



ANNUAL REPORT



IDAP

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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.



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.



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.



Sustainability

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



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.



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.



Relationship

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

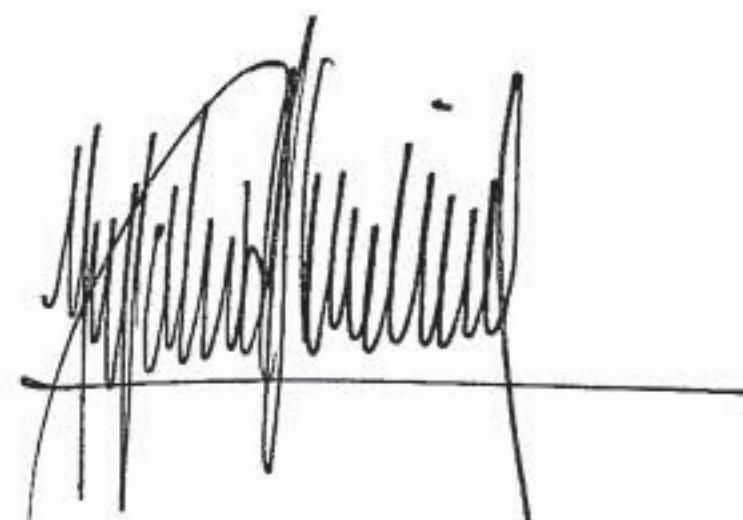
MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

As CEO of the Infrastructure Development Authority of the Punjab (IDAP), I am delighted to affirm that IDAP has maintained its leadership role in the infrastructure sector. We have been setting new benchmarks of excellence throughout our journey by consistently executing innovative and sustainable projects. We have been delivering cutting-edge solutions to our projects which shows our unwavering commitment to our assignments and exhibits our enthusiasm to go at par with technical advancement while at the same time ensuring stringent safety standards across all our endeavors.

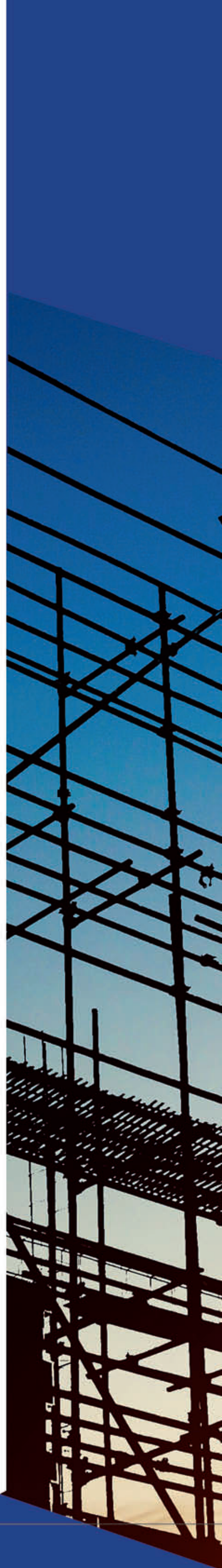
IDAP is currently undertaking vital projects aimed at bolstering healthcare infrastructure in Punjab. The Hazrat Hameed Uddin Hakim Sheikh Zayed Surgical Complex in Rahim Yar Khan aims to significantly reduce the burden on existing medical facilities in the region and strive to make underdeveloped areas self-sufficient in terms of healthcare facilities. Similarly, the University of Child Health Sciences in Lahore will be addressing the pressing need for specialized child health training and indigenous research in Pakistan. Beyond providing medical education, the university will also offer professional training, encourage research and publications, and address ancillary matters pertinent to child health. Together, these projects emphasize IDAP's commitment to improving healthcare accessibility and quality throughout Punjab, thereby enhancing the overall well-being of its residents.

Embedded within the framework of all our projects is our unwavering dedication to safety, ensuring that every aspect of our endeavors prioritizes the well-being of all individuals involved. Safety is considered one of our major core values which has been ingrained in our work culture. We do not consider it merely a protocol rather it remains at the forefront of all our operations. Therefore, maintaining the highest safety standards is considered a commitment to ensuring that these standards are not only followed but exceeded on our every project.

Looking ahead, as I have strong belief in the ability of IDAP to excel further, I am confident that the strong committed team of IDAP will continue its good work of contributing meaningful additions to the Punjab Infrastructure. Let's embrace future challenges knowing our efforts will leave a lasting impact.



Mujahid Sherdil
Chief Executive Officer





BOARD OF AUTHORITY

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

Bankers

Bank of Punjab

Auditors

Deloitte Yousuf Adil

Head Office

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

Ph: +92 42 99332631-42

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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, 2012 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, IDAP

Procurement Committee

The list of members of the Procurement Committee as of June 30, 2020 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, 2020 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, 2020 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, 2020:

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. Ahmad Nazir Warraich
Chief Legal Officer



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



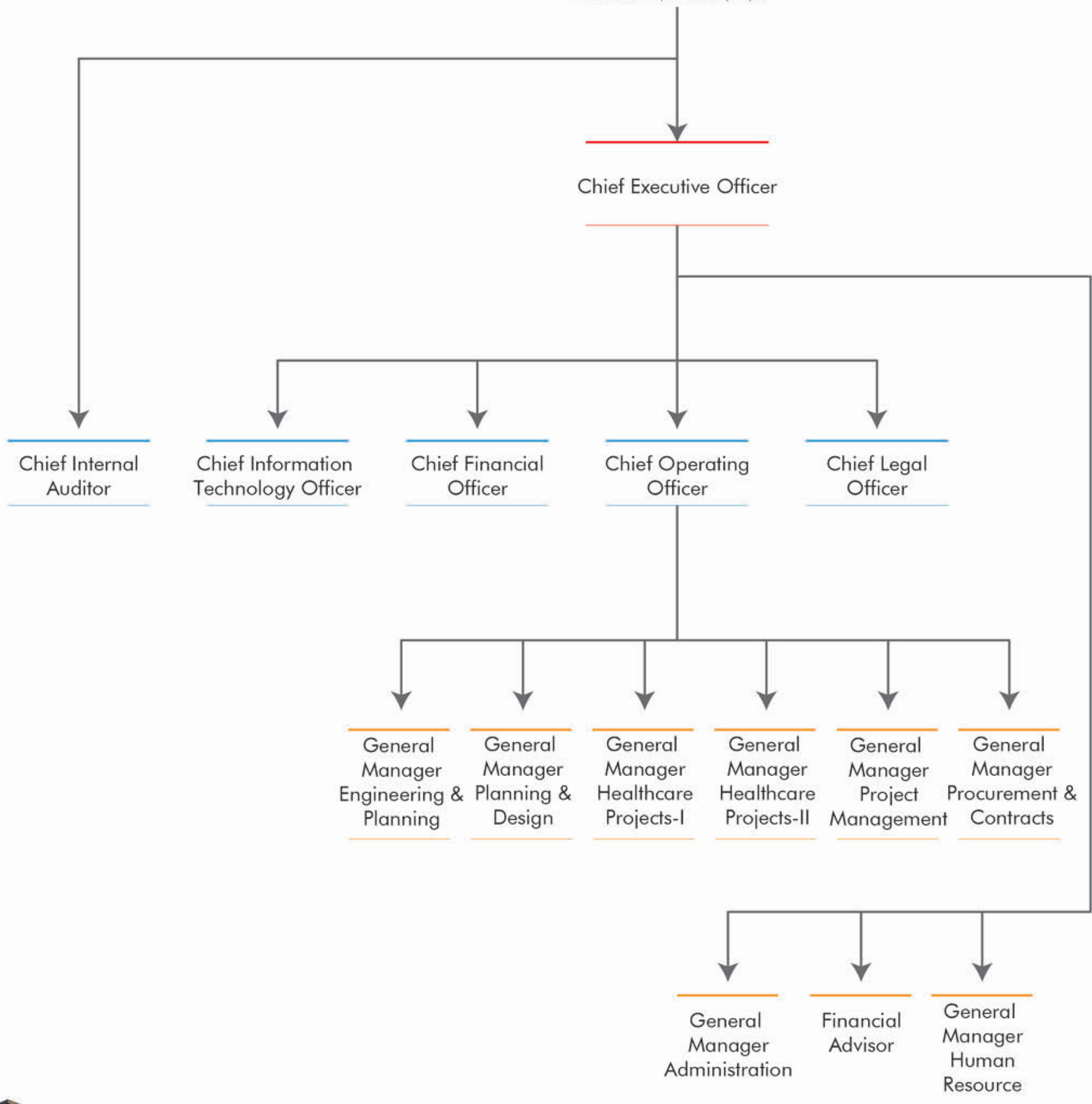
Mr. Fiaz Ahmad Mohal
General Manager,
Administration



Mr. Usman Tahir Farooqi
Financial Advisor

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





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.

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

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.





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.

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.

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.

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 - Analog 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 team works 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 that operate on 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.

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

IDAP has the capacity to cater for housing projects for all income levels. A highly professional team of architects, urban planners and civil engineers is available to take up projects in this sector and accomplish them in an effective manner aiming to provide housing to the people of the Punjab.



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.

The indoor air quality is achieved by deploying the sensitive HVAC system fully backed up with an uninterrupted power supply and the floor, the walls, and the ceiling are rendered with seamless finishes. Ante rooms are designed and constructed to achieve the required contamination control.

