LAHORE GARRISON UNIVERSITY

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE, 2025

MAHBOOB SHEIKH & Co.
CHARTERED ACCOUNTANTS

Partners:
Mahboob Sheikh - FCA
Safder Zia - FCA
Management:
Muhammad Waqas - FCCA
Consultants:
S. Khalid Salam - FCA (Eng.& Wales)
Dr. Khaver Zia - M. Engg. (UK) PhD (UK)
Sumayya Bilal - M.Sc. Information Systems (UK)

MAHBOOB SHEIKH & Co.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Governors LAHORE GARRISON UNIVERSITY

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Lahore Garrison University** (the University), which comprise the statement of financial position as at June 30, 2025, and the statement of comprehensive income, the statement of changes in funds, the 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 University as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the accounting standards for Not For Profit organizations issued by the Chartered Accountants of Pakistan (ICAP) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified by the Securities and Exchange Commission of Pakistan (SECP).

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 University in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting standards for Not For Profit organizations issued by the ICAP and the IFRS issued by the IASB as notified by the SECP, and for such internal control as the Management Committee determines is

+92 322 4506474
+92 300 4304823
+92 42 3723 2320
safderzia0@gmail.com
waqas0421@hotmail.com
Management office
Multan
Lahore office # 5, 4th Floor,
Aftab Tower, 16 Edwards Road, Lahore
Post Code: 54000-Pakistan

Partners:
Mahboob Sheikh - FCA
Safder Zia - FCA
Management:
Muhammad Waqas - FCCA
Consultants:
S. Khalid Salam - FCA (Eng.& Wales)
Dr. Khaver Zia - M. Engg. (UK) PhD (UK)
Sumayya Bilal - M.Sc. Information Systems (UK)

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 Committee is responsible for assessing the University'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 University or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.

+92 322 4506474
+92 300 4304823
+92 42 3723 2320
safderzia0@gmail.com
waqas0421@hotmail.com
Management office
Multan
Lahore office # 5, 4th Floor,
Aftab Tower, 16 Edwards Road, Lahore
Post Code: 54000-Pakistan

Partners:
Mahboob Sheikh - FCA
Safder Zia - FCA
Management:
Muhammad Waqas - FCCA
Consultants:
S. Khalid Salam - FCA (Eng.& Wales)
Dr. Khaver Zia - M. Engg. (UK) PhD (UK)
Sumayya Bilal - M.Sc. Information Systems (UK)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of 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 University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Mahboob Sheikh & Co

Mahboob Sheikh & Co
Chartered Accountants
LAHORE
Date: 17th September, 2025
Name of the engagement partner: Safder Zia FCA

+92 322 4506474
+92 300 4304823
+92 42 3723 2320
safderzia0@gmail.com
waqas0421@hotmail.com
Management office
Multan
Lahore office # 5, 4th Floor,
Aftab Tower, 16 Edwards Road, Lahore
Post Code: 54000-Pakistan

LAHORE GARRISON UNIVERSITY
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Non-current assets			
Property & equipment - Tangible	4	**848,993,442**	831,598,858
Property & equipment - Intangible	4	**5,194,052**	993,303
Security deposits	5	**6,487,825**	6,368,439
		860,675,318	838,960,599
Current assets			
Loan, advances, deposits and other receivables	6	**26,470,233**	19,339,248
Short term investments	7	**230,000,000**	690,000,000
Cash and bank balances	8	**798,376,347**	513,376,914
		1,054,846,580	1,222,716,162
Total assets		**1,915,521,898**	2,061,676,761
Non-current liabilities			
Long term finance	9	-	502,042,899
Security refundable	10	**19,112,260**	24,052,883
Provident Fund	11		
-Contribution		**14,095,774**	39,363,606
-Investment		**150,000,000**	110,000,000
		164,095,774	149,363,606
		183,208,034	675,459,388
Current liabilities			
Creditors, accrued and other payables	12	**50,472,745**	16,587,365
Current portion of security refundable	13	**19,970,400**	24,300,400
Short term finance	14	-	3,000,000
		70,443,145	43,887,765
Total liabilities		**253,651,179**	719,347,153
NET ASSETS [assets - liabilities]		**1,661,870,719**	1,342,329,608
Represented by:			
Fixed assets fund	15	**97,674,889**	103,553,736
Endowment fund		**80,000,000**	60,000,000
Reserve fund		-	20,000,000
Accumulated surplus	16	**1,484,195,827**	1,158,775,872
		1,661,870,719	1,342,329,608

