
**Grant Thornton Anjum
Rahman**

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

INDEPENDENT AUDITOR'S REPORT

**To the members of National Academy of Performing Arts
Report on the Audit of the Financial Statements**

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Opinion

We have audited the annexed financial statements of National Academy of Performing Arts (the Company) which comprise the statement of financial position as at 30 June 2024 and the statement of income and expenditure, the statement of changes in accumulated 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, the statement of changes in accumulated 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 30 June 2024 and of the surplus, the changes in funds 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.

Emphasis of Matter

We draw attention to the contents of note 14 to the financial statements in respect of contingencies. The ultimate outcome of the matters referred therein cannot be presently be determined with certainty and hence, no provision for any liability that may arise from such matters has been made in the financial statements. Our opinion is not modified in respect of this matter.

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, but does not include the financial statements and our auditor's report.

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, we have been informed by the management that there is no other information attached with the financial statements and our auditor's report thereon. Accordingly, 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.

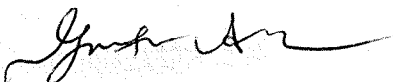
We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 accumulated 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 and expenditure incurred during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980

The engagement partner on the audit resulting in this independent auditor's report is Khurram Jameel.

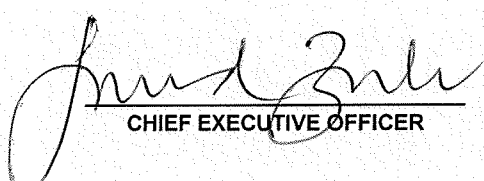


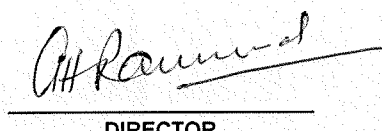
Chartered Accountants
Place: Karachi
Date: 11 October 2024
UDIN: AR202410093pXChL1Oaj

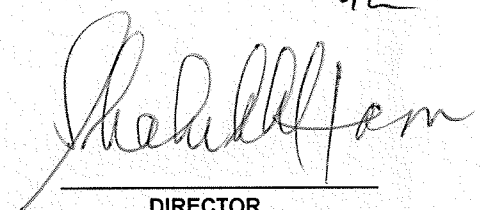
NATIONAL ACADEMY OF PERFORMING ARTS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 ----- Rupees -----	2023 -----
ASSETS			
Non-current assets			
Property and equipment	6	64,693,838	70,973,533
Intangible assets	7	22,763	28,494
Long term deposits		581,669	581,669
		65,298,270	71,583,696
Current assets			
Books		1,395,180	932,691
Advances		2,056,775	2,075,300
Prepayments and other receivables		2,730,496	435,004
Accrued return on investments		83,223,318	32,942,185
Advance income tax		2,755,034	2,755,034
Short term investments	8	703,347,440	599,999,239
Bank balances	9	76,770,438	57,076,210
		872,278,681	696,215,663
TOTAL ASSETS		937,576,951	767,799,359
FUNDS AND LIABILITIES			
Funds			
Unrestricted funds			
General fund		25,000,000	25,000,000
Accumulated surplus		132,734,395	83,359,572
		157,734,395	108,359,572
Restricted funds			
Endowment fund	11	703,347,440	599,999,239
Other restricted funds	10	35,973,692	24,080,244
		739,321,132	624,079,483
		897,055,527	732,439,055
Non-current liabilities			
Deferred capital grant	12	22,072,065	23,233,753
Current liabilities			
Accrued and other liabilities	13	18,449,359	12,126,551
TOTAL FUND AND LIABILITIES		937,576,951	767,799,359
Contingencies	14		

The annexed notes from 1 to 22 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

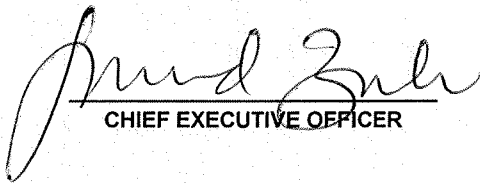

DIRECTOR


**NATIONAL ACADEMY OF PERFORMING ARTS
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2024**

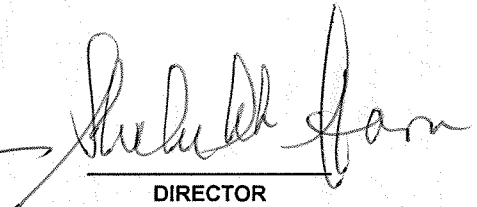
	Note	2024 ----- Rupees -----	2023
Income	15	217,201,040	162,642,831
Expenses	16	(216,817,156)	(155,410,665)
Operating surplus		<u>383,884</u>	<u>7,232,166</u>
Other income - return on investments / bank balances		152,339,141	92,514,397
Surplus for the year		<u><u>152,723,025</u></u>	<u><u>99,746,563</u></u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR

