

**LAHORE GARRISON
UNIVERSITY**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE, 2024**

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, 2024, 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, 2024, 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



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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:

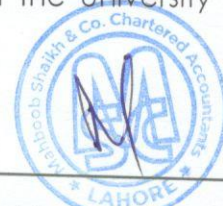
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.

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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

Mahboob Sheikh & Co

Chartered accountants

LAHORE

Date: 11th December, 2024

Name of the engagement partner: Safder Zia FCA



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LAHORE GARRISON UNIVERSITY
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Non-current assets			
Property & equipment - Tangible	4	831,598,858	856,884,373
Property & equipment - Intangible	4	993,303	1,354,465
Security deposits	5	6,368,439	6,122,451
		838,960,599	864,361,288
Current assets			
Loan, advances, deposits and other receivables	6	19,339,248	12,533,702
Short term investments	7	690,000,000	180,000,000
Cash and bank balances	8	513,376,914	313,497,674
		1,222,716,162	506,031,376
Total assets		2,061,676,761	1,370,392,664
Non-current liabilities			
Long term finance	9	502,042,899	-
Security refundable	10	24,052,883	31,835,035
Provident Fund	11		
-Contribution		39,363,606	7,601,054
-Investment		110,000,000	110,000,000
		149,363,606	117,601,054
		675,459,388	149,436,089
Current liabilities			
Creditors, accrued and other payables	12	16,587,365	3,757,445
Current portion of security refundable	13	24,300,400	17,920,400
Short term finance	14	3,000,000	-
		43,887,765	21,677,845
Total liabilities		719,347,153	171,113,934
NET ASSETS [assets - liabilities]		1,342,329,608	1,199,278,730
Represented by:			
Fixed assets fund	15	103,553,736	109,601,374
Endowment fund		60,000,000	50,000,000
Reserve fund		20,000,000	20,000,000
Accumulated surplus	16	1,158,775,872	1,019,677,356
		1,342,329,608	1,199,278,730


VICE CHANCELLOR


TREASURER



LAHORE GARRISON UNIVERSITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

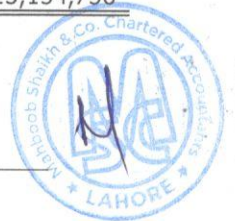
	Note	2024 Rupees	2023 Rupees
INCOME	17	1,133,959,064	1,086,552,674
OPERATING EXPENSES	18	(1,062,384,497)	(912,822,951)
Net (deficit) / surplus from operating activities		71,574,567	173,729,723
Other income	19	81,679,162	46,352,237
Other expenditure	20	(4,155,212)	(6,927,224)
		77,523,949	39,425,013
Net surplus for the year		149,098,517	213,154,736



VICE CHANCELLOR



TREASURER



LAHORE GARRISON UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Net surplus for the year	149,098,517	213,154,736
Add/ (less): Adjustments for non-cash charges and other items		
Depreciation	85,881,909	72,059,910
Amortization	486,162	670,248
Gain on disposal of assets	-	-
Grant assets amortization	(6,047,639)	(6,480,220)
	80,320,432	66,249,938
Profit before changes in working capital	229,418,949	279,404,674
<i>Effect on cash flow due to working capital changes</i>		
<i>(Increase)/decrease in current assets:</i>		
Loan, advances, deposits and other receivables	(6,805,546)	2,988,061
<i>Increase/(decrease) in current liabilities:</i>		
Creditors, accrued and other payables	12,829,920	34,507,258
Current portion of security refundable	6,380,000	(1,049,600)
Short term finance	3,000,000	-
	15,404,374	36,445,719
<i>Net cash flow from operating activities</i>	244,823,323	315,850,393
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(60,596,394)	(414,482,039)
Addition in intangible assets	(125,000)	-
Capital work in progress	-	296,969,392
Encashment of TDRS/ (Invested in TDR's)	(510,000,000)	(10,000,000)
Increase / (Decrease) in Long term security deposits	(245,988)	-
<i>Net cash flow from investing activities</i>	(570,967,382)	(127,512,647)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in long term finance	502,042,899	-
Increase / (Decrease) in general provident fund	31,762,552	6,734,700
Increase / (Decrease) Security refundable	(7,782,152)	(12,671,822)
<i>Net cash flow from financing activities</i>	526,023,300	(5,937,122)
Net increase / (decrease) in cash and cash equivalents	199,879,240	182,400,623
Cash and cash equivalents at the beginning of the year	313,497,674	131,097,052
Cash and cash equivalents at the end of the year	513,376,914	313,497,674