VICE CHANCELLOR

TREASURER

Nasir Mahboob Shaikh & Co. Chartered Accountants LAHORE

LAHORE GARRISON UNIVERSITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
INCOME	17	**1,353,963,349**	1,133,959,064
OPERATING EXPENSES	18	**(1,127,981,769)**	(1,062,384,497)
Net (deficit) / surplus from operating activities		**225,981,581**	71,574,567
Other income	19	**106,217,978**	81,679,162
Other expenditure	20	**(6,779,602)**	(4,155,212)
		99,438,376	77,523,949
Net surplus for the year		**325,419,956**	149,098,517

VICE CHANCELLOR

TREASURER

Yaqoob Shaikh & Co. Chartered Accountants LAHORE

LAHORE GARRISON UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Net surplus for the year	**325,419,956**	149,098,517
Add/ (less): Adjustments for non-cash charges and other items		
Depreciation	**86,532,623**	85,881,909
Amortization	**839,621**	486,162
Gain on disposal of assets	**(640,186)**	-
Loss on disposal of assets	**14,293**	-
Grant assets amortization	**(5,657,531)**	(6,047,639)
WDV of grant asset disposal	**(221,315)**	-
	80,867,505	80,320,432
Profit before changes in working capital	**406,287,461**	229,418,949
Effect on cash flow due to working capital changes		
(Increase)/decrease in current assets:		
Stores and spares	-	-
Loan, advances, deposits and other receivables	**(7,130,985)**	(6,805,546)
Increase/(decrease) in current liabilities:		
Creditors, accrued and other payables	**33,885,380**	12,829,920
Current portion of security refundable	**(4,330,000)**	6,380,000
Short term finance	**(3,000,000)**	3,000,000
	19,424,395	15,404,374
Net cash flow from operating activities	**425,711,856**	244,823,323
CASH FLOW FROM INVESTING ACTIVITIES		
Addition in property, plant and equipments	**(104,193,414)**	(60,596,394)
Addition in intangible assets	**(5,040,370)**	(125,000)
Proceeds from disposal of assets	**892,100**	-
Capital work in progress	**-**	-
Encashment of TDRS/ (Invested in TDR's)	**460,000,000**	(510,000,000)
(Increase) / Decrease in Long term security deposits	**(119,386)**	(245,988)
Net cash flow from investing activities	**351,538,930**	(570,967,382)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in long term finance	**(502,042,899)**	502,042,899
Increase / (Decrease) in general provident fund	**14,732,168**	31,762,552
Increase / (Decrease) Security refundable	**(4,940,623)**	(7,782,152)
Net cash flow from financing activities	**(492,251,354)**	526,023,300
Net increase / (decrease) in cash and cash equivalents	**284,999,432**	199,879,240
Cash and cash equivalents at the beginning of the year	**513,376,914**	313,497,674
Cash and cash equivalents at the end of the year	**798,376,347**	513,376,914

