



BALOCHISTAN EDUCATION ENDOWMENT FUND
BEEF

2022-23

ANNUAL
PROGRESS REPORT



www.beef.org.pk

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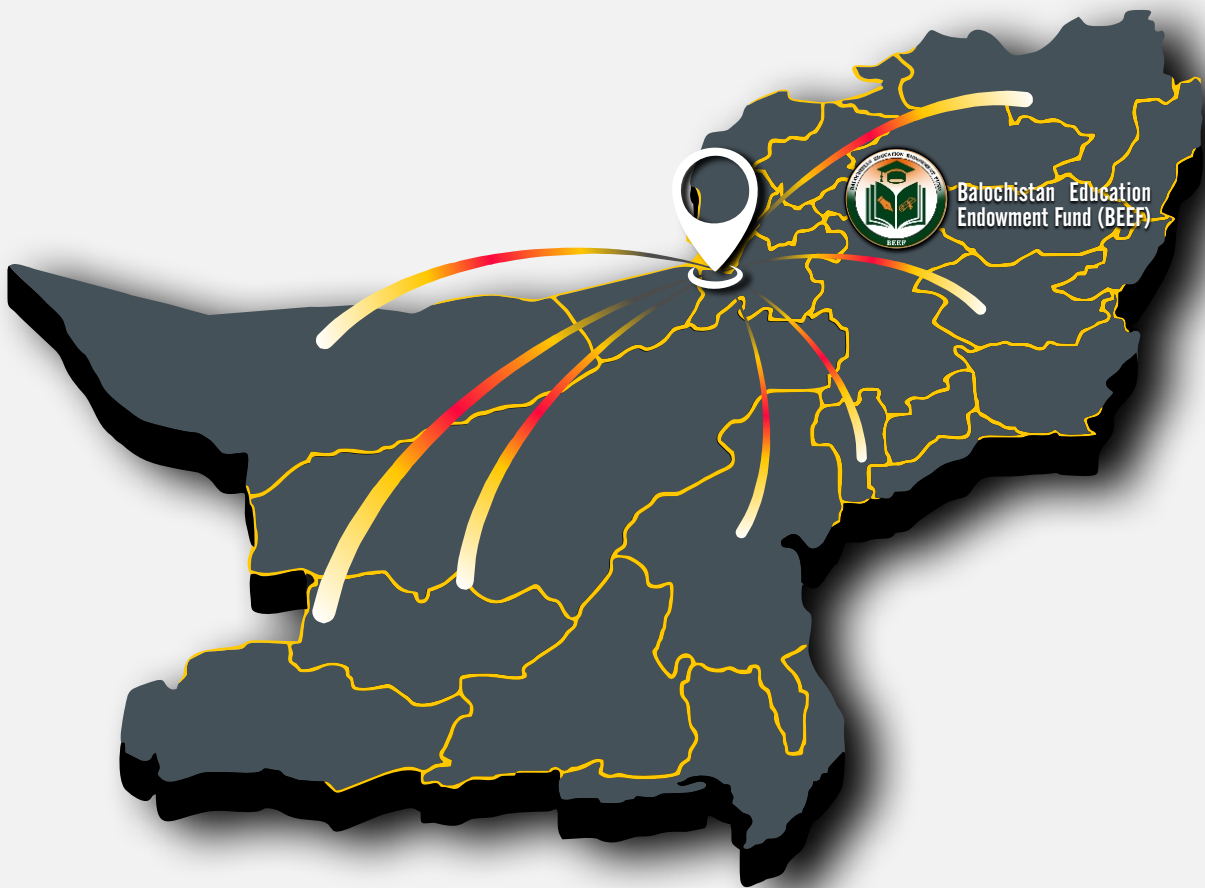
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ORGANIZATION

I N F O R M A T I O N



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Vision

Promotion of quality education in the youth of Balochistan enabling them to contribute in the nation building.



Mission

Awarding scholarships to the talented youth of Balochistan to support quality education with sustainability.



Objective

BEEF has been established with the objectives to

- Provide a single channel/authority for management of result oriented and fruitful scholarships schemes/programs at provincial level.
- Provide equal opportunities to talented and less privileged students to bring them at par with more affordable ones.
- Provide equal opportunities to talented and less privileged students to bring them at par with more affordable ones.
- Create critical mass of talented youth for the development of society.
- Provide scholarships at the door steps to the deserving students by adopting a more pro-active approach.
- To ensure transparency and diaphanous scholarships distribution mechanism.

Message



Mir Ali Mardan Khan Domki

Chief Minister Balochistan

Education is the key driver of a nation's development, enhancing individual well-being and strengthening societal structure. The future of Balochistan depends on how we provide a solid educational foundation for our youth, as education is the path to success.

The Balochistan Education Endowment Fund (BEEF), established in 2014, provides educational opportunities to talented students from disadvantaged backgrounds. This program not only offers scholarships but also helps improve students' socio-economic conditions.

I commend BEEF's achievements and am confident that it will continue to guide Balochistan towards a brighter and stronger future.



Message

Mr. Abdul Aziz Uqaili

Chief Secretary Finance

The Government of Balochistan views education as a powerful tool against illiteracy and ignorance, key barriers to progress. I believe the Balochistan Education Endowment Fund (BEEF) is a crucial investment in the future of our youth, paving the way for a brighter future for both Balochistan and Pakistan. BEEF's vision of nurturing talent for the province's and nation's development aligns with our goals.

Through its scholarship programs, BEEF has laid a solid foundation for impactful education. The government remains committed to prioritizing quality education, strengthening BEEF's resources, and bridging the educational gap in Balochistan.

We are dedicated to providing equal opportunities in education, employment, and healthcare to empower Balochistan's students to shape their future. I am confident that BEEF will continue to drive positive change in education, leading the way toward a prosperous future.



Message



Mr. Kambar Dashti

Secretary Finance (Chairman BoD of BEEF)

The term "scholarship" brings hope to many students facing financial barriers to higher education. For many, the burden of student loans casts a shadow over their academic journey, with repayment struggles extending long after graduation, often hindering career aspirations.

The Balochistan Education Endowment Fund (BEEF) is a transformative initiative by the Government of Balochistan, offering merit-based scholarships to students from disadvantaged backgrounds. By providing financial support, BEEF allows students to focus on their education and reach their full potential.

I am confident that the talented students benefiting from BEEF will play a key role in shaping the future of Balochistan and Pakistan, driving progress and prosperity in their communities and beyond.

Feedback on Balochistan Education Endowment Fund (BEEF)

Chief Minister's Perspective:

"The Balochistan Education Endowment Fund (BEEF) is a groundbreaking initiative that reflects our commitment to empowering talented students across the province. By providing scholarships to deserving individuals, BEEF is not only shaping the future of our youth but also fostering a culture of academic excellence in Balochistan."

Chief Secretary's Perspective:

"BEEF has established itself as a beacon of hope for the underprivileged yet talented students of Balochistan. Its transparent and merit-based selection process ensures that the opportunities reach those who truly deserve them, enabling them to pursue their educational aspirations without financial constraints."

Secretary Finance's Perspective:

"The work of BEEF is commendable, as it utilizes provincial resources to invest in human capital development. By supporting the education of talented students, BEEF is contributing significantly to the socio-economic uplift of Balochistan. Its efficient financial management and accountability ensure the sustainability of this vital program."

Message



M. Zakaria Khan Noorzai

Chief Executive Officer (BEEF)



Balochistan Education Endowment Fund (BEEF) is a premier initiative launched by the Government of Balochistan to provide educational scholarships. Each year, BEEF awards thousands of scholarships and allocates approximately Rs. 645 million to support deserving students in Balochistan.

Since its inception, BEEF has awarded scholarships to over 75,000 students. The majority of these scholarships have been given to high-achieving students based on academic merit, while a significant portion has been reserved for students from economically disadvantaged backgrounds.

Additionally, a small percentage of scholarships have been designated for students from other provinces, promoting broader access to quality education.

BEEF – Key Achievements and Highlights

Total Scholarships Awarded:

- 14,164 students awarded under the partially funded scholarships program for the fiscal year 2022-23. This includes talented students and those from need-based backgrounds.

Total Financial Disbursement:

- Rs. 963.112 million spent under the partially funded scholarships program during FY 2022-23.

Fully Funded Scholarships:

- 200 new intakes and 800 ongoing fully funded scholarships, covering students in BS 4/5 years programs from 17 universities and students in 7th/8th grade to 12th grade from 5 prestigious cadet colleges and residential schools recognized as Centers of Excellence (COE). This initiative has been in place since 2019-20.

Lawyers Endowment Fund:

- The fund supports the higher education of lawyers pursuing LLM, PhD, or Bar at Law studies in the UK and domestically. This initiative was launched to address the tragic loss of 56 lawyers in a terrorist attack in Quetta on August 8, 2016. The fund has been operational since 2018-19.

Educational Support to Families of Martyr Lawyers:

- 184 children of the 56 martyred lawyers from Balochistan, victims of the Quetta terrorist attack on August 8, 2016, have received educational financial support since 2018-19.

Partnership with Punjab Educational Endowment Fund (PEEF):

- 460 talented and needy students from Balochistan have been awarded financial support through a collaboration with PEEF. Rs. 18.32 million has been disbursed annually to these students.

Governance & Management of Balochistan Education Endowment Fund (BEEF)

Governance Structure

The **Balochistan Education Endowment Fund (BEEF)** operates as a public sector entity, registered as a non-profit company under **Section 42 of the Companies Act, 2017**, in accordance with the guidelines issued by the **Securities and Exchange Commission of Pakistan (SECP)**. BEEF's governance framework is structured to ensure efficiency, transparency, and accountability in all its operations. The organization's operational model emphasizes effective resource management, strategic decision-making, and a strong focus on the empowerment of the youth in Balochistan through education.

The organization is overseen by a **Board of Directors (BoD)**, consisting of seven directors—three ex-officio executive directors and four independent non-executive directors, all nominated by the Government of Balochistan. This diverse composition ensures a balanced approach to decision-making, bringing together both governmental insight and independent perspectives. Furthermore, BEEF operates five functional committees that oversee critical functions, ensuring that internal control systems are effective and aligned with the organization's strategic objectives. These committees are instrumental in shaping the governance framework, evaluating operational efficiency, and ensuring that BEEF's programs effectively address the educational needs of the province.

Management & Operations

The **Chief Executive Officer (CEO)** of BEEF is responsible for the overall operational management of the organization, including overseeing its day-to-day administrative and management matters. The CEO ensures that all operations are conducted in a smooth and efficient manner, in accordance with the policies and strategies approved by the Board of Directors. The CEO plays a crucial role in guiding BEEF toward achieving its goals of improving education access and quality for the students of Balochistan.

Regular meetings of the Board of Directors and functional committees are held on a periodic or as-needed basis. These meetings review and guide the activities of BEEF, ensuring that the organization remains on track to meet its strategic objectives. This approach guarantees that BEEF's governance and management systems remain responsive to the evolving educational needs of the province, while maintaining a focus on sustainability and impact.

The governance framework of BEEF is meticulously designed to uphold the principles of efficiency, transparency, and accountability (ETA). It ensures that every decision made and action taken is in the best interest of the students and aligns with the broader educational and socio-economic development goals of Balochistan. The Board of Directors is committed to maintaining a rigorous approach to decision-making, ensuring that BEEF's operations are both effective and accountable to its stakeholders, including the students, the Government of Balochistan, and the public at large.

Strategic Goals and Impact

BEEF's strategic vision is centered around fostering educational excellence, increasing access to quality education, and addressing socio-economic challenges through targeted interventions. The organization is committed to providing equitable educational opportunities to talented students from underprivileged backgrounds, empowering them to contribute meaningfully to the socio-economic development of the region. By focusing on scholarships and quality educational initiatives, BEEF aims to build a future generation of skilled and educated professionals who can lead Balochistan towards a progressive and prosperous future.

The governance and management framework of BEEF plays an essential role in achieving these goals. With an emphasis on continuous monitoring and evaluation, BEEF ensures that its initiatives remain effective and impactful. The organization adheres to the highest standards of governance, ensuring transparency in resource utilization and accountability in the allocation of scholarships and funds.

Commitment to Socio-Economic Development

The governance structure of BEEF supports its mission to provide equitable educational opportunities while also contributing to the socio-economic development of Balochistan. The organization remains steadfast in its commitment to offering scholarships and educational programs that have a transformative impact on the lives of students and the broader community. By empowering youth through education, BEEF aims to break the cycle of poverty, increase employability, and foster long-term prosperity for the people of Balochistan.

In summary, BEEF's governance structure and management practices ensure that the organization remains focused on its mission of educational empowerment. With a clear commitment to transparency, efficiency, and accountability, BEEF is well-positioned to continue its work in transforming the educational landscape of Balochistan and contributing to the overall socio-economic growth of the province.

BEEF Functional Committees

Balochistan Education Endowment Fund (BEEF) strictly adheres to the Public Sector Companies Rules issued by the Securities and Exchange Commission of Pakistan (SECP), ensuring effective governance within government-owned entities. With the approval of the Board of Directors (BoD), BEEF has established the following functional committees to assist the Board in executing its duties effectively and making well-informed decisions:

1. Scholarships Management Committee (SMC)

The Scholarships Management Committee oversees all aspects of BEEF's scholarship and program activities. This committee is responsible for the following:

- Deliberating and approving the Annual Scholarship Policy.
- Determining slots, quota allocation, stipend rates, eligibility criteria, selection methodology, and disbursement procedures.
- Reviewing and providing guidelines on novel or exceptional cases not covered by the scholarship policy, based on recommendations from the Internal Scholarships Review Committee (ISRC).
- Ensuring that scholarship schemes align with the objectives of BEEF and promote equitable educational opportunities for deserving students.

2. Finance Committee

The Finance Committee provides strategic support to the Board of Directors on financial matters. Its responsibilities include:

- Approving the annual budget, as well as periodic or interim budgets.
- Overseeing the investment of funds to ensure financial sustainability.
- Evaluating BEEF's financial performance, providing insights, and recommending corrective actions.
- Addressing any other finance-related matters brought to the committee's attention.

3. Human Resources and Recruitment Committee

The Human Resources and Recruitment Committee manages all employee-related matters at BEEF, ensuring that the organization maintains a motivated and efficient workforce. Key responsibilities of the committee include:

- Overseeing recruitment processes to ensure the acquisition of qualified personnel.
- Managing employee training and development programs.
- Ensuring competitive remuneration packages and performance evaluation processes.
- Implementing succession planning and measures to optimize the effective utilization of BEEF's employees.

4. Audit Committee

The Audit Committee plays a vital role in ensuring robust internal control systems within BEEF. It supports the internal and external audit processes to maintain transparency and accountability. Key functions include:

- Strengthening governance practices and enhancing the internal control environment.
- Supporting the Internal Audit Department in maintaining independence and operational integrity.
- Evaluating the performance of external auditors as per SECP guidelines.
- Conducting a comprehensive financial analysis of BEEF's financial statements.

