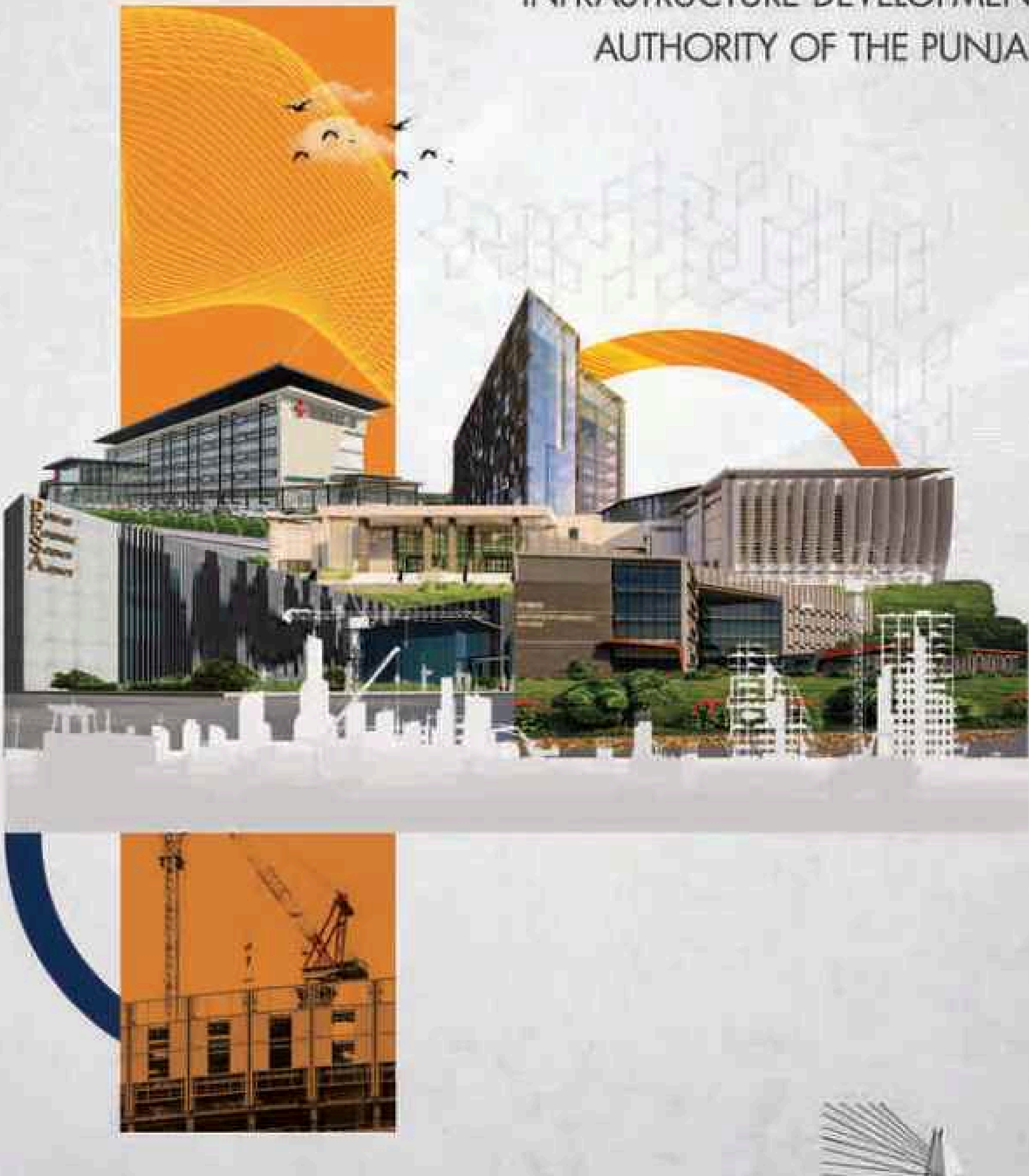
ANNUAL REPORT 2021

INFRASTRUCTURE DEVELOPMENT AUTHORITY OF THE PUNJAB



www.idap.pk

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

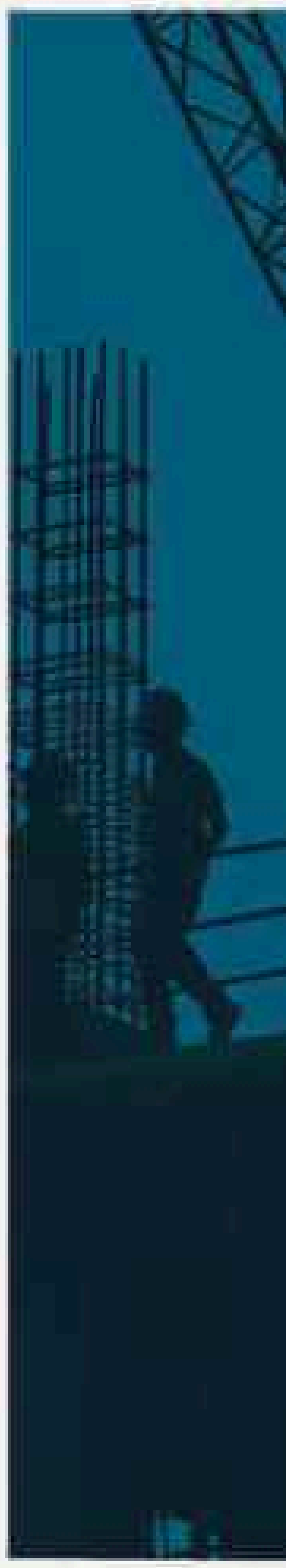
Our vision is to be one of the leading infrastructure design and build organizations in the world.

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.

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

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.

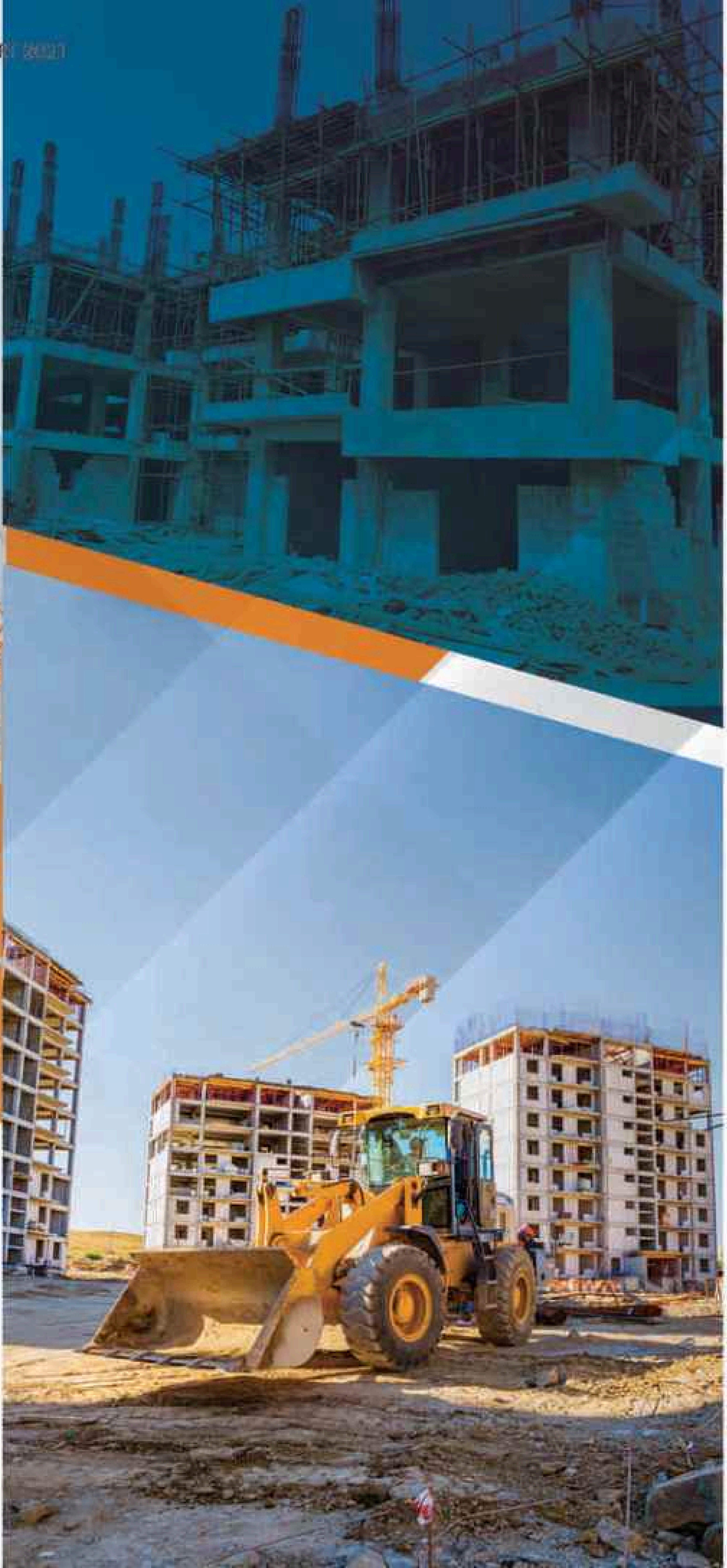
Safety & Health
We are relentless in keeping people safe and we provide a healthy work environment.

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.

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

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

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.



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

In 2021, the Infrastructure Development Authority of Punjab (IDAP) reaffirmed its commitment to building a stronger and more resilient future for Punjab. Our focus remains on delivering innovative projects that uplift communities, foster economic growth, and enhance access to quality healthcare. Our ability to adapt and push forward has been key to the achievements we are proud to reflect on.

This year, several key projects were added to our portfolio, marking important milestones in our journey. The Construction of the South Punjab Civil Secretariat and GOR at Multan, promises to enhance governance and administrative efficiency in the region, while the Pilot Program for Hub and Spoke Model at Zahir Pir, Rahim Yar Khan will significantly improve healthcare delivery by connecting rural populations to specialized medical services. Additionally, the University of Applied Engineering and Emerging Technologies (UAEET) at Sambrial promises to be a beacon of innovation and technical excellence, preparing the next generation of engineers and technologists to meet the challenges of tomorrow.

At IDAP, we believe that infrastructure is more than just physical structures – it is about building the foundation for a prosperous, inclusive, and sustainable future. As we move forward, we remain committed to upholding the highest standards of project execution and ensuring that each initiative contributes meaningfully to the well-being of the people of Punjab.

I would like to extend my sincere thanks to our partners, stakeholders, and the entire IDAP team for their tireless efforts and dedication throughout this journey. Together, we will continue to break new ground and create a lasting legacy for the generations to come.

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
BDO

Head Office
50 B-3, Gulberg-III, Lahore - 54660, Pakistan
Ph: +92 42 99332631-42
Fax: +92 42 99332645-46

IDAP COMMITTEES

Technical Committee

The Technical Committee of IDAP Board/Authority comprises:

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

Finance & Audit Committee

The list of members of the Finance & Audit Committee as of June 30, 2021 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, 2021 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, 2021 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, 2021 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 HR Committee III as of June 30, 2021:

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. Ahsan Shamim
Chief Financial Officer

Mr. Zubair Arshad
Chief Internal Auditor

Mr. Kashif N. Malik
Chief Technology Officer

Mr. Usman Tahir Farooqi
Financial Advisor

Mr. Adil Iftikhar
General Manager,
Human Resource

Capt (Retd.) Shahmeer Iqbal
General Manager,

Mr. Syed Asad Ahmed
General Manager,
Project Management

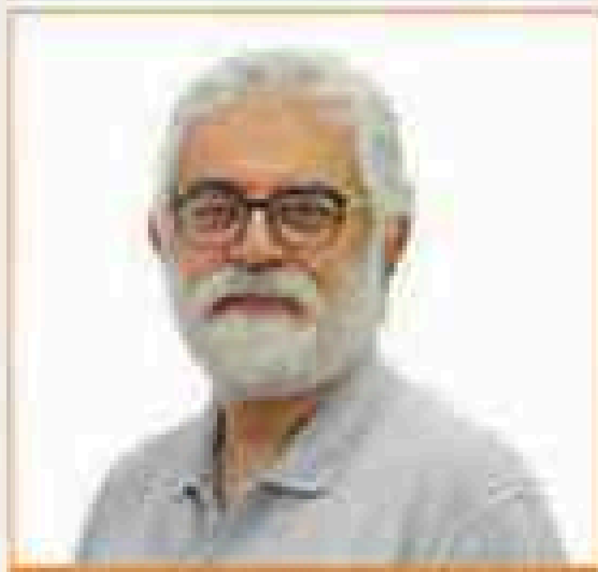
Mr. Asif Raza
General Manager,
Administration