VICE CHANCELLOR


TREASURER



LAHORE GARRISON UNIVERSITY
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

PARTICULARS	Fixed assets fund	Endowment fund	Revenue reserve fund	Accumulated surplus	Total
Balance as at 30 June 2022	116,081,599	1,000,000	60,000,000	815,522,619	992,604,218
Total surplus of the year	-	-	-	213,154,736	213,154,736
Surplus transfer to reserve fund	-	-	-	(10,000,000)	(10,000,000)
Endowment fund	-	(1,000,000)	(50,000,000)	1,000,000	(50,000,000)
Reserve fund	-	50,000,000	10,000,000	-	60,000,000
Grant assets amortization	(6,480,220)	-	-	-	(6,480,220)
WDV on disposal of asset	-	-	-	-	-
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)
WDV on disposal of asset	-	-	-	-	-
Balance as at 30 June 2024	103,553,730	60,000,000	20,000,000	1,158,775,872	1,342,329,608



LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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 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 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, 2024

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, 2024

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 Public Sector University is wholly exempt from tax under clause 126 of the second schedule of the Income Tax Ordinance, 2001. Furthermore, it is also categorized as a Non-Profit Organization under the income tax Ordinance, 2001.

3.15 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.

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 rearrangements.



LAHORE GARRISON UNIVERSITY
NOTES TO THE ACCOUNTS - YEAR ENDED JUNE 30, 2024
OPERATING PROPERTY & EQUIPMENT

4. Property & Equipment - TANGIBLE

	2024 Rupees	2023 Rupees
-Owned Assets	728,045,122	747,282,998
-Grant Assets	103,553,736	109,601,374
	<u>831,598,858</u>	<u>856,884,373</u>

Owned operating fixed assets - Tangible

Description	Building	Furniture & Fixture	Office Equipment	Computer Equipment	Motor Vehicles	Library Books	Total
	5% Rupees	10% Rupees	20% Rupees	33% Rupees	20% Rupees	33% Rupees	Rupees
Depreciation - Rate %							
Cost							
Balance at 30 June, 2023	544,244,406	58,244,880	180,860,345	86,457,053	91,929,900	19,528,510	981,265,089
Additions during the year	230,000	17,197,977	15,726,600	18,212,820	157,700	9,071,297	60,596,394
Disposals during the year	-	-	-	-	-	-	-
Balance at 30 June, 2024	<u>544,474,406</u>	<u>75,442,857</u>	<u>196,586,945</u>	<u>104,669,873</u>	<u>92,087,600</u>	<u>28,599,807</u>	<u>1,041,861,483</u>
Accumulated depreciation							
Balance at 30 June, 2023	36,979,252	19,115,443	76,455,406	56,585,558	34,311,148	10,535,287	233,982,091
Depreciation for the year	25,371,883	4,624,578	21,716,999	12,530,373	11,550,034	4,040,403	79,834,270
On disposal	-	-	-	-	-	-	-
Balance at 30 June, 2024	<u>62,351,135</u>	<u>23,740,021</u>	<u>98,172,405</u>	<u>69,115,931</u>	<u>45,861,182</u>	<u>14,575,690</u>	<u>313,816,361</u>
At 30 June, 2024	<u>482,123,271</u>	<u>51,702,836</u>	<u>98,414,540</u>	<u>35,553,942</u>	<u>46,226,418</u>	<u>14,024,117</u>	<u>728,045,122</u>
At 30 June, 2023	<u>507,265,154</u>	<u>39,129,437</u>	<u>104,404,939</u>	<u>29,871,495</u>	<u>57,618,752</u>	<u>8,993,223</u>	<u>747,282,998</u>



