equipment. We maintain a database that contains thousands of medical equipment items to make sure that the architectural and engineering design team has the details required for a fully coordinated project where each medical equipment fits in project holistically. This involvement helps ensure that the specific requirements of the medical equipment systems and facility layout, as well as, compliance with the necessary codes and criteria, are met to provide a state-of-the-art healthcare facility without the need for going into extensive renovations later.



Healthcare Planning

In the rapidly advancing technology, IDAP, having rich experience in the healthcare sector and its service delivery, follows the principle that the end-user perspective be kept foremost in the professional engineering design of healthcare facilities. IDAP, therefore, develops innovative designs for hospitals based on a multidisciplinary approach and its vast experience in the healthcare field such as healthcare administration, medical equipment, planning and architectural design.

IDAP has created and maintained a database of a huge number of medical equipment having details of their sizes and foundation requirements, for the architects to ensure that proper spaces are allocated, in compliance with the necessary codes and criteria. Such exercise is done much before the equipment plans are finalized, avoiding last minute changes or subsequent expensive renovation/reconstructions. Keeping this aspect in view, medical planners get involved at the planning and programming stage of a medical project and continue throughout the design process.



Engineering Design

IDAP provides expertise in engineering solutions and includes in-depth capability on a range of operational, institutional and environmental aspects of infrastructure delivery. The IDAP team undertakes tasks ranging from environmental monitoring to wastewater treatment to transportation infrastructures and many more.

IDAP is committed to supporting regional and national governments by providing a comprehensive range of services, including optimizing available resources towards sound infrastructure investment decisions, positioning assets to meet long term service delivery and accommodating long term growth. For this purpose, IDAP has a pool of experts, who are well versed with diverse global requirements and emerging trends of infrastructure development.

IDAP's one-stop approach for meeting service delivery challenges extends beyond engineering solutions and includes in-depth expertise on a range of operational, institutional and environmental aspects of infrastructure delivery, providing research and advice to all levels of government, as well as to investors and owners of infrastructure, on the projects and reforms that are needed for bridging the gaps.

Current expertise of the in-house team enables IDAP to undertake the following tasks/designs:

- Bulk Water Supply and Outfall Sewers
- Environmental Monitoring & Management
- Geotechnical Engineering
- Highways and Transportation Structures
- Integrated Project Planning
- Mechanical, Electrical, Plumbing (MEP)
- Residential, Commercial and Industrial Structures
- Water and Wastewater Treatment



E-procurement

Enterprise Resource Planning (ERP) system e-procurement services are being used by IDAP as a tool to bring transparency, less physical interaction, efficient cloud computing services, reduce procurement costs and shorten the procurement cycle time to fast track projects.

The process of e-procurement covers every stage from the initial identification of a requirement, tender distribution, bid submission, evaluation, grievances, and projects award according to the standard tendering process. The following e-procurement services are being offered:

- Role Based Access
- Online Tender Documentation
- Online Approvals
- Bidder Portal
- Online Bidder Queries & Responses
- Online BOQ Entry
- Online Bid Submission
- SMS Alerts for Unseal Bids
- Tender Evaluation
- Financial Comparisons
- Bidder Grievances
- Project Award



Landscape Design

IDAP offers landscaping, streetscape improvements, residential communities, parks and open space planning services. By adding natural beauty to created spaces, IDAP takes responsibility for designing for a greener future.

IDAP carries out all aspects of landscaping, streetscape enhancements, corporate developments, residential communities, parks and open space planning at a very high standard. We emphasize placing greenery around the building to add natural beauty to the created building. We believe in making the natural surrounding a part of the build envelope.

Our landscape architecture section works with clients to shape their visions of a project site, keeping the responsibility in mind that we have to design for a greener future. A properly landscaped building not only cleanses its surroundings but also the building itself by making the air quality better for the inhabitants.



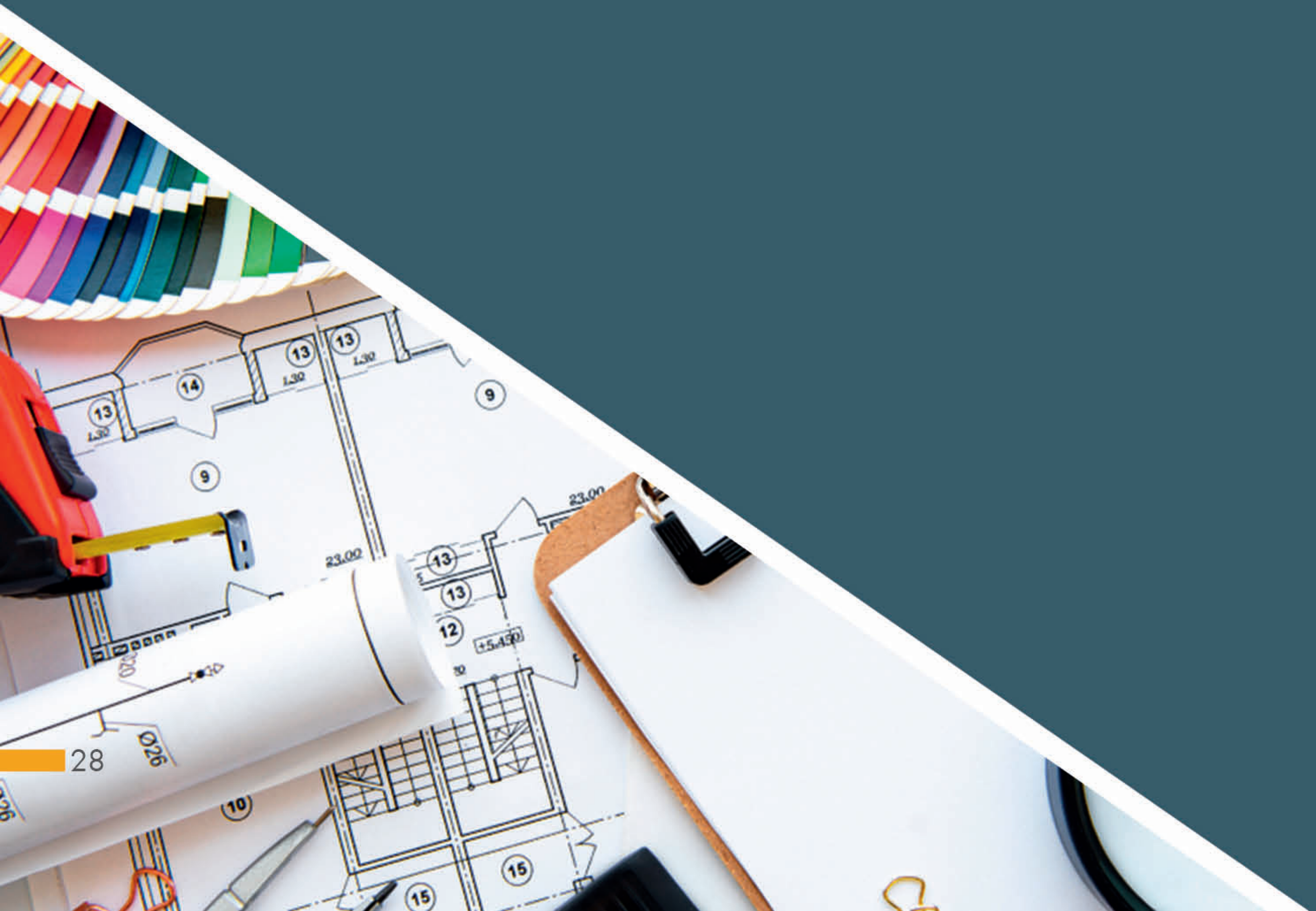
Interior Planning & Design

IDAP provides the expertise to design, develop and create unique interiors that meet clients' requirements both aesthetically and functionally. A well thought out design creates flexible spaces, utilizes natural light and creates a more comfortable and pleasing indoor environment.

Creativity and innovation are the hallmarks of design at IDAP. Interior design should reflect a client's culture and communicate their values while meeting both aesthetic and functional goals. We begin with a clear understanding of our client's requirements, visions and budget, resulting in developing creative interiors that are aesthetically pleasing and functional.

IDAP's mission is to provide clients with design solutions which are highly functional and sensitive to an ever-changing environment in both context and scale. Our goal is not only to construct buildings but also to design environments that reflect a successful balance of all variables.

We design and manage projects from conception to completion. IDAP has the expertise to take projects from scratch and make masterpieces by delivering state-of-the-art buildings.



Geographic Information System (GIS)

IDAP uses the latest Geographic Information System (GIS) technology to visualize, analyze and interpret spatial data during the planning and design stages of projects. This essential tool provides various engineering, planning, management, transportation, designing, infrastructure and quality control applications and greatly facilitates the decision making processes. With the use of Geographic Information System (GIS) technology, development of new infrastructure follows contemporary technology models eliminating data redundancy, mitigating cost and assessing environmental impacts.

GIS is a complete system that visualizes, questions, analyzes, and interprets the spatial data to understand the relationships, patterns and trends between real world objects. It is an essential tool that allows us to understand the existing structure and enables us to envision or propose a more viable alternative. It deals with various engineering, planning, management, transportation, designing, infrastructure and quality control applications and facilitates management in the decision making processes. One of the major functions of GIS is the development of intelligent digital maps that are a proven technique of communicating geographic knowledge.

The visualization of assets and its surrounding environment, while building, upgrading and repairing the infrastructure helps regarding prioritizing the work and convincing others of its importance with the facilitation of better decision making about how to move forward with innovative plans.

Information and Communications Technology

IDAP provides cutting-edge ICT – Information, Communication and Technology services to enable SMART Infrastructure Solutions. Our experienced technology staff distinguishes itself by leveraging design thinking, innovative tools, and industry best practices to deliver end-to-end turnkey solutions that includes procurement, design & implementation hence enabling organizations to be more scalable, transparent, and efficient.

At IDAP we believe a SMART Infrastructure Solution requires latest technology components, be it a medical facility, a sports complex or even a highway project. We are focused not only at ideation but also on acquiring, deployment and monitoring of these technology components which can be broadly segmented into two categories.

In Network and Operations, we partner closely with our Civil, Electrical, MEP and Bio-Medical Engineering to infuse technology as inherent part of the overall project. Hence, building ICT processing, storage, and pathways natively for current needs and future expansions to our projects.

- Tier 3 - Data Center Design and Build
- IT Network design and build in compliance with international standards e.g. TIA, ISO, EIA etc
- Network laying with active and passive equipment capable of 10G bandwidth and 10,000+ network nodes
- Software-as-a-Service (SAS) via IT Cloud Infrastructure including compute, network, storage and orchestration
- Internet Protocol (IP) based & ELV - Low Voltage Systems such as:
 - Building Management and Monitoring System
 - Surveillance System - CCTV Cameras
 - Communication Network - Analogue and Digital Phone
 - Fire Alert
 - Nurse Call
 - Public Address

- IT Service Management providing 24/7 Help Desk based on international standards of ITIL
- Firewall protection providing application layer security
- Advanced Internet Access based on SDWAN
- IT Disaster recovery design and implementation with Backup and Archival solution (SAN based backups) for critical patient / hospital data durability
- **HMIS – Hospital Management Information System including:**
 - EMR (Electronic Medical Records) covering all processes of OPD, IPD and ER
 - Clinical Physician Support covering Gynecology, Ophthalmic, Orthopedic, ENT, General Medicine, Pediatrics, Surgery, Skin, Dental etc.
 - LIS (Laboratory Information System)
 - RIS (Radiology Information System)
 - PACS (Picture Archiving and Communication System)
 - CTMS (Clinical Trial Management System) for research facilities
- **ERP – Enterprise Resource Management:**

Implementation/support of the following but not limited to:

 - Finance covering General Ledger, Payable, Receivables, Cash & Bank
 - Inventory & Assets Management
 - Human Resource and Payroll
 - Procurement
- **Business Intelligence Dashboards:**
 - Visual presentation of Key Performance Indicators (KPIs)
 - Trend Analysis
 - Integrated data gathering from different modules to generate meaningful information for quick decision and policy making.

SECTORS



Structural Engineering

IDAP's design teams work in harmony to deliver seamless sustainable building design, lead complex multidisciplinary projects and develop living and working spaces for whole communities. IDAP delivers integrated architecture and engineering solutions to create high-performance structures.

Our structural engineers and integrated design teams stay abreast of new developments in construction materials. To create buildings with lower costs and fewer resources, we pursue excellence in efficient façades and mechanical, electrical, water and waste systems.

We help occupants connect, communicate and collaborate by embedding technology in buildings, keeping them safe with advanced approaches to security, fire, seismic, wind and lift system designs.

IDAP's sophisticated approach to building information modeling and building physics ensures the efficiency of our building designs. Our designers engage in target-oriented advanced analysis and research while our building retrofit specialists bring renewal to poor-performing assets.



BSL III Laboratories

IDAP has carried out the design and execution of the state-of-the-art BSL-III laboratories with fully automated HVAC system.

The salient features of this HVAC system are automated pressurization controls with 100% exhaust, separate dedicated HVAC equipment for individual laboratory, automated temperature control, and exhaust air filtered through HEPA filter bank.

Following the best engineering practices, specifically calibrated plume fans are deployed to blast exhaust air, through laboratory exhaust, into the atmosphere up to several meters height to keep the surroundings safe from any contamination.



Green Development

IDAP is gradually and cautiously evolving into an organization, through design and delivery processes, to benchmark green development through innovation aimed at helping clients and communities become more resourceful, resilient, and regenerative.

The built environment is being redefined globally by green development concepts. IDAP aims at meeting global design and engineering standards translating to effective and an environmentally sustainable built projects.

We, at IDAP, incorporate green development features in our projects such as high-performance engineering systems, well-being features like indoor air quality, environmental responsiveness, welcome daylight to reduce energy consumption during the day, socially connected spaces and access to usable outdoor space. This has a visual impact on the end-user that can enhance the psychological experience, occupancy comfort, and social connectivity of spaces which, in turn, can lead to a more productive environment, decreased anxiety for occupants, and a dynamic interactive place to exchange and develop ideas.



