AUTISM SOCIETY OF PAKISTAN
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2019

Grant Thornton
An instinct for growth™

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNERS

Opinion

We have audited the accompanying financial statements of Autism Society of Pakistan ("the Society") which comprise the statement of financial positions as at June 30, 2019 and statement of income and expenditure, the statement of comprehensive income, the statement of changes in fund balance and the statement of cash flows for the year then ended, and notes to the financial statement, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with the approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

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

The Board of Governors is responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as the Board of Governors determine 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, Board of Governors is responsible for assessing the Society's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statement

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 statement.

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 the 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 Society'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 Society's ability to continue as a going concern. If we conclude that 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 Society's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Grant Thornton Anjum Rahman
GRANT THORNTON ANJUM RAHMAN
Chartered Accountants
Engagement Partner: Waqas Waris
Islamabad
November 18, 2019

AUTISM SOCIETY OF PAKISTAN
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	2019	2018
		.... PKR	
NON - CURRENT ASSETS			
Property and equipment	4	4,274,637	4,520,555
Intangibles	5	68,660	79,360
		4,343,297	4,599,915
CURRENT ASSETS			
Fee receivable		-	83,750
Deposits and prepayments	6	596,438	595,000
Other financial assets	7	8,276,225	9,954,641
Cash and bank balances	8	8,634,090	4,364,027
		17,506,753	14,997,418
TOTAL ASSETS		21,850,050	19,597,333
FUND AND LIABILITIES			
Accumulated fund		21,160,904	18,939,018
NON - CURRENT LIABILITIES			
Deferred capital grant	10	509,568	526,355
CURRENT LIABILITIES			
Trade and other payables	12	179,578	131,960
TOTAL FUND AND LIABILITIES		21,850,050	19,597,333
CONTINGENCIES AND COMMITMENTS	15		

The annexed notes from 1 to 19 form an integral part of these financial statements.

President

AUTISM SOCIETY OF PAKISTAN

Vice President

AUTISM SOCIETY OF PAKISTAN
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019	2018
		.... PKR	
Donations-unrestricted		10,949,561	11,275,530
Tuition fee	9	22,644,699	17,181,855
Amortization of deferred capital grant	10	248,137	241,372
Assessment fee		1,431,056	1,285,180
Other income	11	694,667	661,590
TOTAL INCOME		35,968,120	30,645,527
EXPENDITURE			
Program cost	12	28,390,875	26,690,645
Administrative expenses	13	5,355,359	4,481,397
TOTAL EXPENDITURE		33,746,234	31,172,042
SURPLUS / (DEFICIT) FOR THE YEAR		2,221,886	(526,515)

The annexed notes from 1 to 19 form an integral part of these financial statements.

President

Vice President

AUTISM SOCIETY OF PAKISTAN

AUTISM SOCIETY OF PAKISTAN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	.... PKR	
(Deficit) / Surplus for the year	2,221,886	(526,515)
Other comprehensive income for the year	-	-
Total comprehensive (loss)/income for the year	2,221,886	(526,515)

The annexed notes from 1 to 19 form an integral part of these financial statements.

President

Vice President

AUTISM SOCIETY OF PAKISTAN

AUTISM SOCIETY OF PAKISTAN
STATEMENT OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019

	Accumulated Fund
	. . . PKR . . .
Balance at July 01, 2017	19,465,533
Deficit for the year	(526,515)
Other comprehensive income	-
Balance at June 30, 2018	18,939,018
Balance at July 01, 2018	**18,939,018**
Deficit for the year	2,221,886
Other comprehensive income	-
Balance at June 30, 2019	**21,160,904**

The annexed notes from 1 to 19 form an integral part of these financial statements.