VICE CHANCELLOR

TREASURER

Mahboob Shaikh & Co. Chartered Accountants LAHORE

LAHORE GARRISON UNIVERSITY
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

PARTICULARS	Fixed assets fund	Endowment fund	Revenue reserve fund	Accumulated surplus	Total
Balance as at 30 June 2023	**109,601,374**	**50,000,000**	**20,000,000**	**1,019,677,356**	**1,199,278,730**
Total surplus of the year	-	-	-	149,098,517	149,098,517
Surplus transfer to reserve fund	-	-	-	(10,000,000)	(10,000,000)
Endowment fund	-	10,000,000	-	-	10,000,000
Reserve fund	-	-	-	-	-
Grant assets amortization	(6,047,639)	-	-	-	(6,047,639)
Balance as at 30 June 2024	**103,553,735**	**60,000,000**	**20,000,000**	**1,158,775,872**	**1,342,329,608**
Total surplus of the year	-	-	-	325,419,956	325,419,956
Surplus transfer to reserve fund	-	-	-	-	-
Endowment fund	-	20,000,000	-	-	20,000,000
Reserve fund	-	-	(20,000,000)	-	(20,000,000)
Grant assets amortization	(5,657,531)	-	-	-	(5,657,531)
WDV of grant asset disposal	(221,315)	-	-	-	(221,315)
Balance as at 30 June 2025	**97,674,889**	**80,000,000**	**-**	**1,484,195,828**	**1,661,870,719**



LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 Legal status and nature of operations:

Lahore Garrison University is a Chartered University, recognized by Higher Education Commision, established under "The Lahore Garrison University Act, 2014" (ACT VI 2014). The vision of the university is to establish a renowned university in teaching, research, innovation and commercialization providing congenial enviornment for acquistion of lastest knowledge so that student may contribute towards commiunity support and national development. The legal status of LGU is that of a Public Sector entity (Non Profit Organization) under the law. The main campus of the university is located at DHA Phase VI, Sector C, Lahore.

2 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Management has adopted voluntarily approved accounting standards which comprise of Accounting Standards for Not-for-Profit Organization as issued by the Institute of Chartered Accountants of Pakistan (ICAP) and the International Financial Reporting Standards for Small and Medium Sized Entities as applicable in Pakistan. The management has accordingly adopted the standards with the exception of recognition of tuition fee which has been accounted for on receipt basis. In case requirement differ, provisions of IFRS for Small & Medium Sized Entities shall prevail.

2.1 Basis of preparation

These financial statements are presented in Pakistani rupees which is the functional currency of the entity.

3 Significant accounting judgements/ estimates and assumptions

The significant accounting policies adopted in preparation of these financial statements are set out below;

3.1 Accumulated surplus

This is unrestricted fund of the University which is available for the functioning of the University as set out in its governing documents.

3.2 University land

With reference to para 1 of the lease agreement dated 05/06/2012 with DHA, Lahore land measuring 40 Kanal has been leased to the LGU with building constructed there upon. To date ownership status remains with DHA, accordingly the cost of land has not been shown in the Financial statements. Furthermore, DHA issued addendum letter No. 580/LGU/PH-VI-JV&BOT dated 17 January, 2019 which explains that land has been extended to 66.43 Kanals from 40 Kanals.

3.3 Fixed assets fund

Fixed assets fund represents the net book value of the tangible fixed assets of the University. These assets are accounted for as per policies stated in note 3.5. Property and equipment that is received directly as grant are debited to the property and equipment account at fair value and corresponding amount is credited to fixed asset fund. Such items are depreciated in accordance with accepted guidelines, while a corresponding amount is transferred from the fixed asset fund to "Other Income" in the income and expenditure accounts till the amount of the grant assets is fully ammortized at the end of the useful life of the assets.

3.4 Cash and cash equivalents

For the purpose of cash flow, cash and cash equivalents comprise cash in hand, cash at bank, current and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to an insiginificant risk of changes in value.

3.5 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is taken to income and expenditure acount by applying reducing balance method so as to write-off depreciable amount of an asset over its remaining usefull life at the rates stated in note 4. The assets' residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date.



Normal repairs and replacements are taken to income and expenditure account. Major improvements and modifications are captialized.

Gain/ loss on disposal of property and equipment, if any, is taken to income and expenditure account. Full month's depreciation is charged on addition while no depreciation is charged in the month of disposal during the year.

Impairment losses or its reversal, if any, is charged to income. Where an impairment loss is recognized, depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

3.6 Stores and spares

Stores and spares contain miscellaneous electronic petty items, sports equipment and crockery. Stores and spares in stock at each financial year end are valued at the lower of weighted average cost and current replacement cost. Items considered obselete are carried at nil value.