Moreover, waste of the laboratory has to pass through the Sewage Treatment Plant (STP) before entering into the city drain.



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.



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.



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 km 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.



Public Health Infrastructure

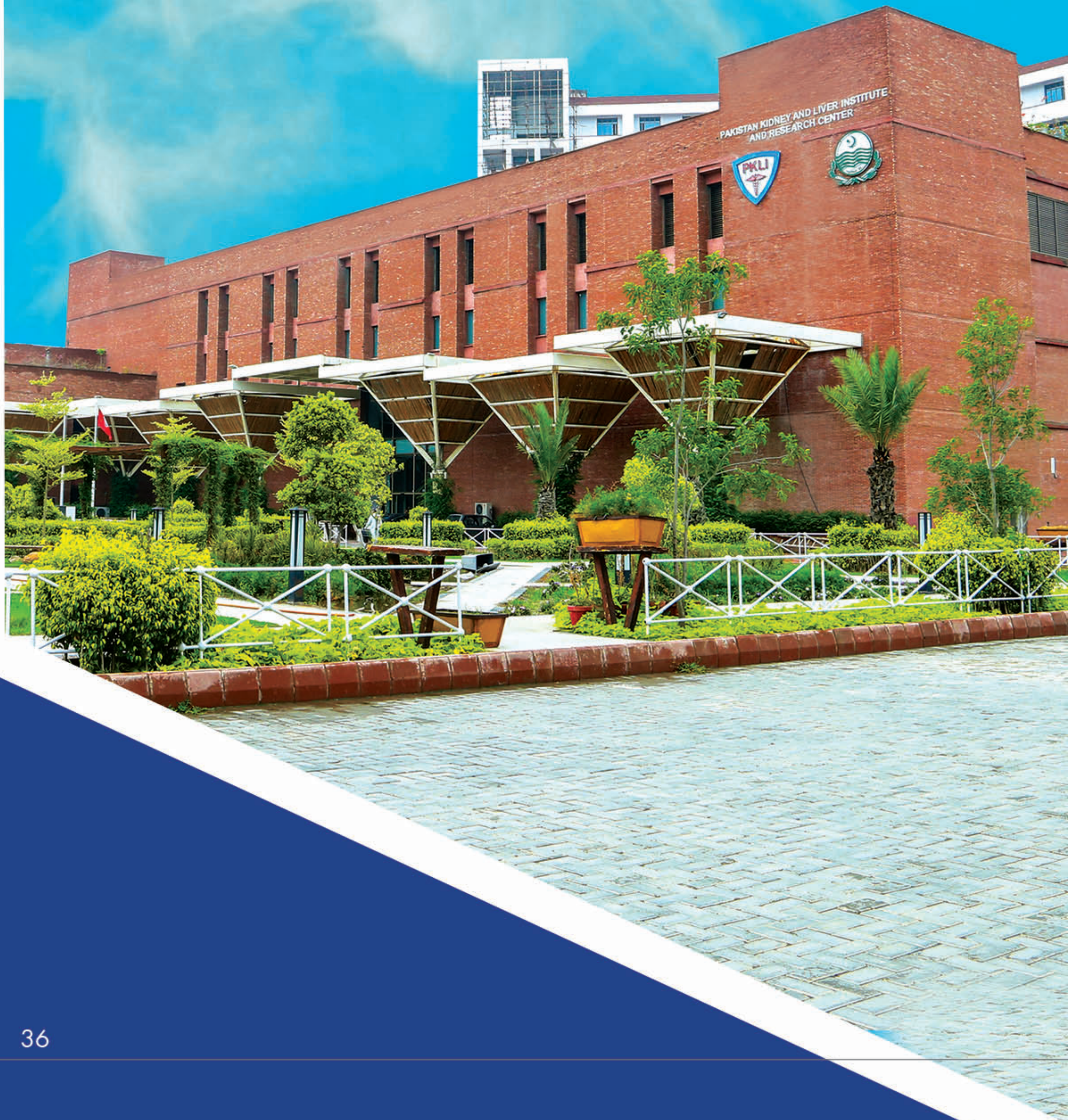
Infrastructure Development Authority of the Punjab (IDAP), since its inception in 2016, is actively engaged in engineering activities like planning, designing, building and maintenance of infrastructure in the province following the best practices around the world. IDAP will strive hard in its endeavour 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.



PROJECTS





Pakistan Kidney & Liver Institute (PKLI) 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.

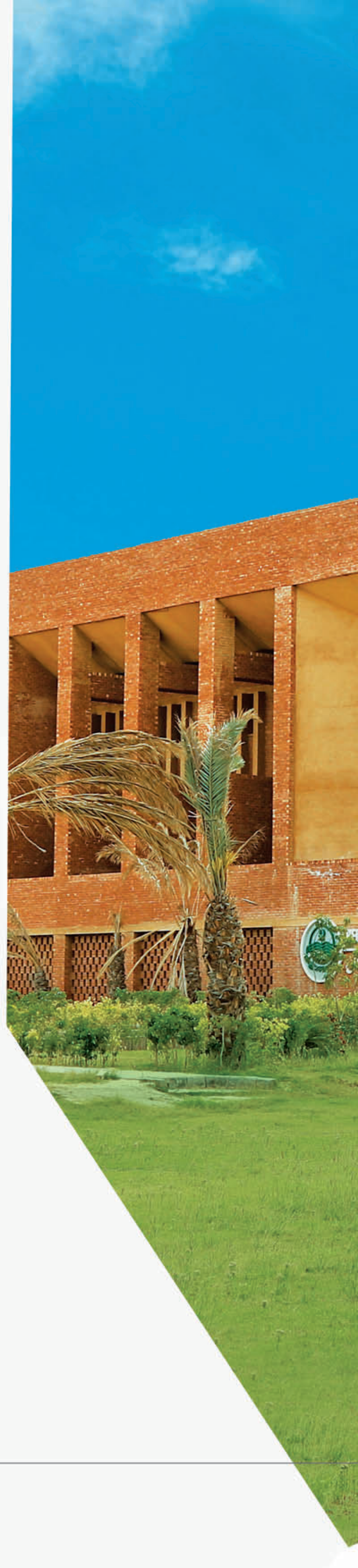
The project was inaugurated and handed over to the client in December 2017.

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.







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:

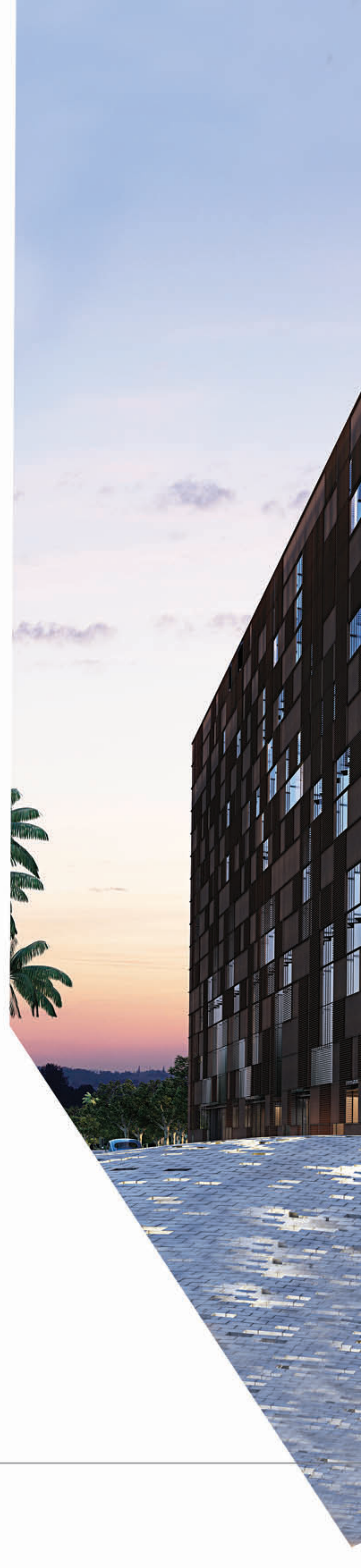
- Hassan Abdal
- Kallur Kot
- Gujar Khan
- Kot Momin
- Pindi Bhattian
- Shahkot
- Kamalia
- Tandlianwala
- Mailsi
- Haroonabad
- Dunyapur
- Jampur
- Liaquatpur

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 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.







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

Pead'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.







HEPATITIS PREVENTION & TREATMENT CLINIC



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.

University of Child Health Sciences, Lahore

The University of Child Health is being established at the Children Hospital Lahore located on Ferozepur Road. The university will be planned and fully equipped to include all the provisions to facilitate education and research on child health. It will work under the Specialized Healthcare and Medical Education Department (SH&ME).