Public Health Infrastructure

Infrastructure Development Authority of the Punjab (IDAP), since its inception in 2016, is actively engaged in engineering activities like planning, designing, building and maintenance of infrastructure in the province following the best practices around the world. IDAP will strive hard in its endeavour to execute projects and services of the highest standards in contributing towards the betterment of healthcare of the people of Punjab.

The Government of Punjab is committed to the principle of universal healthcare for all and IDAP aims at helping and fully supporting the government for achieving this important goal.

IDAP develops hospitals using a multi-disciplinary design approach. IDAP has, therefore, developed a team of experienced personnel including medical equipment planners, healthcare administrators and architectural designers of healthcare facilities. These experts are involved at the planning and programming stages of a healthcare project, thus ensuring that clinical requirements drive solutions.

IDAP's medical equipment planners always strive to remain in tune with the evolving technology of medical and diagnostic equipment. In order to provide a modern healthcare facility, these planners never compromise on the specific requirements of the medical equipment systems and facility layout and ensure that all such requirements are fulfilled.



Energy Infrastructure

IDAP will endeavour to work on providing a high and sustained growth in energy supply and infrastructure capacity to support the country's development. IDAP aims to address energy supply bottlenecks and sustainable infrastructure.

The country's energy demand has grown in the past five years. Our energy resources like coal, water, wind, waves, solar, animal waste and nuclear need to be harnessed through an institutionalized strategy for optimum utilization.

IDAP aims to provide all assistance and innovation for energy-efficient and cost-effective solutions to achieve this goal.



Transportation and Civil Engineering

IDAP endeavours to play a major role in developing sustainable transport systems and related infrastructure for the people of Punjab, including adding/improving roads, highways and mass transit systems.

High road density is imperative for good connectivity between cities and localities, ensuring seamless flow of goods/services and their destinations/clients. Pakistan has an impressive 263,775 kilometers network of roads and highways. National highways are 12,131 kilometers in length and carry the bulk of the national trade traffic.

In order to address growing concerns over traffic congestion and environmental degradation, IDAP is keen to play a major role in bringing about a better public transport system and related infrastructure in the country.

PROJECTS





Pakistan Kidney and Liver Institute and Research Centre, Lahore

Pakistan Kidney and Liver Institute (PKLI) and Research Centre is an 820 bed charity project in Lahore. It is a state-of-the-art center of excellence in clinical care, teaching and researching specialized areas of kidney, bladder and liver diseases, including kidney and liver failure, treated with transplantation. The project also includes a Hepatitis Prevention and Treatment Program (HPTP) Clinic based on a steel frame structure which has been completed and handed over to the client.

PKLI facility will be extendable to 1,500 beds and includes 100 bed emergency center, 100 bed ICU, 100 bed out-patient dialysis facility, 500 bed in-patient facility, 20 operating rooms and 10 same day surgery suites. PKLI is situated in 50 acres of land in the Lahore Knowledge City located between Phase 6 and Bedian Road. PKLI will also provide top quality training to medical personnel and doctors that are conducting cutting-edge research to further increase knowledge in these areas. Additionally, PKLI & RC is also supported by a province-wide network of Hepatitis Prevention and Treatment Program (HPTP) clinics.

The project was inaugurated and handed over to the client in December 2017.

Recep Tayyip Erdogan Hospital (RTEH), Muzaffargarh

RTEH started its operations in July 2014 with 60 beds and within 12 months of its inception, 40 new beds were added. The masterplan of RTEH expansion project includes building a teaching hospital, medical college, nursing college and other amenities on 113 acres of land next to the existing hospital.

The main constituents of the hospital expansion include OPDs, emergency block, radiology, endoscopy, dialysis, futuristic modular OTS, wards, cardiac care units, intensive care units, surgical intensive care units, blood bank, laboratory, café and a kitchen. Additionally, the state-of-the-art hospital includes an information kiosk, vitals pharmacy and a waiting area that can accommodate about 500 patients. The energy center houses the most contemporary electrical and mechanical equipment required for smooth running of the hospital.

The hospital has been equipped with top-of-the-line medical equipment such as MRI, CT scan, X-Rays, Fluoroscopy, Lithotripsy, Ultrasound and Endoscopy machines as well as with Dialysis units. Technologies and tools for anaesthesia, monitoring, laboratory, sterilization, dental procedure, waste management, and refrigeration have also been employed for the benefit of those seeking healthcare services in the area.

The project is inaugurated and handed over to the client.







Revamping of all DHQ and 15 THQ Hospitals across Punjab

IDAP aims to provide efficient and effective healthcare facilities to the population of the Punjab province by upgrading DHQ and THQ hospitals. The work includes upgrading buildings, medical equipment and infrastructure. Improvements are being made in these hospitals in the general wards, ICUs, CCUs, dialysis wards, burn units, physiotherapy, mortuaries, X-Rays & CT scan areas, emergency departments, waiting & circulation areas and yellow rooms. Work has been done to improve the external façade of the building along with roads and paved areas.

The DHQ hospitals being revamped under this project are the following:

- Attock
- Chakwal
- Bhakkar
- Khushab
- Mianwali
- Jhelum
- Mandi Bahauddin
- Hafizabad
- Narowal
- Chiniot
- Jhang
- Toba Tek Singh
- Kasur
- Nankana Sahb
- Okara – North
- Sheikhupura
- Okara – South
- Sheikhupura Children Complex
- Khanewal
- Vehari
- Bahawalnagar
- Pakpattan
- Layyah
- Muzaffargarh
- Lodhran
- Rajanpur

The THQ Hospitals being upgraded are located in:

- Hazro
- Noorpur Thal
- Esa Khel
- Daska
- Kamoke
- Gojra
- Mian Channu
- Chichawatni
- Burewala
- Chishtian
- Arifwala
- Taunsa Sharif
- Kot Addu
- Shuja Abad
- Ahmedpur East

The THQ Emergencies include:

- Hassan Abdal
- Kallur Kot
- Gujar Khan
- Kot Momin
- Pindi Bhattian
- Shahkot
- Kamalia
- Tandlianwala
- Mailsi
- Haroonabad
- Dunyapur
- Jampur
- Liaquatpur
- Shorkot

Punjab Agriculture, Food & Drug Authority (PAFDA) Complex, Lahore

IDAP will establish three laboratories specializing in Agriculture, Food and Drugs respectively, in a new complex for the Punjab Agriculture, Food and Drug Authority (PAFDA) on a site area of 64 Kanals approximately near Thokar Niaz Baig, Lahore.

The PAFDA project consists of the sample building, main building (9 stories) and an energy centre with a total covered area of 320,000 square feet. It has a state-of-the-art auditorium with a seating capacity for 500 persons which will be used for conferences and training. All three laboratories will be equipped with the latest lab apparatus and equipment.

The PAFDA complex is being established for forensic examination and testing of fertilizers, pesticides, foods and drugs.









Housing Complex and Auditorium for Quaid-e-Azam Thermal Power Plant (QATPL), Sheikhpura

Quaid-e-Azam Thermal Power (Pvt) Limited (QATPL) is a company owned by Government of the Punjab. QATPL is in the process of setting up a 1180 MW RLNG based Combined Cycle Power Plant at Bhikki, District Sheikhpura. In addition to the main plant land, QATPL has acquired approximately 40 Acres of land adjacent to the main plant for construction of the following facilities by IDAP:

- Site Housing Complex which includes one apartment building for a staff capacity of 30; 18 houses; a mini supermarket/departmental store and a public playground/recreational area.
- An auditorium with a seating capacity of 200 and covered area of 18,000 square feet.

The project has been completed & delivered to the client.

Punjab Forensic Science Agency (PFSA), Lahore

Punjab Forensic Science Agency (PFSA) Lahore is a full-service forensic Laboratory, over a total covered area of 113,033 square feet approximately, offering fourteen areas of examination. PFSA's services include receiving physical evidence from law enforcement agencies on criminal and civil cases and analyzing the forensic evidence for apex courts, investigating agencies, prosecutors and other stakeholders.

IDAP is designing and constructing a new laboratory building for PFSA to enhance its facility for providing services to law enforcement agencies and for the training and work of scientific staff. This new facility will help improve the country's criminal justice system. The new forensic training laboratory building will be established at a site adjacent to the current PFSA building on Multan Road, Lahore.









Lahore Knowledge Park (LKP)

The Government of Punjab conceived the idea of the Lahore Knowledge Park Company (LKPC), where a complete knowledge-based environment would be developed. It is conceived as a not-for-profit, public sector company for the development of knowledge and science parks in Punjab, owned by the Higher Education Department, Government of the Punjab. The mission is to create linkages and synergy between academia and the corporate world in areas that feed into the knowledge industry by developing futuristic sustainable knowledge hub.

Lahore Knowledge Park Company has engaged the services of IDAP for civil works of LKPC i.e. Construction of Infrastructure Development consisting of Entrance Gates, Boundary wall, Watch Towers and Security Road in Phase-I of the project.

Mother & Child Hospital & Nursing College, Bahawalnagar

The Mother & Child Hospital Bahawalnagar will comprise 200 beds with a total plot area for hospital building & nursing college is 100.68 kanals approximately. The approximate covered area of the hospital building is 260,000 sq. ft (and staff accommodation is 115,000 sq. ft.)

The hospital will ensure the availability of teams comprising qualified physicians, technicians, nurses and administrative staff best of their services to expecting mothers, facilitate them in labor and delivery and treat other health problems of women and children.

This hospital comprises of the following blocks:

- | | |
|-------------------------------------|--------------------------------|
| Gynae & Obstetrics Block | Paed's Ward |
| • Gynae Emergency | • Emergency (Paeds & Neonatal) |
| • Labor Room | • Paeds Indoor |
| • Antenatal Ward/0 | • Nursery/Neonatology |
| • Postnatal Ward | • Paeds ICU |
| • HDU | • Neonatal HDU/ICU |
| • ICU | |
| • Gynae Ward | |
| • Kangaroo Mother Care (KMC) | |
| • Indoor/Day Care Room/Anemia | |
| • Treatment Room | |

Support services like clinical pathology, laboratory, radiology, pharmacy, CSSD, kitchen, laundry, mortuary and blood bank are also included in the plan to ensure prompt delivery of respective services round the clock without interruption. Furthermore, this project will also provide other allied facilities such as housing and accommodation for its staff which would accommodate staff members including doctors, working nurses and paramedics.









Medical Store Depot (MSD), Lahore

Government MSD is a central warehouse for the bulk purchase of medicine/equipment for health department at provincial level and the federal and provincial programs/projects including Integrated Reproductive, Maternal, Neonatal and Child Health (IRMNCH), Expanded Program for Immunization, C.D.C, TB Control Program, WHO & other donations during disasters.

The quantity of supplies received at this depot is huge. Construction of new barracks/upgradation of existing barracks shall result in significance increase in storage space. This will improve the storage and capacity inventory management distribution system of medicines supply in MSD, Lahore.

The facility incorporates modern finish and design with complete temperature control, full power backup and fire alarm system. Automated shutter doors along with high mast lighting are also available. Medicine storage in racks with proper inventory is ensured along with office space for management. PU flooring is provided, and fire-resistant paint is being applied in the building. There is also easy movement of machinery between the sheds of the facility.

Mother & Child Hospital & Nursing College, Mianwali

The Mother & Child Care Hospital at Mianwali comprise 200 beds with a total plot area of 221 kanals. The approximate covered area of the hospital building is 260,000 sq. ft (and staff accommodation of 194,073 sq. ft.)

The hospital will ensure the availability of teams comprising qualified physicians, technicians, nurses and administrative staff offering best of their services to expecting mothers, facilitate them in labour and delivery and treat other health problems of women and children.

This hospital comprises of the following blocks:

Gynae & Obstetrics Block

- Gynae Emergency
- Labor Room
- Antenatal Ward
- Postnatal Ward
- HDU
- ICU
- Gynae Ward
- Kangaroo Mother Care (KMC)
- Indoor/Day Care Room/Anemia Treatment Room

Pead's Block

- Emergency (Pead's & Neonatal)
- Pead's Indoor
- Nursery/Neonatology
- Pead's ICU
- Neonatal HDU/ICU

Support services like clinical pathology, laboratory, radiology, pharmacy, CSSD, kitchen, laundry, mortuary and blood bank are also included in the plan to ensure prompt delivery of respective services round the clock without interruption. Furthermore, this project will also provide other allied facilities such as housing and accommodation for its staff which would accommodate staff members including doctors, working nurses and paramedics.







Tertiary Care Hospital Nishtar - II, Multan

Infrastructure Development Authority of the Punjab (IDAP) will execute the expansion project of Nishtar – II Hospital in Multan at land area of 58 acres. An additional 1000 beds will be added to the existing facility of 1800 beds (approximately) at the hospital. The expansion project will be carried out in three phases:

Project Phase – 01	500 Bed – Hospital Building plus Staff Accommodation & Allied Facilities
Project Phase – 02	500 Bed Hospital building plus Staff Accommodation
Project Phase – 03	Medical University & Nursing College

Phase 01 hospital building will consist of the following departments:

- Emergency/Trauma
- Neurosciences
- Orthopedics
- Surgery
- Medicine
- Gynae/Obstetrics
- Pediatrics
- Labor Rooms
- Modular Operation Theatres
- Hospital Kitchen & Cafeteria
- ICU
- Pathology
- Radiology
- Administration
- Outpatient Department
- Endoscopy & ECG
- CSSD
- Laundry Plant
- Waste Disposal with Incinerator

The hospital building in phase 02 would comprise the following:

- Cardiology
- Neurosciences
- Orthopedics
- Surgery
- Medicine
- Gynae/Obstetrics
- Pediatrics
- Neonatology
- Endoscopy & ECG
- Infection disease
- Pulmonology
- Urology
- Modular Operation Theatres
- Pathology
- Radiology
- Administration
- Outpatient Department
- CSSD

Tertiary Care Hospital Nishtar II will contribute towards the advancement of local healthcare by promoting medical research and imparting training and education for the development of excellent medical human resource in the region.