3.7 Investments

Investments currently held for one or less than one year period are classified as current assets and at amortized cost less impairment loss, if any.

3.8 Income recognition

Tuition fee and all other related income is recognized on receipt basis.

Tuition fee activity is being recorded in the financial record on the basis of Miscrosoft Excel data. ERP software be made effective to strengthen this financial area.

Rental Income is recognized on receipt basis.

Profit accrued on Term Deposit Receipts (TDRs) is recognized on receipt basis.

3.9 Expenses

Expenditure are recognized as an expense at historical cost during the period in which they are incurred on accrual basis.

3.10 Employee retirement benefits: Defined contribution plan

The University operates an unrecognized provident Fund for all its permanent employees. Equal monthly contributions are made to the fund by the university and the employees at defined slabs rates. Obligations for contribution to defined contributions plan is recognized as an expense in the income and expenditure account as and when incurred.

3.11 Short-term employee benefits

Short-term employee benefits include paid annual leaves and other monetary benefits (such as medical care, housing, conveyance) for current employees. University has a policy to provide short term employee benefits to its employee in the form of non-vesting accumulated compensated absences. As per the University policy, employees are entitled to 10 days of paid leaves each year after completion of one year of service, depending on their service of years. Any unavailed leaves are lapsed and are not available for carry forward. However, employees who are permanent and those having a contract period of three years or more are given the facility for leave encashment.

3.12 Advances, prepayments and other receivables

Advances, prepayments and other receivables are carried at original cost less an estimate made for doubtfull receivable based on a review of all outstanding amounts at the year end. Bad debts are written off, as and when identified.



3.13 Security deposits

The security deposits are classified as non-current assets represents amount received from students against their admissions and affiliation fees paid to other universities.

3.14 Taxation

The income of the university being a Non Profit Organization is wholly exempt from Tax under section 2 (36) of the Income Tax Ordinance, 2001.

3.15 Related parties transcations

Transcations with related parties are carried out at arm's length and priced at comparable uncontrolled market price method.

Parties are said to be related if they are generally considered to be able to influence the operating and financial decisions of the university.

3.16 Corresponding Figures

The corresponding figures have been rearranged wherever necessary to facilitate comparison. Appropriate disclosure is given in relevant note in case of material rearrangments.



LAHORE GARRISON UNIVERSITY
NOTES TO THE ACCOUNTS - YEAR ENDED JUNE 30, 2025
OPERATING PROPERTY & EQUIPMENT

4. Property & Equipment - TANGIBLE

	2025 Rupees	2024 Rupees
-Owned Assets	751,318,552	728,045,122
-Grant Assets	97,674,890	103,553,736
	848,993,442	831,598,858

Owned operating fixed assets - Tangible

Description	Building	Furniture & Fixture	Office Equipment	Computer Equipment	Motor Vehicles	Library Books	Total
Depreciation - Rate %	5%	10%	20%	33%	20%	33%	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost							
Balance at 30 June, 2024	544,474,406	75,442,857	193,931,355	107,325,463	92,087,600	28,599,807	1,041,861,483
Additions during the year	-	5,144,146	46,919,021	45,209,239	-	6,921,008	104,193,414
Disposals during the year	-	(45,000)	(178,327)	-	-	-	(223,327)
Balance at 30 June, 2025	544,474,406	80,542,003	240,672,049	152,534,702	92,087,600	35,520,815	1,145,831,570
Accumulated depreciation							
Balance at 30 June, 2024	62,351,135	23,740,021	98,172,405	69,115,931	45,861,182	14,575,690	313,816,361
Depreciation for the year	24,106,164	5,402,863	22,225,883	14,237,516	9,245,284	5,657,381	80,875,091
On disposal	-	(26,743)	(151,691)	-	-	-	(178,434)
Balance at 30 June, 2025	86,457,299	29,116,141	120,246,597	83,353,447	55,106,466	20,233,071	394,513,018
At 30 June, 2025	458,017,107	51,425,862	120,425,452	69,181,255	36,981,134	15,287,744	751,318,552
At 30 June, 2024	482,123,271	51,702,836	95,758,950	38,209,532	46,226,418	14,024,117	728,045,122