President

Vice President

AUTISM SOCIETY OF PAKISTAN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019	2018
		.... PKR	
CASH FLOW FROM OPERATING ACTIVITIES			
Deficit for the year		2,221,886	(526,515)
Adjustments for:			
Depreciation		871,928	793,533
Amortization		10,700	10,700
Amortization of deferred capital grant		(248,137)	(241,372)
Unrealized loss on other financial assets		1,678,416	1,346,330
Net increase before working capital changes		4,534,793	1,382,676
Changes in Working Capital:			
(Increase) / decrease in current assets:			
Fee receivables		83,750	121,800
Advances and prepayments		(1,438)	6,370
Increase/(decrease) in current liabilities:			
Trade and other payables		47,618	10,141
		129,930	138,311
Cash generated from operations		4,664,723	1,520,987
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to property and equipment		(394,660)	(488,280)
Net cash used in investing activities		(394,660)	(488,280)
Net increase/(decrease) in cash and cash equivalents		4,270,063	1,032,707
Cash and cash equivalents at beginning of the year		4,364,027	3,331,320
Cash and cash equivalents at end of the year		8,634,090	4,364,027

The annexed notes from 1 to 19 form an integral part of these financial statements.

President

AUTISM SOCIETY OF PAKISTAN

Vice President

AUTISM SOCIETY OF PAKISTAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1 LEGAL STATUS AND OPERATIONS

Autism Society of Pakistan has been registered under The Societies Act, 1860 in Islamabad (Pakistan) under registration no. RS/ICT/694 on 28 October 2010. Autism Society of Pakistan ("ASP" or "Society") has been established as a non-profit entity as a national umbrella organization with a focused mandate for advocacy, fund raising, training, research, and for generally creating awareness about Autism in Pakistan. It is initially setting-up an Autism Resource Centre ("ARC") in Rawalpindi and later replicate such chapters in all major cities of Pakistan in collaboration with concerned parents and sponsors. A dedicated group of people (primarily affected parents) in Pakistan and abroad have formed a focus group to take this public initiative forward.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. Approved accounting and reporting standards comprises of International Financial Reporting Standards issued by International Accounting Standards Board as adopted in Pakistan.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Society operates. The financial statements are presented in Pakistani Rupees (PKR), which is the Society's functional and presentation currency. Figures have been rounded off to the nearest rupee, unless otherwise stated.

2.4 Significant accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Society's accounting policies.

Estimates and judgments are continually evaluated and are based on historic experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements. are as follows:

2.4.1 Property and equipment

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

2.4.2 Impairment of assets

The carrying amounts of the Society's assets are reviewed at each year end to determine whether there is any indication of impairment loss. Any change in estimates in future years might affect the carrying amounts of respective assets with a corresponding effect on depreciation / amortization charge and impairment.

2.4.3 Provisions and contingencies

The Society reviews the status of all the legal cases on a regular basis. Based on the expected outcome and lawyers' judgments, appropriate disclosure or provision is made.

2.4.4 Taxation

The Society takes into account the current income tax laws and decisions taken by appellate authorities. Instances where the Society's view differs from that taken by the income tax department at the assessment stage and where the Society considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

2.5 Standards and interpretations that became effective but not relevant to the Society or do not have material effect

There are certain amendments and an interpretation to approved accounting and reporting standards which are mandatory for the Society's annual accounting period which began on July 1, 2018. However, these do not have any significant impact on the Society's financial reporting and, therefore, have not been detailed in these financial statements.

In addition to the above, the following two new standards have become applicable to the Society effective July 1, 2018 :

- IFRS 9 'Financial instruments' – This standard replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. It also includes an expected credit losses model that replaces IAS 39 incurred loss impairment model. On July 1, 2018 (the date of initial application of IFRS 9), the Society's management has assessed which business models apply to the financial assets held by the Society and has classified its financial instruments into the appropriate IFRS 9 categories (i.e. mainly financial assets previously classified as 'loans and receivables' have now been classified as 'amortised cost').

- IFRS 15 'Revenue from contracts with customers' – This standard introduces a single five-step model for revenue recognition with a comprehensive framework based on core principle that an entity should recognize revenue representing the transfer of promised goods or services under separate performance obligations under the contract to customer at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

The changes laid down by these standards do not have any significant impact on these financial statements of the Society. However, related changes to the accounting policies have been made in these financial statements.

