

Annual Report

2022-2023



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Introduction

Association for Academic Quality (AFAQ), is a not-for-profit company operating under Section 42 of Securities and Exchange Commission of Pakistan. It is certified by PCP (Pakistan Center of Philanthropy) for governance, transparency and program delivery. It is a movement to raise the educational standards in Pakistan. It has been established as a voluntary organization in collaboration with the leading school systems of Pakistan. This venture is supported by expatriate Pakistanis, leading scholars, educationists and professionals in Pakistan. The board of governors guides the operations of AFAQ. The general membership of this organization is open to all schools, educational systems, research organizations and training institutions with a general focus on quality.

AFAQ covers the following activities for educational systems in the Islamic Republic of Pakistan and abroad:

- AFAQ aims at developing curricula, textbooks, teacher guides and supplementary readers for the educational institutions. The curriculum documents and textbooks are developed keeping in view the guidelines of National Education Policies, Ideological Foundations, Pedagogical Requirements and International Standards.
- AFAQ in collaboration with the training institutions offers long-term as well as short-term teacher training programs which may be professional or subject-oriented.
- AFAQ has initiated a consultative series of school visits to provide guidance to them on developing self-directed school systems.
- AFAQ contributes to quality-oriented endeavors of public and private sectors.
- AFAQ has initiated a student assessment program.
- So far, AFAQ has developed school textbooks pre-primary to elementary level, after benchmarking the international curricula. AFAQ is one of the largest training organizations in Pakistan; since its impaction, it has trained more than 413,142 teachers in all districts of Pakistan. AFAQ monthly publishes of AFAQ Children Encyclopedia in three languages: Urdu, English and Arabic.
- To further augment its efforts, AFAQ is also jointly working with Punjab Education Foundation, Punjab Textbook Board and AJK Textbook Board to strengthen public-private- partnership in Pakistan.



The AFAQ Governing Body

Mr. Syed Waqas ur Rehman

Chairman

Mr. Shahid Warsi

Chief Executive Officer

Mr. Mian Muhammad Akram

Director

Mr. Abrar Ahmed

Director

Mr. Ghulam Mustafa

Director

Mission

Vision

Strengthening Education
for Change

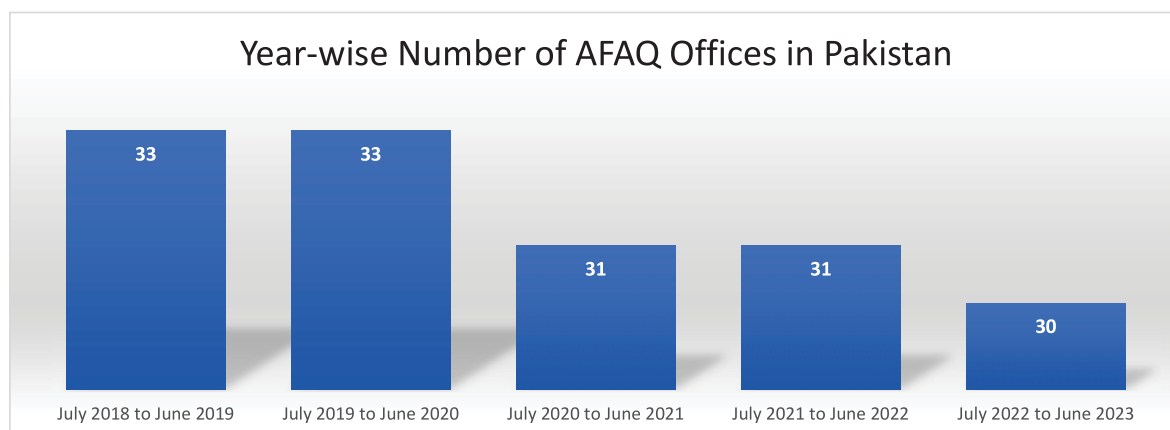
AFAQ will mediate between the future and the present and will act as a forerunner in shaping the destiny of the nation. In the name of Allah and to serve the cause of Islam and Pakistan, AFAQ will contribute to holistic development of schools, teachers, and pupils. Keeping in view the contextual framework and global standards, AFAQ will generate educational resources, support services, and learning programs employing all mediums in non-governmental settings.

AFAQ has overall 31 Offices in Pakistan

Year-wise AFAQ Office

Fiscal Years	Offices
July 2018 to June 2019	33
July 2019 to June 2020	33
July 2020 to June 2021	31
July 2021 to June 2022	31
July 2022 to June 2023	31

Year-wise Number of AFAQ Offices in Pakistan



Directors' Report



DIRECTORS' REPORT

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Future...

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Newabshah, Multan,
Bahawalpur, Lahore,
Gujranwala, Sheikhupura,
Sialkot, Faisalabad, Gujrat,
Islamabad, Muzaffarabad,
Kashmir, Abbottabad,
Peshawar, Gilgit, Skardu,
Mardan, Chakdara, Swat,
Chitral, D.I. Khan,
Sargodha, Sahiwal,
Rawalpindi.

The Directors of our company take pleasure in presenting their 18th annual report together with the Audited Financial Statements and Auditors' Report thereon for the year ended 30th June, 2023.

Financial results:

The financial results of our company for the year ended 30th June, 2023 are summarized as follows:

	2023	2022
	(Rupees)	
Revenue – net	2,526,693,293	2,198,800,617
Other Income	43,889,167	42,598,086
	2,570,582,460	2,241,398,704
Direct Expense	1,727,823,678	1,329,786,760
Administrative and general expenses	169,663,496	185,452,817
Marketing and distribution expenses	487,616,029	366,970,310
Finance Costs	55,490,924	63,126,105
	2,440,594,127	1,945,335,992
Deficit/Surplus for the year	129,988,333	296,062,712

AFAQ reported its full year results for 2023, recording an increase of 12.81% in its revenue as compared to the same period last year. This growth was achieved despite external challenges of high inflation and unpredictable dollar rates. Relentless focus on ensuring product availability, product development initiatives supported by management decisions, helped to offset the headwinds mentioned above. This amazing accomplishment is just one step on our journey. Our ability to relentlessly search for solutions to problems and find innovative ways to improve the world is the key to this success.

AFAQ complete educational solution provider, and our Purpose – to unlock the educational attributes to enhance quality of education, today and for generations to come – is embedded in everything we do. Despite the pandemic, we drove innovation to create products that are right for students and positively contribute to develop literacy rate in Pakistan. We adapted quickly and worked diligently across the organization to help us stand out from the competition.

A new series was added, RISING SUN for class preprimary in Selection portfolio of books. We also going to introduce new series for other classes.



Shaping the
Future

We aim to continue driving category innovations that fulfill our students needs and desires.

Directors Responsibility Statement:

Association for Academic Quality (AFAQ) is committed to maintain high standards of corporate governance without any exception. The Directors are pleased to state that the Company is compliant with the provisions of the Code of Corporate Governance as required by SECP. Statement of Compliance with Code of Corporate Governance is as under.

The Directors confirm that:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flow and changes in equity
- Proper books of accounts of the Company have been maintained
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment
- International Financial Reporting Standards, as applicable in Pakistan and the requirements of Companies Act, 2017 have been followed in the preparation of the financial statements; and any departure thereof has been adequately disclosed and explained
- The system of internal control is sound in design and has been effectively implemented and monitored
- There are no significant doubts upon the Company's ability to continue as a going concern

Review of Activities and Future Development:

Research and development continued this year also with some major achievements. AFAQ has developed 17 Title for AJK Board competition for 6 to 8 and SNC based Sun Series 78 Titles for 6 to 8 and 54 titles for 1 to 5, SNC based Iqbal Series 48 Titles, newly developed Rising Sun Series 18 Titles for preprimary, Pushto language 02 Titles, SNC based Sun Series key books 53, 2210 lesson plans and 2480 work sheets. This represents development of 217 Text books and 53 helping books and 2690 Support material things. During the year AFAQ obtained 214 NOCs for Text books from different Boards.

The training department trained schools 2,785, teachers 34,178 and 4,523 principals across the country during the report year thereby covering 158 topics and made 1,984 sessions related to school management, quality management, early childhood learning, subject teaching, and classroom management etc.

The AFAQ Encyclopedia offers unique information on various topics. It presents exciting new information and learning activities for children ages 7-13. AFAQ has developed 1014 articles in English and Urdu languages till reporting period, which are geared to various subjects and are organized into four topics per month, **Personalities, Countries, Inventions and Animals**. This encyclopedia instills a

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look-it-up habit and captures the imagination of young children with engaging photography, artwork, and information on the topics they love. With articles by scholars from around the world, this set takes an interdisciplinary look at the institutions and practices of societies throughout history.

AFAQ Children's Literature Department (CLD) is committed to creating interesting, useful literature for children which is compatible with their curricular activities. The CLD has developed 30 Character building books, 03 Emaan-o-Sehat series Books, Math Genius Magazine and 24 Encyclopedia readers for Mindfulness of children.

Principal Risk & Uncertainty:

- Increase in input cost due to rising inflation and likely further devaluation of the currency
- Macro-economic uncertainties which might affect consumer demand
- Market disruption due to political uncertainty in the wake of upcoming general elections.
- A sudden closure of educational institution due to any pandemic situation will cause a drop in sales.

Future Outlook:

The Company maintains a cautious outlook for 2023 due to external challenges e.g. restriction on imports, low Foreign exchange availability, pressure on the local currency, and an increase in taxes. Despite all the challenges, the Company remains committed to tangible growth in the coming year, capitalizing on highly committed workforce supported by continuous initiatives for operational excellence.

By the order of Board of Directors

Representative of BOD

Chief Executive Officer



Association For
Academic Quality

COMPANY INFORMATION

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BOARD OF DIRECTORS

Sr. No.	NAME	CNIC No.	Designation
1	Mr. Syed Waqas Ur Rehman Jafri	35200-1506979-1	Chairman
2	Mr. Shahid Warsi	42101-9596533-7	CEO
3	Mr. Abdul Ahmed	42201-0941390-1	Director
4	Mr. Ghulam Mustafa	82203-1193167-1	Director
5	Mr. Mirza Muhammad Akram	35202-0573187-9	Director

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Peshawar, Gilgit, Skardu,
Mardan, Chakdara, Swat,
Chitral, D.I. Khan,
Sargodha, Sahiwal,
Rawalpindi.

COMPANY SECRETARY

Mr. Abdul Jaleel Hasan

AUDITORS

UHY, Hassan Naeem & Co,
Chartered Accountants
4 STREET 3, SHAH JAMAL COLONY
FAZLIA COLONY
Lahore.