The total land area of the project (including university and residence site) is 259.8 kanals approximately. The phase 01 of the project comprises the following facilities (with a covered area of 68,417 sq. ft. approximately):

- Clinical Examination Cells
- Secrecy Branch
- Library
- Admin
- Examination Halls
- Dining Facility
- Retail Shops
- Gymnasium

The future expansion of the project (Phase 02 and 03) will includes:

- College of Pediatrics
- Institute of Fetal Maternal
- Institute of Pediatric Cardiology
- Institute of Nutrition
- College of Nursing
- College of Allied Health
- Institute of Basic Medical Health Sciences
- Institute of Genetics and Research
- Institute of Advance Technology







Hazrat Hameed Uddin Hakim Sheikh Zayed Surgical Complex, Rahim Yar Khan

Infrastructure Development Authority (IDAP) is executing a new medical complex for Sheikh Zayed Medical Complex, Rahim Yar Khan at a plot area of 7.6 acres approximately (including old DHQ block). The total covered area for the hospital building is 383,720 square feet with a bed strength of 448. The facility comprises the following medical block and services:

- Outpatient Department
- Clinical Pathology
- Laboratory
- Radiology
- Physiotherapy
- Operation Theatres
- Intensive Care Unit/High Dependency Unit
- CSSD
- Blood Bank
- Pharmacy
- Admin Area
- Conference Hall
- Classrooms and Library
- Cafeteria
- Laundry
- Miscellaneous Allied Facilities

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.



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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, 2020, and the related statement of income and expenditure, 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, 2020, 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.

Other Information

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: 04 APR 2024

BDO Engalim w .

CHARTERED ACCOUNTANTS

Engagement Partner: Muhammad Imran

STATEMENT OF FINANCIAL POSITION

As At 30 June 2020

	Note	2020 Rupees	2019 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	100,931,793	124,387,633
Intangible assets	10	41,888,789	12,599,612
Right of use asset	11	122,427,831	–
Long term advances and deposits	12	14,860,090	14,410,090
		280,108,503	151,397,335
CURRENT ASSETS			
Receivables	13	81,724,732	93,026,896
Contract assets	14	76,915,371	100,072,214
Advances	15	1,865,851,122	945,489,907
Trade deposits and short term prepayments	16	7,688,827	6,492,004
Tax refunds due from Government	17	82,408,145	60,942,583
Taxation - net	18	54,576,850	21,465,562
Cash and bank balances	19	13,755,947,494	6,480,360,576
		15,925,112,541	7,707,849,742
TOTAL ASSETS		16,205,221,044	7,859,247,077
FUNDS AND LIABILITIES			
Fund and reserves			
Fund balance		–	–
NON CURRENT LIABILITIES			
Advances from customers	20	3,300,604,989	2,600,108,257
Government grants	21	776,402,372	485,477,735
Lease liability	22	107,031,377	–
Deferred liabilities - gratuity	23	118,271,558	74,061,460
		4,302,310,296	3,159,647,452
CURRENT LIABILITIES			
Trade and other payables	23	699,392,487	984,568,371
Retention money payable	24	1,509,118,452	1,401,515,468
Contract liability	26	80,683,684	64,617,236
Current portion of lease liability	22	33,630,919	–
Current portion of advances from customers	20	9,580,085,206	2,248,898,550
		11,902,910,748	4,699,599,625
CONTINGENCIES AND COMMITMENTS	27		
TOTAL EQUITY AND LIABILITIES		16,205,221,044	7,859,247,077

The annexed notes from 1 to 48 form an integral part of these financial statements.

STATEMENT OF INCOME AND EXPENDITURE

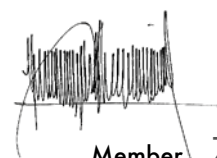
For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
INCOME			
Income from services	28	85,460,514	214,574,049
Amortization of grant	29	111,822,202	270,363,737
Other income	30	704,951,463	331,505,524
		902,234,179	816,443,310
EXPENDITURE			
Administrative and general expenses	31	(870,792,383)	(799,908,515)
Finance charges	32	(15,137,508)	(171,141)
		(885,929,891)	(800,079,656)
Surplus of income over expenditure before tax		16,304,288	16,363,654
Taxation	33	(16,024,609)	(17,449,546)
Surplus /(deficit) for the year after tax		279,679	(1,085,892)

The annexed notes from 1 to 48 form an integral part of these financial statements.



Chief Executive



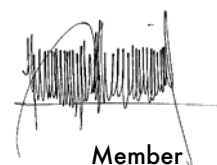
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STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2020

	2020 Rupees	2019 Rupees
Surplus /(deficit) for the year after tax	279,679	(1,085,892)
Other comprehensive income for the year	–	–
Items to be reclassified to profit or loss in subsequent periods	–	–
Items not to be reclassified to profit or loss in subsequent periods	–	–
Gain on remeasurement of staff retirement benefit plan	(279,679)	1,085,892
Total comprehensive income	(279,679)	1,085,892
Total comprehensive income for the year	–	–

The annexed notes from 1 to 48 form an integral part of these financial statements.

STATEMENT OF CHANGES IN FUND

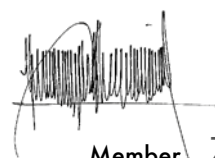
For the year ended June 30, 2020

	Note	General fund Rupees
Balance as at July 01, 2018		—
Total comprehensive income for the year		
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 - reported		—
IFRS 16 - Leases - Impact of change in accounting policy	4.1.1	—
Balance as at July 01, 2019 - restated		—
Total comprehensive income for the year		
Surplus for the year		279,679
Other comprehensive income for the year		(279,679)
Total comprehensive income		—
Balance as at June 30, 2020		—

The annexed notes from 1 to 48 form an integral part of these financial statements.



Chief Executive



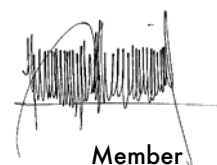
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STATEMENT OF CASH FLOWS

For the year ended June 30, 2020

		2020 Rupees	2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus of income over expenditure before tax		16,304,288	16,363,654
Adjustments for items not involving movement of funds:			
Depreciation property, plant and equipment	9	44,448,502	48,160,765
Depreciation right of use asset	11	32,647,421	–
Amortization	10	10,267,863	2,757,883
Amortization of Government grant	29	(111,822,202)	(270,363,737)
Interest against lease	22	15,102,279	–
Provision for gratuity	23	50,947,078	59,119,170
Net cash flow before working capital changes		57,895,229	(143,962,265)
(Increase) / decrease in current assets			
Long term deposits	12	(450,000)	(3,401,000)
Receivables	13	11,302,164	129,802,467
Contract assets	14	23,156,843	(95,344,739)
Advances	15	(920,361,215)	1,350,575,518
Trade deposits and short term prepayments	16	(1,196,823)	13,244,605
		(887,549,031)	1,394,876,851
Increase in current liabilities			
Trade and other payables	23	(285,175,884)	(873,154,175)
Retention money payable	24	107,602,984	440,689,443
Contract liability	26	16,066,448	(7,261,239)
Advances from customers	20	8,031,683,388	(1,361,043,371)
		7,870,176,936	(1,800,769,342)
Cash generated from operations		7,040,523,134	(549,854,756)
Gratuity paid	23.2	(7,016,659)	(3,621,918)
Taxes paid	18	(70,601,459)	(38,915,108)
Net cash generated from operating activities		6,962,905,016	(592,391,782)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	9	(20,992,662)	(1,348,272)
Purchase of intangible assets	10	(39,557,040)	(3,955,704)
Net cash used in investing activities		(60,549,702)	(5,303,976)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments against lease liability	34	(44,055,396)	–
Grant received from the Government of the Punjab	21	417,287,000	–
Net cash generated from financing activities		373,231,604	–
Net increase in cash and cash equivalents		7,275,586,918	(597,695,758)
Cash and cash equivalents at the beginning of the year		6,480,360,576	7,078,056,334
Cash and cash equivalents at the end of the year	18	13,755,947,494	6,480,360,576

The annexed notes from 1 to 48 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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 CHANGE IN ACCOUNTING POLICES - IFRS 16 LEASES

The Authority has adopted all the new standards and amendments to the following approved accounting standards as applicable in Pakistan which became effective during the year:

4.1 Change in accounting policy

The Authority has adopted IFRS 16 "Leases" from July 1, 2019 which is effective from the annual period beginning on or after January 1, 2019. The detail of new accounting policy adopted and the nature and effect of the changes from the previous accounting policy are set out below:

4.1.1 Effective in current year and are relevant to the Authority.

IFRS 16 - Leases

IFRS-16 'Leases' was issued on January 01, 2016. This standard is adopted locally by the Securities and Exchange Commission of Pakistan. IFRS 16 replaced IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease' The Authority applied IFRS 16 with a date of initial application of July 01, 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

Transition method and practical expedients utilised

The Authority applied IFRS 16 using the modified retrospective approach, with recognition of transitional adjustments on the date of initial application (July 01, 2019), without restatement of comparative figures.

The Authority used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

- applied a single discount rate to a portfolio of leases with similar characteristics.
- applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.

At inception of a contract, the Authority assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

On adoption of IFRS 16, the Authority recognised a right-of-use asset and lease liability at the commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Authority's incremental borrowing rate. The Authority used its incremental borrowing rate as the discount rate as at July 01, 2019.

The right of use asset is subsequently depreciated using straight line method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Authority's estimate of the amount expected to be payable under a residual value guarantee, or if the Authority changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

On transition to IFRS 16, the Authority recognised right-to-use assets and lease liabilities on the date of initial application as follows;

Significant judgements

IFRS 16 requires the Authority to assess the lease term as the non-cancellable lease term in line with the lease contract together with the period for which the Authority has extension options which the Authority is reasonably certain to exercise and the periods for which the Authority has termination options for which the Authority is reasonably certain not to exercise those termination options.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

A portion of the lease contracts included within Authority's lease portfolio includes lease contracts which are extendable through mutual agreement between the Authority and the lessor or cancellable by both parties immediately or on short notice. In assessing the lease term for the adoption of IFRS 16, the Authority concluded that such contracts are short-term in nature and payments made in respect of these leases are accordingly expensed in the statement of profit or loss.