Mr. Amer Mirza
General Manager,
Procurement and Contracts

Ms. Myra Ali
General Manager,
Planning & Design

Dr. Fawad Muzaffar
Chief of Engineering Design

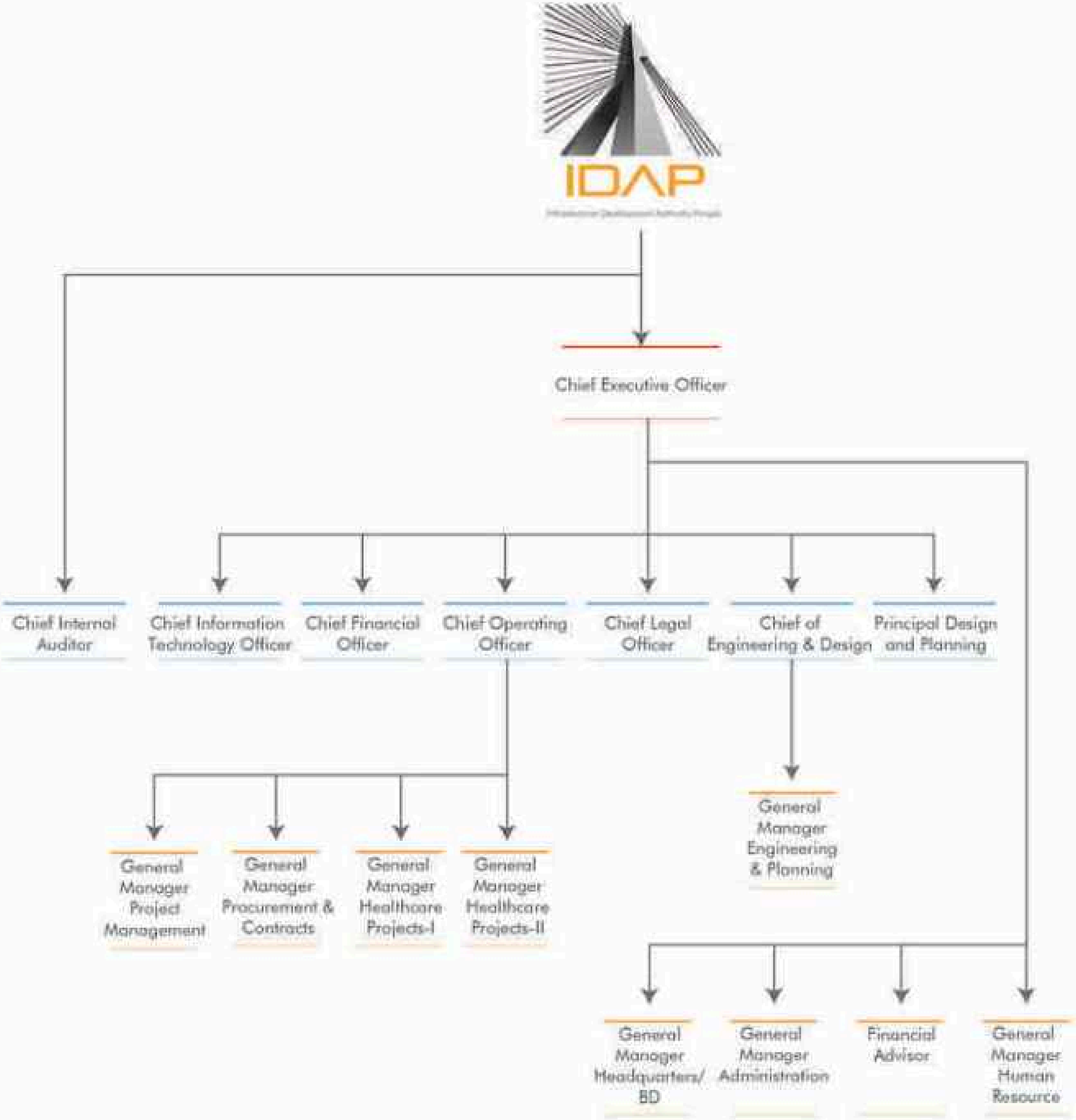
Mr. Raheel Sultan
General Manager,
Healthcare Projects II



Mr. Shehzad Nazir Leghari
General Manager,
Healthcare Projects I

Mr. Adnan Muzaffar
General Manager,
Engineering & Planning

ORGANOGRAM


IDAP
Chief Executive Officer
Chief Internal Auditor
Chief Information Technology Officer
Chief Financial Officer
Chief Operating Officer
Chief Legal Officer
Chief of Engineering & Design
Principal Design and Planning
General Manager Project Management
General Manager Procurement & Contracts
General Manager Healthcare Projects-I
General Manager Healthcare Projects-II
General Manager Engineering & Planning
General Manager Headquarters/ BD
General Manager Administration
Financial Advisor
General Manager Human Resource

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:
  - o Building Management and Monitoring System
  - o Surveillance System - CCTV Cameras
  - o Communication Network - Analogue and Digital Phone
  - o Fire Alert
  - o Nurse Call
  - o 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:**
  - o EMR (Electronic Medical Records) covering all processes of OPD, IPD and ER
  - o Clinical Physician Support covering Gynecology, Ophthalmic, Orthopedic, ENT, General Medicine, Pediatrics, Surgery, Skin, Dental etc.
  - o LIS (Laboratory Information System)
  - o RIS (Radiology Information System)
  - o PACS (Picture Archiving and Communication System)
  - o CTMS (Clinical Trial Management System) for research facilities

- **ERP – Enterprise Resource Management:**

  Implementation/support of the following but not limited to:
  - o Finance covering General Ledger, Payable, Receivables, Cash & Bank
  - o Inventory & Assets Management
  - o Human Resource and Payroll
  - o Procurement

- **Business Intelligence Dashboards:**
  - o Visual presentation of Key Performance Indicators (KPIs)
  - o Trend Analysis
  - o 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.

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.

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 callibrated 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.

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.

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.

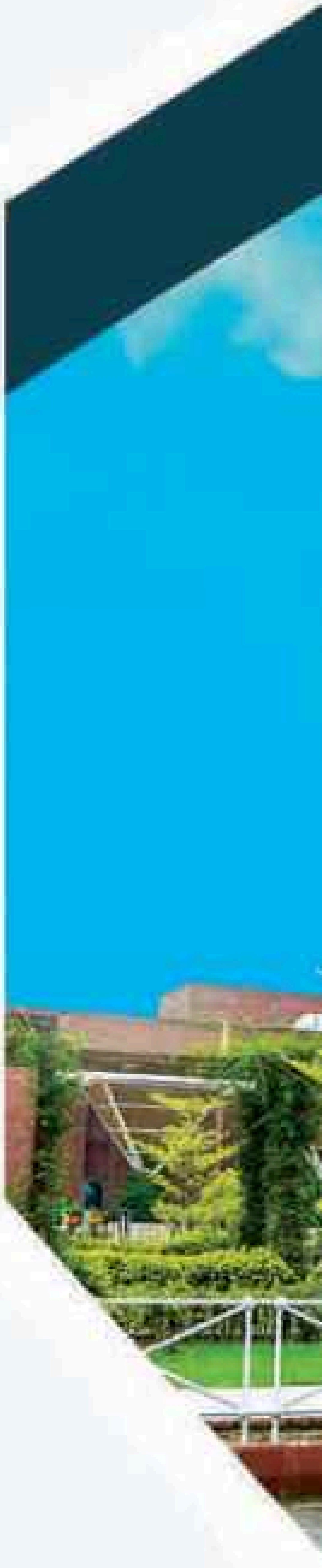
Green Development

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.

PROJECTS

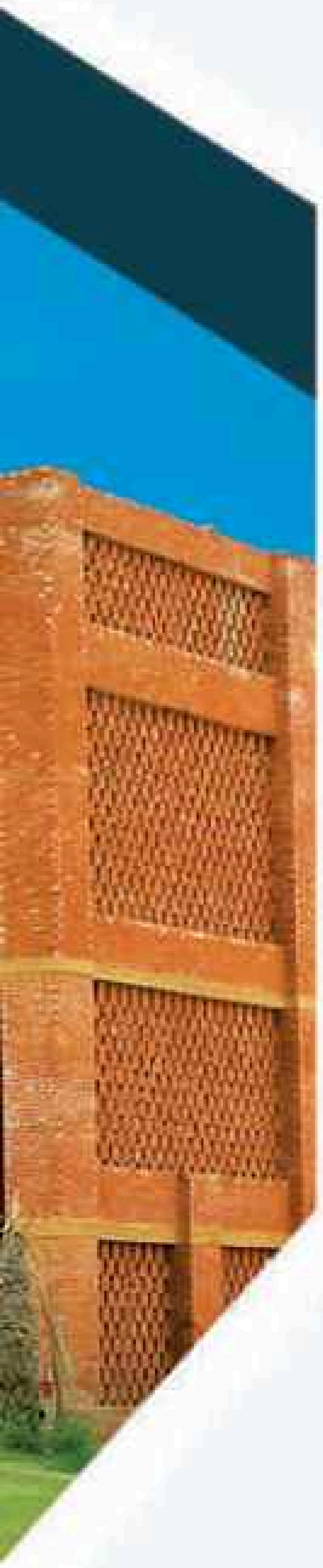


Pakistan Kidney & Liver Institute (PKLI) and Research Centre, Lahore

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.



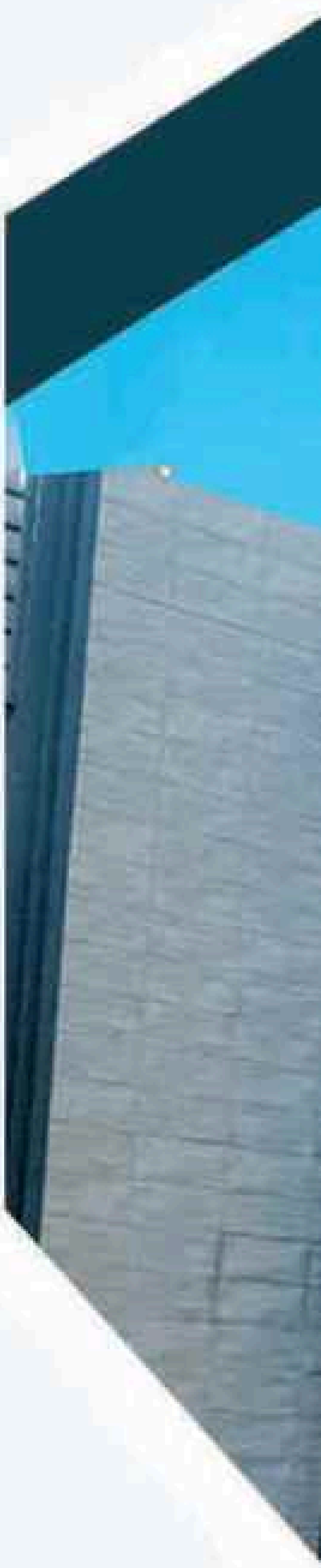
Recep Tayyip Erdogan Hospital (RTEH), Muzaffargarh

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
- Nankana Sahb
- Okara – North
- Sheikhupura
- Okara – South
- Sheikhupura Children Complex
- Khanewal
- Vehari
- Bahawalnagar
- Pakpattan
- Layyah
- Muzaffargarh
- Lodhran

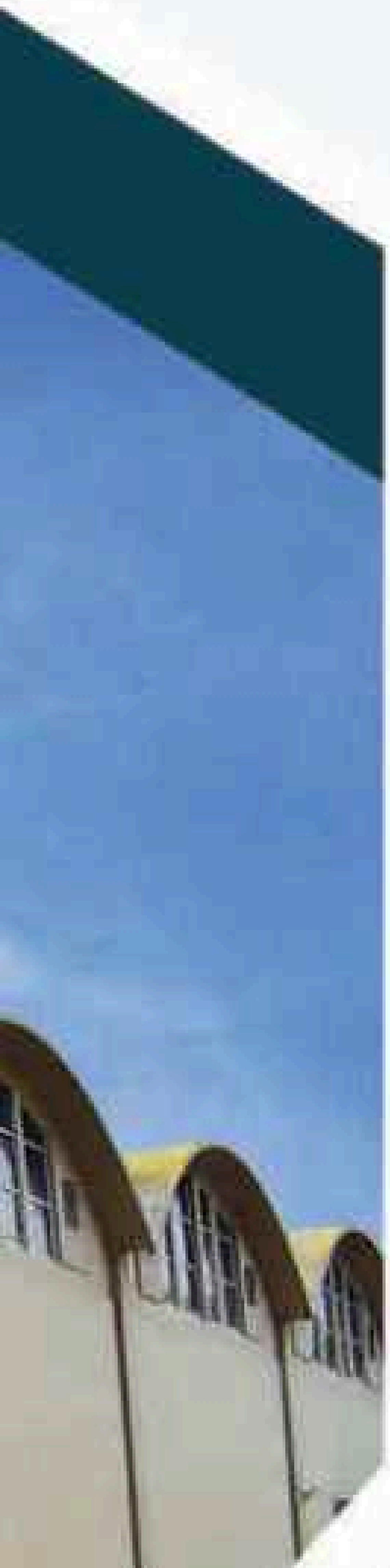
The THQ Hospitals being upgraded are located in:

- 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
- Liaqatpur


STORE
2



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 mmunization, 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.

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

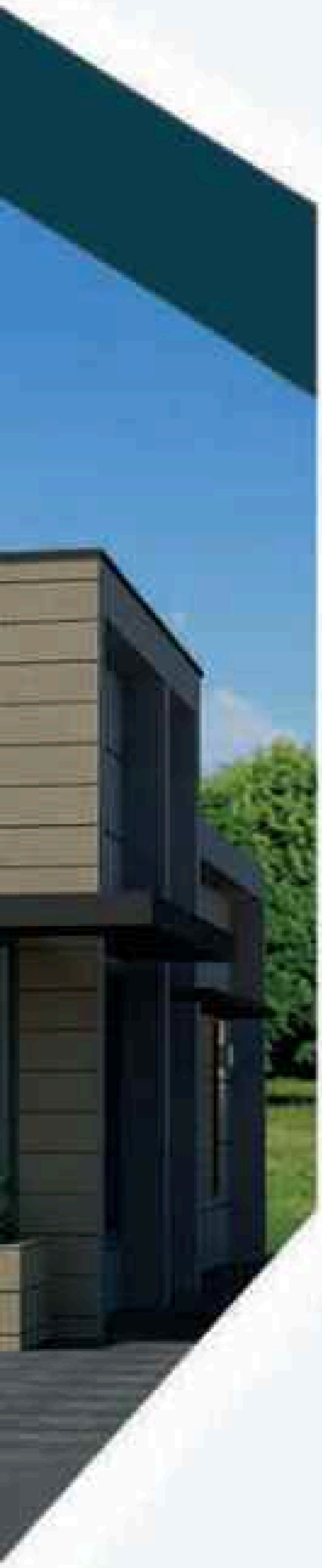
Quaid-e-Azam Thermal Power (Pvt) Limited (QATPL) is a company owned by Government of the Punjab. QATPL is in the process of setting up a 1180 MW RLNG based Combined Cycle Power Plant at Bhikki, District Sheikhupura. In addition to the main plant land, QATPL has acquired approximately 40 Acres of land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


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):

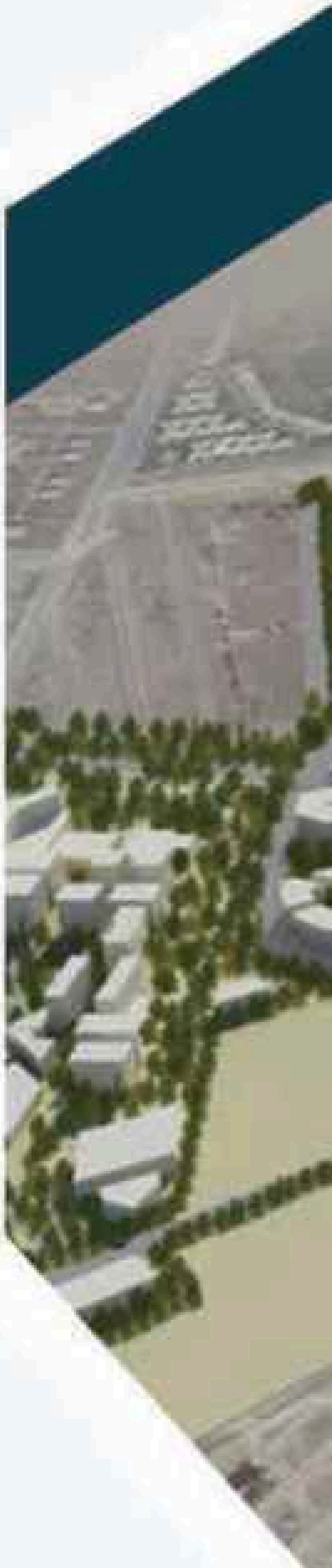
- Jhelum
- Kasur
- Okara North
- Narowal
- Khanewal
- Mianwali
- Bhakkar
- Bahawalnagar
- Nankana Sahib
- Attock
- Lodrah
- Shujabad
- Muzaffargarh
- Khusab
- Pakpattan
- Hafizabad
- Vehari
- Sheikhupura
- Jhang

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.