LEGAL ADVISOR

Asad Law Associates
41-Mozang Road
Lahore

REGISTERED ADDRESS

18 A - Johar Town, Lahore

Shahid Warsi
Chief Executive
Association for Academic
Quality (AFAQ)

AFAQ Departments Overview of the Year 2022-23

1 Research

At AFAQ, our Research Division is comprised of dedicated professionals who understand that research into the appropriation, content and production of educational media in its socio-cultural contexts is an ongoing process. Our researchers have successfully developed many new comprehensive textbook series and dynamic support materials which are aligned with the Single National Curriculum (SNC) to ensure young learners expand their knowledge base, are equipped with the latest information and are introduced to new innovative ideas. Our R&D team has developed over 1000 publications and is at the forefront of cutting-edge educational research that will keep AFAQ ahead of the rest. To fulfill the demand of the era, AFAQ has developed the following series:

1.1 SUN Series and Iqbal Series (Grades 6–8)

The Middle School Books of Pakistan's Single National Curriculum (SNC) represent a pivotal initiative aimed at harmonizing educational standards across the country for grades 6 to 8.

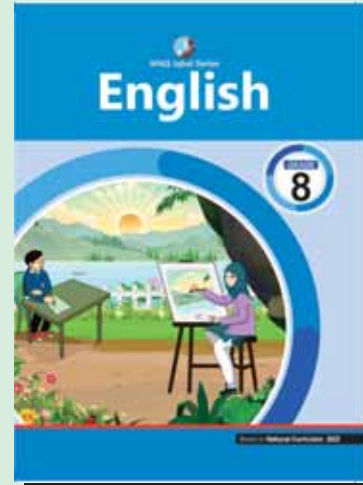
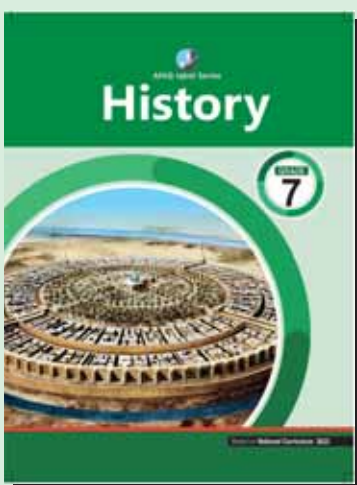
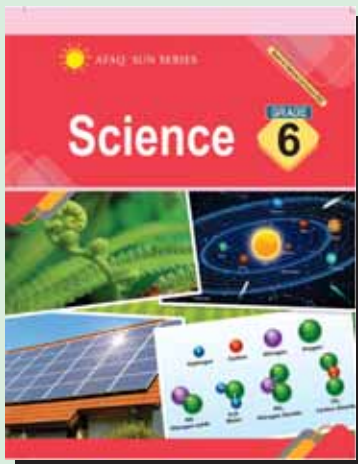
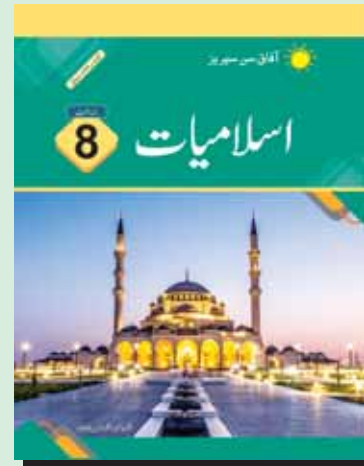
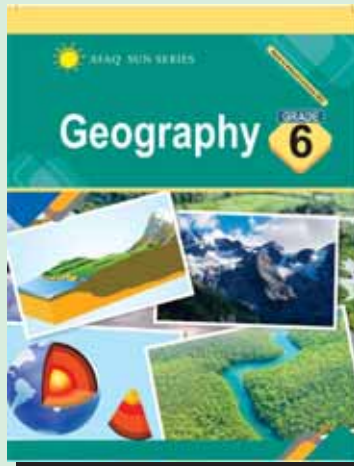
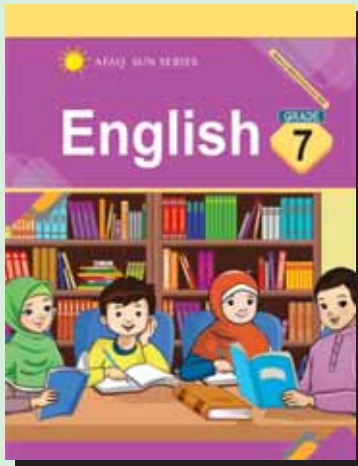
These books are meticulously designed to provide a balanced and inclusive education, ensuring that every student, regardless of their socio-economic background, receives high-quality learning opportunities.

The curriculum integrates modern pedagogical techniques, focusing on critical thinking, creativity, and problem-solving skills, essential for the holistic development of students.

Subjects such as Mathematics, Science, Social Studies, and Languages are tailored to reflect both national values and global perspectives, fostering a sense of national identity while preparing students for the challenges of a globalized world.

Additionally, the Single National Curriculum (SNC) promotes moral and ethical education, aiming to cultivate responsible and informed citizens. By standardizing the curriculum, Pakistan aims to bridge educational disparities and uplift the overall quality of education, setting a strong foundation for future academic and professional success.

Visuals of SNC Sun Series and Iqbal Series



2 Training

For the 2022-2023 period, AFAQ provided its training services directly to schools, delivering a significant impact nationwide. The AFAQ Training team, consisting of highly committed, vastly experienced, and well-trained Teacher Educators, dedicated themselves to improving teaching standards through effective training programs. To further enhance the Teacher Training Program, the AFAQ Training Division enlisted the expertise of notable and well-reputed educationists and resource personnel.

During this year, the AFAQ Training Division successfully trained more than 27,731 teachers and 2,468 principals in 3,590 schools nationwide. These efforts were supported by comprehensive training programs designed to enhance the skills of teachers and school management, ranging from one-day certification courses to 15-day sessions and diploma programs.



AFAQ's training services continued to be highly regarded in both the private and public sectors. A notable achievement was the signing of a training agreement between the different Government/Private sectors and AFAQ, marking significant recognition in the public sector.

2.1 Principal Training

The main objective of Principal Convention (PC) is to provide latest management and administrative techniques to the principals and management staff of schools nationwide. The PCs conducted over the year have equipped the principals and management staff with the much needed tools and techniques to run their institutions more productively with highest standards of quality. The PCs conducted in the year 2022-2023 are detailed hereunder:

Zone	Schools	Participants
Mardan	830	832
Islamabad	399	440
Sialkot	540	545
Hyderabad	155	161
Mirpur Khas	67	70
Karachi C & W	618	647
Karachi Malir	520	540
Faisalabad	28	28
Abbottabad	355	365
Lahore	39	41
Karachi East	830	784
Mirpur	424	426
Muzaffarabad	415	428
Total	5220	5307

2.2 Training Courses

AFAQ Training Division also conducts 1-day to 3-day training workshops in session-based training models. There are 120+ training topics to be selected from. Principals and teachers participate in these courses to improve their skills and learn the latest tools and techniques being used in the field. The Certificate Courses conducted in the year 2022-2023 are detailed hereunder:

Fiscal Year	No. of Training Conducted	No. of Topics Taught	No. of Sessions	No. of Participants		No. of School
				Principals	Teachers	
2022-23	1553	115	1738	2468	15731	3590

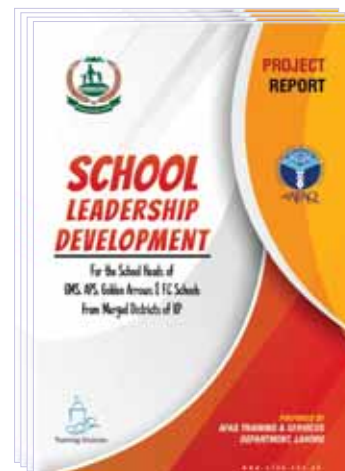
2.3 Training Projects 2022-23

Training Projects of Year 2022-23:

Major Projects:

Project 1= SCHOOL LEADERSHIP DEVELOPMENT

For the School Heads of GMS, APS, Golden Arrows & F.C Schools From Merged Districts of KPK.



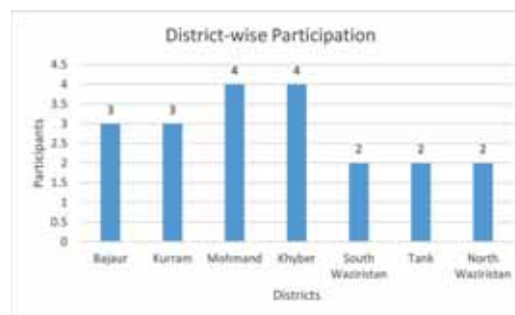
(1) Project Objective: Merged Areas Education Foundation (MAEF) has a vision of providing access to enabling education through strengthening public educational delivery system and public-private partnership with focus on the marginalized and the disadvantaged students. To pursue this vision, MAEF keeps arranging professional development activities for its team members. In this connection, MAEF decided to get the school heads of GMS, APS, Golden Arrows & F.C trained by AFAQ.

(2) Targeted Beneficiaries: Twenty (20) school heads (Male: 16, Female: 04) from seven (7) districts of KP benefited from this activity based and experiential learning program.

(3) Area of implementation: School Heads KPK.

(4) Project Donor: MAEF

(5) Project Need Assessment: The MAEF project need assessment was conducted and submitted to MAEF head office with all record.



(6) Geographic Focus: This project was conducted for different 7 districts of KPK. AFAQ provides school heads: School leadership development training to male and female of KPK.

(7) Project Timeline: 4 Days program with 31 credit hours.

(8) Description of major activities of the Project: A 4-day training program with 31 credit hours was arranged. At the end of each session, the participants were asked to fill up the evaluation forms especially designed to evaluate training's usefulness and relevance to their job. The participants' response to different questions shows that the courses were quite helpful for their job.