Mother & Child Hospital & Nursing College, Attock

The Mother & Child Hospital Attock comprise 200 beds with a total plot area for hospital building & nursing college of 75 Kanals approximately. The approximate covered area of the hospital building is 260,000 sq. ft (and staff accommodation is 66,000 sq. ft.)

The hospital will ensure the availability of teams comprising qualified physicians, technicians, nurses and administrative staff offering best of their services to expecting mothers, facilitate them in labour and delivery and treat other health problems of women and children.

This hospital comprises of the following blocks:

Gynae & Obstetrics Block

- Gynae Emergency
- Labor Room
- Antenatal Ward
- Postnatal Ward
- HDU
- ICU
- Gynae Ward
- Kangaroo Mother Care (KMC)
- Indoor/Day Care Room/Anemia Treatment Room

Paed's Ward

- Emergency (Paeds & Neonatal)
- Paeds Idoor
- Nursery/Neonatology
- Paeds ICU
- Neonatal HDU/ICU

Support services like clinical pathology, laboratory, radiology, pharmacy, CSSD, kitchen, laundry, mortuary and blood bank are also included in the plan to ensure prompt delivery of respective services round the clock without interruption. Furthermore, this project will also provide other allied facilities such as housing and accommodation for its staff which would accommodate staff members including doctors, working nurses and paramedics.









Sardar Fateh Muhammad Khan Buzdar Institute of Cardiology, Dera Ghazi Khan

Infrastructure Development Authority (IDAP) will execute a 100-bed cardiac care hospital in Dera Ghazi Khan. This project would facilitate the residents of the region by providing top-notch medical provisions and services to treat various health illnesses, particularly cardiovascular diseases.

The institute is designed to be a comprehensive medical facility spanning over an area of 170,708 square feet, which includes multiple departments to cater to the varying requirements of patients. The hospital will have the following facilities:

- Emergency
- Pathology
- Diagnostics
- Nuclear Medicine
- Angiography
- ICU
- CCU
- Operation Theatre
- Private Rooms
- Gamma Camera
- CT Scan
- Ultrasound
- X-Ray

Mother & Child Hospital & Nursing College, Layyah

The Mother & Child Hospital Layyah will comprise 200 beds with a total plot area for hospital building & nursing college of 206 Kanals & 10 Marlas approximately. The approximate covered area of the hospital building is 260,000 sq. ft (and staff accommodation is 201,000 sq. ft.)

The hospital will ensure the availability of teams comprising qualified physicians, technicians, nurses and administrative staff offering best of their services to expecting mothers, facilitate them in labor and delivery and treat other health problems of women and children.

This hospital comprises of the following blocks:

Gynae & Obstetrics Block

- Gynae Emergency
- Labor Room
- Antenatal Ward
- Postnatal Ward
- HDU
- ICU
- Gynae Ward
- Kangaroo Mother Care (KMC)
- Indoor/Day Care Room/Anemia Treatment Room

Paed's Ward

- Emergency (Paeds & Neonatal)
- Paeds Indoor
- Nursery/Neonatology
- Paeds ICU
- Neonatal HDU/ICU

Support services like nursing college, student lecture hall, clinical pathology, laboratory, radiology, pharmacy, CSSD, kitchen, laundry, mortuary and blood bank are also included in the plan to ensure prompt delivery of respective services round the clock without interruption. Furthermore, this project will also provide other allied facilities such as housing and accommodation for its staff which would accommodate staff members including doctors, working nurses and paramedics.









Mother & Child Hospital & Nursing College, Rajanpur

The Mother & Child Hospital Rajanpur comprise 200 beds with a total plot area for hospital building & nursing college of 88.51 Kanals approximately. The approximate covered area of the hospital building is 260,000 sq. ft (and staff accommodation is 201,000 sq. ft.)

The hospital will ensure the availability of teams comprising qualified physicians, technicians, nurses and administrative staff offering best of their services to expecting mothers, facilitate them in labor and delivery and treat other health problems of women and children.

This hospital comprises of the following blocks:

Gynae & Obstetrics Block

- Gynae Emergency
- Labor Room
- Antenatal Ward
- Postnatal Ward
- HDU
- ICU
- Gynae Ward
- Kangaroo Mother Care (KMC)
- Indoor/Day Care Room/Anemia Treatment Room

Paed's Ward

- Emergency (Paeds & Neonatal)
- Paeds Indoor
- Nursery/Neonatology
- Paeds ICU
- Neonatal HDU/ICU

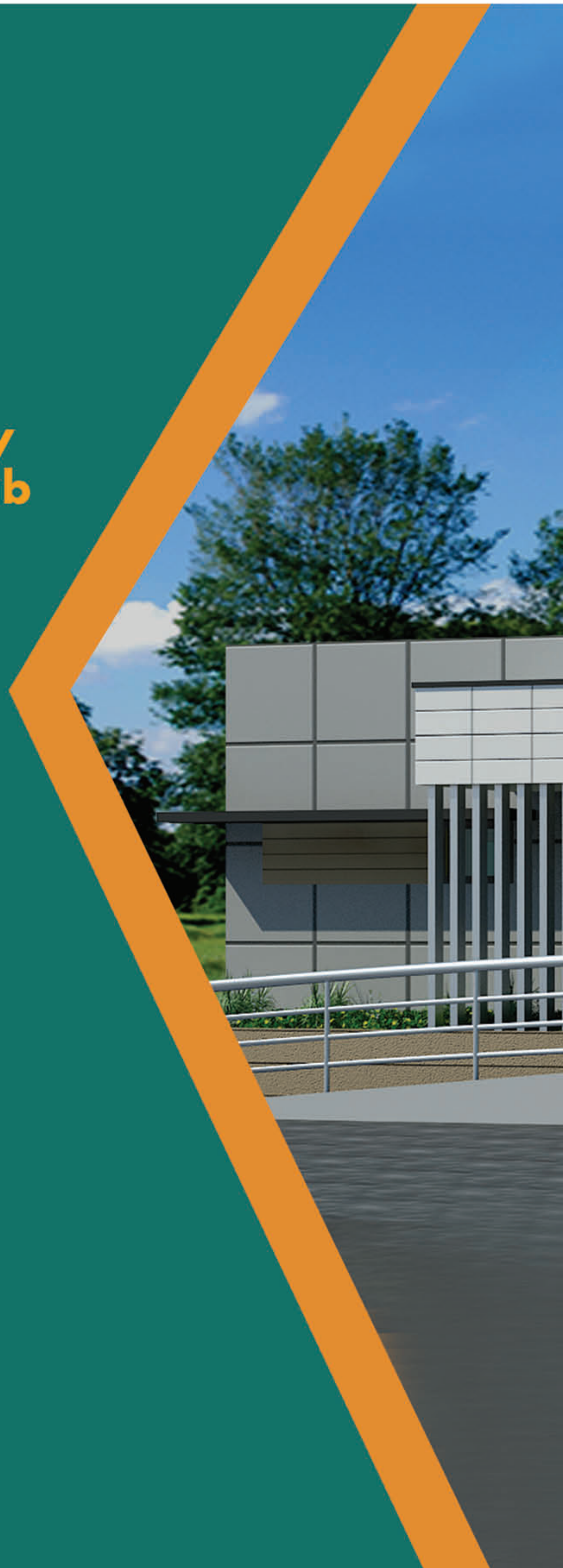
Support services like clinical pathology, laboratory, radiology, pharmacy, CSSD, kitchen, laundry, mortuary and blood bank are also included in the plan to ensure prompt delivery of respective services round the clock without interruption. Furthermore, this project will also provide other allied facilities such as housing and accommodation for its staff which would accommodate staff members including doctors, working nurses and paramedics.

Hepatitis Clinics and GI Departments in Tertiary Care Hospitals in Punjab

Major efforts are being made to tackle hepatitis in Pakistan. The following Hepatitis Prevention and Treatment Clinics (HPTC) are being established at numerous locations in Punjab under the Hepatitis Prevention & Treatment Program (HPTP):

- Jhelum
- Kasur
- Okara North
- Narowal
- Khanewal
- Mianwali
- Bhakkar
- Bahawalnagar
- Nankana Sahib
- Attock
- Lodra
- Shujabad
- Muzaffargarh
- Khusab
- Pakpattan
- Hafizabad
- Vehari
- Sheikhupura
- Jhang

IDAP has been building these clinics around the province to provide treatment to those infected with hepatitis B and C, free of cost. IDAP will help provide patients with access to top-class medical facilities, renowned hepatitis experts and the latest medicines at these Hepatitis Prevention & Treatment Program clinics. These purpose-built clinics aim to help eliminate hepatitis from the country.







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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AUTHORITY

Opinion

We have audited the financial statements of the Infrastructure Development Authority of the Punjab ("the Authority"), which comprise the statement of financial position as at June 30, 2019, and the related income and expenditure account, statement of comprehensive income, statement of changes in fund and statement of cash flows 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 the Authority as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with international Financial Reporting Standards (IFRS) as applicable in Pakistan.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the Authority's Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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



In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a 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 Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities 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 misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedure 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.
- 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the 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 Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw 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 obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

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

LAHORE

DATED: 06 FEB 2024

BDO Ehsan ul .

CHARTERED ACCOUNTANTS

Engagement Partner: Muhammad Imran

STATEMENT OF FINANCIAL POSITION

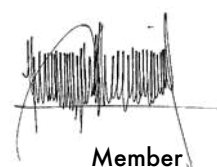
As At 30 June 2019

	Note	2019 Rupees	2018 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	124,387,633	171,200,126
Intangible assets	10	12,599,612	11,401,791
Long term deposits	11	13,596,090	10,195,090
		150,583,335	192,797,007
CURRENT ASSETS			
Receivables	12	93,026,896	222,829,363
Contract assets	13	100,072,214	4,727,475
Advances	14	946,303,907	2,296,879,425
Trade deposits and short term prepayments	15	6,492,004	19,736,609
Tax refunds due from Government	16	60,942,583	11,622,098
Taxation - net	17	21,465,562	49,320,485
Cash and bank balances	18	6,480,360,576	7,078,056,334
		7,708,663,742	9,683,171,789
TOTAL ASSETS		7,859,247,077	9,875,968,796
FUNDS AND LIABILITIES			
Fund and reserves			
Fund balance		—	—
NON CURRENT LIABILITIES			
Advances from customers	19	2,600,108,257	1,793,872,528
Government grants	20	485,477,735	755,841,472
Deferred liabilities - gratuity	21	74,061,460	19,650,100
		3,159,647,452	2,569,364,100
CURRENT LIABILITIES			
Trade and other payables	22	984,568,371	1,857,722,546
Retention money payable	23	1,401,515,468	960,826,025
Contract liability	24	64,617,236	71,878,475
Current portion of advances from customers	19	2,248,898,550	4,416,177,650
		4,699,599,625	7,306,604,696
CONTINGENCIES AND COMMITMENTS	25		
TOTAL EQUITY AND LIABILITIES		7,859,247,077	9,875,968,796

The annexed notes from 1 to 45 form an integral part of these financial statements.



68 Chief Executive



Member

STATEMENT OF INCOME AND EXPENDITURE

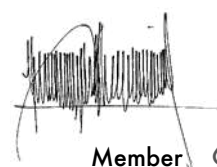
For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
INCOME			
Income from services	26	214,574,049	317,670,039
Amortization of grant	27	270,363,737	122,821,196
Other income	28	331,505,524	411,802,681
		816,443,310	852,293,916
EXPENDITURE			
Administrative and general expenses	29	(799,908,515)	(827,476,880)
Finance charges	30	(171,141)	(165,508)
		(800,079,656)	(827,642,388)
Surplus of income over expenditure before tax		16,363,654	24,651,528
Taxation	31	(17,449,546)	(24,651,528)
(Deficit)/surplus for the year after tax		(1,085,892)	–

The annexed notes from 1 to 45 form an integral part of these financial statements.



Chief Executive



Member

STATEMENT OF COMPREHENSIVE INCOME

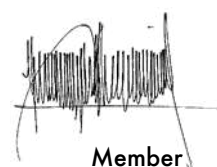
For the year ended June 30, 2019

	2019 Rupees	2018 Rupees
(Deficit)/surplus for the year after tax	(1,085,892)	—
Other comprehensive income for the year		
Items that will not be reclassified subsequently to the statement of income and expenditure		
Gain on remeasurement of staff retirement benefit plan	1,085,892	
Items that may be reclassified subsequently to income and expenditure	—	—
Total other comprehensive income for the year	1,085,892	—
Total comprehensive income for the year	—	—

The annexed notes from 1 to 45 form an integral part of these financial statements.



70 Chief Executive



Member

STATEMENT OF CHANGES IN FUND

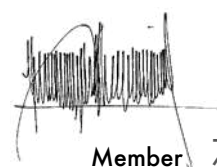
For the year ended June 30, 2019

	General fund
	Rupees
Balance as at July 01, 2018	—
Total comprehensive income for the year	—
Surplus for the year	—
Other comprehensive income for the year	—
Total comprehensive income	—
Balance as at June 30, 2018	—
Total comprehensive income for the year	—
(Deficit)/surplus for the year	(1,085,892)
Other comprehensive income for the year	1,085,892
Total comprehensive income	—
Balance as at June 30, 2019	—

The annexed notes from 1 to 45 form an integral part of these financial statements.