On transition to IFRS 16, the Authority recognised right-to-use assets and lease liabilities on the date of initial application as follows;

	July 01 2019 Rupees
Right-of-use assets	155,075,252
Lease liability	169,615,413
Government Grant	(14,540,161)
	155,075,252
Impact of Rent expense till June 30,2019	47,392,926
Impact of amortization on right of use asset till June 30,2019	(40,809,277)
Impact of interest expense till June 30,2019	(21,123,810)
	(14,540,161)
Government Grant	14,540,161
IFRS 16 - Leases - Impact of change in accounting policy	-

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 8 Operating Segments - 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	January 01,2019
IFRS 14 Regulatory Deferral Accounts - Original issue	July 01,2019
IFRS 16 Leases - Original issue	January 01,2019
IAS 19 Employee benefits - 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
IFRIC 23 Uncertainty over Income Tax Treatments	January 01,2019

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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

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
IFRS 3	Business Combinations - amendments to clarify the definition of a business	January 01, 2020
IFRS 3	Business Combinations - amendments updating a reference to the Conceptual Framework	January 01, 2022
IFRS 4	Insurance Contracts - Amendments regarding the expiry date of the deferral approach	January 01, 2023
IFRS 7	Financial Instruments: Disclosures - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2023
IFRS 9	Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2020
IFRS 9	Financial Instruments - Amendments regarding the interaction of IFRS 4 and IFRS 9	January 01, 2023
IFRS 16	Leases - Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification	January 01, 2020
		Effective date (annual periods beginning on or after)
IFRS 17	Insurance Contracts - Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published	January 01, 2023
IAS 1	Presentation of Financial Statements - amendments regarding the definition of materiality	January 01, 2020
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities	January 01, 2022
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - amendments regarding the definition of materiality	January 01, 2020

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

		Effective date (annual periods beginning on or after)
IAS 16	Property, Plant and Equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	January 01, 2019
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous	January 01, 2022
IAS 39	Financial Instruments: Recognition and Measurement - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2022

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 17	Insurance Contracts
IFRS 1	First Time Adoption of International Financial Reporting Standards

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):

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRS 14	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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

5.4 Conceptual Framework for Financial Reporting by IASB

On March 29, 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately and contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of January 01, 2020, unless the new guidance contains specific scope outs.

The IASB issued 'Interest Rate Benchmark Reform' which amended followings IFRS:

IFRS 7	Financial Instruments "disclosures"	January 01,2020
IFRS 9	Financial Instruments	January 01,2020
IAS 39	Financial Instruments: Recognition and Measurement	January 01,2020

Interest Rate Benchmark Reform amended IFRS 7 and IFRS 9 and IAS 39 as a first reaction to the potential effects the IBOR reform could have on financial reporting, this amendment requiring additional disclosures around uncertainty arising from the interest rate benchmark reform.

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 except as disclosed in note 4.1 to these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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 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 Leases

Right of use assets

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right of use asset is subsequently depreciated using straight line method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

Lease liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Authority's estimate of the amount expected to be payable under a residual value guarantee, or if the Authority changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Authority applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Authority determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

6.6 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.

6.7 Cash and bank balances

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

6.8 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.

6.9 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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.

7.0 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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:

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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.

8 SALES TAX

Departmental charges charged by the Authority other than Pakistan Kidney and Liver Institute (PKLI) and Research Centre and Lahore Knowledge Park Company as one is trust and other is company respectively, 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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, 2020						
Opening net book value (NBV)	4,262,790	17,585,127	16,022,420	28,023,493	58,493,803	124,387,633
Additions (at cost)	315,660	979,499	2,068,500	17,629,003	–	20,992,662
Disposal (NBV)	–	–	–	–	–	–
Depreciation charge	(3,804,740)	(5,557,763)	(2,193,163)	(24,882,582)	(8,010,254)	(44,448,502)
Closing net book value	773,710	13,006,863	15,897,757	20,769,914	50,483,549	100,931,793
Gross carrying value basis						
year ended June 30, 2020						
Cost	16,453,432	28,588,987	22,742,602	101,571,838	75,567,310	244,924,169
Accumulated depreciation	(15,679,722)	(15,582,124)	(6,844,845)	(80,801,924)	(25,083,761)	(143,992,376)
Net book value	773,710	13,006,863	15,897,757	20,769,914	50,483,549	100,931,793
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
Depreciation rate % per annum	33%	20%	10%	33%	10%	

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

9.2 The cost of fully depreciated assets which are still in use is Rs. 43.388 million (2019: Nil) .

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
10 INTANGIBLE ASSETS			
This comprises of:			
Software	10.1	41,888,789	6,270,486
Under development/implementation	10.2	–	6,329,126
		41,888,789	12,599,612
10.1 Software			
Cost			
Opening balance		10,899,331	5,361,345
Additions during the year		45,886,166	5,537,986
		56,785,497	10,899,331
Amortization			
Amortization at beginning of the year		4,628,845	1,870,962
Amortization during the year		10,267,863	2,757,883
Total amortization		14,896,708	4,628,845
Closing balance - net book value		41,888,789	6,270,486
Rate of amortization		33%	33%

- 10.1.1 This represents ERP software. The ERP software implementation project has been successfully executed in three distinct phases: Phase I: Encompassing the provision of ERP subscriptions, inclusive of the delivery and configuration of Biometric Attendance Machines, Barcode Scanners, and Printers. Phase II: Involving the supply and provision of the ERP System, coupled with the delivery of Implementation Services (Part-1). Phase III: Comprising the supply and provision of the ERP System, complemented by the delivery of Implementation Services (Part-2). During the year all the phases have delivered and implemented, accordingly these have been capitalised.

	Note	2020 Rupees	2019 Rupees
10.2 Under development/implementation			
Movement is as follows:			
Opening balance		6,329,126	7,911,408
Additions (at cost)	10.2.1	–	–
Transferred to intangible assets		(6,329,126)	(1,582,282)
Closing balance		–	6,329,126

- 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 6.329 million (2019: Rs. 1.582 million) is recognized as intangible during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	2020 Rupees	2019 Rupees
11 RIGHT OF USE ASSET		
Building		
Net carrying value basis		
Year ended June 30, 2020		
Opening net book value (July 01, 2019)	155,075,252	–
Additions	–	–
Depreciation charge	(32,647,421)	–
Closing net book value	122,427,831	–
Gross carrying value basis		
Year ended June 30, 2020		
Cost	195,884,528	–
Accumulated depreciation	(73,456,697)	–
Net book value	122,427,831	–
Depreciation rate % per annum	16.67%	–

- 11.1 The Authority has obtained building in Lahore on lease for office use. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods is for three years.

	Note	2020 Rupees	2019 Rupees
12 LONG TERM ADVANCES AND DEPOSITS			
Advances to employees	12.1	1,264,000	814,000
Security deposits	12.3	13,596,090	13,596,090
		14,860,090	14,410,090
12.1 Movement of long term advances is as follows:			
Unsecured			
Advance to employees			
Opening balance		814,000	814,000
Addition during the year		700,000	50,000
Adjusted during the year		250,000	50,000
Closing balance	12.2	1,264,000	814,000

- 12.2 This includes advances/loans provided to employees. These advances do not carry any interest or mark-up and repayable based on final settlement. These deposits do not carry any interest or mark-up and are not recoverable within one year. IFRS 9 requires long-term non interest bearing financial assets to be discounted at average borrowing rate of the Authority. The impact of discounting is considered insignificant by the management.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
12.3 Movement of long term deposits is as follows:			
Opening balance		13,596,090	10,195,090
Addition during the year		–	3,401,000
Adjusted during the year		–	–
Less: Current portion shown under current assets		–	–
Closing balance	12.4	13,596,090	13,596,090

12.4 This includes interest free security deposits for the office building amounting to Rs. 10.195 million (2019: 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.

12.5 This amount includes a guarantee issued to Pakistan State Oil amounting to Rs. 3.401 million (2019: Rs. 3.401 million).

	Note	2020 Rupees	2019 Rupees
13 RECEIVABLES			
Unsecured - Considered good			
Related parties			
Receivable against cost incurred:			
Specialized Healthcare and Medical Education			
Department of Government of Punjab			
Jinnah Hospital-Pathology Lab	13.3	30,797,603	15,806,592
DHQs/THQs Medical Department	20.4	18,405,500	565,500
Lahore Knowledge Park Company	20.10	20,132,784	–
Mother and Child Hospital, Mianwali	20.13	–	145,000
Mother and Child Hospital, Layyah	20.16	2,417,679	–
Shiekh Zaid Medical College, Rahim Yar Khan		2,249,011	–
Revamping of Services Hospital		850,000	–
	13.1	74,852,577	16,517,092
Unsecured - Considered good			
Related parties			
Receivable against departmental charges:			
Revamping of DHQs and THQs Hospitals		1,811,637	45,065,998
Jinnah Hospital, Lahore:			
Revamping of the Jinnah Hospital		1,898,813	1,898,813
Jinnah Hospital-Pathology Lab		92,188	790,330
Punjab Forensic Science Agency		3,069,517	12,102,425
Tertiary Care Hospitals		–	6,458,300
	13.2	6,872,155	66,315,866
Considered good		81,724,732	82,832,958

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
Unsecured - Considered doubtful			
Related parties			
Receivable against cost incurred:			
University of Murree		731,595	731,595
Quaid-e-Azam Thermal Power (Private) Limited	13.4	9,380,620	9,380,620
Others		35,609	35,609
		10,147,824	10,147,824
Unsecured - Considered doubtful			
Related parties			
Receivable against departmental charges:			
Planning and Development Department, Government of the Punjab		44,114	44,114
Others		2,000	2,000
		46,114	46,114
Considered doubtful - Total		10,193,938	10,193,938
Less: Allowance for expected credit losses (ECL)			
	13.5	10,193,938	–
		81,724,732	93,026,896

13.1 This represents balance due from the related parties.

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 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.