2.6 Standards, interpretations and amendments to accounting and reporting standards that are yet not

The following standards, interpretations and amendments with respect to accounting and reporting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard, interpretation or amendment:

IFRS 3	Business Combinations (Amendments)	January 1, 2020
IFRS 9	Financial instruments (Amendments)	January 1, 2019
IFRS 16	Leases	January 1, 2019
IAS 1	Presentation of financial statements (Amendments)	January 1, 2020
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2020
IAS 12	Income taxes (Amendments)	January 1, 2019
IAS 19	Employee benefits (Amendments)	January 1, 2019
IAS 23	Borrowing costs (Amendments)	January 1, 2019
IAS 28	Investments in Associates and Joint Ventures (Amendments)	January 1, 2019
IFRIC 23	Uncertainty over Income tax treatment	January 1, 2019

The above standards, amendments or interpretations are not expected to have any material impact on the Society's financial statements in the period of initial application except for IFRS 16 - 'Leases'. The Society is currently evaluating the impact of changes laid down by IFRS 16 and its effect on financial statements.

Further, following standards, amendments or interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First time Adoption of International Financial Reporting Standards
IFRS 14	Regulatory Deferral Accounts
IFRS 17	Insurance Contracts

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except for changes disclosed in note 2.5.

3.1 Grant

Restricted grant

Grants received for specific purposes are classified as restricted grant. Such grants are transferred to income to the extent of actual expenditure incurred there against. Unspent portion of such grant are reflected as restricted grant in the statement of financial position.

Deferred capital grant

Restricted funds utilized for capital expenditure are transferred from the restricted grant and accounted for as a deferred capital grant. An amount equal to the charge for depreciation and amortization for the year, on property and equipment acquired, is then recognized in the income and expenditure statement.

Unrestricted grant

An unconditional grant is recognized as income when the grant is received.

3.2 Income recognition

Income from tuition and assessment fee from students is recognised when or as performance obligations are satisfied by transferring control of a promised service over time to schools at an amount that reflects the consideration to which the Society expects to be entitled in exchange for those services.

3.3 Donation-in-kind

Donations-in-kind received has been valued and recorded at their estimated fair value as provided by the donor or, in absence of donor's valuation, at wholesale values estimated by the Society, at the time the goods are received from the donor.

3.4 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost in relation to property and equipment comprises acquisition and other directly attributable costs.

Depreciation is recognized in income and expenditure account on straight line method over the estimated useful life of each part of an item of property and equipment at rates given in note 4 to these financial statements. Depreciation on additions to property and equipment is charged from the month in which property and equipment is acquired or capitalized while no depreciation is charged for the month in which property and equipment is disposed off / derecognized.

The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Society and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in income and expenditure account as incurred.

Gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of property and equipment and is recognized in income and expenditure

3.5 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. The Society charges amortization on all additions from the month in which an asset is acquired or capitalized up to the month in which the asset is disposed off.

3.6 Foreign currency transactions

Transactions in foreign currencies are translated into functional currency at exchange rates at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at year end are translated to the functional currency at the exchange rates at that date. Exchange differences are included in the income and expenditure account.

3.7 Fair value measurement

Fair value is the 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability; or

ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Society. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Society uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Society determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Society's Senior Management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Society determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

3.8 Provisions

A provision is recognized in the financial statements when the Society has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

3.9 Taxation

The Society is registered as not for profit organization under section 2(36) of the Income Tax Ordinance, 2001. The Society is eligible for tax credit under Section 100C of the Income Tax Ordinance 2001 from donations, voluntary contributions, subscriptions and so much of the income chargeable under the head "income from business" as is expended in Pakistan for the purposes of carrying out welfare activities. Hence, the provision for taxation has been not been made in these financials statements.

3.10 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Society becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Society losses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of income & expenditure.

3.11 Financial Assets

The Society classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

(i) Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flow represents solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in statement of income & expenditure.

(ii) Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in statement of income & expenditure in the period in which it arises.

3.12 Financial Liabilities

The Society classifies its financial liabilities in the following categories:

- at fair value through profit or loss; and
- other financial liabilities

The Society determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Society has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) **Amortised cost**

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of income & expenditure, when the liabilities are derecognized as well as through effective interest rate amortization process.

