



Mian Saleem & Co.  
Chartered Accountants

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**PUBLIC PROCUREMENT REGULATORY AUTHORITY  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Public Procurement Regulatory Authority Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Public Procurement Regulatory Authority (the Authority), which comprise the statement of financial position as at June 30, 2025, and the statement of income and expenditure and notes to the financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements present fairly, in all material respects, or give a true and fair view of the financial position of the Authority as at June 30, 2025, and of its financial performance for the year then ended in accordance with the accounting and reporting standards applicable in Pakistan comprise of Accounting Standard for Not for Profit Organization (Accounting Standard for NPOs) issued by the Institute of Chartered Accountant of Pakistan.

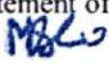
#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion.

#### Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. Other information comprises the information included in the annual report for the year ended 30 June 2025, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is 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 Those Charged with Governance 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 Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Authority'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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority'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 Authority to cease to continue as a going concern. *MSL*



- 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 Members 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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Mohammad Saleem.

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A handwritten signature in black ink, appearing to read 'Mian Saleem &amp; Co.', written over the printed name.

Mian Saleem & co,  
Chartered Accountants  
Islamabad

Date 02 APR 2026

**PUBLIC PROCUREMENT REGULATORY AUTHORITY  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2025**

	Note	2025 -----Rupees-----	2024
<b>NON-CURRENT ASSETS</b>			
Property and equipment	4	100,384,511	52,834,585
<b>CURRENT ASSETS</b>			
Advances and other receivables	5	171,915,883	71,955,486
Cash and bank balances	6	521,228,608	548,355,035
		<u>693,144,491</u>	<u>620,310,521</u>
		<u>793,529,002</u>	<u>673,145,104</u>
<b>NON-CURRENT LIABILITIES</b>			
Other payables (long term)	7	(400,107,393)	(355,736,187)
<b>CURRENT LIABILITIES</b>			
Creditors and accrued liabilities	8	(23,116,775)	(403,403)
Tax payable	17	(1,205,088)	12,794,170
		<u>369,099,746</u>	<u>329,799,684</u>
<b>NET ASSETS</b>			
<b>CONETENGENCIES AND COMMITMENTS</b>	9	-	-
<b>REPRESENTED BY:</b>			
<b>RESERVE FUND</b>			
Balance at beginning of the year		329,799,684	469,826,775
Surplus for the year		39,300,061	(140,027,091)
Balance at end of the year		<u>369,099,746</u>	<u>329,799,684</u>

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

  
DIRECTOR FINANCE

  
MANAGING DIRECTOR

PUBLIC PROCUREMENT REGULATORY AUTHORITY  
 INCOME AND EXPENDITURE ACCOUNT  
 FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 -----Rupees-----	2024
<b>INCOME</b>			
Regulatory fee	11	540,946,817	324,151,868
Other income	12	66,959,836	106,262,911
		607,906,653	430,414,779
<b>EXPENDITURE</b>			
Operating expenses	13	(541,163,130)	(555,288,444)
		(541,163,130)	(555,288,444)
<b>SURPLUS BEFORE TAX</b>			
		66,743,523	(124,873,665)
Income tax expense - For the year	16	(27,443,462)	(15,153,426)
<b>PROFIT FOR THE YEAR</b>			
		39,300,061	(140,027,091)

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

*M. K. S.*



DIRECTOR FINANCE



MANAGING DIRECTOR

**PUBLIC PROCUREMENT REGULATORY AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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**1 THE AUTHORITY**

Public Procurement Regulatory Authority (PPRA) was established in the year 2002, under the Public Procurement Regulatory Authority Ordinance, 2002 to build and strengthen Government capacity to develop a modern, transparent and cost-effective Public Procurement System and to regulate Public Sector Procurement of Goods, Services and Works with a view to ensure transparency, accountability, fairness, value for money and quality of Public Procurement.

**STATUS OF THE AUTHORITY**

PPRA is a body corporate as defined in PPRA Ordinance 2002, having perpetual succession and a common seal, with powers subject to the provisions of the said Ordinance, to acquire and hold property, both moveable and immovable, and, sue and be sued by the name assigned to it.