5. Procurement Committee

The Procurement Committee ensures that all procurement processes at BEEF are conducted with transparency and adherence to regulations. It oversees the procurement of goods and services essential for operational and program activities. Responsibilities include:

- Reviewing procurement procedures in line with the Balochistan Public Procurement Regulatory Authority (BPPRA) guidelines.
- Ensuring a transparent, fair, and competitive procurement process.
- Monitoring procurement activities to ensure compliance with BPPRA rules and guidelines.

Executive Summary

Introduction

Education is the foundation of a nation's success and plays a vital role in socio-economic development. It fosters collaboration, addresses regional challenges, and contributes to national progress. In Balochistan, education holds particular importance for the region's growth and prosperity.

Purpose of BEEF

To bridge the educational gap, the Government of Balochistan established the **Balochistan Education Endowment Fund (BEEF)** in 2014. This initiative aims to increase the number of college graduates, provide financial support to deserving students, and address the achievement gap in education.

Overview of BEEF

- **Establishment:** 2014
- **Registration:** As a public sector company with the Securities and Exchange Commission of Pakistan (SECP)
- **Operational Start:** 2015-16
- **Focus Areas:**
 1. Increasing college graduates.
 2. Closing the educational achievement gap.

Financial Support & Achievement

Since its inception, BEEF has disbursed **Rs. 3.3 Billion** and awarded **over 70,000 scholarships** to students in Balochistan.

These scholarships are awarded based on merit and need, across various educational levels (Matriculation to MS/MPhil), providing financial assistance to students in schools, cadet colleges, and universities.

Key Scholarship Program

BEEF runs four key programs to support education in Balochistan:

- **Partially Funded Scholarships Program**
- **Fully Funded Quality Education Program Scheme**
- **Lawyers Endowment Fund Program Scheme**
- **PEEF Scholarships Schem**

These programs are designed to support students from various backgrounds and educational levels, ensuring broad access to quality education.

Additional Support

BEEF also provides financial assistance to the children of martyred and practicing lawyers in Balochistan, ensuring that these students have access to educational opportunities despite financial hardships.

Conclusion

Education is a crucial driver of progress, and BEEF is committed to providing Balochistan's youth with the opportunity to succeed. With continued investment in education, BEEF will play a significant role in fostering a brighter, more prosperous future for both Balochistan and Pakistan.

BEEF Model and Establishment

The **Balochistan Education Endowment Fund (BEEF)** is an initiative by the Government of Balochistan aimed at creating a pool of talented youth, including those from disadvantaged backgrounds, to contribute to the economic and social development of the region. This initiative seeks to fulfill the vision of a moderate, progressive, and prosperous Pakistan by providing need- and merit-based scholarships to deserving students, funded through the investment proceeds of the "Endowment Fund" allocated by the Government of Balochistan.

BEEF's mission is to cultivate a critical mass of human capital engaged in nation-building by offering equitable opportunities to academically exceptional students in Balochistan. The fund was established under Section 42 of the Companies Act, 2017, as a Public Sector Company (Limited by Guarantee).

The primary objective behind this structure is to establish an independent and efficient system for the distribution of scholarships to students in Balochistan. BEEF was founded in 2014 and has been operational since the second quarter of 2015, functioning under the administrative oversight of the Finance Department, Government of Balochistan.

Impact Areas of Balochistan Education Endowment Fund (BEEF)

- Objective 1: Promotion of Education**
 BEEF aims to create a lasting impact in the promotion of education by providing equitable opportunities to talented students, particularly those from underprivileged backgrounds. This effort is designed to strengthen the educational landscape in Balochistan, paving the way for a brighter and more progressive future.
- Objective 2: Improvement in Literacy Rates**
 BEEF seeks to address the challenges posed by low literacy rates in the region by encouraging school enrollment, supporting the education of marginalized communities, and ensuring that more children attend schools, ultimately enhancing the overall literacy rate in Balochistan.
- Objective 3: Financial Support for Quality Education**
 BEEF provides financial assistance to deserving students, helping them pursue quality education at various levels. This initiative is designed to foster academic excellence by relieving students from financial burdens and empowering them to focus on their studies and academic growth.
- Objective 4: Development of a Professional Workforce**
 By supporting educational initiatives, BEEF aims to create a skilled and professional workforce, well-equipped with the qualifications and training necessary to meet the growing demands in various sectors. This approach ensures that Balochistan produces capable individuals who contribute meaningfully to the province's development.
- Objective 5: Creation of Future Human Resources**
 Through its scholarships and educational support programs, BEEF focuses on building a future generation of talented human resources at the provincial level. This will ensure that Balochistan has a pool of skilled and educated individuals capable of leading the province towards economic prosperity.

Impact on Socio-Economic Development and Poverty Alleviation

BEEF is a catalyst for socio-economic change by improving access to quality education, which is a key driver in breaking the cycle of poverty. By equipping students with the tools for academic and professional success, BEEF not only enhances individual potential but also contributes to the overall economic development of the region. The scholarships provided by BEEF help reduce financial barriers, enabling more students from economically disadvantaged backgrounds to complete their education, thus uplifting the socio-economic conditions of their families and communities.

BEEF Alignment with SDGs, a global agenda for 2030.

In pursuance of the United Nations post Millennium Development Goals (MDGs) the Global agenda 2030 for achieving 17 Sustainable Development Goals (SDGs). The National commitment requires Provincial contribution in following three (4) SDG's;



In this manner, BEEF is addressing the root causes of poverty and universal need for development that works for all and mainly covering three dimensions which are as follows:

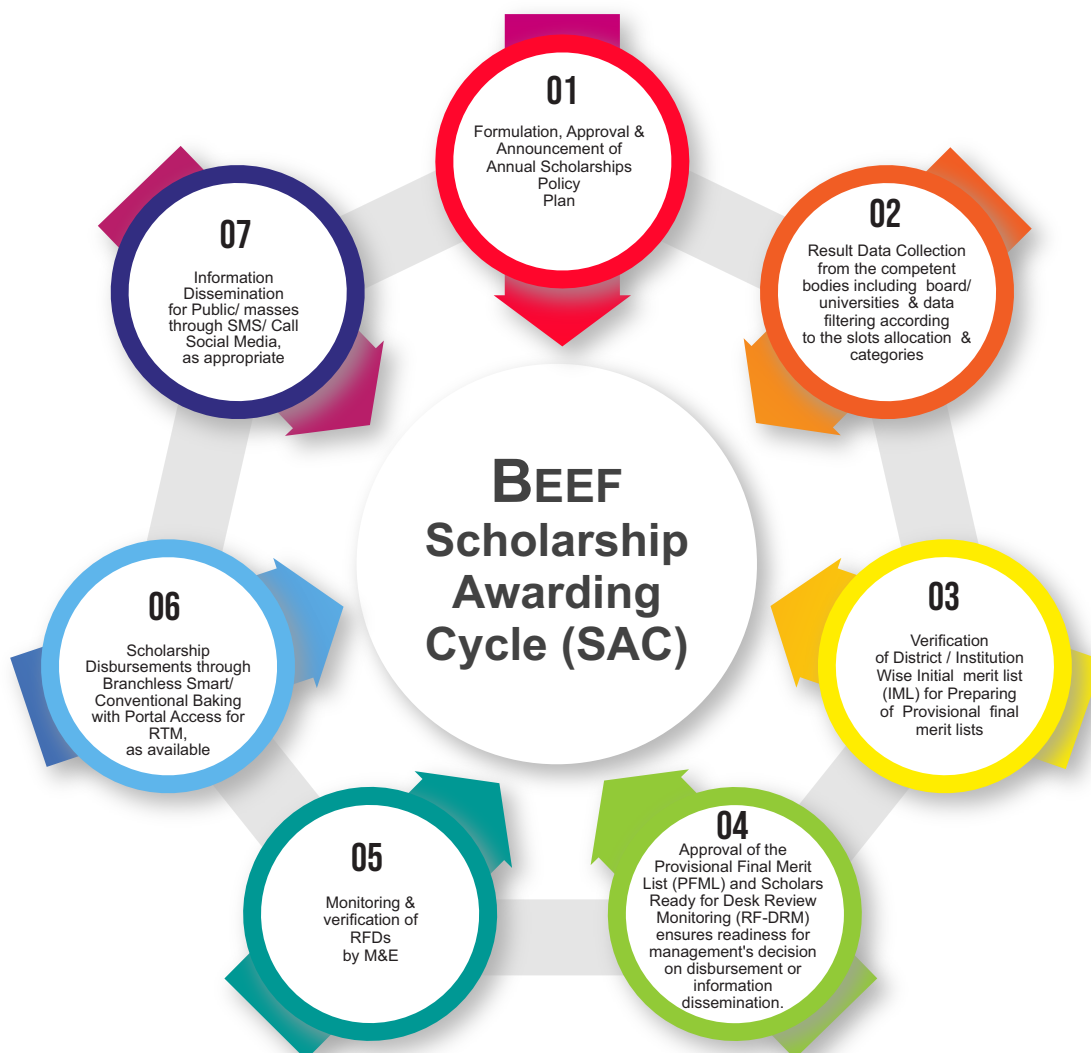
- ✓ Sustainable Development.
- ✓ Economic Growth.
- ✓ Social Inclusion and Environmental Protection.

BEEF has developed different Program and Operational Mechanisms to achieve the following core values;

- i. Efficiency
- ii. Transparency
- iii. Accountability

BEEF Scholars are selected by Scholarships Management Section(SMS) through efficient system while transparency is ensured through review of scholar selection process by Monitoring and Evaluation team. After the recommendation of Monitoring & Evaluation, BEEF's Finance and Accounts section independently disburses scholarship amount to Scholars through Disbursement partner in 'Over The Counter' (OTC) mode or Demand Draft. In last, Internal Audit Department accomplishes post Audit as per Annual Work-plan approved by BoD's Audit Committee and report any discrepancies to Members of Audit Committee to ensure Accountability.

BEEF Scholarship Awarding Cycle (SAC)

**01**

Formulation, Approval & Announcement of Annual Scholarships Policy & Plan.

02

Result Data Collection from the competent bodies including board/universities & data filtering according to the slots allocation & categories

03

Verification of District / Institution wise initial merit list (IML) for preparing of provisional final merit lists.

04

Clearance of Provisional final merit list (PFML) as well as list of scholars ready for Desk Review Monitoring (RF-DRM) Lead Towards Management Approval for Disbursement & or Information Dissemination

05

Monitoring & verification of RFDs by M&E

06

Scholarship disbursements through branchless. Smart/ Conventional Baking with Portal Access for RTM- as available

07

Information dissemination for public/ masses through SMS/ Call/Social Media, as appropriate

BEEF Scholarship Categories and Eligibility Criteria

Balochistan Education Endowment Fund (BEEF) is committed to providing equal educational opportunities to all students across Balochistan. To ensure fairness and transparency, BEEF has categorized its scholarship schemes into two main categories:

1. OPEN MERIT SCHOLARSHIPS (OMS)

This category allocates 80% of the total scholarships to talented students studying in various institutions across Balochistan. The eligibility criteria for selection under this category are as follows:

- Domicile: The applicant must be a resident of Balochistan.
- Academic Performance: A minimum of 60% marks or 3.0 CGPA/GPA in the most recent examination.
- No Other Scholarships: The applicant should not be receiving any other scholarship.
- Attendance: At least 75% attendance in the current academic institution.

Additional Preferences:

- Students who achieve top positions in their respective districts (under each education level category) and meet the above criteria will be given preference.
- Students receiving other scholarships are eligible to apply, provided that the scholarship amount from the other scheme is lower than that offered by BEEF.

2. SPECIAL QUOTA SCHOLARSHIPS (SQS)

The remaining 20% of scholarships are allocated to students under the Special Quota Scholarships (SQS), which is further divided into two subcategories:

A) SQS for Need-Based Extremely Vulnerable Individuals (EVIs)

5% of the Special Quota Scholarships are designated for students who meet at least one of the following criteria:

- Orphans, preferably children of martyrs (Shaheed).
- Individuals with disabilities.
- Children of government employees in BPS 1-6.
- Minority groups.
- Children from single-parent (women-headed) families.
-

Eligibility criteria for this category:

- A minimum of 2nd Division (45%) or 2.5 CGPA/GPA in the preceding academic year.
- All other requirements remain the same as those for the Open Merit Scholarship (OMS).

B) SQS for Open Merit Scholarships

The remaining 15% of Special Quota Scholarships are distributed under the Open Merit Scholarship category as follows:

- 4% for students from other provinces studying in Balochistan.
- 5% for Balochistan students studying in other provinces of Pakistan.
- 2% for private students from Balochistan who are enrolled as regular students.
- 2% for children of government officials studying in other provinces.
- 2% for students from centers of excellence.

Eligibility Criteria:

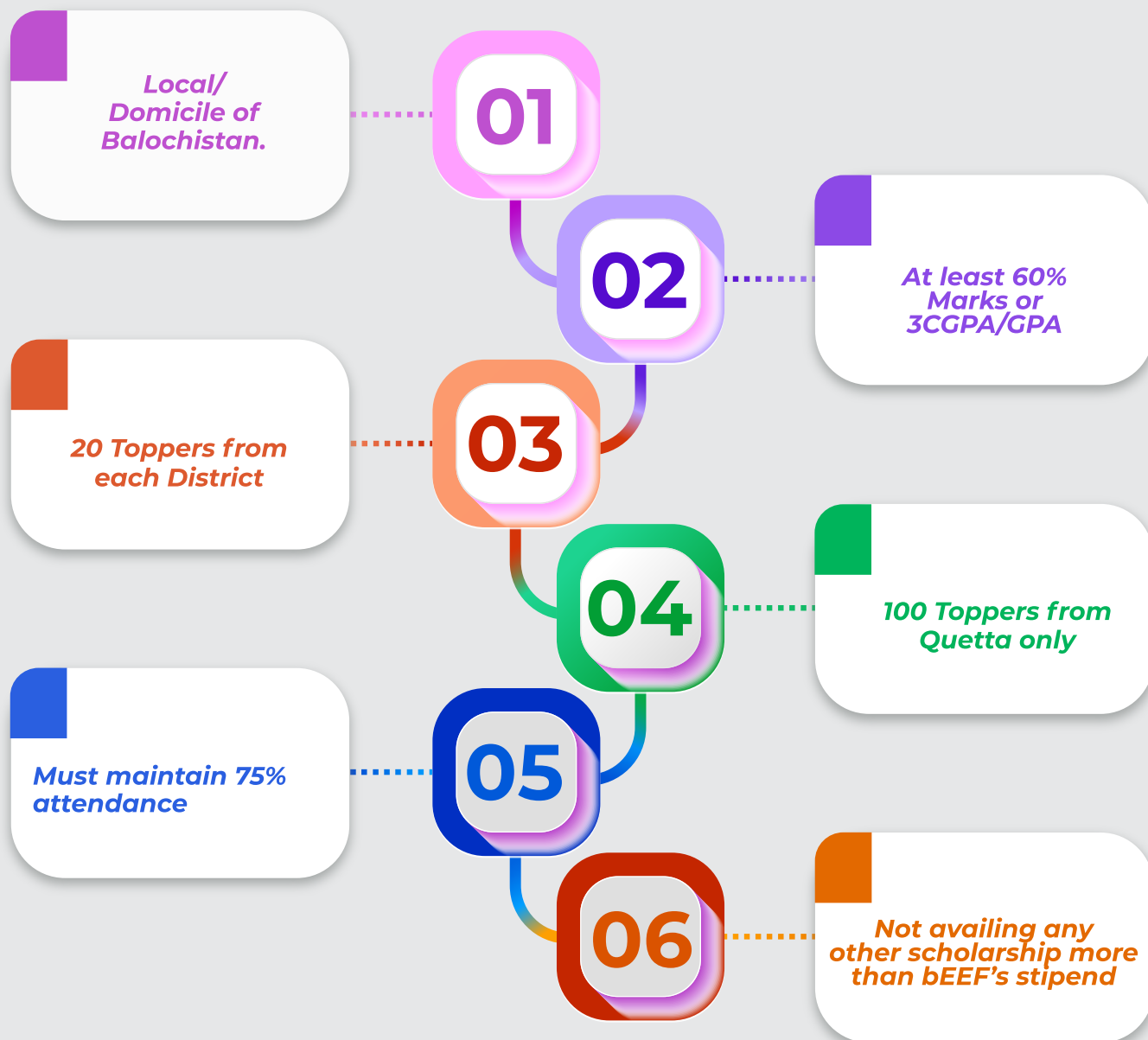
- The eligibility criteria for this category are identical to those of the Open Merit Scholarships (OMS).