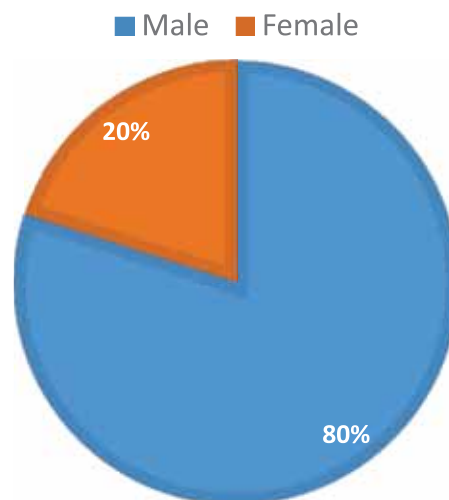
2.4 Project Graphical Report

CP's Demographics

CP's Gender Proportion

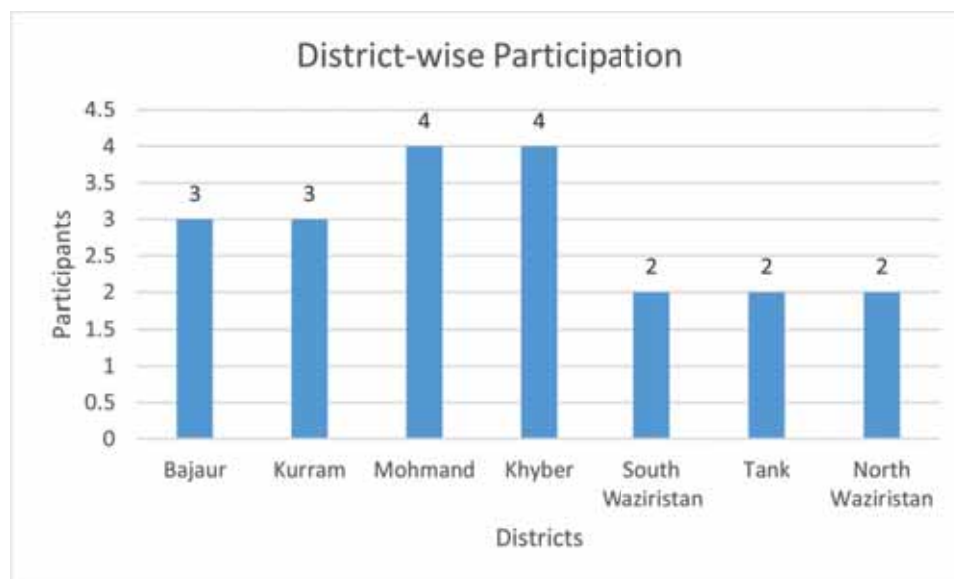
20 participants joined this training program from all over KP. Out of which 4 participants were male and 16 were females.

CP'S GENDER PROPORTION



Cp's Geographical Participation

The participants joined this training program from the following districts of NMDs.



3 Leaders' Club

AFAQ Leaders' Club provides an opportunity to students to learn life skills by engaging in activities such as, sports, debates, arts competitions, science competitions, camping and training workshops in schools and outside the schools.

3.1 AFAQ Leaders Club

Launched in 2009, aimed at character education for children and youth to make them future leaders.

3.2 Summary of 2022-23 Activities and Achievements

- **Summary of 2023 Activities and Achievements**
- **Total Activities: 5 major events and competitions**
- **Participants: Over 1,500 students and alumni**
- **Participant Demographics:**
 - **Cities Represented: Participants from 38 cities**
- **Key Events:**
 - **Justujoo Youth Leadership Camp:** 43 participants from 18 universities
 - **Summer Camp:** 53 students from 15 cities
 - **Seerat un Nabi Online Competitions:** 150 participants, 15 winners
 - **Best Teacher and Student Award:** 1,090 participants from 6 cities
 - **Alumni Reunion and Meetups:** 159 alumni from 4 cities
- **Impact:**
 - Enhanced leadership skills and character development
 - Strengthened community and alumni network
 - Positive feedback and high participant satisfaction

3.3 Summary of 2022-23

- 5 major events and competitions
- Over 1500 students Participants Engaged
- Participants from over 38 Cities



3.4

Justujoo Youth Leadership Camp 2022-23

- **Location:** Ziarat, Balochistan
- In collaboration with International Islamic University Islamabad.
- **Duration:** 5 days.
- 43 participants
- 18 universities
- 23 cities



3.5

Summer Camp 2022-23

- Location: Ziarat, Balochistan.
- Duration: 3 days
- 53 Participants
- From Class 8, 9, and 10.
- 15 Cities



3.6

Seerat un Nabi Online Competitions 2022-23

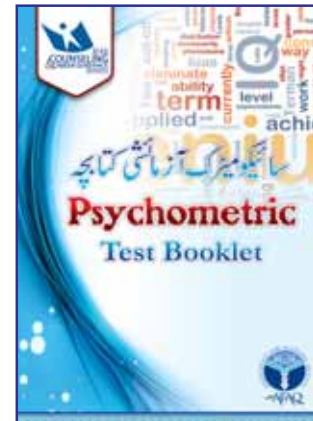
- **Competitions:** Arts, Skit, Essay Writing, Naat.
- 150 participants
- 38 cities
- 15 winners



4

Counseling & Career Guidance

Career counseling is a scientific and systematic process which helps students to discover their personality traits, intelligence, capabilities and interests. Career counseling ensures that a student chooses the career that suit them best, a career that is the beginning of a bright future for them and an assurance to their success in practical life.



4.1

Five-Stage Solution To Your Career Planning and Growth

Self-Exploration

In the first stage, students are given intelligence tests to evaluate their personality, intelligence and interests. A comprehensive report prepared on the basis of these tests identifies the strengths and weaknesses in the personality of an individual and suggests ways of improvement. This report also proposes careers compatible with the intelligence and personality of an individual.

Career - Exploration

In the second stage, students are provided with detailed knowledge of careers all over the world, especially in Pakistan so that they could make the best possible decision about their future.

Career Planning and Decision Making

In the third stage, students are trained to choose a career that is ideally suited to their personality and capabilities, and then make a detailed plan to pursue that career.

Search for an Educational Institute and Job

Students are briefed about degrees and courses being offered by leading educational institutes, and taught various job-acquiring skills.

Training Sessions

These sessions aim at personal grooming of students and improving their skills.

4.2

AFAQ Counseling and Career Guidance, An Assurance to Your Bright Future!

Students often find it difficult to select the disciplines and careers that match their personality, intelligence and interests. AFAQ Counseling and Career Guidance Department has designed a comprehensive and up-to-date program that caters for this basic educational and economic needs of the youth. Prepared by top class professionals, AFAQ Counseling and Career Guidance assures an individual of success in life and lays the foundation of a bright and prosperous Pakistan.

CCG Services

CCG Psychometric Tests (Latest Version) (Personality, EI, Verbal & Non-verbal, Career Inventory, Core Values)

4.3

Who Does It Benefit?

Students

- Students are provided with clear guidance on careers that best suit their personality, intelligence and interests.
- It makes the students aware of their own self, thus enabling them to make best use of their capabilities.
- As uncertainty over the choice of a career ends, students achieve the peace of mind and march toward economic stability.

Parents and Teachers

- Parents can now sigh with relief because AFAQ Counseling and Career Guidance is extremely useful for selecting the most appropriate disciplines and careers for their children.
- Once students have made the right choices about their careers, teachers feel their job is already half done.

Schools

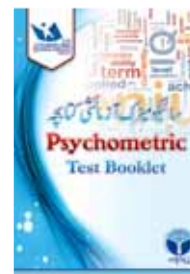
- Top-performing students lead to image-building of their schools.
- AFAQ Counseling and Career Guidance produces best results in school and board examinations. It also leads to a drastic reduction in the number of failed students.
- It helps a lot in achieving educational targets of schools and improving their overall performance.

Society

- There is a sharp decline in unemployment with an increase in the skilled and competent workforce.
- A psychologically sound, financially stable and socially healthy society is the outcome of AFAQ Counseling and Career Guidance.

Salient Features

- Comprehensive training programs for personal grooming
- Complete confidentiality for all psychological tests and reports



5 Encyclopedia Program

The AFAQ Encyclopedia offers unique information on various topics. It presents exciting new information and learning activities for children from 7-13 years of age. This encyclopedia instills a look-it-up habit and captures the imagination of young children with engaging photography, artwork, and information on the topics they love. With articles by scholars from around the world, this set takes an interdisciplinary look at the institutions and practices of societies throughout history. Articles are geared to various subjects and are organized into four topics per month: personalities, countries, inventions and animals.

- AFAQ Encyclopedia is the perfect tool for homework assignments, building research skills, and making learning fun for children. This encyclopedia is first of its kind. This new encyclopedia presents the social, cultural and political history of the world from antiquity to the present day. AFAQ Encyclopedia is the first to document and interpret every work, major and minor, that has played a role in the history of the world. It is by no means a routine mechanical exercise in fact-finding. The creative element is especially focused on while writing this encyclopedia.

5.1 Five-Stage Solution To Your Career Planning and Growth

Animals

This topic not only provides an introduction to and interesting habits of animals but also provides information on how we can learn from them.

Islamic Countries

This topic not only covers introduction and history of the Muslim countries but also reflects their positive values and traditions.

Inventions

This topic throws light on all types of inventions in a novel and captivating style. It also describes the role of ancient inventions in modern scientific advancement.

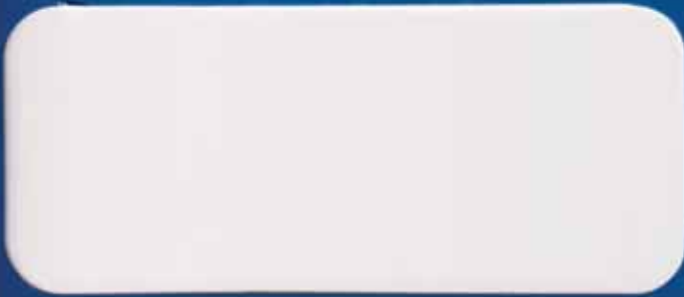
Personalities

This topic describes the life of those persons who left eternal imprints on the Muslim nation with their unmatched knowledge and glorious personalities.



Visuals of AFAQ Encyclopedia





Intelligent Choice
Intelligent solution

ASSOCIATION FOR ACADEMIC QUALITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

INDEPENDENT AUDITOR'S REPORT
To the members of Association for Academic Quality
Report on the Audit of Financial Statements

Opinion

We have audited the annexed financial statements of **Association for Academic Quality** ("the Company"), which comprise the statement of financial position as at June 30, 2023, and the statement of income and expenditure, 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 and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, other comprehensive income, the statement of changes in funds and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the surplus, the changes in fund and its cash flows for the year then ended.

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 Company 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.

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

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended June 30, 2023, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company'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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 Company'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 Company 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 the Board of Directors 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, the statement of changes in funds and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980).

Other Matter

The financial statements of Association for Academic Quality for the year ended June 30, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on September 28, 2022.

The engagement partner on audit resulting in this independent auditor's report is Mr. Ibne Hassan.