**FUNCTIONS, POWERS AND RESPONSIBILITIES OF THE AUTHORITY**

Subject to other provisions of this Ordinance, the Authority may take such measures and exercise such powers as may be necessary for improving governance, management, transparency, accountability and quality of public procurement of goods, services and works in the public sector. Without prejudice to the generality of the powers conferred under the Ordinance, the Authority may:

- a) *Monitor application of the laws, rules, regulations, policies and procedures in respect of, or relating to procurement;*
- b) *Monitor the implementation of and evaluate laws, rules, regulations, policies and procedures in respect of, or relating to, inspection or quality of goods, services and works and recommend reformulation thereof or revisions therein as it deems necessary;*
- c) *Recommend to the Federal Government revisions in or formulation of new laws, rules and policies in respect of or related to public procurement;*
- d) *Make regulations and lay down codes of ethics and procedures for public procurement, inspection or quality of goods, services and works;*
- e) *Monitor public procurement practices and make recommendations to improve governance, transparency, accountability and quality of public procurement;*
- f) *Monitor overall performance of procuring agencies and make recommendations for improvements in their institutional set up;*
- g) *Provide and coordinate assistance to procuring agencies for developing and improving their institutional framework and public procurement activities;*
- h) *Submit reports to the Government in respect of public procurement activities of procuring agencies;*
- i) *call any functionary of procuring agencies to provide assistance in its functions and call for any information from such agencies in pursuance of its objectives and functions; and*
- j) *Perform any other function assigned to it by the Federal Government or that is incidental or consequential to any of the aforesaid functions.*

**MANAGEMENT OF THE AUTHORITY**

All administrative matters of Public Procurement Regulatory Authority (PPRA) in terms of Section 3 and Section 5 of PPRA Ordinance, 2002 are regulated through Board and by Managing Director, PPRA. The Management of PPRA, as defined under Section 6 of PPRA Ordinance, 2002 is vested in its Board, which is the apex decision making body for overall direction and administration of the Authority.

*M. K. S.*

**PUBLIC PROCUREMENT REGULATORY AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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**Budgeting:**

Budget is an estimation of revenue and expenses over a specified future period of time. PPRA being a regulator analyses its revenue streams and expenditure before submitting the Budget to its Board. The major portion of income in budget-estimates comprises of regulatory fee collected from procuring agencies against services provided by PPRA. Any Shortfall as and when occurred, is met out of Federal Government's grant as provided under PPRA Accounting Procedures (Regulations), 2014. The Authority formulated annual budget of PKR 683.6 Million out of own resources for FY 2024-25.

**Funding / budget for e-procurement (EPADS) for 2024-25:**

During reported period, i.e. FY 2024-25, PPRA secured finances for the execution of EPADS activities. EPADS got a budget of Rs.376 Million from Federal Government for EPADS, out of which Rs. 374.115 Million were spent for EPADS activities during FY 2024-25.

**2 STATEMENT OF COMPLIANCE**

International Financial Reporting Standards (IFRS) as notified by the Institute of Chartered Accountants of Pakistan (ICAP) and adopted by the Securities and Exchange Commission of Pakistan (SECP), to the extent applicable to a statutory regulatory authority;

The Public Procurement Regulatory Authority Ordinance, 2002, and the rules and regulations made thereunder; The applicable provisions of the Public Finance Management Act, 2019, and related rules, where relevant; and Other applicable laws, directives, and financial reporting requirements in force in Pakistan.

**2.1 Basis of measurement**

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

**2.2 Functional and presentation currency**

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Authority's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

**2.3 Key judgements and estimates**

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Authority's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

-Useful lives, residual values and depreciation method of property and equipment – Note 3.1 & 4

The revisions to accounting estimates (if any) 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 and future periods.

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### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in the preparation of these financial statements:

#### 3.1 Property and equipment

##### Initial recognition

All items of property and equipment are initially recorded at cost.

##### Subsequent measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment loss (if any).

##### Depreciation

Depreciation is charged on written down value of assets at the rates mentioned in Note.4 to the financial statements. Full annual rate of depreciation is applied in the year of purchase while no depreciation is charged in the year of disposal.

##### Disposal

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as other income in the income and expenditure account. In case of the sale or retirement of a revalued property, the attributable revaluation surplus remaining in the surplus on revaluation is transferred directly to the statement of funds.

##### Judgement and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

#### 3.2 Impairment

The assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. The Authority recognizes the reversal immediately in the statement of Income and expenditure account, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

#### 3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks. These are carried at cost.

#### 3.4 Employees' benefits

##### Government employees

Pension, Gratuity, GP Fund and other similar payments of Government employees transferred to PPRA are the liability of the Authority. Therefore, liability for retirement benefits of Government employees is made in the financial statement. Monthly Contribution are deducted from individual employees and are deposited into bank account of the Authority.