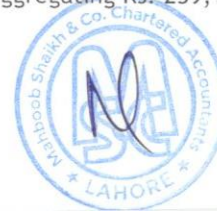
LAHORE GARRISON UNIVERSITY
 NOTES TO THE ACCOUNTS - YEAR ENDED JUNE 30, 2024
 OPERATING PROPERTY & EQUIPMENT

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, 2023	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, 2024	179,750,000	19,871,000	9,377,000	12,019,000	9,550,000	230,567,000
Accumulated depreciation						
Balance at 30 June, 2023	77,934,191	13,687,234	8,584,947	11,883,126	8,876,129	120,965,626
Depreciation for the year	5,090,790	618,377	158,411	45,287	134,774	6,047,639
On disposal	-	-	-	-	-	-
Balance at 30 June, 2024	83,024,981	14,305,610	8,743,357	11,928,413	9,010,903	127,013,264
At 30 June, 2024	96,725,019	5,565,390	633,643	90,587	539,097	103,553,736
At 30 June, 2023	101,815,809	6,183,766	792,053	135,874	673,871	109,601,374

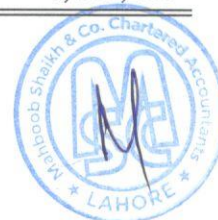
The lease agreement between DHA Lahore & LGU was executed at Lahore on 28th May, 2012. According to para 6 of the above agreement "An amount of Rs. 269,000,000/- has been spent by first party for construction of building, additional construction, furnishing, equipment of library & office etc. No further 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, 2024****OPERATING PROPERTY & EQUIPMENT - INTANGIBLES****4. OPERATING PROPERTY & EQUIPMENT - INTANGIBLE**

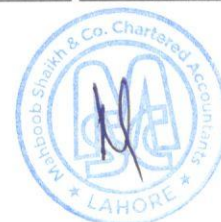
Operating fixed assets - Intangible

Description	Computer Software	Total
Amortization - Rate %	33%	
Cost		
Balance at 30 June, 2023	4,640,165	4,640,165
Additions during the year	125,000	125,000
Disposals during the year	-	-
Balance at 30 June, 2024	4,765,165	4,765,165
Accumulated amortization		
Balance at 30 June, 2023	3,285,700	3,285,700
Amortization for the year	486,162	486,162
On disposal	-	-
Balance at 30 June, 2024	3,771,862	3,771,862
Written Down Value		
At 30 June, 2024	993,303	993,303
At 30 June, 2023	1,354,465	1,354,465



LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
5 SECURITY DEPOSITS			
Against parties		3,244,388	3,058,000
Against rent		2,203,451	2,203,451
Against affiliations		700,000	700,000
Sui Gas		220,600	161,000
		6,368,439	6,122,451
6 LOAN, ADVANCES, DEPOSITS AND OTHER RECEIVABLES			
Receivables from employees against			
-Advances to employees		4,340,065	2,462,831
-Advances to departments		12,643,389	8,276,576
-Laptop scheme		2,059,382	793,883
		19,042,836	11,533,290
Receivables against recovery		296,412	296,412
Prepaid expenses		-	704,000
		19,339,248	12,533,702
7 SHORT TERM INVESTMENTS			
Term deposits receipt (TDRs) - Endowment and Reserve fund	-note 7.1	580,000,000	70,000,000
Term deposits receipt (TDRs) - General provident fund	-note 7.2	110,000,000	110,000,000
		690,000,000	180,000,000
7.1			
These represents investments in TDRs earmarked for revenue reserve fund having maturity of 1 year and carry mark up at the rate of 2024: 20.63% to 21.25% (2023:18.00%.)			
7.2			
These represents investments in TDRs earmarked for provident fund having maturity of 1 year and carry mark up at the rate of 2024: 20.50% to 20.75% (2023:15.60% to 16.60%)			
8 CASH AND BANK BALANCES			
Cash in hand		-	384,852
Cash at banks:			
Current accounts	-note 8.1	28,916,760	62,754,491
Saving accounts	-note 8.2	484,460,154	250,358,331
		513,376,914	313,497,674
8.1 CURRENT ACCOUNTS			
-Habib Bank Limited - Current		28,916,760	62,754,491
		28,916,760	62,754,491
8.2 SAVING ACCOUNTS			
-Askari Bank Limited - Main fee		9,303,102	7,808,759
-Habib Bank Limited - Fee account		332,586,738	141,407,457
-HBL Bank Ltd - GP Fund		42,052,958	9,683,441
-HBL Bank Ltd - Grant Account		4,591,775	172,841
-HBL Bank Ltd - Welfare account		931,555	1,995,207
-MCB Bank Limited - Fee account		50,996,709	4,304,144
-Askari Bank Limited - HQ 11 Div		473	473
-Habib Bank Limited - CDR		1,585,311	996,285
-MCB Bank Limited - Transport fee		36,012,236	21,383,489
-MCB Bank Limited - Hostel fee		3,668,791	2,289,947
-Summit Bank Limited		7,733	59,726,789
-FINCA Microfinance Bank Limited		679,874	589,498
-Askari Bank Limited - Investment A/c		2,042,899	-
		484,460,154	250,358,331



LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
9 LONG TERM FINANCE			
HQ 4 Corps		<u>502,042,899</u>	-
The long term financing facility was availed from HQ 4 Corps for meet up the operating activities. The repayment of loan is not defined yet and loan is interest free.			
10 SECURITY REFUNDABLE			
-Students	-note 10.1	10,034,500	19,184,500
-Staff		6,887,372	6,168,713
-Parties		7,131,011	6,481,822
		<u>24,052,883</u>	<u>31,835,035</u>
10.1 STUDENTS			
-Hostel		489,500	444,500
-FOBS		895,000	1,755,000
-FOCS		5,320,000	11,125,000
-FOL		850,000	1,285,000
-FOSS		2,480,000	4,575,000
		<u>10,034,500</u>	<u>19,184,500</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>39,363,606</u>	<u>7,601,054</u>
Investment made from contribution		<u>110,000,000</u>	<u>110,000,000</u>
Percentage of investment made		<u>20.50% to 20.75%</u>	<u>15.60% to 16.60%</u>
Fair value of investment in TDR's		<u>110,000,000</u>	<u>110,000,000</u>
12 CREDITORS, ACCRUED AND OTHER PAYABLES			
Creditors for capital outlay		1,872,486	1,218,813
Salaries accrued		1,766,164	-
Employees medical insurance		(5,330,600)	(5,450,464)
Rent		812,800	-
Utilities		1,063,950	456,401
Tender security refundable		377,862	377,862
Auditors fee		550,000	550,000
Floating fund		14,272,612	5,771,707
Tax payable		1,202,092	833,127
		<u>16,587,365</u>	<u>3,757,445</u>
13 CURRENT PORTION OF SECURITY REFUNDABLE			
-Ph. D		45,000	50,000
-M.Phill		1,415,000	1,480,000
-Master		770,000	775,000
-Graduation		5,950,400	5,185,400
-FOBS		2,550,000	2,110,000
-FOCS		8,225,000	4,790,000
-FOL		1,450,000	795,000
-FOSS		3,895,000	2,735,000
		<u>24,300,400</u>	<u>17,920,400</u>
14 SHORT TERM FINANCE			
LGES		<u>3,000,000</u>	-
The short term financing facility was availed from Lahore Garrison Educational School to meet the operating activities. The repayment of loan is in 8 equal of Rs.1Million each. Loan is interest free.			
15 FIXED ASSETS FUND		<u>103,553,736</u>	<u>109,601,374</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).			



LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
16 ACCUMULATED SURPLUS			
Surplus brought forward		1,019,677,356	815,522,619
Add: Surplus for the year		149,098,517	213,154,736
Less: Transfer to Reserve fund		(10,000,000)	(9,000,000)
Accumulated surplus		<u>1,158,775,872</u>	<u>1,019,677,356</u>
17 INCOME			
Tuition fee	-note 17.1	1,065,007,435	986,779,448
Hostel fee		7,452,261	6,958,412
Prospectus fee		3,602,000	3,372,123
Welfare fund income		-	82,513
Transport fee		29,443,946	27,437,434
Fine collection		4,146,866	3,359,875
Rental income	-note 17.2	3,500,000	7,028,520
Short courses		923,500	179,000
Sports complex		85,000	446,000
Others		19,798,056	50,909,349
		<u>1,133,959,064</u>	<u>1,086,552,674</u>
17.1 TUITION FEE	-note 17.1.1		
-FOBS		72,336,659	104,831,837
-FOCS		658,645,856	570,403,397
-FOL		32,404,029	36,087,436
-FOSS		301,620,891	275,456,778
		<u>1,065,007,435</u>	<u>986,779,448</u>
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		2,750,000	5,752,520
-HBL Booth		750,000	700,000
-Photocopy		-	576,000
		<u>3,500,000</u>	<u>7,028,520</u>
18 OPERATING EXPENSES			
Salaries, wages and benefits		723,373,744	657,127,526
Rent		60,000,000	-
Printing and stationery		22,908,640	21,302,811
Registration and examination charges		2,419,464	2,574,720
University transportation		19,221,402	17,209,215
Utilities		40,181,085	37,517,230
Performance reward of students		20,000	3,784,877
Petrol, Oil and lubricants		8,408,694	8,653,855
Advertisement and pormotions		8,793,306	10,415,264
Store consumption		9,705,629	8,031,486
Postage and courier		161,930	107,984
Employee welfare		1,661,350	1,378,799
Entertainment		4,035,287	2,022,044
Laboratory expense		1,462,235	1,088,126
Newspaper & magazines		104,175	138,893
Fee & subscription		3,527,671	874,046
Repair and maintenance		20,203,195	16,490,320
University functions, Intl. conferences & Symposium		40,638,764	36,281,474
Research expenses		-	480,308



LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Property tax		1,517,066	2,129,994
Hostel charges		4,461,950	4,640,296
Depreciation		85,881,909	72,059,910
Amortization		486,162	670,248
Others		3,210,839	7,843,525
		1,062,384,497	912,822,951

19 OTHER INCOME

Income from financial assets

Bank profits	-note 19.1	75,631,523	39,872,017
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Income from non-financial assets

Grant assets amortizations	-note 19.2	6,047,639	6,480,220
		81,679,162	46,352,237

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

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

20 OTHER EXPENDITURE

Bank charges	-note 20.1	3,046,212	4,585,424
Auditors' remuneration		550,000	550,000
Consultancy service charges		559,000	1,791,800
		4,155,212	6,927,224

20.1 This also includes the tax withheld by banks on profits on deposits accounts, TDRs 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	13,864,439	9,218,556
HR Allowance	1,866,667	1,560,000
Other allowance	282,363	480,000
Other benefits	1,789,386	1,641,205
	17,802,855	12,899,761

22 RELATED PARTY TRANSCATIONS

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 21.

23 NUMBER OF EMPLOYEES

Total number of employees at year end	636	622
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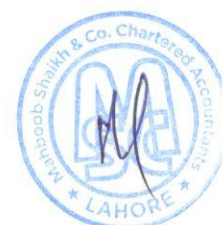
24 CONTINGENCIES AND COMMITMENTS

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 for the financial year 2023-24 as per lease agreement.



LAHORE GARRISON UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

<u>Note</u>	<u>2024</u> <u>Rupees</u>	<u>2023</u> <u>Rupees</u>
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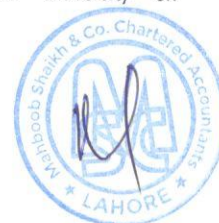
24.2 With reference to Note 4 (Grant Assets) an amount of Rs. 8,250,000/- under the head contingency held by DHA and Rs. 1,629,000/- under various Misc. heads are included in the total grant of Rs. 269 Million, the before mentioned amounts needs to be reconciled and confirmed from DHA before making them 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 Governors 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.





VICE CHANCELLOR



TREASURER