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 sustaiable 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.

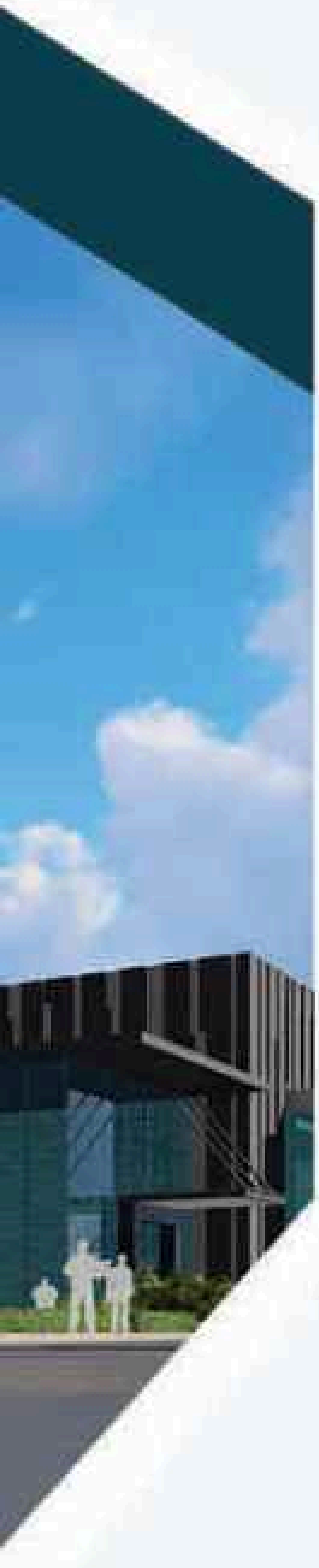


Punjab Agriculture, Food & Drug Authority (PAFDA) Complex, Lahore

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.

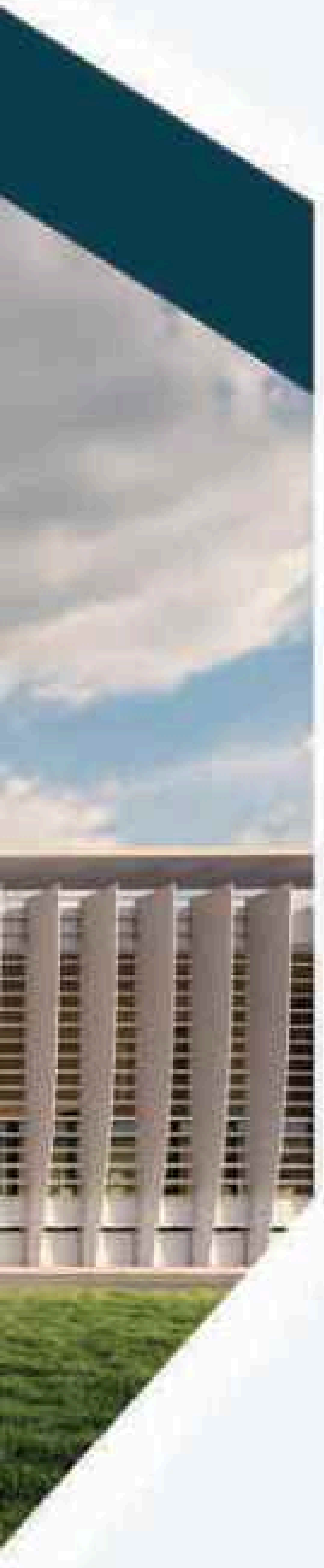
The PAFDA complex is being established for forensic examination and testing of fertilizers, pesticides, foods and drugs.



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.



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.

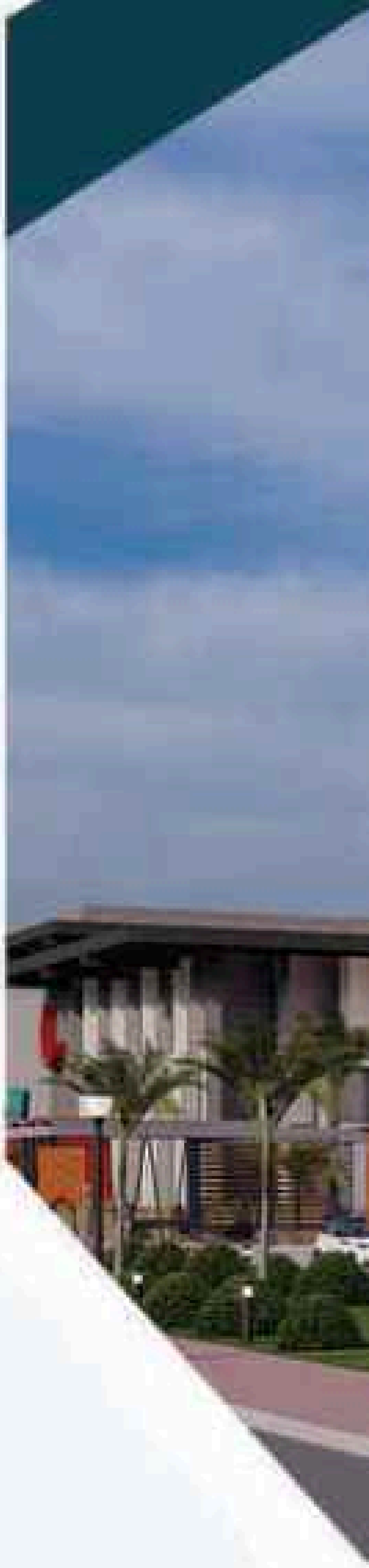
This hospital comprises of the following blocks:

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

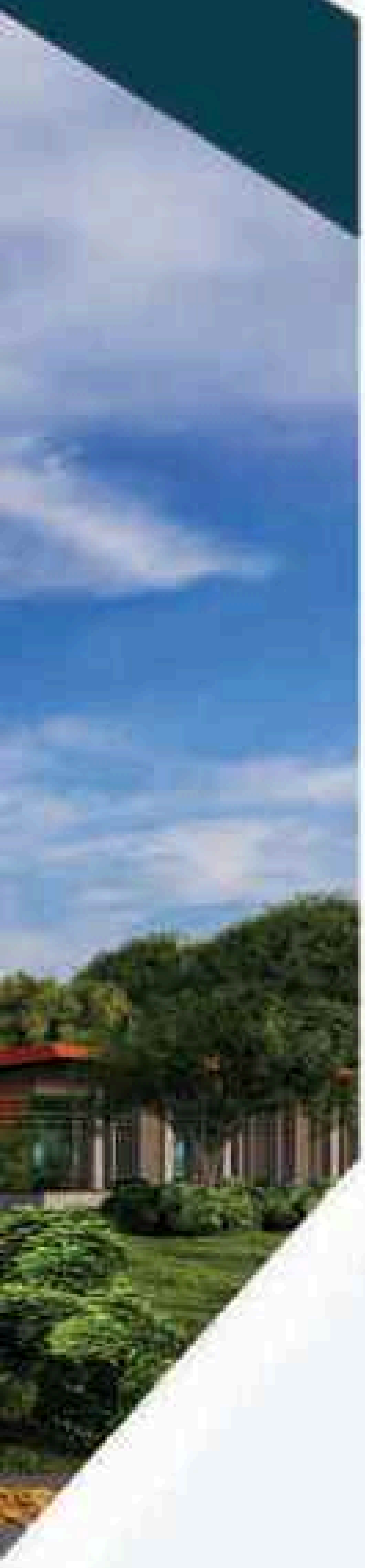
The hospital building in phase 02 would comprise the following:

- 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.


NISHTAR - II


SFMKB
INSTITUTE OF CARDIOLOGY
DG KHAN



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:

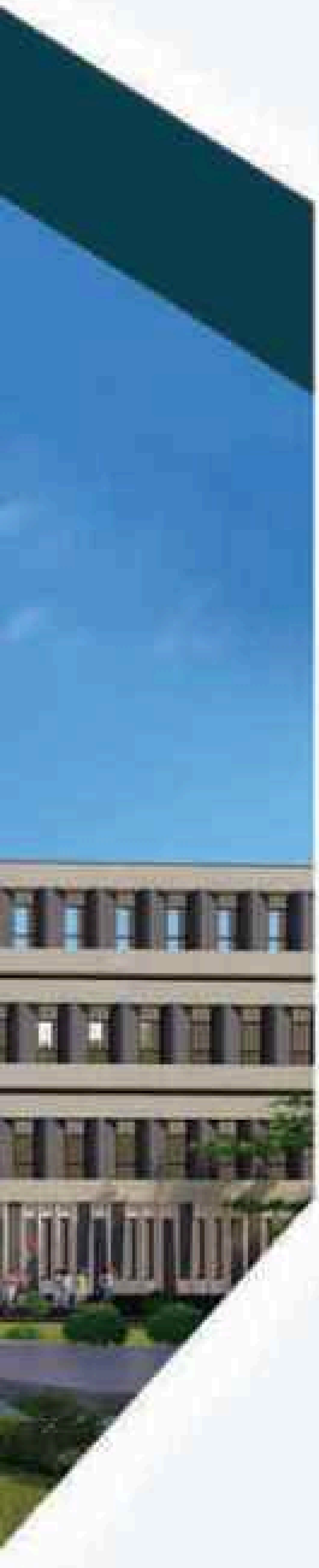
Gynae & Obstetrics Block
- Gynae Emergency
- Labor Room
- Antenatal Ward
- Postnatal Ward
- HDU
- ICU
- Gynae Ward
- Kangaroo Mother Care (KMC)
- Indoor/Day Care Room/Anemia Treatment Room

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.


MOTHER AND CHILD HOSPITAL LAYYAH



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

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:

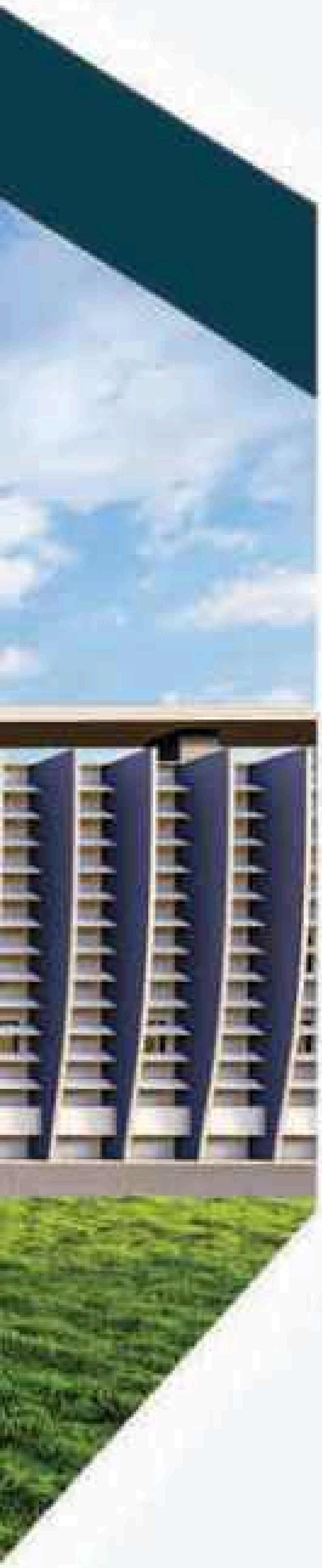
Gynae & Obstetrics Block
- Gynae Emergency
- Labor Room
- Antenatal Ward/0
- Postnatal Ward
- HDU
- ICU
- Gynae Ward
- Kangaroo Mother Care (KMC)
- Indoor/Day Care Room/Anemia
- Treatment Room

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

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


MOTHER AND CHILD HOSPITAL BAHAWALNAGAR


MOTHER AND CHILD HOSPITAL ATTOCK



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.)