Chief Executive



Member

STATEMENT OF CASH FLOWS

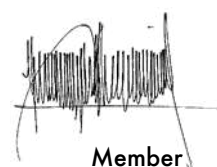
For the year ended June 30, 2019

		2019 Rupees	2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus of income over expenditure before tax		16,363,654	24,651,528
Adjustments for items not involving movement of funds:			
Depreciation	9	48,160,765	36,501,918
Amortization	10	2,757,883	1,786,936
Amortization of Government grant	27	(270,363,737)	(122,821,196)
Provision for gratuity	21	59,119,170	19,650,100
Net cash flow before working capital changes		(143,962,265)	(40,230,714)
(Increase) / decrease in current assets			
Long term deposits	11	(3,401,000)	38,317,510
Receivables	12	129,802,467	(206,756,550)
Contract assets	13	(95,344,739)	–
Advances	14	1,350,575,518	(786,836,193)
Trade deposits and short term prepayments	15	13,244,605	(10,237,838)
		1,394,876,851	(965,513,071)
Increase in current liabilities			
Trade and other payables	22	(873,154,175)	171,264,951
Retention money payable	23	440,689,443	–
Contract liability	24	(7,261,239)	23,244,515
Advances from customers	19	(1,361,043,371)	947,849,604
		(1,800,769,342)	1,142,359,070
Cash generated from operations		(549,854,756)	136,615,285
Gratuity paid	21	(3,621,918)	–
Taxes paid	17	(38,915,108)	(73,972,013)
Net cash generated from operating activities		(592,391,782)	62,643,272
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment- capital expenditure	9	(1,348,272)	(111,531,871)
Purchase of intangible assets	10	(3,955,704)	(7,911,408)
Net cash used in investing activities		(5,303,976)	(119,443,279)
CASH FLOWS FROM FINANCING ACTIVITIES			
Grant received from the Government of the Punjab		–	404,657,000
Net cash generated from financing activities		–	404,657,000
Net decrease in cash and cash equivalents		(597,695,758)	347,856,993
Cash and cash equivalents at the beginning of the year		7,078,056,334	6,730,199,341
Cash and cash equivalents at the end of the year	18	6,480,360,576	7,078,056,334

The annexed notes from 1 to 45 form an integral part of these financial statements.



72 Chief Executive



Member

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

Status of the Authority

The Infrastructure Development Authority of the Punjab ("the Authority/IDAP") is an autonomous body of the Government of the Punjab, established under the Infrastructure Development Authority of Punjab Ordinance, 2015 ("the Ordinance"). The Ordinance was repealed by the Infrastructure Development Authority of the Punjab Act, 2016 ("the Act") passed by the Punjab Assembly on February 03, 2016, and the Authority is now governed by the Act. The principal objective of the Authority is to plan, design, construct and maintain infrastructure in the province of Punjab using best international practices to cope with development needs, and to hire international and local consultants and contractors for the execution, management, operation and maintenance thereof as well as for other purposes.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Authority is situated at 50-B-III, Gulberg-III, Lahore.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as applicable in Pakistan which have been adopted locally by the Securities and Exchange Commission of Pakistan (SECP).

3.2 Accounting convention

These financial statements have been prepared under the historical cost convention.

The financial statements have been prepared following accrual basis of accounting except for cash flow information.

The preparation of these financial statements in conformity with approved accounting standards requires the management to exercise its judgment in the process of applying the Authority's accounting policies and use of certain critical accounting estimates. The areas involving a higher degree of judgment, critical accounting estimates and significant assumptions are disclosed in note 6.25.

3.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency for the Authority.

4 FIRST TIME ADOPTION OF - IFRS 9, "FINANCIAL INSTRUMENTS" AND IFRS 15, "REVENUE FROM CONTRACTS WITH CUSTOMERS"

4.1 IFRS 9: Financial Instruments

IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan (SECP) through its S.R.O. no. 229 (I)/2019 dated Feb 14, 2019 and is effective for accounting period / year ending on or after June 30, 2019.

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. It introduces a new approach to accounting for financial instruments, including how to account for impairments. Under IFRS 9, impairment is accounted for using an Expected Credit Loss (ECL) model. This standard replaced IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. The adoption of IFRS 9 has no significant effect on the Authority's accounting policies related to financial liabilities.

The revised provisions on the classification and measurement of financial assets (applicable mainly to trade receivables and other receivables) and financial liabilities (mainly trade creditors and interest-bearing debt) have not affected Authority's financial information. Consequently, the comparative figures have not been restated on the introduction of IFRS 9.

Note 36 explains the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Authority's financial assets and financial liabilities as at July 1, 2018.

ii. Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognized as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement basis:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality;
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Authority's financial assets include mainly trade debts, deposits, advances, other receivables and bank balances.

The Authority's trade receivables do not contain a significant financing component (as determined in terms of the requirements of IFRS 15 "Revenue from Contracts with Customers"), therefore, the Authority is using simplified approach, that does not require the Authority to track the changes in credit risk, but, instead, requires to recognize a loss allowance based on lifetime ECLs at each reporting date.

The Authority applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Authority's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Authority's customers. The Authority has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

The new impairment model applies to financial assets measured at amortized cost, contract assets and debt instruments classified as FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than IAS 39. Management uses actual credit loss experience over past years as basis for the calculation of ECL.

Given the Authority's good collection history with no historical loss rates / bad debts and normal receivable ageing, the move from an incurred loss model to ECL has not had an impact on the financial statements of the Authority. The Authority has determined that the application of IFRS 9's impairment requirements at July 01, 2018 results in no additional allowance for impairment.

4.2 IFRS 15 'Revenue from Contracts with Customers

IFRS 15 'Revenue from Contracts with Customers' is effective for accounting period beginning on or after July 1, 2018. This standard has replaced IAS 18 Revenue and related interpretations and it applies to all revenue arising from contracts with customers.

The IFRS 15 establish a five-steps model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires the entities to exercise judgment, taking in to consideration all of the relevant facts and circumstances when applying each step of the model to contracts with the customers. The Authority has concluded that the impact of adoption of revenue recognition model as laid down in IFRS 15 is not material.

Advances from customers

The term "Advances from customers" in these financial statements does not fall under the definition of contract liabilities as these are just funds received from customers to be paid to suppliers of goods and services on behalf of the customers. The Authority is not directly involved or beneficiary of use of these services or goods as it is engaged as an executing agency for which departmental charges are charged. Accordingly no disclosure or revenue recognition is required.

5 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

5.1 Amendments that are effective in current year and relevant to the Authority

The Authority has adopted the amendments to the following approved accounting standards as applicable in Pakistan which became effective during the year from the dates mentioned below against the respective standard:

	Effective date (annual periods beginning on or after)
Conceptual Framework for Financial Reporting 2018 - Original Issue	March 01, 2018
IFRS 2 Share-based Payment - amendments to clarify the classification and measurement of share-based payment transactions	January 01, 2018
IFRS 4 Insurance Contracts - amendments regarding the interaction of IFRS 4 and IFRS 9	January 01, 2018
IFRS 5 Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9	July 01, 2018
IFRS 8 Amendments regarding the interaction of IFRS 4 and IFRS 9	July 01, 2018

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

		Effective date (annual periods beginning on or after)
IFRS 7	Financial Instruments : Disclosures - additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9	July 01,2018
IFRS 9	Financial Instruments - reissue to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the 'own credit' gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9	July 01,2018
IFRS 9	Financial Instruments - finalized version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition	July 01,2018
IFRS 15	Original issue	July 01,2018
IFRS 15	Clarifications to IFRS 15	July 01,2018
IAS 39	Financial Instruments: Recognition and Measurements-amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception	July 01,2018
IAS 40	Investment Property - amendments to clarify transfers of property to, or from, investment property	January 01,2018

Other than the amendments to standards mentioned above, there are certain annual improvements made to IFRS that became effective during the year:

Annual Improvements to IFRSs (2014 – 2016) Cycle:

IFRS 1	First-time Adoption of International Financial Reporting Standards	January 01,2018
IAS 28	Investments in Associates and Joint Ventures	January 01,2018

5.2 Amendments not yet effective

The following amendments to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard:

	Effective date (annual periods beginning on or after)
Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update these pronouncements with regard to references to and quotes from the framework or to indicate where they refer to different version of the Conceptual Framework.	January 01,2020

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

		Effective date (annual periods beginning on or after)
IFRS 3	Business Combinations - amendments to clarify the definition of a business	January 01,2020
IFRS 8	Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01,2019
IFRS 9	Financial Instruments - amendments regarding prepayment features with negative compensation and modifications of financial liabilities negative compensation and modifications of financial liabilities	January 01,2019
IAS 1	Presentation of Financial Statements - amendments regarding the definition of materiality	January 01,2020
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - amendments regarding the definition of materiality	January 01,2020
IAS 19	Employee benefits - amendments regarding plan amendments, curtailments or settlements	January 01,2019
IAS 17	Amendments regarding plan amendments, curtailments or settlements	January 01,2019
IAS 28	Investments in Associates and Joint Ventures - amendments regarding long-term interests in associates and joint ventures	January 01,2019

The annual improvements to IFRSs that are effective from the dates mentioned below against respective standards:

Annual improvements to IFRSs (2015 – 2017) Cycle:

IFRS 3	Business Combinations	January 01,2019
IFRS 11	Joint Arrangements	January 01,2019
IAS 12	Income Taxes	January 01,2019
IAS 23	Borrowing Costs	January 01,2019

5.3 Standards or interpretations not yet effective

The following new standards have been issued by the International Accounting Standards Board (IASB), which have been adopted locally by the Securities and Exchange Commission of Pakistan effective from the dates mentioned against the respective standard:

IFRS 16	Leases	January 01,2019
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The effects of IFRS 16 - Leases are still being assessed, as these new standards may have a significant effect on the Authority's future financial statements.

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

Effective date (annual periods beginning on or after)

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRS 4	Regulatory Deferral Accounts
IFRS 17	Insurance Contracts

The Authority expects that the adoption of the other amendments and interpretations of the standards will not have any material impact and therefore will not affect the Authority's financial statements in the period of initial application.

6 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

6.1 Property, plant and equipment

a) Owned assets

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to income and expenditure account on a straight line method so as to write off the cost of an asset over its estimated useful life at rates disclosed in note 9 to the financial statements. Depreciation on additions is charged on a pro-rata basis from the day on which the asset is put to use, while for disposals, depreciation is charged up to the date of disposal of asset.

The asset's residual values and useful lives are reviewed at each financial year end, and adjusted if impact on depreciation is significant.

Normal repairs and maintenance are charged to income and expenditure account as and when incurred. Major improvements and modifications are capitalized and the assets so replaced, if any, are retired.

Profit or loss on disposal of property and equipment represented by the difference between the sale proceeds and the carrying amount of the asset is included in income and expenditure account.

b) Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprises purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized on a pro-rata basis from the day on which the asset is put to use, while for disposals, amortization is charged up to the date of disposal of asset. The useful life and amortization method is reviewed and adjusted, if appropriate, at each balance sheet date. The rates determined to amortize the intangible assets are disclosed in note 10.

6.2 Trade debts and other receivables

These are classified at amortized cost and are initially recognised when they are originated and measured at fair value of consideration receivable. An impairment allowance i.e. expected credit loss is calculated based on actual credit loss experience over the past years. The Authority applies a simplified approach in calculating Expected Credit Loss (ECL). The

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

Authority has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Authority recognises a loss allowance based on lifetime ECLs at each reporting date. The impairment allowance is recognized in the statement of profit or loss. These assets are written off when there is no reasonable expectation of recovery.

6.3 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in income and expenditure account except to the extent that it relates to items recognized directly in equity/comprehensive income, in which case it is recognized in equity/comprehensive income.

a) Current

Provision for current tax is based on taxable income for the year determined in accordance with the applicable law for taxation of income. The charge for current tax is calculated using prevailing current tax rates or tax rates expected to apply to the profit for the year, if enacted, after taking into account tax credits and tax rebates realizable, if any.

b) Deferred

Deferred tax is recognized using the balance sheet liability method on all temporary differences, at the balance sheet date, between the amounts attributed to assets and liabilities for financial reporting purpose and amounts used for taxation purposes. Deferred tax is calculated at the rates that are expected to apply to the periods when the difference will reverse, based on tax rates that have been enacted or substantially enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Authority has not recognised a deferred tax asset during the year, as it is not considered probable that future taxable profit will be available against which this can be realised.

6.4 Trade and other payables

Liabilities for trade and other amounts payable are measured 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 Authority.

6.5 Provisions

Provisions are recognized when the Authority has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

6.6 Cash and bank balances

Cash in hand and at banks are carried at nominal amount.

6.7 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents are stated at cost and comprise of cash in hand and cash at banks in current and deposit accounts.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

6.8 Impairment

Financial assets

A financial asset is considered to be impaired if objective evidence indicate that one or more events had a negative effect on the estimated future cash flow of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as a difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Non-financial assets

The carrying amounts of the Authority's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

Impairment losses, if any, are recognized in income and expenditure account.

6.9 Financial instruments

a) Financial assets

The Authority classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Authority as at statement of financial position date are carried at amortized cost.

Amortized cost

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:

- (i) it is held with in a business model whose objective is to hold assets to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt Instrument - Fair Value Through Other Comprehensive Income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at Fair value through profit and loss (FVTPL):

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity Instrument - FVOCI

On initial recognition of an equity investment that is not held for trading, the Authority may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Authority may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Impairment

The Authority recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Authority recognizes loss allowance for Expected Credit Losses (ECLs), except for the following, which are measured at 12-month ECLs, on financial assets measured at amortized cost and contract assets. The Authority measures loss allowance at an amount equal to lifetime ECLs as per the following:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Authority is exposed to credit risk.

At each reporting date, the Authority assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Authority has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Authority considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Authority's historical experience and informed credit assessment and including forward-looking information.

The Authority applies the IFRS 9 simplified approach to measure the expected credit losses which uses a lifetime expected loss allowance. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Management uses actual credit loss experience over a past years to base the calculation of ECL.

At each reporting date, the Authority assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

b) Financial liabilities

All financial liabilities are recognized at the time when the Authority becomes a party to the contractual provisions of the instrument.

Recognition and measurement

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

Derecognition

The financial assets are de-recognized when the Authority loses control of the contractual rights that comprise the financial assets. The financial liabilities are de-recognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired.

6.10 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the Authority has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

6.11 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the exchange rate prevailing on the date of the transaction. Foreign exchange gains and losses on translation, if any, are recognized in the income and expenditure account. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of the transaction.

6.12 Revenue recognition

Revenue shall be recognized when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset and thus has the ability to direct the use and obtain the benefits from the good or service.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

6.13 Income from services

Income from departmental charges is recognized over the period for which project related activities are going on, based upon stage of completion method. Stage of completion is measured by reference to cost incurred to date as a percentage of total estimated cost for each contract.