Date: November 23, 2023

Place: Lahore

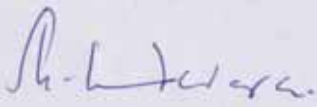
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UHY Hassan Naeem & Co.
Chartered Accountants

ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	218,518,481	199,745,133
Intangible assets	6	9,879,962	-
Long term deposits	7	23,287,677	14,018,942
		251,686,120	213,764,075
CURRENT ASSETS			
Stock in trade	8	782,180,420	400,758,923
Right of return assets	9	51,295,351	42,765,535
Trade debts	10	302,851,469	277,152,029
Short term advances	11	73,707,539	74,710,321
Current portion of long term deposits		-	2,756,075
Prepayments and other receivables	12	19,379,565	3,008,530
Profit accrued		4,725	2,332,081
Tax refunds due from Government	13	8,999,508	8,999,508
Cash and cash equivalent	14	13,967,504	161,193,970
		1,252,386,081	973,676,973
TOTAL ASSETS		1,504,072,201	1,187,441,048
FUND AND LIABILITIES			
FUND AND RESERVE			
General fund		22,845,926	22,845,926
Accumulated fund		704,207,187	574,218,855
		727,053,113	597,064,781
NON-CURRENT LIABILITIES			
Deferred liability - Gratuity	15	123,843	123,843
Advances from employees against vehicles	16	23,790,413	24,423,460
Lease liabilities	17	115,587,474	99,859,114
		139,501,730	124,406,417
CURRENT LIABILITIES			
Trade creditors, accrued and other liabilities	18	325,739,530	242,196,243
Contract liabilities	19	129,359,728	69,040,436
Refund liability	20	142,993,195	114,054,748
Current portion of lease liabilities	17	39,424,904	40,678,423
		637,517,357	465,969,850
CONTINGENCIES & COMMITMENTS	21		
TOTAL FUND AND LIABILITIES		1,504,072,201	1,187,441,048

The annexed notes from 1 to 35 form an integral part of these financial statements.

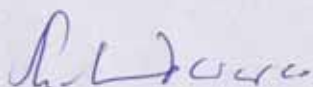

Chief Executive Officer


Director

ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
Revenue from contracts with customers - net	22	2,526,693,293	2,198,800,617
Other income	23	43,889,167	42,598,086
		2,570,582,460	2,241,398,704
Direct cost	24	1,727,823,678	1,329,786,760
Administrative and general expenses	25	169,663,496	174,662,004
Marketing and distribution expenses	26	487,616,029	377,761,123
Finance cost	27	55,490,924	63,126,105
		2,440,594,127	1,945,335,992
Surplus of income over expenditure before taxation		129,988,333	296,062,712
Taxation	28	-	-
Surplus of income over expenditure after taxation		129,988,333	296,062,712

The annexed notes from 1 to 35 form an integral part of these financial statements.



Chief Executive Officer



Director

ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED JUNE 30, 2023

	General fund	Accumulated fund	Total
	----- (Rupees) -----		
Balance as at July 01, 2021	22,845,926	278,156,143	301,002,069
Surplus of income over expenditure after taxation	-	296,062,712	296,062,712
Balance as at June 30, 2022	22,845,926	574,218,855	597,064,781
Surplus of income over expenditure after taxation	-	129,988,333	129,988,333
Balance as at June 30, 2023	22,845,926	704,207,187	727,053,113

The annexed notes from 1 to 35 form an integral part of these financial statements.


 Chief Executive Officer


 Director

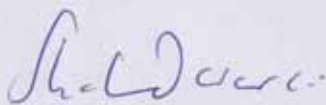
ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus of income over expenditure before taxation		129,988,333	296,062,712
Adjustment of non- cash items:			
Depreciation - owned assets	5.1.1	10,600,024	9,402,511
Depreciation - right of use assets	5.2.1	52,033,718	45,851,947
Amortization	6	1,588,260	-
Property, plant & equipment disposed off		12,301,630	189,878
Impairment		-	2,356,023
Finance cost	27	55,490,924	63,126,105
Allowance for expected credit loss	10.3	17,145,080	-
Gain on disposal of lease liability	23	(21,448,058)	21,702,503
Reversal of expected credit loss	10.3	-	(24,379,986)
Profit on bank accounts	23	(2,040,032)	(3,281,564)
Cash generated before working capital changes		255,659,878	411,030,130
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets:			
Stock in trade		(381,421,496)	36,890,832
Right of return assets		(8,529,816)	(8,512,659)
Trade debts		(42,844,519)	(94,143,189)
Short term advances		1,002,783	(26,853,765)
Prepayments and other receivables		(16,371,035)	(2,622,543)
Increase / (decrease) in current liabilities:			
Trade and other payables		83,543,287	(120,401,910)
Contract liabilities		60,319,292	(6,318,756)
Refund liability		28,938,447	18,845,409
		(275,363,057)	(203,116,582)
Cash (used in)/generated from operations		(19,703,180)	207,913,548
Profit received		4,367,388	963,280
Finance costs		(31,736,930)	(42,742,948)
Advances received from employees against vehicles		(633,047)	1,267,466
		(28,002,589)	(40,512,202)
Net cash (used in)/generated from operating activities		(47,705,769)	167,401,346
CASH FLOW FROM INVESTING ACTIVITIES			
Addition in property, plant and equipment	5	(19,090,016)	(10,223,360)
Addition intangible		(11,468,222)	-
Long term deposits		(6,512,660)	(384,501)
Net cash used in investing activities		(37,070,898)	(10,607,861)

ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid	17	(62,449,800)	(60,255,786)
Net cash used in financing activities		(62,449,800)	(60,255,786)
Net (decrease)/increase In cash and cash equivalents		(147,226,466)	96,537,699
Cash and cash equivalents at the beginning of the year		161,193,970	64,656,271
Cash and cash equivalents at the end of the year	14	13,967,504	161,193,970

The annexed notes from 1 to 35 form an integral part of these financial statements.



Chief Executive Officer



Director

ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1 The Company And Its Operations

1.1 Company and general information

The Association for Academic Quality (AFAQ) (hereinafter the Company) is a public company limited by guarantee and not having share capital and is incorporated in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) on 6th February, 2006 while it started its operations with effect from 1st April, 2006. The Company has obtained license under section 42 of the Ordinance. The principal activity of the Company is development of syllabus content, sale of books and conducting teacher training sessions nationwide to improve standards of teaching. The registered office of the Company is located at 18-A Johar Town Lahore.

Its principal activities are promoting high quality education in Pakistan and printing of informative school text books in accordance with the rules and regulations of the "National curriculum" and to provide training to the teachers all over Pakistan.

The Company has different business units located in different cities of Pakistan. Location of all business units is given below:

Business Units	Location and Address
Head Office	18-A, Johar Town Lahore
Lahore Canal View Office	House # 626 Block D Canal View Housing Society Multan Road Lahore
Karachi Sales Office	L-1-C, Block 21 Federal B Industrial Area
Lahore Sales Office	Opp Shell Petrol Pump Corporation Chowk Out Fall Road Lahore
Quetta Regional Office	Banglow-3 Bilal Residency near Saleem Complex Quetta
Sukkur Regional Office	Opp. PAS Office, Al-Azeem Plaza, Shalimar Road, Sukkur
Gujranwala Regional Office	Sukh Chain Villas Kashmir Road, House #1, First Floor Gujranwala
Abbottabad Regional Office	Lalazar Colony Mohalla Umer Farooq Supply Abbottabad
Malakand Regional Office	Opp Timber Mkt Bilal Town Amirabad Chakdara Dist. Dir Lower
Karachi Malir Office	Plot No.21, Row-F, Block-4, Sindi Jamaat Cooperative Housing Society, Karachi-Malir
Bahawalpur regional Office	6 C Trust Colony near Jamia Masjid Bahawalpur
Islamabad Regional Office	Ajamari Manzil II IJP Road IJP Stadium Road Junction Islamabad
Peshawar Regional Office	Near Sadaat CNG Station, Qamardin Garri overhead bridge, Ring Road, Peshawar
Swat Zonal Office	First Floor Sultan Tower Makan Bagh Mingora Swat
Multan Regional Office	St # 1 near Toyota Show Room Boson Road Bypass Chowk Multan
Gilgit Regional Office	Near Radio Pakistan Zulfiqar Abad Pressing House Jutial Gilgit
D-I-Khan Office	WENSAM Housing Scheme, Multan Road Dera Ismail
Gujrat Office	Opposite KFC, Near the Spirit School, Abdullah Campus, GT Road, Tehsil Kharian, District Gujrat
Sialkot Office	House # 136, Aurangzeb Road, Mohallah Model Town, Sialkot
Faisalabad Regional Office	718-C Batala Colony near Shehryar Hotel Gates Chowk Satyana Road Faisalabad.
Sahiwal office	183-A Officers Colony Farid Town Sahiwal.
Hyderabad regional office	Bungalow # A-1/B First Floor Block E opp To Mohammedi Hospital Along with Smart College Bhatti

ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Business Units	Location and Address
Hyderabad Sale office	Bungalow # E/87-B Ground Floor Bloc E Unit #6 Latifabad Hyderabad
AFAQ Book Shop Lahore	110 Chatterjee Road Faqir Plaza Shop # 32 Ground Floor Urdu Bazar Lahore.
Sargodha Office	Office # F-1 First Floor Qureshi Arcade, Main Khushab Road Sargodha.
Muzaffarabad Office	House No.D-113, Upper Chattar Housing Scheme, Muzaffarabad (AJK)
Mardan Office	Erum Colony near Haq St Nowshera Road, Mardan.
Skardu Office	Hassan Colony Pine near by Grid Station, Clifton Pull Skardu.
Dera Ghazi Khan Office	House No.36, Block A-3, Phase 3, DGK
Afaq Karachi Central Office	House No.B-1, Block-I, North Nazimabad, Karachi
Afaq Karachi South Office	Plot No.E-9,Block-10, Gulshan-e-Iqbal,N.I.P.A Karachi
Afaq Ware Houses, Saggian Lahore	Malik Farm House Road, Saggian Bypass Road, Moza Nain Sukh Tehsil & District, Lahore
Afaq-Mirpur (AJK) Office	House No.08, Sector B/4, Mirpur City, AZK
Afaq New Warehouse, Bund Road, Lahore	Siddiqui Street, Opposite PTCL Exchange Bund Road, Lahore
Afaq Multan Road Office, Lahore	Tarjaman ul Quran (Al-Iblagh Trust) Building, First Floor, Near Mansoor Hospital, Multan Road, Lahore

2 Basis Of Preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Accounting standard for Not for Profit Organizations (Accounting standards for NPOs) issued by Institute of Chartered Accountants of Pakistan (ICAP) as notified under the provisions of the Companies Act, 2017;
- Islamic financial accounting standard IFAS 2 (Accounting standards for ijarah) issued by Institute of Chartered Accountants of Pakistan (ICAP) under S.R.O; and
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupee, which is the Company's functional currency. Figures have been rounded off to the nearest Pak Rupee, unless otherwise stated.