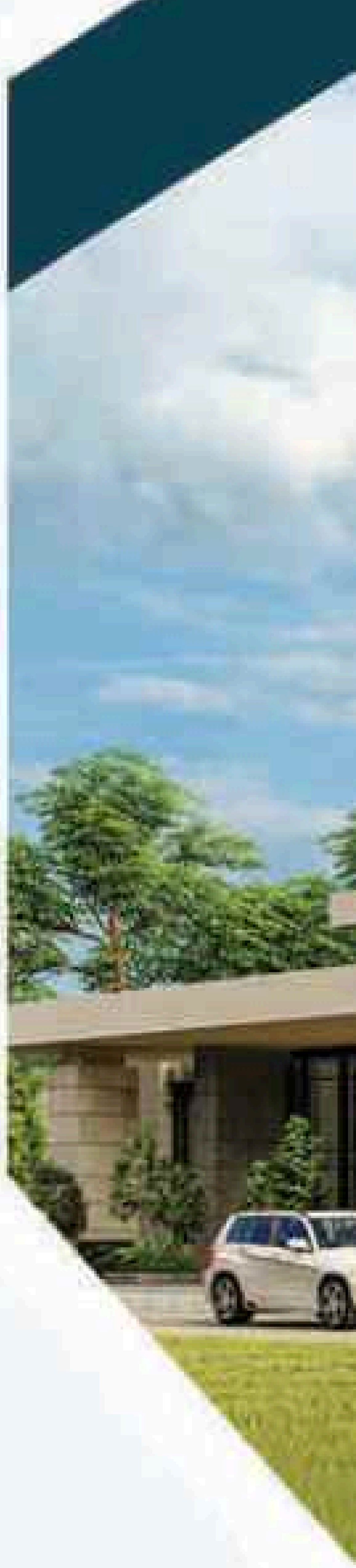
The hospital will ensure the availability of teams comprising qualified physicians, technicians, nurses and administrative staff offering best of their services to expecting mothers, facilitate them in labour and delivery and treat other health problems of women and children.

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

Pead'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. Further-more, 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.



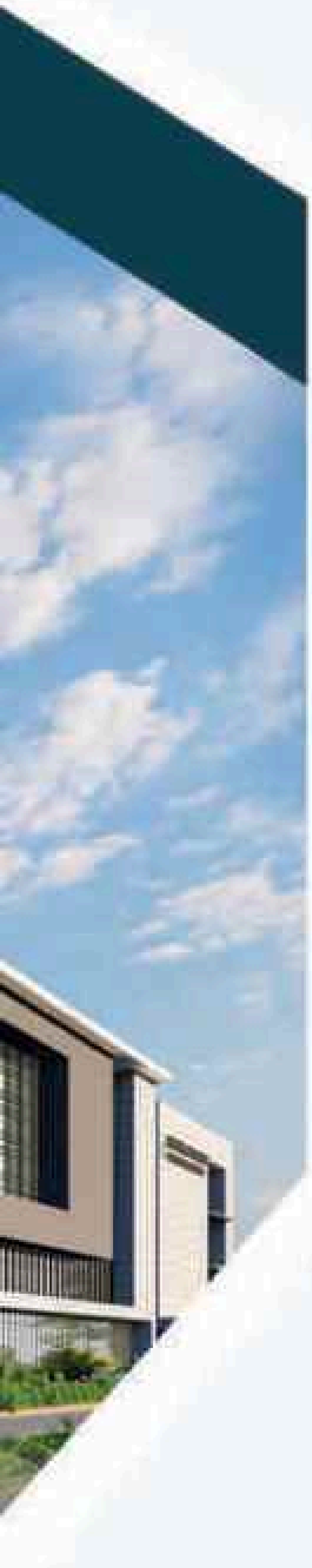
Establishment of 200 Beds Accidents and Emergency Center at PIMS, Islamabad

IDAP will be constructing a 200 Bed dedicated Emergency block having 03 levels (Basement, Ground & First floor) over an area of 145,454 sqft. proposed within the existing PIMS hospital complex. The scope includes Architecture, Structural, Mechanical, Electrical, Public Health and health care works.

Salient Features/ Departments: Acute Care, Administration, Fast Track, Waiting Area, Pharmacy, Triage, Trauma, etc.


PIMS


HAZRAT HAMEED UD DIN HAKIM
SHEIKH ZAYED SURGICAL COMPLEX



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.)

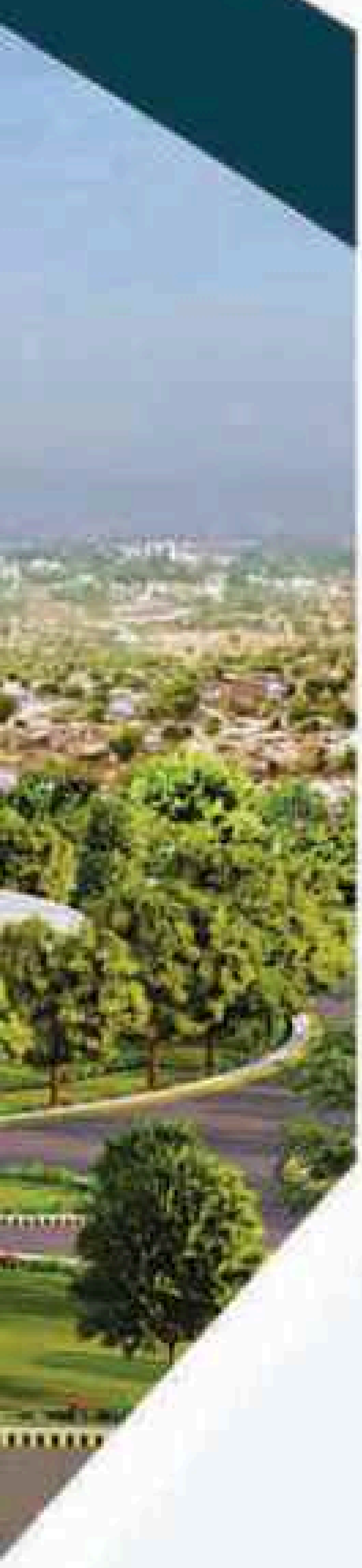
The hospital will ensure the availability of teams comprising qualified physicians, technicians, nurses and administrative staff offering best of their services to expecting mothers, facilitate them in labor and delivery and treat other health problems of women and children.

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

Pead'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.



Establishment of South Punjab Civil Secretariat and GOR at Multan

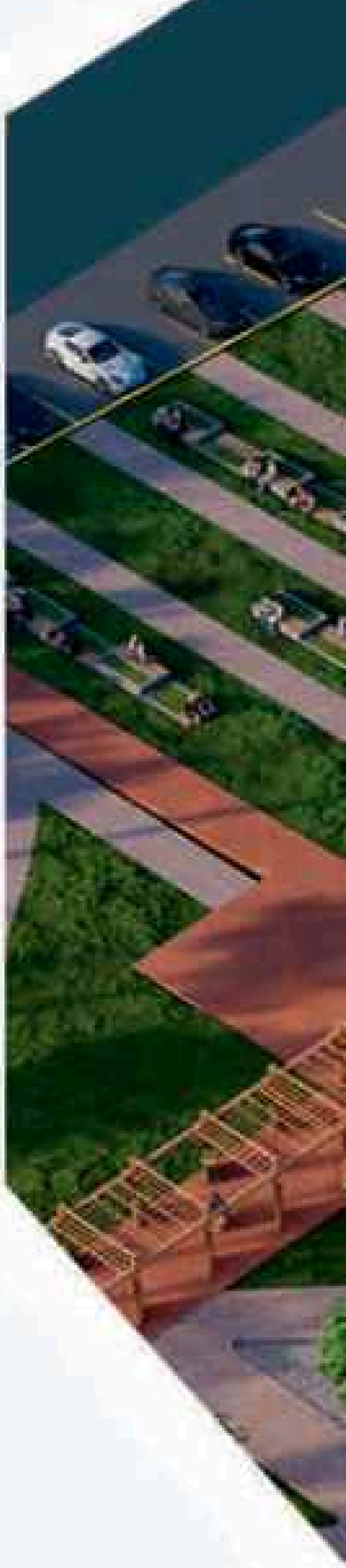
In order to realize Punjab's Government vision of developing South Punjab, IDAP is undertaking the construction of the Civil Secretariat and Government Officer Residence (GOR) in Multan. The project includes three (3) Secretariat Complex spread over 134,632 square feet. GOR includes Chief Minister complex (comprising of 2 storey residence and 4 storey office), Additional Chief Secretary (ACS) residence, Inspector General (IG) residence and four (04) two-storey buildings serving as Secretaries residence. The project also includes the construction of parking, a mosque, tube well, filtration plant, wastewater treatment plant and pumping station. Civil Secretariat, Multan will house the following departments:

- Law Department
- Home Department
- Housing and Urban Development Department
- Education Department
- Health Department
- Police Department
- Forest, Fisheries and Wildlife Department
- Agriculture Department

Establishment of University of Applied Engineering & Emerging Technologies (UAEET), Sambrial

Infrastructure Development Authority of the Punjab (IDAP) will execute Establishment of the University of Applied Engineering and Emerging Technologies (UAEET), Sambrial to provide the best educational facilities to the individuals on a total area of 400 acres approximately. The university will have the following blocks:

- Academic Block
- Admin Block
- Boys Hostel
- PhD Students' Housing
- Small Family Housing
- Medium Family Housing
- International Faculty Housing
- Girls Hostel
- Library
- Cafeteria
- Prefabricated Building



Pilot Program for HUB & Spoke Model at Zahir Pir, Rahim Yar Khan

Pilot Program for Hub & Spoke Model at Zahir Pir, Rahim Yar Khan will comprise a bed strength of 66 beds. It will have a dedicated Emergency block. Accommodations for doctors, nurses, and paramedics are also part of this project. The approximate covered area of the hospital is 73,427 sq. ft. and that of accommodation is 32,192 sq. ft. over the land of 56 Kanals approx.

Following are the salient features of the hospital:

- Outpatient Department
- Emergency Department with Resus, Triage & Ward
- Medical & Surgical Wards
- Intensive Care Unit
- High Dependency Unit
- Operation Theatres
- Delivery Suites
- Nursery
- Pathology Lab
- Radiology
- Blood Bank
- Pharmacy
- CSSD
- Laundry
- Cafeteria
- Prayer Area
- Accommodation of Doctors
- Accommodation of Nurses
- Accommodation of Paramedics
- Waiting Area
- Ancillary Buildings
- Parking for Staff & Public

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Tel: +92 42 3587 5709
+92 42 3587 5710
Fax: +92 42 3571 7351
www.bdo.com.pk

F-2, First Floor,
Grace Centre,
Canal Bank Road,
1-B Canal Park,
Gulberg-II, Lahore -54660

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, 2021, 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, 2021, and its financial performance and its cash flows for the year then ended in accordance with international Financial Reporting Standards (IFRS) as applicable in Pakistan.

Basis for Opinion

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

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information in 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

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 excersise 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 suffucuent 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 inderstanding 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 opnion. 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 ging 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.

BDO Ebrahim & Co.

CHARTERED ACCOUNTANTS
Engagement Partner: Muhammad Imran

LAHORE

DATED: 31 OCT 2024

STATEMENT OF FINANCIAL POSITION
As At 30 June 2021

	Note	2021 Rupees	2020 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	8	86,007,147	100,931,793
Intangible assets	9	33,975,936	41,888,789
Right of use asset	10	89,780,410	122,427,831
Long term advances and deposits	11	17,721,260	13,596,090
		227,484,753	278,844,503
CURRENT ASSETS			
Receivables	12	161,372,899	81,724,732
CONTRACT ASSETS	13	136,617,468	76,915,371
Advances	14	1,980,481,800	1,867,115,122
Trade deposits and short term prepayments	15	1,875,548	7,688,827
Tax refunds due from Government	16	136,984,995	82,408,145
Taxation – net	17	68,310,280	54,576,850
Cash and bank balances	18	27,252,254,571	13,755,947,494
		29,737,897,561	15,926,376,541
TOTAL ASSETS		29,965,382,314	16,205,221,044
FUNDS AND LIABILITIES			
Fund and reserves			
Fund balance		–	–
NON CURRENT LIABILITIES			
Advances from customers	19	15,434,550,693	3,300,604,989
Government grants	20	876,239,537	776,402,372
Lease liability	21	78,410,805	107,031,377
Deferred liabilities – gratuity	22	154,372,855	118,271,558
		16,543,573,890	4,302,310,296
CURRENT LIABILITIES			
Trade and other payables	23	1,088,594,745	699,392,487
Retention money payable	24	1,506,519,001	1,509,118,452
Contract Liability	25	62,231,389	80,683,684
Current portion of lease liability	21	30,435,221	33,630,919
Current portion of advances from customers	19	10,734,028,068	9,580,085,206
		13,421,808,424	11,902,910,748
CONTINGENCIES AND COMMITMENTS	26	–	–
TOTAL EQUITY AND LIABILITIES		29,965,382,314	16,205,221,044

The annexed notes from 1 to 46 form an integral part of these financial statements.

Chief Executive

Member

STATEMENT OF INCOME AND EXPENDITURE
For the year ended June 30, 2021

	Note	2021 Rupees	2020 Rupees
INCOME			
Income from services	27	124,349,821	85,460,514
Amortization of grant	28	233,912,835	111,822,202
Other income	29	728,253,437	704,951,463
		1,086,516,093	902,234,179
EXPENDITURE			
Administrative and general expenses	30	(1,049,621,908)	(870,792,383)
Finance charges	31	(12,343,942)	(15,137,508)
		(1,061,965,850)	(885,929,891)
Surplus of income over expenditure before tax		24,550,243	16,304,288
Taxation	32	(28,033,940)	(16,024,609)
(Deficit) / surplus for the year after tax		(3,483,697)	279,679

The annexed notes from 1 to 46 form an integral part of these financial statements.

Chief Executive

Member

STATEMENT OF COMPREHENSIVE INCOME
For the year ended June 30, 2021

	2021 Rupees	2020 Rupees
(Deficit) / surplus for the year after tax	(3,483,697)	279,679
Other comprehensive income for the year		
Items that will not be reclassified subsequently to statement of income and expenditure Remeasurement of defined benefit liability	3,483,697	(279,679)
Items that will be reclassified subsequently to statement of income and expenditure	–	–
Total comprehensive income / (loss)	3,483,697	(279,679)
Total comprehensive income for the year	–	–

The annexed notes from 1 to 46 form an integral part of these financial statements.

Chief Executive

Member

STATEMENT OF CHANGES IN FUND
For the year ended June 30, 2021

	General fund Rupees
Balance as at July 01, 2019	–
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	–
Total comprehensive income for the year	
Deficit for the year	(3,483,697)
Other comprehensive income for the year	3,483,697
Total comprehensive income	–
Balance as at June 30, 2021	–

The annexed notes from 1 to 46 form an integral part of these financial statements.

Chief Executive

Member

STATEMENT OF CASH FLOWS
For the year ended June 30, 2021

	Note	2021 Rupees	2020 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus of income over expenditure before tax		24,550,243	16,304,288
Adjustments for items not involving movement of funds:			
Depreciation property, plant and equipment	8	30,130,723	44,448,502
Depreciation right of use asset	10	32,647,421	32,647,421
Amortization	9	18,600,419	10,267,863
Amortization of Government grant	28	(233,912,835)	(111,822,202)
Interest against lease	21	12,327,295	15,102,279
Provision for gratuity	22	51,078,785	50,947,078
Net cash flow before working capital changes		(64,577,949)	57,895,229
(Increase) / decrease in current assets			
Long term deposits	11	(4,125,170)	(450,000)
Receivables	12	(79,648,167)	11,302,164
Contract assets	13	(59,702,097)	23,156,843
Advances	14	(113,366,678)	(920,361,215)
Trade deposits and short term prepayments	15	5,813,279	(1,196,823)
		(251,028,833)	(887,549,031)
Increase / (decrease) in current liabilities			
Trade and other payables	23	389,202,258	(285,175,884)
Retention money payable	24	(2,599,451)	107,602,984
Contract liability	25	(18,452,295)	16,066,448
Advances from customers	19	13,287,888,566	8,031,683,388
		13,656,039,078	7,870,176,936
Cash generated from operations		13,340,432,296	7,040,523,134
Gratuity paid	22.2	(11,493,791)	(7,016,659)
Taxes paid	17	(96,344,220)	(70,601,459)
Net cash generated from operating activities		13,232,594,285	6,962,905,016
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	8	(15,206,077)	(20,992,662)
Purchase of intangible assets	9	(10,687,566)	(39,557,040)
Net cash used in investing activities		(25,893,643)	(60,549,702)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments against lease liability	33	(44,143,565)	(44,055,396)
Grant received from the Government of the Punjab	20	333,750,000	417,287,000
Net cash generated from financing activities		289,606,435	373,231,604
Net increase in cash and cash equivalents		13,496,307,077	7,275,586,918
Cash and cash equivalents at the beginning of the year		13,755,947,494	6,480,360,576
Cash and cash equivalents at the end of the year	18	27,252,254,571	13,755,947,494

The annexed notes from 1 to 46 form an integral part of these financial statements.

Chief Executive

Member

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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 5.25.

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 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

4.1 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:

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		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
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 01,2022
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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

4.2 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.

4.3 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.

5 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

5.1 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 8 to the financial statements. Depreciation on additions is charged on a pro–rata basis from the day on which the asset is put to use, while for disposals, depreciation is charged up to the date of disposal of asset.

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

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

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

b) Intangible assets

Intangible assets, which are non–monetary assets without physical substance, are recognized at cost, which comprises purchase price, non–refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized on a pro–rata basis from the day on which the asset is put to use, while for disposals, amortization is charged up to the date of disposal of asset. The useful life and amortization method is reviewed and adjusted, if appropriate, at each balance sheet date. The rates determined to amortize the intangible assets are disclosed in note 9.

5.2 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.

5.3 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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.

5.4 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.

5.5 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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.

5.6 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.

5.7 Cash and bank balances

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

5.8 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.

5.9 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.

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.

5.10 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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.

5.11 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.

5.12 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.

5.13 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.

5.14 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.

5.15 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.

5.16 Mark up income

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

5.17 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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.

5.18 **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.

5.19 **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 22 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.

5.20 **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.

5.21 **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.

5.22 **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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

5.23 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.

5.24 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.

5.25 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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.

6 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.

7 SALES TAX

Departmental charges charged by the Authority other then 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, 2021

8 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, 2021						
Opening net book value (NBV)	773,711	13,006,863	15,897,757	20,769,914	50,483,548	100,931,793
Additions (at cost)	1,088,410	535,255	3,304,950	10,277,462	–	15,206,077
Disposal (NBV)	–	–	–	–	–	–
Depreciation charge	(624,719)	(5,653,800)	(2,285,716)	(13,556,234)	(8,010,254)	(30,130,723)
Closing net book value	1,237,402	7,888,318	16,916,991	17,491,142	42,473,294	86,007,147
Gross carrying value basis **year ended June 30, 2021**						
Cost	17,541,842	29,124,242	26,047,552	111,849,300	75,567,310	260,130,246
Accumulated depreciation	(16,304,440)	(21,235,924)	(9,130,561)	(94,358,158)	(33,094,016)	(174,123,099)
Net book value	1,237,402	7,888,318	16,916,991	17,491,142	42,473,294	86,007,147
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	58,493,802	124,387,632
Additions (at cost)	315,660	979,499	2,068,500	17,629,003	–	20,992,662
Disposal (NBV)	–	–	–	–	–	–
Depreciation charge	(3,804,739)	(5,557,763)	(2,193,163)	(24,882,582)	(8,010,254)	(44,448,501)
Closing net book value	773,711	13,006,863	15,897,757	20,769,914	50,483,548	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	(15,679,721)	(15,582,124)	(6,844,845)	(80,801,924)	(25,083,762)	(143,992,376)
Net book value	773,711	13,006,863	15,897,757	20,769,914	50,483,548	100,931,793
Depreciation rate % per annum	33%	20%	10%	33%	10%	

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

8.2 The cost of fully depreciated assets which are still in use is Rs. 103.101 million (2020: 43.388 million) .

8.3 All above assets have been acquired through the utilization of the fund balance.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
9	**INTANGIBLE ASSETS**			
	This comprises of:			
	Software	9.1	33,975,936	41,888,789
	Under development/implementation	9.2	–	–
			33,975,936	41,888,789
9.1	**Software**			
	Cost			
	Opening balance		56,785,497	10,899,331
	Additions during the year		10,687,566	45,886,166
			67,473,063	56,785,497
	Amortization			
	Amortization at beginning of the year		14,896,708	4,628,845
	Amortization during the year		18,600,419	10,267,863
	Total amortization		33,497,127	14,896,708
	Closing balance – net book value		33,975,936	41,888,789
	Rate of amortization		33%	33%

9.1.1 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, accordinlgy these have been capitlised.

		Note	2021 Rupees	2020 Rupees
9.2	**Under development/implementation**			
	Movement is as follows:			
	Opening balance		–	6,329,126
	Additions (at cost)	9.2.1	–	–
	Transferred to intangible assets		–	(6,329,126)
	Closing balance		–	–

9.2.1 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 Nil (2020: Rs. 6.329 million) is recognized as intangible during the year.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		2021 Rupees	2020 Rupees
10	**RIGHT OF USE ASSET**		
	Building		
	Net carrying value basis		
	Year ended June 30, 2021		
	Opening net book value (July 01, 2020)	122,427,831	155,075,252
	Additions	-	-
	Depreciation charge	(32,647,421)	(32,647,421)
	Closing net book value	89,780,410	122,427,831
	Gross carrying value basis		
	Year ended June 30, 2021		
	Cost	195,884,528	195,884,528
	Accumulated depreciation	(106,104,118)	(73,456,697)
	Net book value	89,780,410	122,427,831
	Depreciation rate % per annum	16.67%	16.67%

10.1 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	2021 Rupees	2020 Rupees
11	**LONG TERM ADVANCES AND DEPOSITS**			
	Advances to employees	11.1	4,125,170	-
	Security deposits	11.4	13,596,090	13,596,090
			17,721,260	13,596,090
11.1	**Movement of long term advances is as follows:**			
	Unsecured			
	Advance to employees			
	Opening balance		1,264,000	814,000
	Addition during the year		8,316,000	700,000
	Adjusted during the year		4,432,833	250,000
	Closing balance	11.3	5,147,167	1,264,000
11.2	**Maturity analysis-contractual undiscounted cash flow:**			
	Advance to employees		5,147,167	1,264,000
	Less: current portion		(1,021,997)	(1,264,000)
	Non-current portion		4,125,170	-

11.3 This includes advances/loans provided to employees. These advances do not carry any interest or mark-up and repayable based on final settlment. 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, 2021

		Note	2021 Rupees	2020 Rupees
11.4	**Movement of long term deposits is as follows:**			
	Opening balance		13,596,090	13,596,090
	Addition during the year		–	–
	Adjusted during the year		–	–
	Less: Current portion shown under current assets			
			–	–
	Closing balance	11.5	13,596,090	13,596,090

11.5 This includes interest free security deposits for the office building amounting to Rs. 10.195 million (2020: 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.

11.6 This amount includes a gurantee issued to Pakistan State Oil amounting to Rs. 3.401 million (2020: Rs. 3.401 million).

		Note	2021 Rupees	2020 Rupees
12	**RECEIVABLES**			
	Unsecured – Considered good			
	Related parties			
	Receivable against cost incurred:			
	Specialized Healthcare and Medical Education Department of Government of Punjab			
	Jinnah Hospital–Pathology Lab	12.3	30,797,603	30,797,603
	DHQs/THQs Medical Department	19.4	18,405,500	18,405,500
	Lahore Knowledge Park Company	19.10	–	20,132,784
	Mother and Child Hospital, Mianwali	19.13	–	–
	Mother and Child Hospital, Layyah	19.16	–	2,249,011
	Shiekh Zaid Medical College, Rahim Yar Khan		–	2,417,679
	Revamping of Services Hospital		850,000	850,000
	Pakistan Kidney and Liver Institute (PKLI) and Research Centre		115,392,535	–
	Mother and Child Hospital, Sailkot		1,700,000	–
	Mother and Child Hospital, Bhawalnagar		3,036,428	–
	The Punjab Spoke Hospital, Zahir Pir		250,000	–
	University of Applied Engineering and Emerging Technologies, Sambrial Sialkot		1,250,000	–
	General Hospital, Lahore		775,000	–
	Accident and Emergency Center PIMS, Islamabad		1,949,914	–
	Jinnah Hospital, Islamabad		1,540,036	–
		12.1	175,947,016	74,852,577

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

	Note	2021 Rupees	2020 Rupees
Unsecured – Considered good			
Related parties			
Receivable against departmental charges:			
Revamping of DHQs and THQs Hospitals		1,811,637	1,811,637
Jinnah Hospital, Lahore:			
Revamping of the Jinnah Hospital		1,898,813	1,898,813
Jinnah Hospital–Pathology Lab		92,188	92,188
Punjab Forensic Science Agency		3,069,517	3,069,517
Tertiary Care Hospitals		–	–
	12.2	6,872,155	6,872,155
Considered good		182,819,171	81,724,732
Unsecured – Considered doubtful			
Related parties			
Receivable against cost incurred:			
University of Murree		731,595	731,595
Quaid–e–Azam Thermal Power (Private) Limited	12.4	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
Allowance for expected credit losses (ECL)	12.5	31,640,210	10,193,938
		161,372,899	81,724,732

12.1 This represents balance due from the related parties.

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

12.3 This represents amount receivable as per the agreement between Specialized Healthcare and Medical Education Department of Government of Punjab and the Authority signed on May 30, 2018 with effect from October 27, 2017 (the "Effective Date") for establishment of a pathology laboratory for Specialized Healthcare and Medical Education Department at Jinnah Hospital, Lahore. This represents amount incurred on behalf of the Project and reimbursable to the Authority.

12.4 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
12.5	**Movement of allowance for ECL is as follows:**			
	Balance at start of the year		10,193,938	–
	Allowance charge during the year		21,446,272	10,193,938
	Balance at the end of the year		31,640,210	10,193,938
13	**CONTRACT ASSETS**			
	Contract assets		136,617,468	76,915,371
13.1	**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		66,593,051	41,757,380
	Recep Tayyip Erdogan Hospital (RTEH)		28,732,523	22,998,713
	Punjab Forensic Science Agency		9,928,113	–
	Revamping of DHQs and THQs Hospitals		14,981,867	–
	Lahore Knowledge Park Company		4,998,083	9,734,135
	Mother and Child Hospital, Mianwali		22,788,679	564,031
	Mother and Child Hospital, Layyah		44,980	44,980
	Tertiary Care Hospital Nishtar II, Multan		13,648,303	1,653,243
	Institute of Cardiology, Dera Ghazi Khan		10,111,048	90,359
	Shiekh Zaid Medical College, Rahim Yar Khan		73,275	72,530
	South Punjab Secretariat, Bahawalpur		97,178	–
	Jinnah Hospital, Lahore		185,191	–
	Mother and Child Hospital, Rajanpur		39,474	–
	Mother and Child Hospital, Sailkot		51,000	–
	Mother and Child Hospital, Bahawalnagar		60,729	–
	Mother and Child Hospital, Attock		59,713	–
	University of Applied Engineering and Emerging Technologies, Sambrial Sialkot		37,500	–
	Spoke Hospital, Zahir Pir, Rahim Yar Khan		7,500	–
	Accident and Emergency Center at Pakistan Institute of Medical Science, Islamabad		38,998	–
	Jinnah Hospital, Islamabad		30,801	–
	Considered good – Total	13.2	172,508,006	76,915,371
	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
	Allowance for expected credit losses (ECL)	13.4	(39,695,450)	3,804,912
			136,617,468	76,915,371

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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

13.3 This represents the Authority's right to consideration for work completed but not billed as at the reporting date, recognized as per requirements of IFRS 15 "Revenue from Contracts with Customers". The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Authority invoices the customer.