6.14 Amortization of grants

Grants are initially recognized at fair value in the balance sheet when there is reasonable assurance that the grants will be received and the Authority will comply with all the attached conditions, if any. Grants that compensate the Authority for expenses incurred are recognized as grant income in the income and expenditure accounts on a systematic basis in the same period(s) in which the expenses are incurred after deducting internally generated fund/income of the Authority. When the grants relates to an asset, it is recognized as income in equal amounts over the expected useful life of these related asset.

6.15 Mark up income

Mark up income on bank deposits is recognized using effective interest rate method.

6.16 Grants

Grants are recognized where there is reasonable assurance that the grants will be received and all attached conditions will be complied with.

a) Deferred capital grants

Grants received for purchase of fixed assets with limited life are initially recorded as deferred grant upon receipt. When the assets are actually purchased they are then recorded as deferred capital grants and when expended they are amortized into income and expenditure account on a systematic basis over the periods necessary to match them with carrying value of the related assets.

b) Income related grants

Grants of non-capital nature are recognized as deferred income at the time of their receipt. Subsequently, these are recognized in the income and expenditure account to the extent of the expenditure after deducting internally generated fund/income of the Authority. Expenditure incurred against grants committed but not received, is recognized directly in income and expenditure account.

6.17 Compensated absences

The Authority provides a facility to its employees for accumulating their annual earned leaves. Under unfunded scheme, the employees are entitled to 21 days earned leave for each completed year of service. In case, an employee does not avail his/her entire quota of the annual leave, the unutilized annual leaves up to a maximum of fifty percent (50%) of the preceding year's total annual leaves quota shall be carried forward for upto two (02) financial years. Provisions are made to cover the obligation under the scheme and are charged to income and expenditure account.

6.18 Staff retirement benefits

The Authority's employees benefits comprise of gratuity fund.

a) Defined benefit plan (Gratuity Fund)

The Authority operates an unfunded gratuity scheme (defined benefit plan) covering all eligible employees, payable at the cessation of employment. Contribution is made in accordance with actuarial recommendations. Actuarial valuation is conducted by an independent actuary, annually using projected unit credit method related details of which are given in note 21 to the financial statements. The obligation at the balance sheet date is measured at the present value of the estimated future cash outflows. All contributions are charged to profit or loss for the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

6.19 Related party transactions

Transactions with related parties are priced on arm's length basis. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.

6.20 Segment reporting

An operating segment is a component of the Authority that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Authority's other components. All operating segments' results are reviewed regularly by the Authority's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Authority has only one reportable segment.

6.21 Contingencies

A contingent liability is disclosed when the Authority has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority; or the Authority has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

6.22 Contract liabilities

Contract liability is the obligation of the Authority to transfer goods or services to a customer for which the Authority has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Authority transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Authority performs under the contract. It also includes liabilities arising out of customers' right to claim amounts from the Authority on account of contractual delays in delivery of performance obligations and incentive on target achievements.

6.23 Contract assets

A contract asset represents the Authority's right to consideration in exchange for goods that the Authority has transferred to customer that is not yet unconditional. In contrast, a receivable represents the Authority's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

6.24 Use of estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimate and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. A change in accounting estimate may effect only the current period of the income and expenditure account or the income and expenditure account of both current and future years.

Judgments and estimates made by management in the application of approved accounting standards that may have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next years are discussed in the following paragraphs:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

a) Property, plant and equipment

The Authority reviews the useful lives and residual values of property, plant and equipment on a regular basis. Any change in estimate in future years might affect the carrying amounts of the respective items of property, plant and equipment's with corresponding effect on depreciation charge and impairment.

b) Impairment of assets

The carrying amounts of the Authority's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated using criteria given in respective accounting standards to determine the extent of impairment loss, if any.

c) Taxation

The Authority takes into account the current income tax laws and decisions taken by appellate authorities. Instances where the Authority's view differs from that taken by the income tax department at the assessment stage and where the Authority considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

d) Provision for doubtful debts and other receivables

The Authority uses a provision matrix to calculate ECLs for trade receivables and other receivables. The provision matrix is initially based on the Authority's historical observed default rates. The Authority will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

e) Provision and contingencies

The Authority reviews the status of all pending litigations and claims against the Authority. Based on its judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the balance sheet date.

f) Financial instruments

The fair value of the financial instrument that are not traded in an active market is determined by using valuation techniques based on assumption that are dependent on conditions existing at the balance sheet.

g) Defined benefit plan

Certain actuarial assumptions have been adopted by external professional valuer for valuation of present value of defined benefit obligations. Any changes in these assumptions in future years might affect unrecognized gains and losses in those years.

7 GOING CONCERN

The Authority charges fee as departmental charges which is not sufficient to cover the expenditure, however, the Authority has arrangements to obtain grant/funds from Government of Punjab to recover other operating cost to ensure sustainable operations and thus the Authority continues its operations on going concern basis on the assured support of the Government of Punjab based on which these financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

8 SALES TAX

Departmental charges charged by the Authority are not subject to Punjab Sales Tax on Services Act, 2012 in view of Article 165(1) of the Constitution read with judgment of Honourable Supreme Court of Pakistan in the case of Sindh Revenue Board Vs. Civil Aviation Authority (2017 SCMR 1344). Considering all the facts and applicable laws, rules and regulations, the Authority being an extension of Punjab Government cannot be subject to Punjab Sales tax on Services Act, 2012 under the Article 165(1) of the Constitution. Since Authority only acts within statutory mandate and provides facilitation to only Punjab Government's projects the non-taxability of its departmental charges holds true regardless of the form of organization that the Punjab Government project takes or subsists in i.e. statutory authority or a Authority. Accordingly, the Authority has not claimed input tax which is being paid to Government and charged as an expense.

9 PROPERTY, PLANT AND EQUIPMENT

The following is the statement of property, plant and equipment:

Description	Leasehold improvements	Electrical and office equipment	Furniture and fixtures	Computer equipment	Vehicles	Grand total
----- Rupees -----						
Net carrying value basis						
year ended June 30, 2019						
Opening net book value (NBV)	9,388,116	22,899,332	17,839,967	55,216,571	65,856,140	171,200,126
Additions (at cost)	792,966	196,819	234,187	124,300	–	1,348,272
Disposal (NBV)	–	–	–	–	–	–
Depreciation charge	(5,918,292)	(5,511,024)	(2,051,734)	(27,317,378)	(7,362,337)	(48,160,765)
Closing net book value	4,262,790	17,585,127	16,022,420	28,023,493	58,493,803	124,387,633
Gross carrying value basis						
year ended June 30, 2019						
Cost	16,137,772	27,609,488	20,674,102	83,942,835	75,567,310	223,931,507
Accumulated depreciation	(11,874,982)	(10,024,361)	(4,651,682)	(55,919,342)	(17,073,507)	(99,543,874)
Net book value	4,262,790	17,585,127	16,022,420	28,023,493	58,493,803	124,387,633
Net carrying value basis						
year ended June 30, 2018						
Opening net book value (NBV)	12,695,792	8,177,950	13,688,576	27,956,963	33,650,892	96,170,173
Additions (at cost)	1,660,348	17,794,624	5,769,180	48,458,114	37,849,605	111,531,871
Disposal (NBV)	–	–	–	–	–	–
Depreciation charge	(4,968,024)	(3,073,242)	(1,617,789)	(21,198,506)	(5,644,357)	(36,501,918)
Closing net book value	9,388,116	22,899,332	17,839,967	55,216,571	65,856,140	171,200,126
Gross carrying value basis						
year ended June 30, 2018						
Cost	15,344,806	27,412,669	20,439,915	83,818,535	75,567,310	222,583,235
Accumulated depreciation	(5,956,690)	(4,513,337)	(2,599,948)	(28,601,964)	(9,711,170)	(51,383,109)
Net book value	9,388,116	22,899,332	17,839,967	55,216,571	65,856,140	171,200,126
Depreciation rate % per annum	33%	20%	10%	33%	10%	

9.1 The depreciation charge for the year has been allocated to administrative cost.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
10 INTANGIBLE ASSETS			
This comprises of:			
Software	10.1	6,270,486	3,490,383
Capital work in progress	10.2	6,329,126	7,911,408
		12,599,612	11,401,791
10.1 Software			
Cost			
Opening balance		5,361,345	5,361,345
Additions during the year		5,537,986	–
Disposals-NBV		–	–
		10,899,331	5,361,345
Amortization			
Amortization at beginning of the year		1,870,962	84,026
Amortization during the year		2,757,883	1,786,936
Total amortization		4,628,845	1,870,962
Closing balance - net book value		6,270,486	3,490,383
Rate of amortization		33%	33%
10.2 Capital work in progress			
Movement is as follows:			
Opening balance		7,911,408	–
Additions (at cost)	10.2.1	–	7,911,408
Transferred to intangible assets		(1,582,282)	–
Closing balance		6,329,126	7,911,408
10.2.1	This represents 10% advance payment made to the suppliers (M/s Systems Limited) for the supply of enterprise resource planning (ERP) system and implementation services of which Rs 1,582,282 (2018: Nil) is recognized as intangible during the year.		

	Note	2019 Rupees	2018 Rupees
11 LONG TERM DEPOSITS			
Security deposits	11.1	13,596,090	10,195,090
11.1 Movement of long term deposits is as follows:			
Opening balance		10,195,090	12,442,600
Addition during the year		3,401,000	10,012,590
Adjusted during the year		–	(9,410,100)
Less: Current portion shown under current assets		–	(2,850,000)
Closing balance	11.2	13,596,090	10,195,090

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

- 11.2 This includes interest free security deposits for the office building amounting to Rs. 13.596 million (2018: Rs. 10.195 million) which are not recognized at amortized cost as it will have immaterial impact and are thus carried at historical cost. These deposits do not carry any interest or mark-up and are not recoverable within one year. The said deposit is refundable at the expiry of the respective rent agreement or on vacation of the rented premises.

	Note	2019 Rupees	2018 Rupees
12 RECEIVABLES			
Unsecured - Considered good			
Related parties			
Receivable against cost incurred:			
Specialized Healthcare and Medical Education			
Department of Government of Punjab			
Tertiary Care Hospitals	12.3	–	100,734,492
Jinnah Hospital-Pathology Lab	12.4	15,806,592	15,762,185
University of Murree		731,595	35,943
DHQs/THQs Medical Department	19.9	565,500	–
Mother and Child Hospital, Mianwali		145,000	–
Quaid-e-Azam Thermal Power (Private) Limited			
	12.5	9,380,620	62,020,996
Others		35,609	406
	12.1	26,664,916	178,554,022
Unsecured - Considered good			
Related parties			
Receivable against departmental charges:			
Revamping of DHQs and THQs Hospitals		45,065,998	38,342,021
Jinnah Hospital, Lahore:			
Revamping of the Jinnah Hospital		1,898,813	708,415
Jinnah Hospital-Pathology Lab		790,330	788,109
Punjab Forensic Science Agency		12,102,425	120,515
Tertiary Care Hospitals		6,458,300	4,270,167
Planning and Development Department,			
Government of the Punjab			
		44,114	44,114
Others		2,000	2,000
	12.2	66,361,980	44,275,341
		93,026,896	222,829,363

- 12.1 This represents balance due from the related parties.

- 12.2 This represents departmental charges receivable which is ranging from 2% to 5% of cost of project, for the execution of various projects.

- 12.3 This represents amount receivable as per the agreement between Specialized Healthcare and Medical Education Department of Government of Punjab and the Authority signed on December 26, 2017 (the "Effective Date") for establishment of Hepatitis Clinics and GI Departments in Tertiary Care Hospitals in Punjab. This represents amount incurred on behalf of the Project and reimbursable to the Authority.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

- 12.4 This represents amount receivable as per the agreement between Specialized Healthcare and Medical Education Department of Government of Punjab and the Authority signed on May 30, 2018 with effect from October 27, 2017 (the "Effective Date") for establishment of a pathology laboratory for Specialized Healthcare and Medical Education Department at Jinnah Hospital, Lahore. This represents amount incurred on behalf of the Project and reimbursable to the Authority.
- 12.5 This represents amount receivable as per the agreement between Quaid-e-Azam Thermal Power (Private) Limited (QATPL) and the Authority signed on December 17, 2016 (the "Effective Date") for construction of the Site Housing Complex and Auditorium at Bhikki. This represents amount incurred on behalf of the Project and reimbursable to the Authority.

	Note	2019 Rupees	2018 Rupees
13 CONTRACT ASSETS			
Contract assets		100,072,214	4,727,475
13.1 The amounts recognized in the statement of financial position are as follows:			
Unsecured - Considered good			
Related parties			
Receivable against departmental charges:			
Pakistan Kidney and Liver Institute (PKLI) and Research Centre		59,699,195	–
Recep Tayyip Erdogan Hospital (RTEH)		20,161,576	–
Information Technology University		359,412	218,642
The Punjab Agriculture, Food and Drug Authority		11,385,590	–
Lahore Knowledge Park Company		5,020,941	978,335
Quaid-e-Azam Thermal Power (Private) Limited		3,445,500	3,530,498
	13.2	100,072,214	4,727,475

- 13.2 This represents departmental charges receivable which is ranging from 2% to 5% of cost of project, for the execution of various projects.
- 13.3 This represents the Authority's right to consideration for work completed but not billed as at the reporting date, recognized as per requirements of IFRS 15 "Revenue from Contracts with Customers". The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Authority invoices the customer.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
14 ADVANCES			
Secured			
Mobilization advance	14.1		
Contractors		855,666,511	2,153,537,413
Consultants		13,873,405	20,315,806
Suppliers		43,237,207	59,079,427
Advance to contractors	14.2	32,670,784	63,006,529
		945,447,907	2,295,939,175
Unsecured			
Advance to employees	14.3	814,000	814,000
Advance to suppliers		42,000	126,250
		856,000	940,250
Total		946,303,907	2,296,879,425

14.1 The mobilization advance is given to contractors, consultants and suppliers as per term of agreement which is secured against bank guarantee.