3 Critical Accounting Estimates And Judgements

The preparation of financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily available from other sources. Actual results, however may differ from these estimates.

ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by the management in the application of accounting and reporting standards, as applicable in Pakistan that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are documented in the following accounting policies and notes, and relate primarily to:

	Note
a) Determination of useful lives, residual values of operating fixed assets	4.3
b) Refund liability	4.11
c) Right of return asset	4.11

4 Significant Accounting Policies

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

4.1 Standards, interpretation and amendments to approved accounting standards which became effective during the year

The following standards, amendments and interpretations are effective for the year ended June 30, 2023. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework

Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use

Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract

Annual Improvements to IFRS Standards 2018-2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41)

4.1.1 Standards, interpretation and amendments to accounting and reporting standards which are not relevant and not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (accounting period beginning on or after)
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	1-Jan-24
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	1-Jan-23
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	1-Jan-23
Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	1-Jan-23
Amendments to IAS 12 'Income taxes' - International Tax Reform — Pillar Two Model Rules	1-Jan-23
Non-Current Liabilities with Covenants (Amendments to IAS 1)	1-Jan-24
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1-Jan-24
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1-Jan-24

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 – First Time Adoption of International Financial Reporting Standard

IFRS 17 – Insurance Contracts

4.3 Property, plant and equipment

4.3.1 Owned Assets

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any, except for freehold land which is stated at cost.

ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Depreciation on owned property and equipment is charged on reducing balance method at the rates stated in Note 5. Depreciation on additions to property and equipment is charged from the month in which an asset is acquired or capitalized and no depreciation is charged in the month of disposal.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income and expenditure account during the year in which they are incurred.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the income and expenditure account in the year the asset is derecognized.

The Company reviews the useful lives of property and equipment on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation charge and impairment.

4.3.2 Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

4.4 Intangible assets

An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the company and that the cost of such an asset can also be measured reliably. Intangible assets are stated at cost less accumulated amortization and any identified impairment loss.

Amortization is charged to income on the straight line basis so as to write off the cost of an asset over its estimated useful life. Amortization on additions is charged from the month in which an asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed off. Amortization is being charged as specified in Note 6.

The Company assesses at each reporting date whether there is any indication that intangible assets may be impaired. If such indication exists, the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount.


Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment is recognized in income. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

4.5 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.



ASSOCIATION FOR ACADEMIC QUALITY
(A COMPANY SET-UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

4.5.1 Lease liabilities - Rented premises

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date where the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

4.6 Stock in trade

Inventories are stated at lower of cost and net realizable value. Cost comprises direct materials, and where applicable direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost of finished good is calculated using "Weighted Average" basis. The raw material inventory has been assessed using the First In, First Out (FIFO) method for valuation. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

4.7 Trade and other receivables

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

4.8 Employee benefits

Defined benefit plan

The Company operated unfunded gratuity scheme for all its permanent employees who have completed the minimum qualifying period of service as defined under the respective scheme. Provisions were made annually to cover the obligations under the schemes on the basis of internal assessment of the management based on the assumptions that such benefits were payable to all employees at the end of financial year. The Company discontinued the scheme with effect from 1 July 2015 and the benefits of gratuity shall be paid only to those employees who were eligible at discontinuation date.

Defined contribution plan

The Company operates a recognized provident fund for all its regular employees. Equal monthly contributions are made to the fund both by the Company and the employees at the rate of 8.33% of the basic salary. Obligation for contributions to defined contribution plan is recognized as an expense in the income and expenditure account as and when incurred.

4.9 Trade and other payables

Liabilities for creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for the goods and / or services received, whether or not billed to the Company. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

4.10 Provisions

Provisions are recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of past event, and it is probable that outflow of economic benefits will be required to settle the obligation. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.11 Revenue recognition

Satisfaction of performance obligations

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognizing revenue. The Company has assessed that based on the contracts entered into with customers and the provisions of relevant laws and regulations, the Company recognizes revenue at point in time.

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Transfer of control in contracts with customers

In cases where the Company determines that performance obligations are satisfied at a point in time, revenue is recognized when control over the assets is transferred to the customer or benefits of the services being provided is received and consumed by the customer.

Sale of books

The Company enters into contracts for sale of books and revenue is recognized at the point in time when control of the asset is transferred to the customer (i.e. on dispatch of the books), performance obligation is met at dispatch, therefore, the revenue is recognized at the point in time when the performance obligation is satisfied.

Rendering of services

Revenue from training and consultancy income is recognized when the training or consultancy is delivered, it is probable the economic benefit will flow to the company and amount of revenue can be measured reliably.

There are no performance obligations where the conditions for recognition of revenue over time are satisfied.

Determination of transaction prices

The Company is required to determine the transaction price in respect of each of its contracts with customers. In determining the transaction price for the sale of books, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. Some contracts provide customers with a right of return. The rights of return give rise to variable consideration. The Company does not give volume rebates any discounts given to customers are accounted for at the time of sale.

Right of return

The Company gives the customers an option to return unsold products. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognizes a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognized for the right to recover products from a customer.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Financial Instruments - Initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.

Assets and liabilities arising from

Right of return assets

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

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Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Other Revenue

Profit on Investment is recognized on accrual basis. Other miscellaneous revenues and donation are recognized as and when realized or received.

4.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.12.1 Financial assets

Financial assets - initial recognition

Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade debts and bank balance that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade debts that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policy in revenue recognition.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding.

This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include long-term deposits, trade debts, advances, trade deposits, profit accrued and bank balances.

Financial assets - subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Financial assets at fair value through profit or loss
- b) Financial assets at amortized cost (debt instruments)
- c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- d) Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to

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impairment. Gains and losses are recognized in statement of income and expenditure when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized costs includes long-term deposits, trade debts, advances, trade deposits, profit accrued and bank balances.

The Company does not have financial assets at fair value through profit or loss or fair value through OCI.

Financial assets - Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

The rights to receive cash flows from the asset have expired; or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial assets - Impairment

The Company recognizes an allowance for expected credit losses ("ECL") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For trade debts, the Company applies a simplified approach in calculating ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected credit losses are recognized in the statement of income and expenditure.

For bank balances, the Company applies a simplified approach in calculating ECLs based on lifetime expected credit losses. The Company reviews internal and external information available for each bank balance to assess expected credit loss and the likelihood to receive the outstanding contractual amount. The expected credit losses are recognized in the statement of income and expenditure.

4.12.2 Financial liabilities

Financial liabilities - initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of income and expenditure, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include short term borrowings utilized under mark-up arrangements, creditors, lease liabilities, accrued and other liabilities.

Financial liabilities - subsequent measurement

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Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in statement of income and expenditure when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of income and expenditure.

This category applies to short term borrowings utilized under mark-up arrangements, creditors, lease liabilities, accrued and other liabilities.

Financial liabilities - derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income and expenditure.

4.13 Taxation

No provision for taxation has been charged as the Company is entitled to tax credit equivalent to tax liability under section 100(C) of Income Tax Ordinance, 2001.

4.14 Foreign currency transaction

Transactions in foreign currencies are translated into presentation currency at the rates of exchange prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling on the reporting date.


Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. Exchange differences on foreign currency translations are included in statement of income and expenditure.

4.15 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at banks on 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 insignificant risk of changes in values.

4.16 Ijarah

Ijarah as per IFAS 2 is classified as operating lease irrespective of whether the significant risks and rewards are retained by lessor or not. Payments made under ijarah are charged to statement of income and expenditure on a straight-line basis over the ijarah term unless another systematic basis is representative of the time pattern of the Company's benefit.



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5 Property, Plant And Equipment
Operating fixed assets
Right-of-use asset

Note	2023 Rupees	2022 Rupees
5.1	73,187,184	76,998,823
5.2	145,331,297	122,746,311
	218,518,481	199,745,133

5.1 Operating fixed assets

Asset class	Cost			Depreciation			Rate
	As at 01 July 2022	Additions	Disposal/ Transfer	As at 30 June 2023	Charge for the year	Disposal/ Transfer	
Freehold land	18,313,000	-	-	18,313,000	-	-	-
Machinery	304,387	-	-	304,387	13,700	-	10%
Furniture and fixtures	54,927,389	787,478	-	55,714,867	2,709,550	-	10%
Vehicles	22,220,536	11,312,900	(13,262,550)	20,270,886	1,971,096	(960,920)	20%
Office equipment	6,365,564	15,934	-	6,381,498	213,229	-	10%
Computer and network equipment	51,297,442	5,620,670	-	56,918,112	3,736,773	-	25%
Electric appliances	37,620,206	1,533,034	-	38,973,240	1,947,255	-	20%
Library books	615,334	-	-	615,334	8,422	-	20%
	191,663,558	19,090,016	(13,262,550)	197,491,024	10,690,024	(960,920)	
							73,187,184

Asset class	Cost			Depreciation			Rate
	As at 01 July 2021	Additions	Disposal/ Transfer	As at 30 June 2022	Charge for the year	Disposal/ Transfer	
Freehold land	18,313,000	-	-	18,313,000	-	-	-
Machinery	304,387	-	-	304,387	15,222	-	10%
Furniture and fixtures	54,786,766	140,623	-	54,927,389	2,944,810	-	10%
Vehicles	18,219,286	4,001,250	-	22,220,536	1,515,631	-	20%
Office equipment	6,296,993	68,571	-	6,365,564	229,199	-	10%
Computer and network equipment	47,195,774	5,075,540	(973,872)	51,297,442	2,580,054	(783,994)	25%
Electric appliances	36,682,830	937,376	-	37,620,206	2,107,067	-	20%
Library books	615,334	-	-	615,334	10,528	-	20%
	182,414,370	10,223,560	(973,872)	191,663,558	9,402,511	(783,994)	
							76,998,823

5.1.1 Depreciation for the year has been allocated as follows:

Note	2023 Rupees	2022 Rupees
Administrative and general expense	3,180,007	5,641,507
Marketing and distribution expense	7,420,017	3,761,004
	10,600,024	9,402,511

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5.1.2 Detail of disposal of property, plant and equipment for the year ended June 30, 2023