Conclusion

BEEF's scholarship schemes aim to create an inclusive and merit-based system to promote educational opportunities for deserving students across Balochistan. These scholarships are designed to help students from all backgrounds, including the most vulnerable and economically disadvantaged, to pursue quality education and contribute to the development of Balochistan and the nation at large.

Allocation & Eligibility Criteria

80% (Outreach) Open Merit Scholarships (OMS)



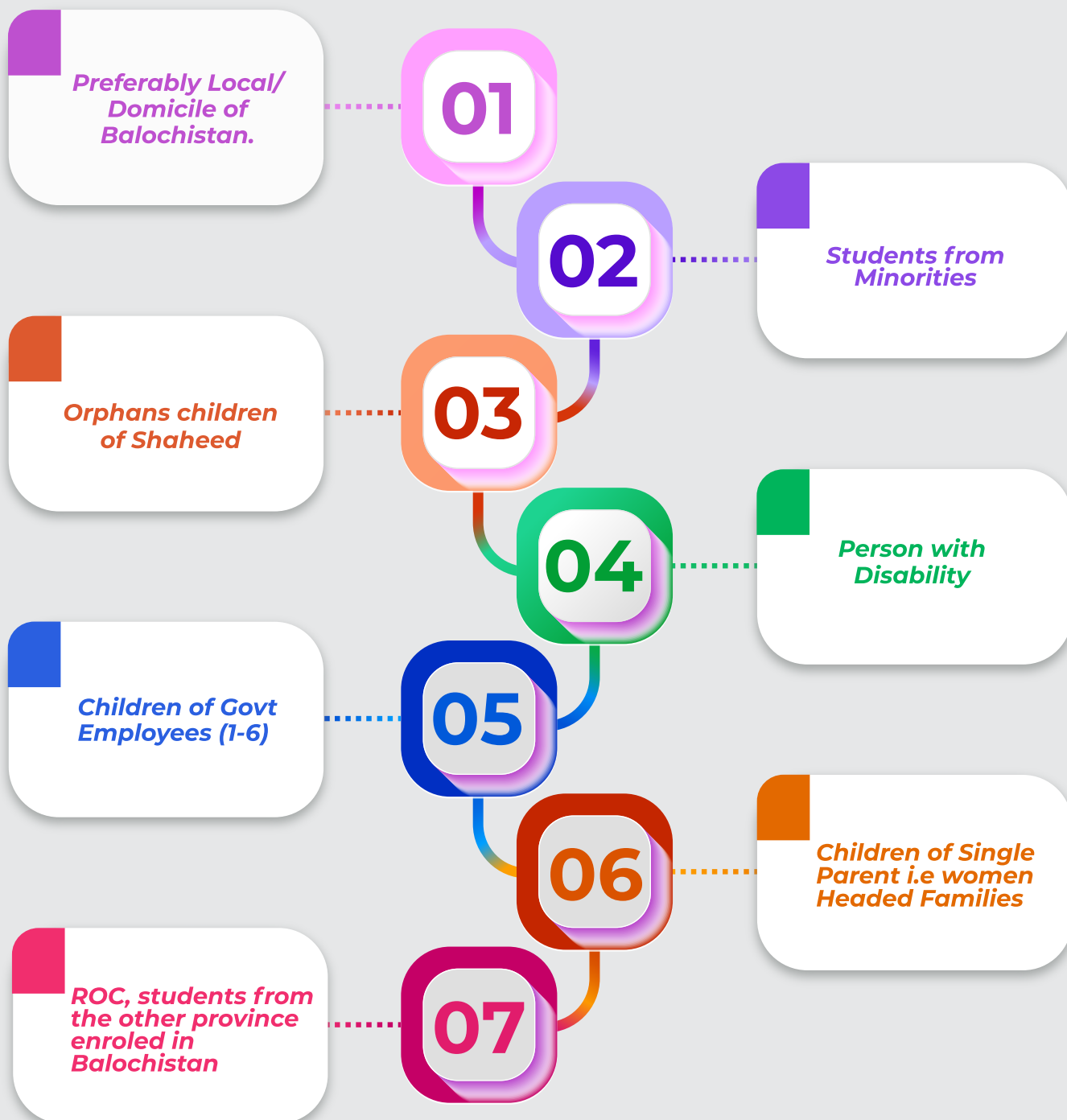
Allocation & Eligibility Criteria

10% Provincial Open Merit Scholarships (POMS)



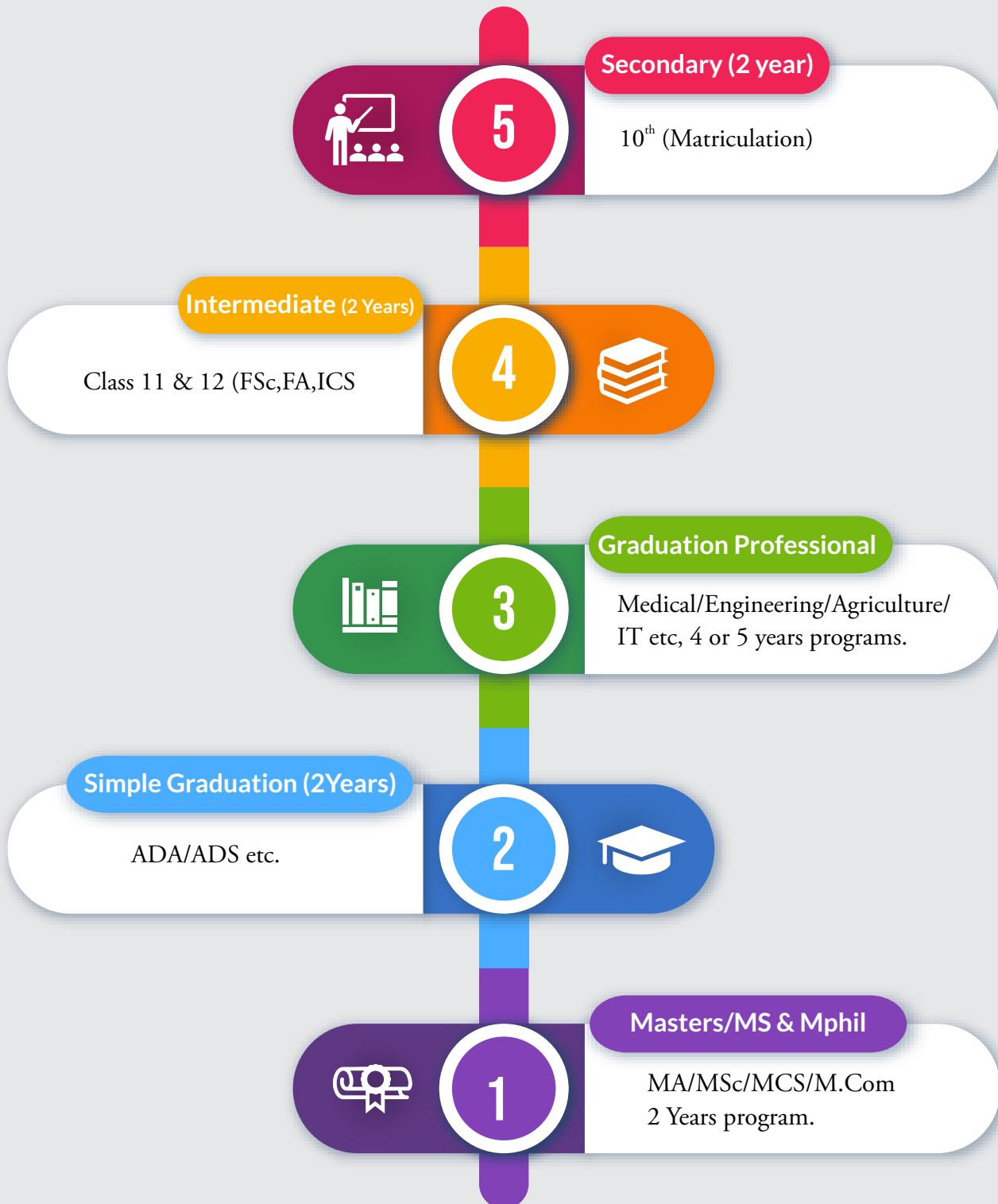
Allocation & Eligibility Criteria

10% Special Quota Scholarship (SQS)



Scholarship Levels

BEEF intends to provide financial support to all students of Balochistan but due to resource constraints currently scholarships provided to six levels of education at both Public & Private recognized institutions.

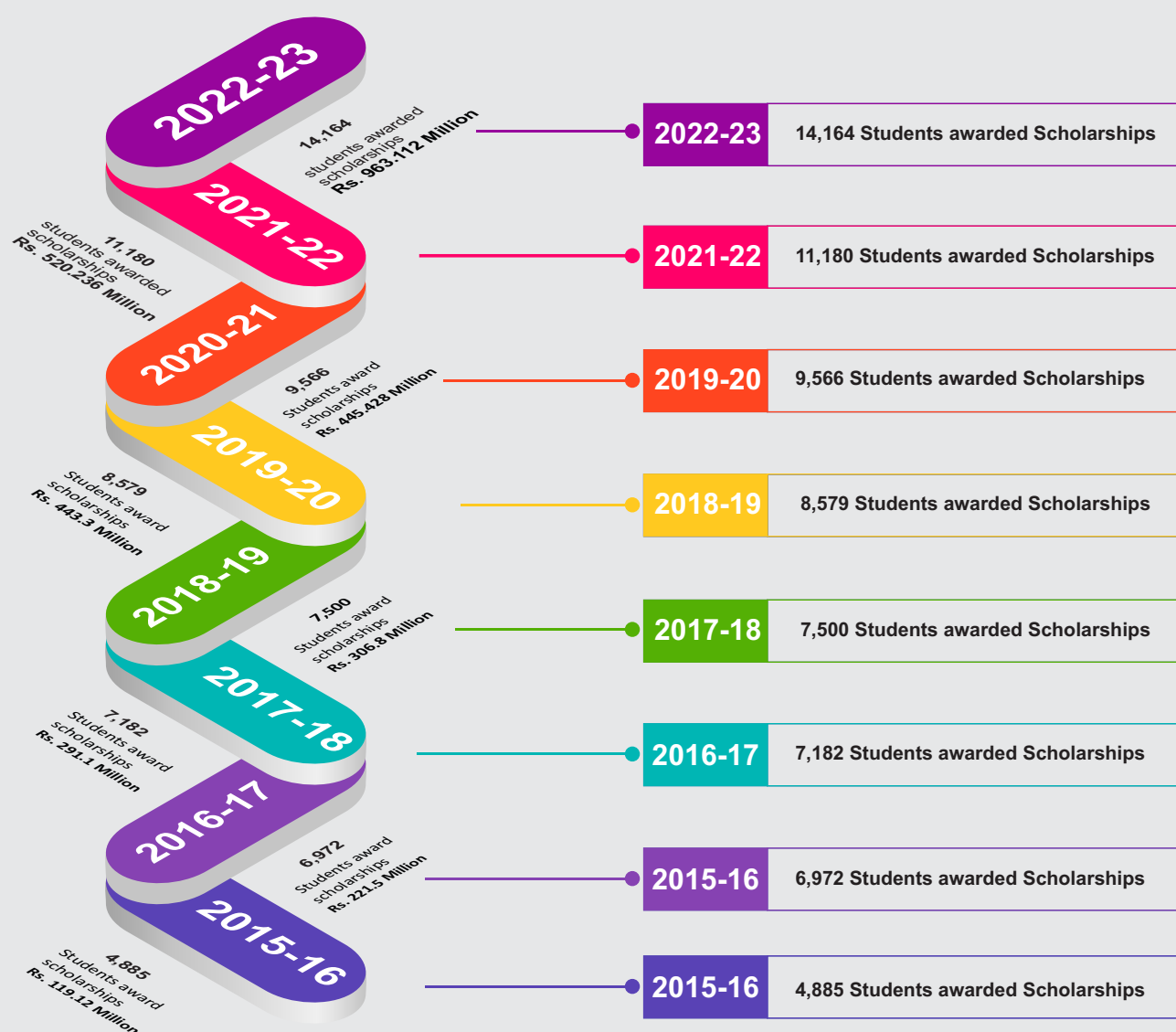


Overall Progress FY: 2015-16 to 2022-23

YEAR	AWARDED SCHOLARSHIPS	FINANCIAL OUTLAY
2015-16	4885	Rs. 119.12 Million
2016-17	6972	Rs. 211.6 Million
2017-18	7182	Rs. 291.1 Million
2018-19	7500	Rs. 306.8 Million
2019-20	8579	Rs. 443.3 Million
2020-21	9566	Rs. 445.428 Million
2021-22	11180	Rs. 520.236 Million
2022-23	14164	Rs. 963.112 Million

Overall Progress FY: 2015-16 to 2022-23

APPX: 70,028 Students awarded Scholarships in the last 8 Years



Funds tuned Rs. 963.112 Million disbursed on merit under partially Funded scholarship policy 2022-23 covering all classes/Levels.