14.2 This represents advance provided to the contractors for the procurement of machinery for the projects.

14.3 This includes advances provided to employees to meet business expenses and are settled as and when the expenses are incurred. These advances do not carry any interest or mark-up.

	Note	2019 Rupees	2018 Rupees
15 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits			
Security deposits	15.1	–	6,251,000
Margin against letter of credit	15.3	–	1,350,000
Short term prepayments:			
Insurance		1,828,294	1,845,721
License-Ms. Office		4,663,710	10,271,107
Others		–	18,781
		6,492,004	19,736,609

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
15.1	Movement of security deposits is as follows:		
Opening balance		6,251,000	–
Addition during the year	15.2	–	3,401,000
Adjusted during the year		(2,850,000)	–
Transferred to long term deposits		(3,401,000)	–
Add: Current portion of long term security deposits		–	2,850,000
		–	6,251,000

15.2 This represents cash margin withheld by the bank against the Pakistan State Oil Limited fleet cards guarantee.

15.3 This represents margin withheld by the bank against the letter of credit for purchase of medical equipment relating to the Pakistan Kidney and Liver Institute.

	Note	2019 Rupees	2018 Rupees
16	TAX REFUNDS DUE FROM GOVERNMENT		
Considered good			
Income tax		60,942,583	11,622,098
17	TAXATION - NET		
Advance income tax		38,915,108	73,972,013
Less: Provision for taxation	31	(17,449,546)	(24,651,528)
		21,465,562	49,320,485
18	CASH AND BANK BALANCES		
Cash in hand		293,528	293,528
Cash at Bank:			
Current accounts		612,159	612,159
Saving accounts	18.3	6,479,454,889	7,077,150,647
	18.2	6,480,360,576	7,078,056,334

18.1 Balance in saving accounts carry mark-up at the rate ranging from 6.5% to 10.5% (2018: 6.5% to 10.5%) per annum.

18.2 The balance in saving accounts amounting to Rs. 6,479.454 million (2018: Rs. 7,077.150 million) is for the implementation of different projects which is received from customers/clients.

18.3 This includes margin withheld by the bank against the letter of credit for purchase of medical equipment relating to the Pakistan Kidney and Liver Institute and Research Center and Recep Tayyip Erdogan Hospital (RTEH) amounting to Rs. 272.752 million and Rs. 215.296 million respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

19 ADVANCES FROM CUSTOMERS

	Note	Opening balance	Receipt during the year	Total advance receipt	Total utilization during the year (Note - 19.13)	Current portion of advances from customers	Closing balance
Rupees							
Year ended June 30, 2019							
Pakistan Kidney and Liver Institute (PKLI)							
and Research Centre	19.1	986,579,032	4,476,739,309	5,463,318,341	4,734,021,579	729,296,762	-
Recep Tayyip Erdogan Hospital (RTEH)	19.2	824,507,523	344,582,600	1,169,090,123	1,012,877,929	113,961,561	42,250,633
Mother and Child Hospital	19.3	393,206,921	-	393,206,921	69,352,893	323,854,028	-
Revamping of DHQs and THQs Hospitals	19.4	1,646,740,145	1,698,573,751	3,345,313,896	1,624,405,136	-	1,720,908,760
Provision of Missing Specialties for Upgradation of DHQ:							
Hospital Sialkot to Teaching Hospital Sialkot;	19.5	621,153,300	-	621,153,300	-	-	621,153,300
Information Technology University	19.6	64,300,891	-	64,300,891	7,038,492	-	57,262,399
Jinnah Hospital, Lahore	19.7	159,723,563	-	159,723,563	1,190,398	-	158,533,165
The Punjab Agriculture, Food and Drug Authority	19.8	694,483,947	701,781,000	1,396,264,947	782,764,776	613,500,171	-
Punjab Forensic Science Agency	19.9	495,840,128	215,209,961	711,050,089	428,701,230	282,348,859	-
Lahore Knowledge Park Company	19.10	323,514,728	14,647,006	338,161,734	202,130,311	136,031,423	-
Project of SHC & ME	19.11	-	90,499,508	90,499,508	43,762,671	46,736,837	-
Quaid e Azam Thermal Power Limited	19.12	-	8,679,198	8,679,198	5,510,289	3,168,909	-
		6,210,050,178	7,550,712,333	13,760,762,511	8,911,755,704	2,248,898,550	2,600,108,257
Year ended June 30, 2018							
Pakistan Kidney and Liver Institute (PKLI)							
and Research Centre;	19.1	1,345,136,627	9,519,085,475	10,864,222,102	9,877,643,070	986,579,032	-
Recep Tayyip Erdogan Hospital (RTEH)	19.2	542,058,089	2,838,595,704	3,380,653,793	2,556,146,270	824,507,523	-
Mother and Child Hospital	19.3	524,277,226	-	524,277,226	131,070,305	17,188,910	376,018,011
Revamping of DHQs and THQs Hospitals	19.4	3,206,935,739	1,606,268,819	4,813,204,558	3,166,464,413	1,646,740,145	-
Provision of Missing Specialties for Upgradation of DHQ:							
Hospital Sialkot to Teaching Hospital Sialkot;	19.5	678,503,393	-	678,503,393	57,350,093	-	621,153,300
Information Technology University	19.6	72,839,836	-	72,839,836	8,538,945	7,043,992	57,256,899
Jinnah Hospital, Lahore	19.7	178,474,136	-	178,474,136	18,750,573	1,190,398	158,533,165
The Punjab Agriculture, Food and Drug Authority	19.8	176,475,384	1,000,000,000	1,176,475,384	481,991,437	392,228,130	302,255,817
Punjab Forensic Science Agency	19.9	-	500,000,000	500,000,000	4,159,872	443,627,936	52,212,192
Lahore Knowledge Park Company	19.10	-	372,431,491	372,431,491	48,916,763	97,071,584	226,443,144
		6,724,700,430	14,963,949,998	22,561,081,919	16,351,031,741	4,416,177,650	1,793,872,528

The authority will act as representative of the above mentioned projects and be responsible for the engineering, procurement and construction as per terms of each agreement.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

- 19.1 This represents advance received as per agreement between the Pakistan Kidney and Liver Institute and Research Centre (PKLI & RC) and the Authority signed on June 07, 2016 (the "Effective Date") for the construction of a charity project in Lahore.
- 19.2 This represents advance received as per the agreement between the Recep Tayyip Erdogan Hospital Trust (RTEHT) and the Authority signed on September 05, 2016 (the "Effective Date") for the construction of RTEH Phase - I expansion.
- 19.3 This represents advance received as per the agreement between the Commissioner Rawalpindi Division, Rawalpindi duly appointed with the additional charge of the Project Director of Hospital through notification No. SO (Dev-I) 25-56/2015 dated May 23, 2016 issued by Specialized Healthcare and Medical Education Department of Government of Punjab and the Authority signed on 9 September 2016 (the "Effective Date") for the construction of 100-bedded Mother and Child Hospital in Murree.
- 19.4 This represents advance received as per the original agreement and amendment No. 1 between Primary and Healthcare Department, Punjab and the Authority signed on November 15, 2016 and February 27, 2017 (the "Effective Date") respectively for the revamping of all DHQ Hospitals in Punjab, revamping of 15 THQ Hospitals and establishment of 15 Emergencies.
- 19.5 This represents advance received as per the agreement between Khawaja Muhammad Safdar Medical College & Hospital, Sialkot and the Authority signed on November 22, 2016 for the upgradation of DHQ Hospital Sialkot to Teaching Hospital Sialkot in Sialkot.
- 19.6 This represents advance received as per the agreement between the Information Technology University and the Authority signed on June 12, 2017 (the "Effective Date") for the construction of main campus of the Information Technology University in Lahore.
- 19.7 This represents advance received as per the agreement between the Specialized Healthcare and Medical Education Department of Government of Punjab and the Authority signed on April 28, 2017 (the "Effective Date") for the revamping of the Jinnah Hospital, Lahore.
- 19.8 This represents advance received as per the agreement between Punjab Agriculture, Food and Drug Authority (PAFDA) and the Authority signed on 15 December 2016 (the "Effective Date") for the construction of PAFDA Complex / Science Enclave.
- 19.9 This represents advance received as per the agreement between Punjab Forensic Science Agency (PFSA) and the Authority signed on January 02, 2018 with an effective date of January 25, 2018 (the "Effective Date") for the establishment of training laboratory / facility.
- 19.10 This represents advance received as per the original agreement and amendment No. 1 between Lahore Knowledge Park Company (LPKC) and the Authority signed on December 12, 2017 and February 04, 2018 (the "Effective Date") respectively for the construction of Lahore Knowledge Park situated at Bedian Road, Lahore.
- 19.11 This represents advance received as per the agreement between Governor of Punjab, acting through Secretary, Government of the Punjab, Specialized Healthcare and Medical Education Department with the Authority signed on May 11, 2018 (the "Effective Date") for the establishment of Hepatitis Clinics in seven Tertiary Care Hospitals in Punjab.
- 19.12 This represents advance received as per the agreement between Quaid-e-Azam Thermal Power (Private) Limited (QATPL) and the Authority signed on December 17, 2016 with an effective date of September 11, 2017 (the "Effective Date") for the establishment of Site Housing Complex and auditorium on approximately 40 acres of land adjacent to the Plant which is located at the left bank of Qadirabad Balloki link canal and is about 15 Km from Sheikhpura.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

19.13 This represents costs incurred by the Authority on behalf of the projects, which mainly includes the contractors' fee, consultants' fee, equipment, advertisement and bank charges.

	Note	2019 Rupees	2018 Rupees
20 GOVERNMENT GRANTS			
Deferred grants related to income	20.1	392,111,875	611,556,964
Deferred grants related to assets	20.2	93,365,860	144,284,508
		485,477,735	755,841,472
20.1 Government grants related to income			
As at July 01,		611,556,964	314,387,357
Cash grant received during the year		–	381,701,949
Amortized during the year	27	(219,445,089)	(84,532,342)
At the end of the year		392,111,875	611,556,964
20.2 Government grants related to assets			
As at July 01,		144,284,508	159,618,311
Cash grant received during the year		–	22,955,051
Amortized during the year	27	(50,918,648)	(38,288,854)
At the end of the year		93,365,860	144,284,508

21 DEFERRED LIABILITIES

a) General description

The scheme provides for terminal benefits for all its permanent employees who qualify for the scheme. The defined benefit payable to each employee at the end of his service comprises of total number of years of his service multiplied by last drawn basic salary including cost of living allowance.

Annual charge is based on actuarial valuation carried out by an independent approved valuer M/s TRT Associates as at June 30, 2019 using the Projected Unit Credit method.

	Note	2019 Rupees	2018 Rupees
21.1 Reconciliation of payable to defined benefit plan			
Present value of defined benefit obligation		74,061,460	19,650,100
21.2 Movement in the net liability			
Opening balance		19,650,100	–
Expense chargeables to P&L	21.4	59,119,170	19,650,100
Remeasurement changes chargeable to other comprehensive income		(1,085,892)	–
Payments / adjustments during the year		(3,621,918)	–
		74,061,460	19,650,100

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	2019 Rupees	2018 Rupees
21.3 Movement in present value of defined benefit obligation		
Opening balance	19,650,100	–
Current service cost	37,546,497	19,650,100
Past service cost	19,030,595	–
Interest on defined benefit obligation	2,542,078	–
Payments / adjustments during the year	(3,621,918)	–
Remeasurement changes chargeable to other comprehensive income	(1,085,892)	–
	74,061,460	19,650,100
21.4 Charged to the statement of income and expenditure		
Current service cost	37,546,497	19,650,100
Past service cost	19,030,595	–
Interest on defined benefit obligation	2,542,078	–
	59,119,170	19,650,100
21.5 Remeasurements chargeable to the other comprehensive income		
Remeasurement of plan obligations		
Experience adjustments	(1,085,892)	–
	(1,085,892)	–

21.6 Significant actuarial assumptions

Projected unit credit method, based on the following significant assumptions, is used for valuation of gratuity:

	2019	2018
Discount rate used for interest cost	14.25%	–
Discount rate used for year end obligation	14.25%	–
Expected rates of salary increase in future years	14.25%	–
Retirement age of employee	60	–

21.7 Sensitivity Analysis

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date had fluctuated by 100 bps with all other variables held constant, the present value of the defined benefit obligation as at year end would have been as follows:

	Carrying amount of present value of defined benefit obligation due to change in assumption	
	Increase in assumption	Decrease in assumption
Discount rate (100 bps change)	78,618,505	69,770,103
Salary increase (100 bps change)	78,616,767	69,769,246

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

21.8 The provision for gratuity has been made based on actuarial valuation. The employee shall be entitled to this benefit after the successful completion of contractual term of two years of his/her service from the date of joining the Authority.

21.9 Provision for gratuity

General description

The scheme provides for terminal benefits for all its permanent employees who qualify for the scheme. The defined benefit payable to each employee at the end of his service comprises of total number of years of his service multiplied by last drawn basic salary including cost of living allowance.

The Authority faces the following risks on account of gratuity:

Final salary Risk - The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.

Interest rate Risk - The present value of the defined benefit liability is calculated using a discount rate determined by reference to the market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.