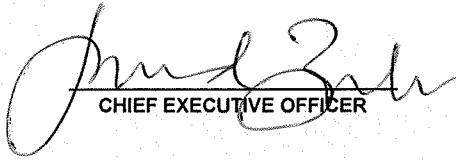

DIRECTOR

**NATIONAL ACADEMY OF PERFORMING ARTS
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 JUNE 2024**

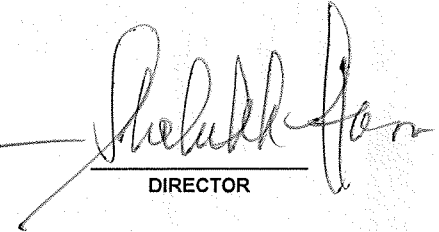
	General Fund	Accumulated Surplus	Restricted Funds		Total
			Endowment Fund	Other restricted funds	
----- Rupees -----					
Balance as at 30 June 2022	25,000,000	106,619,745	476,992,502	24,092,644	632,704,891
Surplus for the year	-	99,746,563	-	-	99,746,563
Transfers during the year	-	(123,006,737)	123,006,737	(12,400)	(12,400)
	-	(23,260,174)	123,006,737	(12,400)	99,734,163
Balance as at 30 June 2023	25,000,000	83,359,571	599,999,239	24,080,244	732,439,054
Surplus for the year	-	152,723,025	-	-	152,723,025
Funds received during the year	-	-	-	13,500,043	13,500,043
Transfers during the year	-	(103,348,201)	103,348,201	(1,606,595)	(1,606,595)
	-	49,374,824	103,348,201	11,893,448	164,616,473
Balance as at 30 June 2024	25,000,000	132,734,395	703,347,440	35,973,692	897,055,527

The annexed notes from 1 to 22 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER

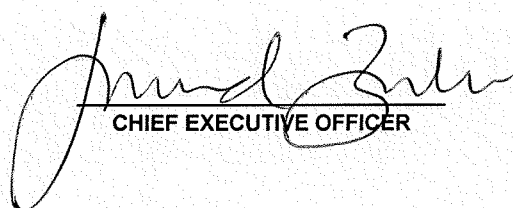

DIRECTOR

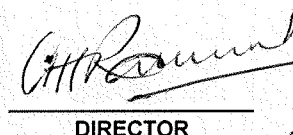

DIRECTOR

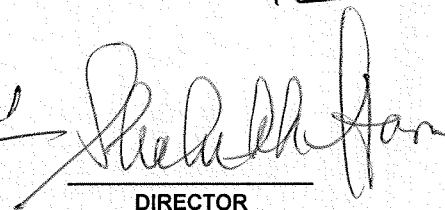
**NATIONAL ACADEMY OF PERFORMING ARTS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	2024	2023
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	152,723,025	99,746,564
Adjustment for		
Depreciation	9,026,375	10,595,357
Amortisation	5,699	7,123
Operating fixed assets written off	1,453,832	-
Return on bank balances / investments	(152,339,141)	(92,514,397)
Deferred capital grant released during the year	(1,161,688)	(1,222,829)
	(143,014,923)	(83,134,746)
Working Capital Changes		
Books	(462,489)	(15)
Advances	18,526	(375,635)
Prepayments and other receivables	(2,295,492)	(380,251)
Accrued return on investments	(50,281,133)	(17,473,056)
Accrued and other liabilities	6,322,808	(4,405,760)
	(46,697,780)	(22,634,717)
Taxes paid	-	(207,302)
Long term deposits	-	(291,000)
Net cash used in operating activities	(36,989,678)	(6,521,201)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property and equipment	(4,200,482)	(1,534,055)
Proceeds from sale of property and equipment	-	2,994,334
Return received on bank accounts / investments	152,339,141	92,514,397
Investments made - during the year	(103,348,201)	(123,006,737)
Net cash generated from / (used in) investing activities	44,790,458	(29,032,061)
CASH FLOWS FROM FINANCING ACTIVITIES		
Restricted funds received	13,500,043	-
Restricted funds utilized	(1,606,595)	(12,400)
Net cash generated from / (used in) financing activities	11,893,448	(12,400)
Net increase / (decrease) in cash and cash equivalents	19,694,228	(35,565,662)
Cash and cash equivalents at beginning of the year	57,076,210	92,641,872
Cash and cash equivalents at the end of the year	76,770,438	57,076,210

