

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, 2022, 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, 2022, 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

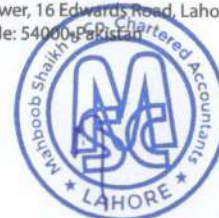
The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting standards for Not For Profit organizations issued by the ICAP and the IFRS issued by the IASB as notified by the SECP, and for such internal control as the Management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



MAHBOOB SHEIKH & Co.
Chartered Accountants

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)

**MAHBOOB SHEIKH & Co.**
Chartered Accountants

- 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
Chartered accountants
LAHORE

Date: _____, 2022

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, 2022

	Note	2022 Rupees	2021 Rupees
Non-current assets			
Property & equipment - Tangible	4	514,490,825	486,332,321
Property & equipment - Intangible	4	1,996,134	1,591,576
Security deposits	5	6,122,451	3,692,451
Capital Work In Progress	6	296,969,392	272,958,389
		819,578,801	764,574,737
Current assets			
Loan, advances, deposits and other receivables	7	15,521,763	8,454,051
Short term investments	8	170,000,000	115,000,000
Cash and bank balances	9	131,097,052	202,636,499
		316,618,815	326,090,550
Total assets		1,136,197,617	1,090,665,288
Non-current liabilities			
Security refundable	10	44,506,857	37,240,384
Provident Fund	11		
-Contribution		866,354	32,426,195
-Investment		110,000,000	70,000,000
		110,866,354	102,426,195
		155,373,211	139,666,579
Current liabilities			
Creditors, accrued and other payables	12	(30,749,813)	(38,164,784)
Current portion of security refundable	13	18,970,000	15,231,814
		(11,779,813)	(22,932,970)
Total liabilities		143,593,398	116,733,609
Contingencies and commitments	14	-	-
NET ASSETS [assets - liabilities]		992,604,218	973,931,679
Represented by:			
Fixed assets fund	15	116,081,595	123,045,774
Endowment fund		1,000,000	1,000,000
Reserve fund		60,000,000	45,000,000
Accumulated surplus	16	815,522,619	804,885,899
		992,604,218	973,931,679


VICE CHANCELLOR



TREASURER

LAHORE GARRISON UNIVERSITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
INCOME	17	817,014,148	737,963,896
OPERATING EXPENSES	18	(809,641,009)	(595,399,471)
Net surplus from operating activities		<u>7,373,139</u>	<u>142,564,424</u>
Other income	19	<u>20,674,041</u>	<u>29,373,076</u>
Other expenditure	20	<u>(2,410,461)</u>	<u>(4,880,094)</u>
		<u>18,263,580</u>	<u>24,492,982</u>
Net surplus for the year		<u><u>25,636,719</u></u>	<u><u>167,057,406</u></u>



VICE CHANCELLOR



TREASURER

LAHORE GARRISON UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	2022 Rupees	2021 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Net surplus for the year	25,636,719	167,057,406
Add/ (less): Adjustments for non-cash charges and other items		
Depreciation	61,908,623	52,696,195
Amortization	648,160	792,460
Gain on disposal of assets	-	(4,172,216)
Grant assets amortization	(6,964,180)	(7,723,248)
	55,592,603	41,593,191
Profit before changes in working capital	81,229,323	208,650,597
<i>Effect on cash flow due to working capital changes</i>		
<i>(Increase)/decrease in current assets:</i>		
Loan, advances, deposits and other receivables	(7,067,712)	1,954,154
<i>Increase/(decrease) in current liabilities:</i>		
Creditors, accrued and other payables	7,414,971	(62,732,794)
Current portion of security refundable	3,738,186	(4,332,886)
Short term finance	-	-
	4,085,445	(65,111,526)
<i>Net cash flow from operating activities</i>	85,314,768	143,539,071
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(91,288,539)	(96,136,829)
Proceeds from disposal of assets	168,695	5,170,000
Capital work in progress	(24,011,003)	(3,876,302)
Encashment of TDRS/ (Invested in TDR's)	(55,000,000)	(5,000,000)
Increase / (Decrease) in Long term security deposits	(2,430,000)	-
<i>Net cash flow from investing activities</i>	(172,560,847)	(99,843,131)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in general provident fund	8,440,159	23,991,684
Increase / (Decrease) Security refundable	7,266,473	6,146,064
<i>Net cash flow from financing activities</i>	15,706,632	30,137,748
Net increase / (decrease) in cash and cash equivalents	(71,539,447)	73,526,091
Cash and cash equivalents at the beginning of the year	202,636,499	129,110,407
Cash and cash equivalents at the end of the year	131,097,052	202,636,499