13.4 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.

	2020 Rupees	2019 Rupees
13.5 Movement of allowance for ECL is as follows:		
Balance at start of the year	–	–
Allowance charge during the year	10,193,938	–
Balance at the end of the year	10,193,938	–

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
14 CONTRACT ASSETS			
Contract assets		76,915,371	100,072,214
14.1 The amounts recognized in the statement of financial position are as follows:			
Unsecured - Considered good			
Related parties			
Contract asset against departmental charges:			
Pakistan Kidney and Liver Institute (PKLI) and Research Centre		41,757,380	59,699,195
Recep Tayyip Erdogan Hospital (RTEH)		22,998,713	20,161,576
The Punjab Agriculture, Food and Drug Authority		–	11,385,590
Lahore Knowledge Park Company		9,734,135	5,020,941
Mother and Child Hospital, Mianwali		564,031	–
Mother and Child Hospital, Layyah		44,980	–
Tertiary Care Hospital Nishtar II, Multan		1,653,243	–
Institute of Cardiology, Dera Ghazi Khan		90,359	–
Shiekh Zaid Medical College, Rahim Yar Khan		72,530	–
Considered good - Total	14.2	76,915,371	96,267,302
Unsecured - Considered doubtful			
Related parties			
Contract asset against departmental charges:			
Information Technology University		359,412	359,412
Quaid-e-Azam Thermal Power (Private) Limited		3,445,500	3,445,500
Considered doubtful - Total		3,804,912	3,804,912
Less: Allowance for expected credit losses (ECL)	14.4	3,804,912	–
		76,915,371	100,072,214
14.2	This represents departmental charges receivable which is ranging from 2% to 5% of cost of project, for the execution of various projects.		
14.3	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.		
14.4 Movement of allowance for ECL is as follows:			
Balance at start of the year		–	–
Allowance charge during the year		3,804,912	–
Balance at the end of the year		3,804,912	–

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
15 ADVANCES			
Secured			
Mobilization advance	15.1		
Contractors		1,647,694,289	855,666,511
Consultants		13,873,405	13,873,405
Suppliers		14,349,272	43,237,207
Advance to contractors	15.2	189,892,156	32,670,784
		1,865,809,122	945,447,907
Unsecured			
Advance to suppliers		42,000	42,000
Total		1,865,851,122	945,489,907

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

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

15.3 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	2020 Rupees	2019 Rupees
16 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits			
Security deposits	16.1	–	–
Short term prepayments:			
Insurance		1,766,760	1,828,294
License-Ms. Office		5,922,067	4,663,710
Others		–	–
		7,688,827	6,492,004

16.1 Movement of security deposits is as follows:

Opening balance		–	6,251,000
Addition during the year		–	–
Adjusted during the year		–	(2,850,000)
Transferred to long term deposits		–	(3,401,000)
Add: Current portion of long term security deposits		–	–
		–	–

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
17 TAX REFUNDS DUE FROM GOVERNMENT			
Considered good			
Income tax		82,408,145	60,942,583
18 TAXATION - NET			
Advance income tax		70,601,459	38,915,108
Less: Provision for taxation	33	(16,024,609)	(17,449,546)
		54,576,850	21,465,562
19 CASH AND BANK BALANCES			
Cash in hand		293,528	293,528
Cash at Bank:			
Current accounts		–	612,159
Saving accounts	19.3	13,755,653,966	6,479,454,889
	19.2	13,755,947,494	6,480,360,576

- 19.1 Balance in saving accounts carry mark-up at the rate ranging from 6.5% to 8.5% (2019: 6.5% to 10.5%) per annum.
- 19.2 The balance in saving accounts amounting to Rs. 13,754.303 million (2019: Rs. 6,479.454 million) is for the implementation of different projects which is received from customers/clients.
- 19.3 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, 2020

20 ADVANCES FROM CUSTOMERS

	Note	Opening balance	Receipt during the year	Total advance receipt	Total utilization during the year (Note - 20.17)	Current portion of advances from customers	Closing balance
Rupees							
Year ended June 30, 2020							
Pakistan Kidney and Liver Institute (PKLI) and Research Centre	20.1	729,296,762	2,978,437,201	3,707,733,963	2,756,244,937	729,296,762	222,192,264
Recep Tayyip Erdogan Hospital (RTEH) Mother and Child Hospital	20.2	156,212,194	566,855,689	723,067,883	147,497,826	113,961,561	461,608,496
Revamping of DHQs and THQs Hospitals	20.3	323,854,028	-	323,854,028	92,344,790	231,509,238	-
Provision of Missing Specialties for Upgradation of DHQ: Hospital Sialkot to Teaching Hospital Sialkot;	20.4	1,720,908,760	287,000,000	2,007,908,760	226,797,945	-	1,781,110,815
Information Technology University	20.5	621,153,300	-	621,153,300	1,005,450	-	620,147,850
Jinnah Hospital, Lahore	20.6	57,262,399	-	57,262,399	-	-	57,262,399
The Punjab Agriculture, Food and Drug Authority	20.7	158,533,165	-	158,533,165	250,000	-	158,283,165
Punjab Forensic Science Agency	20.8	613,500,171	2,000,000,000	2,613,500,171	891,337,409	1,722,162,762	-
Lahore Knowledge Park Company	20.9	282,348,859	417,928,000	700,276,859	351,445,982	348,830,877	-
Project of SHC & ME	20.10	136,031,423	10,727,002	146,758,425	145,608,558	1,149,867	-
Quaid e Azam Thermal Power Limited	20.11	46,736,837	-	46,736,837	7,094,130	39,642,707	-
Mother and Child Hospital, Mianwali	20.12	3,168,909	5,932,235	9,101,144	43,054	9,058,090	-
Tertiary Care Hospital Nishtar II, Multan	20.13	-	1,999,855,000	1,999,855,000	28,201,547	1,971,653,453	-
Institute of Cardiology, Dera Ghazi Khan	20.14	-	3,000,000,000	3,000,000,000	82,662,156	2,917,337,844	-
	20.15	-	1,500,000,000	1,500,000,000	4,517,955	1,495,482,045	-
		4,849,006,807	12,766,735,127	17,615,741,934	4,735,051,739	9,580,085,206	3,300,604,989
Year ended June 30, 2019							
Pakistan Kidney and Liver Institute (PKLI) and Research Centre;	20.1	986,579,032	4,476,739,309	5,463,318,341	4,734,021,579	729,296,762	-
Recep Tayyip Erdogan Hospital (RTEH) Mother and Child Hospital	20.2	824,507,523	344,582,600	1,169,090,123	1,012,877,929	113,961,561	42,250,633
Revamping of DHQs and THQs Hospitals	20.3	393,206,921	-	393,206,921	69,352,893	323,854,028	-
Provision of Missing Specialties for Upgradation of DHQ: Hospital Sialkot to Teaching Hospital Sialkot;	20.4	1,646,740,145	1,698,573,751	3,345,313,896	1,624,405,136	-	1,720,908,760
Information Technology University	20.5	621,153,300	-	621,153,300	-	-	621,153,300
Jinnah Hospital, Lahore	20.6	64,300,891	-	64,300,891	7,038,492	-	57,262,399
The Punjab Agriculture, Food and Drug Authority	20.7	159,723,563	-	159,723,563	1,190,398	-	158,533,165
Punjab Forensic Science Agency	20.8	694,483,947	701,781,000	1,396,264,947	782,764,776	613,500,171	-
Lahore Knowledge Park Company	20.9	495,840,128	215,209,961	711,050,089	428,701,230	282,348,859	-
Project of SHC & ME	20.10	323,514,728	14,647,006	338,161,734	202,130,311	136,031,423	-
Quaid e Azam Thermal Power Limited	20.11	-	90,499,508	90,499,508	43,762,671	46,736,837	-
	20.12	-	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

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, 2020

- 20.1 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.
- 20.2 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.
- 20.3 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.
- 20.4 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.
- 20.5 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.
- 20.6 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.
- 20.7 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.
- 20.8 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.
- 20.9 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.
- 20.10 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.
- 20.11 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
21 GOVERNMENT GRANTS			
Deferred grants related to income	21.1	715,135,922	392,111,875
Deferred grants related to assets	21.2	61,266,450	93,365,860
		776,402,372	485,477,735
21.1 Government grants related to income			
As at July 01,		392,111,875	611,556,964
Impact of IFRS 16	4.1.1	(14,540,161)	–
Cash grant received during the year		394,670,045	–
Amortized during the year	29	(57,105,837)	(219,445,089)
At the end of the year		715,135,922	392,111,875
21.2 Government grants related to assets			
As at July 01,		93,365,860	144,284,508
Cash grant received during the year		22,616,955	–
Amortized during the year	29	(54,716,365)	(50,918,648)
At the end of the year		61,266,450	93,365,860
22 LEASE LIABILITY			
Against right of use assets			
Lease liability at the start of the year		169,615,413	–
Payments / adjustments during the year		(44,055,396)	–
Interest expense during the year		15,102,279	–
Less: Current portion		(33,630,919)	–
		107,031,377	–
22.1 Maturity analysis-contractual undiscounted cash flow			
Less than one year		44,055,396	–
One to five year		121,152,339	–
More than five year		–	–
Total undiscounted lease liability		165,207,735	–

22.2 When measuring lease liabilities, the Authority discounted lease payments using its incremental borrowing rate which is 10.5% per annum.