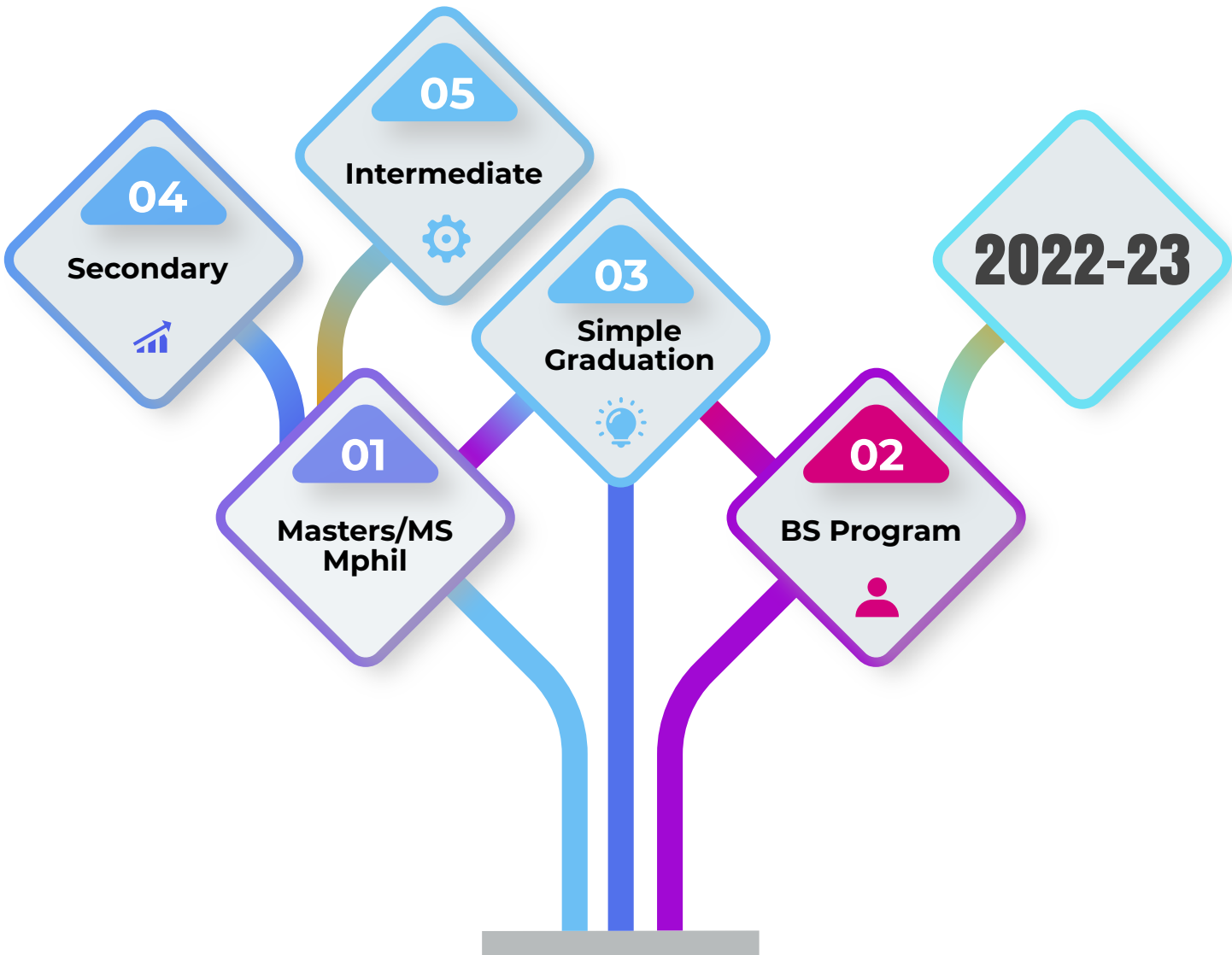
Class Wise Number of Students Awarded



ANNUAL STIPEND



Actual level of Partially Funded scholarships awarded during 2022-23



PEEF Scholarships for Balochistan

(Shifted From Quality Education Program of GoB In 2017-18)

Under PEEF scholarship scheme 460 students of intermediate and BS degree program are awarded scholarship. The funds are allocated by Punjab education endowment Fund (PEEF). Through PEEF Program commenced in 2017-18 after signing of MOU. However facilitation the students started from Batch FY 2016-17 till 2022-23

NUMBER OF SCHOLARSHIPS AWARDED UNDER PEEF SCHOLARSHIP SCHEME

S#	AWARD YEAR	ALLOCATION	AWARDED	FUND UNDER DISBURSMENT	PROGRESS DELIVERY IN %
01	2022-23	460	460	Rs. 18,329,360	100%
02	2021-22	460	428	Rs. 24,860,775	93%
03	2020-21	460	404	Rs. 24,065,630	88%
04	2019-20	460	403	Rs. 23,551,590	88%
05	2018-19	460	426	Rs. 33,937,225	93%
06	2017-18	460	437	Rs. 30,348,120	95%
07	2016-17	460	430	Rs. 11,899,800	93%
TOTAL		3,220	2,988	Rs. 167,892,500	93%

Effective coordination between BEEF and PEEF is being strengthened day by day, as renewal of PEEF policy take Place every year .The contribution toward Balochistan from PEEF is greatly appreciated and acknowledged by BEEF management and BoD.

PEEF scholarship covers full course of each through repayments in installment's every years.

01 Intermediate/DAE (2/3 years program)

240 slot

02 Graduation (2-4/5 years program)

190 slot

03 Masters/MS/MPhil (2 years program)

30 slot

BEEF Complaint Management System

BEEF has developed and placed a robust complaint management system for swift resolution of scholarships related complaints:

1. Complaint Management and Grievance Redressal Cell independently headed by Chief Internal Auditor of BEEF.
2. The complaint received are readily redressed in Pakistan Citizen Portal (PCP) due to active monitoring and handling of complaints by BEEF.



BEEF Certifications

- BEEF has been certified by PCP (Pakistan Centre of Philanthropy) with 90% marks for following standards as required from Non-Profit Organizations.
- BEEF (the only organization from Balochistan) has been included in the 2nd Schedule of Income Tax Ordinance, 2001 since tax year 2022 for permanent exemption of taxes on its income.
- BEEF is gearing towards ISO 9001:2005 certification.
- BEEF is on the way to carry out a third party impact evaluation (TPE) to gauge its impact on the Province.
- Google Workspace has been provided free of cost by the Google®.

Fully Funded Quality Education Program Since 2019-20 up till 2022-2023

The Fully funded scholarship program of BEEF is in fact a virtual intervention towards our main mission of promoting education aiming at the milestone of generating qualified professionals to better service the nation in various walks of Life. The beauty of Program is its intake of students from elementary level of academics enrolled in quality educational institutions of Pakistan. This part of the scheme finances students to pursue quality education with out being hampered by financial hurdles from class 7th/8th till completion of Intermediate thus providing a strong base to embark upon educational pursuit of higher studies with intellectual frame equipped with high traits of inner discipline and firm conceptual base. In second more important Phase the students are provided a cost free access to advance studies at graduation level i.e BS program (4/5 Years) in different high ranking universities outside Balochistan. To ensure quality, BEEF has short-listed a number of high universities of Pakistan as it Center of Excellence (CoE) where the students falling selected on the criteria of Fully funded scholarship program are imparted education free of any cost. The program earmarks high on the scale of excellence owing to its two remarkable features of supporting quality education and that free of cost to achieve the ultimate goal of raising a brilliant squad of professionals to service the nation at a time when need of trained professionals is at its maxima.

Progress Updates:

Overall summary:

Covering full course overall repayments of both study courses including 5/6 years of education starting from 7th/8th till the completion of Intermediate levels and BS/Graduation 4/5 years program of education.

FY	NUMBER OF BENEFICIARIES STUDENTS	AMOUNT DISBURSED	AMOUNT IN MILLION
2022-23	391	Rs. 11,610,171,765	Rs. 116.101 Million
2021-22	303	Rs. 114,125,187	Rs. 114.125 Million
2020-21	183	Rs. 69,550,982	Rs. 69.551 Million
2019-20	98	Rs. 41,544,475	Rs. 41.544 Million
TOTAL	975	Rs. 341,322,809	Rs. 341.322 Million

Progress Updates (FFQEP):

Summary break-up of both study courses

A) Covering full study course repayments for the Education Level (BS 4/5 years program remains funded till the completion of degree course)

FY	NUMBER OF BENEFICIARIES STUDENTS	AMOUNT DISBURSED	AMOUNT IN MILLION
2022-23	378	Rs. 105,949,321	Rs. 105.945 Million
2021-22	296	Rs. 1,105,353,68	Rs. 110.535 Million
2020-21	178	Rs. 67,378,131	Rs. 67.378 Million
2019-20	96	Rs. 40,644,967	Rs. 40.644 Million
TOTAL	948	Rs. 324507787	Rs. 324.507 Million

B) Covering full study course repayments for the Education Level 7/8 grade remains funded till the completion of 12 years of education (5/6 years annual reimbursements / repayments):

FY	NUMBER OF BENEFICIARIES STUDENTS	AMOUNT DISBURSED	AMOUNT IN MILLION
2022-23	13	Rs. 10,152,344	Rs. 10.152 Million
2021-22	07	Rs. 3,590,319	Rs. 3.490 Million
2020-21	05	Rs. 2,172,851	Rs. 2.172 Million
2019-20	02	Rs. 899,508	Rs. 0.899 Million
TOTAL	27	Rs. 16,815,022	16.815 Million

List of centers of Excellence (COE)

A.2) List of 14 Universities & Allied Campuses out of Balochistan (only) are recognized as the CoE for Graduation Level of Education (BS or equivalent Programs)

Centers of Excellence (CoE)	Centers of Excellence (CoE)
Lahore University of Management Sciences Shaheed Zulfiqar Ali Bhutto Institute of Sciences & Technology (SZABIST).	Lahore University of Management Sciences Shaheed Zulfiqar Ali Bhutto Institute of Sciences & Technology (SZABIST).
Forman Christian College University, Lahore	International Islamic University, Islamabad.
Punjab University Lahore.	Bahauddin Zakariya University (BZU) Multan.
Institute of Business Administration Karachi (IBA).	University of Management and Technology (UMT) Lahore
National University - Foundation for Advancement Sciences and Technology (NU-FAST)/NUCES.	Comsats, Islamabad.
National University of Sciences and Technology Pakistan (NUST).	NCA Lahore
Quaid-e-Azam University Islamabad.	IBA Sukkur

B.2) List of 07 Cadet Colleges / Prestigious Schools & Colleges for Secondary & Higher Secondary Level of Education (7th/8th grade till the completion of 12 grade)

Centers of Excellence (CoE)	Centers of Excellence (CoE)
Cadet College Hasan Abdal	Lawrence College Ghora Gali, Murre e
Abbottabad Public School & College	Cadet College Sanghar, Sindh
Cadet College Petaro, Sindh	

Lawyers Endowment Fund (Since 2018-19 up till 2022-23)

As a result of the tragic incident of 8th August, 2016 have taken away many human lives including 56 Lawyers of Balochistan, the Government of Balochistan took serious step and established a fund by allocating Rs. 500 million equally distributed to cover the following two components Rs.250 million for each.

Component-1: Further education (up till 16 years) to the Children of Martyred Lawyers (CoML) can get fully funded quality education from the best Institutes in all over the country.

Component-2: Skills Development & Higher Studies (LLM/Bar at Law / PhD) for Lawyers of Balochistan from UK or In-land.

e Progress updates of above two components are as follows:

1) Financial Support for further education (up till 16 years of education) of the Children of Martyred Lawyers (CoML):

FY	Number of Institute	Number of Students	Martyred Lawyers' Families	of Amount disbursed in Million (Rs.)
2022-23	102	145	38	Rs. 169.352 Million
2021-22	59	120	36	Rs. 140.418 Million
2020-21	25	80	20	Rs. 5.096 Million
2019-20	44	108	29	Rs. 7.462 Million
2018-19	12	90	26	Rs. 4.690 Million
Total				Rs. 327.018 Million

Note: Prior to handing over program to BEEF in 2019, the program was being managed by Colleges, Higher and Technical Education Deptt, GoB..

1) Higher Studies of LLM/Bar at Law / PhD from UK and Inland

FY	Session	LLM	Bar at Law	PhD	Amount Number of Disbursed Lawyers	PKR (Million)
2022-23	Spring 22	1	0	0	01	Rs. 9.725 Million
2021-22	Fall2020	10	0	0	10	Rs. 45.107 Million
2019-20	Fall 2019	8	1	0	9	Rs. 51.895 Million
Total		18	1	0	19	Rs. 106.727 Million

Resources, Funding & Finance of BEEF



Government of Balochistan initiated BEEF with an Endowment Fund of Rs. 5 Billion which is controlled and invested by Finance Department, Government of Balochistan. The said fund has been raised to Rs. 12 Billion as of 2022-23. Balochistan Education Endowment Fund (BEEF) meets all its operational and administrative expenditures through Investment proceeds of Endowment Fund. The Admin Cost to total receipts for FY 2022-23 is 8% percent and program cost to total expenses is 88% (12% administrative expenses).

YEAR	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
INCOME FROM ENDOWMENT FUND	RS. 346 MILLION (FROM RS. 5 BILLION)	RS. 347 MILLION (FROM RS. 6 BILLION)	RS. 473 MILLION (FROM RS. 8 BILLION)	RS. 547 MILLION (FROM RS. 8 BILLION)
INCOME GENERATED FROM RE-IN VESTMENTS	RS. 11 MILLION	RS. 20 MILLION	RS. 41 MILLION	RS. 81.7 MILLION
PROGRAM COST	RS. 131 MILLION	RS. 406 MILLION	RS. 29.7 MILLION	RS. 420 MILLION
ADMINISTRATIVE OPERATIONAL EXPENSE	RS. 17 MILLION	RS. 27 MILLION	RS. 45 MILLION	RS. 13 MILLION
FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	
RS. 930 MILLION (FROM RS. 8 BILLION)	RS. 930 MILLION (FROM RS. 8 BILLION)	RS. 930 MILLION (FROM RS. 8 BILLION)	RS. 1088 MILLION (FROM RS. 8 BILLION)	
RS. 138 MILLION	RS. 240 MILLION	RS. 347 MILLION	RS. 366 MILLION	
RS. 442 MILLION	RS. 693 MILLION	RS. 528 MILLION	RS. 1141 MILLION	
RS. 55 MILLION	RS. 84 MILLION	RS. 107 MILLION	RS. 152 MILLION	

Balochistan Education Endowment Fund (BEEF) plans to disburse approximately Rs. 963.112 Million during Financial Year 2022-23 to 14,164 talented and meritorious students from 9th Class till Masters / MPhil specifically belonging to

Balochistan province. As per requirements of Security Exchange Commission of Pakistan (SECP) Audited Financial Statements are attached with Annual report and available on BEEF's website as well.

General Policy on the Award of Scholarships

The Balochistan Education Endowment Fund (BEEF) ensures a fair and transparent process for awarding scholarships across all educational levels and categories. The guiding principle is to maintain gender-free merit at the provincial, district, and institutional levels. Below are the policies governing the award of scholarships:

1. Scholarship Allocation and Rounding:

- If the allocated number of scholarships for a district or educational stream results in fractions (e.g., 3.2, 2.8, 4.5, etc.), the number will be rounded up to the next higher digit from 0.5 onwards. For example, 2.5 scholarships will be rounded to 3 scholarships.

2. Scholarship Adjustments:

- All scholarship adjustments will be made accordingly, ensuring fair distribution in accordance with the scholarship policy.

3. Eligibility for Meritorious Students:

- Meritorious students who achieve the same marks will be eligible for the award of BEEF scholarships, provided they meet all eligibility criteria.

4. One Scholarship per Academic Year:

- A student can avail only one scholarship in an academic year. If a selected student opts to receive a BEEF scholarship, they must surrender any other scholarship that exceeds the annual stipend amount provided by BEEF.

5. Special Quota Scholarships (SQS):

- Special Quota Scholarships will be awarded based on merit at the provincial level for each level of education.