VICE CHANCELLOR


TREASURER

**LAHORE GARRISON UNIVERSITY
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

PARTICULARS	Fixed assets fund	Endowment fund	Revenue reserve fund	Accumulated surplus	Total
Balance as at 30 June 2020	131,616,624	-	40,000,000	643,828,494	815,445,118
Total surplus of the year	-	-	-	167,057,406	167,057,406
Surplus transfer to reserve fund	-	-	-	(5,000,000)	(5,000,000)
Endowment fund	-	1,000,000	-	(1,000,000)	-
Reserve fund	-	-	5,000,000	-	5,000,000
Grant assets amortization	(7,723,248)	-	-	-	(7,723,248)
WDV on disposal of asset	(847,597)	-	-	-	(847,597)
Balance as at 30 June 2021	123,045,779	1,000,000	45,000,000	804,885,900	973,931,679
Total surplus of the year	-	-	-	25,636,719	25,636,719
Surplus transfer to reserve fund	-	-	-	(15,000,000)	(15,000,000)
Endowment fund	-	-	-	-	-
Reserve fund	-	-	15,000,000	-	15,000,000
Grant assets amortization	(6,964,180)	-	-	-	(6,964,180)
WDV on disposal of asset	-	-	-	-	-
Balance as at 30 June 2022	116,081,599	1,000,000	60,000,000	815,522,619	992,604,218

LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1 Legal status and nature of operations:

Lahore Garrison University is a Chartered University, recognized by Higher Education Commission, 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 environment for acquisition of latest knowledge so that student may contribute towards community support and national development. The legal status of LGU is that of a 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 amortized 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 insignificant 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 account by applying reducing balance method so as to write-off depreciable amount of an asset over its remaining useful 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.

LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

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

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 obsolete 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 Microsoft 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 doubtful receivable based on a review of all outstanding amounts at the year end. Bad debts are written off, as and when identified.

LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

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 (NPO), is wholly exempt from tax under the Income Tax Ordinance, 2001.

3.15 Corresponding Figures

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

3.16 Related parties transactions

Transactions 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.

LAHORE GARRISON UNIVERSITY
NOTES TO THE ACCOUNTS - YEAR ENDED JUNE 30, 2022
OPERATING PROPERTY & EQUIPMENT

4. Property & Equipment - TANGIBLE

Grant operating property & equipment - Tangible

Description	Building		Furniture & Fixture		Office Equipment		Computer Equipment		Motor Vehicles		Total
	5%	10%	20%	33%	20%	Rupees	Rupees	Rupees	Rupees		
Depreciation - Rate %	5%	10%	20%	33%	20%	Rupees	Rupees	Rupees	Rupees	Rupees	
Cost											
Balance at 30 June, 2021	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	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June, 2022	179,750,000	19,871,000	9,377,000	12,019,000	9,550,000	230,567,000	-	-	-	-	-
Accumulated depreciation											
Balance at 30 June, 2021	66,934,699	12,236,721	8,139,416	11,713,313	8,497,076	107,521,226	-	-	-	-	-
Depreciation for the year	5,640,765	763,428	247,517	101,885	210,585	6,964,180	-	-	-	-	-
On disposal	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June, 2022	72,575,464	13,000,149	8,386,933	11,815,199	8,707,661	114,485,405	-	-	-	-	-
At 30 June, 2022	107,174,536	6,870,851	990,067	203,801	842,339	116,081,595	-	-	-	-	-
At 30 June, 2021	112,815,301	7,634,279	1,237,584	305,687	1,052,924	123,045,774	-	-	-	-	-

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 equipment 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, 2022
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, 2020	3,551,868	3,551,868
Additions during the year	7,000	7,000
Disposals during the year	-	-
Balance at 30 June, 2021	3,558,868	3,558,868
Additions during the year	1,052,718	1,052,718
Disposals during the year	-	-
Balance at 30 June, 2022	4,611,586	4,611,586
Accumulated amortization		
Balance at 30 June, 2020	1,174,832	1,174,832
Amortization for the year	792,460	792,460
On disposal	-	-
Balance at 30 June, 2021	1,967,292	1,967,292
Amortization for the year	648,160	648,160
On disposal	-	-
Balance at 30 June, 2022	2,615,452	2,615,452
Written Down Value		
At 30 June, 2022	1,996,134	1,996,134
At 30 June, 2021	1,591,576	1,591,576

LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
5 SECURITY DEPOSITS			
Against parties		3,058,000	1,588,000
Against rent		2,203,451	1,243,451
Against affiliations		700,000	700,000
Sui Gas		161,000	161,000
		<u>6,122,451</u>	<u>3,692,451</u>
6 CAPITAL WORK IN PROGRESS			
-Parking block		177,445,840	157,602,435
-Sports complex		119,523,552	115,355,954
		<u>296,969,392</u>	<u>272,958,389</u>
7 LOAN, ADVANCES, DEPOSITS AND OTHER RECEIVABLES			
Receivables from employees against			
-Advances to employees		4,785,796	1,589,802
-Advances to departments		6,523,638	3,864,118
-Laptop scheme		1,358,805	224,807
		<u>12,668,239</u>	<u>5,678,727</u>
Receivables against recovery		371,770	-
WHT receivables		-	736,570
Prepaid expenses		1,140,000	500,000
Loan to cafeteria		1,341,754	1,538,754
		<u>15,521,763</u>	<u>8,454,051</u>
8 SHORT TERM INVESTMENTS			
Term deposits receipt (TDRs) - Revenue reserve fund	-note 8.1	60,000,000	45,000,000
Term deposits receipt (TDRs) - General provident fund	-note 8.2	110,000,000	70,000,000
		<u>170,000,000</u>	<u>115,000,000</u>
8.1			
These represents investments in TDRs earmarked for revenue reserve fund having maturity of 1 year and carry mark up at the rate of 6.25% to 10.75%.			
8.2			
These represents investments in TDRs earmarked for provident fund having maturity of 1 year and carry mark up at the rate of 6.25% to 10.75%.			
9 CASH AND BANK BALANCES			
Cash in hand		422,728	345,486
Cash at banks:			
Current accounts	-note 9.1	23,633,211	40,793,363
Saving accounts	-note 9.2	107,041,113	161,497,650
		<u>131,097,052</u>	<u>202,636,499</u>
9.1 CURRENT ACCOUNTS			
-Habib Bank Limited - Current		23,633,211	40,793,363
		<u>23,633,211</u>	<u>40,793,363</u>

LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
9.2 SAVING ACCOUNTS			
-Askari Bank Limited - Main fee		3,420,111	974,755
-Habib Bank Limited - Fee account		46,078,759	76,219,380
-HBL Bank Ltd - GP Fund		8,204,888	18,504,303
-HBL Bank Ltd - Grant Account		8,011,023	7,447,341
-HBL Bank Ltd - Welfare account		133,811	1,234,694
-MCB Bank Limited - Fee account		22,410,275	12,313,886
-Askari Bank Limited - HQ 11 Div		473	473
-Habib Bank Limited - CDR		865,073	804,108
-MCB Bank Limited - Transport fee		8,848,127	1,455,922
-MCB Bank Limited - Hostel fee		2,673,856	3,174,097
-Summit Bank Limited		5,875,742	476,809
-FINCA Microfinance Bank Limited		518,974	38,891,882
		<u>107,041,113</u>	<u>161,497,650</u>
10 SECURITY REFUNDABLE			
-Students	-note 10.1	28,144,500	24,486,040
-Staff		9,202,380	8,875,647
-Parties		7,159,977	3,878,697
		<u>44,506,857</u>	<u>37,240,384</u>
10.1 STUDENTS			
-Hostel		509,500	529,500
-Ph. D		-	25,000
-Graduation		-	4,482,640
-FOBS		3,230,000	2,895,000
-FOCS		15,560,000	10,423,900
-FOL		1,745,000	1,675,000
-FOSS		7,100,000	4,455,000
		<u>28,144,500</u>	<u>24,486,040</u>
11 PROVIDENT FUND			
The following information is based on the latest un-audited data of the provident fund:			
Total fund contribution (Employee+employer)		<u>866,354</u>	<u>32,426,195</u>
Investment made from contribution		<u>110,000,000</u>	<u>70,000,000</u>
Percentage of investment made		<u>6.25% to 10.75%</u>	<u>6.25% to 13.65%</u>
Fair value of investment in TDR's		<u>110,000,000</u>	<u>70,000,000</u>
12 CREDITORS, ACCRUED AND OTHER PAYABLES			
Creditors for capital outlay		(34,121,151)	(40,561,266)
Payable to staff		-	67,100
Salaries accrued		315,551	401,789
Employees medical insurance		(4,987,811)	(4,490,632)
Utilities		866,291	556,762
Tender security refundable		377,862	377,862
Auditors fee		550,000	150,000
Floating fund		4,366,411	4,791,299
Tax payable		1,883,035	542,303
		<u>(30,749,813)</u>	<u>(38,164,784)</u>

LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
13 CURRENT PORTION OF SECURITY REFUNDABLE			
-Ph. D		410,000	275,000
-M.Phill		1,615,000	1,673,600
-Master		965,000	1,168,414
-Graduation		12,335,000	10,254,800
-FOBS		1,550,000	715,000
-FOCS		555,000	300,000
-FOL		720,000	375,000
-FOSS		820,000	470,000
		<u>18,970,000</u>	<u>15,231,814</u>
14 CONTINGENCIES AND COMMITMENTS			
14.1	LGU made an lease agreement (30 years) with DHA for provisioning of building constructed thereupon and permission to setup, establish and run Defence campus of Lahore Garrison university upon said building in DHA Phase-VI Lahore. According to the lease agreement LGU will pay 10% of the gross monthly revenue earned to DHA which shall be verified annually in terms of the Annual Audited Accounts. The estimated liability to DHA aqareqates to Rs. 409,718,555/- as at 30th June, 2022.		
14.2	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.		
15 FIXED ASSETS FUND		<u>116,081,595</u>	<u>123,045,774</u>
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		804,885,899	643,828,493
Add: Surplus for the year		25,636,719	167,057,406
Less: Transfer to Endowment fund		-	(1,000,000)
Less: Transfer to Reserve fund		(15,000,000)	(5,000,000)
Accumulated surplus		<u>815,522,619</u>	<u>804,885,899</u>
17 INCOME			
Tuition fee	-note 17.1	763,164,063	711,725,979
Hostel fee		6,990,207	3,468,489
Prospectus fee		4,098,000	3,826,000
Welfare fund income		595,237	-
Transport fee		17,208,320	3,809,175
Fine collection		2,479,830	1,903,394
Rental income	-note 17.2	515,000	2,077,480
Short courses		390,000	120,000
Sports complex		-	53,100
Others		21,573,491	10,980,279
		<u>817,014,148</u>	<u>737,963,896</u>

LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
17.1 TUITION FEE			
-FOBS		93,497,950	102,762,529
-FOCS		448,727,981	412,193,097
-FOL		27,358,736	33,852,408
-FOSS		193,579,396	162,917,945
		<u>763,164,063</u>	<u>711,725,979</u>
17.2 RENTAL INCOME			
-HBL Booth		425,000	1,825,000
-Photocopy		90,000	36,960
-Parking		-	215,520
		<u>515,000</u>	<u>2,077,480</u>
18 OPERATING EXPENSES			
Salaries, wages and benefits		558,682,710	464,502,494
Printing and stationery		17,374,438	10,469,894
Registration and examination charges		1,386,843	694,000
University transportation		11,084,659	4,582,057
Utilities		31,765,571	27,288,450
Performance reward of students		2,320,000	-
Petrol, Oil and lubricants		6,199,570	2,084,495
Advertisement and pormotions		8,853,321	2,425,243
Store consumption		5,810,320	5,082,467
Postage and courier		126,453	127,826
Employee welfare		1,456,597	713,290
Entertainment		1,337,044	632,552
Laboratory expense		1,628,196	749,527
Newspaper & magazines		66,680	19,215
Fee & subscription		2,394,351	442,550
Repair and maintenance		16,498,154	12,687,953
University functions, Intl. conferences & Symposium		32,844,070	4,109,276
Research expenses		28,015	28,736
Property tax		392,851	229,089
Hostel charges		7,369,568	2,510,949
Depreciation		61,908,623	52,696,195
Amortization		648,160	792,460
Others		39,464,815	2,530,754
		<u>809,641,009</u>	<u>595,399,471</u>
19 OTHER INCOME			
<u>Income from financial assets</u>			
Bank profits	-note 19.1	13,709,861	16,477,612
Grant related income	-note 19.2	-	1,000,000
Gain on disposal of assets		-	4,172,216
<u>Income from non-financial assets</u>			
Grant assets amortizations	-note 19.3	6,964,180	7,723,248
		<u>20,674,041</u>	<u>29,373,076</u>

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

LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
19.2	University received Rs.1 Million as a grant from Aman Sarai Foundation [ASF] during the year through cross cheque.		
19.3	This represents the amount transferred from the fixed asset fund account.		
20 OTHER EXPENDITURE			
Bank charges	-note 20.1	1,162,104	1,264,732
Auditors' remuneration		550,000	150,000
Consultancy service charges		698,357	2,592,122
MOU Expenses		-	873,240
		2,410,461	4,880,094

20.1 This also includes the tax withheld by banks on profits on deposits accounts, TDRs, cash withdrawals and bank charges.

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	7,348,500	7,568,548
House Allowance	1,200,000	979,032
Other benefits	1,131,151	361,867
	9,679,651	8,909,447

22 RELATED PARTY TRANSACTIONS

Related party comprises of Vice Chancellor & Registrar (Key Management Personnel). There is no related party transaction except the remuneration of key management personnel as disclosed in Note 22.

23 NUMBER OF EMPLOYEES

Total number of employees at year end	602	591
---------------------------------------	-----	-----

24 DATE OF AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

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

25 GENERAL - figures

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



VICE CHANCELLOR



TREASURER