22.3 The above liabilities were obligations under leases with various lessors for lease of buildings.

23 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, 2020 using the Projected Unit Credit method.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
23.1 Reconciliation of payable to defined benefit plan			
Present value of defined benefit obligation		118,271,558	74,061,460
23.2 Movement in the net liability			
Opening balance		74,061,460	19,650,100
Expense chargeables to P&L	23.4	50,947,078	59,119,170
Remeasurement changes chargeable to other comprehensive income		279,679	(1,085,892)
Payments / adjustments during the year		(7,016,659)	(3,621,918)
		118,271,558	74,061,460
23.3 Movement in present value of defined benefit obligation			
Opening balance		74,061,460	19,650,100
Service cost		40,893,257	56,577,092
Interest on defined benefit obligation		10,053,821	2,542,078
Payments / adjustments during the year		(7,016,659)	(3,621,918)
Remeasurement changes chargeable to other comprehensive income		279,679	(1,085,892)
		118,271,558	74,061,460
23.4 Charged to the statement of income and expenditure			
Service cost		40,893,257	56,577,092
Interest on defined benefit obligation		10,053,821	2,542,078
		50,947,078	59,119,170
23.5 Remeasurements chargeable to the other comprehensive income			
Remeasurement of plan obligations			
Experience adjustments		279,679	(1,085,892)
23.6 Significant actuarial assumptions			
Projected unit credit method, based on the following significant assumptions, is used for valuation of gratuity:			
		2020	2019
Discount rate used for interest cost		8.5%	14.25%
Discount rate used for year end obligation		8.5%	14.25%
Expected rates of salary increase in future years		8.5%	14.25%
Retirement age of employee		60	60

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

23.7 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)	111,418,526	125,548,876
Salary increase (100 bps change)	125,546,100	111,417,158

23.8 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.

23.9 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.

	2020 Rupees	2019 Rupees
23.10 The charge for the year has been allocated as follows:		
Administrative and general expenses	50,947,078	59,119,170
23.11 Historical information		
Present value of defined benefit obligation	118,271,558	74,061,460

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
24 TRADE AND OTHER PAYABLES			
Creditors		23,493,527	11,319,599
Payable to contractors		371,393,139	655,983,400
Payable to consultants		138,637,207	167,662,349
Payable to suppliers		–	12,985,900
Payable to employees		20,624,956	22,226,300
Accrued expenses	24.1	21,693,739	32,029,637
Withholding income tax payable		38,642,040	3,001,719
Withholding sales tax payable		55,290,121	52,266,774
Sales tax payable		9,281,088	7,859,724
Other payables	24.3	20,336,670	19,232,969
		699,392,487	984,568,371
24.1 Accrued expenses			
Salaries and wages		14,372,789	23,093,721
Utilities		404,149	847,620
Rental charges		812,698	4,078,142
Repair and maintenance		–	371,925
Legal and professional charges		1,649,210	356,547
Auditors' remuneration		2,925,000	1,450,000
Security services		398,432	245,333
Advertisement		–	31,530
Printing and stationary		284,400	373,712
Withholding warranty claim payable		787,570	–
Others		59,491	1,181,107
		21,693,739	32,029,637
24.2	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:		
		2020 Rupees	2019 Rupees
24.3 Movement during the year:			
As at July 01,		19,232,969	39,436,354
Advance received during the year		1,103,701	71,199,000
Expense incurred by the Authority on behalf of PMO		–	(91,402,385)
At the end of the year		20,336,670	19,232,969

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
25 RETENTION MONEY PAYABLE			
Retention money for contractors	25.1	1,282,509,192	1,173,615,181
Retention money for contractors			
Withholding warranty claim payable		–	4,563,108
Other deductions payable	25.2	226,609,260	223,337,179
		1,509,118,452	1,401,515,468

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

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

		2020 Rupees	2019 Rupees
26 CONTRACT LIABILITY			
Jinnah Hospital-Pathology Lab		635,829	–
Mother and Child Hospital		954,701	2,801,599
DHQ Hospital Sialkot to Teaching Hospital Sialkot		50,583,406	50,603,515
The Punjab Agriculture, Food and Drug Authority		23,247,961	5,940,335
Jinnah Hospital Lahore		1,132,782	1,142,782
Quaid-e-Azam Thermal Power (Private) Limited		4,129,005	4,129,005
		80,683,684	64,617,236

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

		2020 Rupees	2019 Rupees
26.2 Movement in contract liabilities			
Opening balance as at July 01,		64,617,236	71,878,475
Advance received		17,943,455	5,464,246
Income recongised		1,877,007	12,725,485
Closing balance as at June 30		80,683,684	64,617,236

26.3 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. million 80.683 (2019: 64.617 million). Revenue recognized during the reporting period which was included in the contract liabilities at the beginning of the period amounted to Rs. 1.877 million (2019: Rs. 12.725 million).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

27 CONTINGENCIES AND COMMITMENTS

27.1 Contingencies

- 27.1.1** 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 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.
- 27.1.2** 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 Authority, the matter is expected to be settled in favour of the Authority.
- 27.1.3** 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.
- 27.1.4** 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.
- 27.1.5** Guarantees issued by Bank of Punjab in respect of operational obligations of the Authority, to Pakistan State Oil aggregate to Rs. 3.401 million (June 30, 2019: Rs. 3.401 million).

27.2 Commitments

Commitments in respect of contracts for capital expenditure amounts to (2019: Nil) as of balance sheet date. Other commitments have been provided below.

	2020 Rupees	2019 Rupees
27.2.1 Lease arrangement:		
Rental commitments against the office		
building rent and vehicle rent:		
Not later than one year	24,230,466	46,258,164
Later than one year but less than five year	–	24,230,466
	24,230,466	70,488,630
27.2.2 Others		
Security guard services	5,240,000	4,480,000
Internet services	998,000	948,000
Enterprise resource planning (ERP) installation	27,689,928	67,246,968
	33,927,928	72,674,968

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
28 INCOME FROM SERVICES			
Departmental charges	28.1	85,460,514	214,574,049
28.1 The party wise breakup is as follows:			
Pakistan Kidney and Liver Institute (PKLI) and Research Centre		27,306,539	68,058,991
Recep Tayyip Erdogan Hospital (RTEH)		2,837,137	20,257,559
Mother and Child Hospital		1,846,898	1,387,059
Revamping of DHQs and THQs Hospitals		11,339,895	81,248,532
Hospital Sialkot to Teaching Hospital Sialkot		20,109	–
Information Technology University		–	140,770
Jinnah Hospital, Lahore			
Revamping of the Jinnah Hospital		10,000	47,616
Jinnah Hospital-Pathology Lab		983,916	2,220
The Punjab Agriculture, Food and Drug Authority		17,826,748	15,655,296
Punjab Forensic Science Agency		17,572,299	21,435,062
Lahore Knowledge Park Company		3,291,830	4,042,606
Tertiary Care Hospitals		–	2,188,134
Quaid-e-Azam Thermal Power (Private) Limited		–	110,204
Mother and Child Hospital, Mianwali		564,031	–
Mother and Child Hospital, Layyah		44,980	–
Tertiary Care Hospital Nishtar II, Multan		1,653,243	–
Institute of Cardiology, Dera Ghazi Khan		90,359	–
Shiekh Zaid Medical College, Rahim Yar Khan		72,530	–
		85,460,514	214,574,049
28.2	This represents departmental charges, ranging from 2% to 5% of cost of project, for the execution of various projects.		
28.3 Timing of revenue recognition - net			
Services are transferred at point over time		85,460,514	214,574,049
28.4 Geographical market			
Pakistan (local)		85,460,514	214,574,049
29 AMORTIZATION OF GRANT			
Amortization of grant related to income	21.1	57,105,837	219,445,089
Amortization of grant related to assets	21.2	54,716,365	50,918,648
		111,822,202	270,363,737