Offsetting

A financial asset and financial liability is off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Impairment of financial assets

The Society assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortized cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Fee receivable
- Deposits
- Cash and bank balances

General approach for loans, advances and deposits and cash and bank balances

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward-looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognized when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognized without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

Simplified approach for fee receivable

The Society recognizes life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes.
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

As the Society applies simplified approach in calculating ECLs for trade debts, the Society does not track changes in credit risk, but instead recognized a loss allowance based on life time ECLs at each reporting date. ECLs on these financial assets are estimated using a provision matrix approach adjusted for forward looking factors specific to the debtors and economic environment.

The Society recognizes an impairment gain or loss in the statement of income & expenditure for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in statement of comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

3.13 Impairment of non-financial assets

The carrying amounts of non financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of income & expenditure, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each balance sheet date. Reversals of the impairment loss are restricted to the original cost of the assets. An impairment loss or reversal of the impairment loss is recognized in income for the year.

4 PROPERTY AND EQUIPMENT

Description	COST				Rate	ACCUMULATED DEPRICIATION				
	1-Jul-18	Additions	Disposals	30-Jun-19		1-Jul-18	Disposals	Charge for the year	30-Jun-19	Carrying amount 30-Jun-19
	Amount in PKR									
Furniture and fixtures	2,726,207	38,200	-	2,764,407	10 %	858,229	-	275,475	1,133,704	1,630,703
Leasehold improvements	1,800,000	-	-	1,800,000	25 %	1,800,000	-	-	1,800,000	-
Computers and printers	307,800	73,550	-	381,350	33 %	277,529	-	45,270	322,799	58,551
Office equipments	2,674,180	514,260	-	3,188,440	10 %	638,236	-	306,265	944,501	2,243,939
Teaching aid and supplies	728,790	-	-	728,790	20 %	353,738	-	95,758	449,496	279,294
Vehicles	745,800	-	-	745,800	20 %	534,490	-	149,160	683,650	62,150
Total	**8,982,777**	**626,010**	**-**	**9,608,787**		**4,462,222**	**-**	**871,928**	**5,334,150**	**4,274,637**

4.1 Property and equipment includes capital assets against deferred grant having book value of Rs. 509,568 (Furniture and fixture: Rs. 71,698, Computer and printers: Rs. 49,278, Office equipments: Rs.329,025 and vehicle: Rs.59,567).

5 INTANGIBLES

Description	COST				Rate	ACCUMULATED AMORTIZATION				
	1-Jul-18	Additions	Disposals	30-Jun-19		1-Jul-18	Disposals	Charge for the year	30-Jun-19	Carrying amount 30-Jun-19
AIMS Accounting software	107,000	-	-	107,000	10%	27,641	-	10,700	38,341	68,660
Total	**107,000**	**-**	**-**	**107,000**		**27,641**	**-**	**10,700**	**38,341**	**68,660**

PROPERTY AND EQUIPMENT

Description	COST				Rate	ACCUMULATED DEPRICIATION				
	1-Jul-17	Additions	Disposals	30-Jun-18		1-Jul-17	Disposals	Charge for the year	30-Jun-18	Carrying amount 30-Jun-18
	Amount in PKR									
Furniture and fixtures	2,572,937	153,270	-	2,726,207	10%	591,600	-	266,629	858,229	1,867,978
Leasehold improvements	1,800,000	-	-	1,800,000	25%	1,800,000	-	-	1,800,000	-
Computers and printers	285,200	22,600	-	307,800	33%	250,804	-	26,725	277,529	30,271
Office equipments	2,361,770	312,410	-	2,674,180	10%	382,975	-	255,261	638,236	2,035,944
Teaching aid and supplies	728,790	-	-	728,790	20%	257,980	-	95,758	353,738	375,052
Vehicles	745,800	-	-	745,800	20%	385,330	-	149,160	534,490	211,310
Total	**8,494,497**	**488,280**	**-**	**8,982,777**		**3,668,689**	**-**	**600,873**	**3,668,689**	**4,520,555**

INTANGIBLES

Description	COST				Rate	ACCUMULATED AMORTIZATION				
	1-Jul-17	Additions	Disposals	30-Jun-18		1-Jul-17	Disposals	Charge for the year	30-Jun-18	Carrying amount 30-Jun-18
AIMS Accounting software	107,000	-	-	107,000	10%	16,941	-	10,700	27,641	79,360
Total	**107,000**	**-**	**-**	**107,000**		**16,941**	**-**	**10,700**	**27,641**	**79,360**

