PAKISTAN ASSOCIATION OF AUTOMOTIVE PARTS & ACCESSORIES MANUFACTURESRS

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

PAKISTAN ASSOCIATION OF AUTOMOTIVE PARTS AND ACCESSORIES MANUFACTURERS
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026	2025
		------ Rupees ------	
ASSETS			
Non Current Assets			
Property, Plant and Equipment	7	**105,375,409**	103,675,124
Current Assets			
Advances, Deposits and Prepayments	8	**35,818,761**	48,883,948
Short Term Investments	9	**42,597,770**	27,516,587
Cash and Bank Balances	10	**142,515,475**	34,582,467
		220,932,006	110,983,002
Less: Current Liabilities			
Accrued and Other Payables	11	**10,178,311**	1,586,848
Advance From Members For Pakistan	12	**113,635,644**	35,101,820
Provision For Taxation	13	**8,431,392**	7,084,730
		132,245,347	43,773,398
Net Current Assets		**88,686,659**	67,209,604
Net Assets Employed		**194,062,068**	170,884,728
Represented by:			
Opening Retained Earnings		**170,550,644**	149,891,232
Profit for the Year		**23,511,424**	20,993,496
		194,062,068	170,884,728
Contingencies and Commitments	14		
		194,062,068	170,884,728

The annexed notes form an integral part of these financial statements.

CHAIRMAN **GENERAL SECRETARY**

PAKISTAN ASSOCIATION OF AUTOMOTIVE PARTS AND ACCESSORIES MANUFACTURERS
STATEMENT OF INCOME and EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		------ Rupees ------	
INCOME	15		
Fee For Auto Parts Show		209,564,353	171,920,106
Fee For Advertisement In Directory		3,292,054	1,857,295
Annual Membership Fee		8,002,204	4,282,300
Contribution / Donation For Election		-	465,000
Fair / Seminar / Training Fee		217,700	1,384,285
Return On Short Term Investments		8,173,605	4,350,978
		229,249,916	184,259,964
LESS: EXPENDITURES			
Projects Expenditures			
Pakistan Auto Parts Show (PAPS) Expenses		138,267,335	113,099,004
Meals and Entertainment		1,179,262	3,208,163
Travelling, Conveyance And Accommodation		3,914,919	2,912,462
Seminars and Meetings Expenses		152,000	196,685
Advertisement Expenses		2,323,850	3,358,833
Communication		24,000	24,000
Website and IT Expenses		-	424,700
		145,861,366	123,223,847
Administrative Expenditures			
Staff Salaries and Related Benefits		15,210,534	14,064,913
Utilities Expenses		1,405,634	970,202
Local Rates and Taxes		57,314	57,762
Newspapers and Periodicals		12,660	14,020
Repair and Maintenance		1,381,540	1,390,700
Generator Fuel and Maintenance		403,285	383,621
Annual Audit Fee		385,000	385,000
Legal and Professional Fee		2,566,105	3,399,426
Printing and Stationery		402,121	481,051
Office Expenses		311,618	412,666
Postage and Courier		160,303	381,567
Fee and Subscriptions		1,070,374	1,307,534
Penalities and Fines Expenses		-	3,179,726
Misc. Expenses		42,300	83,590
Depreciation		4,006,525	2,827,410
Impairment Loss		-	3,883,150
Medical Expense		12,372	-
Summit 2025-ISB		21,673,350	-
Paps-19 Case (Legal Fee)		2,200,000	-
Finance Cost (Bank Charges)		144,700	22,635
		51,445,735	33,244,973
Total Expenditures For the year		(197,307,101)	(156,468,820)
Surplus of income over expenditure for the year before taxation and levies		31,942,815	27,791,144
Income Tax Expense	13	(8,431,392)	(6,797,648)
Profit/Loss For the Year		23,511,424	20,993,496

The annexed notes form an integral part of these financial statements.

CHAIRMAN **GENERAL SECRETARY**

PAKISTAN ASSOCIATION OF AUTOMOTIVE
PARTS AND ACCESSORIES MANUFACTURERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30,2026