LAHORE GARRISON UNIVERSITY
NOTES TO THE ACCOUNTS - YEAR ENDED JUNE 30, 2025
OPERATING PROPERTY & EQUIPMENT

4. Property & Equipment - TANGIBLE

Grant operating property & equipment - Tangible

Description	Building	Furniture & Fixture	Office Equipment	Computer Equipment	Motor Vehicles	Total
Depreciation - Rate %	5%	10%	20%	33%	20%	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost						
Balance at 30 June, 2024	179,750,000	19,871,000	9,377,000	12,019,000	9,550,000	230,567,000
Additions during the year	-	-	-	-	-	-
Disposals during the year	-	-	(2,287,940)	-	-	(2,287,940)
Balance at 30 June, 2025	179,750,000	19,871,000	7,089,060	12,019,000	9,550,000	228,279,060
Accumulated depreciation						
Balance at 30 June, 2024	83,024,981	14,305,610	8,743,357	11,928,413	9,010,903	127,013,264
Depreciation for the year	4,836,251	556,539	126,729	30,193	107,819	5,657,531
On disposal			(2,066,625)			(2,066,625)
Balance at 30 June, 2025	87,861,232	14,862,149	6,803,461	11,958,606	9,118,722	130,604,170
At 30 June, 2025	91,888,768	5,008,851	285,599	60,394	431,278	97,674,890
At 30 June, 2024	96,725,019	5,565,390	633,643	90,587	539,097	103,553,736

The lease agreement between DHA Lahore & LGU was executed at Lahore on 28th May, 2012. According to para 6 of the above agreement "An amount of Rs. 269,000,000/- has been spent by first party for construction of building, additional construction, furnishing, equipment of library & office etc. No further liability of construction, furnishing, provision of equipement etc. in respect of said property is outstanding against first party."
LGU on the basis of above lease agreement has booked in its financial record an amount of Rs. 235,417,000/- on account of Grant Assets (Fixed Assets) and Rs. 23,704,000/- on account of funds transfer from DHA in its revenue account, aggregating Rs. 259,121,000/-

LAHORE GARRISON UNIVERSITY
NOTES TO THE ACCOUNTS - YEAR ENDED JUNE 30, 2025
OPERATING PROPERTY & EQUIPMENT - INTANGIBLES

4. OPERATING PROPERTY & EQUIPMENT - INTANGIBLE

Operating fixed assets - Intangible

Description	Computer Software	Total
Amortization - Rate %	33%	
	Rupees	Rupees
Cost		
Balance at 30 June, 2024	4,765,165	4,765,165
Additions during the year	5,040,370	5,040,370
Disposals during the year		-
Balance at 30 June, 2025	9,805,535	9,805,535
Accumulated amortization		
Balance at 30 June, 2024	3,771,862	3,771,862
Amortization for the year	839,621	839,621
On disposal		-
Balance at 30 June, 2025	4,611,483	4,611,483
Written Down Value		
At 30 June, 2025	5,194,052	5,194,052
At 30 June, 2024	993,303	993,303



		Note	2025 Rupees	2024 Rupees
5	**SECURITY DEPOSITS**			
	Against parties		**3,259,388**	3,244,388
	Against rent		**2,203,451**	2,203,451
	Against affiliations		**700,000**	700,000
	Sui Gas		**324,986**	220,600
			6,487,825	6,368,439
6	**LOAN, ADVANCES, DEPOSITS AND OTHER RECEIVABLES**			
	Receivables;			
	-Advances to employees		**2,881,149**	4,340,065
	-Advances to departments		**20,972,412**	12,643,389
	-Laptop scheme		**2,320,260**	2,059,382
			26,173,821	19,042,836
	Receivables against recovery		**296,412**	296,412
			26,470,233	19,339,248
7	**SHORT TERM INVESTMENTS**			
	Term deposits receipt (TDRs) - Endowment fund	**-note 7.1**	**80,000,000**	580,000,000
	Term deposits receipt (TDRs) - General provident fund	**-note 7.2**	**150,000,000**	110,000,000
			230,000,000	690,000,000

7.1 These represents investments in TDRs earmarked for endowment fund having maturity of 1 year and carry mark up at the rate of 2025: 11.00% to 18.40% (2024:20.63% to 21.25%.)