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		2019	2018
6	**DEPOSITS & PREPAYMENTS**	.... PKR	
	Prepaid insurance	1,438	-
	Security deposit	595,000	595,000
		596,438	595,000

7	**OTHER FINANCIAL ASSETS**		
	Meezan Strategic Allocation Plan (MSAP-IV)	8,276,225	9,954,641
		8,276,225	9,954,641

7.1 These represent funds invested with Al-Meezan Investment Management Limited in 2019: 233,010 (2018: 233,010) units of mutual funds having market value of Rs. 31.52 (2018: Rs 42.72) per unit.

		2019	2018
8	**CASH AND BANK BALANCES**	.... PKR	
	Cash at bank - current account	8,612,789	4,354,783
	Cash in hand	21,301	9,244
		8,634,090	4,364,027
9	**TUITION FEE**		
	Gross tuition fee	36,251,325	31,461,000
	Admission and other fees	1,516,949	999,880
		37,768,274	32,460,880
	Less subsidy/discount	(15,123,575)	(15,279,025)
		22,644,699	17,181,855
10	**DEFERRED CAPITAL GRANT**		
	Cost	1,520,100	1,520,100
	Additions	231,350	-
		1,751,450	1,520,100
	Amortization of deferred capital grant:		
	Opening balance	993,745	776,455
	Charge for the year	248,137	217,290
	Closing balance	1,241,882	993,745
	Net deferred capital grant	509,568	526,355

11 **OTHER INCOME**

This represent net receipts from World Autism Day celebrations on 2 April 2019.

		Note	2019	2018
12	**TRADE AND OTHER PAYABLES**		.... PKR	
	Loan from directors		-	47,635
	Accrued expenses		106,978	18,325
	Audit fee		72,600	66,000
			179,578	131,960

13 PROGRAM COST

	Note	2019 PKR	2018 PKR
Salaries		**19,606,765**	18,700,609
Rent expenses		**5,743,636**	5,271,018
Depreciation	4	**871,928**	793,533
Amortization	5	**10,700**	10,700
Repair and maintenance		**231,387**	213,305
Utility expenses		**856,231**	559,887
Printing and stationery		**404,852**	340,231
Travelling and conveyance		**232,720**	340,000
Cleaning and sanitation		**162,630**	178,544
Fuel for vehicle and generators		**120,146**	95,546
Others		**149,880**	187,272
		28,390,875	26,690,645

14 ADMINISTRATIVE EXPENSES

	2019 PKR	2018 PKR
Salaries	**3,320,856**	2,762,886
Rent expenses	**211,140**	191,929
Loss on financial asset	**1,678,416**	1,346,330
Utility expenses	**24,201**	16,079
Bank charges	**4,146**	47,173
Audit fee	**72,600**	66,000
Consultancy charges	**44,000**	51,000
	5,355,359	4,481,397

15 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments at the year end (2018: Nil).

15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Society has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

The Board of Governors has overall responsibility for the establishment and oversight of the Society's risk management framework and developing and monitoring the Society's risk management policies.

The Society's risk management policies are established to identify and analyze the risks faced by the Society, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Society's activities. The Board of Governors of the Society oversees how management monitors compliance with the Society's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Society.

15.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Society attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. The Society's credit risk is primarily attributable to fee receivable, deposits and prepayments, other financial assets and cash and bank balance.

The Society's financial assets amounting to Rs. 13,227,446 (2018 : Rs. 14,988,174) are significant to its operations. The carrying values of financial assets represents the maximum credit exposure at the reporting date are as follows:

	June 30, 2019	June 30, 2018
	-------- Rupees	**---------**
Fee receivable	-	83,750
Security deposits	**595,000**	595,000
Other financial assets	**8,276,225**	9,954,641
Bank balances	**8,634,090**	4,354,783
	17,505,315	14,988,174

Geographically there is no concentration of credit risk. None of the financial assets are overdue. Based on the past experience, the management believes that no impairment allowance is necessary in respect of the Society's financial assets.