Particulars	Cost	Book value	Disposal proceeds	Gain / (Loss)	Mode of disposal
Rupees					
Vehicles					
Vehicle Wagon R Lac-16-48317	218,000	132,480	1,562,000	1,409,520	Auction
Vehicle Suzuki Cuhoo Le-14-4883	308,700	172,104	1,660,000	887,896	Auction
Suzuki Wagon R-ALZ-534	2,233,050	2,002,530	2,233,050	250,520	Auction
Suzuki Wagon R-AKH-352	2,441,000	2,339,633	2,441,000	81,367	Auction
Suzuki Alto-ALU-750	1,685,000	1,600,750	1,685,000	84,250	Auction
Suzuki Alto VXR-ALS-185	1,896,000	1,801,200	1,896,000	94,800	Auction
Suzuki Alto-ALV-320	1,896,000	1,801,200	1,896,000	94,800	Auction
Suzuki Cuhoo VXL- VAC-586	2,584,000	2,411,733	2,584,000	172,267	Auction
Total disposal	13,262,550	12,301,630	15,357,050	3,055,420	

5.1.2 Detail of disposal of property, plant and equipment for the year ended June 30, 2022

Particulars	Cost	Book value	Disposal proceeds	Gain / (Loss)	Mode of disposal
Rupees					
Computer and network equipment					
Tablets	973,872	189,878	-	(189,878)	Auction
Total disposal	973,872	189,878	-	(189,878)	

5.2 Right of use asset

Asset class	Cost				Depreciation				Rate
	As at 01 July 2022	Additions	Disposal/ Transfer	As at 30 June 2023	As at 01 July 2022	Charge For the year	Disposal/ Transfer	As at 30 June 2023	Net book value as at 30 June 2023
(Rupees)									
Buildings - leasehold	229,163,234	74,618,705	-	303,781,939	106,416,923	52,033,718	-	158,450,642	145,331,297
	229,163,234	74,618,705	-	303,781,939	106,416,923	52,033,718	-	158,450,642	145,331,297
Lease term									
Asset class	Cost				Depreciation				Rate
	As at 01 July 2021	Additions	Disposal/ Transfer	As at 30 June 2022	As at 01 July 2021	Charge For the year	Disposal/ Transfer	As at 30 June 2022	Net book value as at 30 June 2022
(Rupees)									
Buildings - leasehold	224,341,708	66,754,012	(61,932,486)	229,163,234	87,609,999	45,851,947	(27,045,023)	106,416,923	122,746,311
	224,341,708	66,754,012	(61,932,486)	229,163,234	87,609,999	45,851,947	(27,045,023)	106,416,923	122,746,311
Lease term									

5.2.1 Depreciation for the period has been allocated as follows

	2023	2022
	Rupees	Rupees
Administrative and general expense	15,610,116	27,511,168
Marketing and distribution expense	36,423,602	18,340,779
	52,033,718	45,851,947

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6. Intangible assets

	Cost		Accumulated amortization			WDV As at June 30, 2023	Rate
	As at July 01, 2022	Addition (Disposal)	As at June 30, 2023	Charge For the year	(Disposal)	As at June 30, 2023	
Computer software	72,543,976	11,468,222	84,012,198	1,588,260	-	74,132,236	20%
	72,543,976	11,468,222	84,012,198	1,588,260	-	74,132,236	9,879,962

6.1 Amortization has been charged to administrative and general expense.

	Cost		Accumulated amortization			WDV As at June 30, 2022	Rate
	As at July 01, 2021	Addition (Disposal)	As at June 30, 2022	Charge For the year	(Disposal)	As at June 30, 2022	
Computer software	72,543,976	-	72,543,976	2,356,023	-	72,543,976	20%
	72,543,976	-	72,543,976	2,356,023	-	72,543,976	-

6.2 Addition during the year represents, expenditure incurred in respect of addition of software (SAP installation and implementation)

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7	Long term deposit		2023	2022
			Rupees	Rupees
	Security deposits		23,287,677	16,775,017
	Less : Current portion		-	(2,756,075)
			<u>23,287,677</u>	<u>14,018,942</u>
8	Stock in trade		2023	2022
			Rupees	Rupees
	Raw material		45,315,347	12,942,426
	Work-in-process		7,070,852	1,579,403
	Finished goods		729,794,221	386,237,095
			<u>782,180,420</u>	<u>400,758,923</u>
9	Right of return assets	Note	2023	2022
			Rupees	Rupees
	Right of return assets	9.1	51,295,351	42,765,535
			<u>51,295,351</u>	<u>42,765,535</u>
9.1	Movement in right of return assets is as follow			
	At 01 July		42,765,535	34,252,876
	Impact on actual returns	24.2	(42,239,883)	(35,284,362)
	Charge to P/L	24.2	50,769,700	43,797,020
	At 30 June		<u>51,295,351</u>	<u>42,765,535</u>
9.2	The Right of Return Asset on the company's financial statements represents the Company's entitlement to recover goods anticipated to be returned by customers. This asset is valued at the former carrying amount of the inventory, reduced by any expected costs associated with recovering the goods, including potential decreases in the value of the returned items. The Company regularly revises the measurement of this asset to account for changes in its anticipated level of returns and any additional decreases in the value of returned products.			
10	Trade debts	Note	2023	2022
			Rupees	Rupees
	Considered good	10.1	302,851,468	277,152,029
	Considered doubtful		26,188,247	9,043,167
			329,039,715	286,195,197
	Less: Allowance for expected credit losses	10.3	(26,188,246)	(9,043,167)
			<u>302,851,469</u>	<u>277,152,029</u>
10.1	This includes amount due from following Related Parties:		2023	2022
			Rupees	Rupees
	Read Foundation		371,305	-
	Ghazali Education Trust		4,076,453	348,066
	Green Crescent Trust		23,790	23,790
			<u>4,471,548</u>	<u>371,856</u>
10.2	Age analysis of amount due from the related parties is as follows:		2023	2022
	Past due 1-30 days		4,447,758	366,012
	Past due 31-60 days		-	-
	Past due 61-90 days		-	-
	Past due 91-180 days		-	-
	Past due 181-365 days		-	-
	Past due 366-730 days		23,790	5,844
	More than 730 days		-	-
	Total		<u>4,471,548</u>	<u>371,856</u>
10.3	Movement in allowance for expected credit losses is as follows:	Note	2023	2022
	At 01 July		9,043,167	47,474,021
	Charge for the year	21	17,145,077	-
	Bad debts written off		-	(14,050,868)
	Reversal of impairment		-	(24,379,986)
	At 30 June		<u>26,188,245</u>	<u>9,043,167</u>

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		2023	2022
		Rupees	Rupees
11 Short term advances	<i>Nil</i>		
Advance to staff against expenses		32,141,047	22,019,844
Advance to staff against mobile		784,972	533,747
Advance to staff against laptop		1,606,833	575,707
Advance to staff against bike		5,309,164	2,259,911
Advance to staff against salary	<i>11.1</i>	4,103,464	8,824,413
		43,945,480	34,213,622
Advances to suppliers		29,762,059	40,496,699
		<u>73,707,539</u>	<u>74,710,321</u>
11.1	These include advance to Chief Executive Officer amounting nil (2022: Rs. 895,000). The balance is interest free and unsecured.		
12 Prepayments and other receivables		2023	2022
		Rupees	Rupees
Office prepaid rent		4,200,000	-
Prepaid expenses		3,569,969	734,053
Prepaid insurance		3,444,946	2,274,477
Other receivables		8,164,650	-
		<u>19,379,565</u>	<u>3,008,530</u>
13 Tax refunds due from Government		2023	2022
		Rupees	Rupees
Income tax refunds due from the Government		11,388,023	11,388,023
Less: Provision for doubtful receivable		(2,388,515)	(2,388,515)
		<u>8,999,508</u>	<u>8,999,508</u>
14 Cash and cash equivalent		2023	2022
		Rupees	Rupees
Cash in hand		80,000	85,060
Balance with banks:			
- Current account		12,679,009	58,050,781
- Saving account	<i>14.1</i>	1,208,495	3,058,129
		13,887,504	61,108,910
Short term investments		-	100,000,000
		<u>13,967,504</u>	<u>161,193,970</u>
14.1	These carry profit rate ranging from 8% to 19.5% (2022: 4% to 5%) per annum.		
15 Deferred liability - gratuity		2023	2022
		Rupees	Rupees
Deferred liability - gratuity		123,843	123,843
		<u>123,843</u>	<u>123,843</u>
15.1	Deferred liability has been discontinued.		
16 Advances from employees against vehicles		2023	2022
		Rupees	Rupees
Advances from employees against vehicles	<i>16.1</i>	23,790,413	24,423,460
		<u>23,790,413</u>	<u>24,423,460</u>
16.1	This includes monthly deduction from salary of employees against the vehicles provided to them, it is Company's policy to deduct 65% of cost of vehicle over the tenure of ijarah from employees' salary and legal entitlement is transferred to employee at the end of the ijarah tenure.		
17 Lease liabilities		2023	2022
		Rupees	Rupees
Lease liabilities		155,012,378	140,537,537
Less: Current maturity within 1 year		(39,424,904)	(40,678,423)
		<u>115,587,474</u>	<u>99,859,114</u>

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	2023 Rupees	2022 Rupees
Lease liability-Property		
Opening balance	140,537,537	151,221,100
Add: Assets leased during the year	21,510,254	66,231,012
Less: Termination	-	(37,041,947)
Less: Payments / adjustments	(62,449,800)	(60,255,786)
Modification adjustment	31,665,905	-
Finance cost	23,748,482	20,383,158
Closing Balance	155,012,378	140,537,537
Less: Current portion	(39,424,904)	(40,678,423)
	<u>115,587,474</u>	<u>99,859,114</u>

- 17.1 The principal payments due under the lease agreements aggregate to Rs. 155.01 million (2022: Rs. 140.53 million) and are payable in monthly installments under various agreements, latest by October 2028. The present values of minimum lease payments have been discounted at Lessee's incremental borrowing rate, which is 15.59 % to 25.70%.

	2023 Amount in Rupees			2022 Amount in Rupees		
	Minimum lease payments	Present value of minimum lease payments	Financial charges	Minimum lease payments	Present value of minimum lease payments	Financial charges
	Rupees			Rupees		
Due within one year	67,593,146	39,424,904	28,469,086	57,808,081	40,678,423	17,129,658
Due after one year but not later than five years	161,522,587	115,587,474	45,935,113	120,050,182	99,859,114	20,191,069
	<u>229,115,733</u>	<u>155,012,378</u>	<u>74,404,199</u>	<u>177,858,263</u>	<u>140,537,537</u>	<u>37,320,726</u>

	Note	2023 Rupees	2022 Rupees
18 Trade creditors, accrued and other liabilities			
Trade creditors		191,360,869	88,530,107
Payable to Institute of Policy Studies	18.1	100,000,000	100,000,000
Payable to related party		-	50,039
Provident fund payable		-	2,308,184
Accrued liabilities		29,077,457	41,060,634
Advances from employees	18.2	4,300,000	4,300,000
Tax deducted at source		1,001,204	5,947,279
		<u>325,739,530</u>	<u>242,196,243</u>

- 18.1 This represents consideration received from Institute of Policy Studies, a related party, for the purpose of meeting working capital requirements. This carries a markup at the rate of 15% per annum.