		Note	2021 Rupees	2020 Rupees
13.4	**Movement of allowance for ECL is as follows:**			
	Balance at start of the year		3,804,912	–
	Allowance charge during the year		35,890,538	3,804,912
	Balance at the end of the year		39,695,450	3,804,912
14	**ADVANCES**			
	Secured			
	Mobilization advance	14.1		
	Contractors		1,496,646,684	1,647,694,289
	Consultants		–	13,873,405
	Suppliers		–	14,349,272
	Advance to contractors	14.2	474,538,615	189,892,156
	Advance to project vendors		8,232,504	–
	Advance to employees	11.2	1,021,997	1,264,000
			1,980,439,800	1,867,073,122
	Unsecured			
	Advance to suppliers	14.3	42,000	42,000
	Total		1,980,481,800	1,867,115,122

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
15	**TRADE DEPOSITS AND SHORT TERM PREPAYMENTS**			
	Short term prepayments:			
	Insurance		1,555,587	1,766,760
	License-Ms. Office		319,961	5,922,067
			1,875,548	7,688,827
16	**TAX REFUNDS DUE FROM GOVERNMENT**			
	Considered good			
	Income tax		136,984,995	82,408,145
17	**TAXATION - NET**			
	Advance income tax		96,344,220	70,601,459
	Less: Provision for taxation	32	(28,033,940)	(16,024,609)
			68,310,280	54,576,850
18	**CASH AND BANK BALANCES**			
	Cash in hand		293,528	293,528
	Cash at Bank:			
	Current accounts		–	–
	Saving accounts	18.3	27,251,961,043	13,755,653,966
		18.2	27,252,254,571	13,755,947,494

18.1 Balance in saving accounts carry mark-up at the rate ranging from 5.5% to 7.25% (2020: 6.5% to 8.5%) per annum.

18.2 The balance in saving accounts amounting to Rs. 27,251.961 million (2020: Rs. 13,755.653 million) is for the implementation of different projects which is received from customers/clients.

18.3 This includes margin withheld by the bank against the letter of credit for purchase of medical equipment relating to the Pakistan Kidney and Liver Institute and Research Center and Recep Tayyip Erdogan Hospital (RTEH) amounting to Rs. 226.881 million and Rs. 178.320 million respectively.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

19 ADVANCES FROM CUSTOMERS

	Note	Opening balance	Receipt during the year	Total advance receipt	Total utilization during the year (Note - 19.17)	Current portion of advances from customers	Closing balance
		Rupees					
Year ended June 30, 2021							
Recep Tayyip Erdogan Hospital (RTEH)	19.2	575,570,057	48,187,020	623,757,077	281,049,558	113,961,561	228,745,958
Mother and Child Hospital, Murree	19.3	231,509,238	5,906,247	237,415,485	8,168,247	229,247,238	-
Revamping of DHQs and THQs Hospitals	19.4	1,781,110,815	45,589,090	1,826,699,905	281,797,334	-	1,544,902,571
Provision of Missing Specialties for Upgradation of DHQ:							
Hospital Sialkot to Teaching Hospital Sialkot	19.5	620,147,850	-	620,147,850	25,379,224	-	594,768,626
Information Technology University	19.6	57,262,399	2,009,894	59,272,293	-	-	59,272,293
Lahore Knowledge Park Company	19.10	(18,982,917)	344,711,534	325,728,617	277,292,088	-	48,436,529
Jinnah Hospital, Lahore	19.7	158,283,165	-	158,283,165	32,949,336	-	125,333,829
The Punjab Agriculture, Food and Drug Authority	19.8	1,722,162,762	909,839,394	2,632,002,156	832,428,173	1,799,573,983	-
Punjab Forensic Science Agency	19.9	348,830,877	245,156,906	593,987,783	198,562,266	395,425,517	-
Project of SHC & ME	19.11	39,642,707	-	39,642,707	-	39,642,707	-
Quaid e Azam Thermal Power Limited	19.12	9,058,090	1,968,111	11,026,201	2,066,517	8,959,684	-
Mother and Child Hospital, Mianwali	19.13	1,971,653,453	723,266,586	2,694,920,039	1,111,232,417	1,583,687,622	-
Tertiary Care Hospital Nishtar II, Multan	19.14	2,917,337,844	2,792,497,339	5,709,835,183	599,753,012	5,110,082,171	-
Institute of Cardiology, Dera Ghazi Khan	19.15	1,495,482,045	459,000,000	1,954,482,045	501,034,460	1,453,447,585	-
Mother and Child Hospital, Layyah	19.16	-	2,869,945,000	2,869,945,000	2,249,011	-	2,867,695,989
Mother and Child Hospital, Attock	19.18	-	2,660,006,000	2,660,006,000	2,985,632	-	2,657,020,368
Mother and Child Hospital, Rajanpur	19.20	-	3,666,030,000	3,666,030,000	1,973,700	-	3,664,056,300
South Punjab Secretariat, Bahawalpur	19.21	-	950,000,000	950,000,000	3,239,283	-	946,760,717
Sheikh Zaid II, Rahim Yar Khan		-	2,700,000,000	2,700,000,000	2,442,487	-	2,697,557,513

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

	Note	Opening balance	Receipt during the year	Total advance receipt	Total utilization during the year (Note - 19.17)	Current portion of advances from customers	Closing balance
		Rupees					
Year ended June 30, 2020							
Pakistan Kidney and Liver Institute (PKLI)							
and Research Centre	19.1	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)	19.2	156,212,194	566,855,689	723,067,883	147,497,826	113,961,561	461,608,496
Mother and Child Hospital	19.3	323,854,028	–	323,854,028	92,344,790	231,509,238	–
Revamping of DHQs and THQs Hospitals	19.4	1,720,908,760	287,000,000	2,007,908,760	226,797,945	–	1,781,110,815
Provision of Missing Specialties for							
Upgradation of DHQ:	–						
Hospital Sialkot to Teaching Hospital Sialkot;	19.5	621,153,300	–	621,153,300	1,005,450	–	620,147,850
Information Technology University	19.6	57,262,399	–	57,262,399	–	–	57,262,399
Jinnah Hospital, Lahore	19.7	158,533,165	–	158,533,165	250,000	–	158,283,165
The Punjab Agriculture, Food and Drug Authority	19.8	613,500,171	2,000,000,000	2,613,500,171	891,337,409	1,722,162,762	–
Punjab Forensic Science Agency	19.9	282,348,859	417,928,000	700,276,859	351,445,982	348,830,877	–
Lahore Knowledge Park Company	19.10	136,031,423	10,727,002	146,758,425	145,608,558	1,149,867	–
Project of SHC & ME	19.11	46,736,837	–	46,736,837	7,094,130	39,642,707	–
Quaid e Azam Thermal Power Limited	19.12	3,168,909	5,932,235	9,101,144	43,054	9,058,090	–
Mother and Child Hospital, Mianwali	19.13	–	1,999,855,000	1,999,855,000	28,201,547	1,971,653,453	–
Tertiary Care Hospital Nishtar II, Multan	19.14	–	3,000,000,000	3,000,000,000	82,662,156	2,917,337,844	–
Institute of Cardiology, Dera Ghazi Khan	19.15	–	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

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, 2021

19.1 This represents advance received as per agreement between the Pakistan Kidney and Liver Institute and Research Centre (PKLI & RC) and the Authority signed on June 07, 2016 (the "Effective Date") for the construction of a charity project in Lahore.

19.2 This represents advance received as per the agreement between the Recep Tayyip Erdogan Hospital Trust (RTEHT) and the Authority signed on September 05, 2016 (the "Effective Date") for the construction of RTEH Phase – I expansion.

19.3 This represents advance received as per the agreement between the Commissioner Rawalpindi Division, Rawalpindi duly appointed with the additional charge of the Project Director of Hospital through notification No. SO (Dev–I) 25–56/2015 dated May 23, 2016 issued by Specialized Healthcare and Medical Education Department of Government of Punjab and the Authority signed on 9 September 2016 (the "Effective Date") for the construction of 100–bedded Mother and Child Hospital in Murree.

19.4 This represents advance received as per the original agreement and amendment No. 1 between Primary and Healthcare Department, Punjab and the Authority signed on November 15, 2016 and February 27, 2017 (the "Effective Date") respectively for the revamping of all DHQ Hospitals in Punjab, revamping of 15 THQ Hospitals and establishment of 15 Emergencies.

19.5 This represents advance received as per the agreement between Khawaja Muhammad Safdar Medical College & Hospital, Sialkot and the Authority signed on November 22, 2016 for the upgradation of DHQ Hospital Sialkot to Teaching Hospital Sialkot in Sialkot.

19.6 This represents advance received as per the agreement between the Information Technology University and the Authority signed on June 12, 2017 (the "Effective Date") for the construction of main campus of the Information Technology University in Lahore.

19.7 This represents advance received as per the agreement between the Specialized Healthcare and Medical Education Department of Government of Punjab and the Authority signed on April 28, 2017 (the "Effective Date") for the revamping of the Jinnah Hospital, Lahore.

19.8 This represents advance received as per the agreement between Punjab Agriculture, Food and Drug Authority (PAFDA) and the Authority signed on 15 December 2016 (the "Effective Date") for the construction of PAFDA Complex / Science Enclave.

19.9 This represents advance received as per the agreement between Punjab Forensic Science Agency (PFSA) and the Authority signed on January 02, 2018 with an effective date of January 25, 2018 (the "Effective Date") for the establishment of training laboratory / facility.

19.10 This represents advance received as per the original agreement and amendment No. 1 between Lahore Knowledge Park Company (LPKC) and the Authority signed on December 12, 2017 and February 04, 2018 (the "Effective Date") respectively for the construction of Lahore Knowledge Park situated at Bedian Road, Lahore.

19.11 This represents advance received as per the agreement between Governor of Punjab, acting through Secretary, Government of the Punjab, Specialized Healthcare and Medical Education Department with the Authority signed on May 11, 2018 (the "Effective Date") for the establishment of Hepatitis Clinics in seven Tertiary Care Hospitals in Punjab.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

19.12 This represents advance received as per the agreement between Quaid–e–Azam Thermal Power (Private) Limited (QATPL) and the Authority signed on December 17, 2016 with an effective date of September 11, 2017 (the "Effective Date") for the establishment of Site Housing Complex and auditorium on approximately 40 acers of land adjacent to the Plant which is located at the left bank of Qadirabad Balloki link canal and is about 15 Km from Sheikhupura.

19.13 This represents advance received as per the agreement between Primary and Secondary healthcare department, Punjab and the Authority signed on March 2nd, 2020 with an effective date of July 05, 2019 (the "Effective Date") for the establishment of 200–bedded Mother and Child hospital and Nursing College in District Mianwali.

19.14 This represents advance received as per the agreement between Specilized Healthcare and Medical Education and the Authority signed on July 25, 2019 and effective from the same date for the establishment of 500–bedded Tertiary Care Hospital– Nishtar–II in South Punjab.

19.15 This represents advance received as per the agreement between Specilized Healthcare and Medical Education and the Authority signed on August 01, 2019 and effective from the same date for the establishment of 200–bedded Hospital facility for South Punjab and adjoining districts of Sindh.

19.16 This represents advance received as per the agreement between Primary and Secondary healthcare department, Punjab and the Authority signed on March 2nd, 2020 with an effective date of July 05, 2019 (the "Effective Date") for the establishment of 200–bedded Mother and Child hospital and Nursing College in District Layyah.

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

19.18 This represents advance received as per the agreement between Primary and Secondary healthcare department, Punjab and the Authority signed on March 2nd, 2020 with an effective date of July 05, 2019 (the "Effective Date") for the establishment of 200–bedded Mother and Child hospital and Nursing College in District Attock.

19.19 This represents advance received as per the agreement between Primary and Secondary healthcare department, Punjab and the Authority signed on March 2nd, 2020 with an effective date of July 05, 2019 (the "Effective Date") for the establishment of 200–bedded Mother and Child hospital and Nursing College in District Bhawalnagar.

19.20 This represents advance received as per the agreement between Primary and Secondary healthcare department, Punjab and the Authority signed on March 2nd, 2020 with an effective date of July 05, 2019 (the "Effective Date") for the establishment of 200–bedded Mother and Child hospital and Nursing College in District Rajanpur.

19.21 This represents advance received as per the agreement between The Office of the Additional Chief Secretary, South Punjab and the Authority signed on August 3, 2021 with an effective date of November 20, 2020 (the "Effective Date") for the establishment of South Punjab Secretariat in Bahawalpur.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
20	**GOVERNMENT GRANTS**			
	Deferred grants related to income	20.1	849,820,229	715,135,922
	Deferred grants related to assets	20.2	26,419,308	61,266,450
			876,239,537	776,402,372
20.1	**Government grants related to income**			
	As at July 01,		715,135,922	392,111,875
	Impact of IFRS 16		-	(14,540,161)
	Cash grant received during the year		319,866,000	394,670,045
	Amortized during the year	28	(185,181,693)	(57,105,837)
	At the end of the year		849,820,229	715,135,922
20.2	**Government grants related to assets**			
	As at July 01,		61,266,450	93,365,860
	Cash grant received during the year		13,884,000	22,616,955
	Amortized during the year	28	(48,731,142)	(54,716,365)
	At the end of the year		26,419,308	61,266,450
21	**LEASE LIABILITY**			
	Against right of use assets			
	Lease liability at the start of the year		140,662,296	169,615,413
	Payments / adjustments during the year		(44,143,565)	(44,055,396)
	Interest expense during the year		12,327,295	15,102,279
	Less: Current portion		(30,435,221)	(33,630,919)
			78,410,805	107,031,377
21.1	**Maturity analysis-contractual undiscounted cash flow**			
	Less than one year		44,055,396	44,055,396
	One to five year		77,096,943	121,152,339
	More than five year		-	-
	Total undiscounted lease liability		121,152,339	165,207,735

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

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

22 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, 2021 using the Projected Unit Credit method.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
22.1	**Reconciliation of payable to defined benefit plan**			
	Present value of defined benefit obligation		154,372,855	118,271,558
22.2	**Movement in the net liability**			
	Opening balance		118,271,558	74,061,460
	Expense chargeables to P&L	22.4	51,078,785	50,947,078
	Remeasurement changes chargeable to other comprehensive income		(3,483,697)	279,679
	Payments / adjustments during the year		(11,493,791)	(7,016,659)
			154,372,855	118,271,558
22.3	**Movement in present value of defined benefit obligation**			
	Opening balance		118,271,558	74,061,460
	Service cost		41,514,189	40,893,257
	Interest on defined benefit obligation		9,564,596	10,053,821
	Payments / adjustments during the year		(11,493,791)	(7,016,659)
	Remeasurement changes chargeable to other comprehensive income		(3,483,697)	279,679
			154,372,855	118,271,558
22.4	**Charged to the statement of income and expenditure**			
	Service cost		41,514,189	40,893,257
	Interest on defined benefit obligation		9,564,596	10,053,821
			51,078,785	50,947,078

22.5 The expected charge in respect of defined benefit plan for the year ending June 30, 2022 will be 63.013 million.

		2021 Rupees	2020 Rupees
22.6	**Remeasurements chargeable to the other comprehensive income**		
	Remeasurement of plan obligations		
	Experience adjustments	(3,483,697)	279,679

22.7 **Significant actuarial assumptions**

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

	2021 Rupees	2020 Rupees
Discount rate used for interest cost	10.0%	8.5%
Discount rate used for year end obligation	10.0%	8.5%
Expected rates of salary increase in future years	10.0%	8.5%
Retirement age of employee	60	60

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

22.8 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)	145,427,999	163,871,507
Salary increase (100 bps change)	163,871,507	145,427,999

22.9 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.