6. Outreach Scholarship and SQS Eligibility:

- If a shortlisted student for the Outreach Scholarship is also eligible for SQS, they will be considered eligible for both scholarships. The Outreach Scholarship will take priority, and SQS will be awarded thereafter.

7. Documentation for Orphans of Shaheed:

- For Orphans of Shaheed, a Notification/Certificate issued by the Government of Balochistan Home & Tribal Affairs Department will be required to validate eligibility.

8. Definition of Grade 1-6:

- Employees of the Government of Balochistan in Grade 1-6 are eligible for certain scholarships under specific criteria.

9. Income Proof for Children of Government Employees (Grade 1-6):

- For children of Government employees (serving or retired) in Grade 1-6, if salary/pension is their only source of income, a copy of the last pay slip or salary/pension statement will be required.

10. Technical Education Quota Scholarships:

- Top five students among the applicants at the District level will be considered eligible for Technical Education Quota Scholarships.

11. Scholarship Duration:

- The duration of the scholarship will be one year based on the degree/course until the final examinations are conducted. Continued eligibility for the scholarship requires the scholar to maintain:
 - Top position at the provincial, district, or institutional level in their respective degree or class/course.
 - Consistently meet academic performance standards set by the educational institution and comply with both institutional and BEEF rules.

12. Release of Scholarship Stipend:

- As per BEEF's policy, the scholarship stipend will be released once the institution provides a satisfactory performance report regarding the student's academics, attendance, and general conduct.

13. Eligibility for Passed Students:

- Only students who pass the annual examination will be eligible for BEEF scholarships. Students passing the 1st semester (if applicable, such as in MSc, M.Phil, ADE, etc.) may also be considered for eligibility.

14. Ineligible Students:

- Failure on the 2nd or 3rd attempt, students who improve marks, repeaters, and students with grace marks or star (*) on their result cards are not eligible for any level or category of BEEF scholarships.

Key Points to Remember:

- Merit-based Selection: Scholarships are awarded based on merit, ensuring equal opportunity for all students in Balochistan.
- Gender-neutral: All categories are designed to uphold a gender-free merit policy.
- One Scholarship Policy: A student can only receive one scholarship per academic year from BEEF.

This General Policy on Award of Scholarships ensures that the process is transparent, efficient, and fair to all students, supporting BEEF's mission to enhance educational opportunities across Balochistan.



Disbursement of Scholarship Amount

The scholarship stipend is disbursed on Annual/Bi-Annual OR Quarterly basis through safe, efficient and transparent Smart E-banking methods i.e. (SMS, Pin-Mailers, E-Disbursement Cards/ATM and Demand Drafts).

After fulfilling all the selection criteria mentioned in details previously in the General Policy on Award of Scholarships, a typescript is sent through Short Message Service (SMS) on the cell numbers provided by the scholars in the Scholarship Application Form. The scholars thereafter are given their Demand Drafts (DDs) in the BEEF office in a or held in their respective institutions.

Parent(s)/Guardian duly nominated by the scholars in the Scholarship Application Form and verified by the head of the institutions are also entitled to receive the stipend on behalf of minor scholars.



BEEF SCHOLARSHIPS AWARDING CEREMONIES



BEEF SCHOLARSHIPS AWARDING CEREMONIES



Monitoring, Internal Controls, & Transparency



Monitoring and Evaluation Mechanism

BEEF has a dedicated **Monitoring and Evaluation (M&E) Section**, tasked with continuously overseeing and assessing the scholarship process. This is conducted in alignment with the guidelines issued by the Scholarship Management Committee (SMC) to ensure the selection of scholars adheres to the eligibility criteria established for each category.

In addition to desk reviews, the M&E team undertakes **field monitoring and impact assessments** in accordance with the approved **Annual Work Plan**.

Internal Audit System

BEEF operates an **independent and fully functional Internal Audit Department**.

- The **Head of Internal Audit** reports administratively to the **CEO of BEEF** and functionally to the **Board of Directors' (BoD) Audit Committee**.
- This department ensures compliance with applicable policies and procedures across various programs and operational activities.
- Progress reports are presented quarterly to the **Audit Committee**, highlighting key observations and issues for resolution.

External Audit Reviews

As a company registered under **Section 42 of the Companies Ordinance, 1984**, BEEF's Board of Directors has appointed **M/s Aslam Malik & Co., Chartered Accountants**, as external auditors.

- The firm conducts an **annual audit** of BEEF and presents the **Audited Financial Statements** at the Annual General Meeting (AGM).
- The AGM provides a platform to discuss significant issues identified during the audit process, ensuring financial transparency and accountability.

DIRECTOR
REPORT
2022-23



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Rahman**
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Lahore, Pakistan.

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INDEPENDENT AUDITOR'S REPORT

To the members of Balochistan Education Endowment Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Balochistan Education Endowment Fund** ("the Company") which comprise the statement of financial position as at **June 30, 2022**, and statement of income and expenditure and other comprehensive income, the statement of changes in fund balance, 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, statement of income and expenditure and 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, 2022** 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.

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

Management is responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements and our auditor's report thereon.

GR

Chartered Accountants

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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

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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, statement of income and expenditure and other comprehensive income, 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 Ushr Ordinance, 1980 (XVIII of 1980).

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


CHARTERED ACCOUNTANTS
Lahore

Dated: November 04, 2022

UDIN: AR202210212WcCfAB0xk

AUDIT
REPORT
2022-23



**Grant Thornton Anjum
Rahman**

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Lahore, Pakistan.

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**Review Report to the Members
On Statement of Compliance with the Public Sector Companies (Corporate Governance)
Rules, 2013**

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Public Sector Companies (Corporate Governance) Rules, 2013 (the Rules) prepared by the Board of Directors of Balochistan Education Endowment Fund (the Company) for the year ended June 30, 2023.

The responsibility for compliance with the Rules is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Rules and report if it does not and to highlight any non-compliance with the requirements of the Rules. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Rules.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Rules requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

GR

Chartered Accountants

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Based on our review, nothing has come to our attention which causes us to believe that the 'Statement of Compliance' does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Rules as applicable to the Company for the year ended June 30, 2023.

Grant Thornton Imran Afzal
Chartered Accountants
Engagement Partner: Imran Afzal
Lahore

Dated: October 26, 2023
UDIN: CR2023102128DQyhzN09



Government of Balochistan

FINANCE DEPARTMENT

Balochistan Education Endowment Fund

(A Public Sector Company Setup u/s 42 of Companies Act, 2017)

House: 116/40-A, 5th Street, Near Main Jamia Mosque, Jinnah Town, Quetta

Telephone: 081-2870014

Web: www.beef.org.pk Email: ceo.beef@balochistan.gov.pk**Statement of Compliance with the****Public Sector Companies (Corporate Governance) Rules, 2013**Name of company Balochistan Education Endowment FundName of the line ministry Finance Department, Government of BalochistanFor the year ended 30th June, 2023

i. This statement presents the overview of the compliance with the Public Sector Companies (Corporate Governance) Rules, 2013 (hereinafter called "the Rules") issued for the purpose of establishing a framework of good governance, whereby a public sector company is managed in compliance with the best practices of public sector governance.

ii. The company has complied with the provisions of the Rules in the following manner:

S. No.	Provision of the Rules	Rule no.	Y	N														
			Tick the relevant box															
1.	The independent directors meet the criteria of independence, as defined under the Rules.	2(d)	✓															
2.	The Board has at least one-third of its total members as independent directors. At present the Board includes:	3(2)	✓															
	<table border="1"> <thead> <tr> <th>Category</th> <th>Names</th> <th>Date of Appointment</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Independent Directors</td> <td>i. Mr. Mahfooz All Khan</td> <td>26-02-2018</td> </tr> <tr> <td>ii. Mrs. Roshan Bharucha</td> <td>03-04-2019</td> </tr> <tr> <td>iii. Mr. Ruhail Baloch</td> <td>04-04-2019</td> </tr> <tr> <td>iv. Mr. AbduSalam Khan</td> <td>22-06-2019</td> </tr> <tr> <td>Executive Directors</td> <td>NIL</td> <td>NIL</td> </tr> </tbody> </table>	Category	Names	Date of Appointment	Independent Directors	i. Mr. Mahfooz All Khan	26-02-2018	ii. Mrs. Roshan Bharucha	03-04-2019	iii. Mr. Ruhail Baloch	04-04-2019	iv. Mr. AbduSalam Khan	22-06-2019	Executive Directors	NIL	NIL		
Category	Names	Date of Appointment																
Independent Directors	i. Mr. Mahfooz All Khan	26-02-2018																
	ii. Mrs. Roshan Bharucha	03-04-2019																
	iii. Mr. Ruhail Baloch	04-04-2019																
	iv. Mr. AbduSalam Khan	22-06-2019																
Executive Directors	NIL	NIL																

	Non-Executive Directors	I. Zahid Saleem (Secretary, GoB, Finance Department) II. Lal Jan Jaffar (Secretary, GoB, Colleges Department) III. Abdul Rauf (Secretary, GoB, Secondary Education Department)	21-06-2023 26-06-2023 05-10-2021			
3	The directors have confirmed that none of them is serving as a director on more than five public sector companies and listed companies simultaneously, except their subsidiaries.		3(5)	✓		
4.	The appointing authorities have applied the fit and proper criteria given in the Annexure to the Rules in making nominations of the persons for election as Board members under the provisions of the Act.		3(7)	✓		
5.	The chairman of the Board is working separately from the chief executive of the Company.		4(1)	✓		
6.	The chairman has been elected by the Board of directors except where Chairman of the Board has been appointed by the Government		4(4)	✓		
7.	The Board has evaluated the candidates for the position of the chief executive on the basis of the fit and proper criteria as well as the guidelines specified by the Commission. (Not applicable where the chief executive has been nominated by the Government)		5(2)	✓		
8.	(a) The company has prepared a "Code of Conduct" to ensure that professional standards and corporate values are in place. (b) The Board has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures, including posting the same on the company's website. (Address of website to be indicated www.beef.org.pk) (c) The Board has set in place adequate systems and controls for the identification and redressal of grievances arising from unethical practices.		5(4)	✓ ✓ ✓		

9.	The Board has established a system of sound internal control, to ensure compliance with the fundamental principles of probity and propriety; objectivity, integrity and honesty; and relationship with the stakeholders, in the manner prescribed in the Rules.	5(5)	✓	
10.	The Board has developed and enforced an appropriate conflict of interest policy to lay down circumstances or considerations when a person may be deemed to have actual or potential conflict of interests, and the procedure for disclosing such interest.	5(5)(b) (ii)	✓	
11.	The Board has developed and implemented a policy on anti-corruption to minimize actual or perceived corruption in the company.	5(5)(b) (vi)	✓	
12.	The Board has ensured equality of opportunity by establishing open and fair procedures for making appointments and for determining terms and conditions of service.	5(5)(c) (ii)	✓	
13.	The Board has ensured compliance with the law as well as the company's internal rules and procedures relating to public procurement, tender regulations, and purchasing and technical standards, when dealing with suppliers of goods and services.	5(5)(c) (iii)	✓	
14.	The Board has developed a vision or mission statement and corporate strategy of the company.	5(6)	✓	
15.	The Board has developed significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended, has been maintained.	5(7)	✓	
16.	The Board has quantified the outlay of any action in respect of any service delivered or goods sold by the Company as a public service obligation, and has submitted its request for appropriate compensation to the Government for consideration.	5(8)	N/A	
17.	The Board has ensured compliance with policy directions requirements received from the Government.	5(11)	✓	
18.	(a) The Board has met at least four times during the year.	6(1)	✓	
	(b) Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings.	6(2)	✓	
	(c) The minutes of the meetings were appropriately recorded and circulated.	6(3)	✓	


19.	The Board has monitored and assessed the performance of senior management on annual/ half-yearly/quarterly basis* and held them accountable for accomplishing objectives, goals and key performance indicators set for this purpose. * Strike out whichever is not applicable	8 (2)	✓							
20.	The Board has reviewed and approved the related party transactions placed before it after recommendations of the audit committee. A party wise record of transactions entered into with the related parties during the year has been maintained.	9	✓							
21.	(a) The Board has approved the profit and loss account for, and balance sheet as at the end of, the first, second and third quarter of the year as well as the financial year end. (b) In case of listed PSCs, the Board has prepared half yearly accounts and undertaken limited scope review by the auditors. (c) The Board has placed the annual financial statements on the company's website.	10	✓ N/A ✓							
22.	All the Board members underwent an orientation course arranged by the company to apprise them of the material developments and information as specified in the Rules.	11	✓							
23.	(a) The Board has formed the requisite committees, as specified in the Rules. (b) The committees were provided with written term of reference defining their duties, authority and composition. (c) The minutes of the meetings of the committees were circulated to all the Board members.	12	✓ ✓ ✓							
<table border="1"> <thead> <tr> <th>Committee</th> <th>Number of members</th> <th>Name of Chair</th> </tr> </thead> <tbody> <tr> <td>Audit Committee</td> <td>3</td> <td>Mr. Mahfooz Ali Khan (Ex-Secretary Finance Balochistan)</td> </tr> </tbody> </table>		Committee	Number of members	Name of Chair	Audit Committee	3	Mr. Mahfooz Ali Khan (Ex-Secretary Finance Balochistan)			
Committee	Number of members	Name of Chair								
Audit Committee	3	Mr. Mahfooz Ali Khan (Ex-Secretary Finance Balochistan)								

	Risk Management Committee		Mr. Mahfooz Ali Khan (Ex-Secretary Finance Balochistan)		✓	
	Human Resources Committee	3	Mrs. Roshan Khushsheed Bharucha (Independent Director)			
	Procurement Committee	3	Mrs. Roshan Khushsheed Bharucha (Independent Director)			
	Nomination Committee	NIL	NIL			✓
24.	The Board has approved appointment of Chief Financial Officer, Company Secretary and Chief Internal Auditor, by whatever name called, with their remuneration and terms and conditions of employment.			13	✓	
25.	The Chief Financial Officer and the Company Secretary have requisite qualification prescribed in the Rules.			14	✓	
26.	The company has adopted International Financial Reporting Standards notified by the Commission in terms of sub-section (1) of section 225 of the Act.			16	✓	
27.	The directors' report for this year has been prepared in compliance with the requirements of the Act and the Rules and fully describes the salient matters required to be disclosed.			17	✓	
28.	The directors, CEO and executives, or their relatives, are not, directly or indirectly, concerned or interested in any contract or arrangement entered into by or on behalf of the company except those disclosed to the company.			18	✓	
29.	(a) A formal and transparent procedure for fixing the remuneration packages of individual directors has been set in place and no director is involved in deciding his own remuneration. (b) The annual report of the company contains criteria and details of remuneration of each director.			19	✓	
30.	The financial statements of the company were duly endorsed by the chief executive and chief financial officer before consideration and approval of the audit committee and the Board.			20	✓	