- 18.2 This represents Rs. 4.3 million received in advance for sale of land to an employee. However, due to dispute arising during legal transfer of land, sale of land has not been recognized and consideration received from the employee is recognized as advance.

	Note	2023 Rupees	2022 Rupees
19 Contract liabilities			
Advance from customers	19.1	128,945,475	67,565,080
Encyclopedia advance subscription		414,253	1,475,356
		<u>129,359,728</u>	<u>69,040,436</u>

- 19.1 Revenue recognized in the reporting period that was included in the contract liabilities balance at the beginning of the period amounts to Rs.22,187,520 (2022: Rs. 32,280,873)

	Note	2023 Rupees	2022 Rupees
20 Refund liabilities			
Arising from rights of return	20.1	142,993,195	114,054,748
		<u>142,993,195</u>	<u>114,054,748</u>

- 20.1 Movement in refund liabilities is as follow

At 01 July	114,054,748	95,209,339
Actual sales return during the year	(108,343,104)	(94,102,623)
Provision for the year	137,281,551	112,948,032
	<u>28,938,447</u>	<u>18,845,409</u>
At 30 June	<u>142,993,195</u>	<u>114,054,748</u>

- 20.2 The Company estimates variable considerations to be included in the transaction price for the sale of books with rights of return. The Company forecasts sales returns using historical return data of products to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

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21 Contingencies & Commitments

21.1 Contingencies

The company had entered into agreement with its employee for sale of land and in this regard advance amounting Rs. 4.3 million had been received from the employee as disclosed in note 18.2. However during legal proceeding for transfer of land, a dispute has been identified over the land. In accordance with the sale agreement, in case any dispute is raised relating to the land, the Company will be liable to refund the amount received along with surcharge of an equal amount. Management of the Company, based on facts of the case, is confident that the outcome of the case will be in favor of the Company.

21.2 Commitments

Commitment at year end are Nil (2022: Rs. Nil).

22 Revenue from contracts with customers - net

Gross sales

Less:

Discount allowed

Books returned during the year

Refund liability

Encyclopedia income

Workshops, trainings, meetings and seminars

22.1 Set out below is the disaggregation of the Company's revenue from contracts with customers:

Locally produced

Imported books

22.2 Revenue is recognized as follows:

At a point in time

Over period of time

23 Other income

Profit on bank accounts

Miscellaneous

Gain on sale of old stock

Write-off of supplier balance

Reversal of impairment loss

Gain on disposal of lease liability

Gain on disposal of property, plant and equipment

23.1 This represents the income generated from the sale of obsolete inventory.

23.2 This represents the income recognized from writing off the balance owed to one of the company's suppliers.

	2023	2022
	Rupees	Rupees
	4,213,901,648	3,638,961,651
	(1,582,503,506)	(1,357,866,686)
	(108,343,104)	(87,835,230)
	(28,938,447)	(25,112,802)
	(1,719,785,057)	(1,470,814,718)
22.1	2,494,116,591	2,168,146,933
	8,476,510	9,452,231
	24,100,192	21,201,453
	32,576,702	30,653,684
	2,526,693,293	2,198,800,617
	Rupees	Rupees
	1,384,036,050	2,034,877,329
	1,110,080,541	133,269,604
	2,494,116,591	2,168,146,933
	Rupees	Rupees
	2,494,116,591	2,168,146,933
	32,576,702	30,653,684
	2,526,693,293	2,198,800,617
	2023	2022
	Rupees	Rupees
	2,040,032	3,281,564
	96,038	11,141,755
23.1	8,164,650	-
23.2	4,874,320	-
	-	24,379,986
	25,658,707	3,794,782
	3,055,420	-
	43,889,167	42,598,086

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		2023	2022
		Rupees	Rupees
24 Direct Cost	<i>Note</i>		
Raw material consumed	24.1	426,128,823	214,682,346
Printing cost		1,149,134,233	871,250,299
Freight inward		110,136,279	51,770,327
Workshop, training, meetings and seminars expenses		34,344,898	27,718,644
Encyclopedia printing		484,501	794,882
Salaries, wages and benefits	24.3	102,759,740	86,220,181
Outsourcing research cost		58,648,551	49,949,892
Packing expenses		6,211,992	3,791,906
Plates consumed		52,536,625	12,050,660
Insurance		286,880	245,814
Exchange loss		136,199,730	1,418,970
Impairment of intangible assets		-	2,356,023
		<u>2,076,872,252</u>	<u>1,322,249,946</u>
Opening work in process		1,579,403	888,135
Closing work in process	#	(7,070,852)	(1,579,403)
		<u>(5,491,449)</u>	<u>(691,268)</u>
Cost of goods manufactured		<u>2,071,380,803</u>	<u>1,321,558,678</u>
Opening finished goods		386,237,095	394,465,177
Closing finished goods	#	(729,794,221)	(386,237,095)
		<u>(343,557,126)</u>	<u>8,228,082</u>
Direct cost - manufactured books and imports		<u>1,727,823,678</u>	<u>1,329,786,760</u>
24.1 Raw material consumed		2023	2022
		Rupees	Rupees
Opening stock		12,942,426	38,124,545
Add : Purchases during the year		<u>458,501,744</u>	<u>189,500,227</u>
		471,444,170	227,624,772
Closing stock	#	<u>(45,315,347)</u>	<u>(12,942,426)</u>
		<u>426,128,823</u>	<u>214,682,346</u>
24.2 Finished goods consumed			
Opening stock	#	386,237,095	394,465,177
Purchases from Import		763,089,274	55,373,302
Transfer from work-in-process		820,703,597	1,039,072,002
Consumption		<u>(1,231,705,929)</u>	<u>(1,094,160,728)</u>
Right to recover impact on COS	9.1	(50,769,700)	(43,797,020)
Right to recover impact on stock	9.1	<u>42,239,883</u>	<u>35,284,362</u>
Closing stock		<u>729,794,221</u>	<u>386,237,095</u>
24.3 This includes contribution made to provident fund by the Company amounting to Rs. 3,520,430 (2022: Rs. 2,832,511).			
25 Administrative and General Expenses	<i>Note</i>	2023	2022
		Rupees	Rupees
Salaries, wages and benefits	25.1	43,475,275	29,892,282
Utilities		6,898,628	5,417,056
Office supplies		2,165,274	1,797,820
Computer expenses		3,901,847	930,633
Travelling and conveyance		6,366,527	13,227,019
Entertainment		9,431,482	11,960,015
Printing, stationery and photocopies		9,151,102	6,197,252
Postage and courier		1,680,030	3,147,535
Newspaper and periodicals		9,045	57,390
Legal and professional charges		1,479,422	1,442,500
Auditor's remuneration		835,000	800,000
Rent, rates and taxes		-	77,000

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		2023 Rupees	2022 Rupees
Repair and maintenance		7,611,035	5,457,542
Communication charges		6,325,461	6,347,959
Insurance		5,132,617	2,381,627
Fee and subscription		1,851,238	3,138,698
Commission	25.2	3,557,382	6,194,730
Donations		11,842,000	38,807,169
Allowance for expected credit losses	10.3	17,145,080	-
Depreciation - owned assets	5.1.1	3,180,007	5,641,507
Depreciation - right of use assets	5.2.1	15,610,116	27,511,168
Amortization on intangible	6	1,588,260	-
Miscellaneous		10,426,668	4,235,102
		<u>169,663,496</u>	<u>174,662,004</u>

25.1 This includes contribution made to provident fund by the Company amounting to Rs. 1,489,413 (2022: Rs. 982,023).

25.2 Royalty paid to Companies / Individuals:

Name of the Company / Individual	Registered Address	Relationship with Company
AJK Text Book Board	New Civil Secretariat Upper Chater	None
Emman Series	PO Box 4096, Doha, Qatar	None
Punjab Curriculum and Text Book Board	E 2 Gulberg 3 Lahore	None
Solution Tree	555 North Morton Street Bloomington	None

		2023 Rupees	2022 Rupees
26 Marketing and Distribution Expenses	<i>Note</i>		
Salaries, wages and other benefits	26.1	303,338,848	279,494,515
Utilities		11,224,499	2,321,596
Office supplies		2,175,900	770,494
Computer expenses		411,431	398,843
Communication		2,648,592	2,720,554
Postage and courier		3,344,088	1,348,944
Travelling and conveyance		35,045,344	16,459,535
Entertainment		12,323,454	5,125,721
Printing, stationery and photocopies		1,379,928	2,655,965
Newspaper and periodicals		68,615	24,596
Advertisement and promotional expense		14,275,124	4,973,801
Rent, rates and taxes		916,500	33,000
Loading unloading charges		5,842,170	4,364,483
Vehicle running and maintenance		47,053,560	29,497,325
General repairs and maintenance		2,355,362	2,338,947
Insurance		214,650	1,020,697
Depreciation - owned assets	5.1.1	7,420,017	3,761,004
Depreciation - right of use assets	5.2.1	36,423,602	18,340,779
Miscellaneous		1,154,345	2,110,326
		<u>487,616,029</u>	<u>377,761,123</u>

26.1 This includes contribution made to provident fund by the Company amounting to Rs. 10,392,040 (2022: Rs. 9,181,973).

		2023 Rupees	2022 Rupees
27 Finance Cost	<i>Note</i>		
Profit paid on financing arrangements	27.1	16,900,000	23,040,000
Ijarah rentals		14,784,773	19,601,318
Bank charges		52,157	101,630
Mark-up on lease liabilities		23,753,994	20,383,158
		<u>55,490,924</u>	<u>63,126,105</u>

27.1 This includes an amount equivalent to Rs 15 million paid to IPS, a related party, under the agency agreement executed with the said party. According to the agreement, the company sells its stock worth Rs 100 million to IPS and concurrently enters into an agency contract. This contract stipulates that the company will sell the stock of Rs 100 million from IPS to the end consumer, and, as part of the arrangement, will remit Rs 15 million to IPS. This payment of Rs 15 million is accounted for as profit on the financing arrangement.

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28 Taxation

No provision for taxation has been charged as the Company is entitled to tax credit equivalent to tax liability under section 100(C) of Income Tax Ordinance, 2001.

29 Related party transactions

The related parties comprise associated undertakings, directors of the Company, key management personnel and post employment benefit plans. Amounts due from and to related parties, if any, are shown under respective notes to the financial statements. The Company enters into transactions with related parties at arm's length price.

Transaction with key management personnel are disclosed in note 30 to these financial statements.