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**PUBLIC PROCUREMENT REGULATORY AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**4 PROPERTY AND EQUIPMENT**

	<b>Land and Building</b>	<b>Furniture and fixture</b>	<b>Office equipment</b>	<b>Computer and accessories</b>	<b>Vehicles</b>	<b>Total</b>
<b>Cost</b>						
Balance at 01 July 2023	41,928,263	5,109,046	12,188,121	16,120,689	7,121,856	82,467,975
Additions		694,242		386,227		1,080,469
Disposals	-	-	-	-	-	-
Balance at June 30, 2024	41,928,263	5,803,288	12,188,121	16,506,916	7,121,856	83,548,444
<b>Additions</b>	-	<b>17,004,135</b>	<b>145,220</b>	<b>22,624,931</b>	<b>23,488,468</b>	<b>63,262,754</b>
<b>Disposal</b>						
<b>Balance at 30 June 2025</b>	<b>41,928,263</b>	<b>22,807,423</b>	<b>12,333,341</b>	<b>39,131,847</b>	<b>30,610,324</b>	<b>146,811,198</b>
<b>Depreciation</b>						
Balance at 01 July 2023	-	2,712,453	6,736,841	13,092,474	6,110,432	28,652,200
charge for the year	-	251,209	545,128	1,063,039	202,285	2,061,660
disposal						
Balance at 30 June 2024	-	2,963,662	7,281,969	14,155,513	6,312,717	30,713,860
<b>Balance at 01 July 2024</b>	-	<b>2,963,662</b>	<b>7,281,969</b>	<b>14,155,513</b>	<b>6,312,717</b>	<b>30,713,860</b>
<b>Charge for the year</b>	-	<b>614,560</b>	<b>497,510</b>	<b>1,572,511</b>	<b>2,645,384</b>	<b>15,591,225</b>
<b>Disposal</b>	-	-	-	-	-	-
<b>Prior year adjustment</b>	-	<b>57,875</b>	-	<b>63,727</b>	-	<b>121,602</b>
<b>Balance at 30 June 2025</b>	-	<b>3,636,097</b>	<b>7,779,479</b>	<b>15,728,023</b>	<b>8,958,101</b>	<b>46,426,687</b>
<b>Balance at 30 June 2025</b>	<b>41,928,263</b>	<b>19,171,326</b>	<b>4,553,862</b>	<b>23,403,824</b>	<b>21,652,223</b>	<b>100,384,511</b>
Balance at 30 June 2024	41,928,263	2,839,626	4,906,152	2,351,403	809,139	52,834,584
<b>Depreciation rate</b>		<b>10%</b>	<b>10%</b>	<b>33%</b>	<b>20%</b>	

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PUBLIC PROCUREMENT REGULATORY AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 ------(Rupees)-----	2024
<b>5 ADVANCES AND OTHER RECEIVABLES</b>			
Advances to employees			
- against motor car		29,178,361	33,847,935
- against basic pay		4,615,751	4,603,262
- against expenses		639,500	359,500
- against medical		-	420,290
Advance income tax	5.1	43,573,028	31,618,003
Public Sector Capacity Building Project (PSCBP)		-	1,106,496
Contributory Provident Fund investment		93,909,243	-
		<u>171,915,883</u>	<u>71,955,486</u>

PPRA has made short term T-bills investment of Rs. 93,909,243/- in the form of Contributory Provident Fund .

**5.1 ADVANCE INCOME TAX**

Income tax refund	19,929,156	7,134,986
Withholding tax on bank	9,486,699	9,486,699
Advance income tax on receipts/WHT	3,974,037	4,813,383
Advance income tax on bank profits	2,459,392	2,459,192
Advance income tax on T-bills	7,463,744	7,463,744
Advance income tax on vehicles purchase	260,000	260,000
	<u>43,573,028</u>	<u>31,618,003</u>

The tax refund amount includes an adjustment made during the corresponding year to rectify an error relating to the refund of the year 2020 amounting to Rs. 7,134,986.

**6 CASH AND BANK BALANCES**

Cash at bank		
- Saving account	521,148,608	548,355,035
Cash in hand	80,000	-
	<u>521,228,608</u>	<u>548,355,035</u>

This carry profit and profit is paid on Semi annual basis i-e at 30 June and 31 December of the respective year.