7.2 These represents investments in TDRs earmarked for provident fund having maturity of 1 year and carry mark up at the rate of 2025: 11.30% (2024:20.50% to 20.75%)

8	**CASH AND BANK BALANCES**			
	Cash at banks:			
	Current accounts	**-note 8.1**	**2,551,061**	28,916,760
	Saving accounts	**-note 8.2**	**795,825,286**	484,460,154
			798,376,347	513,376,914
8.1	**CURRENT ACCOUNTS**			
	-Habib Bank Limited - Current		**2,551,061**	28,916,760
			2,551,061	28,916,760
8.2	**SAVING ACCOUNTS**			
	-Askari Bank Limited - Main fee		**13,613,074**	9,303,102
	-Habib Bank Limited - Fee account		**603,116,450**	332,586,738
	-HBL Bank Ltd - GP Fund		**16,829,667**	42,052,958
	-HBL Bank Ltd - Grant Account		**1,827,554**	4,591,775
	-HBL Bank Ltd - Welfare account		**346,589**	931,555
	-MCB Bank Limited - Fee account		**82,026,755**	50,996,709
	-Askari Bank Limited - HQ 11 Div		**473**	473
	-Habib Bank Limited - CDR		**1,741,698**	1,585,311
	-MCB Bank Limited - Transport fee		**54,064,123**	36,012,236
	-MCB Bank Limited - Hostel fee		**3,680,524**	3,668,791
	-Bank Makramah Limited		**17,806,493**	7,733
	-FINCA Microfinance Bank Limited		**771,886**	679,874
	-Askari Bank Limited - Investment A/c		**-**	2,042,899
			795,825,286	484,460,154
9	**LONG TERM FINANCE**			
	HQ 4 Corps		**-**	502,042,899

The long term financing facility was availed from HQ 4 Corps the repayment of loan is not defined and interest free; principal amount of the loan has been fully repaid on 26-Aug-2024 aggregating PKR 528,715,013/-



	Note	2025 Rupees	2024 Rupees
10 SECURITY REFUNDABLE			
-Students	-note 10.1	**3,204,500**	10,034,500
-Staff		**7,816,892**	6,887,372
-Parties		**8,090,868**	7,131,011
		19,112,260	24,052,883
10.1 STUDENTS			
-Hostel		**549,500**	489,500
-FOBS		**235,000**	895,000
-FOCS		**1,550,000**	5,320,000
-FOL		**370,000**	850,000
-FOSS		**500,000**	2,480,000
		3,204,500	10,034,500
11 PROVIDENT FUND			
The following information is based on the latest un-audited data of the provident fund:			
Total fund contribution (Employee+employer)		**14,095,774**	39,363,606
Investment made from contribution		**150,000,000**	110,000,000
Percentage of investment made		**11.30%**	20.50% to 20.75%
Fair value of investment in TDR's		**150,000,000**	110,000,000
12 CREDITORS, ACCRUED AND OTHER PAYABLES			
Creditors for capital outlay		**45,995,459**	1,872,486
Salaries accrued		**4,373,075**	1,766,164
Employees medical insurance		**(6,282,334)**	(5,330,600)
Rent		**387,200**	812,800
Utilities		**2,819,735**	1,063,950
Tender security refundable		**377,862**	377,862
Auditors fee		**1,000,000**	550,000
Floating fund		**702,700**	14,272,612
Tax payable		**1,099,048**	1,202,092
		50,472,745	16,587,365
13 CURRENT PORTION OF SECURITY REFUNDABLE			
-Ph. D		**45,000**	45,000
-M.Phill		**1,355,000**	1,415,000
-Master		**700,000**	770,000
-Graduation		**5,460,400**	5,950,400
-FOBS		**1,930,000**	2,550,000
-FOCS		**5,790,000**	8,225,000
-FOL		**1,375,000**	1,450,000
-FOSS		**3,315,000**	3,895,000
		19,970,400	24,300,400
14 SHORT TERM FINANCE			
LGES		-	3,000,000