31.	<p>The Board has formed an audit committee, with defined and written terms of reference, and having the following members:</p> <table border="1" data-bbox="383 448 1085 884"> <thead> <tr> <th data-bbox="383 448 614 526">Name of Member</th> <th data-bbox="614 448 845 526">Category</th> <th data-bbox="845 448 1085 526">Professional Background</th> </tr> </thead> <tbody> <tr> <td data-bbox="383 526 614 660">Mr. Mahfooz Ali Khan (Chairman)</td> <td data-bbox="614 526 845 660">Independent Director</td> <td data-bbox="845 526 1085 660">Retired Secretary Finance, GoB. Pakistan Audit and Accounts Group</td> </tr> <tr> <td data-bbox="383 660 614 772">Mr. Kamal Hassan Siddiqui</td> <td data-bbox="614 660 845 772">NIL</td> <td data-bbox="845 660 1085 772">Accounting, Auditing, and Corporate Consultancy</td> </tr> <tr> <td data-bbox="383 772 614 884">Mr. Dawran Baseer</td> <td data-bbox="614 772 845 884">NIL</td> <td data-bbox="845 772 1085 884">Finance and Audit Professional. CA Finalist</td> </tr> </tbody> </table>	Name of Member	Category	Professional Background	Mr. Mahfooz Ali Khan (Chairman)	Independent Director	Retired Secretary Finance, GoB. Pakistan Audit and Accounts Group	Mr. Kamal Hassan Siddiqui	NIL	Accounting, Auditing, and Corporate Consultancy	Mr. Dawran Baseer	NIL	Finance and Audit Professional. CA Finalist	21 (1) and 21(2)	✓	
Name of Member	Category	Professional Background														
Mr. Mahfooz Ali Khan (Chairman)	Independent Director	Retired Secretary Finance, GoB. Pakistan Audit and Accounts Group														
Mr. Kamal Hassan Siddiqui	NIL	Accounting, Auditing, and Corporate Consultancy														
Mr. Dawran Baseer	NIL	Finance and Audit Professional. CA Finalist														
32.	<p>(a) The chief financial officer, the chief internal auditor, and representative of the external auditors attended all meetings of the audit committee at which issues relating to accounts and audit were discussed.</p> <p>(b) The audit committee met the external auditors, at least once a year, without the presence of the chief financial officer, the chief internal auditor and other executives.</p> <p>(c) The audit committee met the chief internal auditor and other members of the internal audit function, at least once a year, without the presence of chief financial officer and the external auditors.</p>	21(3)	✓ ✓ ✓													
33.	<p>(a) The Board has set up an effective internal audit function, which has an audit charter, duly approved by the audit committee.</p> <p>(b) The chief internal auditor has requisite qualification and experience prescribed in the Rules.</p> <p>(c) The internal audit reports have been provided to the external auditors for their review.</p>	22	✓ ✓ ✓													
34.	<p>The external auditors of the company have confirmed that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as applicable in Pakistan.</p>	23(4)	✓													

is handled
proceeds from the
in its

35.	The auditors have confirmed that they have observed applicable guidelines issued by IFAC with regard to provision of non-audit services.	23(5)	✓
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Syed Zulfiqar Ali Hashmi
Chief Executive Officer



INDEPENDENT DIRECTOR

BALUCHISTAN EDUCATION ENDOWMENT FUND
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

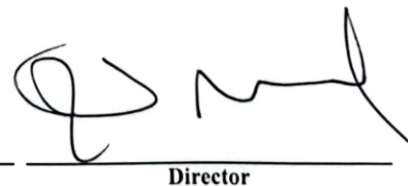
	Notes	2023	2022
		Rupees	
<u>NON CURRENT ASSETS</u>			
Property and equipment	5	31,532,537	11,951,198
Right of use assets	6	17,501,492	-
		49,034,029	11,951,198
<u>CURRENT ASSETS</u>			
Advances, prepayments and other receivables	7	307,402,284	992,145,127
Short term investments	8	5,127,713,164	4,510,024,046
Advance income tax		57,992,191	47,290,815
Cash and bank balances	9	1,202,192,919	209,263,318
		6,695,300,558	5,758,723,306
		6,744,334,587	5,770,674,504
<u>NON CURRENT LIABILITIES</u>			
Lease liability	10	12,472,406	-
<u>CURRENT LIABILITIES</u>			
Scholarship and other payables	11	1,025,741,426	683,523,895
Deferred liabilities	12	30,967,968	27,042,415
Current portion of lease liability	10	2,974,634	-
		1,072,156,434	710,566,310
		5,672,178,153	5,060,108,194
<u>REPRESENTED BY :</u>			
Endowment Fund - BEEF		2,993,904,092	2,688,518,124
Endowment Fund - Others	13	2,678,274,061	2,371,590,070
		5,672,178,153	5,060,108,194
<u>CONTINGENCIES AND COMMITMENTS</u>			
	14		

The annexed notes from 1 to 26 form an integral part of these financial statements.

4/11/23


 Chief Executive Officer


 Chief Financial Officer


 Director

**BALUCHISTAN EDUCATION ENDOWMENT FUND
STATEMENT OF INCOME AND EXPENDITURE & OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

	Restricted Fund						2023 (Total)	2022 (Total)
	Higher Study of Lawyers (HSLL)	Children of Martyred Lawyers (CML)	Chief Minister's Educational Award (CMEA)	Balochistan Endowment Fund (BEF)	Balochistan Education Endowment Fund (BEEF)			
Income								
Interest income on investments	80,914,439	34,076,233	147,499,791	50,028,753	1,454,999,535	1,767,518,751	1,277,521,090	
Profit on bank accounts	13,358,815	10,322,134	6,492,365	6,159,157	145,547,934	181,880,405	27,634,652	
Other income	-	-	-	-	7,080	7,080	3,497,788	
	94,273,254	44,398,367	153,992,156	56,187,910	1,600,554,549	1,949,406,236	1,308,653,530	
Expenditure								
Program cost	19,031,097	19,958,272	-	3,178,328	1,141,992,456	1,184,160,153	540,365,691	
Administrative expenses	-	-	-	-	152,896,688	152,896,688	107,405,236	
Finance cost on lease	-	-	-	-	1,618,776	1,618,776	-	
Other expenses	-	-	-	-	106,887	106,887	197,826	
	19,031,097	19,958,272	-	3,178,328	1,296,614,807	1,338,782,504	647,968,753	
Excess of income over expenditure	75,242,157	24,440,095	153,992,156	53,009,582	303,939,742	610,623,732	660,684,777	
Other comprehensive income								
Re-measurement of obligation of employees retirement benefits	-	-	-	-	1,446,226	1,446,226	(2,131,599)	
Surplus for the year	75,242,157	24,440,095	153,992,156	53,009,582	305,385,968	612,069,958	658,553,178	

The annexed notes from 1 to 26 form an integral part of these financial statements.

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Chief Executive Officer


Chief Financial Officer


Director

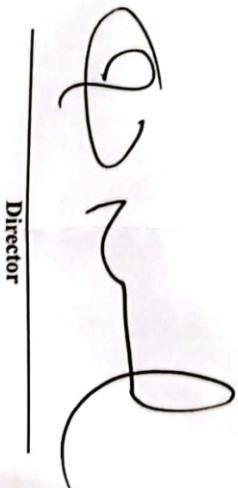
**BALUCHISTAN EDUCATION ENDOWMENT FUND
STATEMENT OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023**

Particulars	Restricted Funds					Total
	Higher Study of Lawyers	Children of Martyred Lawyers	Chief Minister's Educational Award	Balochistan Endowment Fund	Balochistan Education Endowment Fund	
Fund Balance as at July 01, 2021	322,679,464	274,706,874	985,993,623	341,621,462	2,176,553,593	4,101,555,016
Funds received during the year	300,000,000	-	-	-	-	300,000,000
Inter Fund Transfer during the year	-	-	-	-	-	-
Surplus for the year	35,256,236	11,215,030	79,877,920	20,239,462	511,964,531	658,553,179
Fund Balance as at June 30, 2022	<u>657,935,700</u>	<u>285,921,904</u>	<u>1,065,871,543</u>	<u>361,860,924</u>	<u>2,688,518,124</u>	<u>5,060,108,195</u>
Inter Funds transfers during the year	(35,000,000)	35,000,000	-	-	-	-
Surplus for the year	75,242,157	24,440,095	153,992,156	53,009,582	305,385,968	612,069,958
Fund Balance as at June 30, 2023	<u>698,177,857</u>	<u>345,361,999</u>	<u>1,219,863,699</u>	<u>414,870,506</u>	<u>2,993,904,092</u>	<u>5,672,178,153</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

BALUCHISTAN EDUCATION ENDOWMENT FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023


	Notes	Rupees	
		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		612,069,958	658,553,178
<i>Adjustments for:</i>			
Depreciation on property and equipment	5 & 6	9,510,717	3,837,795
Employee post retirement benefits		3,925,553	21,467,126
Finance cost on lease liability		1,618,776	-
(Gain)/loss on disposal of fixed assets		106,887	(2,879,962)
		15,161,933	22,424,959
Surplus before working capital changes		627,231,891	680,978,137
<i>(Increase) / Decrease in current assets</i>			
Advances, other receivables and prepayments		684,742,843	(7,261,380)
		684,742,843	(7,261,380)
<i>(Decrease) / Increase in current liabilities</i>			
Scholarship and other payables		342,217,531	(68,055,297)
		342,217,531	(68,055,297)
Cash generated from operations		1,654,192,265	605,661,460
Income tax paid		(10,701,376)	(169,430)
Net cash from operating activities		1,643,490,889	605,492,030
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment during the year	5	(26,987,425)	(9,954,480)
Decrease in short term investment		802,310,882	(397,599,190)
Sale of property and equipment during the year		100,000	5,006,238
Net cash from/used in investing activities		775,423,457	(402,547,432)
CASH FLOWS FROM FINANCING ACTIVITIES			
Funds received during the year		-	300,000,000
Repayment of lease liability		(5,984,746)	-
Net cash from financing activities		(5,984,746)	300,000,000
Net increase/(decrease) in cash and cash equivalents		2,412,929,600	502,944,598
Cash and cash equivalents at the beginning of the year		1,369,263,318	866,318,720
Cash and cash equivalents at the end of the year	23	3,782,192,919	1,369,263,318

The annexed notes from 1 to 26 form an integral part of these financial statements.

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Chief Executive Officer


Chief Financial Officer


Director

**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

1 STATUS AND NATURE OF THE COMPANY

- 1.1 Balochistan Education Endowment Fund (the Company) is a Non-Profit Organization, incorporated in Pakistan on 18 April, 2014 as a Guarantee Limited Company under section 42 of the Companies Ordinance, 1984 (Repealed with enactment of Companies Act, 2017). The registered office of the Company is situated at Jinnah Town, Quetta. The Company has been established with an initial seed money of Rs. 5 billion by Government of Balochistan, which was enhanced to Rs. 6 billion, Rs. 8 billion and Rs. 9 billion during financial Year 2016-2017, 2017-2018, and 2021-2022 respectively.
- 1.2 The main objective of the Company is to provide equitable opportunities of education to under privileged as well as brightest boys and girls from Balochistan to bring them at par with the more fortunate ones and to create a critical mass of talented youth for the development of society.
- 1.3 Government of Balochistan has also handed over following projects to the Company so far:
- i. Management of Endowment Fund for the purpose of Higher Studies of lawyers in the wake of 8th August, 2016 incident;
 - ii. Management of Endowment Fund for the purpose of Children of Martyred lawyers in the wake of 8th August, 2016 incident;
 - iii. Chief Minister Educational Awards for Best Schools, Best Teachers, Best Students etc.; and
 - iv. Balochistan Endowment Fund (BEF) for awarding scholarships/stipend to students of Balochistan studying in other provinces.

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 approved 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;
- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions and directives issued under the Companies Act, 2017.

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

3 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDEMENTS TO THE PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

- (a) **Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards**
- There were certain amendments to accounting and reporting standards and interpretations were issued which were mandatory for the current financial year. However, these are considered not to be relevant or had any significant effect on the Company's financial reporting and are, therefore, not disclosed in these financial statements.
- (b) **Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Company**

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IAS 1 - Classification of Liabilities as Current or Non-current	January 1, 2023
IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
IAS 1 -Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	January 1, 2023
IAS 8 - 'Definition of Accounting Estimates	January 1, 2023
	IASB effective date (Annual periods beginning on or after)
IFRS 17 'Insurance Contracts' and ammendments to IFRS 17	January 1, 2023

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BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

4 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

4.1 Property and equipment - owned

Recognition

Property and equipment except for freehold land are stated at cost less accumulated depreciation and any identified impairment. Freehold land is stated at cost less any identified impairment. Cost of tangible assets consists of historical cost pertaining to erection / construction period and other directly attributable cost of bringing the asset to working condition.

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 during the period in which they are incurred.

Depreciation

Depreciation on all items of property and equipment except for freehold land is charged to income by applying the rates as disclosed in Note 5 on straight line method. Depreciation on additions is charged from the month in which the asset is acquired or capitalized while no depreciation is charged in the month of disposal.

Derecognition

An item of property and equipment is derecognized on 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 statement in the year the asset is derecognized.

4.2 Right-of-use asset and related liabilities

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company.

At inception, the ROU asset comprises the initial lease liability, initial direct costs and the obligations to refurbish the asset, less any incentives granted by the lessors. The ROU asset is depreciated over the shorter of lease term or useful life of the asset. The ROU asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

The lease liability is initially measured at the present value of lease payments that are not paid at the lease commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the entity, term and the currency of the contract. Lease payments represent the periodic fixed payments to lessor. The lease liability is subsequently measured at amortized cost using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in the future lease payments in case of renegotiation, change of an index or rate or in case of reassessment of options.

The Company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

4.3 Long term deposits

These are stated at cost which represents fair value of consideration given.

4.4 Investments

Investments intended to be held for less than twelve months from reporting date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines appropriate classification of its investments at the time of the purchases and re-evaluates such designation on regular basis.

4.5 Scholarship expenses

Scholarship expenses are recognised on accrual basis.

4.6 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of cash flow statement, cash and cash equivalents comprises of cash in hand, cash at bank and short term investments having maturity of less than three months from the year end. The cash and cash equivalents are subject to insignificant risk of changes in value.

4.7 Taxation

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law applicable for the taxation of the income.

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Deferred

Deferred tax is accounted for using the statement of financial position liability method in respect of all taxable differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period, when the difference reversed based on tax rates that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax is charged or credited in the income statement except in case of items credited or charged to equity in which case, it is included in equity.

4.8 Trade debts and other receivables

Trade debts and other receivables are carried at original invoice amount less an estimate for doubtful trade debts and other receivables based on review of outstanding amounts at the year end. Balances considered bad and irrecoverable are written off when identified.

4.9 Trade and other payables

Liabilities for trade and other payable are carried at fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company. Subsequently, these are measured at amortised cost less impairment.

4.10 Income

Donation income is recognized on receipt basis. Return on term deposit receipts held with banks and bank deposit is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

4.11 Staff Retirement Benefits

Provident Fund

The Company operates an approved contributory provident fund for all eligible permanent employees. Equal monthly contributions are made both by the Company and employees @ 5% of the Gross Salary.

Pensionary Contribution

All employees deputed by the Government of Balochistan to the Company are entitled to Pensionary Contributions as per their respective terms of employment. Pensionary Contributions for deputed employees are borne by the Company during their deputation period and paid into the fund.