The annexed notes from 1 to 22 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

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DIRECTOR

1 LEGAL STATUS AND NATURE OF BUSINESS

National Academy of Performing Arts (the Company) was incorporated in Pakistan under Section 42 of the Companies Act 2017 having its registered office at M.R. Kiyani Road, Karachi. The principal activity of the Company is to create awareness of the performing arts in Pakistan particularly music, dance, drama and theatrical arts through proper study and practice.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. The approved accounting standards applicable in Pakistan comprises of:

- International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting standards for Non profit Organizations (Accounting Standards for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; 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 for SMEs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF MEASUREMENT

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

These financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Property and equipment

These are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to the statement of income and expenditure on reducing balance method. Depreciation on additions and deletions during the year is charged on a pro-rata basis when asset is put into use and up to the date when asset is disposed, respectively. The depreciation rates and useful lives are reviewed at each financial year end and adjusted if necessary.

Repairs and maintenance are charged to the statement of income and expenditure as and when incurred. Renewals and improvements are capitalized and depreciated when it is expected that future economic benefits will flow to the Company for more than one year.

4.2 Intangible assets

These are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on reducing balance method. Amortization is charged on additions from the date when asset is put into use and up to the date when asset is disposed off, respectively.

4.3 Impairment

The Company assesses at each reporting date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where the carrying amount exceeds the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the Statement of income and expenditure.

4.4 Books

Books held for sale are stated at the lower of cost and estimated net realizable value.

4.5 Investments

All investments are initially recognized at cost, being the fair value of the consideration given including transaction costs associated with the investments except in case of investments at fair value through income and expenditure where transaction cost are charged to statement of income and expenditure.

Investments with fixed or determinable payments and fixed maturity where management has both the positive intent and ability to hold to maturity are classified in this category and are stated at amortized cost. Provision for impairment in value, if any, is taken to statement of income and expenditure.

4.6 Cash and cash equivalents

These are stated at cost.

4.7 Accrued and other liabilities

These are recognized at the time when the Company becomes a party to the contractual provisions of the liability and are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received, whether or not billed to the Company.

4.8 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, 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. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.9 Revenue recognition

Grants, fee income, sponsorship income and sale of tickets are recognized on receipt basis. University partnership grant, return on bank balances and short term investments are recognized on accrual basis.

4.10 Taxation

The Company is registered as a not for profit organization under Section 2(36)(c) of the Income Tax Ordinance, 2001 read with Rule 212 and 220 of the Income Tax Rules, 2002. Therefore the Company's income is exempt from income tax under Section 100 (C) of Income Tax Ordinance, 2001.

4.11 Restricted funds

Funds generated by the Company either through donations or through fund raising events for a specific purpose are classified as restricted funds. Based on the restrictions made by the management, these funds are only used for the purpose for which they were generated. The funds' balance is transferred to fixed assets or expenses, as appropriate, when the Company utilizes the funds for stated purposes.

4.12 Deferred capital grant

When fixed assets are developed or purchased through grants received for development or purchase of asset, these are recorded as deferred capital grant with corresponding increase in fixed assets. As the said assets depreciates, related deferred capital grant is transferred to accumulated surplus through statement of income and expenditure.

4.13 Employee benefits

Eligible employees of the Company are provided with the leave encashment at the end of the accounting year against their annual leaves. An employee can avail encashment as per the gross salary upto 21 days annual leaves.

5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which from the basis of making, judgements about carrying values of assets and liabilities. Significant accounting estimates and judgements are disclosed in relevant notes.

NATIONAL ACADEMY OF PERFORMING ARTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