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
30 OTHER INCOME			
Income from financial assets			
Return on saving accounts	19.1	700,668,951	330,564,174
Income from assets other than financial assets:			
Tender fee		2,099,000	941,350
Others		2,183,512	–
		704,951,463	331,505,524
31 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries, wages and other benefits	31.1	653,797,816	599,136,386
Office rent		–	47,437,068
Consultancy and professional charges		22,148,391	14,171,543
Advertisement		1,217,591	204,405
Printing and stationery		12,896,776	2,348,858
Depreciation on property and equipment	9	44,448,502	48,160,765
Amortization on intangible assets	10.1	10,267,863	2,757,883
Depreciation on right of use asset		32,647,421	–
Travelling expenses		1,479,156	1,721,741
Repairs and maintenance		2,310,585	635,165
Utilities and generator expenses		8,677,110	7,031,886
Security expenses		5,246,021	4,405,333
Vehicle running and maintenance		31,702,203	37,723,619
Insurance		2,561,020	2,603,967
Board of Authority meeting fee		2,691,492	600,000
Meetings and office refreshments		11,428,005	12,960,825
Auditors' remuneration		1,475,000	1,450,000
Communication		8,623,626	9,618,203
Training expenses		203,926	1,333,333
Entertainment expenses		275,066	266,140
Office expenses		1,370,894	3,361
Safety equipment		–	3,266,050
Allowance for expected credit loss		13,998,850	–
Other expenses		1,325,069	2,071,984
		870,792,383	799,908,515

31.1 This amount includes Rs. 50.947 million (2019: Rs. 59.119 million) in respect of employees' retirement benefits.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

		2020 Rupees	2019 Rupees
32	FINANCE CHARGES		
	Finance charges	15,102,279	–
	Bank charges	35,229	171,141
		15,137,508	171,141
33	TAXATION		
	Current	6.3	16,024,609
	Prior	33.2	–
	Deferred tax	–	–
		16,024,609	17,449,546
33.1	Tax charge reconciliation		
	Numerical reconciliation between tax expense and accounting profit:		
	Profit before taxation	16,304,288	16,363,654
	Applicable tax rate	29%	29%
		4,728,244	4,745,460
	Effect of income from services on receipts basis	11,296,365	12,704,086
		16,024,609	17,449,546
		(Short)/excess	Tax provision
		Rupees	Rupees
33.2	Comparison of tax provision against tax assessments		
	2019-20	16,024,609	16,024,609
	2018-19	3,170,225	17,449,546
	2017-18	22,998,918	24,651,528
			1,652,610

- 33.3** As at June 30, 2020, 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	2020 Rupees	2019 Rupees
33.4 Deferred tax liabilities/assets		
Deferred tax liability comprises as follows:		
Taxable temporary differences		
Tax depreciation allowances	896,667	1,750,910
Tax amortization allowance	233,699	–
Right of use asset	9,794,226	–
Deductible temporary differences		
Lease liability	(11,252,984)	–
Provision for gratuity	(9,461,725)	(5,924,917)
	(9,790,117)	(4,174,007)

- 33.5** The deferred tax assets amounting to Rs. 9.790 million (2019: Rs. 4.174 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.

34 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Lease liability	Government grants Rupees	Total
As at June 30, 2019	–	485,477,735	485,477,735
Changes from financing cash flows			
Addition in lease liability	169,615,413	–	169,615,413
Lease payment	(44,055,396)	–	(44,055,396)
Interest expense during the year	15,102,279	–	15,102,279
Amortization of grant	–	(111,822,202)	(111,822,202)
Total changes from financing cash flows	140,662,296	(111,822,202)	28,840,094
Other changes			
Grant received from Government	–	417,287,000	417,287,000
Total liability related other changes	–	417,287,000	417,287,000
As at June 30, 2020	140,662,296	790,942,533	931,604,829
As at June 30, 2018	–	755,841,472	755,841,472
Changes from financing cash flows			
Lease payment	–	–	–
Amortization of grant	–	(270,363,737)	(270,363,737)
As at June 30, 2019	–	485,477,735	485,477,735

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

35 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	2020		2019		
				Transactions during the year	Closing balance	Transactions during the year	Closing balance	
				Rupees -----				
The Government of the Punjab		Deferred grants	21	-	776,402,372	-	485,477,735	
		Proceeds from grant	21	417,287,000	-	-	-	
Pakistan Kidney and Liver Institute and Research Centre	Due to Government Entities	Advances from customers	20	-	951,489,026	-	729,296,762	
		Contract asset	14	-	41,757,380	-	59,699,195	
		Proceeds for projects	20	2,978,437,201	-	4,476,739,309	-	-
		Utilization during the year	20	2,756,244,937	-	4,734,021,579	-	-
		Rendering of services	28	27,306,539	-	68,058,991	-	-
		Proceeds for services		45,248,354	-	-	-	-
		Contract liability	26	-	-	(8,359,766)	-	-
Recep Tayyip Erdogan Hospital (RTEH)	Due to Government Entities	Contract asset	14	-	22,998,713	-	20,161,576	
		Advances from customers	20	-	575,570,057	-	156,212,194	
		Proceeds for projects	20	566,855,689	-	344,582,600	-	-
		Utilization during the year	20	147,497,826	-	1,012,877,929	-	-
		Rendering of services	28	2,837,137	-	20,257,560	-	-
		Contract liability	26	-	-	(95,982)	-	-
		The Specialized Healthcare and Medical Education – Mother and Child Hospital	Due to Government Entities	Contract asset	14	-	-	-
Advances from customers	20			-	231,509,238	-	323,854,028	
Proceeds for projects	20			-	-	-	-	-
Utilization during the year	20			92,344,790	-	69,352,893	-	-
Rendering of services				1,846,898	-	1,387,058	-	-
Proceeds for services	28			-	-	1,579,516	-	-
Contract liability	26			-	954,701	192,458	2,801,599	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

Name of parties	Nature of relationship	Nature of transactions	Note	2020		2019	
				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	13	-	1,811,637	-	45,065,998
		Receivable against cost incurred	13	-	18,405,500	565,500	-
		Advances from customers	20	-	1,781,110,815	-	1,720,908,760
		Proceeds for projects	20	287,000,000	-	1,698,573,751	-
		Utilization during the year	20	226,797,945	-	1,624,405,136	-
		Rendering of services	28	11,339,895	-	81,248,532	-
		Proceeds for services		54,594,256	-	74,524,555	-
Khawaja Muhammad Safdar Medical College and Hospital, Sialkot – Hospital Sialkot to Teaching Hospital Sialkot	Due to Government Entities	Contract asset	14	-	-	-	-
		Advances from customers	20	-	620,147,850	-	621,153,300
		Proceeds for projects	20	-	-	-	-
		Utilization during the year	20	1,005,450	-	-	-
		Rendering of services	28	20,109	-	-	-
		Contract liability	26	-	50,583,406	-	50,603,515
Information Technology University	Due to Government Entities	Contract asset	14	-	359,412	-	359,412
		Advances from customers	20	-	57,262,399	-	57,262,399
		Utilization during the year	20	-	-	7,038,492	-
		Rendering of services	28	-	-	140,770	-
Jinnah Hospital, Lahore	Due to Government Entities	Receivable against departmental charges	13	-	1,898,813	-	1,898,813
		Receivable against cost incurred	13	-	30,797,603	-	15,806,592
		Advances from customers	20	-	158,283,165	-	158,533,165
		Utilization during the year	20	250,000	-	3,879,541	-
		Rendering of services	28	10,000	-	49,836	-
		Proceeds for services	-	-	1,190,398	-	-
		Contract liability	26	-	1,132,782	1,142,782	1,142,782

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

Name of parties	Nature of relationship	Nature of transactions	Note	2020		2019	
				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	14	-	-	-	11,385,590
		Advances from customers	20	-	1,722,162,762	-	613,500,171
		Proceeds for projects	20	2,000,000,000	-	701,781,000	-
		Utilization during the year	20	891,337,409	-	782,764,776	-
		Rendering of services	28	17,826,748	-	15,655,296	-
		Proceeds for services	46,519,964	-	-	-	-
		Contract liability	26	-	23,247,961	(4,269,706)	5,940,335
Punjab Forensic Science Agency	Due to Government Entities	Receivable against departmental charges	13	-	3,069,517	-	12,102,425
		Advances from customers	20	-	348,830,877	-	282,348,859
		Proceeds for projects	20	417,928,000	-	215,209,961	-
		Utilization during the year	20	351,445,982	-	428,701,230	-
		Rendering of services	28	17,572,299	-	21,435,062	-
		Proceeds for services		26,605,207	-	9,453,152	-
		Lahore Knowledge Park Company	Due to Government Entities	Contract asset	14	-	9,734,135
Receivable against cost incurred	13			-	20,132,784	-	-
Advances from customers	20			-	1,149,867	-	136,031,423
Proceeds for projects	20			10,727,002	-	14,647,006	-
Utilization during the year	20			145,608,558	-	202,130,311	-
Rendering of services	28			3,291,830	-	4,042,606	-
Specialized Healthcare and Medical Education Department of Government of Punjab-Tertiary Care Hospitals	Due to Government Entities			Receivable against departmental charges	13	-	-
		Proceeds for projects	20	-	-	90,499,508	-
		Advances from customers	20	-	39,642,707	-	-
		Utilization during the year	20	7,094,130	-	43,762,671	-
		Rendering of services	28	-	-	2,188,134	-
		Proceeds for services	7,094,130	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