Leave Encashment

Employees of the Company are entitled to accumulate the unutilized privilege leaves upto 365 days which are encashable only at the time of retirement or leaving the Company. The Company also recognize expected cost of accumulated compensated absences on the basis of actuarial valuations or annual gain.

Gratuity Fund

The Company operates a funded gratuity for its confirmed employees who have completed the minimum qualifying period of service as defined under the scheme. The Company's obligation under the scheme is determined through actuarial carried out at each year end under the Projected Unit Credit Method. The most recent valuation of the scheme was carried out as at 30 June 2023. Remeasurement changes which comprise actuarial gains and losses are recognized immediately in other comprehensive income.

4.12 Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into Pak Rupee at the rate of exchange prevailing at the date of statement of financial position date, except those covered by forward contracts, which are stated at contracted rates. Foreign currency rate of transactions are translated into Pak Rupees at the rates prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. Non monetary items are translated into Pak Rupee on the date of transaction or on the date when fair values are determined. Exchange differences are included in income currently.

4.13 Financial Instruments

All financial assets and liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost as the case may be. A financial asset is de-recognized when the Company loses control of its contractual rights that comprise the financial asset. A financial liability is de-recognized when it is extinguished. Any gain or loss on de-recognition of the financial assets or liabilities is taken to statement of income and expenditure & other comprehensive income currently.

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

4.13.1 Financial assets

The Company classifies its financial assets in the following measurement categories:

- a) Amortized cost where the effective interest rate method will apply;
- b) fair value through profit or loss;
- c) fair value through other comprehensive income.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of income and expenditure & other comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

(a) Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other operating gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

(b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income/charges. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/charges and impairment expenses are presented as separate line item in the statement of income and expenditure & other comprehensive income.

(c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognised when:

- i The rights to receive cash flows from the asset have expired
- ii 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, and has neither transferred nor retained substantially all of 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.

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**BALOCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

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.

Impairment of financial assets

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

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of income and expenditure for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Write-off

The Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

4.13.2 Financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss;
- at amortised cost

The Company 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 Company 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 and expenditure & other comprehensive income, when the liabilities are derecognized as well as through effective interest rate amortization process.

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 de-recognition 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 & other comprehensive income.

4.13.3 Offsetting of financial assets and liabilities

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the company has legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.14 Impairment of non financial assets

At each reporting date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Recoverable amount is the higher of sale value less cost to sell and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment is recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined, had no impairment loss been recognized for the asset in prior years. A reversal of an impairment is recognized as income immediately.

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023****4.15 Related party transactions**

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as to any third party unless otherwise advised by Government authorities/companies.

4.16 Government grants

Government grants, including the non-monetary grants at fair value are recognized when there is reasonable assurance that:

- a) the entity will comply with the conditions attaching to them, if any; and
- b) the grants will be received.

Government grants are recognized as income over the period necessary to match them with the related costs which they are intended to compensate on systematic basis. The grant receivable as compensation for expenses or loss already incurred or for the purpose of giving immediate financial support with no future related costs is recognized as income in the period in which it becomes receivable. Government grants related to assets, including non-monetary grants at fair value are presented in the statement of financial position by setting up the grants as deferred income which is recognized as income on systematic and rational basis over the useful life of the asset.

4.17 Endowment fund

Endowment fund is recognised on receipt basis. These are invested in Term Deposit Receipts and Government Treasury as per instruction of Government of Balochistan. Interest income earned on such funds is utilized to meet the objectives for which endowment fund was allocated.

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

5 Property and equipment

5.1 Operating Fixed Assets

	2023	2022
	Rupees	
	31,532,537	11,951,198
	31,532,537	11,951,198

	2023	2022
	Rupees	
	31,532,537	11,951,198
	31,532,537	11,951,198

	2023	2022
	Rupees	
	31,532,537	11,951,198
	31,532,537	11,951,198

	2023	2022
	Rupees	
	31,532,537	11,951,198
	31,532,537	11,951,198

	2023	2022
	Rupees	
	31,532,537	11,951,198
	31,532,537	11,951,198

	2023	2022
	Rupees	
	31,532,537	11,951,198
	31,532,537	11,951,198

Disclosure relating to disposal of fixed assets is not been made as aggregate book value of such assets does not exceed Rs. 500,000/-

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

6 Right of use assets

Particulars	Cost			Useful life Years	Accumulated depreciation			Written down value		
	As at 01 July, 2022	For the year			As at 30 June, 2023	As at 01 July, 2022	For the year		As at 30 June, 2023	
		Additions	Deletions				Additions			Deletions
	Rupees				Rupees					
Right of use assets	19,813,010	-	19,813,010	5	-	2,311,518	-	2,311,518		
Total	19,813,010	-	19,813,010		-	2,311,518	-	2,311,518		

Note	2023	2022
	Rupees	

7 Advances, prepayments and other Receivables

Other advances- considered good	12,448,754	9,031,439
Accrued return on saving accounts	415,358	248,398
Receivable from Government of Balochistan- related party	289,917,810	980,958,904
Prepayments	4,620,362	1,906,386
	<u>307,402,284</u>	<u>992,145,127</u>

8 Short Term Investments- at amortised cost

Term Deposit Receipts:

Lawyer's Endowment Funds	443,143,712	848,725,274
Balochistan Education Endowment Fund	3,237,376,904	2,450,381,380
Chief Minister's Educational Awards	1,065,162,959	953,643,625
Balochistan Endowment Fund	382,029,589	257,273,767
	<u>5,127,713,164</u>	<u>4,510,024,046</u>

TDR	Bank & Nature	Rate Per Annum	Investment Date	Tenure
700,000,000	ABL (BEEF)	16.97%	1/24/2023	1 year
500,000,000	ABL (BEEF)	15.77%	7/15/2022	1 year
1,000,000,000	HBL (BEEF)	17.75%	2/2/2023	1 year
500,000,000	HBL (BEEF)	17.16%	2/23/2023	6 months
300,000,000	BAH (BEEF)	20.50%	5/17/2023	6 months
230,000,000	HBL (Lawyers)	21.61%	6/6/2023	1 year
200,000,000	NBP (Lawyers)	19.32%	3/27/2023	3 months
350,000,000	HBL (CMEA)	16.66%	2/3/2023	6 months
180,000,000	BAH (CMEA)	20.35%	5/17/2023	3 months
500,000,000	NBP (CMEA)	20.45%	6/6/2023	3 months
250,000,000	UBL (BEF)	15.73%	9/30/2022	1 year
100,000,000	BAH (BEF)	20.35%	5/17/2023	3 months

These investments carry mark up ranging from 15.73% to 21.61% (2022: 7.58% to 14.81%). These investments have different maturity dates ranging from 3 months to 1 year, latest maturity is on June 06, 2024.

Note	2023	2022
	Rupees	

9 Cash and Bank Balances

Cash in banks

Saving accounts	9.1	1,159,405,343	143,874,942
UBL OMNI		38,124,576	24,540,576
		<u>1,197,529,919</u>	<u>168,415,518</u>

Cash in hand

55,000 55,000

Demand Drafts in Hand

Demand Drafts of Students	9.2	-	38,376,000
Demand Drafts of Students (on behalf of PEEF)	9.2	4,608,000	2,416,800
		<u>4,608,000</u>	<u>40,792,800</u>
		<u>1,202,192,919</u>	<u>209,263,318</u>

9.1 Profit on savings accounts ranges from 13% to 19.5% (2022: 5.5% to 13%) per annum.

9.2 This represents demand draft held with the management of the Company which will be handed over to students in 2023-2024.

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
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FOR THE YEAR ENDED JUNE 30, 2023**

10	Lease liability	Note	2023	2022
			Rupees	
	Opening balance as at 01 July 2022		-	-
	Addition during the year		19,813,010	-
	Less: Payments made during the year		(5,984,746)	-
	Finance cost		1,618,776	-
	Closing liability as at 30 June 2023		15,447,040	-
	Less: Current portion of lease liability		(2,974,634)	-
			<u>12,472,406</u>	<u>-</u>

10.1 Reconciliation of present value of future minimum lease payments under the contract and finance cost are as follows:

Maturity analysis

Description	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
	Rupees						
Lease payments	2,974,634	3,501,167	4,120,902	4,850,336	-	-	15,447,040
Finance charges	2,515,720	2,005,180	1,404,270	401,813	-	-	6,326,983
Net Present Values	458,914	1,495,987	2,716,632	4,448,523	-	-	9,120,057

10.1.1 The Company has lease contracts for office building used in its operations. This lease has lease term of 5 years. In general, the Company is restricted from assigning and subleasing the leased asset. This lease contract includes extension and termination options subject to the mutual consent of the Company and the lessor. The Company is bound by certain covenants which include but are not limited to payments of certain taxes and to exercise reasonable care.

11	Scholarship and other payables	Note	2023	2022
			Rupees	
	Payable to vendors		548,402	413,860
	Accrued expenses		6,287,059	2,261,316
	Withholding taxes payable		804,980	30,074
	Provision for scholarships	11.1	990,215,384	639,739,200
	Contributory Provident Fund		-	10,587,710
	Women development payable		8,522,560	-
	PEEF Scholarships payable		19,363,041	30,491,735
			<u>1,025,741,426</u>	<u>683,523,895</u>

11.1 Provision for scholarships

Opening Balance	639,739,200	726,699,051
Re-estimation increase of previous liability	225,870,000	16,369,859
Provisional/direct expense for the year	802,220,177	406,609,847
Scholarships disbursed during the year	(677,613,993)	(509,939,557)
Closing balance	<u>990,215,384</u>	<u>639,739,200</u>

11.2 BEEF's Scholarship Operations relies on availability of academic results which have different time lines for the Boards of Education and Universities. Subsequent availability of data is a decisive factor which determines number of scholarship to be awarded. BEEF's Scholarships disbursements are executed every year and liability for scholarship to be paid is computed. This estimated Scholarship Liability is based on forecasting by the Scholarship Management Section under supervision of Scholarship Management Committee/ISRC. Any change in forecasting on basis of actual disbursements is accounted for prospectively as change in accounting estimate in the year of disbursements.

12	Deferred liabilities	Note	2023	2022
			Rupees	
	Leave Encashment	12.1	10,273,645	7,474,104
	Gratuity	12.2	20,694,323	19,568,311
			<u>30,967,968</u>	<u>27,042,415</u>
	12.1 Leave encashment		10,273,645	7,474,104
	12.1.1 Movement in defined benefit obligation			
	Obligation at beginning of the year		7,474,104	5,575,289
	Service cost for the year		1,267,438	109,922
	Interest cost for the year		867,254	571,467
	Benefits		(1,368,852)	-
	Remeasurement loss due to experience adjustments		2,033,701	1,217,426
	Obligation at end of the year		<u>10,273,645</u>	<u>7,474,104</u>

12.1.2 Actuarial valuation has been conducted on the basis of following principal assumptions:

Discount Rate	15.75%	13.50%
Salary increase	15.75%	13.50%

Sensitivity of defined benefit obligation is as follows:

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	Impact on defined benefit obligations		
	Change in assumptions	Increase in assumption	Decrease in assumption
		Rupees	Rupees
Discount rate	1%	9,314,836	(11,398,723)
Salary growth rate	1%	11,388,285	(9,307,121)
		<u>2023</u>	<u>2022</u>
		Rupees	
12.2 Gratuity			
Net defined benefit liability		20,694,323	19,568,311
12.2.1 Movement in defined benefit obligation			
Obligation at beginning of the year		21,721,609	-
Service cost for the year		6,466,739	5,863,134
Interest cost for the year		3,089,508	
Past service cost		-	14,944,302
Actuarial loss / (gain) on obligation		(3,479,927)	914,173
Obligation at end of the year		<u>27,797,929</u>	<u>21,721,609</u>
12.2.2 Movement of Fair value of plan assets			
Opening balance		2,153,298	-
Return on plan assets		-	-
Contributions during the year		4,950,308	2,153,298
Benefits paid during the year		-	-
Actuarial (loss) / gain on plan assets		-	-
Closing balance		<u>7,103,606</u>	<u>2,153,298</u>

12.2.3 Actuarial valuation has been conducted on the basis of the following principal assumptions:

Discount Rate	<u>15.75%</u>	<u>13.50%</u>
Salary increase	<u>15.75%</u>	<u>13.50%</u>

Sensitivity analysis is as follows:

	Impact on defined benefit obligations		
	Change in assumptions	Increase in assumption	Decrease in assumption
		Rupees	Rupees
Discount rate	1%	24,022,693	(32,307,934)
Salary growth rate	1%	32,265,720	(23,992,591)

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Endowment Fund

Balochistan Education Endowment Fund
Other Endowment Funds

	<u>2023</u>	<u>2022</u>
	Rupees	
13.1	-	-
13.2	2,678,274,061	2,371,590,070
	<u>2,678,274,061</u>	<u>2,371,590,070</u>

13.1 BEEF's Endowment Fund (Seed Money) has been allocated by the Government of Balochistan and is being handled by Finance Department, Government of Balochistan. As on 30th June, 2023, the value of Endowment Fund is at Rs. 9 Billion, which has been invested by Finance Department in Term Deposit Receipts. The return earned on such investments is made available to the Company.

	<u>2023</u>	<u>2022</u>
	Rupees	
13.2 Endowment Fund For Higher Studies of Lawyers	698,177,857	657,935,700
Endowment Fund For Children of Martyred Lawyers	345,361,999	285,921,904
Chief Minister's Educational Award	1,219,863,699	1,065,871,542
Balochistan Endowment Fund (BEF)	414,870,506	361,860,924
	<u>2,678,274,061</u>	<u>2,371,590,070</u>

13.2.1 This represents funds received from the Government of Balochistan in financial year 2019 for purpose of the Higher Studies of Lawyers in the wake of 8th August, 2016 unfortunate incident. These funds are invested in bank term deposits receipt (Note 8).

13.2.2 This represents funds received from the Government of Balochistan during financial year 2019 for purpose of Children of Martyred lawyers in the wake of 8th August, 2016 unfortunate incident. These funds have been invested in bank term deposit receipt (Note 8).

13.2.3 This represents funds received from Government of Balochistan during financial year 2020 for the Chief Minister Education Awards in 2020. Such funds are invested in bank term deposit receipt (Note 8). In January 2023 summary was passed by Chief Minister of Balochistan to merge these with the endowment fund of BEEF.

13.2.4 Balochistan Endowment Fund (BEF) which was being operated by the Colleges, Higher and Technical Education Department (CH&TED), Government of Balochistan since 2006. Interest income from this Endowment Fund was being used to award stipend to the students of Balochistan studying outside Balochistan in the Universities and Colleges earmarked as Centres of Excellences (CoEs) by CH&TED. CH&TED has handed over this fund to the Company for channelization of scholarships. Such funds are invested in bank deposit receipts till further instructions by GOB. Interest earned on term deposit receipt is not being utilized by the Company and is being recorded as part of BEF.

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Contingencies and Commitments

There are no known contingencies and commitments as on June 30, 2023 (2022: Rs. Nil).