6 PROPERTY AND EQUIPMENT

Operating fixed assets

6.1 Operating fixed assets

	Rupees									
	Building	Vehicles	Furniture and fixture	Books	Musical instruments	Theatrical instruments	Computer equipment	Other equipment	Total	
Year ended 30 June 2023										
Opening net book value	26,558,616	4,903,435	4,723,097	547,530	637,383	4,836,363	1,099,534	39,723,211	83,029,169	
Additions	-	-	874,980	-	153,950	-	-	505,125	1,534,055	
Disposals	-	(2,961,834)	-	-	(32,500)	-	-	-	(2,994,334)	
Depreciation charge for the year	(1,450,078)	(617,565)	(505,991)	(56,896)	(143,140)	(967,274)	(362,846)	(6,491,567)	(10,595,357)	
Net book value	25,108,538	1,324,036	5,092,086	490,634	615,693	3,869,089	736,688	33,736,769	70,973,533	
As at 30 June 2023										
Cost	38,183,626	3,155,000	9,926,714	2,431,473.00	3,047,071	14,585,100	5,990,384	72,141,668	149,861,036	
Accumulated depreciation	(13,075,088)	(1,830,964)	(4,834,628)	(1,940,839)	(2,431,378)	(11,116,011)	(5,253,696)	(38,404,899)	(78,887,503)	
Net book value	25,108,538	1,324,036	5,092,086	490,634	615,693	3,869,089	736,688	33,736,769	70,973,533	
Year ended 30 June 2024										
Opening net book value	25,108,538	1,324,036	5,092,086	490,634.00	615,693	3,869,089	736,688	33,736,769	70,973,533	
Additions	-	-	487,250	-	77,544	-	261,595	3,374,093	4,200,482	
Write-off	-	-	(904,499)	(425,089)	(42,534)	(19,682)	(27,258)	(34,770)	(1,453,832)	
Depreciation charge for the year	(1,365,359)	(264,807)	(525,155)	(40,128)	(132,762)	(772,839)	(276,221)	(5,649,104)	(9,026,375)	
Net book value	23,743,179	1,059,229	4,149,682	25,417	517,941	3,076,568	694,804	31,426,988	64,693,808	
As at 30 June 2024										
Cost	38,183,626	3,155,000	6,444,738	459,959	2,371,736	14,350,107	3,869,899	72,518,854	141,353,919	
Accumulated depreciation	(14,440,447)	(2,095,771)	(2,295,056)	(434,543)	(1,853,795)	(11,273,539)	(3,175,095)	(41,091,836)	(76,660,081)	
Net book value	23,743,179	1,059,229	4,149,682	25,416	517,941	3,076,568	694,804	31,427,018	64,693,838	
Rate of depreciation (%)	5 & 10	20	10	10 & 20	20	20	33	15 & 33.33		

**NATIONAL ACADEMY OF PERFORMING ARTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

	Accounting software	Membership management system	Total
	----- Rupees -----		
7 INTANGIBLE ASSETS			
Year ended 30 June 2023			
Opening net book value	20,510	15,107	35,617
Amortisation for the year	(4,102)	(3,021)	(7,123)
	<u>16,408</u>	<u>12,086</u>	<u>28,494</u>
Cost	163,212	67,000	230,212
Accumulated amortisation	(146,804)	(54,914)	(201,718)
Net book value	<u>16,408</u>	<u>12,086</u>	<u>28,494</u>
Year ended 30 June 2024			
Opening net book value	16,408	12,086	28,494
Amortisation for the year	(3,282)	(2,417)	(5,699)
Written off during the year	(32)	-	(32)
Closing net book value	<u>13,094</u>	<u>9,669</u>	<u>22,763</u>
As at 30 June 2024			
Cost	93,212	67,000	160,212
Accumulated amortisation	(80,118)	(57,331)	(137,449)
Net book value	<u>13,094</u>	<u>9,669</u>	<u>22,763</u>
Rate of amortization (%)	<u>20%</u>	<u>20%</u>	
		2024	2023
		----- Rupees -----	
8 SHORT-TERM INVESTMENTS			
Term deposit receipts		-	11,116,011
Market treasury bills	8.2	<u>703,347,440</u>	<u>6,901</u>
		<u>703,347,440</u>	<u>11,122,912</u>
8.2	These carry interest rates ranging from 21.25% to 21.40% (2023: 21.90%) per annum and are maturing within six months.		
9 BANK BALANCES	Note	2024	2023
		----- Rupees -----	
Savings accounts	9.1	76,748,808	57,064,127
Current account		<u>21,630</u>	<u>12,083</u>
		<u>76,770,438</u>	<u>57,076,210</u>
9.1	These carry profit rates ranging from 19.5% to 20% (2023: 13% to 19%) per annum.		