Name and Relationship with the Company	Description	2023 Rupees	2022 Rupees
International School of Cordoba (Common directorship)	Sales during the year	-	203,748
	Collection during year	9,000	203,760
	Advance at year end	58,999	49,999
Read Foundation (Common directorship)	Sales during the year	9,282,618	3,980,600
	Collection during year	8,911,313	3,674,612
	Donation	10,000,000	15,048,357
	Amount written off	-	3,560,802
Green Crescent Trust (Common directorship)	Advance at year end	371,304	8,911,313
	Sales during the year	793,182	1,596,273
	Collection during year	793,182	2,468,541
	Receivable at year end	23,789	23,789
Ghazali Education Trust (Common directorship)	Sales during the year	3,910,650	330,043
	Collection during year	182,263	240,347
	Receivable at year end	4,070,609	342,221
Character Education Foundation (Common directorship)	Donation	-	12,293,517
	Liability as at year end	-	-
Institute of Policy Studies (Common directorship)	Sales during the year	-	100,000,000
	Collection during the year	-	22,500,000
	Liability at year end	100,000,000	100,000,000
	Finance Cost	15,000,000	15,000,000

30. Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The University's overall risk management policies focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk Management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

30.1 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The Company's credit risk is attributable to its deposits, trade and other receivables, profit accrued and bank balances. The maximum exposure to credit risk at the reporting date was as follows:

Exposure to credit risk

The carrying values of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2023 Rupees	2022 Rupees
Long term deposits	23,287,677	16,775,017
Trade debts	329,039,715	286,195,197
Short term advances	73,707,539	74,710,321
Prepayments and other receivables	19,379,565	3,008,530
Profit accrued	4,725	2,332,081
Bank balances	13,967,504	161,108,909
	459,386,725	544,130,055

Credit risk related to trade debts is managed by established procedures and controls relating to customers credit risk management. Outstanding receivables are regularly monitored.

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Set out below is the information about the credit risk exposure on the Company's trade debts using a provision matrix:

	Outstanding Exposure	Expected credit loss rate	Expected credit loss
As at 30 June 2023			
Past due 1-30 days	296,529,220	2.04%	6,037,707
Past due 31-60 days	5,599,373	13.50%	756,128
Past due 61-90 days	83,353	25.47%	21,227
Past due 91-180 days	1,345,152	34.44%	463,263
Past due 181-365 days	9,383,956	42.84%	4,020,078
Past due 366-730 days	6,948,325	82.60%	5,739,508
Past due 731-above days	9,150,337	100%	9,150,337
Total	329,039,716		26,188,248
As at 30 June 2022			
Past due 1-30 days	241,676,668	0.02%	44,983
Past due 31-60 days	10,908,251	0.06%	6,682
Past due 61-90 days	3,970,745	0.24%	9,418
Past due 91-180 days	4,136,605	0.92%	38,186
Past due 181-365 days	3,580,713	4.93%	176,480
Past due 366-730 days	18,240,264	27.88%	5,085,885
Past due 731-above days	3,681,951	100%	3,681,951
Total	286,195,197		9,043,584

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (If available) or to historical information about counterparty default rate. The table below shows the bank balances held with some major counterparties at the reporting date:

	Rating		Rating Agency	2023	2022
	Short term	Long term		Rupees	Rupees
Bank balances					
United Bank Limited	A1+	AA+	PACRA	10,081,676	14,044,596
Meezan Bank Limited	A1+	AA+	PACRA	1,366,252	40,668,076
Bank Alfalah Limited	A1+	AA-	PACRA	10,720	47,046
Bank Islami Pakistan Limited	A-1+	AA+	JCR-VIS	244,836	9,976
Bank Al Habib	A1+	AAA	PACRA	1,218,876	3,289,578
Al Baraka Bank Limited	A-1+	AAA	PACRA	539,371	2,647,101
Burj Bank	A-1+	AAA	PACRA	425,773	402,537
				13,887,504	61,108,910

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	2023	2022
		Rupees	Rupees
Prepayments and other receivables	12	19,379,565	3,008,530
Bank balances	14	13,967,504	161,109,110
		33,347,069	164,117,640

b) Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the organization's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

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(ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value or future cash flow of financial instruments.
At the reporting date, the interest rate profile of the organization's significant financial assets is as follows:

	Note	2023 Rupees	2022 Rupees
Variable rate instruments			
Balances maintained with banks	14	13,967,504	161,109,110

The rates of interest have been disclosed in the respective notes to the financial statements.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The organization is not exposed to any price risks.

(iv) Currency risk

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises from sales, purchases and resulting balances that are denominated in a currency other than functional currency. The Company's potential currency exposure comprises of:

- Transactional exposure in respect of non-functional currency monetary items.
- Transactional exposure in respect of non-functional currency revenues.

The potential currency exposures are discussed below:

Transactional exposure in respect of non-functional currency monetary items

Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of the Company are periodically restated to rupee equivalent, and the associated gain or loss is taken to the profit and loss account. The foreign currency risk related to monetary items is managed as part of the risk management strategy.

Transactional exposure in respect of non-functional currency revenues

Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of the Company are periodically restated to rupee equivalent, and the associated gain or loss is taken to the profit and loss account. The foreign currency risk related to monetary items is managed as part of the risk management strategy.

(c) Liquidity risk

Liquidity risk reflects the entity's inability in raising funds to meet commitments. The organization manages liquidity risk by maintaining sufficient cash and balances with banks. As at June 30, 2017 there is no maturity mismatch between financial assets and liabilities that exposes the organization to liquidity risk.

Contractual maturities of financial liabilities as at 30 June 2023

	Carrying value	Contractual cash flows	Less than 1 year	Between 1 and 5 years	More than 5 years
	Rupees	Rupees	Rupees	Rupees	Rupees
Trade creditors, accrued and other liabilities	325,739,530	325,739,530	325,739,530	-	-
Lease liabilities	155,012,378	155,012,378	39,424,904	115,587,474	-
	480,751,908	480,751,908	365,164,434	115,587,474	-

Contractual maturities of financial liabilities as at 30 June 2022

	Carrying value	Contractual cash flows	Less than 1 year	Between 1 and 5 years	More than 5 years
	Rupees	Rupees	Rupees	Rupees	Rupees
Trade creditors, accrued and other liabilities	242,196,243	242,196,243	242,196,243	-	-
Lease liabilities	140,537,537	140,537,537	40,678,423	99,859,114	-
	382,733,780	382,733,780	282,874,666	99,859,114	-

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30.2 Financial instruments by category 2023

	Cash and cash equivalent	Amortized cost	Total
	Rupees	Rupees	Rupees
Long term deposits	-	23,287,677	23,287,677
Trade debts	-	329,039,715	329,039,715
Short term advances	-	73,707,539	73,707,539
Prepayments and other receivables	-	19,379,565	19,379,565
Profit accrued	-	4,725	4,725
Bank balances	13,967,504	-	13,967,504
	13,967,504	445,419,221	459,386,725

Financial instruments by category 2022

	Cash and cash equivalent	Amortized cost	Total
	Rupees	Rupees	Rupees
Long term deposits	-	16,775,017	16,775,017
Trade debts	-	286,195,197	286,195,197
Short term advances	-	74,710,321	74,710,321
Prepayments and other receivables	-	3,008,530	3,008,530
Profit accrued	-	2,332,081	2,332,081
Bank balances	161,108,909	-	161,108,909
	161,108,909	383,021,146	544,130,055

Liabilities as per balance sheet

	Financial liabilities at amortized cost	
	2023	2022
	Rupees	Rupees
Trade creditors, accrued and other liabilities	325,739,530	242,196,243
Lease liabilities	155,012,378	140,537,537
	480,751,908	382,733,780

Fair value measurement of financial instruments

Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the organization is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying values of financial assets and financial liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date. There were no transfers between different levels of fair values during the year.

Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using appropriate valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is appropriately included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Offsetting financial assets and financial liabilities

There is no significant financial assets and financial liabilities that are subject to offsetting, enforceable master netting arrangement and similar agreements.

30.3 Fund risk management

The organization's objectives when managing funds are to safeguard the organization's ability to continue as a going concern in order to provide

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return for shareholders and benefits for other stakeholders and to maintain healthier capital ratios in order to support its business and maximize shareholders value. The organization manages its fund structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the fund structure, the organization may adjust dividend payments to the shareholders, return on fund to shareholders.

The organization's strategy, which was unchanged from last year, was to maintain optimal fund structure in order to minimize cost of fund.

31. Remuneration Of Chief Executive Officer, Directors And Executives

The aggregate amount charged in these financial statements for remuneration including all benefits to Chief Executive Officer, Directors and Executives of the Company is as follows:

	2023		2022	
	Chief Executive	Executives	Chief Executive	Executives
Managerial remuneration	7,776,000	95,928,016	7,776,000	61,935,660
Reimbursable expenses	494,052	14,987,196	279,248	7,025,633
Contribution to provident fund	431,832	5,201,462	441,040	3,373,726
	8,701,884	116,116,674	8,496,288	72,335,019
Number of persons	1	59	1	48

31.1 Chief Executive Officer and certain Executives of the Company are provided with Company maintained vehicles.

31.2 No remuneration was paid to directors of the Company.

32. Provident Fund

The Company has maintained an employee provident fund and investments has been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

	2023	2022
	Rupees	Rupees
Size of the fund	75,516,204	59,520,380
Cost of investment made	60,220,731	49,817,450
Percentage of investment made	100%	100%
Fair value of investment	60,220,731	49,817,450

32.1 Breakup of investment

	2023		2022	
	Investments Rupees	Investment as % of size of the fund	Investments Rupees	Investment as % of size of the fund
Bank balance in scheduled bank	60,220,731	100%	49,817,450	100%

33. Number Of Employees

	2023	2022
At the year end	455	442
Average number of employees during the year	447	440

34. Date Of Authorization

These financial statements were authorized for issue by the Board of Directors of the Company on 14 NOV 2023

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35. General

35.1 Figures has been rounded off to the nearest Rupee.

35.2 Corresponding figures have been re-classified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison.

Description	Reclassified from	Note	Reclassified to	Note	Amount (Rupees)
Reclassification of freight inward from printing local cost to freight inward	Direct cost	24	Direct cost	24	51,770,327
Reclassification of short term investment from current account to short term investment in cash and cash equivalent	Current account	14	Short term investment	14	100,000,000
Reclassification of training expense from administrative and general expenses to marketing and distribution expense vehicle	Administrative and general expenses	25	Marketing and distribution expenses	26	10,790,813
Reclassification of exchange loss from printing cost to exchange loss	Direct cost	24	Direct cost	24	1,418,970


Chief Executive Officer


Director



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