The credit quality of financial assets, for which the counter party is a bank, can be assessed by reference to external credit ratings as shown below:

Bank name	**Rating**	**Rating Agency**	**June 30, 2019**	June 30, 2018
			-------- Rupees	**---------**
Bank Alfalah Limited	AA+/A-1+	PACRA		
Bank balance			**8,612,789**	4,354,783
			8,612,789	4,354,783

The management believes that no impairment allowance is necessary in respect of these financial assets unless explicitly stated in the respective notes.

15.2 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed condition, without incurring any unacceptable loss or damage to the Society's reputation.

The maturity profile of the Society's financial liabilities based on the contractual amounts is as follows:

	Carrying amount	Contractual cash flows	Maturity up to one year	Maturity after one year and up to five years
	.... Rupees			
Financial liabilities				
Trade and other payables	**179,578**	179,578	179,578	-
2019	**179,578**	**179,578**	**179,578**	-
Financial liabilities				
Trade and other payables	131,960	131,960	131,960	-
2018	131,960	131,960	131,960	-

15.3 Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, due to changes in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

15.3.1 Currency risk

Currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Society is not exposed to currency risks as it has no transaction in foreign currency.

15.3.2 Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rate.

The Society has no significant long-term interest bearing financial asset and liability whose fair value or future cash flows will fluctuate because of changes in market interest rates.

15.3.3 Other price risk

Other 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 interest rate risk or currency risk). Other price risk arises from Society's investment in units of mutual fund.

	2019	2018
Units of mutual funds	**233,010**	233,010

At the year end the Society is exposed to price risk since there are financial instruments whose fair value or future cash flows will fluctuate because of changes in market prices.

15.4 Off-setting of financial assets and liabilities

The Society does not off-set any of its financial assets and financial liabilities.

15.5 Fair value of financial instruments

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Society is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair Value Measurements' requires the Society to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial asset and financial liability not measured at fair value at the carrying amount is a reasonable approximation of fair value.

	Carrying Amount				Fair Value			
	Amortized cost	Fair value through profit and loss	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	Rupees							
June 30, 2019								
Non-current assets								
Long term investment	-	-	-	-	-	-	-	-
Current assets								
Fee receivable	-	-	-	-	-	-	-	-
Security deposits	595,000	-	-	**595,000**	-	-	-	-
Other financial assets	-	8,276,225	-	**8,276,225**	8,276,225	-	-	8,276,225
Bank balances	8,612,789	-	-	**8,612,789**	-	-	-	-
	9,207,789	8,276,225	-	**17,484,014**	8,276,225	-	-	8,276,225
Current liabilities								
Trade and other payables	-	-	179,578	179,578	-	-	-	-
	-	-	179,578	179,578	-	-	-	-

	Carrying Amount				Fair Value			
	Amortized cost	Fair value through profit and loss	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	--Rupees--							
June 30, 2018								
Non-current assets								
Long term investment	-	-	-	-	-	-	-	-
Current assets								
Fee receivable	83,750	-	-	83,750	-	-	-	-
Security deposits	595,000	-	-	595,000	-	-	-	-
Other financial assets	-	9,954,641	-	9,954,641	9,954,587	-	-	9,954,587
Bank balances	4,354,783	-	-	4,354,783	-	-	-	-
	5,033,533	9,954,641	-	14,988,174	9,954,587	-	-	9,954,587
Current liabilities								
Trade and other payables	-	-	131,960	131,960	-	-	-	-
	-	-	131,960	131,960	-	-	-	-

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16 FUND MANAGEMENT

The Society's objective when managing fund is to safe guard Society's ability to continue as a going concern so that it can achieve its objectives, provide benefits to other stakeholders and to maintain a strong fund base to support the sustained development of its activities in line with its objects.

17 RELATED PARTY TRANSACTIONS

Related parties of the Society comprise of key management personnel and Board of Governors. Remuneration paid to key management personnel which comprise of senior management of Society was as follows:

	2019	2018
	...... Rupees	
Transaction with key management personnel		
Managerial remuneration	**2,763,330**	2,497,680

18 DATE OF AUTHORIZATION

These financial statements were authorized for issue by the Governors of the Society on November 18, 2019.

19 GENERAL

Figures have been rounded off to the nearest Rupee.

President

Vice President