		2021 Rupees	2020 Rupees
22.10	**Maturity profile**		
	Time in year		
	1	11,741,629	9,294,118
	2	13,058,210	10,408,521
	3	14,802,115	12,386,326
	4	16,317,642	14,417,642
	5	18,046,781	16,295,710
	6+	165,253,645	159,621,479

22.11 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

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.

		Note	2021 Rupees	2020 Rupees
22.12	**The charge for the year has been allocated as follows:**			
	Administrative and general expenses		51,078,785	50,947,078
22.13	**Historical information**			
	Present value of defined benefit obligation		154,372,855	118,271,558
23	**TRADE AND OTHER PAYABLES**			
	Creditors		18,670,904	23,493,527
	Payable to contractors		802,219,121	371,393,139
	Payable to consultants		117,012,667	138,637,207
	Payable to employees		3,814,311	20,624,956
	Accrued expenses	23.1	26,079,032	21,693,740
	Withholding income tax payable		52,892,539	38,642,039
	Withholding sales tax payable		38,288,413	55,290,121
	Sales tax payable		9,281,088	9,281,088
	Other payables	23.3	20,336,670	20,336,670
			1,088,594,745	699,392,487
23.1	**Accrued expenses**			
	Salaries and wages		4,889,689	14,372,789
	Utilities		480,846	404,149
	Rental charges		448,335	812,698
	Repair and maintenance – Vehicle		4,098,447	–
	Legal and professional charges		9,210,976	1,649,210
	Auditors' remuneration		1,475,000	2,925,000
	Security services		406,619	398,432
	Communication		1,479,791	–
	Printing and stationary		–	284,400
	Withholding warrenty claim payable		–	787,570
	Others		3,589,329	59,491
			26,079,032	21,693,739

23.2 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:

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
23.3	**Movement during the year:**			
	As at July 01,		20,336,670	19,232,969
	Advance received during the year		–	1,103,701
	Expense incurred by the Authority on behalf of PMO		–	–
	At the end of the year		20,336,670	20,336,670
24	**RETENTION MONEY PAYABLE**			
	Retention money for contractors	24.1	1,190,811,732	1,282,509,192
	Other deductions payable	24.2	315,707,269	226,609,260
			1,506,519,001	1,509,118,452

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

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

		2021 Rupees	2020 Rupees
25	**CONTRACT LIABILITY**		
	Jinnah Hospital-Pathology Lab	635,829	635,829
	Mother and Child Hospital	791,336	954,701
	DHQ Hospital Sialkot to Teaching Hospital Sialkot	50,075,822	50,583,406
	The Punjab Agriculture, Food and Drug Authority	6,599,397	23,247,961
	Jinnah Hospital Lahore	–	1,132,782
	Quaid-e-Azam Thermal Power (Private) Limited	4,129,005	4,129,005
		62,231,389	80,683,684

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

		2021 Rupees	2020 Rupees
25.2	**Movement in contract liabilities**		
	Opening balance as at July 01,	80,683,684	64,617,236
	Advance received	–	17,943,455
	Income recongised	18,452,295	1,877,007
	Closing balance as at June 30	62,231,389	80,683,684

25.3 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. 68.242 (2020: 80.683 million). Revenue recognized during the reporting period which was included in the contract liabilities at the beginning of the period amounted to Rs. 12.441 million (2020: Rs. 1.877 million).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

26 CONTINGENCIES AND COMMITMENTS

26.1 Contingencies

26.1.1 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.

26.1.2 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.

26.1.3 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.

26.1.4 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.

26.1.5 Guarantees issued by Bank of Punjab in respect of operational obligations of the Authority, to Pakistan State Oil Limited aggregate to Rs. 3.401 million (June 30, 2020: Rs. 3.401 million).

26.2 Commitments

Commitments in respect of contracts for capital expenditure amounts to (2020: Nill) as of balance sheet date. Other commitments have been provided below.

		2021 Rupees	2020 Rupees
26.2.1	**Lease arrangement:**		
	Rental commitments against the office building rent:		
	Not later than one year	44,055,396	24,230,466
	Later than one year but less than five year	77,096,943	–
		121,152,339	24,230,466
26.2.2	**Others**		
	Security guard services	5,240,000	5,240,000
	Internet services	998,000	998,000
	Enterprise resource planning (ERP) installation	27,689,928	27,689,928
		33,927,928	33,927,928

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
27	**INCOME FROM SERVICES**			
	Departmental charges	27.1	124,349,821	85,460,514
27.1	**The party wise breakup is as follows:**			
	Pakistan Kidney and Liver Institute (PKLI) and Research Centre		24,835,671	27,306,539
	Recep Tayyip Erdogan Hospital (RTEH)		5,733,810	2,837,137
	Mother and Child Hospital		163,365	1,846,898
	Revamping of DHQs and THQs Hospitals		14,981,867	11,339,895
	Hospital Sialkot to Teaching Hospital Sialkot		507,584	20,109
	Jinnah Hospital, Lahore			
	Revamping of the Jinnah Hospital		1,317,973	10,000
	Jinnah Hospital–Pathology Lab		–	983,916
	The Punjab Agriculture, Food and Drug Authority		16,648,563	17,826,748
	Punjab Forensic Science Agency		9,928,113	17,572,299
	Lahore Knowledge Park Company		5,568,839	3,291,830
	Mother and Child Hospital, Mianwali		22,224,648	564,031
	Mother and Child Hospital, Layyah		–	44,980
	Tertiary Care Hospital Nishtar II, Multan		11,995,060	1,653,243
	Institute of Cardiology, Dera Ghazi Khan		10,020,689	90,359
	Shiekh Zaid Medical College, Rahim Yar Khan		744	72,530
	Mother and Child Hospital, Attock		59,713	–
	Mother and Child Hospital, Bhawalnagar		60,729	–
	Mother and Child Hospital, Rajanpur		39,474	–
	Mother and Child Hospital, Sailkot		51,000	–
	South Punjab Secretariat		97,178	–
	UAEET Sambrial (Phase I)		37,500	–
	The Spoke Hospital, Zahir Pir, Rahim Yar Khan		7,500	–
	A&E Center PIMS, Islamabad		38,998	–
	Project–Jinnah Hospital, Islamabad		30,801	–
			124,349,819	85,460,514

27.2 This represents departmental charges, ranging from 2% to 5% of cost of project, for the execution of various projects.

		2021 Rupees	2020 Rupees
27.3	**Timing of revenue recognition – net**		
	Services are transferred at point over time	124,349,819	85,460,514

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
27.4	**Geographical market**			
	Pakistan (local)		124,349,819	85,460,514
28	**AMORTIZATION OF GRANT**			
	Amortization of grant related to income	20.1	185,181,693	57,105,837
	Amortization of grant related to assets	20.2	48,731,142	54,716,365
			233,912,835	111,822,202
29	**OTHER INCOME**			
	Income from financial assets			
	Return on saving accounts	18.1	661,599,242	700,668,951
	Income from assets other than financial assets:			
	Tender fee		166,292	2,099,000
	Others		66,487,903	2,183,512
			728,253,437	704,951,463
30	**ADMINISTRATIVE AND GENERAL EXPENSES**			
	Salaries, wages and other benefits	30.1	754,109,822	653,797,816
	Consultancy and professional charges		34,521,985	22,148,391
	Advertisement		984,014	1,217,591
	Printing and stationery		14,876,829	12,896,776
	Depreciation on property and equipment	8	30,130,723	44,448,502
	Amortization on intangible assets	9.1	18,600,419	10,267,863
	Depreciation on right of use asset		32,647,421	32,647,421
	Travelling expenses		8,920,774	1,479,156
	Repairs and maintenance		3,095,746	2,310,585
	Utilities and generator expenses		13,243,258	8,677,110
	Security expenses		4,801,324	5,246,021
	Vehicle running and maintenance		43,496,878	31,702,203
	Insurance		2,411,907	2,561,020
	Board of Authority meeting fee		1,058,633	2,691,492
	Meetings and office refreshments		9,323,937	11,428,005
	Auditors' remuneration		1,475,000	1,475,000
	Communication		10,372,401	8,623,626
	Training expenses		744,780	203,926
	Entertainment expenses		628,643	275,066
	Office expenses		320,429	1,370,894
	Allowance for expected credit loss		57,336,810	13,998,850
	Other expenses		6,520,175	1,325,069
			1,049,621,908	870,792,383

30.1 This amount includes Rs. 54.580 million (2020: Rs. 50.947 million) in respect of employees' retirement benefits.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

		Note	2021 Rupees	2020 Rupees
31	**FINANCE CHARGES**			
	Finance charges		12,327,295	15,102,279
	Bank charges		16,647	35,229
			12,343,942	15,137,508
32	**TAXATION**			
	Current	32.1	13,994,808	16,024,609
	Prior 32.2		14,039,132	–
	Deferred tax		–	–
			28,033,940	16,024,609
32.1	**Tax charge reconciliation**			
	Numerical reconciliation between tax expense and accounting profit:			
	Profit before taxation		24,550,243	16,304,288
	Applicable tax rate		29%	29%
			7,119,570	4,728,244
	Effect of income from services on receipts basis		20,914,370	11,296,365
			28,033,940	16,024,609

		(Short)/excess Rupees	Tax provision Rupees	Tax assessment/ tax return Rupees
32.2	**Comparison of tax provision against tax assessments Tax assessment/**			
	2020–21	13,994,808	13,994,808	–
	2019–20	(14,039,132)	16,024,609	30,063,741
	2018–19	3,170,225	17,449,546	14,279,321

32.3 As at June 30, 2021, 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, 2021

		Note	2021 Rupees	2020 Rupees
32.4	**Deferred tax liabilities/assets**			
	Deferred tax liability comprises as follows:			
	Taxable temporary differences			
	Tax depreciation allowances		24,942,073	896,667
	Tax amortization allowance		9,853,021	233,699
	Right of use asset		26,036,319	9,794,226
	Deductible temporary differences			
	Lease liability		(31,565,348)	(11,252,984)
	Provision for gratuity		(44,768,128)	(9,461,725)
	Allowance for expected credit losses		(16,627,675)	–
			(32,129,738)	(9,790,117)

32.5 The deferred tax assets amounting to Rs. 32.123 million (2020: Rs. 9.790 million) on deductible temporary differences have not been recognised in these financial statements as it is considered that all assets have been acquired through the utilization of the fund balances and it is not probable that future taxable profit will be available against which these can be realised.

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

	Lease liability	Government grants Rupees	Total
As at June 30, 2020	140,662,296	776,402,372	917,064,668
Changes from financing cash flows			
Lease payment	(44,143,565)	–	(44,143,565)
Interest expense during the year	12,327,295	–	12,327,295
Amortization of grant	–	(233,912,835)	(233,912,835)
Total changes from financing cash flows	(31,816,270)	(233,912,835)	(265,729,105)
Other changes			
Grant received from Government	–	333,750,000	333,750,000
Total liability related other changes	–	333,750,000	333,750,000
As at June 30, 2021	108,846,026	876,239,537	985,085,563
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
Impact of IFRS 16	–	(14,540,161)	–
Amortization of grant	–	(111,822,202)	(111,822,202)
Total changes from financing cash flows	(28,953,117)	(126,362,363)	(140,775,319)
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	776,402,372	514,317,829

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

34 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	2021 Transactions during the year	2021 Closing balance	2020 Transactions during the year	2020 Closing balance
				Rupees			
The Government of the Punjab		Deferred grants	20	-	876,239,537	-	776,402,372
		Proceeds from grant	20	333,750,000	-	417,287,000	-
Pakistan Kidney and Liver Institute and Research Centre	Due to Government Entities	Advances from customers	19	-	-	-	951,489,026
		Contract asset	13	-	66,593,051	-	41,757,380
		Proceeds for projects	19	-	-	2,978,437,201	-
		Utilization during the year	19	1,839,599,262	-	2,756,244,937	-
		Rendering of services	27	24,835,671	-	27,306,539	-
		Proceeds for services	-	-	45,248,354	-	
		Contract liability	25	-	-	-	-
		Receivables against Cost incurred	12	-	115,392,535		
Recep Tayyip Erdogan Hospital (RTEH)	Due to Government Entities	Contract asset	13	-	28,732,523	-	22,998,713
		Advances from customers	19	-	342,707,519	-	575,570,057
		Proceeds for projects	19	48,187,020	-	566,855,689	-
		Utilization during the year	19	281,049,558	-	147,497,826	-
		Rendering of services	27	5,733,810	-	2,837,137	-
		Contract liability	25	-	-	-	-
The Specialized Healthcare and Medical Education – Mother and Child Hospital	Due to Government Entities	Contract asset	13	-	-	-	-
		Advances from customers	19	-	229,247,238	-	231,509,238
		Proceeds for projects	19	5,906,247	-	-	-
		Utilization during the year	19	8,168,247	-	92,344,790	-
		Rendering of services		163,365	-	1,846,898	-
		Proceeds for services	27	-	-	-	-
		Contract liability	25	163,365	791,336	-	954,701