	Note	2026	2025
		------ Rupees ------	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Surplus Before Taxation		**31,942,815**	27,791,144
Adjustments for non-cash charges			
Adjustments For Depreciation	7	**4,006,525**	2,827,410
Operating profit before working capital changes		**35,949,340**	30,618,554
Effect on cash flows due to working capital changes			
(Increase) / Decrease In Current Assets			
Changes in Working Capital		**-**	3,883,150
Decrease / (Increase) In Advances, Deposits and Prepayments	8	**14,538,599**	(23,160,296)
(Increase) / Decrease In Short Term Investments	9	**(6,907,578)**	12,299,920
(Increase)/Decrease In Current Liabilities			
(Increase) / Decrease In Accrued and Other Payables	11	**8,591,463**	575,931
Increase In Advance From Members	12	**78,533,824**	(22,952,744)
(Increase) / Decrease In Provision For Taxation	13	**(8,507,689)**	6,075,261
		86,248,620	(23,278,778)
Income Tax Adjusted		**(8,558,142)**	(8,334,144)
Net Cash Generated / (Used In) From Operating Activities		**113,639,818**	(994,368)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of operating fixed assets			
		(5,706,810)	(20,523,945)
Net Cash Flows in Investing Activities		**107,933,008**	(21,518,313)
CASH FLOWS FROM FINANCING		**-**	-
Net Increase/(Decrease) In Cash And Cash Equivalents		**107,933,008**	(21,518,313)
Cash and Cash Equivalents At The Beginning Of The Year		**34,582,467**	56,100,780
Cash And Cash Equivalents At The End Of The Year		**142,515,475**	34,582,467

The annexed notes form an integral part of these financial statements.

CHAIRMAN **GENERAL SECRETARY**

PAKISTAN ASSOCIATION OF AUTOMOTIVE PARTS AND ACCESSORIES MANUFACTURERS
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	RESTRICTED FUNDS	GENERAL FUNDS	ACCUMULATED PROFIT
	------------ Rupees ------------		
Balance As At July 01, 2024	-	149,557,148	149,557,148
Surplus of Revenue over Expenditure for the year	-	20,993,496	20,993,496
Balance As At June 30 2025	-	170,550,644	170,550,644
Balance as at July 01, 2025	-	**170,550,644**	**170,550,644**
Surplus of Revenue over Expenditure for the	-	**23,511,424**	**23,511,424**
Balance As At Jun 30, 2026	-	**194,062,068**	**194,062,068**

The annexed notes form an integral part of these financial statements.

CHAIRMAN

GENERAL SECRETARY

PAKISTAN ASSOCIATION OF AUTOMOTIVE PARTS AND ACCESSORIES MANUFACTURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS:

Pakistan Association of Automotive Parts & Accessories Manufacturers is a company limited by guarantee, incorporated on May 27, 2000 under section 42 of the repealed Companies Ordinance, 1984 vide license No. 147 dated 26.11.1999 granted by the Ministry of Commerce. Its registered office is located at 16B Westwood Colony Thokar Niaz Baig Lahore, Pakistan.

Its principal activity is to encourage, promote, stimulate and protect the business interest of trade and commerce and matters concerned with the advancement and benefits of the industry and to represent the members of auto parts and accessories manufacturers on different forums.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards

as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards /IFRS for SMEs Accounting Standard issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards /IFRS for SMEs Accounting Standard (state whichever is applicable), the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupees unless otherwise specified.

3 MATERIAL ACCOUNTING ESTIMATES AND JUDGMENTS:

These financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with the applicable accounting standards require management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current period and future periods.

Material areas requiring the use of management estimates in the financial statements relates to depreciation.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES:

4.4 Property, Plant & Equipment

Property and equipment is stated at cost less accumulated depreciation and accumulated impairment loss, if any. Major repairs, renewal and improvements are capitalized. Minor repairs and maintenance are charged to income as and when incurred.

Depreciation is charged to income and expenditure account applying the reducing balance method over its estimated useful life at the rates specified in Note 7 to the financial statements. Depreciation on additions property and equipment is charged from the month in which property and equipment are available for use while no depreciation is charged for the month in which property and equipment are disposed off. Any gain or loss arising on disposal of property and equipment is taken to the income and expenditure account. The assets' residual values and useful lives are reviewed at each financial year end and are adjusted if impact on depreciation is significant.

Subsequent costs are included in the asset's carrying amount or recognized as 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 profit and loss account during the period in which they are incurred.

4.5 Cash and cash equivalents

Cash and cash equivalents are carried at cost in balance sheet. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash at banks and short term investments in current accounts.

6.3 Investments

a) Investments in Term Deposits Receipts

They are stated at cost.

b) Investments at Fair Value Through Profit &

A non derivative financial asset is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition,Invesments are designated at fair value through profit & loss if the company manages such investments and makes purchase & sales decision based on their fair value.All investments are initially recognized at cost and subsequently these investments are remeasured at fair value.Any gain or loss from a change in fair value is recognized in income and expenditure statement.

6.4 Impairment of assets

The management assesses at each balance sheet date whether there is any indication that an asset is impaired.If any such indication exists, the management estimates the recoverable amount of the asset. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount by charging the impairment loss against income for the year.

6.5 Advances and prepayments

Advances and prepayments are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non-current assets.

6.6 Accrued and other liabilities

Liabilities for accrued expenses and other payables are carried at cost.onsideration to be paid in future for the goods and services received.

6.7 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

6.8 Revenue Recognition

Revenue from members annual fee are recognized on accrual basis.