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023	2022
		Rupees	
15			
Income			
Mark-up Interest on Term Deposit Receipts	15.1	1,767,518,751	1,277,521,090
Mark-up on Bank saving accounts	15.2	181,880,405	27,634,652
Other income		7,080	3,497,788
		<u>1,949,406,236</u>	<u>1,308,653,530</u>

Note	HSL	CML	CMEA	BEF	BEEF	2023	2022
	Rupees						
15.1							
Income on Endowment Fund balances held with the Government of Balochistan	80,914,439	34,076,233	147,499,791	50,028,753	366,205,014	678,724,230	347,521,090
Income on Term Deposit Certificates	<u>80,914,439</u>	<u>34,076,233</u>	<u>147,499,791</u>	<u>50,028,753</u>	<u>1,454,999,535</u>	<u>1,767,518,751</u>	<u>1,277,521,090</u>

15.1.1 BEEF's Endowment Fund was allocated by Government of Balochistan is being handled by Finance Department, Government of Balochistan. The value of Endowment Fund is Rs. 9 Billion, which has been invested by Finance Department in Term Deposit receipts. The return from the investments is made available to the Company for its operations.

Note	HSL	CML	CMEA	BEF	BEEF	2023	2022
	Rupees						
15.2							
Mark-up on saving accounts	13,358,815	10,322,134	6,492,365	6,159,157	145,547,934	181,880,405	27,634,652
	<u>13,358,815</u>	<u>10,322,134</u>	<u>6,492,365</u>	<u>6,159,157</u>	<u>145,547,934</u>	<u>181,880,405</u>	<u>27,634,652</u>

15.2.1 Mark-up on bank accounts ranging from 13% to 19.5% (2022: 5.5% to 13%) per annum.

Note	HSL	CML	CMEA	BEF	BEEF	2023	2022
	Rupees						
16							
Program Cost							
Scholarships to students	11.2	19,031,097	19,958,272	-	3,178,328	1,028,090,177	1,070,257,874
Disbursement charges		-	-	-	-	706,992	3,417,480
Program staff salaries	16.1	-	-	-	-	105,443,965	105,443,965
Postage and courier		-	-	-	-	204,172	112,724
Printing and publications		-	-	-	-	2,040,706	803,349
Advertisement		-	-	-	-	68,665	108,052
Program ceremonies meetings etc.		-	-	-	-	1,377,251	972,479
Travelling		-	-	-	-	4,060,528	4,072,448
		<u>19,031,097</u>	<u>19,958,272</u>	<u>-</u>	<u>3,178,328</u>	<u>1,141,992,456</u>	<u>1,184,160,153</u>
		<u>19,031,097</u>	<u>19,958,272</u>	<u>-</u>	<u>3,178,328</u>	<u>1,141,992,456</u>	<u>540,365,691</u>

16.1 Salaries, wages and other benefits include Rs. 6,499,017 (2022: Rs. 13,646,314) in respect of post employment/retirement benefits.

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	Rupees	
		2023	2022
17 Administrative Expenses			
Management & support staff salaries	17.1	112,573,257	81,078,476
Staff Welfare		3,859,365	-
Staff training		148,000	5,296,425
Utilities		2,070,320	1,256,286
Security services		745,200	745,200
Printing & stationery		1,598,624	994,297
Telephone & communication		810,918	518,703
News papers, books and periodicals		35,110	29,640
Entertainment		1,815,432	1,220,665
Office supplies		935,671	592,058
IT/MIS Software		1,094,403	37,832
Fuel		3,028,040	2,318,840
Auditor's remuneration	17.2	1,320,000	1,175,000
Legal and professional		1,549,637	1,414,758
Insurance/Car Tracking		165,416	98,274
Repair & maintenance		2,228,549	1,907,277
Depreciation	5 & 6	9,510,717	3,837,795
Bank charges		74,730	81,145
Other expenses		431,128	153,115
Office renovation		1,159,620	-
Meetings fee of directors		5,521,250	2,165,049
Rent		2,221,301	2,484,401
		152,896,688	107,405,236

17.1 Salaries and Benefits			
CEO	17.1.1	23,865,214	17,157,301
Key management staff		36,460,430	20,322,439
Management staff		13,297,301	7,981,681
Support staff		12,991,817	7,012,417
Other benefits		14,594,365	10,452,759
Internees/helpers/daily wages		1,112,200	4,185,401
EOBI contribution		509,807	269,750
Provident fund contribution		2,045,945	2,361,762
Pensionary contribution		1,262,958	1,553,154
Performance allowance		500,000	-
Mess Contribution		606,100	-
Medical		2,509,127	1,779,293
Leave encashment	12.1.1	376,845	354,322
Gratuity		2,441,148	7,648,197
		112,573,257	81,078,476

17.1.1 CEO is a Civil Servant of Grade-18 and draws salary comprising slab salary plus other allowances.

	Note	Rupees	
		2023	2022
17.2 Auditor's remuneration			
Audit Fee		1,045,000	950,000
Code of Corporate Governance		125,000	100,000
Out of pocket expenses		150,000	125,000
		1,320,000	1,175,000

18 Taxation

- No provision for taxation has been considered necessary for the year as the Company is entitled for tax credit u/s 100C.
- Provision for deferred tax has not been made during the year as the Company is a not for profit organization as defined under section 2(36) of Income Tax Ordinance, 2001 and is entitled for tax credit u/s 100C in future as well.

19 Remuneration of Chief Executive Officer, Directors and Executives

	June 30, 2023				June 30, 2022		
	Chief Executive Officer	Ex CEO	Directors	Executives	Chief Executive Officer	Directors	Executives
	-----Rupees-----				-----Rupees-----		
Managerial remuneration & allowances	17,303,816	3,255,000	-	68,313,732	12,378,552	-	-
Other benefits	4,282,406	-	-	15,542,379	4,682,535	-	-
Pension Fund	268,200	-	-	1,072,800	313,518	-	-
Provident Fund Contribution	-	-	-	1,699,749	602,735	-	-
Meeting Fee	1,256,250	-	5,521,250	-	-	2,155,000	-
Training Fee	-	-	-	-	482,600	1,519,200	-
Leave Encashment	754,542	-	-	414,216	1,356,229	-	-
Gratuity	-	-	-	1,699,749	-	-	-
	23,865,214	3,255,000	5,521,250	88,742,625	19,796,169	3,674,200	-
Number of persons	1	1	7	10	1	7	-

19.1 The Company also reimburses travelling expenses of the CEO for official visits and medical cost.

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

20 Related Party Transactions

The related parties comprise of Government of Balochistan, all its departments associated with Government of Baluchistan, Gratuity Fund, Provident Fund, Chief Executive Officer (CEO), Directors and Executives of the Company in normal course carries out transactions with various related parties. Remuneration and Benefits of CEO, Directors and Executives is disclosed in Note 17 Balances with related party as at year end are also disclosed in respective notes. Other significant transactions with related parties are as follows:

Name of Parties	Basis of Relationship	Nature of Transactions	2023	2022
			Rupees	
Transactions during the year				
Government of Balochistan	Controlling Government	Interest Income received during the year	1,779,835,615	930,000,000
Government of Balochistan	Controlling Government	Funds Received (HSL)	-	300,000,000
Provident Fund	Employees Fund	Contribution made during the year	9,900,616	9,350,136
Gratuity Fund	Employees Fund	Contribution made during the year	4,950,308	2,153,298

21 Financial Risk Management

21.1 Financial Risk Management Objectives

The Company finances its operations through Government funds and donated funds with a view to maintaining a reasonable mix among the various sources of finance to minimize risk. Taken as a whole, risk arising from the Company's financial instruments is limited as there is no significant exposure to market risk in respect of such instruments.

21.2 Financial Risk Factors

The Company is not exposed to any significant financial risks; market risk, credit risk and liquidity risk.

21.2.1 Market Risk

(i) Currency Risk

Currency Risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transaction in foreign currencies. The Company is not exposed to currency risk.

(ii) Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to change in the market interest rates.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	Effective Rate of interest		2023	2022
	2023	2022	Rupees	
Variable Rate Instruments				
Financial assets				
Bank Balances	19.50%	5.5% to 13.00%	1,197,529,919	168,415,518
Fixed Rate Instruments				
Financial assets				
Short Term Investments			5,127,713,164	4,510,024,046

Cash flow sensitivity analysis for variable rates

A change of 100 basis points in interest rates at the reporting date would have increased / decreased surplus for the year by the amounts shown below. This analysis assumes that all other variables, remain constant.

	Profit and loss 100 basis points	
	Increase Rupees	Decrease Rupees
As at June 30, 2023		
Cash flow sensitivity-variable rate financial assets	11,975,299	(11,975,299)
As at June 30, 2022		
Cash flow sensitivity-variable rate financial assets	1,684,155	(1,684,155)

(iii) 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). The Company believes that it is not exposed to any price risks.

21.2.2 Credit Risk

Credit risk represents that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from the balances with banks, short term investments and advances, deposits and other receivables.

(i) Exposure to Credit Risk

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

	2023	2022
	Rupees	
Bank Balances	1,197,529,919	168,415,518
Short term investments	5,127,713,164	4,510,024,046
Advances and other receivables	302,781,922	990,238,741
	6,628,025,005	5,668,678,305

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(ii) **Credit Quality of major financial assets**

The Credit quality of major financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Bank	Rating Agency	Rating		Rupees	
		Long Term Rating	Short Term Rating	2023	2022
United Bank Limited	JCR-VIS	AAA	A-1+	604,207,430	445,405,621
Habib Bank Limited	JCR-VIS	AAA	A-1+	2,229,862,648	2,740,582,107
National Bank of Pakistan	PACRA	AAA	A1+	701,113,260	800,082,031
MCB Bank Limited	PACRA	AAA	A1+	182,154,740	87,890,050
Allied Bank Limited	PACRA	AAA	A1+	1,221,753,955	380,772,734
Bank AlHabbib Limited	PACRA	AAA	A1+	1,030,313,310	9,142,399
				<u>5,969,405,343</u>	<u>4,463,874,942</u>

21.2.3 Liquidity Risk

Liquidity risk reflects Company's inability in raising funds to meet commitments. The management closely monitors company's liquidity and cash flow position to ensure adequate liquidity and manage the assets keeping in view the liquidity position.

The following are contractual maturities of financial liabilities as at June 30, 2023

	Not Later than one year	One to five years	More than five years
	Rupees		
2023			
Scholarship other payables	1,025,741,426	-	-
2022			
Scholarship other payables	683,523,895	-	-

21.3 Fair value of Financial Assets and Liabilities

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair value. Fair value is determined on the basis of objective evidence at each reporting date.

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access as measurement date (Level 1).
- Inputs other than quoted prices including within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2).
- Unobservable inputs for the asset or liability (Level 3).

The following table shows the carrying amounts and the fair values of financial instruments and non-financial instruments including their levels in the fair value hierarchy:

	Carrying Amount			Fair Value		
	Financial Assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3
	Rupees					
June 30, 2023						
Financial assets not measured at fair value						
Investments	5,127,713,164	-	5,127,713,164	-	-	-
Advances and other receivables	360,774,113	-	360,774,113	-	-	-
Cash and bank balances	1,197,529,919	-	1,197,529,919	-	-	-
	<u>6,686,017,196</u>	<u>-</u>	<u>6,686,017,196</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value						
Scholarship and other payables	-	1,025,741,426	1,025,741,426	-	-	-
	<u>-</u>	<u>1,025,741,426</u>	<u>1,025,741,426</u>	<u>-</u>	<u>-</u>	<u>-</u>
June 30, 2022						
Financial assets not measured at fair value						
Investments	4,510,024,046	-	4,510,024,046	-	-	-
Advances and other receivables	1,037,529,556	-	1,037,529,556	-	-	-
Cash and bank balances	168,415,518	-	168,415,518	-	-	-
	<u>5,715,969,120</u>	<u>-</u>	<u>5,715,969,120</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value						
Scholarship and other payables	-	683,523,895	683,523,895	-	-	-
	<u>-</u>	<u>683,523,895</u>	<u>683,523,895</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Company has not disclosed the fair values for some financial assets and financial liabilities, as these are either short term in nature or reprise periodically. Therefore, their carrying amounts are reasonable approximation of their fair value.

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**BALUCHISTAN EDUCATION ENDOWMENT FUND
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	2023	2022
	Rupees	
	(Audited)	(Audited)
22 BEEF Employees Provident Fund		
The following information is based on the latest financial statements of the Provident Fund Trust:		
Size of the fund - total assets	25,351,483	18,517,800
Cost of investments made	24,042,857	16,288,584
Percentage of investments made	100.00%	100.00%
Fair value of investments	24,042,857	16,288,584

22.1 All investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules framed under this section.

	2023	2022
	Rupees	
23 Cash and Cash Equivalents		
Cash and Bank Balances	1,202,192,919	209,263,318
Short Term Investments (with maturity of three months)	2,580,000,000	1,160,000,000
	3,782,192,919	1,369,263,318

	2023	2022
24 Number of Employees		
Regular Employees at the end of the year	89	78
Management Trainees/Daily wagers at the end of the year	4	5
Total Staff at the end of the year	93	83

Average number of employees during the year ended 30th June, 2023 were 88 (2022: 73).

25 General

25.1 Figures have been rounded off to the nearest rupees.

25.2 Corresponding figures have been re-arranged and reclassified, wherever considered necessary, for the purpose of comparison, the effects of which are not material.

26 Date of Authorisation for Issue

These financial statements have been authorized for issue on 23rd October, 2023 by the Board of Directors of the Company.

SMC

Chief Executive Officer


Chief Financial Officer


Director

GLOSSARY

A

AGM Annual General Meeting
ASCR Annual Scholarship Completion Report
ATM Automatic Teller Machine

D

DAE Diploma of Associate Engineer

G

GPA Grade Point Average

J

JVT Junior Vernacular Teacher

M

MA Master of Art
MIDGs Millennium Development Goals
MIS Management Information System
MPhil Master of Philosophy
Msc Master of Science

P

PEEF Punjab Education Endowment Fund

S

SBKWU Sadar Bahadur Khan Women's University
SDGs Sustainable Development Goals
SECP Security Exchange Commission of Pakistan
SMC Scholarship Management Committee
SQS Special Quota Scholarship

Y

YDC Youth Development Center

B

BUIITEMS Balochistan University of Information Technology,
 Engineering & Management Sciences
BEEF Balochistan Education Endowment Fund
BoD Board of Director

E

EVIs Extremely Vulnerable Individuals

H

HR Human Resource

K

BUIITEMS Balochistan University of Information Technology,
 Engineering & Management Sciences
BEEF Balochistan Education Endowment Fund
BoD Board of Director

N

EVIs Extremely Vulnerable Individuals

Q

QIMS Quetta Institute of Medical Science

T

ToT Training of Trainers

C

CGPA Cumulative Grade Point Average
CPEC China Pakistan Economic Corridor

F

FY Financial Year

I

IFAC International Federation of Accountants
ISRC Internal Scholarships Review Committee

L

LUAWMS Lasbela University of Agriculture,
 Water & Management Science

O

OMS Open Merit Scholarships

R

IFAC International Federation of Accountants
ISRC Internal Scholarships Review Committee

U

UET University of Engineering & Technology



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