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

Name of parties	Nature of relationship	Nature of transactions	Note	2021 Transactions during the year	2021 Closing balance	2020 Transactions during the year	2020 Closing balance
				Rupees			
Primary and Healthcare Department Punjab –	Due to Government	Receivable against departmental charges	12	–	1,811,637	–	1,811,637
Revamping of DHQs and THQs Hospitals	Entities	Receivable against cost incurred	12	–	18,405,500	18,405,500	
		Advances from customers	19	–	1,544,902,571	–	1,781,110,815
		Proceeds for projects	19	45,589,090	14,981,867	287,000,000	–
		Utilization during the year	19	281,797,334	–	226,797,945	–
		Rendering of services	27	14,981,867	–	11,339,895	–
		Proceeds for services		54,594,256	–	54,594,256	–
Khowaja Muhammad Safdar Medical	Due to Government	Contract asset	13	–	–	–	–
College and Hospital, Sialkot – Hospital	Entities	Advances from customers	19	–	594,768,626	–	620,147,850
Sialkot to Teaching Hospital Sialkot		Proceeds for projects	19	–	–	–	–
		Utilization during the year	19	25,379,224	–	1,005,450	–
		Rendering of services	27	507,584	–	20,109	–
		Contract liability	25	–	50,075,822	–	50,583,406
Information Technology University	Due to Government	Contract asset	13	–	359,412	–	359,412
	Entities	Advances from customers	19	–	59,272,293	–	57,262,399
		Utilization during the year	19	–	–	–	–
		Rendering of services	27	–	–	–	–
Jinnah Hospital, Lahore	Due to Government	Receivable against departmental charges	12	–	1,898,813	–	1,898,813
	Entities	Receivable against cost incurred	12	–	30,797,603	–	30,797,603
		Advances from customers	19	–	125,333,829	–	158,533,165
		Utilization during the year	19	32,949,336	–	250,000	–
		Rendering of services	27	1,317,973	–	10,000	–
		Proceeds for services	–	–	–	–	
		Contract liability	25	–	–	–	1,132,782

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

Name of parties	Nature of relationship	Nature of transactions	Note	2021 Transactions during the year	2021 Closing balance	2020 Transactions during the year	2020 Closing balance
				Rupees			
Punjab Agriculture, Food and Development Authority	Due to Government Entities	Contract asset	13	-	-	-	-
		Advances from customers	19	-	1,799,573,983	-	1,722,162,762
		Proceeds for projects	19	909,839,394	-	2,000,000,000	-
		Utilization during the year	19	832,428,173	-	891,337,409	-
		Rendering of services	27	16,648,563	-	17,826,748	-
		Proceeds for services		46,519,964	-	46,519,964	-
		Contract liability	25	-	6,599,397	-	23,247,961
Punjab Forensic Science Agency	Due to Government Entities	Receivable against departmental charges	12	-	3,069,517	-	3,069,517
		Advances from customers	19	-	395,425,517	-	348,830,877
		Proceeds for projects	19	245,156,906	-	417,928,000	-
		Utilization during the year	19	198,562,266	-	351,445,982	-
		Rendering of services	27	9,928,113	-	17,572,299	-
		Proceeds for services		26,605,207	-	26,605,207	-
Lahore Knowledge Park Company	Due to Government Entities	Contract asset	13	-	4,998,083	-	9,734,135
		Receivable against cost incurred	12	-	-		20,132,784
		Advances from customers	19	-	-	-	1,149,867
		Proceeds for projects	19	344,711,534	-	10,727,002	-
		Utilization during the year	19	344,711,534	-	145,608,558	-
		Rendering of services	27	5,568,839	-	3,291,830	-
Specialized Healthcare and Medical Education Department of Government of Punjab-Tertiary Care Hospitals	Due to Government Entities	Receivable against departmental charges	12	-	-	-	-
		Proceeds for projects	19	-	-	-	-
		Advances from customers	19	39,642,707	-	-	39,642,707
		Utilization during the year	19	-	-	-	-
		Rendering of services	27	-	-	-	-
		Proceeds for services		7,094,130	-	7,094,130	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

Name of parties	Nature of relationship	Nature of transactions	Note	2021 Transactions during the year	2021 Closing balance	2020 Transactions during the year	2020 Closing balance
				Rupees			
Quaid-e-Azam Thermal Power (Private) Limited	Due to Government Entities	Contract asset	13	-	3,445,500	-	3,445,500
		Receivable against cost incurred	12	-	9,380,620	-	9,380,620
		Proceeds for projects	19	1,968,111	-	5,932,235	-
		Advances from customers	19	-	8,959,684	-	9,058,090
		Utilization during the year	19	2,066,517	-	43,054	-
		Rendering of services	27	-	-	-	-
		Proceeds for services	-	-	-	-	-
		Contract liability	25	-	4,129,005	-	4,129,005
Mother and Child Hospital, Mianwali	Due to Government Entities	Rendering of services	27	22,224,648	-	564,031	-
		Contract asset	13	-	22,788,679	-	564,031
		Advances from customers	19	-	1,583,687,622	-	1,971,653,453
		Proceeds for projects	19	723,266,586	-	1,999,855,000	-
		Utilization during the year	19	1,111,232,417	-	28,201,547	-
Mother and Child Hospital, Layyah	Due to Government Entities	Rendering of services	27	-	-	44,980	-
		Contract asset	13	-	44,980	-	44,980
		Receivable against cost incured	12	-	-	-	2,417,679
		Advances from customers		-	2,867,695,989	-	-
		Utilization during the year		2,249,011	-	-	-
Tertiary Care Hospital Nishtar II, Multan	Due to Government Entities	Rendering of services	27	11,995,060	-	1,653,243	
		Contract asset	13	-	13,648,303	-	-
		Proceeds for projects	19	2,792,497,339	-	3,000,000,000	1,653,243
		Advances from customers	19		5,110,082,171		-
		Utilization during the year	19	599,753,012	-	82,662,156	2,917,337,844
Institute of Cardiology, Dera Ghazi Khan	Due to Government Entities	Rendering of services	27	10,020,689	-	90,359	-
		Contract asset	13	-	10,111,048	-	90,359
		Proceeds for projects	19	459,000,000	-	1,500,000,000	-
		Advances from customers	19	-	1,453,447,585		1,495,482,045
		Utilization during the year	19	501,034,460	-	4,517,955	

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

Name of parties	Nature of relationship	Nature of transactions	Note	2021 Transactions during the year	2021 Closing balance	2020 Transactions during the year	2020 Closing balance
				Rupees			
Mother and Child Hospital, Attock	Due to Government	Rendering of services	27	59,713	-	-	-
	Entities	Contract asset	13	-	59,713	-	-
		Proceeds for projects	19	2,660,006,000	-	-	-
		Advances from customers	19	-	2,657,020,368	-	-
		Utilization during the year	19	2,985,632	-	-	-
Mother and Child Hospital, Rajanpur	Due to Government	Rendering of services	27	39,474	-	-	-
	Entities	Contract asset	13	-	39,474	-	-
		Proceeds for projects	19	3,666,030,000	-	-	-
		Advances from customers	19	-	3,664,056,300	-	-
		Utilization during the year	19	1,973,700	-	-	-
South Punjab Secretariat, Bahawalpur	Due to Government	Rendering of services	27	97,178	-	-	-
	Entities	Contract asset	13	-	97,178	-	-
		Proceeds for projects	19	950,000,000	-	-	-
		Advances from customers	19	-	946,760,717	-	-
		Utilization during the year	19	3,239,283	-	-	-
Mother and Child Hospital, Bahawalnagar	Due to Government	Rendering of services	27	60,729	-	-	
	Entities	Contract asset	13	-	60,729	-	-
		Proceeds for projects	19	-	-	-	-
		Receivable against cost incured	12	-	3,036,428	-	-
Shiekh Zaid Medical College,	Due to Government	Rendering of services	27	744	-		
Rahim Yar Khan	Entities	Contract asset	13	-	73,275	-	-
		Proceeds for projects	19	2,700,000,000	-	72,530	-
		Receivable against cost incured	12	-	-	-	72,530
University of Murree	Due to Government	Receivable against cost incurred	12	-	731,595	-	731,595
	Entities						

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

Name of parties	Nature of relationship	Nature of transactions	Note	2021 Transactions during the year	2021 Closing balance	2020 Transactions during the year	2020 Closing balance
				Rupees			
Revamping of Services Hospital	Due to Government Entities	Receivable against cost incurred	12	-	850,000	-	850,000
Jinnah Hospital-Pathology Lab	Due to Government Entities	Rendering of services	27	-	-	983,916	-
		Receivable against departmental charges	12	-	92,188		92,188
		Proceeds for projects		-		1,682,057	
		Contract liability	25	-	635,829	-	635,829
Planning and Development Government of Punjab	Due to Government Entities Entities	Receivable against departmental charges	12	-	44,114	-	44,114
Director General Public Relations	Due to Government Entities	Advertisement expense		984,014	-	1,217,591	
The Bank of Punjab	Due to Government Entities	Deposits with the Bank	18	-	27,251,961,043		13,755,653,966
Chief executive and members	Key management personnel	Remuneration	42	1,058,633	-	1,777,920	
	Executives	Remuneration	42	523,645,877	-	458,609,754	

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

34.1 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.

34.2 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.

34.3 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.

34.4 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.

34.5 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, 2021

35 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.

35.1 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	2021 Rupees	2020 Rupees
Long term deposits	11	17,721,260	13,596,090
Receivables	12	161,372,899	81,724,732
Contract assets	13	136,617,468	76,915,371
Bank balances	18	27,251,961,043	13,755,653,966
		27,567,672,670	13,927,890,159

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, 2021

	2021 Rupees	2020 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	161,372,899	81,724,732
31–60 days	–	–
Above 60 days	–	–
	161,372,899	81,724,732

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:

		Rating		2021
Bank balances	Short term	Long term	Agency	Rupees
The Bank of Punjab	AA+	A1+	PACRA	27,251,961,043

		Rating		2020
Bank balances	Short term	Long term	Agency	Rupees
The Bank of Punjab	AA+	A1+	PACRA	13,755,653,966

35.2 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, 2021

	Carrying amount	Contractual Cash flow	Upto one year	One to two years	Two to five years	More than five years
			Rupees			
2021						
Financial liabilities						
Lease liability	108,846,026	121,152,339	44,055,396	44,055,396	33,041,547	-
Deferred liabilities - gratuity	154,372,855	154,372,855	154,372,855	-	-	-
Trade and other payables	1,088,594,745	1,088,594,745	1,088,594,745	-	-	-
Retention money payable	1,506,519,001	1,506,519,001	1,506,519,001	-	-	-
	2,595,113,746	2,595,113,746	2,595,113,746	-	-	-
2020						
Financial liabilities						
Lease liability	140,662,296	165,207,735	44,055,396	44,055,396	77,096,943	-
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	-	-	-

35.3 **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.

		2021	2020
		Carrying amount	
		Rupees	Rupees
Financial assets			
Fixed rate instruments:			
Bank balances	18	27,251,961,043	13,755,653,966

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, 2021

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.

35.4 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.

36 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, 2020 and June 30, 2021.

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, 2021

37 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	Carrying amount			Fair value			
		Amortised cost	Amortised cost	Total	Level 1	Level 2	Level 3	Level 4
On-Balance sheet financial instruments								
As at June 30, 2021								
Financial assets								
At cost or amortised cost								
Long term advances and deposits	11	17,721,260	-	17,721,260	-	-	-	-
Receivables	12	161,372,899	-	161,372,899	-	-	-	-
Contract assets	13	136,617,468	-	136,617,468	-	-	-	-
Bank balances	18	27,251,961,043	-	27,251,961,043	-	-	-	-
		27,567,672,670	-	27,567,672,670	-	-	-	-
Financial liabilities at amortised cost								
Lease liability	21	-	108,846,026	108,846,026	-	-	-	-
Deferred liabilities - gratuity	22	-	154,372,855	154,372,855	-	-	-	-
Trade and other payables	23	-	1,088,594,745	1,088,594,745	-	-	-	-
Retention money payable	24	-	1,506,519,001	1,506,519,001	-	-	-	-
		-	2,858,332,627	2,858,332,627	-	-	-	-
On-Balance sheet financial instruments								
As at June 30, 2020								
Financial assets at amortised cost								
Long term advances and deposits	11	13,596,090	-	13,596,090	-	-	-	-
Receivables	12	81,724,732	-	81,724,732	-	-	-	-
Contract assets	13	76,915,371	-	76,915,371	-	-	-	-
Bank balances	18	13,755,653,966	-	13,755,653,966	-	-	-	-
		13,927,890,159	-	13,927,890,159	-	-	-	-
Financial liabilities at amortised cost								
Lease liability	21	-	140,662,296	140,662,296	-	-	-	-
Deferred liabilities - gratuity	22	-	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	-	-	-	-
		-	2,467,444,793	2,467,444,793	-	-	-	-

37.1 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, 2021

38 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.

39 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.

40 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.

41 NUMBER OF EMPLOYEES

The number of employees as at year end was 342 (2020: 317) and average number of employees during the year was 330 (2020: 308).

42 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:

	2021 Rupees		
	Chief Executive	Members	Executives
Managerial remuneration	–	–	482,570,072
Leave encashment	–	–	149,295
Gratuity	–	–	40,926,510
Board of Authority meeting fee	–	1,058,633	–
Other amount	–	–	–
	–	1,058,633	523,645,877
Number of persons	1	15	173

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2021

	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

42.1 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.

43 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.

44 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.

45 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue on 19 August 2024 by the Board of Authority.

46 GENERAL

Figures have been rounded off to the nearest rupee.

Chief Executive

Member

Notes

INFRASTRUCTURE DEVELOPMENT
AUTHORITY OF THE PUNJAB

50 B-3, Gulberg III, Lahore

+92 (0) 42 9933 2631 - 42

+92 (0) 42 9933 2645 - 46

info@idap.pk

idap.pakistan

admin.idap

idap_punjab

infrastructure-development-authority-of-the-punjab

www.idap.pk