Mortality rate Risk - The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

Withdrawal rate Risk - The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

	2019 Rupees	2018 Rupees
21.10 The charge for the year has been allocated as follows:		
Administrative and general expenses	59,119,190	19,650,100
21.11 Historical information		
Present value of defined benefit obligation	74,061,460	19,650,100

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
22 TRADE AND OTHER PAYABLES			
Creditors		11,319,599	122,193,320
Payable to contractors		655,983,400	862,342,165
Payable to consultants		167,662,349	338,365,274
Payable to suppliers		12,985,900	356,211,310
Payable to employees		22,226,300	4,185,569
Accrued expenses	22.1	32,029,637	49,879,708
Deferred liability	22.2	–	1,034,634
Withholding income tax payable		3,001,719	12,172,023
Withholding sales tax payable		52,266,774	64,595,165
Sales tax payable		7,859,724	7,307,024
Other payables	22.4	19,232,969	39,436,354
		984,568,371	1,857,722,546

22.1 Accrued expenses			
Salaries and wages		23,093,721	29,149,894
Utilities		847,620	2,534,688
Rental charges		4,078,142	5,148,545
Repair and maintenance		371,925	1,838,738
Legal and professional charges		356,547	982,501
Auditors' remuneration		1,450,000	4,400,000
Security services		245,333	640,000
Advertisement		31,530	132,815
Printing and stationary		373,712	–
Others		1,181,107	5,052,527
		32,029,637	49,879,708

22.2 Deferred liability includes an amount of Nil (2018: 1.034 million), resulting from a difference between amount paid plus payable as per the contract and rent calculated on straight line basis relating to the operating lease as per IAS-17.

22.3 This amount includes a payable under memorandum of understanding signed between the Specialized Healthcare and Medical Education (SH&ME) Department of Government of Punjab and the Authority for the establishment of Project Monitoring Office (PMO). The movement of this balance has been provided hereunder:

	2019 Rupees	2018 Rupees
22.4 Movement during the year:		
As at July 01,	39,436,354	20,060,814
Advance received during the year	71,199,000	150,000,000
Expense incurred by the Authority on behalf of PMO	(91,402,385)	(130,624,460)
At the end of the year	19,232,969	39,436,354

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
23 RETENTION MONEY PAYABLE			
Retention money for contractors	23.1	1,173,615,181	880,079,767
Retention money for contractors			
Withholding warranty claim payable		4,563,108	8,857,886
Other deductions payable	23.2	223,337,179	71,888,372
		1,401,515,468	960,826,025

23.1 This represents retention money payable to contractors, suppliers and consultants.

23.2 This represents the deductions suggested by the Auditor General of the Punjab during the audit of Infrastructure Development Authority of the Punjab.

		2019 Rupees	2018 Rupees
24 CONTRACT LIABILITY			
Pakistan Kidney and Liver Institute (PKLI) and Research Centre		–	8,359,797
Recep Tayyip Erdogan Hospital (RTEH)		–	95,982
Mother and Child Hospital		2,801,599	2,609,141
DHQ Hospital Sialkot to Teaching Hospital Sialkot		50,603,515	50,603,515
The Punjab Agriculture, Food and Drug Authority		5,940,335	10,210,040
Jinnah Hospital Lahore		1,142,782	–
Quaid-e-Azam Thermal Power (Private) Limited		4,129,005	–
		64,617,236	71,878,475

24.1 This represents the amount received from the customers in advance and was unearned as at year end.

		2019 Rupees	2018 Rupees
24.2 Movement in contract liabilities			
Opening balance as at July 01,		71,878,475	48,633,960
Advance received		5,464,246	63,422,695
Income recognised		12,725,485	40,178,180
Closing balance as at June 30		64,617,236	71,878,475

24.3 Contract balances primarily comprises of contract liabilities, representing advance consideration received from customers for the purchase of products. Balance as at reporting date amounted to Rs. 64.617 million (2018: 71.878 million). Revenue recognized during the reporting period which was included in the contract liabilities at the beginning of the period amounted to Rs. 12.725 million (2018: Rs. 40.178 million).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

25 CONTINGENCIES AND COMMITMENTS

25.1 Contingencies

- 25.1.1** Tax authorities passed an order against the Authority under Section 161/205 of the Income Tax Ordinance, 2001 ('the Ordinance') by alleging non-deduction of tax on specified heads in the income tax return for tax year 2017 creating demand amounting to Rs. 233,319,192. On appeal learned Commissioner Inland Revenue (Appeals) deleted the additions made under the head electricity/water/gas, communication and addition in intangible assets while remanding the case back to the assessing officer for re-verification of facts in respect of the other heads. In view of due compliance of law in respect of income tax withholding by the Authority, the matter is expected to be settled in favour of the Authority.
- 25.1.2** Tax authorities have passed order against the Authority under Section 161/205 of the Ordinance by alleging non-deduction of tax on specified heads in the income tax return for tax year 2018 creating demand amounting to Rs. 171,990,590. An appeal has been filed before learned Commissioner Inland Revenue (Appeals). In view of due compliance of law in respect of income tax withholding by the Authority, the matter is expected to be settled in favour of the Authority.
- 25.1.3** Assessing officer has started proceedings against the Authority under Section 161/205 of the Ordinance by alleging that tax deduction has not been made to the tune of Rs. 388,492,582 for tax year 2019. In view of due compliance of law in respect of income tax withholding by Authority, the matter is expected to be settled in favour of the Authority.
- 25.1.4** Additional Commissioner, Punjab Revenue Authority ('PRA') issued show-cause notice dated June 19, 2023 for assessment of withholding liability of Punjab Sales Tax on Services amounting to Rs. 125,857,801/- on the ground that specified vendors reported sales withheld by Authority in their monthly sales tax returns ranging from August 2017 to December 2022 but Authority had allegedly not withheld/paid the same to PRA. Appropriate written response has been submitted before PRA and the Authority expects the notice to be decided in favour of the Authority.

25.2 Commitments

Commitments in respect of contracts for capital expenditure amounts to (2018: Rs. 26.351 million) as of balance sheet date. Other commitments have been provided below.

	2019	2018
	Rupees	Rupees
25.2.1 Operating lease arrangement:		
Rental commitments against the office building		
rent and vehicle rent:		
Not later than one year	46,258,164	41,051,619
Later than one year but less than five year	24,230,466	81,502,483
	70,488,630	122,554,102
25.2.2 Others		
Security guard services	4,480,000	3,840,000
Internet services	948,000	942,000
Enterprise resource planning (ERP) installation	67,246,968	71,202,672
	72,674,968	75,984,672

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
26 INCOME FROM SERVICES			
Departmental charges	26.1	214,574,049	317,670,039
26.1 The party wise breakup is as follows:			
Pakistan Kidney and Liver Institute (PKLI) and Research Centre		68,058,991	82,934,253
Recep Tayyip Erdogan Hospital (RTEH)		20,257,559	50,652,675
Mother and Child Hospital		1,387,059	2,831,863
Revamping of DHQs and THQs Hospitals		81,248,532	156,610,024
Hospital Sialkot to Teaching Hospital Sialkot		–	1,147,010
Information Technology University		140,770	170,779
Jinnah Hospital, Lahore			
Revamping of the Jinnah Hospital		47,616	750,020
Jinnah Hospital-Pathology Lab		2,220	788,109
The Punjab Agriculture, Food and Drug Authority		15,655,296	9,454,988
Punjab Forensic Science Agency		21,435,062	120,515
Lahore Knowledge Park Company		4,042,606	978,335
Tertiary Care Hospitals		2,188,134	4,922,220
Quaid-e-Azam Thermal Power (Private) Limited		110,204	3,530,498
Punjab Daanish Schools and Centers of Excellence Authority			
		–	2,778,750
		214,574,049	317,670,039
26.2	This represents departmental charges, ranging from 2% to 5% of cost of project, for the execution of various projects.		
	Note	2019 Rupees	2018 Rupees
26.3 Timing of revenue recognition - net			
Services transferred over time		214,574,049	317,670,039
26.4 Geographical market			
Pakistan (local)		214,574,049	317,670,039
27 AMORTIZATION OF GRANT			
Amortization of grant related to income	20.1	219,445,089	84,532,342
Amortization of grant related to assets	20.2	50,918,648	38,288,854
		270,363,737	122,821,196
28 OTHER INCOME			
Income from financial assets			
Return on saving accounts	18.1	330,564,174	409,308,780
Income from assets other than financial assets:			
Tender fee		941,350	2,493,901
		331,505,524	411,802,681

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
29 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries, wages and other benefits	29.1	599,136,386	600,346,460
Office rent		47,437,068	35,780,466
Consultancy and professional charges		14,171,543	17,984,375
Advertisement		204,405	4,462,620
Printing and stationery		2,348,858	28,312,927
Depreciation on property and equipment	9	48,160,765	36,501,918
Amortization on intangible assets	10.1	2,757,883	1,786,936
Travelling expenses		1,721,741	3,113,190
Repairs and maintenance		635,165	5,443,969
Utilities and generator expenses		7,031,886	7,599,153
Security expenses		4,405,333	4,253,808
Vehicle running and maintenance		37,723,619	41,529,229
Insurance		2,603,967	2,611,194
Board of Authority meeting fee		600,000	1,657,500
Meetings and office refreshments		12,960,825	16,992,675
Auditors' remuneration		1,450,000	1,450,000
Communication		9,618,203	8,070,837
Training expenses		1,333,333	983,115
Entertainment expenses		266,140	674,935
Office expenses		3,361	3,316,396
Safety equipment		3,266,050	3,940,767
Other expenses		2,071,984	664,410
		799,908,515	827,476,880

29.1 This amount includes Rs. 59.119 million (2018: Rs. 19.650 million) in respect of employees' retirement benefits.

	Note	2019 Rupees	2018 Rupees
30 FINANCE CHARGES			
Bank charges		171,141	165,508
31 TAXATION			
Current	6.3	17,165,924	24,651,528
Prior	31.2	283,622	–
Deferred tax		–	–
		17,449,546	24,651,528

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	2019 Rupees	2018 Rupees
31.1 Tax charge reconciliation		
Numerical reconciliation between tax expense and accounting profit:		
Profit before taxation	16,363,654	24,651,528
Applicable tax rate	29%	30%
	4,745,460	7,395,458
Effect of income from services on receipts basis	12,704,086	17,256,070
	17,449,546	24,651,528

	(Short)/excess Rupees	Tax provision Rupees	Tax assessment/ tax return Rupees
31.2 Comparison of tax provision against tax assessments			
2018-19	2,886,603	17,165,924	14,279,321
2017-18	22,998,918	24,651,528	1,652,610
2016-17	3,923,459	7,952,530	4,029,071

31.3 As at June 30, 2019, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in accounts for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

	2019 Rupees	2018 Rupees
31.4 Deferred tax liabilities/assets		
Deferred tax liability comprises as follows:		
Taxable temporary differences		
Tax depreciation allowances	1,750,910	850,616
Deductible temporary differences		
Provision for gratuity	(5,924,917)	(1,572,008)
	(4,174,007)	(721,392)

31.5 The deferred tax assets amounting to Rs. 4.174 million (2018: Rs. 0.721 million) on deductible temporary differences have not been recognised in these financial statements as it is not considered probable that future taxable profit will be available against which these can be realised.

32 RECONCILIATION OF MOVEMENT OF LIABILITIES AND EQUITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

32.1 The Authority has no long-term borrowing as at the balance sheet date, therefore, reconciliation of movement of liabilities and equities to the cash flows arising from financing activities has not been presented. Grants reconciliation has been disclosed in the relevant note. Further, there is no any non cash transactions in the financing activities during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

33 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Authority is an autonomous body of the Government of the Punjab, therefore entities which are owned and/or controlled by the Government of the Punjab, or where the Government of the Punjab may exercise significant influence are related parties of the Authority. Further, the Chief Executive Officer of the Authority is also a related party.

Name of parties	Nature of relationship	Nature of transactions	Note	2019		2018		
				Transactions during the year	Closing balance	Transactions during the year	Closing balance	
				Rupees				
The Government of the Punjab		Deferred grants	20	-	485,477,735	-	755,841,472	
		Proceeds from grant	20	-	-	404,657,000	-	
Pakistan Kidney and Liver Institute and Research Centre	Due to Government Entities	Advances from customers	19	-	729,296,762	-	986,579,032	
		Contract asset	13	-	59,699,195			
		Proceeds for projects	19	4,476,739,309	-	9,519,085,475	-	-
		Utilization during the year	19	4,734,021,579	-	-	-	-
		Rendering of services		68,058,991	-	22,304,529	-	-
		Proceeds for services		-	-	-	-	-
		Contract liability	24	(8,359,766)	-	-	8,359,797	
Recep Tayyip Erdogan Hospital (RTEH)	Due to Government Entities	Contract asset	13	-	20,161,576	-	-	
		Advances from customers	19	-	156,212,194	-	824,507,523	
		Proceeds for projects	19	344,582,600	-	1,079,279,673	-	-
		Utilization during the year	19	1,012,877,929	-	-	-	-
		Rendering of services		20,257,560	-	10,942,818	-	-
		Proceeds for services		-	-	-	-	-
		Contract liability	24	(95,982)	-	-	95,982	
The Specialized Healthcare and Medical Education - Mother and Child Hospital	Due to Government Entities	Contract asset	13	-	-	-	-	
		Advances from customers	19	-	323,854,028	-	393,206,921	
		Proceeds for projects	19	-	-	1,270,634,000	-	-
		Utilization during the year	19	69,352,893	-	-	-	-
		Rendering of services		1,387,058	-	2,441,647	-	-
		Proceeds for services		1,579,516	-	-	-	-
		Contract liability	24	192,458	2,801,599	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

Name of parties	Nature of relationship	Nature of transactions	Note	2019		2018	
				Transactions during the year	Closing balance	Transactions during the year	Closing balance
				Rupees -----			
Primary and Healthcare Department Punjab - Revamping of DHQs and THQs Hospitals	Due to Government Entities	Receivable against departmental charges	12	-	45,065,998	-	38,342,021
		Advances from customers	19	-	1,720,908,760	-	1,646,740,145
		Proceeds for projects	19	1,698,573,751	-	1,606,268,819	-
		Utilization during the year	19	1,624,405,136	-	-	-
		Rendering of services		81,248,532	-	11,341,420	-
		Proceeds for services		74,524,555	-	-	-
Khawaja Muhammad Safdar Medical College and Hospital, Sialkot - Hospital Sialkot to Teaching Hospital Sialkot	Due to Government Entities	Contract asset	13	-	-	-	-
		Advances from customers	19	-	621,153,300	-	621,153,300
		Proceeds for projects	19	-	-	-	-
		Utilization during the year	19	-	-	-	-
		Rendering of services	-	-	993,924	-	-
		Proceeds for services	-	-	-	-	-
		Contract liability	24	-	50,603,515	-	-
Information Technology University	Due to Government Entities	Contract asset	13	-	359,412	-	218,642
		Advances from customers	19	-	57,262,399	-	64,300,891
		Proceeds for projects	19	-	-	-	-
		Utilization during the year	19	7,038,492	-	-	-
		Rendering of services	140,770	-	47,863	-	-
		Proceeds for services	-	-	-	-	-
Jinnah Hospital, Lahore	Due to Government Entities	Receivable against departmental charges	12	-	2,689,143	-	1,496,524
		Receivable against cost incurred	12	-	15,806,592	-	15,762,185
		Advances from customers	19	-	158,533,165	-	159,723,563
		Proceeds for projects	19	-	-	-	-
		Utilization during the year	19	3,879,541	-	-	-
		Rendering of services		49,836	-	158,397	-
		Proceeds for services		1,190,398	-	-	-
	Contract liability	24	1,142,782	1,142,782	-	-	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