6.9 Contingencies and commitments

Contingencies and commitments unless those are actual liabilities, are not incorporated in the accounts.

6.10 Related party transactions

Transactions and contracts with related parties are carried out at arm's length price determined in accordance with comparable uncontrolled price method.

8 ADVANCES, DEPOSITS & PREPAYMENTS

	Note	2026	2025
		------ Rupees ------	
Advance Income Tax	8.1	**25,490,589**	24,017,177
Security Deposits For Pakistan Auto Parts Show (PAPS)		**3,851,888**	4,828,568
Prepayments For Pakistan Auto Parts Show (PAPS)		**5,402,959**	19,579,878
Income Tax Withheld		**860,576**	235,576
Advance To Staff		**212,749**	222,749
		35,818,761	48,883,948

8.1 Income Tax liability for the year 2026 Rs. 8.431 millions (2025: Rs. 6.798 millions) adjusted against advance income tax.

9 SHORT TERM INVESTMENTS

	Note	2026	2025
		------ Rupees ------	
Alfalah Investment Fund	9.1	**9,477,824**	8,424,637
HBL Asset Management Fund	9.2	**5,851,776**	5,440,797
JS Investment Fund	9.3	**27,268,170**	13,651,153
		42,597,770	27,516,587

9.1 Movement in Alfalah Investment Fund

Opening Balance	**8,424,637**	15,305,833
Additions	**1,010,876**	8,424,637
Redemption	**-**	(15,305,833)
Un-Realized Gain / (Loss)	**42,311**	-
Closing Balance	**9,477,824**	8,424,637

9.2 Movement in HBL Asset Management Fund

Opening Balance	**5,440,797**	4,734,407
Additions	**384,274**	706,390
Un-Realized Gain / (Loss)	**26,705**	-
Closing Balance	**5,851,776**	5,440,797

9.3 Movement in JS Investment Fund

Opening Balance	**13,651,153**	19,776,410
Additions	**12,358,157**	-
Redemption	**-**	(6,125,257)
Un-Realized Gain / (Loss)	**1,258,860**	-
Closing Balance	**27,268,170**	13,651,153

10 CASH AND BANK BALANCES

Cash In Hand	**75,832**	50,075
Cash At Bank - In Current Account	**142,439,643**	34,532,392
	142,515,475	34,582,467

11 ACCRUED AND OTHER PAYABLES

	2026	2025
	------ Rupees ------	
Accounts payable	1,045,348	-
Utilities Payable	34,905	10,170
Fines & Penalties Payable	-	1,191,678
Annual Audit Fee Payable	385,000	385,000
Witholding Tax Payable	272,432	-
Sales Tax Payable	8,440,626	-
	10,178,311	1,586,848

12 ADVANCE FROM MEMBERS FOR PAPS

	Note	2026	2025
Advance From Members For Pakistan	12.1	113,635,644	35,101,820

12.1 Advance from Members for Pakistan Auto Parts Show represents amounts received in advance from members in respect of Pakistan Auto Parts Show (PAPS) 2026. These amounts have been deferred and will be recognised as income in the period in which the related event and associated performance obligations are fulfilled.

13 PROVISION FOR TAXATION

	Note	2026	2025
		--- Rupees ---	
Income Tax Expense		8,431,392	6,797,648
Levy - Minimum Tax Differential	6.11	-	287,082
		8,431,392	7,084,730

14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments to be reported as at June 30, 2026 (June 30, 2025: Nil).

15 INCOME

	2026	2025
	--- Rupees ---	
Fee For Auto Parts Show	209,564,353	171,920,106
Fee For Advertisement In Directory	3,292,054	1,857,295
Annual Membership Fee	8,002,204	4,282,300
Contribution/Donation For Election	-	465,000
Fair/Seminar/Training Fee	217,700	1,384,285
Return On Short Term Investments	8,173,605	4,350,978
	229,249,916	184,259,964

16 RELATED PARTY TRANSACTIONS

There is no related party transaction incurred during the year.

17 DIRECTOR'S AND CHIEF EXECUTIVE REMUNERATION

During the year, no remuneration was paid to the Chief Executive, Directors or to any Executive of the Company.

18 NUMBER OF EMPLOYEES

	2026	2025
Total Number Of Employees On Reporting Date	11	11
Average number of employees during the year.	11	11

19 GENERAL

Figures have been rounded off to the nearest rupee.

20 CORRESPONDING FIGURES

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. However, no significant reclassification has been made in these financial statements except for the adoption of the ICAP's May 2024 application guidance on IAS 12 for accounting for minimum and final taxes as disclosed in Note 6.11.

21 AUTHORIZATION OF FINANCIAL STATEMENTS:

These financial statements were authorized for issue on ______________ by the Board of Directors of the Company.

CHAIRMAN

GENERAL SECRETARY