Name of parties	Nature of relationship	Nature of transactions	Note	2020		2019	
				Transactions during the year	Closing balance	Transactions during the year	Closing balance
				Rupees			
Quaid-e-Azam Thermal Power (Private) Limited	Due to Government Entities	Contract asset	14	-	3,445,500	-	3,445,500
		Receivable against cost incurred	13	-	9,380,620	-	9,380,620
		Proceeds for projects	20	5,932,235	-	8,679,198	-
		Advances from customers	20	-	9,058,090	-	-
		Utilization during the year	20	43,054	-	5,510,289	-
		Rendering of services	28	-	-	110,206	-
		Proceeds for services	-	-	3,686,511	-	-
	Contract liability	26	-	4,129,005	4,129,005	4,129,005	
Mother and Child Hospital, Mianwali	Due to Government Entities	Rendering of services	28	564,031	-	-	-
		Contract asset	14	-	564,031	-	-
		Advances from customers	20	-	1,971,653,453	-	-
		Proceeds for projects	20	1,999,855,000	-	-	-
		Utilization during the year	20	28,201,547	-	-	-
Mother and Child Hospital, Layyah	Due to Government Entities	Rendering of services	28	44,980	-	-	-
		Contract asset	14	-	44,980	-	-
		Receivable against cost incurred	13	-	2,417,679	-	-
Tertiary Care Hospital Nishtar II, Multan	Due to Government Entities	Rendering of services	28	1,653,243	-	-	-
		Contract asset	14	-	1,653,243	-	-
		Proceeds for projects	20	3,000,000,000	-	-	-
		Advances from customers	20	2,917,337,844	-	-	-
		Utilization during the year	20	82,662,156	-	-	-
Institute of Cardiology, Dera Ghazi Khan	Due to Government Entities	Rendering of services	28	90,359	-	-	-
		Contract asset	14	-	90,359	-	-
		Proceeds for projects	20	1,500,000,000	-	-	-
		Advances from customers	20	-	1,495,482,045	-	-
		Utilization during the year	20	4,517,955	-	-	-
Shiekh Zaid Medical College, Rahim Yar Khan	Due to Government Entities	Rendering of services	28	72,530	-	-	-
		Contract asset	14	-	72,530	-	-
		Proceeds for projects	20	-	-	-	-
		Receivable against cost incurred	13	-	2,249,011	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

Name of parties	Nature of relationship	Nature of transactions	Note	2020		2019	
				Transactions during the year	Closing balance	Transactions during the year	Closing balance
				Rupees			
University of Murree	Due to Government Entities	Receivable against cost incurred	13	-	731,595	-	731,595
University of Murree	Due to Government Entities	Receivable against cost incurred	13	-	850,000	-	-
Jinnah Hospital-Pathology Lab	Due to Government Entities	Rendering of services	28	983,916	-	-	-
		Receivable against departmental charges	13	-	92,188	-	790,330
		Proceeds for projects		1,682,057	-	-	-
		Contract liability	26	-	635,829	-	-
Planning and Development Government of Punjab	Due to Government Entities	Receivable against departmental charges	13	-	44,114	-	44,114
Director General Public Relations	Due to Government Entities	Advertisement expense		1,217,591	-	1,188,099	-
The Bank of Punjab	Due to Government Entities	Deposits with the Bank	18	-	13,755,653,966	-	6,480,067,048
Chief executive and members Executives	Key management personnel Remuneration	Remuneration	43	1,777,920	-	3,189,855	-
			43	458,609,754	-	505,284,492	-

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

35.1 The details of compensation paid to key management personnel are shown under the heading of "Remuneration of Chief Executive, Members and Executive (note 43)". There are no transactions with key management personnel other than under their terms of employment except otherwise stated.

35.2 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Authority considers all members of its management team, including the Chief Executive Officer and the Members to be key management personnel.

35.3 Transactions and contracts with the related parties are based on the policy that all transactions between the Authority and related parties are carried out at an arm's length.

35.4 All transactions with GoP and its owned entities (the Bank of Punjab, under the bank account maintenance) are not disclosed as the management is of the view that it is impracticable to disclose such transactions due to the nature of the transactions.

35.5 The entities which are owned and / or controlled by the GoP, or where the GoP may exercise significant influence are related parties of the Authority.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

36 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.

36.1 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	2020 Rupees	2019 Rupees
Long term deposits	12	14,860,090	13,596,090
Receivables	13	81,724,732	93,026,896
Contract assets	14	76,915,371	100,072,214
Bank balances	18	13,755,653,966	6,480,067,048
		13,929,154,159	6,686,762,248

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, 2020

	2020 Rupees	2019 Rupees
The aging of receivable at the reporting date is:		
Not past due (less than 30 days)	–	–
Past due but not impaired		
1-30 days	81,724,732	93,026,896
31-60 days	–	–
Above 60 days	–	–
	81,724,732	93,026,896

Based on past experience the management believes that no impairment is necessary in respect of 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	Short term	Rating		2020 Rupees
		Long term	Agency	
The Bank of Punjab	AA+	A1+	PACRA	13,755,653,966

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

36.2 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, 2020

	Carrying amount	Contractual Cash flow	Upto one year	One to two years	Two to five years	More than five years
	Rupees					
2020						
Financial liabilities						
Lease liability	140,662,296	165,207,735	44,055,396	88,110,792	33,041,547	-
Deferred liabilities - gratuity	118,271,558	118,271,558	118,271,558	-	-	-
Trade and other payables	699,392,487	699,392,487	699,392,487	-	-	-
Retention money payable	1,509,118,452	1,509,118,452	1,509,118,452	-	-	-
	2,208,510,939	2,208,510,939	2,208,510,939	-	-	-
2019						
Financial liabilities						
Lease liability	-	-	-	-	-	-
Deferred liabilities - gratuity	74,061,460	74,061,460	74,061,460	-	-	-
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	-	-	-

36.3 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.

		2020	2019
		Carrying amount	Carrying amount
		Rupees	Rupees
Financial assets	Note	(Rupees)	(Rupees)
Fixed rate instruments:			
Bank balances	18	13,755,653,966	6,480,067,048

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

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.

36.4 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.

37 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, 2019 and June 30, 2020.

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, 2020

38 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	Carrying amount		Total	Fair value			
		Amortised cost	Amortised cost		Level 1	Level 2	Level 3	Level 4
On-Balance sheet financial instruments								
As at June 30, 2020								
Financial assets								
At cost or amortised cost								
Long term advances and deposits	12	14,860,090	-	14,860,090	-	-	-	-
Receivables	13	81,724,732	-	81,724,732	-	-	-	-
Contract assets	14	76,915,371	-	76,915,371	-	-	-	-
Cash and bank balances	19	1,865,851,122	-	1,865,851,122	-	-	-	-
		2,039,351,315	-	2,039,351,315	-	-	-	-
Financial liabilities at amortised cost								
Lease liability	22	-	33,630,919	33,630,919	-	-	-	-
Deferred liabilities – gratuity	23	-	118,271,558	118,271,558	-	-	-	-
Trade and other payables	23	-	699,392,487	699,392,487	-	-	-	-
Retention money payable	24	-	1,509,118,452	1,509,118,452	-	-	-	-
		-	2,360,413,416	2,360,413,416	-	-	-	-
On – Balance sheet financial instruments								
As at June 30, 2019								
Financial assets at amortised cost								
Long term advances and deposits	12	14,410,090	-	14,410,090	-	-	-	-
Receivables	13	93,026,896	-	93,026,896	-	-	-	-
Contract assets	14	100,072,214	-	100,072,214	-	-	-	-
Cash and bank balances	19	6,480,360,576	-	6,480,360,576	-	-	-	-
		6,687,869,776	-	6,687,869,776	-	-	-	-
Financial liabilities at amortised cost								
Lease liability	22	-	-	-	-	-	-	-
Deferred liabilities – gratuity	23	-	74,061,460	74,061,460	-	-	-	-
Trade and other payables	23	-	984,568,371	984,568,371	-	-	-	-
Retention money payable	24	-	1,401,515,468	1,401,515,468	-	-	-	-
		-	2,460,145,299	2,460,145,299	-	-	-	-

38.1 Due to the Authority's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non performance by these counter parties on their obligations to the Authority. Accordingly, the credit risk is minimal.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

39 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.

40 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.

41 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.

42 NUMBER OF EMPLOYEES

42.1 The number of employees as at year end was 317 (2019: 294) and average number of employees during the year was 308 (2019: 317).

43 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:

	2020		
	Rupees		
	Chief Executive	Members	Executives
Managerial remuneration	–	–	421,332,818
Leave encashment	–	–	311,087
Gratuity	–	–	36,965,849
Board of Authority meeting fee	–	1,777,920	–
Other amount	–	–	–
	–	1,777,920	458,609,754
Number of persons	1	13	140

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2020

	2019		
	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

43.1 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.

44 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.

45 IMPACT OF COVID -19 ON THE FINANCIAL STATEMENTS

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. In the first few months of 2020 the virus had spread globally, and its negative impact had gained momentum.

The management considers that the outbreak did not have any impact on the amounts being reported in the Authority's statement of financial position as at June 30, 2020. The management had analysed the events as these are indicative of conditions for a review of recoverable amounts of assets of the Authority and consequently concluded that there is no change in recoverable amounts of Authority's assets at the reporting date.

46 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.

47 DATE OF AUTHORIZATION OF ISSUE

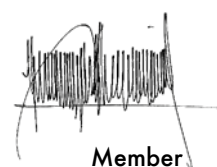
These financial statements were authorized for issue on _____ by the Board of Authority.

48 GENERAL

Figures have been rounded off to the nearest rupee.



124 Chief Executive



Member

Notes

[illegible]



INFRASTRUCTURE DEVELOPMENT AUTHORITY OF THE PUNJAB



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