The short term financing facility was availed from Lahore Garrison Educational School; the repayment of loan is not defined and interest free; principal amount of the loan has been fully repaid on aggregating PKR 3,000,000/-

15 FIXED ASSETS FUND	**97,674,889**	103,553,736

This fund was recognized initially on the basis of thirty years lease agreement with Defense Housing Authority (DHA) dated 28th May, 2012. Detail of assets has been given in grant assets schedule (Note 4).

16 ACCUMULATED SURPLUS		
Surplus brought forward	**1,158,775,872**	1,019,677,356
Add: Surplus for the year	**325,419,956**	149,098,517
Less: Transfer to Reserve fund	-	(10,000,000)
Accumulated surplus	**1,484,195,827**	1,158,775,872



		Note	2025 Rupees	2024 Rupees
17	**INCOME**			
	Tuition fee	-note 17.1	**1,274,446,546**	1,065,007,435
	Hostel fee		**8,914,071**	7,452,261
	Prospectus fee		**2,513,580**	3,602,000
	Transport fee		**32,449,467**	29,443,946
	Fine collection		**4,172,989**	4,146,866
	Rental income	-note 17.2	**6,481,250**	3,500,000
	Short courses		**440,000**	923,500
	Sports complex		**980,040**	85,000
	Others		**23,565,406**	19,798,056
			1,353,963,349	1,133,959,064
17.1	**TUITION FEE**	-note 17.1.1		
	-FOBS		**96,373,507**	72,336,659
	-FOCS		**779,019,346**	658,645,856
	-FOL		**29,100,475**	32,404,029
	-FOSS		**369,953,218**	301,620,891
			1,274,446,546	1,065,007,435

17.1.1 In accordance with the approval granted by IHD vide letter no. 281/55/LGU/GS(EDN) dated 05-08-2022; the following directives have been approved and implemented for the financial year 2022-23 onwards.

- Fee has been increased by 15% for students across the board.
- Defence subsidiy be restricted to top 100 students on merit, further it has been reduced from 30% to 10%.

17.2	**RENTAL INCOME**		
	-Cafeteria	**4,675,000**	2,750,000
	-HBL Booth	**906,250**	750,000
	-Sports arena	**900,000**	-
		6,481,250	3,500,000

18	**OPERATING EXPENSES**		
	Salaries, wages and benefits	**787,526,198**	723,373,744
	Rent	**44,909,851**	60,000,000
	Printing and stationery	**20,539,320**	22,908,640
	Registration and examination charges	**6,123,053**	2,419,464
	University transportation	**21,371,588**	19,221,402
	Utilities	**48,456,628**	40,181,085
	Performance reward of students	-	20,000
	Petrol, Oil and lubricants	**9,045,796**	8,408,694
	Advertisement and pormotions	**4,403,621**	8,793,306
	Store consumption	**11,091,939**	9,705,629
	Postage and courier	**93,070**	161,930
	Employee welfare	**1,067,093**	1,661,350
	Entertainment	**5,169,521**	4,035,287
	Laboratory expense	**930,385**	1,462,235
	Newspaper & magazines	**123,085**	104,175
	Fee & subscription	**3,503,556**	3,527,671
	Repair and maintenance	**22,506,581**	20,203,195
	University functions, Intl. conferences & Symposium	**29,299,622**	40,638,764
	Sustainable development goals	**2,617,068**	-
	Research expenses	**9,744,773**	-
	Property tax	**1,596,912**	1,517,066
	Hostel charges	**5,180,468**	4,461,950
	Depreciation	**86,532,623**	85,881,909
	Amortization	**839,621**	486,162
	Others	**5,309,396**	3,210,839
		1,127,981,769	1,062,384,497