**NATIONAL ACADEMY OF PERFORMING ARTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

	Balance as at 01 July 2023	Received during the year	Amortization during the year	Balance as at 30 June 2024
10 OTHER RESTRICTED FUNDS	----- Rupees -----			
Programmes / projects				
Auditorium Development Fund	1,392,410	-	-	1,392,410
Scholarship Fund	820,000	-	-	820,000
University of Texas Fund	6,832	-	-	6,832
University Partnership Grant	1,340,302	251,293	1,591,595	-
Theatre Development Foyer Fund	20,520,700	-	-	20,520,700
Awaaz Radio Theatre Grant	-	13,248,750	15,000	13,233,750
	<u>24,080,244</u>	<u>13,500,043</u>	<u>1,606,595</u>	<u>35,973,692</u>

11 ENDOWMENT FUND

Represents fund established during the year ended 30 June 2013 to comply with the Higher Education Commission (HEC) conditions governing the establishment of a new university or a recognized degree awarding institution. According to the conditions of HEC, the Company is required to create a non-transferrable endowment fund amounting to Rs. 200 million and the fund so established is required to be invested in profitable investments such as certificates, shares, units etc. However, profit accrued on such investments may be utilized for academic activities of the Company.

	Note	2024 ----- Rupees -----	2023
12 DEFERRED CAPITAL GRANT			
Opening balance		23,233,753	24,456,582
Amortized during the year	12.1	(1,161,688)	(1,222,829)
Closing balance		<u>22,072,065</u>	<u>23,233,753</u>

12.1 This represents depreciation charged during the year on auditorium chairs and theatre building acquired through restricted funds.

	2024 ----- Rupees -----	2023
13 ACCRUED AND OTHER LIABILITIES		
Accrued expenses	6,856,800	5,300,980
Other liabilities	9,022,597	4,255,609
Due to SMART - a related party	2,569,962	2,569,962
	<u>18,449,359</u>	<u>12,126,551</u>

14 CONTINGENCIES

14.1 On 23 September 2005, the Company entered into a lease agreement with the Governor of Sindh for Hindu Gymkhana for a period of 30 years. As part of the Company's main object to promote performing arts, the Company planned to construct an auditorium in the same premises and obtained an approval for such construction from Karachi Building Control Authority (KBCA). After obtaining this approval, the Company started the construction of auditorium in August 2006. On 31 October 2007, Shree Ratneshwar Maha Dev Welfare Shewa Mandy; a Hindu religious welfare association (the appellant), filed a petition in the High Court of Sindh against the Province of Sindh, through Secretary Board of Revenue, Sindh Cultural Heritage Department, KBCA, the Company and Evacuee Trust Board. The appellant alleges that the property was illegally and unlawfully taken away by surrounding occupants in portions and was handed over to the Company without authorization. The said petition was dismissed by High Court of Sindh on 25 November 2013 against which the appellant filed an appeal in Supreme Court of Pakistan. The Supreme Court of Pakistan converted this petition into Civil Appeal and fixed the same for hearing in Islamabad. The hearing was transferred to Supreme Court (Karachi Registry) but no such hearing has taken place up to 30 June 2024.

**NATIONAL ACADEMY OF PERFORMING ARTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

14.2 On 13 September 2008, the Government of Sindh issued a notice to the Company against construction of the theatre/auditorium claiming that it has constructed a theatre building in violation of the lease agreement and terminated the lease agreement dated 23 September 2005 with the transfer of possession of Hindu Gymkhana together with the building thereon to Government of Sindh within 3 months from date of said notice with out any compensation to the Company. The Company filed a Suit in the High Court of Sindh against the Government of Sindh praying to the Court to allow the building of the theatre/auditorium and to give an order that the Company has complied with the lease agreement provisions and is legally occupying the Hindu Gymkhana. The High Court of Sindh granted a stay order dated 3 December 2008 restraining the Government of Sindh from giving effect to said eviction notices. On 18 November 2014, the Company filed a suit to declare said eviction notices as void ab initio and permanently restraining the Government of Sindh and Shree Rateneswar Maha Dev from interfering with possession or occupation of the premises in any manner whatsoever. To date, no hearing has taken place for the same, and the matter is still pending.