**7 OTHER PAYABLES (LONG TERM)**

Contributory Provident Fund-PPRA employees	108,928,178	85,397,522
Provision for gratuity	218,796,187	196,188,322
Provision for encashment of earned leaves	72,383,028	74,150,343
	<u>400,107,393</u>	<u>355,736,187</u>

**8 CREDITORS AND ACCRUED LIABILITIES**

Advance from Procuring Agencies	22,762,750	-
Withholding tax payable	285,600	328,293
Audit fee payable	68,425	59,800
Other payable	-	15,310
	<u>23,116,775</u>	<u>403,403</u>

**9 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments during the year ( 2024-25: nil)

**10 GOVERNMENT GRANT**

This represent grant received from Government of Pakistan during the year (2024-25: Nil)

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PUBLIC PROCUREMENT REGULATORY AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		----- (Rupees) -----	
<b>11 REGULATORY FEE</b>			
Advertisement income		500,339,450	294,048,058
Training income		7,034,892	675,000
Appeals/Review petition		33,572,475	29,428,810
		<u>540,946,817</u>	<u>324,151,868</u>
<b>12 OTHER INCOME</b>			
Profit on bank deposits		66,959,836	106,262,911
		<u>66,959,836</u>	<u>106,262,911</u>
<b>13 OPERATING EXPENSES</b>			
Salaries and benefits	13.1	468,762,914	531,824,849
Consultancy fee		814,479	1,276,000
Conference/Seminar/Trainings		4,461,862	800,000
Fuel		2,145,806	3,193,347
Traveling and conveyance		1,034,741	422,240
Repair and maintenance		25,824,712	1,608,173
Postage and telegraph		900,170	1,342,005
Utilities		6,457,615	5,058,426
Communication		1,187,513	1,523,096
Newspaper and periodicals		237,130	400,888
Stationary		4,588,841	1,956,802
Entertainment		612,694	86,464
Auditors' remuneration	13.2	68,425	59,800
Advertisement and publicity		2,722,632	1,341,066
Miscellaneous expenses		2,048,261	271,120
Bank charges		1,040,920	149,533
Security charges		2,541,588	1,912,975
Depreciation		15,712,827	2,061,660
		<u>541,163,130</u>	<u>555,288,444</u>
<b>13.1 Salaries and benefits</b>			
Salaries and wages		114,230,737	92,593,060
Allowances	13.1.1	218,762,176	207,601,271
Honorarium		46,761,147	43,737,509
Medical reimbursement		17,944,259	14,648,208
Earned leaves/ Casual leaves		28,294,742	57,345,421
CPF employer contribution		12,601,875	11,633,225
Gratuity expense		30,167,978	104,266,155
		<u>468,762,914</u>	<u>531,824,849</u>
<b>13.1.1 Allowances</b>			
Adhoc allowances		16,069,403	13,838,773
Conveyance allowance/VUMA		11,841,331	13,429,422
Regulatory allowance		96,119,244	91,710,474
House rent allowance		57,456,371	55,013,511
Regular/Other/Misc allowances		6,000,042	1,939,661
Transport monetization		929,160	77,430
Utilities allowance		29,619,375	27,572,000
Asset package for deceased employees		-	3,300,000
PhD/MPhil allowance		727,250	720,000
		<u>218,762,176</u>	<u>207,601,271</u>

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PUBLIC PROCUREMENT REGULATORY AUTHORITY  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		----- (Rupees) -----	
<b>13.2 Auditors' remuneration</b>			
Audit services			
Annual audit fee		68,425	59,800
Non-audit services			
Certifications for regulatory purposes		-	-
		68,425	59,800

**14 RELATED PARTIES TRANSACTIONS**

Related parties comprise subsidiary, associated companies, companies where directors also hold directorship, retirement benefits fund and key management personnel, no transactions with related parties during the year.

	2025	2024
	----- Numbers -----	
<b>15 NUMBER OF EMPLOYEES</b>		
Total employees of the authority at the year end	105	93
Average employees during the year end	93	93

**16 INCOME TAX EXPENSE**

	Note	2025	2024
Current year		27,443,462	15,153,426
Total		27,443,462	15,153,426

**17 TAX PAYABLE**

Current Year	27,443,462	15,153,426
Withholding Tax	(26,238,374)	(27,947,596)
Tax payable	1,205,088	(12,794,170)

**18 FIGURES**

Figures have been rounded off to the nearest rupee.

**19 GENERAL**

These statements were approved on 02 APR 2026 by the Board of Directors.

  
 DIRECTOR FINANCE

  
 MANAGING DIRECTOR