Name of parties	Nature of relationship	Nature of transactions	Note	2019		2018	
				Transactions during the year	Closing balance	Transactions during the year	Closing balance
				Rupees			
Punjab Agriculture, Food and Development Authority	Due to Government Entities	Contract asset	13	-	11,385,590	-	-
		Advances from customers	19	-	613,500,171	-	694,483,947
		Proceeds for projects	19	701,781,000	-	1,000,000,000	-
		Utilization during the year	19	782,764,776	-	-	-
		Rendering of services		15,655,296	-	3,285,115	-
		Proceeds for services		-	-	-	-
		Contract liability	24	(4,269,706)	5,940,335	-	-
Punjab Forensic Science Agency	Due to Government Entities	Receivable against departmental charges	12	-	12,102,425	-	120,515
		Receivable against cost incurred	12	-	565,500	-	-
		Advances from customers	19	-	282,348,859	-	-
		Proceeds for projects	19	215,209,961	-	-	-
		Utilization during the year	19	428,701,230	-	-	-
		Rendering of services		21,435,062	-	-	-
		Proceeds for services		9,453,152	-	-	-
Lahore Knowledge Park Company	Due to Government Entities	Contract asset	13	-	5,020,941	-	978,335
		Advances from customers	19	-	136,031,423	-	323,514,728
		Proceeds for projects	19	14,647,006	-	-	-
		Utilization during the year	19	202,130,311	-	-	-
		Rendering of services	4,042,606	-	-	-	-
Specialized Healthcare and Medical Education Department of Government of Punjab-Tertiary Care Hospitals	Due to Government Entities	Receivable against departmental charges	12	-	6,458,300	-	4,270,167
		Receivable against cost incurred	12	-	-	-	100,734,492
		Proceeds for projects	19	90,499,508	-	-	-
		Utilization during the year	19	43,762,671	-	-	-
		Rendering of services	2,188,134	-	-	-	-
		Proceeds for services	-	-	-	-	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

Name of parties	Nature of relationship	Nature of transactions	Note	2019		2018	
				Transactions during the year	Closing balance	Transactions during the year	Closing balance
				Rupees			
Quaid-e-Azam Thermal Power (Private) Limited	Due to Government	Contract asset	13	-	3,445,500	-	-
	Entities	Receivable against cost incurred	12	-	9,380,620	-	62,020,996
		Proceeds for projects	19	8,679,198	-	-	-
		Utilization during the year	19	5,510,289	-	-	-
		Rendering of services		110,206	-	-	-
Punjab Daanish Schools and Centers of Excellence Authority		Proceeds for services		3,686,511	-	-	-
		Contract liability	24	4,129,005	4,129,005	-	-
	Due to Government	Rendering of services		-	-	2,778,750	-
	Entities	Proceeds for services		-	-	2,778,750	-
Planning and Development Government of Punjab	Due to Government	Receivable against departmental charges	12	-	44,114	-	44,114
	Entities	Proceeds for services		-	-	-	-
		Rendering of services		-	-	178,958	-
Director General Public Relations	Due to Government	Advertisement expense		1,188,099	-	13,338,088	-
	Entities						
Parks and Horticultural Authority	Due to Government	Payment for the services		-	-	2,358,500	-
	Entities						
Project monitoring office	Due to Government	Assets disposal		-	-	4,018,180	-
	Entities						
The Bank of Punjab	Due to Government	Deposits with the Bank	18	-	6,480,067,048	-	7,077,762,806
	Entities						
Chief executive and members Executives	Key management personnel	Remuneration	41	3,189,855	-	17,816,952	-
		Remuneration	41	505,284,492	-	430,864,972	-

The balances with related parties have been disclosed in the relevant notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

34 FINANCIAL RISK MANAGEMENT

Financial instruments comprise long term deposits, trade receivables, trade deposits, advances, cash and bank balances, trade and other payables and retention money payable.

The Authority has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Board of Authority has the overall responsibility for the establishment and oversight of Authority's risk management framework. The Board is also responsible for developing and monitoring the Authority's risk management policies.

This note presents information about the Authority's exposure to each of the above risks, the Authority's objectives, policies and processes for measuring and managing risk, and the Authority's management of capital.

The Authority's risk management policies are established to identify and analyze the risks faced by the Authority, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the Authority's activities.

34.1 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure.

Exposure to credit risk

The maximum exposure to credit risk at the reporting date was as follows:

	Note	2019 Rupees	2018 Rupees
Long term deposits	11	13,596,090	10,195,090
Receivables	12	93,026,896	222,829,363
Trade deposits	15	–	7,601,000
Bank balances	18	6,480,067,048	7,077,762,806
		6,586,690,034	7,318,388,259

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty.

Trade debts - considered good

Trade debts mainly represents receivable from Government owned entities. Hence the management believes that no impairment allowance is necessary in respect of these trade debts.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	2019 Rupees	2018 Rupees
The aging of trade receivable at the reporting date is:		
Not past due (less than 30 days)	–	–
Past due but not impaired		
1-30 days	93,026,896	222,829,363
31-60 days	–	–
Above 60 days	–	–
	93,026,896	222,829,363

Based on past experience the management believes that no impairment is necessary in respect of trade receivables past due, as some receivables have been recovered subsequent to the year end and for other receivables, there are reasonable grounds to believe that the amounts will be recovered in short course of time.

Bank balances

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate. The table below shows the bank balances held with some major counterparties at the balance sheet date:

Bank balances	Rating			2019 Rupees
	Short term	Long term	Agency	
The Bank of Punjab	AA+	A1+	PACRA	6,480,067,048

Bank balances	Rating			2018 Rupees
	Short term	Long term	Agency	
The Bank of Punjab	AA+	A1+	PACRA	7,077,762,806

34.2 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Authority's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Authority's reputation. The Authority believes the liquidity risk to be low.

The table below analyses the Authority's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	Carrying amount	Contractual Cash flow	Upto one year	One to two years	Two to five years	More than five years
	Rupees					
2019						
Financial liabilities						
Trade and other payables	984,568,371	984,568,371	984,568,371	–	–	–
Retention money payable	1,401,515,468	1,401,515,468	1,401,515,468	–	–	–
	2,386,083,839	2,386,083,839	2,386,083,839	–	–	–
2018						
Financial liabilities						
Trade and other payables	1,857,722,546	1,857,722,546	1,857,722,546	–	–	–
Retention money payable	960,826,025	960,826,025	960,826,025	–	–	–
	2,818,548,571	2,818,548,571	2,818,548,571	–	–	–

34.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and other price risk.

a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Authority is not exposed to currency risk arising from currency exposure as the Authority is not involved in foreign currency transactions.

b) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Authority has no significant long-term interest-bearing financial instruments. The Authority's interest rate risk arises from bank balances only.

	2019	2018
	Carrying amount	Carrying amount
	Rupees	Rupees
Financial assets		
Fixed rate instruments:		
Bank balances	18	6,479,454,889
		7,077,150,647

Effective interest rates are mentioned in the respective notes to the financial statements.

The Authority is not exposed to variable interest rate risk, therefore, no sensitivity analysis has been presented.

The Authority does not account for any floating rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect profit or loss of the Authority.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

34.4 Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Authority is not exposed to commodity and equity price risk.

35 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

IFRS 13 'Fair Value Measurement' requires the Authority to classify fair value measurements 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 in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no financial instruments held by the Authority which are measured at fair value as of June 30, 2018 and June 30, 2019.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

36 FINANCIAL INSTRUMENTS BY CATEGORY

2019

Fair value										
Note	Original classification under IAS 39	Newq classification under IFRS 9	Original carrying amount under IAS 39 Carrying			New carrying amount under IFRS 9			Fair value	
			Loans and receivables at amortized cost	Financial liabilities at amortized cost	Total	Amortised cost	Amortised cost	Total		
..... Rupees										
On-Balance sheet financial instruments										
As at June 30, 2019										
Financial assets										
At cost or amortised cost										
11	Loans and receivables	Amortised cost	13,596,090	-	13,596,090	13,596,090	-	13,596,090	-	-
12	Loans and receivables	Amortised cost	93,026,896	-	93,026,896	93,026,896	-	93,026,896	-	-
13	Loans and receivables	Amortised cost	100,072,214	-	100,072,214	100,072,214	-	100,072,214	-	-
15	Loans and receivables	Amortised cost	-	-	-	-	-	-	-	-
18	Loans and receivables	Amortised cost	6,480,360,576	-	6,480,360,576	6,480,360,576	-	6,480,360,576	-	-
			6,687,055,776	-	6,687,055,776	6,687,055,776	-	6,687,055,776	-	-

Financial liabilities at amortised cost											
	22	Amortised cost	-	984,568,371	984,568,371	-	984,568,371	-	-	-	-
	23	Amortised cost	-	1,401,515,468	1,401,515,468	-	1,401,515,468	-	-	-	-
			-	2,386,083,839	2,386,083,839	-	2,386,083,839	-	-	-	-

2018

On-Balance sheet financial instruments											
Note	Original classification under IAS 39	Newq classification under IFRS 9	Original carrying amount under IAS 39 Carrying		New carrying amount under IFRS 9		Fair value				
			Loans and receivables at amortized cost	Financial liabilities at amortized cost	Total	Amortised cost	Amortised cost	Level 1	Level 2	Level 3	Total
As at June 30, 2019											
Loans and receivables at cost or amortised cost											
Long term deposits	11	Loans and receivables	Amortised cost	10,195,090	-	10,195,090	10,195,090	-	-	-	-
Receivables	12	Loans and receivables	Amortised cost	222,829,363	-	222,829,363	222,829,363	-	-	-	-
Contract assets	13	Loans and receivables	Amortised cost	4,727,475	-	4,727,475	4,727,475	-	-	-	-
Trade deposits	15	Loans and receivables	Amortised cost	6,251,000	-	6,251,000	6,251,000	-	-	-	-
Cash and bank balances	18	Loans and receivables	Amortised cost	7,078,056,334	-	7,078,056,334	7,078,056,334	-	-	-	-
				7,322,059,262	-	7,322,059,262	7,322,059,262	-	-	-	-
Financial liabilities at amortised cost											
Trade and other payables	22	Amortised cost	Amortised cost	-	1,857,722,546	1,857,722,546	1,857,722,546	-	-	-	-
Retention money payable	23	Amortised cost	Amortised cost	-	960,826,025	960,826,025	960,826,025	-	-	-	-
				-	2,818,548,571	2,818,548,571	2,818,548,571	-	-	-	-

36.1 These financial assets classified as 'loans and receivables' have been classified as amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

37 FUND RISK MANAGEMENT

The Authority's objectives when managing fund are to safeguard the Authority's ability to continue as a going concern in order to provide services for the general public and Government Authorities. The Authority manages its fund structures and makes adjustments to it, in the light of changes in economic conditions. There were no changes to Authority's approach to fund management during the year.

38 RISK MANAGEMENT FRAMEWORK

The Board of Members has overall responsibility for establishment and over sight of the Authority's risk management framework. The executive management team is responsible for developing and monitoring the Authority's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Members through the audit committee. The audit committee oversees compliance by management with the Authority's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Authority.

39 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the year except followings for better or correct presentation:

Item description	From	To	Amount Rupees
Payable to Employees	Creditors	Payable to Employees	4,185,569
Contract Assets	Trade receivable	Contract assets	4,727,475

40 NUMBER OF EMPLOYEES

40.1 The number of employees as at year end was 294 (2018: 318) and average number of employees during the year was 317 (2018: 319).

41 REMUNERATION OF CHIEF EXECUTIVE, MEMBERS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration, including all benefits, to the Chief Executive, Members and Executives of the Authority are as follows:

	2019		
	Rupees		
	Chief Executive	Members	Executives
Managerial remuneration	2,348,759	–	454,542,581
Leave encashment	–	–	2,932,926
Gratuity	241,096	–	47,808,985
Board of Authority meeting fee	–	600,000	–
Other amount	–	–	–
	2,589,855	600,000	505,284,492
Number of persons	1	13	170

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2019

	2018		
	Chief Executive	Members	Executives
Managerial remuneration	13,200,000	–	407,160,968
Leave encashment	759,452	–	8,991,304
Gratuity	2,200,000	14,712,700	–
Board of Authority meeting fee	–	1,657,500	–
Other amount	–	–	–
16,159,452	16,159,452	1,657,500	430,864,972
Number of persons	1	13	135

41.1 In addition, Chief Executive Officer is also provided with Authority's maintained vehicle. No amount has been paid to the Members of the Authority except for fee for attending the meetings of Board of Authority.

42 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

All significant transactions and events that have affected the Authority's financial position and performance during the year have been adequately disclosed in the notes to these financial statements.

43 SUBSEQUENT EVENTS

There are no significant adjusting or non adjusting event after the reporting date requiring adjustment or disclosure in financial statements except elsewhere disclosed in these financial statements.

44 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue on 20 Nov 2023 by the Board of Authority.

45 GENERAL

Figures have been rounded off to the nearest rupee.



Chief Executive



Member 113

Notes

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INFRASTRUCTURE DEVELOPMENT AUTHORITY OF THE PUNJAB



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