Nasaruddin Shaikh & Co. Chartered Accountants LAHORE

	Note	2025 Rupees	2024 Rupees
19 OTHER INCOME			
Income from financial assets			
Bank profits	-note 19.1	**99,698,946**	75,631,523
Gain on disposal of assets		**640,186**	-
Income from non-financial assets			
Grant assets amortizations	-note 19.2	**5,657,531**	6,047,639
WDV of grant asset disposal		**221,315**	-
		106,217,978	81,679,162

19.1 This includes the bank profits earned on TDR's and daily profit accounts.

19.2 This represents the amount transferred from the fixed asset fund account.

20 OTHER EXPENDITURE			
Bank charges & WHT	-note 20.1	**5,143,309**	3,046,212
Auditors' remuneration		**1,000,000**	550,000
Loss on disposal of assets		**14,293**	-
Consultancy service charges		**622,000**	559,000
		6,779,602	4,155,212
20.1 Bank Charges		**156,392**	373,620
WHT		**4,986,917**	2,672,592
		5,143,309	3,046,212

21 REMUNERATION OF KEY MANAGEMENT PERSONNEL

Key management personnel include Vice Chancellor and Registrar of the University. The break up of aggregate amount charged in the financial statements for the year for remuneration including certain benefits to the Vice Chancellor and Registrar of the University are as follows;

Basic pay	**18,300,000**	13,864,439
HR Allowance	**-**	1,866,667
Other allowance	**-**	282,363
Other benefits	**1,360,674**	1,789,386
	19,660,674	17,802,855

22 RELATED PARTY TRANSCATIONS

Related party comprises of Vice Chancellor & Registrar (Key Management Personnel). There is no related party transcation except the remuneration of key management personnel as disclosed in Note 21.

23 NUMBER OF EMPLOYEES

Total number of employees at year end	**596**	636

24 CONTINGENCIES AND COMMITMENTS

24.1 The first addendum to the lease agreement with the Defence Housing Authority (DHA) Lahore has been reviewed and approved by the competent authority on 29-12-2023.

The salient financial aspects of the agreement are outlined as under;

- The second party(LGU) shall pay to the first party (DHA) Lahore arrears of the lease rent which have been agreed at Rs.150Million in 5 equal installments at the rate of Rs.30Million per annum commencing from 15-10-2023; the fifth and final installment shall be due by Jan 01, 2027. (Ref 4.2 of the agreement).
- The annual lease payment shall be 10% of the net surplus income generated from all streams to the first party commencing from financial year 2023-24 and each subsequent financial year until the expiry of the terms of agreement to be calculated and determined after audit of the second party by a QCR Chartered Accountant firm (Ref clause 4 of the agreement).
- "Net surplus income" for the purposes of this agreement shall mean the surplus income generated from all streams of its business at the property as at 30 June 2024 and during each subsequent financial year until the expiry of the term of the agreement (ref clause 4.1)
- The second party shall pay to the first party lease rent with any arrears or adjustments not later than 15 Oct each year, late payment fee @1% per day on the balance due payment shall be payable with effect from the due date (ref clause 4.4 of the agreement).

The financial effect of the above financial decisions have been incorporated in the financial statements effective financial year 2023-24 as per lease agreement.



	Note	2025 Rupees	2024 Rupees

24.2 With reference to Note 4 (Grant Assets) an amount of Rs. 8,250,000/- under the head contingency held by DHA and Rs. 1,629,000/- under various Misc. heads are included in the total grant of Rs. 269 Million, the before mentioned amounts needs to be reconciled and confirmed from DHA before making them a part of the financial record.

25 DATE OF AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

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

26 GENERAL - *figures*

- have been rounded off to the nearest rupee.
- have been rearranged wherever necessary for the purpose of comparison.

Mahmood Shaikh & Co. Chartered Accountants LAHORE

VICE CHANCELLOR **TREASURER**