15 INCOME	Note	2024 ----- Rupees -----	2023
Grants			
- Received during the year from Federal Government		159,489,026	98,002,305
- Received during the year from Sindh Government		37,500,000	50,000,000
- Amortized during the year	12	1,161,688	1,222,829
		<u>198,150,714</u>	149,225,134
University partnership grant			
- Amortized during the year	10	1,606,595	12,400
Fee			
- Application fee		106,500	101,000
- Registration fee		129,000	76,500
- Tuition fee - net	15.1	3,728,714	4,962,709
		<u>3,964,214</u>	5,140,209
Sponsorship income		3,400,000	2,065,000
Sale of tickets		3,397,454	3,811,808
Others		6,682,063	2,388,280
		<u>217,201,040</u>	<u>162,642,831</u>
15.1 Tuition fee - net			
Gross fee		3,994,714	5,448,209
Less: Financial assistance		(266,000)	(485,500)
		<u>3,728,714</u>	<u>4,962,709</u>
16 EXPENSES			
Programmed Expenses			
Salaries and benefits		72,669,827	65,454,758
Utilities		10,718,095	8,137,575
Stationery and supplies		1,001,241	657,208
IT maintenance		9,950,637	214,156
Performance expense		47,114,325	31,334,304
Depreciation		7,221,098	8,476,286
Amortization		2,850	3,563
Legal and professional		935,977	670,902
Auditors' remuneration		-	299,138
Building renovation		17,938,400	-
Repairs and maintenance		18,228,777	12,058,410
Office expenses		1,732,881	2,113,661
Insurance and medical		1,263,367	1,457,781
Security expenses		1,274,880	1,745,760
Conveyance and fuel		917,435	2,075,218
Advertisement		1,305,712	615,937
Convocation		-	1,174,850
Others		698,807	833,763
Total carried forward		192,974,309	137,323,270

**NATIONAL ACADEMY OF PERFORMING ARTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 ----- Rupees -----	2023
Total brought forward		192,974,309	137,323,269
Administrative Expenses			
Salaries and benefits		6,233,351	5,614,469
Utilities		2,679,524	2,034,394
Stationery and supplies		250,310	164,302
Networking and website		95,301	53,539
Depreciation		1,805,275	2,119,071
Amortization		2,850	3,563
Legal and professional		935,977	670,902
Auditors' remuneration	16.1	715,600	299,138
Repairs and maintenance		5,081,846	1,339,823
Travelling and conveyance		746,491	1,854,145
Office expenses		433,220	528,415
Insurance and medical		335,832	387,512
Security expenses		318,720	436,440
Rents, rates and taxation		1,038,780	988,912
Conveyance and fuel		243,875	551,640
Fixed assets written off		1,453,832	-
Advertisement		1,305,712	615,937
Convocation		-	293,712
Others		166,353	131,481
		23,842,847	18,087,395
		216,817,156	155,410,665
16.1 Auditors' remuneration			
Audit fee		600,000	500,000
Out of pocket expenses		115,600	98,275
		715,600	598,275

**NATIONAL ACADEMY OF PERFORMING ARTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

17 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of entities under common control / directorship and key management personnel. Transactions with related parties.

18 FINANCIAL INSTRUMENTS	2024	2023
	----- Rupees -----	
Financial assets		
At amortized cost		
Long term deposits	581,669	581,669
Accrued return on investments and bank balances	83,223,318	32,942,185
Bank balances	76,770,438	57,076,210
Short term investments	703,347,440	599,999,239
	<u>863,922,865</u>	<u>690,599,303</u>
Financial liabilities		
At amortized cost		
Accrued and other liabilities	18,449,359	12,126,551

19 REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

	2024			2023		
	Chief	Directors	Executives	Chief Executive	Directors	Executives
	----- Rupees -----					
Managerial remuneration	6,144,100	-	20,826,100	5,203,594	-	17,479,803
Housing allowance	2,457,640	-	8,330,440	2,081,594	-	6,992,446
Utilities allowance	613,966	-	2,081,026	519,813	-	1,746,145
	<u>9,215,706</u>	<u>-</u>	<u>31,237,566</u>	<u>7,805,000</u>	<u>-</u>	<u>26,218,394</u>
Number of person	<u>1</u>	<u>11</u>	<u>12</u>	<u>1</u>	<u>11</u>	<u>7</u>

19.1 Chief Executive Officer has been provided with Company maintained car along with Chauffeur and fuel.

20 NUMBER OF EMPLOYEES	2024	2023
Average number of employees during the year	<u>63</u>	<u>63</u>
Number of employees as at the end of the year	<u>58</u>	<u>58</u>

21 CORRESPONDING FIGURES

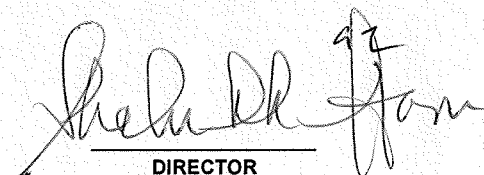
Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison.

22 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 09 OCT 2024 by the Board of Directors of the Company.


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR